UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 2475

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

Left Side

- ✓ Certificate of Audit (Final).
- Interim Audit(s).
- Report of Review.
- Termination Notice or Agreement.
- Recision Notice.
- Assignment of Contract.
- ✓ Contract Amendments (latest on top).
- ✓ Contract with all exhibits and annexes.
- Owner's Consent to Lien.
- Subordination Agreement.
- Leases and assignments of leases.
- ✓ Application and attachments.
- Schedule of Collections.
- ✓ Operator's monthly reports and all attachments (latest on top).

Right Side

- ✓ Project summary.
- ✓ Work completed analysis.
- ✓ All other material is filed in chronological order with correspondence including the following reports as checked:
  - ✓ Final Field Team Report. (Tab)
  - ✓ Operator's Final Report.
  - ✓ Interim Reports.
  - ✓ On-site Exam Report(s). (Tab)
  - Settlement Sheets.

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

Maps in folder number _____

Operator's Monthly Reports in folder number _____

✓

gla
Reviewer's Initials

7973

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of:

Jim Creek Mines, Inc.
N. 3430 Cook Street
Spokane, Washington

pertaining to Exploration Project Contract No. Idm-E318, Docket No. DMEA-2475, including Amendments No. 1 and 2, covering a project of exploration for lead and zinc, in the Jim Creek No. 14 Lode, in Pend Oreille County, near Ione, Washington, for the period May 19, 1952, to March 8, 1954.

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

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

Total Cost as Billed by Contractor		$49,551.64
Less: Proceeds from property disposition		1,400.00
Adjusted Cost		$48,151.64
Exceptions (See Audit Report for details):		
Prior to this audit	$ -0-	
During this audit	651.64	651.64
Total Accepted Cost		$47,500.00

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Twenty-three thousand seven hundred fifty and no/100 Dollars

** $23,750.00 **

is valid and proper.

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

Date: May 3, 1954

E. J. Brekhus
Auditor

AUDIT REPORT

I INTRODUCTION

On April 19, 1954, a final audit (covering the period May 19, 1952, to March 8, 1954) was made of the records and accounts of operations pertaining to Contract Idm-E318, Docket No. DMEA-2475 (as amended by Amendments No. 1 and 2), with the

Jim Creek Mines, Inc.
N. 3430 Cook Street
Spokane, Washington

covering a project of exploration for lead and zinc in the Jim Creek No. 14 Lode, in Pend Oreille County, near Ione, Washington.

The accounting records under this contract are located in the company's offices at N. 3430 Cook Street, Spokane, Washington. Mr. W. L. Field, secretary of the company made the books available for audit and answered questions as required. His cooperation and assistance greatly facilitated the audit.

II GENERAL INFORMATION ON RECORDS

The accounting records for the exploration project are completely integrated, through an apparently modern and comprehensive system with the general accounts covering the company's other exploration and development operations. The corporate books consist of a general ledger, cash book, and check register.

The source documents covering the costs of this project are recorded on monthly work sheets, which form the basis for preparation of the monthly MF-104 reports. Therefore, the audit involved a general check of the source documents against the monthly work sheets and a reconciliation of the adjustments made by the certifying officer and accepted by the contractor. Reclassifications of previously accepted balances of items of cost made by the certifying officer and accepted by the contractor were not possible to reconcile, as detailed information was not maintained. It was therefore necessary to prepare schedules of all costs submitted by the operator and independently classify between items of costs, as well as determining allowability thereof.

III SCOPE OF AUDIT AND FINDINGS

The audit, in addition to ascertaining the accuracy, propriety, and validity of the costs as shown in the "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher for the month of December 1953, required a complete detailed reclassification between "Items of Cost." This involved a simultaneous scheduling of many elements of costs entering into construction of facilities, all covered by allowable maximums. The extent of the audit and the findings under each of the "Items of Cost" follow:

(1) Independent Contracts

Not applicable to this contract.

(2) Labor and Supervision $23,418.50

All charges in this category were checked against the recordings on the monthly work sheets. Distribution between Exploration, New Buildings, Improvements, etc., and contractor's other work was made on the basis of time

spent as recorded in the daily time books and submitted on the work sheets supporting the MF-104's. Labor charged for July 1952 was a pro rata amount of 88/112's of the monthly total, as the contractor performed 24 feet of crosscutting which was not in a location covered by the contract.

Payroll checks issued during the months of May, June, July, and December 1952, and January, August, and December 1953, were examined and checked against the net amounts paid as shown on the payrolls submitted. All or a portion of the labor charged during the months of February, March, April, May, August, September, October, and November 1953 was paid for on a labor contract basis. The contracts were examined and summaries made of the amounts as shown in the check register. These summaries were reconciled with the amounts billed, and all checks issued and returned by the bank after payment were checked against the individual amounts as shown.

Supervision was performed by John W. DeGraff from May 19, 1952, to January 31, 1953, at the approved rate of $450.00 per month, prorated in accordance with the time spent. No supervision was charged during February, March, April, and May 1953. As of June 1, 1953, Mr. F. H. Mitchell, the engineer, took over supervision of the operations. Mr. Mitchell, receiving $300.00 per month for part-time services to the company, charged $150.00 per month for the months of June to December 1953, inclusive, while the contract provides for supervision on the basis of full-time services for $450.00 per month; the representative of the Executive Officer of the DMEA Field Team has approved the performance by the engineer as satisfactory, and the allowance of $150.00 per month as fair and reasonable and within the terms of the contract.

Technical Services were performed by Mr. F. H. Mitchell, engineer for the project who is on the payroll of the company at $300.00 per month for part-time services. The operator charged $150.00 per month to exploration covered by this contract except for the months of July, November, and December 1952, and February, April, and May 1953, when a portion was charged to other operations. The allocations as made are considered fair and proper and the amounts charged are within the terms of the contract.

The audit disclosed that the costs as shown under this item on the December 1953 MF-104, as compared to the costs properly chargeable, and allowable, under the terms of the contract to be:

Item of Cost	Charged	Disallowed by Audit	Accepted Costs
Labor	$18,483.20	$ 82.84	$18,400.36
Supervision	2,892.28	30.00	2,862.28
Technical Services	2,155.86		2,155.86
Totals	$23,531.34	$112.84 1/	$23,418.50

1/ Errors in calculation on the May 19 to June 30, 1952, payroll.

(3) Operating Materials and Supplies $9,801.46

All charges within this category were checked against the monthly work sheets and documents supporting the charges. Payments were verified by reference to paid checks returned by the banks on a spot check basis. The monthly charges for July and November 1952, and March and October 1953 were traced through to the paid checks. All items charged by the operator were reclassified for presentation as shown in this report. This was necessary as the operator had lumped most of the charges under "Other Supplies"

up to April 1953. The voucher balances shown on the April 1953 voucher were reclassified by the certifying officer and the "Items of Cost" so reclassified were accepted by the operator. However, as detailed figures showing how the items were reclassified were not prepared by the certifying officer, the auditor was required to prepare a new reclassification as presented.

"Other Supplies" which was the account through which most of the charges in this category were originally placed was examined in detail and the charges reclassified without regard to the April 1953 adjustments which are not supported. The balance of $348.67 of Accepted Costs shown therein are supported and are acceptable as costs under this contract. The addition of $266.55 has resulted from this determination. A disallowance of $12.00 under Hardware and Electrical Materials is for the charge for a reel made by G. O. Toms Electric Company in April 1953. The invoice states the reel is subject to return and the charge therefore is disallowed.

The totals properly chargeable and allowable, the audit disallowances, and the accepted cost in this category were found to be as follows:

Item of Cost	Charged	Disallowed by Audit	Accepted Cost
Timber	$ 779.88	$	$ 779.88
Explosives	2,268.62		2,268.62
Pipe	330.95		330.95
Track	479.69		479.69
Drill Steel	299.25		299.25
Hardware and Electrical Materials	549.67	12.00	537.67
Small Equipment and Hand Tools	533.33		533.33
Ventilation Tubes	164.71		164.71
Gas, Oil, and Lubrication	1,884.05		1,884.05
Power	2,174.64		2,174.64
Other Supplies	82.12	(266.55)	348.67
Totals	$9,546.91	$(254.55)	$9,801.46

(4) Operating Equipment $5,173.02

All charges for operating equipment were checked against the monthly work sheets and the monthly rates specified in the contract. Costs for operating equipment used in construction of facilities under (6) New Buildings, Improvements, etc., and contractor's other work were prorated to these other items either on a footage basis or estimate by operator's superintendent. All allocations appear reasonable and fair and have been accepted by the representative of the Executive Officer of the DMEA Field Team. The totals charged for each item of equipment are within the total "allowable maximums" as specified in the contract.

Under Equipment Rental is a charge of $233.93 for an Atlas Rock Drill which was transferred to Equipment Purchased. An amount of $238.69 was also charged for this item in December 1952 under "Equipment Purchased." Thus out of a total cost of $538.69 paid for this Rock Drill, the Government participated in the amount of $472.62. Although this Drill was authorized

in the contract to be rented under Stage 1 at a rental of $75.00 per month, Stage II provides for its purchase at an estimated cost of $650.00. The cost has therefore been allowed to the actual category where the item ended up as "Equipment Purchased."

The contract provides for rental of a 25 KW Generator for 9 months at $200.00 per month, the allowable maximum. The operator billed for the period from May 9 to August 31, 1952 a total sum of $682.52. In November 1952 when settlement was made with the supplier, the operator paid $1,100.00 for rental of a 30 KW Generator for 8 months at a rate of $137.50 per month. Actual payment was verified by examination of the paid check returned by the bank. The discrepancy was called to the attention of the operator, who offered to rebill for the 6 months the generator was used at a rate of $137.50 per month. As this would have amounted to approximately $825.00 or an amount in excess of that actually billed, the amount of $682.52 is accepted as fair and reasonable and well within the allowable maximum of $1,800.00 provided for in the contract. It is also recognized that approved costs have been billed up to the full amount of the contract and any additional costs developed by any adjustment upward would not be reimbursable.

The proper and acceptable costs for Operating Equipment were found to be:

		Charged	Disallowed by Audit	Accepted Costs
Operating Equipment Rental				
Slusher & Scraper	@ $ 40.00 mo.	$ 191.43	$100.00 3/	$ 91.43
30 KW Generator	137.50 mo.	682.52 1/		682.52
75 HP Air Compressor	300.00 mo.	2,458.71 1/		2,458.71
GD-9 Loader	200.00 mo.	382.49 2/		382.49
		$3,715.15	$100.00	$3,615.15
Operating Equipment Purchased				
1 Atlas Rock Drill		$ 472.62		$ 472.62
Operating Equipment Depreciation				
Air Compressor	@ $ 50.00 mo.	$ 155.96	$	$ 155.96
Single Drum Hoist	@ 5.00 mo.	70.68	(2.46)	73.14
Jackhammer	@ 5.00 mo.	15.60		15.60
Ore Car	@ 2.00 mo.	6.23		6.23
Truck	@ 16.00 mo.	226.12	(7.89)	234.01
2 Sump Pumps	@ 8.00 mo.	113.06	(3.95)	117.01
Caterpillar with Dozer	@ 42.00 mo.	462.60	(20.70)	483.30
		$1,050.25	$(35.00) 4/	$1,085.25
Totals		$5,238.02	$ 65.00	$5,173.02

1/ Includes $58.71 each for hauling to site.

2/ Includes $44.99 for hauling to site.

3/ Duplicate billing in March 1953.

4/ Erroneous adjustment by certifying officer in April 1953.

All of the above equipment in use in July 1952 was billed for at 88/112's of the monthly charge, as the operator performed 24 feet of cross-cutting not covered by the contract.

(5) Initial Rehabilitation and Repairs

Not applicable to this contract.

(6) New Buildings, Improvements, etc. $7,826.78

Exhibit "A" of the contract provides for construction of a Headframe and Combination Hoist, Compressor and Change House, with allowable maximums of $2,500.00 and $2,000.00, respectively. It also provides under "Operating Equipment to be Purchased", for two Electric Sump Pumps and a Gasoline Driven Hoist at allowable maximums of $1,200.00 and $2,500.00, respectively. As these two items of equipment require considerable expenditures in both labor and materials for installation, they are included under this category as Improvements. The verification of the various elements of costs, in the units, in this category, was made concurrently with audit of exploration costs. The allocations, made by the operator, are accepted as shown. They are as follows:

Item of Cost	Headframe	Compressor & Chg. House	Electric Hoist	2 Electric Sump Pumps
Labor and Supervision	$1,177.42	$ 390.15	$ 749.19	$ 384.00
Materials and Supplies	825.39	628.30	163.25	128.46
Power	45.22	10.11	35.12	
Operating Equip. Purchased 1/	23.52		23.52	23.51
Operating Equip. Depreciation	34.00	43.00	49.36	20.64
Cost of Main Units		150.00	1,030.00	949.89
Moving Quonsit Hut		370.00		
Outside Carpenters	350.00	550.00		
Payroll Taxes	52.98	17.56	33.71	17.28
Liability Insurance	70.28	21.16	46.82	24.51
Total Cost	$2,578.81	$2,180.28	$2,130.97	$1,548.29
Disallowed by:				
Certifying Officer	78.81 2/	180.28 2/		
Auditor			4.19 3/	348.29 2/
Total Accepted Cost	$2,500.00	$2,000.00	$2,126.78	$1,200.00

1/ One Black and Decker Drill $70.55.

2/ In excess of "allowable maximum."

3/ Freight on Water Heater $1.95. Excess Payroll Taxes $2.24 - charged 4.5 percent, paid 4.2 percent.

(7) Miscellaneous $3,059.44

All charges under this category were checked against the supporting documents and distributions furnished with the monthly work sheets. Analysis of Repairs to Equipment, Sampling and Analysis, and Freight In was made concurrently with that of (3) Operating Materials and Supplies. Likewise verification of payment was made simultaneously with the previous section. Calculations of Payroll Taxes and Liability Insurance were also checked and adjustments made. Payroll Tax Returns were examined in detail and distributions against various elements of cost verified. This resulted in a small net additional amount chargeable to exploration. Liability Insurance was similarly adjusted.

The costs shown under this category as compared to the costs properly chargeable, and allowable, were found to be:

Item of Cost	Charged	Disallowed by Audit	Accepted Cost
Repairs to Equipment	$1,721.90	$8.13 1/	$1,713.77
Sampling and Analysis	37.00		37.00
Payroll Taxes	568.91	(4.87) 2/	573.78
Liability Insurance	651.27	(6.59) 2/	657.86
Miscellaneous Freight In	77.03		77.03
Totals	$3,056.11	$(3.33)	$3,059.44

1/ Duplicate billings of $6.59 and $0.93 on Western Machinery Company invoices in May 1952, and excess of $0.61 in billing over invoice of Tom Moar in November 1953.

2/ Adjusted to amount calculated.

IV CONCLUSIONS

The operator expended $49,279.20 of acceptable costs against this contract up to December 31, 1953. In a letter dated January 22, 1954, the operator offered $700.00 for the Government's interest in the equipment, materials, and supplies on hand. The offer was accepted by the Executive Officer of the DMEA Field Team as per his formal memorandum of February 16, 1954. As the offer of $700.00 is 50 percent (Government's interest), an amount of $1,400.00 has been credited to costs on the attached Summary of Costs. This reduced the total net costs accepted to $47,879.20. As the total amount of the Contract is $47,500.00, an additional lump sum disallowance of $379.20 is made to bring the total approved amount within the terms of the contract.

This audit has disclosed that all costs, as charged to this project, with the exception of the disallowances itemized under items (2) Labor and Supervision, (3) Operating Materials and Supplies, (4) Operating Equipment, (6) New Buildings, Improvements, etc., (7) Miscellaneous, and the lump sum disallowance for exceeding the amount of the contract as per the preceding sections of this report, are reasonable and proper under the terms of the contract, including the Exhibit "A", as amended.

The audit has disclosed that the status, as of the time of completion of the contract, of the "allowable maximums" under this contract were as follows:

Item	Allowable Maximum	Total Costs	Balance
Rental of Slusher and Scraper	$ 160.00	$ 91.43	$ 68.57
Rental of Drifter	300.00	-0-	300.00
Rental of Electric Generator	2,600.00	682.52	1,917.48
Rental of Air Compressor	2,700.00	2,458.71	241.29
Rental of Mucking Machine	1,000.00	382.49	617.51
2 Electric Sump Pumps-Installed	1,200.00	1,200.00	-0-
22 HP Electric Hoist-Installed	2,500.00	2,126.78	373.22
Hoist Compressor and Change House	2,000.00	2,000.00	-0-
Headframe	2,500.00	2,500.00	-0-
Total Operating Equip. Purchased	5,800.00	3,834.40	1,965.60
Repair Tool Shed	200.00	-0-	200.00

At the conclusion of the audit, the findings were discussed with Mr. Carl Carbon, Treasurer, and M. W. L. Field, Secretary of the Corporation.

M. J. BREKHUS
Auditor

May 3, 1954

The adjustments between Items of Costs, as shown on the December 1953 MF-104, the recommended disallowances, and approved amounts are summarized as follows:

Item of Cost	Totals Dec. 1953 MF-104	Distribution Corrected	Disallowed by Audit	Accepted Costs
(2) Labor and Supervision				
Labor	$18,483.20	$18,483.20	$ 82.84	$18,400.36
Supervision	2,892.28	2,892.28	30.00	2,862.28
Technical Services	2,155.86	2,155.86		2,155.86
(3) Operating Materials & Supplies				
Timber	736.96	779.88		779.88
Explosives	2,127.10	2,268.62		2,268.62
Pipe	283.74	330.95		330.95
Track		479.69		479.69
Drill Steel		299.25		299.25
Hardware & Electrical Materials		549.67	12.00	537.67
Small Equipment & Hand Tools		533.33		533.33
Ventilation Tubes		164.71		164.71
Gas, Oil, & Lubrication	1,882.31	1,884.05		1,884.05
Power	2,174.64	2,174.64		2,174.64
Other Supplies	2,766.50	82.12	(266.55)	348.67
(4) Operating Equipment				
Rental	3,786.67	3,715.15	100.00	3,615.15
Purchases	3,853.94	472.62		472.62
Depreciation	1,050.25	1,050.25	(35.00)	1,085.25
(6) New Buildings, Improvements, etc.	4,500.00			
Headframe		2,500.00		2,500.00
Compressor House & Change House		2,000.00		2,000.00
Electric Hoist - Installed		2,130.97	4.19	2,126.78
2 Electric Sump Pumps - Installed		1,548.29	348.29	1,200.00
(7) Miscellaneous				
Repairs to Equipment	1,601.01	1,721.90	8.13	1,713.77
Sampling & Analysis	37.00	37.00		37.00
Payroll Taxes	568.91	568.91	(4.87)	573.78
Liability Insurance	651.27	651.27	(6.59)	657.86
Miscellaneous Freight In		77.03		77.03
	$49,551.64	$49,551.64	$272.44	$49,279.20
Agreed value of equipment & supplies remaining - sold to operator		(1,400.00)		(1,400.00)
		$48,151.64	$272.44	$47,879.20
Disallowance for expenditures in excess of contract authorization			379.20	(379.20)
Totals		$48,151.64	$651.64	$47,500.00

GOVERNMENT COPY

Dock[illegible] No. DMEA-247[illegible] (lead-zinc)

(Amendment to Change Starting and/or Completion Dates)

Defense Minerals Administration
RECEIVED
DEC 4 - 1953

AMENDMENT NO. 2

It is agreed this 20th day of November 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Jim Creek Mines, Inc.

each acting in consideration of the agreement to the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E318 dated May 19 1952 between the parties hereto be modified and amended to change the ~~starting date from~~ _____ ~~to~~ ~~(No. of days)~~ ~~within ... of the date of the contract and the~~ completion period ~~(No. of days)~~ from 18 (No. of months) to 24 (No of months) from the date of the contract. The effective date of this amendment shall be November 19, 1953.

This amendment is made by authority granted the Executive Officer, DMEA Field Team, Region II, in Order No. 2684 by the Acting Secretary of the Interior.

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

Executed in sextuplicate the day and year first above written.

JIM CREEK MINES, INC.
(Operator)

By Carlos F. Whale

THE UNITED STATES OF AMERICA

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

JIM CREEK MINES, INC.
Docket No. DMEA 2475 (lead-zinc)
Exploration Project Contract No. Idm-E318

Justification of Amendment No. 2

The Operators will need an extension of time to complete the work under the exploration project contract because work was suspended April 29, 1953 and not resumed until June 16, 1953 due to excessive water in the shaft from the spring runoff.

W. S. Anderson

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

RECEIVED
DEC 1953

December 4, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2475 (lead-zinc)
Jim Creek Mines, Inc.
Pend Oreille County, Washington
Contract No. Idm-E318

Dear Mr. Selfridge:

Attached are the original and two signed copies of Amendment No. 2 to the subject contract, with attached justification.

Distribution of this amendment is being made in the usual manner.

Sincerely yours,

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

Attachment

cc: Finance Office w/encl.
USBM (2)
Puffett

RECEIVED
DEC 23 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

12-7

Government Copy

AMENDMENT NO. 1

It is agreed this 15th day of July 1952, between the the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Jim Creek Mines, Inc., Spokane, Wash. (Docket No. DMEA 2475 - lead-zinc)

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E318 of May 19 1952 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be May 19 1952.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2684 by the Acting Secretary of the Interior.

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

Executed in sextuplicate the day and year first above written.

JIM CREEK MINES, INC.
(Operator)

By Val G. Justa

The United States of America

By A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region II

GOVERNMENT'S COPY

JIM CREEK MINES, INC.
EXPLORATION PROJECT CONTRACT
DOCKET NO. 2475 - Idm-E318
Lead-Zinc

Amendment No. 1

EXHIBIT "F"

In order to cover the costs of sinking the shaft an additional 22 feet to form a sump for the 50-foot level drift, this amendment is made, effective as of May 19, 1952.

In Exhibit "A":

(1) Under "Description of the Work," add to Stage I the following:

3. Sink present shaft 22 feet on the vein in order to form a sump for the 50-foot level drift.

(2) Under "Estimate of Costs, Summary" delete everything under Stage I and substitute the following:

Drifting 125 feet (slusher drift) @ $30.00 per foot	$ 3,750.00	
Crosscutting 50 feet @ $35.00 per foot	1,750.00	
Sinking shaft 22 feet @ $100.00 per foot	2,200.00	
Operating equipment to be rented	800.00*	
Total Stage I		$ 8,500.00

(3) Under "Details," Stage I, (4) Operating Equipment to be Rented, on page 3, add:

"Electric generator set, 25 KW, with electric pump - 4 months @ $200/month $800.00*"

and change the total from $460.00* to $1,260.00*.

Jim Creek Mines Inc
Val G. Preston

JIM CREEK MINES, INC.
Exploration Project Contract Idm-E318
Docket No. 2475 Lead-zinc

a

Amendment No. 1

EXHIBIT "F"

Changes and modifications

In Exhibit "A" of the contract,

Delete:

Estimate of Costs

Summary

Stage I

Drifting 200 feet slusher drift @ $30.00 per foot	$6,000.00
Contingency	750.00

Add:

Stage I

X 3. Sink present shaft 22 feet on the vein in order to form a sump for the 50-foot level drift.

Estimate of Costs

Summary

Stage I

Sinking 22 feet @ $100 per foot	$2,200.00
Drifting 125 feet (slusher drift) @ $30.00 per foot	3,750.00

Under "Details"

Stage I

4. Operating Equipment - To be Rented

Y Electric generator set, 25 Kw, with electric pump - 4 months @ $200/month $ 800.00*

*Indicates allowable maximum

M. E. Volin, Member, DMEA Field Team, Reg. II July 21, 1952

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

Amendment No. 1 - Jim Creek Mines, Inc., Pend Oreille County, Wash., Docket DMEA 2475 (lead-zinc), Contract Idm-E318.

The subject amendment has been prepared to cover the cost of sinking the shaft an additional 22 feet to form a sump for the 50-foot level drift.

Soon after the examining team made a visit to the property on May 28, 1952 operations were shut down due to the spring thaw. The examining team at the time of their visit naturally expected that the shaft and station would be completed long before Washington approved the contract; consequently, no provision was made for shaft sinking in Stage 1. Unfortunately, shaft sinking was not completed and an increased flow of water was encountered, necessitating a larger pump. Amendment No. 1 has been prepared to cover these developments.

E. A. Magill

EAM:w

cc: Wash. (2)
USGS (2)
EAM (1)

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

So. 157 Howard Street
Spokane 4, Washington

July 26, 1952

Memorandum

To: Operating Committee, DMEA

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

Subject: Amendment No. 1, Jim Creek Mines, Inc., Pend Oreille County, Washington, Docket DMEA-2475 (lead-zinc), Contract Idm-3318.

Attached are the original and two copies of Amendment No. 1 to the subject contract together with a justification from T. A. Magill, U. S. Bureau of Mines, explaining the necessity for this amendment.

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

Enclosures 2

cc: USBM, Spokane (1)

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

So. 157 Howard Street
Spokane 4, Washington

September 15, 1952

Mr. Frank E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Jim Creek Mines, Inc.
Docket No. DMEA-2475
(Idm-8318 (Lead-Zinc)
Pend Oreille Co., Washington

Dear Mr. Johnson:

Reference is made to your letter of August 28, 1952.

Enclosed is the original and two copies of Exhibit "A" to Amendment No. 1 to the subject contract. This exhibit was prepared in Washington and sent to the field for approval of the operator and the Field Team. It is to be substituted for the attachment to the cover sheet to Amendment No. 1 which was mailed to you in June.

By copy of this letter the Fiscal Officer's copy is being mailed.

Sincerely,

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

cc: File (2) w/2 encls.
Fiscal Officer w/encl.

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA 2475

COMMODITY Lead-Zinc

Idm-E318

GOVERNMENT'S COPY

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

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 19th day of May, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2]

Jim Creek Mines, Inc.
W. 1114 Second Ave.
Spokane, Washington

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Washington, County of Pend Oreille, described as follows: [3] Unpatented mining claim, Mineral Claim No. 14, in Section 9, T. 38 N., R. 42 E., W. M. owned by Jim Creek Mines, Inc., and further known as Jim Creek No. 14 Lode, recorded in Vol. 1 page 494 Book of Quartz Record, Pend Orielle County, Washington

the Operator represents and undertakes: [4]

(*a*) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

None

(*b*) [redacted].

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for [5] lead - zinc

in or upon the described land; and shall bring the project to completion within a period of eighteen months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's l[illegible] attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

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

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

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 50 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $23,750.00, which is 50 percent of $47,500.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided*, that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

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

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

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

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

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

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

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

ARTICLE 11. *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, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* ____________

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration Administration

Jim Creek Mines, Inc.
(Operator)

By Val G. Preston Pres

I, V. L. Field, certify that I am the secretary of the corporation named as Operator herein; that ____________, who signed this contract on behalf of the Operator, was then ____________ of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

V. L. Field

[CORPORATE SEAL]

EXPLORATION PROJECT CONTRACT
JIM CREEK MINES, INC.
DOCKET NO. DMEA-2475

Exhibit "A"

Description of the Work

The exploration program is designed to explore an ore body partly exposed in the present shaft which has been sunk 55 feet. The program shall be done in two stages, Stage I to consist of drifting and crosscutting from the 50-foot level to determine the extent of the ore exposed in the shaft. If, in the opinion of the Government the results of Stage I warrant the continuation of the project, Stage II shall be approved and undertaken. Stage II shall consist of shaft sinking, drifting, and crosscutting to explore the extent of the ore body at greater depth.

Stage I

1. Drift (slusher drift) on the vein on the 50-foot level in either direction from the shaft to boundaries of ore shoot but not to exceed a total of 200 feet of drifting.

2. Crosscut a maximum of 50 feet to explore into hanging and footwalls near apparent center of ore shoot.

Stage II

1. Repair tool shed and shop; construct combination hoist-compressor-and-change house; construct headframe with two pockets.

2. Sink an additional 110 feet on vein.

3. Drift on the vein on the 150 level either direction from the shaft to the boundaries of the ore shoot but not to exceed a total of 400 feet of drifting.

4. Crosscut a maximum of 100 feet to explore into hanging and footwalls.

Estimate of Costs

Summary

Stage I

Drifting 200 feet (slusher drift) @ $30.00 per foot	$ 6,000.00

Crosscutting 50 feet @ $35.00 per foot	$ 1,750.00	
Contingency	750.00	
Total Stage I		$ 8,500.00
Stage II		
Sink shaft 110 feet @ $100.00 per foot	11,000.00	
Drift 400 feet @ $35.00 per foot	14,000.00	
Crosscut 100 feet @ $35.00 per foot	3,500.00	
Rehabilitation	200.00	
New Buildings	4,500.00	
Operating equipment to be purchased	5,800.00	
Total Stage II		39,000.00
Total Stages I and II		$47,500.00

Details

Stage I

(1) Independent Contracts

None

(2) Labor, Supervision, Consultants

Surface labor	$1.675 per hour
Underground labor	$1.775 per hour
Foreman	$450.000 per month*
Engineer (part time)	$150.000 per month*

These rates for labor are subject to overtime and revision to conform to rates generally paid for like work in the district in which the project is located.

(3) Operating Materials and Supplies

Schedule waived

* Indicates allowable maximum.

(4) Operating Equipment

To be rented:

Slusher and scraper for 4 months @ $40.00/mo.*	$160.00*
Drifter or jackhammer with jackleg for 4 months @ $75.00/mo.*	300.00*
	$460.00*

To be furnished by Operator:

	Estimated Replacement Cost	Monthly Allowance
Air compressor, 210 cfm gasoline driven	$3,000.00	$50.00*
Hoist, air, single drum	300.00	5.00*
Jackhammer	300.00	5.00*
Ore car	150.00	2.00*
Truck 3/4 ton, 4 wheel drive	1,000.00	16.00*
2 pumps (air sump) @ $250.00 each	500.00	8.00*
	Total	$86.00*

To be purchased:

None

(5) Rehabilitation and Repairs

None

(6) New Buildings, Improvements, Installations

None

(7) Miscellaneous

Schedule waived

* Indicates allowable maximum

Stage II

(1) Independent Contracts

None

(2) Labor, Supervision, Consultants

Same as in Stage I

(3) Operating Materials and Supplies

Schedule waived

(4) Operating Equipment

To be rented:

Air compressor, 500 cfm for 9 months @ $300.00/mo.*	$2,700.00*
Mucking machine, 5 months @ $200.00/mo.*	1,000.00*
Electric generator set, 25 KW, 9 months @ $200.00/mo.*	1,800.00*
	$5,500.00*

To be furnished by Operator:

	Estimated Replacement Cost	Monthly Allowance
Tractor caterpillar Mdl 35 with dozer	$2,500.00	$42.00*
Hoist, air single drum	300.00	5.00*
Jackhammer	300.00	5.00*
Ore car	150.00	2.00*
Truck 3/4 ton, 4 wheel drive	1,000.00	16.00*
2 pumps, air sump, @ $250.00 each	500.00	8.00*
	Total	$78.00*

* Indicates allowable maximum

To be purchased:

Skip, cable and sheave	$ 850.00
2 - Electric sump pumps @ $600.00 each	1,200.00*
Hoist, gasoline engine driven	2,500.00*
Drifter or drill with jackleg	650.00
4 - Ore cars @ $150.00 each	600.00
Total operating equipment to be purchased	$5,800.00*

(5) Rehabilitation and Repairs

Repair tool shed and shop	$200.00*

(6) New Buildings, Improvements, Installations

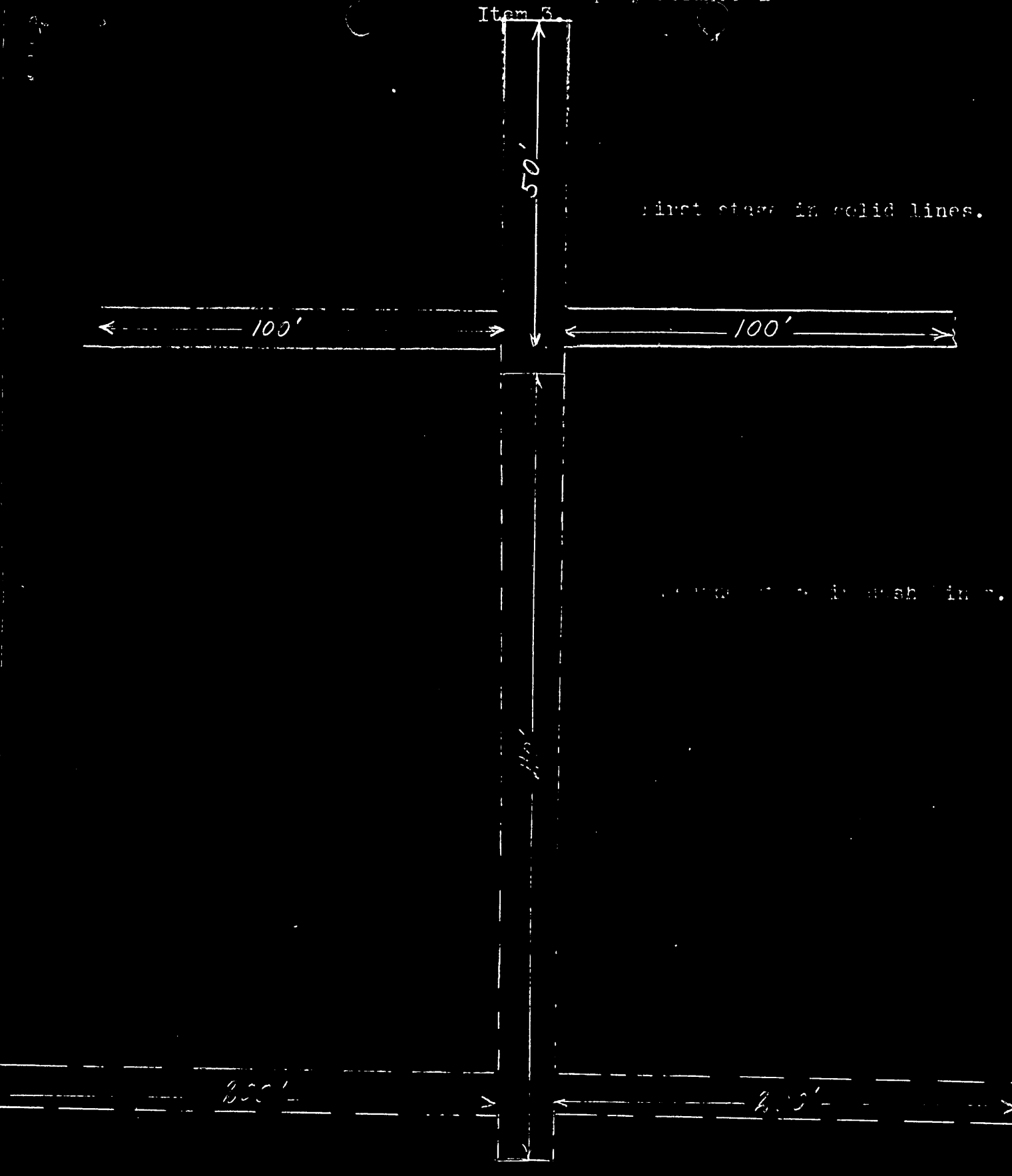
Construction of combination hoist, compressor and change house	$2,000.00*
Construction of headframe with two pockets	2,500.00*
Total	$4,500.00*

(7) Miscellaneous

Schedule waived

* Indicates allowable maximum

Sketch to accompany Form [illegible]-10[illegible]
Item 3.



Val 4. Preston

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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Form MF-103
(Revised June 1951)

#1

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

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

Not To Be Filled in by Applicant

Docket No. DMEA-2475
Metal or Mineral
Date Received 4-7-52
Amount $
Participation (Government %)

Jim Creek Mines Inc.,
W.1114 Second Ave.,
Spokane, Wn.

Name and address of applicant

Date March 10, 1952

If you have already filed MF-100, give date filed March 11, 1952 Type of assistance requested Exploration loan

DMA Docket Number (if available)

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property. Mineral Claim #14, located in S.W.¼ of the N.W.¼ Sec.9 T.38 N. R.42 E. Pend Orille Co. Washington.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application. Owner

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted. Same as (a)

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

RECEIVED APR 7 1952

2. (*a*) What metals or minerals do you expect to find? Silver, lead and Zinc.

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

See attached sheets and sketches

16—64067-2

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project? The required 50%

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO-5)? Yes

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions. None

CERTIFICATION

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

Jim Creek Mines Inc.,
(Name of company)

By Val G. Preston
(Signature of authorized official)

March 11, 1952
(Date)

Pres.
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

Additional data required to complete
Form MF-103.

2.(a) Silver,Lead & Zinc.
(b)The ore on this property occours in a dolomitic limestone,about 125ft.from a granite contact and is strongly sheared along the vein. The hanging wall is in a dense dark marbelized limestone and the footwall is a light blocky limestone.
A shaft,8'x 12' in cross section,dipping approximately 60deg. is now down 50 ft. in good ore all the way with an average ore width of 5ft. and an average sample value of Ag.2 oz.6% Pb.and 8% Zn. About 3ft.of the vein along the hanging wall is quite hi-grade.About 2ft.into the footwall is mineralized,and while not taken into consideration in these calculations,will make mill feed.

3.- It is proposed to explore this prospect by sinking and drifting on the ore in two stages.
STAGE No.1-To sink on the vein a distance of 70ft.and then drift on the 50ft.level each way from the shaft 100ft. making a
(a) total of 70ft.of sinking and 200ft.slusher drifting. The total cost would be $13,378.50
(b) This stage of the program is in progress with the shaft down 50ft.and should be completed in 90 days.
4.- Sketches -see seperate.
5.-Small steel building used as tool shed.Small headframe.No cost.
6.-None.
7.-Slusher and scraper @ $40.00 per mo. (a)
(b) drifter $1000.00
(c) 210 portable air compressor @$50.00 per mo.
Air Tugger Hoist-@$5.00 per mo.
Sinking bucket @ 2.00 per mo.
Jackhammer @ $5.00 per mo.
Ore car @ $2.50 Per mo.
3/4 ton truck,4 wheel drive @ $16.00 per mo.
8.- (Above figured on Dep.)
Present crew;1-hoistman @ $1.675 per hr.
1-Miner @ $1.775 " ".
1-Working foreman @$450.00 per Mo.
9.-All included in per foot costs.

Stage # 2.

3.-(a)It is proposed to sink the shaft an additional 120ft.and then drift 200ft.on either side of the shaft.The shaft would be an incline distance of 150 ft.from the collar, to the level,with a 40ft. sump below the level.
This work will include bringing in the electric power 1½miles and larger equiptment and facilities.
Total cost-$49,400.00
(b)Work to start on approval of Government and to be completed in approximately 8 months thereafter.
4.- Sketch attached.
5. Steel tool shed and shop.Remodel $200.00
6.- 1- Change house-$2000.00
2-Hoist and compressor house-$1000.00
3- Headframe and ore bin- $3500.00

7.- (a) 500 Cu.ft.compressor $300.00 per mo.
Mucking machine----- $200.00 " " .

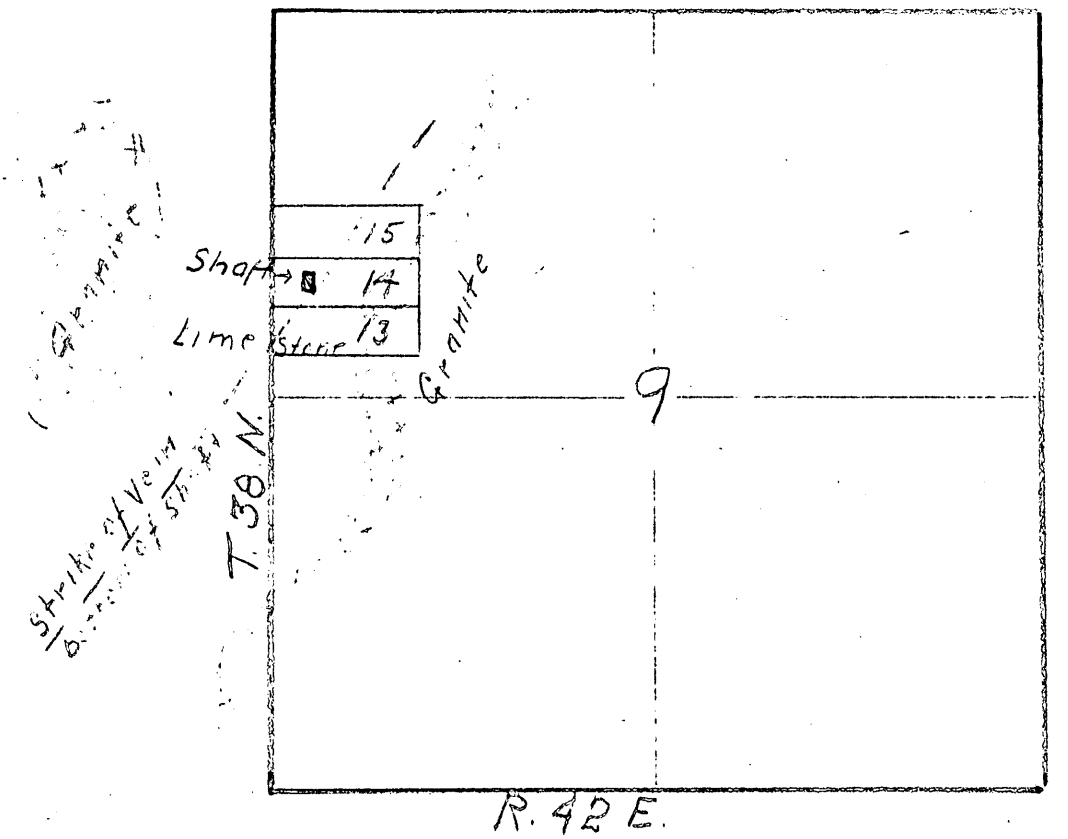
(b) Hoist,Elec.--------- $3500.00
(2)-1 ton skip,cable & sheave-$850.00
(3)-2 Elec.sump pumps----$1200.00
(4)-Extending power line 1½ miles,--$5000.00

(c) (1)-3/4 ton,4 wheel drive truck, -$16.00 per mo.
(2)-1/2 ton,4 wheel drive truck, -$15.00 " "
(3)-Catepillar #35 gasoline tracter & dozer,-$41.65 per.Mo.
(4)-Misc.tools,acetylene cutting and welding equipt.
(5)-2 air driven sump pumps.
(6)-2 jackhammers, $4.90 per mo.
(7)-6 lengths air hose.
(8)-1 water tank for wet drilling
(9)-1 Tanner tank, $4.00 per mo.
(10)-1 Beebe 5 ton hoist,$1.25 per Mo.
(11)- 2000# pull air tugger hoist,$6.50 per Mo.
(12)- 1 portable compressor,210 Cu.ft. $50.00 per mo.

Jim Creek Mines Inc.,
By Val G. Preston
Pres.

Sketch to accompany Form MF-103.

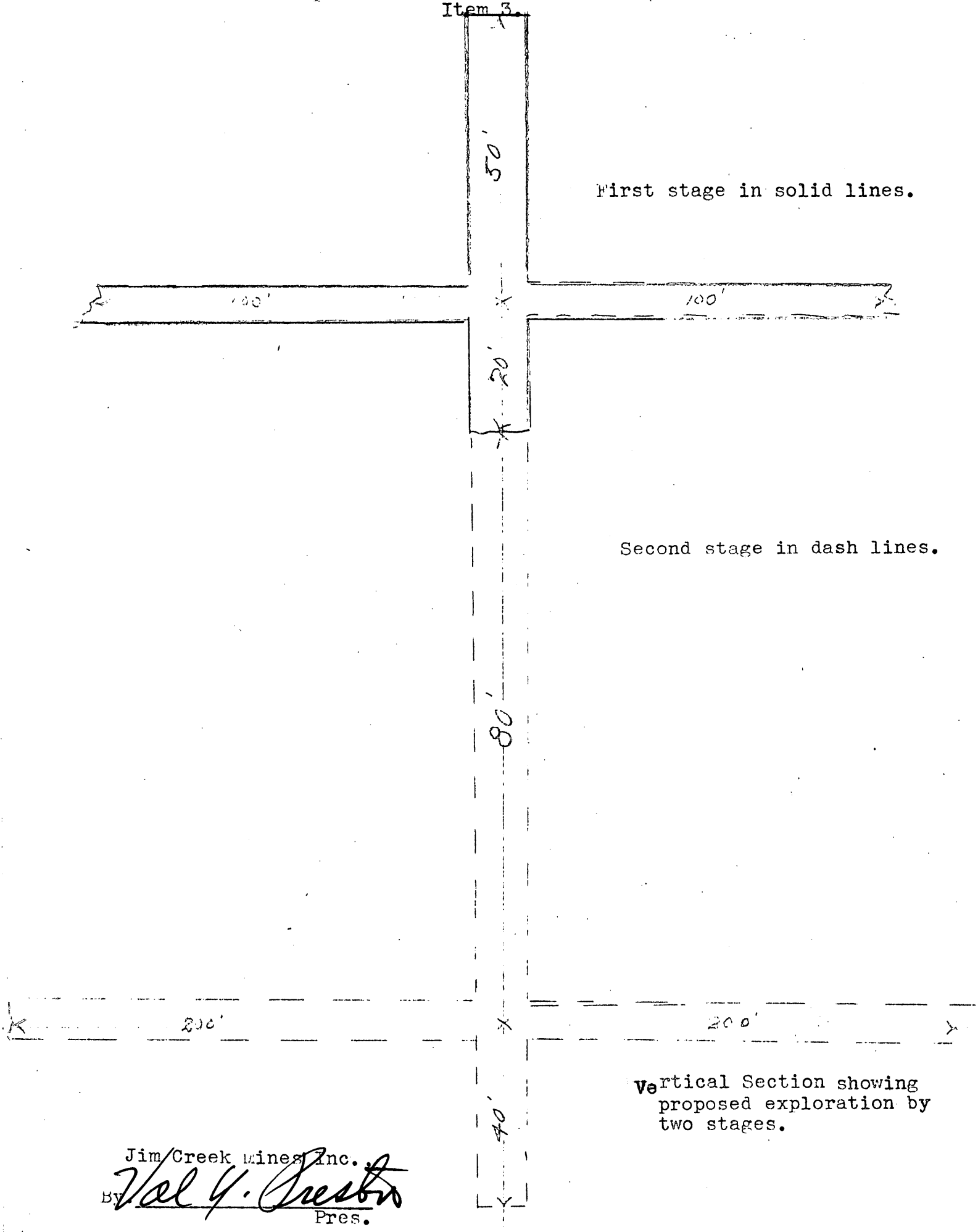
Item 2.-(b)



Jim Creek Mines Inc.,

By Val G. Sueltz
Pres.

Sketch to accompany Form MF-103
Item 3.



First stage in solid lines.

Second stage in dash lines.

Vertical Section showing proposed exploration by two stages.

Jim Creek Mines Inc.
By Val Y. Preston
Pres.

#2

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R10

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMEA-2475

Date received 4-7-52

Jim Creek Mines Inc.,
W.1114 Second Ave.,
Spokane,Wn.

Name and address of applicant

Date March 10,1952

INSTRUCTIONS

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

GENERAL TECHNICAL DATA

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

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products? None
   (*b*) What are the byproducts, if any? None
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following: Jim Creek Lead-Zinc Mine.
   (*a*) Linear feet of shafts. 50ft.
   (*b*) Linear feet of drifts and crosscuts. None
   (*c*) Linear feet of tunnels or adits. None
   (*d*) Linear feet of other mine openings (explain briefly). None

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity. No.None.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point. 8½ Miles N.W.of Ione,Wn.
   (*b*) Mining district. Metalline
   (*c*) Township, Section, Range. T.38 N.;Sec.9, R.42 E.
   (*d*) County, State. Pend Orille,Washington
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated. Jim Creek Mines.
   (*b*) Are you operating this property as:
   - [x] Owner.
   - [ ] Lessee.
   - [ ] Contractor.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 7 1952

5. Number of years in production No production
   If not in production or operation, estimated date when production will begin Estimate one year.
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project. Sucessful business men assisted by comsulting Engineer.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation. None
   (*b*) State briefly the known history and production of adjoining and neighboring properties. None close
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations. See attached sheet.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
Val Y. Preston	Pres. D	None	over $10,00	50,000			
Carlos F. White	V.P. Tres. D	None	over $10,000	14,000			
J. P. Carbon	D	None	over $10,000	12,000			
	Total	None	x x x x x	76,000		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$ 180,000	$170,000	$1.00	170,000	none
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	None	None	None	None	None
2. Quantity of product processed (specify unit of measure and type of process)	---	---	---	---	---
3. Quantity and grade of product sold or shipped (specify units of measure)	---	---	---	---	---

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. When exploration completed. Depends on amount pr

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on t ore reserves. See attached sheet.

Additional Data required to complete Form
MF-100

7.-History:

(c) An exposure of excellent grade Lead and Zinc ore was found on claim #14 in a limestone formation, near a granite contact. As this outcrop was a small island in a flat basin, completely covered with overburden it was recommended that a shaft be sunk on the ore to determine its extent, dip and strike. It was planned to sink approximately 70ft. and then drift on the ore at about the 50ft. level, on both sides of the shaft, to determine its extent. Then it was proposed to extend the shaft an additional 120ft. and again drift on the ore. At this date the shaft is down 50ft. in good ore all the way.

12.- Ore and mineral reserves:

(a) See 7.-(c) above.
(b) See separate sketch.

17.- Equiptment and facilities:

Tool shed (needs repairs)
Small headframe, O.K. for sinking 70ft. and drifting.
Single drum air hoist, with cable.
Small sinking buckets.
2-Fourwheel drive trucks (1-is 3/4 ton and 1- is ½ ton capacity)
Catapillar #35 gasoline tractor dozer.
Misc. tools, acytelene cutting and welding equiptment, grinder.
2-air driven sump pumps (75 ft. head)
2- Jackhammers with steel and bits.
6-50ft. lengths 3/4" air hose.
2- Line oilers.
1-Tanner tank.
1-Water tank for wet drilling.
3-1 ton roller bearing ore cars.
500' of 20# rails
1-Beebee 5 ton hand power hoist.
1-210 cu. ft. Chicago Penumatic portable compressor.
150 ft. 2" pipe.

All of the above in good condition.

Jim Creek Mines Inc.

By- Kel Y. Preston
Pres.

(*b*) If deposit is other than pla

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

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

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)	1000	Ag.2oz. 6%Pb.8%Zn.	$55.04	Unknown	Unknown

(*c*) If placer:

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

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

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

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

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

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

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads. 9½ Miles. 8 miles dirt and gravel-good condition.1½ miles-fair.

14. Water Supply:

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

15. Power:

State amount of power used, rate per hour, and source thereof. None.Use gasoline at present.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period. 1-hoistman,1-miner,and 1-working foreman.

17. Equipment and Facilities:

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

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain. None.

CERTIFICATION

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

Jim Creek Mines Inc.,
(Name of company)

By Val Preston
(Signature of authorized official)

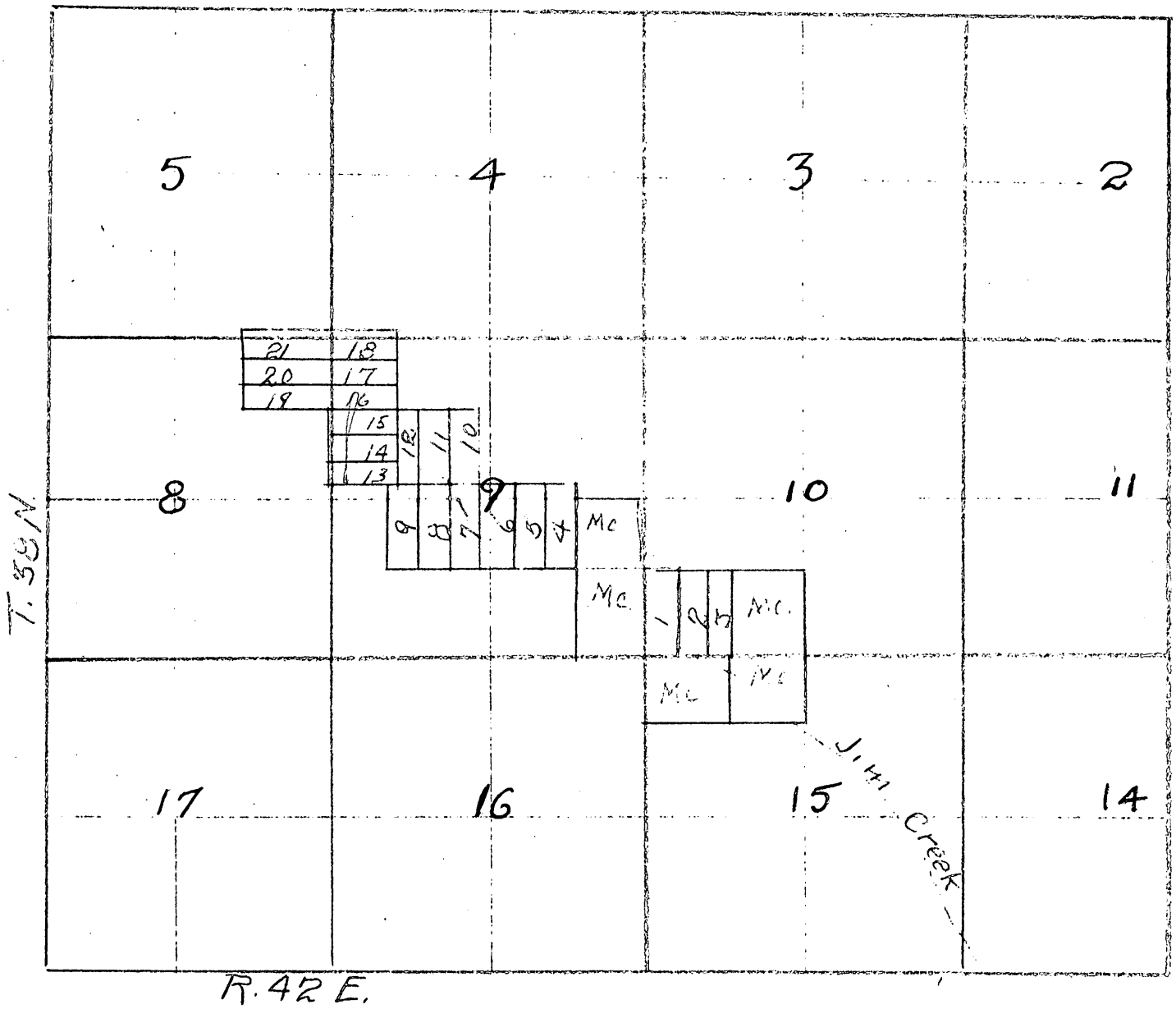
March 11,1952
(Date)

Pres.
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

Sketch to accompany Form MF-100.

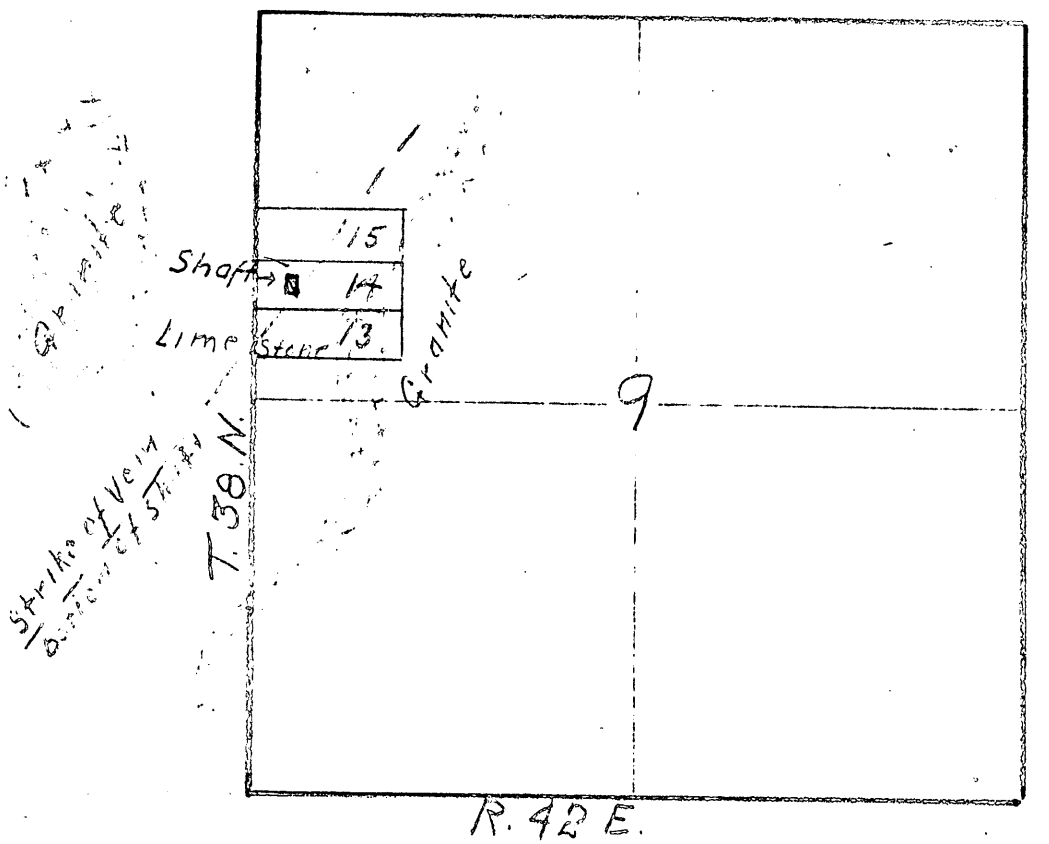


Jim Creek Mines Inc.
By Val G. Crest
Pres.

Jim Creek Mines Inc.
Claim Map
Metaline District
Pend Oreille Co. Wn.

Sketch to accompany Form MF-103.

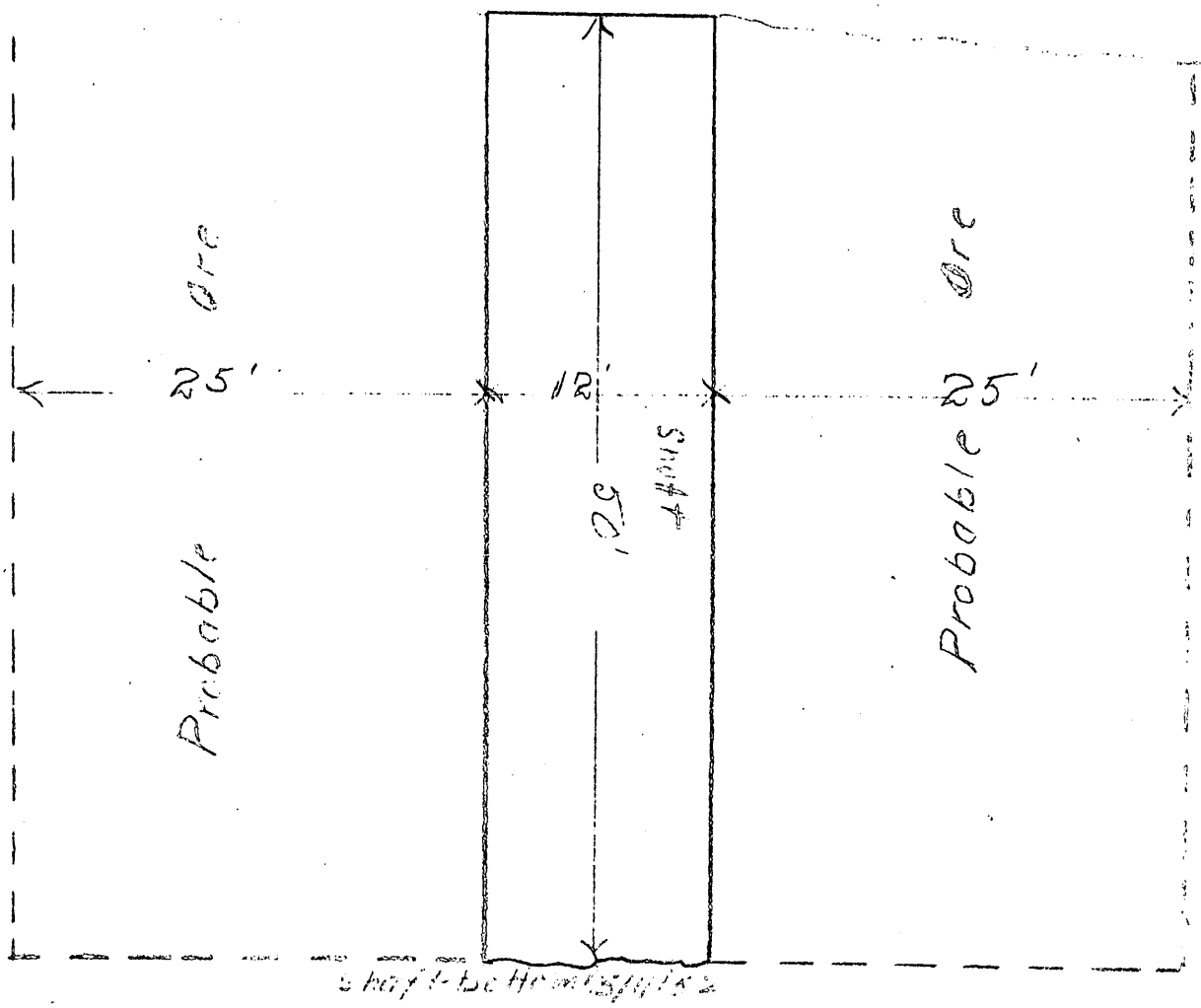
Item 2.-(b)



Jim Creek Mines Inc.,

By Val G. Preston
Pres.

Sketch to accompany Form MF-100.
Item 12. (b)



Probable Ore Calculations:

Shaft down 50 ft. with ore all the way. Average width-5ft.
Assume 25ft. of ore either side of shaft.

50'x 50'x 5'= 12500 cu.ft. or approx.1000 shot tons.
The average of samples show-Ag.2 oz.
Pb.6%
Zn.8%

Jim Creek Mines Inc.
By Val G Fuller
Pres.

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 2

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1953 Docket No. DMEA 2475 Contract No. Idn-318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address 3430 N. Cook Street, Spokane, Wash.
Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 23,750.00

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:						all Betty
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1,004.40	17,478.80	18,483.20	921.56	17478.80	18400.36
Supervision	150.00	2742.28	2,892.28	120.00	2742.28	2862.28
Technical Services	150.00	2,005.86	2,155.86	150.00	2005.86	2155.86
(3) Operating Mat'ls. and Supplies:						
Timber		736.96	736.96	42.92	736.96	779.88
Explosives	202.44	1,924.66	2,127.10	343.96	1924.66	2268.62
Pipe		283.74	283.74	47.21	283.74	330.95
~~Track~~ Gas oil lub.		1,882.31	1,882.31	1.74	1882.31	1884.05
Other supplies	51.80	2,714.70	2,766.50	81.93	2714.70	2796.63
Power	214.04	1,960.60	2,174.64	214.04	1960.60	2174.64
Track				479.69		479.69
(4) Operating Equipment:						
Rental		3,786.67	3,786.67	171.82	3786.67	3615.15
Purchase		3,853.94	3,853.94	338.32	3853.94	4192.26
Depreciation	71.00	979.25	1,050.25	106.00	979.25	1085.25
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		4,500.00	4,500.00	3326.78	4500.00	7826.78
(7) Miscellaneous:						
Repairs to Equipment	138.48	1,462.53	1,601.01	251.24	1462.53	1713.77
Sampling and Analysis		37.00	37.00	—o—	37.00	37.00
~~Payroll Taxes~~ Soc. Sec.	19.57	173.42	192.99	400.36	173.42	573.78
Liability Insurance						
Employment security	39.13	336.79	375.92	[illegible]	336.79	—o—
Workmen's compen.	43.50	607.77	651.27	50.09	607.77	657.86
Freight in				77.03		77.03
(8) Contingencies (specify):						
Salvage of equipment				1400.00		1400.00
Excess over Contract				299.20		299.20
TOTALS	2,084.36	47,467.28	49,551.64	32.72	47467.28	47500.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Jan. 19, 1954 *Payee Jim Creek Mines, Inc.
Per W. J. Freel 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:
16.36
.50 error on voucher 894 July 1953
16.86
.01
16.85
$ 16.85
Signature MJP
(Authorized Certifying Officer)
Date 6/23/54 Vou. No. 1198
(See other side)

adjusted to audit report. Final Payment

(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 318 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 1/20/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Engr Date 6/23/54

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-204A
(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 December 1953 Docket No. DMEA 2475 Contract No. Idm 318
Operator's Name Jim Creek Mines, Inc. Minerals Lead Zinc
Address U. 3430 Cook Street, Spokane, Wash.

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	468.00	13	15,047.20	390	37.80	400	35.00
Crosscutting	Ft	1,616.36	45	7,402.05	170.5	43.41	100	35.00
Raising								
Shafts	Ft			18,748.45	124	151.20		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2,084.36		41,197.70			TOTAL COSTS AUTHORIZED BY CONTRACT	
Operating Equipment Purchased				3,853.94				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				4,500.00				
TOTAL COSTS		2,084.36		49,551.64				

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. 19, 1954 Operator Jim Creek Mines, Inc.

Per W. Hell 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

JIM CREEK MINES INC.

Progress report
for
Dec. 1953.

During this month the west drift face was advanced to 118ft., and two X-cuts, one into the hanging wall for 10ft. and one into the footwall a distance of 15ft. Both were about 18ft. back from the face.

The east drift was not advanced but three X-cuts were advanced 20ft. three of these were in the footwall-the first 10ft. from the face, second 60ft. from the face and the third 80ft. from the face. These were driven to check the vein showing on the east side of the fault.

As the DMEA funds allocated for this project were exhausted early in the month most of this work was at company expense.

F.H.Mitchell

F.H.Mitchell

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage 2

Month of November, 1953 Docket No. DMEA 2475 Contract No. Idm-318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address 3430 Cook Street, Spokane, Wash.
Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1,517.14	15,961.66	17,478.80			
Supervision	150.00	2,592.28	2,742.28			
Technical Services	150.00	1,855.86	2,005.86			
(3) Operating Mat'ls. and Supplies:						
Timber		736.96	736.96			
Explosives	328.88	1,595.78	1,924.66			
Pipe	58.19	225.55	283.74			
~~XXXX~~ Gas oil lub.	60.10	1,822.21	1,882.31			
Other supplies	245.63	2,469.07	2,714.70			
Power	256.79	1,703.81	1,960.60			
(4) Operating Equipment:						
Rental	200.00	3,586.67	3,786.67			
Purchase		3,853.94	3,853.94			
Depreciation	71.00	908.25	979.25			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		4,500.00	4,500.00			
(7) Miscellaneous:						
Repairs to Equipment	75.66	1,386.87	1,462.53			
Sampling and Analysis	10.50	26.50	37.00			
Payroll Taxes Soc. Sec.	5.17	168.25	173.42			
Liability Insurance						
Employment Security	10.34	326.45	336.79			
Workmen's compen.	6.60	601.17	607.77			
(8) Contingencies (specify):						
TOTALS	3,146.00	44,321.28	47,467.28	3146.00	44321.28	47467.28

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

Date Dec. 18, 1953 *Payee Jim Creek Mines, Inc.

Per W. L. Field 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:

$ 1573.00

Signature [illegible]
(Authorized Certifying Officer)

Date 6/23/54 Vou. No. 1198
(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. 318 in accordance with the terms of the contract.

Signature 15/ Webster S Anderson Title Mining Engr Date 12/23/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 19 Stephen W Zolchak Title Mining Engr Date 6/23/54

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-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

State 2

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1953 Docket No. DMEA 2475 Contract No. Idm-318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address 3430 N. Cook Street, 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	2,649.26	80	14,579.20	385	37.87	400	35.00
Crosscutting	Ft	496.74	15	5,785.69	125.5	46.10	100	35.00
Raising								
Shafts	Ft			18,748.45	124	151.20		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		3,146.00		39,113.34				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				3,853.94				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				4,500.00				
TOTAL COSTS		~~3,146.00~~		~~47,467.28~~				

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 December 18, 1953 Operator Jim Creek Mines, Inc.

Per W. L. Field 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

JI [illegible] LTD INC.
Progress report
for
the month of November
19[illegible].

The work this month consisted of advancing both ends of the drifts.

The east drift continued to show sparse mineralization along the hanging wall and a five foot X-cut was driven into the hanging wall to see if it was carrying more of the vein there.

The west drift picked up good ore beyond the fault and striking almost parallel to the fault. This is either the faulted vein or could be another. It was necessary to take two X-cuts across in the hanging wall to locate the vein.

On Dec.1,19[illegible], the east drift was 140ft. from the shaft X-cut and the west drift face was 10 ft.

A burned out motor on the lower pump was the only incident this month.

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. 1150

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

Voucher prepared at 5/5/54
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E318

To Jim Creek Mines, Inc.
(Payee)

3430 N. Cook Street, Spokane, Washington
(Address) (City) (State)

PAID BY

(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.
	October 1953	Balance withheld on certified form MF-104 dated Nov. 10, 1953. Partial payment of $650.00 was made on Voucher 986 dated 11/20/53.				785.	64
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					

Shipped from to Weight Government B/L No. Total 785. 64

(Payee must NOT use this space)

Differences .....

Account verified; correct for 785. 64

(Signature or initials) R. J. Hindman

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

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Minerals Production Act, Interior	$785.64	$785.64

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

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 2

Month of October, 1953 Docket No. DMEA 2475 Contract No. Idm - 318
Operator's Name Jim Creek Mines, Inc. Minerals Lead - Zinc
Address 3430 N. Cook Street, Spokane, Wash.
Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1,155.06	14,806.60	15,961.66			
Supervision	150.00	2,442.28	2,592.28			
Technical Services	150.00	1,705.86	1,855.86			
(3) Operating Mat'ls. and Supplies:						
Timber		736.96	736.96			
Explosives	217.95	1,377.83	1,595.78			
Pipe						
~~Tech~~ Gas Oil Lub.	127.02	1,695.19	1,822.21			
Other supplies	580.83	1,888.24	2,469.07			
Power	201.96	1,501.85	1,703.81			
(4) Operating Equipment:						
Rental	137.50	3,449.17	3,586.67			
Purchase		3,853.94	3,853.94			
Depreciation	71.00	837.25	908.25			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		4,500.00	4,500.00			
(7) Miscellaneous:						
Repairs to Equipment	46.42	1,340.45	1,386.87			
Sampling and Analysis		26.50	26.50			
Payroll Taxes Soc. Sec.	7.18	161.07	168.25			
Liability Insurance						
Employment security	14.36	312.09	326.45			
Workmen's compen	12.00	589.17	601.17			
(8) Contingencies (specify):						
TOTALS	2,871.28	41,450.00	44,321.28	2871.28	41450.00	44321.28

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

Date Nov. 10, 1953 *Payee Jim Creek Mines, Inc.

Per V. Field 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

1435.64 withheld
785.64
650.00 paid.
$ 650.00

Signature
(Authorized Certifying Officer)

Date 11/20/53 Vou. No. 986
(See other side)

Partial payment of $650.00

(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 318 in accordance with the terms of the contract.

Signature /s/ Webster S. Anderson Title Mining Engr Date 11-12-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E. Howard Title Mining Engr Date 11-12-53

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 October 1953 Docket No. DMEA 2475 Contract No. Idm - 318
Operator's Name Jim Creek Mines, Inc. Minerals Lead - Zinc
Address 3430 N. Cook Street, Spokane, Wash.

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	2,871.28	63	11,929.94	305	38.95	400	35.00
Crosscutting	Ft			5,288.95	110.5	47.86	100	35.00
Raising								
Shafts	Ft			18,748.45	124	151.20		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2,871.28		35,967.34			TOTAL COSTS AUTHORIZED BY CONTRACT	
Operating Equipment Purchased				3,853.94				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				4,500.00				
TOTAL COSTS		2,871.28		44,321.28				

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. 10, 1953 Operator Jim Creek Mines, Inc.

Per W. H. Field 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

JIM CREEK MINES INC.

Progress report
for
October 1953

During this time the west drift was advanced 84ft.with scattered mineralization all the way.Two narrow bands,(probably along the hanging and footwalls)were quite good with light and spotty mineral showing between.The vein appeared to have a dip of about 42 deg. and a S.50 W. strike.However the mineralization was too scattered to be commerical.

The east drift was advanced 39 ft.with good ore showing all the way.A fault has just been encountered in the face which has apparently displaced the ore.It is quite probable that this drift has been along the hanging wall of the vein all the way as the values have increased as the drift has been turned to the right.The vein is quite flat,42 deg.will continue thru the fault as it appears to be pro-mineral.

Considerable trouble with the slusher loading ramps being damaged by concussion has caused much lost time and a mucking machine was rented the middle of the month.The distance from the faces is such that this is a much better method.Track has been placed to the faces and while there was about four days lost time getting this in operation the advance should be much faster.

The faces at the end of the month were as follows:

East face---90ft.
West face---75 ft.

Attn Tull

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

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 20 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Page 2

Month of October, 1953 Docket No. DMEA 275 Contract No. 1dm 1310
Operator's Name Jim Creek Mines, Inc. Minerals Lead, Zinc
Address 3430 N. Cook Street, Spokane, Wash.
Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1,378.88	13,427.72	14,806.60			
Supervision	150.00	2,292.28	2,442.28			
Technical Services	150.00	1,555.86	1,705.86			
(3) Operating Mat'ls. and Supplies:						
Timber		736.96	736.96			
Explosives	259.58	1,118.25	1,377.83			
Pipe		207.01	207.01	18.54	207.01	225.55
~~Track~~ Gas Oil Lub.	96.48	1,598.71	1,695.19			
Other supplies	223.40	1,757.33	1,980.73	130.91	1757.33	1888.24
Power	211.76	1,290.09	1,501.85			
(4) Operating Equipment:						
Rental *	80.00	3,449.17	3,529.17	-0-	3449.17	3449.17
Purchase		3,853.94	3,853.94			
Depreciation	71.00	766.25	837.25			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		4,500.00	4,500.00			
(7) Miscellaneous:						
Repairs to Equipment		1,266.50	1,266.50	73.95	1266.50	1340.45
Sampling and Analysis		26.50	26.50			
Payroll Taxes Se. sec.	7.51	153.56	161.07			
Liability Insurance						
Employment security	15.03	297.06	312.09			
Workmen's compen.	12.90	576.27	589.17			
(8) Contingencies (specify):						
TOTALS	2,656.54	38,873.46	41,530.00	2576.54	38873.46	41450.00

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

Date Oct. 20 1953 *Payee Jim Creek Mines, Inc.

Per W. L. Field 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:

$ 1288.27

Signature [illegible]
(Authorized Certifying Officer)

Date 10/22/53 Vou. No. 918
(See other side)

* No provision made for rental of slusher for Stage II

(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. F-138 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 10/21/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 10/21/53

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 2

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 20 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1953 Docket No. DMEA 2475 Contract No. Idm E318

Operator's Name Jim Creek Mines, Inc. Minerals Lead Zinc

Address 320 N. Cook Street, 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	2,446.82	70	9.116.97	242	37.67	400	35.00
Crosscutting	Ft	209.72	6	5,310.64	110.05	48.05	100	35.00
Raising								
Shafts	Ft			18.748.45	124	151.20		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2,656.54		33,176.06				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				3,853.94				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				4,500.00				
TOTAL COSTS		2,656.54		41,530.00				

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

Date Oct. 20, 1953 Operator Jim Creek Mines, Inc.

Per W. J. Field 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

RECEIVED
OCT 2 1953

JIM CREEK MINES INC.

Progress report
for
The month of September
1953

Track and switches were installed and ramps built to service both east and west drift headings. A dump car was also provided.

The east drift was driven on the formation a distance of 75' where the granite dike was again picked up. A joint showing of lead and zinc was found in the footwall of the drift and a 6ft. X-cut showed streaks of mineral so the drift was sidestriped on the footwall side and advanced on these showings.

The west drift started to show weak mineralization along the hanging wall of the drift and this became stronger as the drift advanced.

A great deal of trouble has been experienced with blast concussion damaging the slusher ramps and there has been much lost time on this account. Sometimes machine could scarcely keep things up.

The motor on the shaft pump burned out and caused a great deal lost time.

The advance for the month is as follows:

West drift - 75', face at 51ft.
East drift X-cut-6'
West drift- 75', face at 51 ft.

Attached

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 2

Month of August, 1953 Docket No. DMEA 2475 Contract No. Idm-E318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address N. 3430 Cook Street, Spokane, Wash.
Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
* Labor	1,715.65	12,132.07	13,847.72	1295.65	12132.07	13427.72
Supervision	150.00	2,142.28	2,292.28			
Technical Services	150.00	1,405.86	1,555.86			
(3) Operating Mat'ls. and Supplies:						
Timber		736.96	736.96			
Explosives	204.28	913.97	1,118.25			
Pipe		207.01	207.01			
Gas, oil, lub.	63.34	1,535.37	1,598.71			
Other supplies	113.99	1,695.23	1,809.22	62.10	1695.23	1757.33
Power	177.43	1,112.66	1,290.09			
(4) Operating Equipment:						
Rental		3,449.17	3,449.17			
Purchase		3,853.94	3,853.94			
Depreciation	71.00	695.25	766.25			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		4,500.00	4,500.00			
(7) Miscellaneous:						
Repairs to Equipment		1,214.61	1,214.61	57.89	1214.61	1266.50
Sampling and Analysis		26.50	26.50			
Payroll Taxes Soc. Sec.	9.98	143.58	153.56			
Liability Insurance						
Unemployment compen.	19.96	277.10	297.06			
Workmen's compensation	8.10	568.17	576.27			
(8) Contingencies (specify):						
TOTALS	2,683.73	36,609.73	39,293.46	2263.73	36,609.73	38,873.46

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

Date Sept. 17, 1953 *Payee Jim Creek Mines, Inc.

Per W. T. Field 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:

$ 1131.87

Signature (Authorized Certifying Officer)

Date 9/28/53 Vou. No. 926 (See other side)

* Although there was only 64 ft. of raising & drifting completed the operator paid for 92 ft of contract labor. 28 ft. labor

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

Signature S/ W. L. Anderson Title M. Eng. Date 9/18/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ P. E. Howard Title M. Eng. Date 9/18/53

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 2

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1953 Docket No. DMEA 2475 Contract No. Idm-E318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address 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	1,341.87	32	6,880.15	172	40.00	400	$35.00
Crosscutting	Ft	1,341.86	32	5,310.92	119.5	44.44	100	35.00
Raising								
Shafts	Ft			18,748.45	124	151.20		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2,683.73	64	30,939.52				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				3,853.94				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				4,500.00				
TOTAL COSTS		2,683.73		39,293.46				

Stage 2

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. 17, 1953 Operator Jim Creek Mines, Inc.

Per W. L. Field 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

JIM CREEK MINES Inc.,

Progress Report
for
August-1953

During this month a X-cut was driven northward from the shaft a distance of 77ft.(from the shaft hangingwall) and at the end of this X-cut an 8ft.drill hole showed only grey limestone.About 40ft.from the shaft a banded dolomite formation was cut.As this was the only favorable showing found and as it was approximately where the vein cut above could project,it was decided to drift both ways and see what materalized.At the end of the month 16ft.of drift had been driven on both sides.(3[illegible]ft.in all).The ground was badly fractured and contained a gret deal of iron.

Track was installed from the shaft pocket to the X-cut to a ramp at the point the drifts took off so as to continue slushing.

The power was off for half a shift.Tree over the line.

J.A. Mitchell

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 2

Month of July, 1953 Docket No. DMEA 2475 Contract No. Idm - E318

Operator's Name Jim Creek Mines, Inc. Minerals Lead Zinc

Address N. 3430 Cook Street, Spokane, Wash.

Contract Amount, $47,500.00 Government Participation: 50% Amount, $23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	997.55	11,134.52	12132.07			
Supervision	150.00	1,992.28	2142.28			
Technical Services	150.00	1,255.86	1405.86			
(3) Operating Mat'ls. and Supplies:						
Timber		736.96	736.96			
Explosives	50.83	863.14	913.97			
Pipe						
~~Truck~~ Gas Oil Lub.	44.63	1,490.74	1535.37			
Other supplies	59.92	1,635.31	1695.23			
Power	155.06	957.60	1112.66			
(4) Operating Equipment:						
Rental	415.36	3,149.17	3564.53			
Purchase	35.00	3,853.94	3888.94			
Depreciation	71.00	624.25	695.25			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		4,500.00	4500.00			
(7) Miscellaneous:						
Repairs to Equipment	77.73	1,101.88	1179.61			
Sampling and Analysis		26.50	26.50			
Payroll Taxes Soc. Sec.	19.46	124.12	143.58			
Liability Insurance						
Unemployment	38.93	238.17	277.10			
Workmen's Compen.	55.05	513.12	568.17			
(8) Contingencies (specify):						
TOTALS	2320.52	34,404.57	36725.09	2204.16	34404.57	36,608.73 Amt

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

Date Aug. 25, 1953 *Payee Jim Creek Mines, Inc.

Per W. L. Field 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:

$ 1102 (08)?

Signature [signature]
(Authorized Certifying Officer)

Date 9/4/53 Vou. No. 894
(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 318 in accordance with the terms of the contract.

Signature /s/ Webster S Anderson Title Mining Engr. Date 8/31/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E Howard Title Mining Engr. Date 8/31/53

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 2

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA 2475 Contract No. Idm-E318

Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc

Address N. 3430 Cook S treet, 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			5,538.28	140	39.56		200
Crosscutting	Ft	2,285.52	45	4,049.42	87.5	46.28		50
Raising								
Shafts	Ft			18,748.45	124	151.20		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2,285.52	45	28,336.15				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		35.00		3,888.94				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				4,500.00				
TOTAL COSTS		2320.52		36,725.09				

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

Date Aug. 25, 1953 Operator Jim Creek Mines, Inc.

Per W. P. Field 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

JIM CREEK MINES INC.

Progress report
for
July 1953.

The greater part of this month was spent cutting the 150ft. level station, timbering the station floor and bulk head below the floor to keep spillage out of the sump, also provide a bucket rest. This work consisted in 1635 cu.ft. of excavation and 800 sq.ft. timber flooring. It was necessary to replace a section of the shaft timbers, bucket slide and ladders adjacent to the station.

As the bulk head in the shaft prevented the use of the water sump below, extra pumping was required. Almost one third of the labor cost was pumping.

The progress this month was very slow as mucking was quite difficult and while the crew were excellent miners, they were very poor hand muckers, as this work had to be done on "days pay", the labor costs were excessively high. Again we were up against the usual isolation and lack of accomodations in making changes in the crew.

From this point on, all the work of drifting and x-cutting will be on a labor contract, thus eliminating most of the difficulty we have had, with resulting lower costs.

The water sump was opened and the big electric pump placed in a permanent position so that the time lost in pumping out has been eliminated.

H Tutt

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 2

Month of May and June, 1953 Docket No. DMEA 2475 Contract No. Idm-E318

Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc

Address 1114 W. Second Ave., Spokane 4, Wash.

Contract Amount, $47,500.00 Government Participation: 50% Amount, $23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	812.66	10,321.86	11,134.52			
Supervision	150.00	1,842.28	1,992.28			
Technical Services	150.00	1,105.86	1,255.86			
(3) Operating Mat'ls. and Supplies:						
Timber	59.85	677.11	736.96			
Explosives	26.87	836.27	863.14			
Pipe		207.01	207.01			
~~Fuel~~ Gas, oil, lub.	5.59	1,485.15	1,490.74			
Other supplies	125.08	1,525.05	1,650.13	110.26	1525.05	1635.31
Power	228.03	729.57	957.60			
(4) Operating Equipment:						
Rental	300.00	2,849.17	3,149.17			
Purchase		3,853.94	3,853.94			
Depreciation	71.00	553.25	624.25			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		4,500.00	4,500.00			
(7) Miscellaneous:						
Repairs to Equipment	6.18	1,080.88	1,087.06	21.00	1080.88	1101.88
Sampling and Analysis		26.50	26.50			
Payroll Taxes S.S.	15.19	108.93	124.12			
Liability Insurance						
Unemployment	30.38	207.79	238.17			
Workmen's compensation	31.42	481.70	513.12			
(8) Contingencies (specify):						
TOTALS	2,012.25	32,392.32	34,404.57	2012.25	32,392.32	34404.57

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

Date July 23, 1953 *Payee Jim Creek Mines, Inc.

Per W. L. Field 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:

$1006.13

Signature [signature]
(Authorized Certifying Officer)

Date 8/14/53 Vou. No. 866
(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. 318 in accordance with the terms of the contract.

Signature S/ W. Anderson Title M. Eng. Date 8/12/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ T. E. Howard Title M. Eng. Date 8/12/53

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 May and June 1953 Docket No. DMEA 2475 Contract No. Idm-E318

Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc

Address 1114 W. Second Ave., Spokane 4, 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			5,538.28	140	39.56		200
Crosscutting	Ft	700.95	15	1,763.90	42.5	41.50		50
Raising								
Shafts	Ft	1,311.30	2	18,748.45	124	151.20		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2,012.25		26,050.63				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				3,853.94				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				4,500.00				
TOTAL COSTS		2,012.25		34,404.57				

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 23, 1953 Operator Jim Creek Mines, 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

JIM CREEK MINES INC.

Progress report
for
May and June, 1958.

During the month of May the operation was closed down on account of weather conditions.

Early in June a contract was entered into with Mr. Robert Mahurin to complete the shaft and drifting called for in the DMEA contract. The shaft to be mucked out, a station to be cut at the 150ft. level and the necessary drifting (approx. 4 0ft. of drifting and x-cutting) on the 150ft. level. He to furnish all labor and usual maintainance for $15.00 per ft.

The shaft was pumped out, dump trestle repaired and extended, equiptment cleaned and repaired, station pump and piping replaced on 50ft. level. During this work a sudden flood of surface water and the failure of the signal bell to work the shaft was again flooded and both pumps had to be dried out.

The round of muck left in the shaft bottom from the previous work was mucked out and the shaft measured, (104 ft. of new shaft). As an additional 5ft. of shaft to provide more sump room was desirable, drilling was resumed when pump failure caused a delay and it was decided to start cutting the station and a bulkhead was installed in the shaft and stripping of the hanging wall for the station was completed at the end of the month.

F.H. Mitchell

F.H. Mitchell

[redacted]04 (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

State 2

Month of April 1953 Docket No. DMEA Contract No. Idm-E318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address 1114 W. 2nd Ave., Spokane 1, Washington
Contract Amount, $47,500.00 Government Participation: 50 % Amount, $ 27,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1,648.20	8,897.51	10,545.71	1648.20	8673.66	10321.86
Supervision		2,179.78	2,179.78		1842.28	1842.28
Technical Services	150.00	1,055.86	1,205.86	150.00	955.86	1105.86
(3) Operating Mat'ls. and Supplies:						
Timber					677.11	677.11
Explosives	70.72	624.03	694.75	70.72	765.55	836.27
Pipe				26.12	180.89	207.01
~~Timber~~ Gas, Oil & Lube				13.60	1484.72	1485.15
Other Supplies	652.27	5,003.11	5,655.38	306.62	1219.03	1525.05
Power		164.84	164.84	195.27	534.30	729.57
(4) Operating Equipment:						
Rental	300.00	2,549.17	2,849.17	300.00	2549.17	2849.17
Purchase	308.61	2,549.83	2,796.44	388.72	3464.22	3853.94
Depreciation	71.00	517.25	588.25	71.00	482.25	553.25
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		4,410.98	4,410.98	95	4500.95	4500.00
(7) Miscellaneous:						
Repairs to Equipment		411.97	411.97	43.15	1044.32	1080.88
Sampling and Analysis		26.50	26.50		26.50	26.50
Payroll Taxes S.S.	35.17	835.23	870.40	6.72	102.21	108.93
Liability Insurance Unempl.				13.45	194.34	207.79
Workmen's Comp				15.00	466.70	481.70
(8) Contingencies (specify):						
TOTALS	3,235.97	29,164.06	32,400.03	322826	29164.06	32392

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

Date May 22, 1953 *Payee Jimm Creek Mines, Inc.

Per W. Field 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:

$ 1614 13

Signature [illegible] (Authorized Certifying Officer)

Date 5/28/53 Vou. No. 780
(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 318 in accordance with the terms of the contract.

Signature /s/ Webster S Anderson Title Mining Engr Date 5/27/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E Howard Title Mining Engr Date 5/27/53

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-104
(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

Month of April 195 3 Docket No. DMEA 2475 Contract No. Idm-E318

Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc

Address 1114 W. 2nd Ave., Spokane 1, 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			5,538.28	140	39.56		200
Crosscutting	Ft			1,062.95	27.5	38.63		50
Raising								
Shafts	Ft	2939.49 ~~2,927.56~~	27	~~17,677.80~~ 17,437.15	122	144.90		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2939.49 ~~2,927.56~~		24039.32 ~~24,179.03~~				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		~~308.62~~ 389.72		~~5,435.65~~ 3853.94				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				~~4,401.25~~	4500.00			
TOTAL COSTS		~~6,653.97~~ 3328.26		32,500.03 32392.32				

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 May 22, 1953 Operator Jim Creek Mines, 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

JIM CREEK MINES INC.

Progress report
for
April 1953.

Rains and warm weather caused the winter snow pack to start melting and this made roads very bad and caused the water conditions in the shaft to become increasingly hard to handle. A sudden large ~~in~~ increase in water, apparently from the surface, drowned out both pumps the latter part of the month and as the road to the mine was in very bad shape it was decided to suspend work until June 1st., to keep costs within line. This would give time to repair roads and pumps.

During this month the shaft was advanced 27ft. to a total of 102 ft. of new shaft.

The fault encountered some distance above continued in the footwall of the shaft and was quite strong. The shaft was flattened to keep this fault in the footwall portion.

Yours very truly,

F.H.Mitchell

F.H.Mitchell, .M.

DMEA Field Team, Region II May 29, 1953

R. J. Hindman, Certifying Officer

Jim Creek Mines, Inc. contract Idm 23.8,
April 1953 MF-104.

The above report was received and processed for payment on the above date. There were no deletions as far as the April report itself was concerned.

It was necessary to make a complete reaudit of all of the vouchers that have been submitted from the time the contract was first started until the present time. The reason for this was that the requirements at this time in regard to cost breakdown is much more stringent than at the time the contract was first started. The audit revealed that many of the costs had to be redistributed, and they are now correctly shown in the "Government Use Only" column on the April MF-104. The Operator should be requested to change the totals to coincide with the ones shown in the "Government Use Only" columns. In future reports the enclosed instructions should be adhered to as closely as possible.

Some minor discrepancies were found in some of the earlier MF-104s and correcting entries were made in the last report to make the totals a correct figure. In the July 1952 MF-104 it was found that two invoices from Western Machinery Co. were actually paid twice. One was for $0.93; the other $6.59. A deletion was made for this.

On this same MF-104 the Operator did not claim the tax on the True's Oil Co. bill of $0.43. An addition was made for this item. In December 1952 the Operator made a typographical error of $0.33 in bringing the totals for supplies forward from his work sheet to the MF-104. In this case $0.33 was added to Item 3, Gas and Oil.

The revised cost distribution revealed that "New Buildings and Improvements", Item 6, was overpaid in a small amount of $0.95. This required a deletion. The total deletions exceeded the total additions on all of the above items by $7.71 -- the net deletion taken on the April, 1953, MF-104. I am sure if the Operator follows the instructions in the enclosed instruction pamphlet, future MF-104s will meet all of the auditing requirements. The total shown on the April MF-104 for Other Supplies, $1,525.05, is broken down further and included the following items.

Drill steel and bits	$223.71
Electrical supplies	355.08
Air and water hose and fittings	210.42
Small tools and equipment-- less than $50.00--	274.53
Bolts, nuts, and miscellaneous nails and spikes	44.46
Miscellaneous supplies	416.89
	$1,525.05

In the separate breakdown required for Item 3, "Other Supplies", the Operator should use the above categories, plus any additional expense item that is appropriate

R. J. Hindman

cc:
DF
AU
DMEA
Operator
Engineer
R. M. Hull
Washington (2)

Form [illegible] Rev.)
(Ap[illegible]2552)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 28 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March 1953 Docket No. DMEA 2475 Contract No. [illegible]318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address 1114 W. 2nd Ave., Spokane, Washington
Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 27,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1,706.80	7,190.71	8,897.51			
Supervision		2,179.78	2,179.78			
Technical Services	150.00	905.86	1,055.86			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	114.19	509.84	624.03			
Pipe						
Track						
Supplies	710.94	4,312.67	5,023.61	690.44		
		164.84	164.84			
(4) Operating Equipment:						
Rental	515.36	2,149.17	2,664.53	400.00		
Purchase		2,487.83	2,487.83			
Depreciation	71.00	446.25	517.25			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		4,410.98	4,410.98			
(7) Miscellaneous:						
Repairs to Equipment	112.77	299.20	411.98			
Sampling and Analysis		26.50	26.50			
Payroll Taxes	19.50	815.73	835.23			
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3,400.56	25,899.36	29,299.92	3,264.70	25,899.36	29,164.06

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

Date April 20, 1953 Payee Jim Creek Mines, 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:

$ 1632.35

Signature [signature] (Authorized Certifying Officer)

Date 4/24/53 Vou. No. 736
(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 318 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 4/20/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 4/20/53

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 [redacted]A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 28 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stage 2

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1953 Docket No. DMEA 2475 Contract No. Idm-E318
Operator's Name Jim Creek Mines, Inc. Minerals Lead Zinc
Address 1114 W. 2nd Ave., Spokane 4, 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			5,538.28	140	39.56		200
Crosscutting	Ft			1,062.95	27.5	38.63		50
Raising								
Shafts	Ft	3,400.56	33	14,786.30	75			
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		3,400.56		21,087.53				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				3,444.94				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				4,467.45				
TOTAL COSTS		3,400.56		29,299.92				

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 April 20, 1953 Operator Jim Creek Mines, Inc.

Per W. Field 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

J CLOUTH MINES INC.

Progress report for

The month of March 1955.

During this period the shaft was sunk an additional [illegible]feet, some time was lost due to bad roads, pumps and loss of time by the men.

A strong fault, dipping north 67 deg. came into the shaft from the footwall, about 30ft. from the bottom. This fault showed heavy movement and was about 18 inches in width. In places there was about [illegible] inches of gouge and considerable calcite. The water flow increased slightly as the fault was picked up and increased with depth.

The pumps we were using were unable to handle the water at this head and there was two days lost time securing other pumps.

The head sheave broke and another was purchased.

The shaft crew were on days pay for two days during this period as the unusual water conditions made extra work.

F.H.Mitchell

F.H.Mitchell, M.E.

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 2

Month of February, 1953 Docket No. DMEA 2475 Contract No. Idm-E318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address 1114 W. Second Ave., Spokane, Wash.
Contract Amount, $47,500.00 Government Participation: 50 % Amount, $ 23,750.00

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:						~~Alb.~~ Grosvold Betty J. W. Yall 5/4/53
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	2,100.00	4,374.11	6,474.11			
Supervision		2,179.78	2,179.78			
Technical Services		905.86	905.86			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Supplies	855.61	3,055.25	3,910.86			
(4) Operating Equipment:						
Rental	464.84	1,549.17	2,014.01			
Purchase		2,487.83	2,487.83			
Depreciation	71.00	339.25	410.25			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		4,410.61	4,410.61			
(7) Miscellaneous:						
Repairs to Equipment		299.20	299.20			
Sampling and Analysis		26.50	26.50			
Payroll Taxes		736.73	736.73			
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3,491.45	20,859.19	24,350.64			

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

Date March 25, 1953 *Payee Jim Creek Mines, 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:

$ 1745.73

Signature [signature] (Authorized Certifying Officer)

Date 4/6/53 Vou. No. 709

(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 318 in accordance with the terms of the contract.

Signature /S/ Webster S. Anderson Title Mining Engr Date 3/30/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E. Howard Title Mining Engr Date 3/30/53

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 53-38476

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
Defense Minerals Exploration Administration
RECEIVED
APR 13 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1953 Docket No. DMEA 2475 Contract No. Id-3018

Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc

Address W. 1114 Second Ave., 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			5,538.[illegible]	140	39.56		200
Crosscutting	Ft			1,062.95	27.5	38.63		50
Raising								
Shafts	Ft	3,491.45	48	9,857.02				
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		3,491.45		16,4[illegible].23				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				3,444.34				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				4,437.45				
TOTAL COSTS		3,491.45		24,3[illegible].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.

Date Mar.23,1953 Operator Jim Creek Mine, 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

JIM CREEK MINES INC.

Progress report
for
Feburary 1957.

Actual sinking the shaft started Feb. 4th., orking one shift and continued thru out the month.

There were two shifts lost, one from sickness and the other by a fuse on the 500 main line blowing.

The shaft was deepened 45ft. during this month. Total depth March 1, 1957 was 109'-6".

As the dip of the vein had flattened, in order to keep the hanging wall of the shaft, the dip of the shaft was changed to 45 deg. but so far had not encountered the vein. The last 15ft. of shaft showed considerable iron pyrite along the hanging wall. The formation was a blue limestone, with heavy fracturing.

Frank Fitzwell

... it will, ...

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.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 13 1953

Supplemental

OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage 2

Month of January 1953 Docket No. DMEA 2475 Contract No. Idn-E318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address 1114 W. Second Ave., Spokane, Wash.
Contract Amount, $47,500.00 Government Participation: 50 % Amount, $23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	716.60	4,374.11	5,090.71	716.60	6474.11	7190.71
Supervision					2179.78	2179.78
Technical Services					905.86	905.86
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	14.94	494.90	509.84	14.94	494.90	509.84
Pipe						
Track						
Supplies	402.14	3,055.25	3,457.39	402.14	3910.53	4312.67
					164.84	164.84
(4) Operating Equipment:						
Rental	300.00	1,549.17	1,849.17	300.00	1849.17	2149.17
Purchase		2,487.83	2,487.83		2487.83	2487.83
Depreciation	36.00	339.25	375.25	36.00	410.25	446.25
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		4,410.61	4,410.61		4410.98	4410.98
(7) Miscellaneous:						
Repairs to Equipment		299.20	299.20		299.20	299.20
Sampling and Analysis		26.50	26.50		26.50	26.50
Payroll Taxes	79.00	736.73	817.73	79.00	736.73	815.73
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,548.68	20,859.19	22,407.87	1548.68	21350.68	22899.36

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

Date Mar. 31, 1953 *Payee Jim Creek Mines, 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:

$ 774.34

Signature [signature]
(Authorized Certifying Officer)

Date 4/6/53 Vou. No. 716
(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 318 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 4/1/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 4/1/53

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.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
RECEIVED
APR 13 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Supplemental **OPERATOR'S UNIT COST AND PROGRESS REPORT** Stage 2

Month of January 1953 Docket No. DMEA 2475 Contract No. Idm-2318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address W. 1114 Second Ave., 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			5,538.28	140	39.56		200
Crosscutting	Ft			1,062.95	27.5	38.63		50
Raising								
Shafts		1,548.68		7,833.15				
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1,548.68		14,434.38				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				3,448.42				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc				4,525.07				
TOTAL COSTS				22,407.87				

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 Mar. 31, 953 Operator Jim Creek Mines, Inc.

Per W. Field 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

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

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

Stage 2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January 1953 Docket No. DMEA 2475 Contract No. Idm-E318

Operator's Name 1114 W. 2nd Ave., Spokane 4, Washington Minerals Lead - Zinc

Address Jim Creek Mines, Inc.

Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:	1,007.45	4,312.76	5,320.21	61.35	4312.76	4374.11
Labor	450.00	1,729.78	2,179.78	450.00	1729.78	2179.78
Supervision	150.00	755.86	905.86	150.00	755.86	905.86
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	14.94	494.90	509.84	—	494.90	494.90
Explosives						
Pipe						
Track						
Supplies	684.28	2,773.11	3,457.39	282.14	2772.78	3054.92
(4) Operating Equipment:	300.00	1,549.17	1,849.17	—	1549.17	1549.17
Rental		2,487.83	2,487.83		2487.83	2487.83
Purchase						
Depreciation	71.00	304.25	375.25	35.00	304.25	339.25
(5) Initial Rehabilitation and Repairs		4,410.61	4,410.61		4410.98	4410.98
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:		299.20	299.20		299.20	299.20
Repairs to Equipment		26.50	26.50		26.50	26.50
Sampling and Analysis	175.56	640.17	815.73	96.56	640.17	736.73
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2,853.23	19,784.14	22,637.37	1075.05	19784.18	20859.23

~~Auto~~ Greenwood Bolty

3/26/53 - Auditing office approved on this E.W.6.

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

Date Feb. 24, 1953 *Payee Jim Creek Mines, 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:

537.53

$ 537.53

Signature [signature] (Authorized Certifying Officer)

Date 3/12/53 Vou. No. 686

(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 318 in accordance with the terms of the contract.

Signature /s/ Webster S Anderson Title Mining Engr Date 3/6/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E Howard Title Mining Engr Date 3/6/53

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.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT Stage 2

Month of January 1953 Docket No. DMEA 2475 Contract No. Idm-E318
Operator's Name Jim Creek Mines, Inc. Minerals Lead - Zinc
Address 1114 W. 2nd Ave., Spokane 4, 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			5,538.28	140	39.56		200
Crosscutting	Ft			1,062.95	27.5	38.63		50
Raising								
Shafts		1,445.77		7,730.24				
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1,445.77		14,331.47				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		957.11		3,444.94				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		286.34		4,696.95				
TOTAL COSTS		2,689.22		22,473.36				

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. 24, 1953 Operator Jim Creek Mines, Inc.

Per _____ 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

JIM CREEK MINES INC.
Stage No.2
Progress report
for
~~March~~ January 1953.

This month saw most of the work preparatory to sinking, being completed and altho the weather was rather severe, fair progress was made.

The pump sump on the 50ft. level was completed and a heavy concrete dam poured. A 200 gpm. electric pump installed, along with suitable automatic level controls. A 3" discharge line from the pump to the surface completed.

The shaft was re-timbered to the bottom and new ladders, skids and pipe lines put in place. A new signaling system was installed.

A larger and heavier sinking bucket was purchased and a suitable dumping arraingment completed.

The hoist was aligned and anchored.

Blower and ventilation pipe installed.

These along with the usual minor details, preparatory to sinking comprised the work accomplished this month.

F. W. Mitchell

F. W. Mitchell, M.E.

2/12/53

Memo from T. T. property visited on Jan. 21. States that Cleaning out of bottom of shaft in preparation for pumping for Stage I of the Contract.

J. W. Ack

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage 2

Month of December 195 2 Docket No. DMEA 2475 Contract No. Idm-E318
Operator's Name Jim Creek Mines, Inc. Minerals Lead - Zinc
Address W. 1114 Second Ave., Spokane 4, Wash.
Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 23,750.00

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:						all
Drilling						~~Heating~~
Bulldozing						Betty
Crosscutting						
Drifting						
(2) Labor and Supervision:	239.44	4,073.32	4,312.76	[illegible]		
Labor	112.50	1,617.28	1,729.78	[illegible]		
Supervision	50.00	705.86	755.86			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		494.90	494.90			
Explosives						
Pipe						
Track						
Supplies	630.00	2,142.78	2,773.11	[illegible]		
(4) Operating Equipment:	300.00	1,249.17	1,549.17	300.00		
Rental	951.76	1,536.07	2,487.83	951.76		
Purchase	56.00	248.25	304.25	[illegible]		
Depreciation						
(5) Initial Rehabilitation and Repairs	920.08	3,576.66	4,496.74	[illegible]		
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		299.20	299.20			
Sampling and Analysis		26.50	26.50			
Payroll Taxes	42.64	597.53	640.17	[illegible]		
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3,282.~~95~~ 42	16,587.52	19,870.27	319.66	[illegible]	19,764.18

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

Date Jan. 26, 1953 *Payee Jim Creek Mines, Inc.

Per W. Field 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: 1598.33
1598.33
$ ~~1478.~~ ~~44~~

Signature [illegible]
(Authorized Certifying Officer)

Date 1/30/53 Vou. No. 638

(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 318 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 1/27/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 1/27/53

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-204A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 5 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stage 2

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 195 2 Docket No. DMEA 2475 Contract No. Idm-E318

Operator's Name Jim Creek Mines, Inc. Minerals Lead - Zinc

Address W. 1114 Second Ave., Spokane 4, 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			5,538.28	140	39.56		200
Crosscutting	Ft			1,062.95	27.5	38.65		50
Raising								
Shafts		1,410.91		6,284.47				
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1,410.91		12,885.70				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		951.76		2,487.83				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		920.08		4,496.74				
TOTAL COSTS		3,282.75		19,870.27				

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. 26, 1953 Operator Jim Creek Mines, 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

(1)

JIM CREEK MINES INC.

Progress report
For
December 1952.

This month was principally spent on construction and keeping the road open as there was several severe snow storms.

The headframe was erected along with an ore pocket and dumping trestle.The hoist was installed and all the electrical power wireing to the various units of equiptment completed.

The shaft collar was squared up and two sets of timber,along with guides,lagging,ladders and slide were installed.

The work outside was slowed down by rather severe weather,but as the crew consisted of only the foreman and two men the progress was not too bad.

F.H.Mitchell

F.H.Mitchell,E.M.

104 (Rev.)
April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Budget Bureau No. 42-R036.3.
Approval expires 6-30-53.
Defense Minerals Administration
RECEIVED
JAN 12 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November 1952 Docket No. DMEA 2475 Contract No. Idm-5318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address 1114 W. Second Ave., Spokane 4, Washington
Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	530.70	3,542.62	4,073.32			
Supervision	225.00	1,392.28	1,617.28			
Technical Services	75.00	630.86	705.86			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	16.73	478.17	494.90			
Pipe						
Track						
Supplies	194.12	1,948.66	2,142.78			
(4) Operating Equipment:						
Rental	300.00	949.17	1,249.17			
Purchase	1,536.07		1,536.07			
Depreciation		268.25	268.25			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	2,268.92	1,488.02	3,756.94	2088.64	1488.02	3576.66
(7) Miscellaneous:						
Repairs to Equipment	164.67	134.53	299.20			
Sampling and Analysis		26.50	26.50			
Payroll Taxes	85.20	512.33	597.53			
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	5,396.41	11,371.39	16,767.80	5216.13	11,371.39	16,587.52

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

Date Jan. 2, 1953 *Payee Jim Creek Mines, Inc.

Per W. P. Field 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:

$ 2608 06

Signature [illegible]
(Authorized Certifying Officer)

Date 1/7/53 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 318 in accordance with the terms of the contract.

/s/ Signature Webster S Anderson Title Mining Engr. Date 1/5/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

/s/ Signature Thomas E Howard Title Mining Engr. Date 1/5/53

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 2

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 12 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1952 Docket No. DMEA 2475 Contract No. Idn-L318
Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc
Address 1114 W. Second Ave., Spokane 4, 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.			5,538.28	140	39.56		200
Crosscutting	Ft.			1,062.95	27.5	38.63		50
Raising								
Shafts		1,591.42		4,872.21				
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1,591.42		11,473.44				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		1,536.07		1,536.07				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		2,268.92		3,756.94				
TOTAL COSTS		5,396.41		16,766.45				

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.

Date Jan. 2, 1953 Operator Jim Creek Mines, Inc.

Per W. L. Field 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

JIM CREEK MINES INC.
Progress report,
for
Month ending Nov.30.
Stage #2.

A raise was driven from the west drift to intercept the water course in the shaft above the 50ft.level and preparations made to install dams for a sludge chamber and clear water sump using the west drifts and x-cuts.Pump and piping removed from the shaft to prepare for sinking.The base for the headframe foundation timbers was prepared and a new collar set installed.

The hoist building was erected along with a change room and shower stalls.The power and light wireing was partially completed,the compresser and hoist were hauled in.The main part of the headframe,along with the trestle bents for the waste and ore tracks were framed ready to erect.

The grounds around the shaft and building was cleaned up,graded and partially graveled.Materials were put in proper shape for the winter snows.

Yours very truly,
F.H.Mitchell,E.M.

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

Wash

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 September and October, 1952 Docket No. DMEA 2475 Contract No. Idm-318

Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc

Address 1114 W. Second Ave., Spokane 4, Washington

Contract Amount, $47,500.00 Government Participation: 50 % Amount, $23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor		3,542.62	3,542.62			
Supervision	225.00	1,167.28	1,392.28			
Technical Services	150.00	480.86	630.86			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives		478.17	478.17			
Pipe						
Track						
Supplies	174.75	1,773.91	1,948.66			
(4) Operating Equipment:						
Rental		949.17	949.17			
Purchase						
Depreciation		268.25	268.25			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	1,340.17		1,340.17	1488.02		1488.02
(7) Miscellaneous:						
Repairs to Equipment		184.53	184.53			
Sampling and Analysis	18.50	8.00	26.50			
Payroll Taxes	35.65	476.68	512.33			
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2,144.07	9,279.47	11,423.54	2091.92	9279.47	11,371.39

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

Date Dec. 1, 1952 *Payee Jim Creek Mines, Inc.

Per W. Field 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:

$ 1,045.96

Signature [signature]
(Authorized Certifying Officer)

Date 12/9/52 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. 318 in accordance with the terms of the contract.

Signature Webster S. Anderson Title Min Engr Date 12-8-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E. Howard Title Min Engr Date 12-8-52

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-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 September and October 1952 Docket No. DMEA 2475 Contract No. 1[illegible]-318

Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc

Address 1114 W. Second Ave., Spokane 4, 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			5,5[illegible].28	140	39.56		200
Crosscutting	ft			1,0[illegible].05	27.5	39.63		50
Raising								
Shafts		605.50		3,260.70				
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		605.50		9,8[illegible].08				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		1,540.17		1,540.17				
TOTAL COSTS		2,14[illegible].67		11,4[illegible].19				67,5[illegible].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 Dec. 1, 1952 Operator Jim Creek Mines, Inc.

Per W. L. Field 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

JIM CREEK MINES INC.

Progress report
for stage #2
Months of Sept.& Oct.1952.

The underground work consisted of driving the west drift on the hangingwall vein to a distance of 98ft.from the shaft,and a x-cut was driven from the shaft north to the granite contact,a distance of 58ft. All the drifts and x-cuts were cleaned out and preparations made to make a large pump sump useing the west workings on the 50ft.level.This would impound the water now being made above this level in the shaft thus keeping it out of the way of sinking and reduce pumping costs.A float controlled pump on this level will take the water to the surface.As all the water now being made will be picked up this will reduce pumping costs.

On the surface,the road from the camp to the shaft was rebuilt and a part relocated on higher ground.Culverts were installed to insure proper drainage,the sides ditched and cleared for snow disposal.

A deal was made with the P.U.D. whereby the power line was extended from the camp to the shaft with no cost to us except that of an $85.65 per month minimum for a period of 5 years.In case usage was discontinued the salvage of the line would be credited to the balance due.

Two buildings were purchased from the Bureau of Reclaimation at Grand Collee Dam and dismantled and transported to the camp.One of these, a 20'x 48' Steel Quansot will be used at the shaft for the combination hoist,compressor and change house.The other (not covered by this contract) will be erected at camp.

The site at the shaft was cleared and graded and all timber,powder and large operating supplies were obtained and hauled in before winter set in.

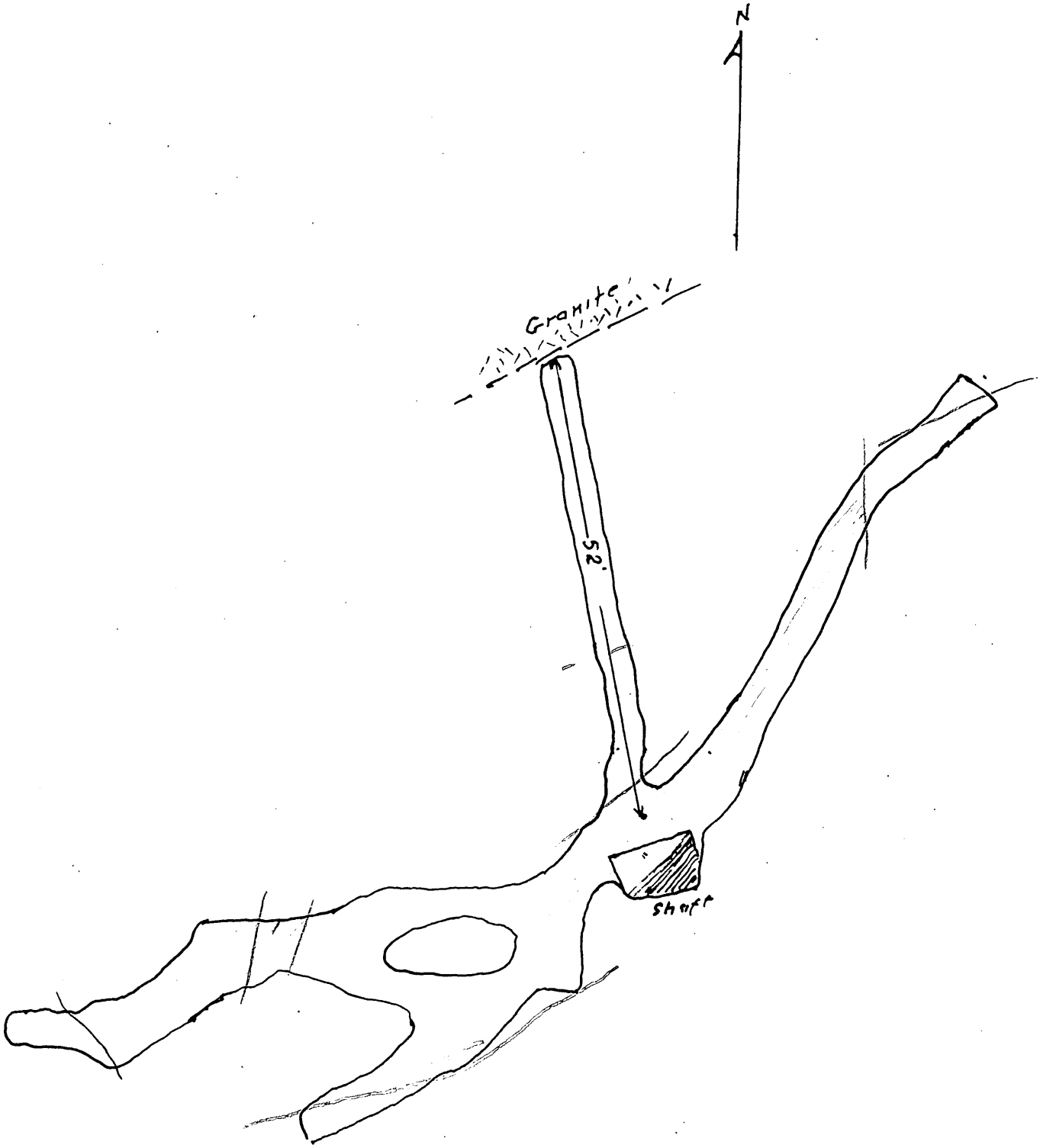
A compressor,hoist,fan and other necessary equiptment have been located and will be delivered as needed.

Every effort is being made to have things in proper shape to carry out the work in stage #2 thruout the winter with the least delay during the severe weather we may expect up here.

Respectively submitted,

Yours very truly,

D.H.Mitchell,E.M.



Jim Creek Mine
November 1, 1952
50' Level
scale 1" = 20'

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. Wash DMA-453

Bu. Vou. No.

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

Voucher prepared at Albany, Oregon 10/24/52
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E 318

To Jim Creek Mines, Inc
(Payee)

W. 1114 Second Avenue, Spokane 4, Washington
(Address) (City) (State)

DEPARTMENT OF THE INTERIOR Minerals Administration RECEIVED OCT 28 1952

PAID BY

(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 net	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	August 1952	As per attached certified form MF-104 dated September 22, 1952				977	66
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary				977	66

Shipped from to Weight Government B/L No. Total

(Payee must NOT use this space)

Differences

977 66

Account verified; correct for

(Signature or initials)

Contract No. Idm-E 318 Date Req. No. Date Invoice Rec'd.

977.66

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't.	Appropriation
14X4401	Revolving Fund, Defense Production Act, Interior	~~977.66~~ Amount	~~977.66~~ 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

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

Wash

DEPARTMENT OF THE INTERIOR
Budget Bureau No. 42-R1036.3.
Approval Expires 6-30-53.

RECEIVED
OCT 28 1952
Defense Minerals Administration

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

Month of August 1952 Docket No. DMEA 2475 Contract No. IC-318
Operator's Name Jim Creek Mines, Inc. Minerals Lead - Zinc
Address W. 1114 Second Avenue, Spokane 4, Washington
Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	549.65	2,992.97		549.65	2,992.97	3,542.62
Supervision	225.00	942.28		225.00	942.28	1,167.28
Technical Services	150.00	330.86		150.00	330.86	480.86
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	109.82	368.35		109.82	368.35	478.17
Pipe						
Track						
Supplies	284.42	1,489.49		284.42	1,489.49	1,773.91
(4) Operating Equipment:						
Rental	315.00	643.17		315.00	634.17	649.17
Purchase						
Depreciation	86.00	182.25		86.00	182.25	268.25
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	134.53			134.53		134.53
Sampling and Analysis		8.00			8.00	8.00
Payroll Taxes	100.89	375.79		100.89	375.79	476.68
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,955.31	7,324.16		1,955.31	7,324.16	9,279.47

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Sept. 30, 1952 *Payee Jim Creek Mines, Inc.
Per N. Field 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:
$ 977.66

Signature [illegible] (Authorized Certifying Officer)
Date 10/23/52 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.

GPO 83-3847 6

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
OCT 28 1952

Month of August 195 2 Docket No. DMEA 2475 Contract No. Ida-318
Operator's Name Jim Creek Mines, Inc. Minerals Lead - Zinc
Address W. 1114 Second Ave., Spokane 4, 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	1,955.31	41	5,538.28	140	39.56		200
Crosscutting	Ft			1,062.05	27.5	38.65		50
Raising								
Shafts				2,673.80	22	121.60		100
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1,955.31		9,278.13				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								8,500.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1,955.31		9,278.13				8,500.00

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 Sept. 22, 1952 Operator Jim Creek Mines, Inc.

Per W. P. Field 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

JIM CREEK MINES, INC.
Spokane, Washington

Month of August, 1952

Labor and Supervision:

Total Payroll		$1,300.17
Deduct:		
Wages paid in excess of $1.775 per hour		
Bob Johnson, 8 hours at .065	$ .52	
Engineers pay in excess of $150.00	150.00	
Foremans pay for other employment	225.00	
		375.52
Abbuwbleppayroll		$ 924.65

Classification:	
Labor	$549.65
Supervision	225.00
Technical services	150.00
Total	$924.65

Payroll Taxes:

Employment security	3 %	
F. I. C. A.	1½%	
	4½% of $924.65	$ 41.61
Industrial insurance	456 hours at .095	43.32
Medical aid	456 hours at .035	15.96
Total		$ 100.89

ORIARD POWDER COMPANY
Marshall, Washington

July 16, 1952

Sold to Jim Creek Mines, Inc.
Ione, Wash.

2,000 lb. Gelodyn No. 3	$19.85	$ 397.00
100 0 Delay E. B. caps 10 ft	16.15	16.15
100 1st do	22.25	22.25
100 2nd do	22.75	22.75
100 3rd do	23.25	23.25
50 6th do	24.75	12.38
		$ 493.78
Sales Tax		14.81
		$ 508.59

Certified true copy
D. L. Zick, Pres.

Explosives:

I hereby certify the following explosives were used during the month of August, 1952:

350 lbs. powder at $.2045	$ 71.57
153 primers at $.25	38.25
Total	$ 109.82

Val G. Preston
President

Jim Creek Mines, Inc.
Spokane, Washington

Month of August, 1952

Operating Supplies:			
Richfield Oil Corporation	Aug. 18	Gas, oil	$171.93
Richfield Oil Corporation	26	Oil	4.07
Far West Equipment Company	July 31	Rope	2.49
Power City Machine Shop	Aug. 11	18# steel	3.71
Copco Pacific, Ltd.,	6	Bell	.16
Copco Pacific, Ltd.	18	Steel	20.19
Tubbs Electric Co.	19	Bell wire	11.05
Coeur d'Alene Hardware	14	Vent tube	63.30
Bearing & Rim Supply Co.	6	Pulley	7.52
Total			$284.42

Repairs to Equipment:			
Tom Moar	Aug. 8	Blower	$ 11.74
Tom Moar	11	Blower and truck	52.43
Tom Moar	22	Diesel generator	43.26
Power City Machine Shop	7	Bore blower pulley	3.02
Bearing & Rim Supply Co.	4	Truck brake lining	9.53
" " " "	11	Ring for truck	3.40
" " " "	29	Element for diesel	1.60
Paul, Fred	13	Generator	9.48
Total			$134.53

Operating Equipment Rentals:	
Slusher	$ 40.00
Jackhammer	75.00
Generator and pump	200.00
Total	$315.00

Operating Equipment Depreciation:	
Air compressor	$ 50.00
Hoist	5.00
Jackhammer	5.00
Ore car	2.00
Truck	16.00
2 sump pumps	8.00
Total	$ 86.00

JIM CREEK MINES INC.

Progress report for the month of August.
1952.

The work was carried out on a single shift basis.

The east drift was advanced from the 34ft.point to the 75ft. or for an advance of 41 ft.The ore continued to the 50ft.point and seemed to turn into the footwall and die out.The drift was continued another 25 ft.and while there was quite a little Fe.Pyrite no lead or zinc minerals were visible.The drift was then cleaned out so it might be properly inspected and sampled.

The X-cut from the shaft to the west hangingwall vein was then straightened out so as to use the slusher and drifting started. This was advanced 15 ft.on good ore.As this work had not been authorized it was done on company account.

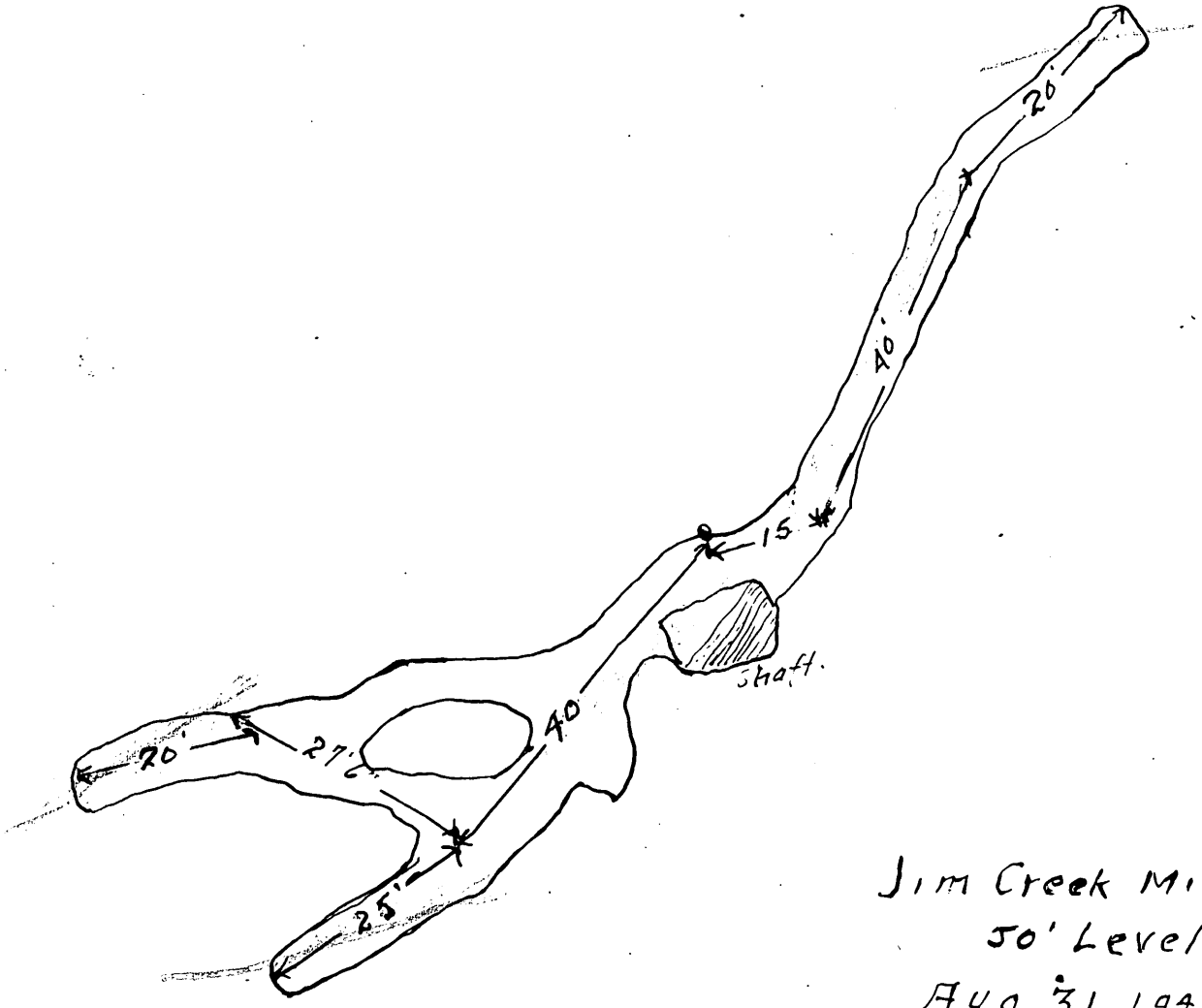
Summary of work:

Drifting on east vein--- 41ft.
" " " " -- 15ft.Not authorized.

Jim Creek Mines Inc.

By F.H.Mitchell

F.H.Mitchell E.M.



Jim Creek Mines Inc.
50' Level
Aug 31, 1942
1" = 20'

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. DMA-870

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 12 1952

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

Voucher prepared at Albany, Oregon 9/8/52
(Give place and date)

PAID BY

(For use of Paying Office)

THE UNITED STATES, Dr., Payee's Account No. Idm-E 318

To Jim Creek Mines, Inc.,
(Payee)

W. 1114 Second Ave., Spokane 4, Washington
(Address) (City) (State)

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)	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Discount Terms net					
	5/19 to 6/30	As per attached certified form MF-104 dated August 19, 1952				297	78
	July 1952	As per attached certified form MF-104 dated August 20, 1952				1,700	72
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					

Shipped from to Weight Government B/L No. Total 1,998 50

(Payee must NOT use this space)

Differences .....

Account verified; correct for 1,998 50

(Signature or initials) .....

Contract No. Idm-E 318 Date Req. No. Date Invoice Rec'd.

1,998.50

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	1,998.50	1,998.50

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

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

Wash

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 12 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 2 1952 Docket No. DMEA 2475 Contract No. Idm-2318

Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc

Address W. 1114 Second Ave., Spokane 4, Washington

Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:	1,602.70					
Labor	353.58	1490.44	2093.14	1,602.70	1390.27	2,992.97
Supervision	117.86	588.70	942.28	353.58	588.70	942.28
Technical Services		213.00	330.86	117.86	213.00	330.86
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	209.30	159.05	368.35	209.30	159.05	368.35
Pipe						
Track Supplies	596.33	893.16	1489.49	596.33	893.16	1489.49
(4) Operating Equipment:						
Rental	247.50	386.67	634.17	247.67	366.67	634.17
Purchase						
Depreciation	67.58	114.67	182.25	67.58	114.67	182.25
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	8.00		8.00	8.00	—	8.00
Payroll Taxes	198.60	177.19	375.79	198.60	177.19	375.79
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3,401.45	4022.88	7424.33	3401.45	3922.71	7324.16

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

Date Aug. 20, 1952 *Payee Jim Creek Mines, Inc.

Per W. Field 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:

$ 1,700.72

Signature [illegible]
(Authorized Certifying Officer)

Date 9/8/52 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. Idm E 318 in accordance with the terms of the contract.

Signature Thomas E. Reno Title Min Engr. Date 9-4-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E Howard Title Mining Engr Date 9/4

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 6-30-53

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 12 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 195 2 Docket No. DMEA 2475 Contract No. Idm-318
Operator's Name Jim Creek Mines, Inc. Minerals Lead- Zinc
Address W. 1114 Second Ave., Spokane 4, 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
		2337.15						
Drifting	Ft	~~2,536.80~~	60.5	3582.97	99	36.19		200
Crosscutting	Ft	1,062.95	27.5	1062.95	27.5	38.63		50
Raising								
Shafts				2676.89	22	121.66		100
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		~~3,401.45~~ 3400.10		7322.81				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		3,401.45		7322.81				8500.00

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 Aug. 20, 1952 Operator Jim Creek Mines, Inc.

Per W. L. Field 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

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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

Jim Creek Mines Inc.

Progress report for July 1952.

The west face of the drift on the 50' level was advanced about 12 ft.where the main ore followed down the shaft was intersected and an assay across 30"of ore width showed Pb.2.9,Zn.13.6.A X-cut was then driven about N 60W, for a distance of 27.5' where a strong bleached shear zone containing good ore was picked up.A slusher x-cut 24' in length was then driven to make possible further exploration of this ore as slushing thru the original x-cut was impractical.(N.B. This x-cut was not authorized and is shown as company expense.)No further work has been done here.

The west drift was continued on ore to a strong fault with an East-West strike and a dip of 65 deg.north.The ore cut off against this fault and while drifting beyond the fault showed the vein formation,the only mineralization was iron pyrite visible.In this drift the ore was in the bottom all the way but only extended up the face about half way.

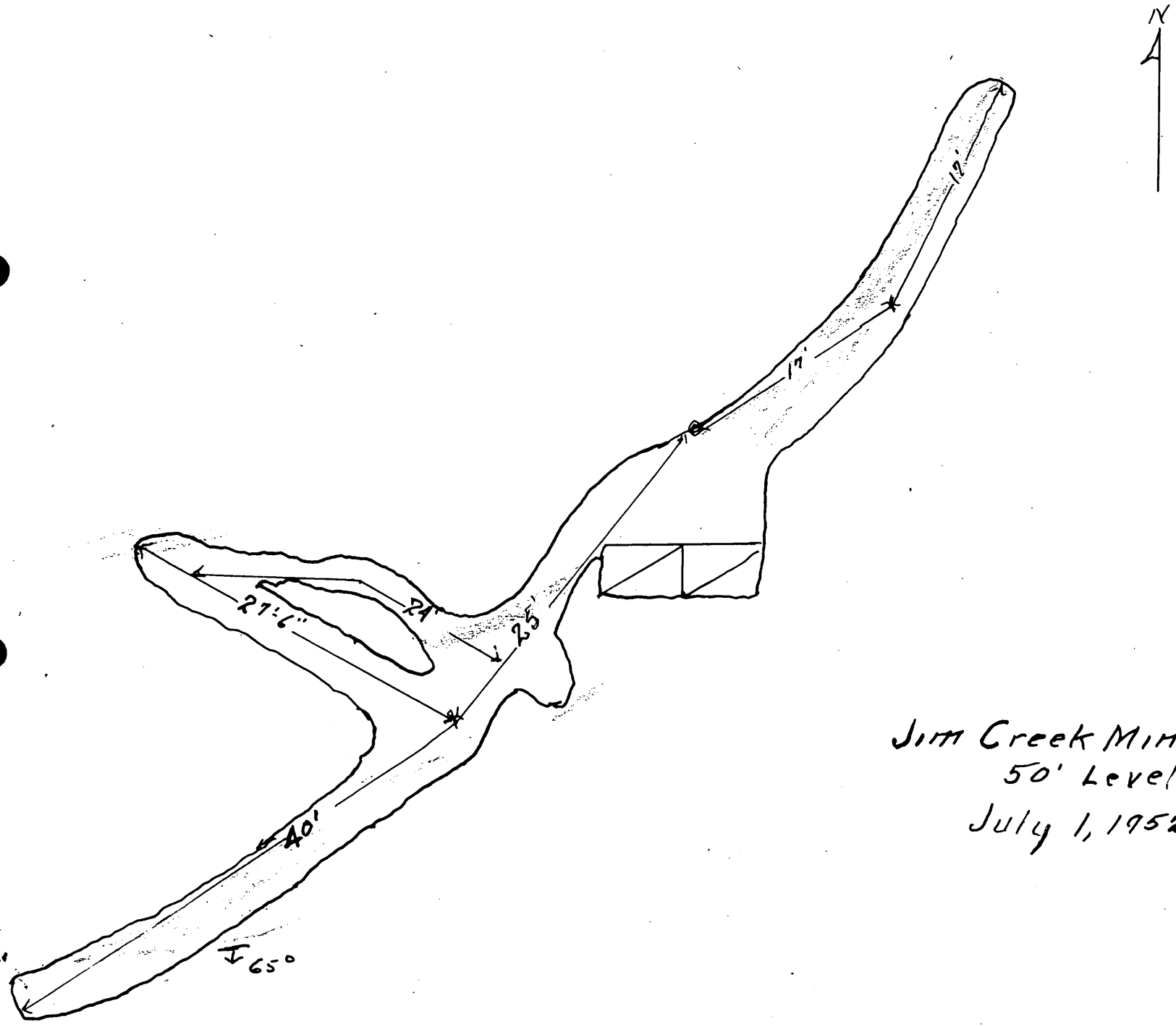
The East drift was extended a distance of 17' on ore which was strong along the bottom of the drift but weak along the back.

During this period work was carried on with two shifts but had to be discontinued as costs increased sharply.The class of men we were able to obtain was very poor and inefficient,as this is an out of the way place with no living quarters and no housing available at Ione.Plans are being made to provide housing on the job.

SUMMARY:

Drifting	61ft.
X-cut	27.5ft.
Unauthorized X-cut	24.ft.

F.H.Mitchell



Jim Creek Mines Inc.
50' Level
July 1, 1952

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

CONFIDENTIAL

Budget Bureau No. 42-R1036.3.
Approval expires 12-31-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 12 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of ~~May 19, 1952~~ June 30, 195~~3~~2 Docket No. DMEA 2475 Contract No. ~~DMA-~~310

Operator's Name Jim Creek Mines, Inc. Minerals

Address W. 1114 Second Ave., Spokane 4, Washington

Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 23,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:	536.60					
Labor		953.75	1490.44	436.52	953.75	1,390.27
Supervision		588.70	588.70		588.70	588.70
Technical Services		213.00	213.00		213.00	213.00
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	159.05		159.05	159.05		159.05
Pipe						
Track						
Supplies		893.16	893.16	–	893.16	893.16
(4) Operating Equipment:						
Rental		386.67	386.67		386.67	386.67
Purchase						
Depreciation		114.67	114.67		114.67	114.67
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes		177.19	177.19		177.19	177.19
Liability Insurance						
(8) Contingencies (specify):						
				595.57		3922.71
TOTALS	595.74	3327.14	4022.88	~~695.74~~	3327.14	~~4022.88~~

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

Date Aug. 19, 1952 *Payee Jim Creek Mines, Inc.

Per W. L. Field 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:

$ 297.78

Signature Wash
(Authorized Certifying Officer)

Date 9/8/52 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. 318 in accordance with the terms of the contract.

Signature Elmer A. Mazzil Title Mining Engr. Date Aug 27 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E. Howard Title Mining Engr. Date 8/27/52

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)

SUPPLEMENTAL

Budget Bureau No. 42-R1151
Approval expires 8-30-53

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 12 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 19, 1952 to June 30, 1952 195____ Docket No. DMEA 2475 Contract No. Idm-E318

Operator's Name Jim Creek Mines, Inc. Minerals Lead-Zinc

Address W. 1114 Second Ave., Spokane 4, 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		147.20		~~1453.03~~ 1245.82	38.5	32.35		200
Crosscutting								
Raising								
Shafts		~~548.54~~ 448.37		~~3197.26~~ 2676.89	22	121.66		100
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits						—	—	
Roads and Trails								
TOTAL DISTRIBUTED COSTS		~~945.74~~ ~~895.74~~ 595.57		~~4650.19~~ 3922.71				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS		~~895.74~~ 595.57		~~4650.19~~ 3922.71				8500.00

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 Aug. 19, 1952 Operator Jim Creek Mines, Inc.

Per W. L. Field 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

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. DMA-343

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

Voucher prepared at Albany, Oregon 8/13/52
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E-318

To Jim Creek Mines, Inc.
(Payee)

W. 1114 Second Ave., Spokane 4, Washington
(Address) (City) (State)

PAID BY

(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.
	May 19-June 30, 1952	For certified form MF-104, dtd 7/14/52 attached				1,663.	57
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	1,663.57	

(Payee must NOT use this space)

Differences .....

Account verified; correct for 1,663.57

(Signature or initials) .....

Contract No. Idm-E-318 Date Req. No. Date Invoice Rec'd.

1,663.57

MEMORANDUM

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	1,663.57	1,663.57

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Wash

DEPARTMENT OF THE INTERIOR
Bureau of Mines
Budget Bureau No. 38-R1086.3.
Approval expires 6-30-53.
RECEIVED
AUG 25 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May 19 to June 30 195 2 Docket No. DMEA 2475 Contract No. Idm-318
Operator's Name Jim Creek Mines, Inc. Minerals Lead - Zinc
Address W. 1114 Second Ave., Spokane 4, Wash.
Contract Amount, $ 47,500.00 Government Participation: 50 % Amount, $ 1,977.28

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1,526.65		1,526.65			
Supervision	588.70		588.70			
Technical Services	215.00		215.00			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	159.05		159.05			
Pipe						
Track						
Supplies	908.85		908.85			
(4) Operating Equipment:						
Rental	386.67		386.67			
Purchase						
Depreciation	114.67		114.67			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	240.81		240.81			
Liability Insurance	16.15		16.15			
(8) Contingencies (specify):						
TOTALS	3,954.55		3,954.55			

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

Date July 14, 1952 *Payee Jim Creek Mines, Inc.

Per W. Field 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:

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

DEI
Det

(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. E318 in accordance with the terms of the contract.

Signature Elmer A. Mazzill Title Mining Engr Date July 18, 195

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E. Howard Title Mining Engr Date 7-18-5

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 6-30-53.

TMENT OF THE INTERIOR
se Minerals Administration
RECEIVED
AUG 25 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 10 to June 30 195 2 Docket No. DMEA 2475 Contract No. Idm-2318
Operator's Name Jim Creek Mines, Inc. Minerals Lead - Zinc
Address W. 1114 Second Ave., Spokane 4, Wash.

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	1,505.83	38.5	1,505.83	38.5	39.00	Ft	200
Crosscutting								
Raising								
Shafts	Ft.	2,648.72	22	2,648.72	22	120.40		100
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		3,954.55		3,954.55				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. STAGE 1								8,500.00
TOTAL COSTS		3,954.55		3,954.55				8,500.00

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 16, 1952 Operator Jim Creek Mines, Inc.
Per W. Field 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

JIM CROCK MINES INC.

Progress report for period beginning
May 19,1952 and ending June 30,1952.

From May 19th.to June 1st,the shaft was cleaned out,timber repaired and sinking for a sump below the station resumed.

The spring run-off caused much additional water in the shaft and made working conditions difficult,this also caused the road from the camp to the mine to be in very bad condition.Quite a little time was lost reparing road and pumping additional water at the mine.About 8ft.of sinking was done in this period.

From June 1st.thru June 30th.the shaft sump was completed,station completed and timbered.A slusher was installed and drifting both ways from the station was in progress.

On June the 9th.,while burning trash near the shaft the fire got out of control and started a brush fire which burned about 30 acres of dead timber and brush.While no damage was done there was little mining done for about three days.

During this period the flow of water in the shaft decreased from about 70 gals.per minute to the normal 25 gals.per minute.

PROGRESS:

The shaft was deepened 28ft.for a sump.The vein having changed course near the station only the west portion of the shaft was in ore.On account of the water it was impossible to obtain a representative sample. The last five feet showed good ore over about half of the shaft on the west and stringers all across the east portion.

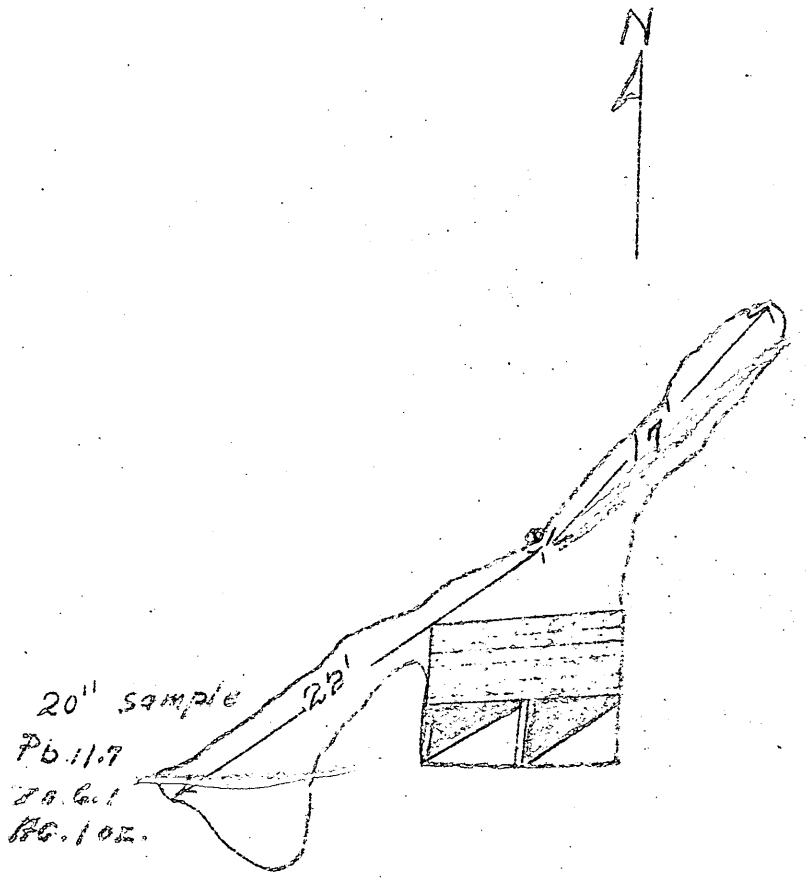
The drift was advanced east 12ft.from the station on the vein with ore all along the bottom 18" of the face and scattered stringers above. This was not sampled at this time and is now being used for the slusher station to advance the west drift.

The west drift was advanced about 20 ft.from the station.This drift necessarly started in the hanging wall of the veins and cut the first or the split portion of the vein shown along the hanging wall of the shaft at about 18ft. and it was found necessary to sideswipe and turn the drift to expose it.This showed the vein to be 6" wide at the top and 30" wide at the bottom of the face of the drift.A sample was cut across the ore 30" in widthwhich assayed Pb.11.7% and Zn.6.1% with Ag.1 oz. The course or strike of the vein was approximately N.68 East with an apparent dip of 60 deg.north.

Summary;

Shaft sinking for sump-28ft.
Drifting and sideswiping-26ft.

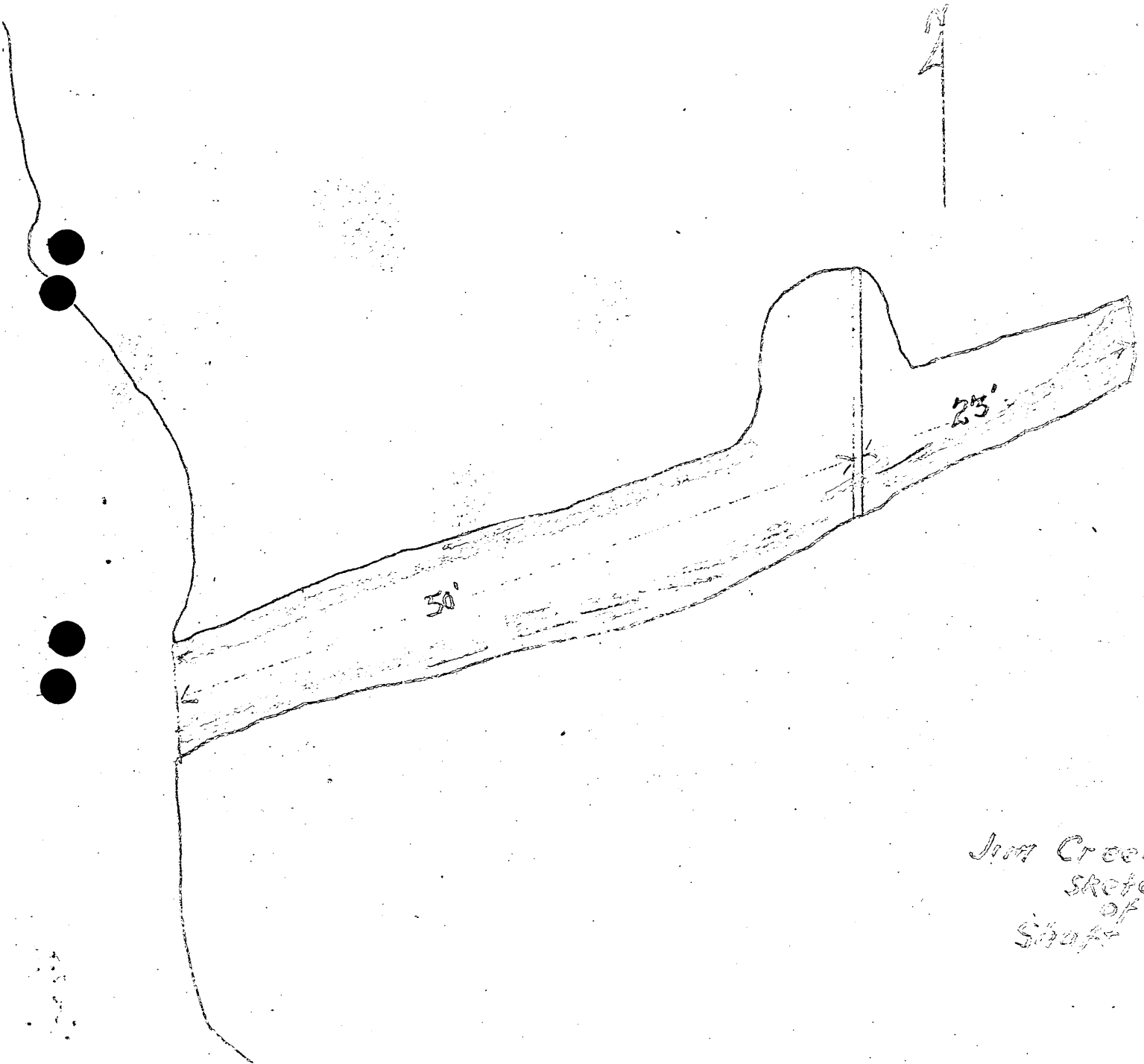
Jim Crock Mines Inc.
By
F.M.Mitchell,E.M.



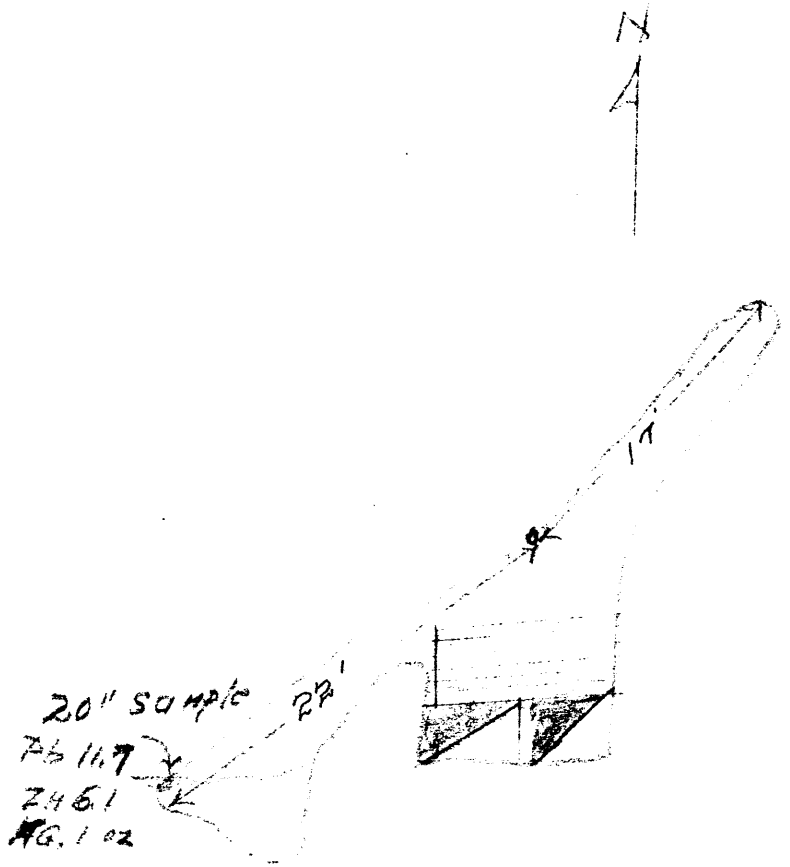
Jim Creek Mines Inc.
sketch
of
50' Level Work to Date

July 1, 1952

SCALE 1" = 10'

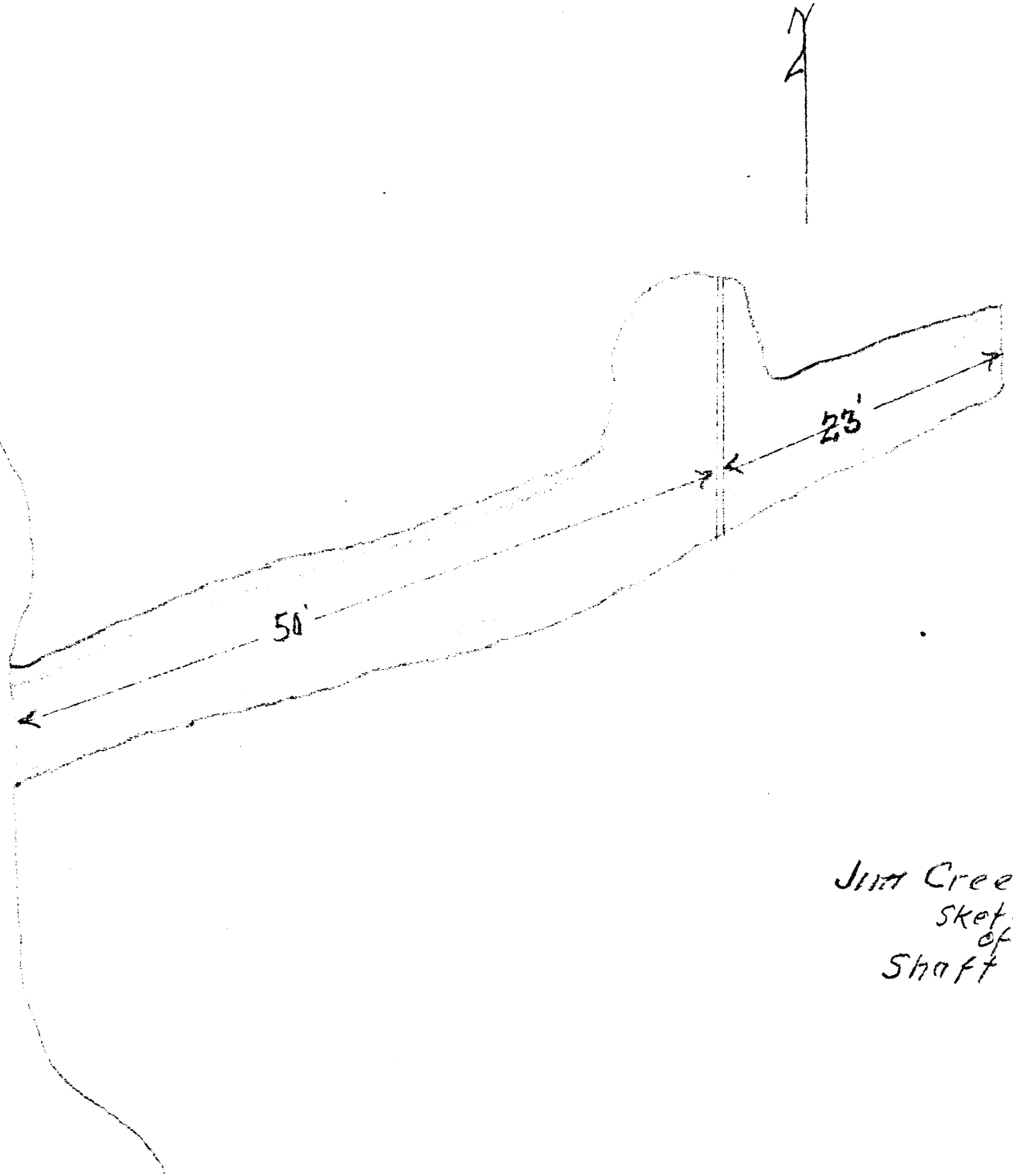


Jim Creek Mines Inc.
Sketch
of
Shaft Work to date
July 1985



Jim Creek Mines Inc.
Sketch
of
50' Level Work to Date
July 1 1952

Scale 1" = 10'



Jim Creek Mines Inc.
Sketch
of
Shaft Work to Date

July 1, 1952

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

PROJECT SUMMARY REPORT

By: W. F. Klugescheid May 26, 1955

1. Docket No. DMEA-2475 (lead-zinc)
Contract No. Idm-E318
Property: Jim Creek No. 14 Lode
Pend Oreille County, Washington

Operator: Jim Creek Mines, Inc.
West 1114 Second Avenue
Spokane, Washington

Operator's Property Rights: Owner

2. Contract dated May 19, 1952. To complete - 18 months.

Work Authorized

STAGE I

200 feet of drifting @ $30.00/ft.	$ 6,000.00
50 feet of crosscutting @ $35.00/ft.	1,750.00
Contingencies	750.00
Total cost of Stage I	$ 8,500.00

STAGE II

Sink shaft 110 feet @ $100.00/ft.	$11,000.00
400 feet of drifting @ $35.00/ft.	14,000.00
100 feet of crosscutting @ $35.00/ft.	3,500.00
Rehabilitation	200.00
New Buildings	4,500.00
Operating equipment to be purchased	5,800.00
Total Stage II	$39,000.00
Total cost of Stages I and II	$47,500.00
Government's participation @ 50%	$23,750.00

Amendments

No. 1 Dated July 15, 1952

Adds 22 feet of shaft sinking to Stage I but adjusts other items so that total amount of this stage remains the same. No increase in total cost of the project.

No. 2 Dated November 20, 1953.

Extends completion time from 18 to 24 months.

Work Completed

559 feet of drifting and crosscutting @ $39.48/ft.	$22,070.05
124 feet of shaft sinking @ $151.20/ft.	18,748.45
Operating equipment purchased	2,181.50
New Buildings, improvements, etc.	4,500.00
Total accepted cost	$47,500.00
Government's participation at 50%	$23,750.00

3. Audit - Audit certificate issued May 3, 1954.

Total cost as billed by the contractor	$49,551.64
Exceptions - less	651.64
Total	$48,900.00
Less: Proceeds from property disposition	$ 1,400.00
Total accepted cost	$47,500.00
Government's participation @ 50%	$23,750.00

Field Team's Final Report received March 4, 1955

Operator's Final Reports dated February 3, 1954.

4. Certification of Discovery - none issued.

No ore reserves.

5. Comments

The purpose of the project was to explore for the downward extension of a zinc-lead replacement deposit in dolomite. The deposit was discovered during the course of road building in the area. The Operator had sunk a 55-foot shaft on the ore zone prior to the effective date of the contract.

All funds authorized under the contract were expended as of December 2, 1953.

The exploration work has shown that, although the altered zone in which the pods of sphalerite and galena are found persists down to the 150-foot level, the individual lenses are too small to be of economic interest. The best lens of lead-zinc sulphides was found on the 50-foot level. This lens is less than 50 feet long, it's average width is 1.8 feet, and it's average metal content is 0.9 precent lead and 6.1 percent zinc. This lens does not persist down to the 150-foot level, and it probably does not persist very far above the 50-foot level. It is estimated that this lens contains less than 1,000 tons of material of the above-mentioned grade. Other lenses of sphalerite and galena found during the exploration are much smaller and are so sporadically distributed in the altered zone that they definitelyare of no economic interest.

The possibility of finding larger and richer deposits is considered too remote to justify further exploration of the known mineralized zone.

Crystalline white to gray dolomite, which is presumed to be a part of the Maitlen formation of Middle Cambrian age, is exposed at the surface in the immediate mine area. The beds strike, in general, to the northeast and dip from 45° to 60° to the N.W. Ridges of granodiorite crop out about 30 feet north of the Jim Creek shaft and also about 350 feet south of the shaft, which suggests that this and other similar masses of dolomite in the area are roof pendants in the granodiorite.

The contact between the granodiorite and the dolomite is exposed 56 feet north of the shaft in the crosscut on the 50 level. The contact apparently dips about 60° to the NW approximately parallel to the bedding of the dolomite, although locally there are rolls in the contact which reverse the overall dip. Locally, dikelike fingers of granodiorite project into the dolomite. The dip of the contact between the dolomite and the granodiorite south of the shaft is not known.

An irregular zone in the dolomite has been hydrothermally altered and, within this altered zone, pods of galena and sphalerite are sporadically distributed. Information available suggests that the altered zone is roughly parallel to the contact between the granodiorite and the dolomite and hence is roughly parallel to the bedding.

Although the results of the exploration on the 50 level were rather meager, yet it is believed that they were sufficient to justify the approval of Stage II in the hope that the galena-sphalerite lenses would become more continuous, wider , and richer with depth.

Exploration has shown that the mineralized zone persists but that the sulphide pods become smaller and more scattered with increased depth.

The work of the project was well carried out and the reports were adequate.

W.P. Klugescheid

W. P. Klugescheid

WPK/er
Copy to: Docket
Base Metals
Chron.

☒ Audited

☐ Certified

RK ANALYSIS SHEET - DMEA PROJEC

Analysis as of 12/13/53.
Incl. Voucher for December 1953.

☒ Actual Cost

☐ Agreed Unit Costs

Name Jim Creek Mines, Inc.

Docket No. DMEA-2475

State Washington

Commodity Lead-zinc.

Idm-E No. 318

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	650'	$22,070.05	559'	$22,070.05	$22,070.05
Raising					
Shafts	188'	18,748.45	124'	18,748.45	18,748.45
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		2,181.50		3,581.50	2,181.50
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		4,500.00		4,500.00	4,500.00
Other (Specify)					
Totals		$47,500.00		$48,900.00	$47,500.00

Proceeds from Property Disposition.
$1,400.00

Prepared by W. P. Klugescheid

71626

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

February 25, 1955

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2475 (lead-zinc)
Jim Creek Mines, Inc.
Pend Oreille County, Washington
Contract No. Idm-E318

Dear Mr. Selfridge:

Enclosed are four copies of a Field Team final report by Webster S. Anderson, engineer, Bureau of Mines, and Willard P. Puffett, geologist, Geological Survey, on the above-cited contract to explore for lead and zinc ore at the Jim Creek mine.

The authors recommend that no Certification of Discovery or Development be issued as a result of contract work. The scattered lenses of lead-zinc sulfides found by the work are too small and low grade to be exploited economically.

The Field Team concurs with the recommendation of the authors.

By Field Team, Region I, NW District

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

Wing G. Agnew

Wing G. Agnew, Member
(U. S. Bureau of Mines)

Enclosures
cc: USBM(2)
Puffett

Reviewed by
DMEA OPERATING COMMITTEE
3-4-55
(date)

FINAL F.T. REPORT

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION I
Northwest District

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 28 1955

FINAL REPORT

Contract Idm-E318

FIELD TEAM
FINAL REPORT

by

Webster S. Anderson
Mining Engineer
U. S. Bureau of Mines

Willard P. Puffett
Geologist
U. S. Geological Survey

JIM CREEK MINES, INC.
N. 3430 Cook Street
Spokane, Washington

Docket No.:	DMEA-2475
Commodity:	Lead-Zinc
Contract date:	May 19, 1952
Completion date:	December 2, 1953

Reviewed by
DMEA OPERATING COMMITTEE
3-4-55
(date)

JIM CREEK MINE
Metaline Mining District
Pend Oreille County, Washington

Spokane, Washington

February 1955

FINAL REPORT

JIM CREEK MINES, INC.
Jim Creek Mine
Metaline Mining District
Pend Oreille County, Washington

Contract Idm-E318

* * * *

INTRODUCTION

This report describes a project conducted by the Jim Creek Mines, Inc., in cooperation with the Defense Minerals Exploration Administration to explore for lead and zinc ore at the Jim Creek mine.

Summary

The purpose of the project was to explore for the downward extension of a zinc-lead replacement deposit in dolomite. The deposit was discovered during the course of road building in the area. The operator had sunk a 55-foot shaft on the ore zone prior to the effective date of the contract.

The contract date was May 19, 1952, and contract work was started on June 1, 1952.

All funds authorized under the contract were expended as of December 2, 1953.

Work completed under the contract consisted of 124 feet of shaft sinking, 162.5 feet of crosscutting, and 369 feet of drifting. In addition to the contract work, the operator completed 148.5 feet of drifting and crosscutting at his own expense. The attached map shows the workings and the geology in plans and sections.

Total cost of the work done under the DMEA contract was $47,500.00 of which the Government contributed $23,750.00.

The exploration work has shown that, although the altered zone in which the pods of sphalerite and galena are found persists down to the 150-foot level, the individual lenses are too small to be of economic interest. The best lens of lead-zinc sulfides was found on the 50-foot level. This lens is less than 50 feet long, its average width is 1.8 feet, and its average metal content is 0.9 percent lead and 6.1 percent zinc. This lens does not persist down to the 150 level, and it probably does not persist far above the level. It is estimated that this lens contains less than 1,000 tons of material of the above-mentioned grade. Other lenses of sphalerite

and galena found during the exploration are much smaller and are so sporadically distributed in the altered zone that they definitely are of no economic interest.

Recommendations

It is recommended that no Certification of Discovery or Development be issued as a result of the contract work. The scattered lenses of lead-zinc sulfides found by the work are too small and low grade to be exploited economically. The possibility of finding larger and richer deposits is considered too remote to justify further exploration of the known mineralized zone.

LOCATION AND ACCESSIBILITY

The Jim Creek mine is approximately 10 miles northwest of Ione, Washington. The mine is accessible by taking the Smackout Pass road from Ione for 4.5 miles at which point a mine-to-market road branches to the northwest. The mine-to-market road is followed by 3.5 miles to the mine camp. The company constructed 1.4 miles of access road from the mine camp to the shaft site.

The shaft is located on a small flat at an altitude of 4,500 feet. The surrounding hills are from 50 to 400 feet higher than the shaft site. The area has been burned over, and the hill slopes are covered with thick brush and second-growth pine and tamarack.

The climate during the summer months is temperate. During the winter season temperatures drop to as low as 30° below freezing, and the snowfall normally exceeds 8 feet in depth.

PROPERTY

The exploration work was conducted on Mineral Claim No. 14 (an unpatented mining claim) in sec. 9, T. 38 N., R. 42 E., W.M., Pend Oreille County, Washington, in the Metaline mining district, which is owned by Jim Creek Mines, Inc.

The mine workings include a 150-foot shaft and 50 and 150 levels. The 50 level consists of 225 feet of drifting and 75 feet of crosscutting. On the 150 level there are 229 feet of drifts and 146 feet of crosscuts. The mine workings are shown on the attached geologic map.

The operator constructed a 24- by 48-foot steel quonset hut, a 12- by 14-foot steel oil house, a powder house, and a 40-foot headframe with included ore pocket. A change room with a shower and electric heat is in the quonset hut.

The mine workings are all in good condition as they were driven through silicified dolomite which requires no timber. A 5 H.P. electric ventilating fan and a 6-inch fan bag provide ventilation to

the lower levels. Water was a serious problem during the exploration. During the spring thaw work was suspended when the pumps could not handle the inflow of water.

GEOLOGY

The property explored under this DMEA contract is immediately west of the area mapped by Park and Cannon 1/. Crystalline white to gray dolomite which is presumed to be a part of the Maitlen formation of Middle Cambrian age is exposed at the surface in the immediate mine area. The beds strike, in general, to the northeast and dip from 45° to 60° to the NW. Ridges of granodiorite crop out about 30 feet north of the Jim Creek shaft and also about 350 feet south of the shaft, which suggests that this and other similar masses of dolomite in the area are roof pendants in the granodiorite.

The contact between the granodiorite and the dolomite is exposed 56 feet north of the shaft in a crosscut on the 50 level. The contact apparently dips about 60° to the NW approximately parallel to the bedding of the dolomite, although locally there are rolls in the contact which reverse the over-all dip. Locally, dikelike fingers of granodiorite project into the dolomite. The dip of the contact between the dolomite and the granodiorite south of the shaft is not known.

Prospecting by Grandview Mines and other companies has found numerous small pods and lenses of fine-grained disseminated galena and sphalerite in the dolomite. The majority of these lenses is narrow, ranging from 2 to 5 feet thick, and is not persistent along the strike. The maximum thickness observed of any of the lenses is 15 feet. All of the pods and lenses found so far on the Jim Creek property are known to have small dimensions, both horizontally and vertically, and they all occur in zones of bleached and silicified dolomite. As shown on the accompanying geologic map, an irregular zone in the dolomite has been hydrothermally altered, and within this altered zone pods of galena and sphalerite are sporadically distributed. Information available suggests that the hydrothermally altered zone is roughly parallel to the contact between the granodiorite and the dolomite and hence is roughly parallel to the bedding.

A few narrow fault zones are exposed in the mine. These generally strike to the northeast and east, crossing the bedding at low angles. The dolomite is strongly jointed, the main joints striking to the northeast and dipping to the southeast.

At the Jim Creek property the main sulfide lens was found on the No. 14 claim during the construction of an access road. Deep overburden, however, prevented satisfactory exploration of this lens by surface work. The lead-zinc sulfide lens was explored by a 55-foot inclined shaft which followed the lens for the entire depth.

1/ Park, C. F., Jr., and Cannon, R. S., Jr., Geology and ore deposits of the Metaline quadrangle, Washington: U. S. Geol. Survey Prof. Paper 202, pl. I, 1943.

The sulfide lens strikes northeast and dips 60° to the NW. At the surface the mineralized zone is nearly 4 feet thick and persists in this thickness to an inclined depth of 35 feet where it gradually thins to about 9 inches. Shearing nearly parallel to the bedding is associated with the mineralized zone near the upper part of the shaft. A minor, nearly vertical strike fault offsets the zone a few inches at 25 feet below the collar of the shaft. Samples taken across the sulfide zone 28 feet below the shaft collar assayed 3.2 percent lead and 12.8 percent zinc across a thickness of 27 inches and at 30 feet below the collar a sample across 36 inches assayed 9.2 percent lead and 10.3 percent zinc.

Exploration on the 50 and 150 levels has shown that the mineralized zone persists but that the sulfide pods become small and scattered with increased depth.

THE PROJECT

The purpose of the exploration at the Jim Creek mine was to test at depth a lead-zinc mineralized zone which had been discovered by surface workings and which had been partially explored by a shaft 55 feet deep. The original proposal was to explore the mineralized zone along strike on the 50 level, and if findings on this level justified it, the shaft was to be deepened an additional 100 feet and the zone was to be explored by drifts and crosscuts on the 150 level. The contract provided for all the essential features of the original proposal but divided the work into two stages.

The first stage was for 22 feet of shaft sinking and 175 feet of drifting and crosscutting on the 50 level. The second stage, which was dependent upon the results of the first stage, provided for sinking the shaft an additional 110 feet and exploring the mineralized zone on the 150 level by 500 feet of drifting and crosscutting. The second stage also provided for the construction of a repair shop and tool shed, a combination hoist-compressor and change house, and a headframe with two bins. In both stages all drifts and crosscuts were to be the slusher type. All the work was to be paid for on an accrued cost basis.

The contract was dated May 19, 1952, and was to be completed within 18 months. Amendment No. 2 to the contract dated November 20, 1953, extended the time for the completion of the contract to 24 months. Contract work began on June 1, 1952, and was completed on December 2, 1953. Work continued throughout this period with no recesses except for that occasioned by spring thaws. The operator submitted his final report on the project on March 5, 1954. The final audit of the operator's records was made on April 19, 1954, the report of which was submitted on May 3, 1954. Total accepted costs of the project were $47,500.00 of which the Government contributed 50 percent or $23,750.00.

The total contract work in which the Government contributed 50 percent included drifting and crosscutting 167.5 feet on the 50 level, deepening the shaft 124 feet, and drifting and crosscutting 364 feet on the 150 level. In addition to the contract work and at his own expense, the operator completed 122 feet of crosscutting and drifting on the 50 level and 26.5 feet of crosscutting and drifting on the 150 level.

Drifting on the 50 level demonstrated that the hydrothermally altered zone continues for a distance of about 75 feet northeastoof the shaft. Within this zone there is a lens of sphalerite and galena which ranges in width from 1 foot to a maximum of about 2.5 feet. The main lens is about 45 feet long, but in the vicinity and southwest of the shaft it breaks up into a number of small separate lenses. The average metal content of the main sulfide pod is 0.9 percent lead and 6.1 percent zinc, over an average thickness of 1.8 feet. Southwest of the shaft the altered zone appears to split into two branches and the pods of galena and sphalerite found within it are smaller and less continuous than northeast of the shaft. No single lens exceeds a length of about 20 feet; others are only a few feet long.

In addition to the drifting on the ore zone, a crosscut was driven northward from the shaft and intersected a dolomite-granodiorite contact about 56 feet north of the shaft. There is no evidence of mineralized rock in this crosscut other than a few thin stringers of quartz near the contact. The contact strikes N. 70° E. and dips about 60° to the S., suggesting a roll in the dip of the contact between the surface and the 50 level. The operator drove this crosscut at his own expense.

A few tight faults with little apparent displacement are visible on the 50 level. The most prominent of these strike northeasterly and dip to the southeast. Jointing is well developed on this level. The strike of the joints, in general, is east to northeast and the dip is 45° to the S., crossing the bedding and the mineralized zone. The joints appear to be later than the mineralization.

Although the results of the exploration on the 50 level were rather meager, yet it was believed that they were sufficient to justify the approval of Stage II in the hope that the galena-sphalerite lenses would become more continuous, wider and richer with depth. Consequently, Stage II was approved, and work on this stage began in October 1952. The shaft below the 50 level was sunk in barren gray dolomite. The ore lens exposed in the shaft narrows and apparently projects into the hanging wall area at about the sill of the 50 level. In the lower part of the shaft the footwall followed a pronounced fault gouge.

A crosscut, 70 feet long, driven northwesterly from the 150-level station failed to find the dolomite-granodiorite contact, and this contact is not exposed anywhere on the 150 level. The crosscut, however, did follow an irregular narrow granodiorite porphyry dike which is presumed to be an apophysis from the main granodiorite body and suggests that the granodiorite-dolomite contact is not far to the north of the 150 level. The margins of the dike are fine grained and somewhat altered, containing much light-colored material (diopside?). The central portion of the dike is coarse grained to porphyritic, the phenocrysts being light-gray to pink feldspars. Disseminated fine-grained pyrite occurs throughout the dike.

An altered zone in the dolomite, nearly 7 feet thick, which correlates closely with the projection of the altered zone found on the 50 level was cut 30 feet north of the shaft. The zone was followed northeasterly for a distance of about 130 feet and southwesterly for a distance of about 110 feet. Within this zone are small pods of sphalerite and galena. The lead content, in general, is low, but some of these lenses contain as much as 10.0 to 12.0 percent zinc. In many lenses, however, the combined lead and zinc content is under 2.0 to 3.0 percent. None of the pods exceeds 10 to 12 feet in length, and many of them are only a few feet long. Southwest of the shaft the pods are even smaller and more scattered than they are northeast of the shaft, and all of them are low grade.

No faulting of any consequence was found on the level except that which was exposed in the footwall of the shaft. Well-defined jointing is exposed on the 150 level, the joints striking N. 40° to 60° E. and dipping 35° to 55° to the SE.

Reserves

Exploration done under the DMEA contract at the Jim Creek mine has shown that although the altered zone in which the pods of sphalerite and galena are found persist down to the 150 level, the individual lenses are too small to be mined profitably. The best lens that was found is on the 50 level and is less than 50 feet long. Its average width is 1.8 feet as indicated by seven samples, and its average grade is 0.9 percent lead and 6.1 percent zinc. Exploration on the 150 level directly below this lens shows that it does not persist in depth, and since the 50 level is only approximately 50 feet below the surface, the lens of sulfides cannot persist far above the level. An optimistic estimate shows that there are probably less than 1,000 tons of "ore" in this lens. Other lenses and pods of sphalerite and galena found during the exploration are even smaller. The conclusion, therefore, is that the few small lenses of "ore" found in the Jim Creek mine are of no economic importance and, therefore, no Certification of Discovery or Development can be justified.

Summary of Factual Data

The total amount of work completed under the contract is as follows:

1. Drifting - 369.0 feet
2. Crosscutting - 162.5 feet
3. Shaft sinking - 124 feet
4. Erection of quonset hut for tool and compressor shed
5. Erection of headframe

Following is the breakdown of the costs for shaft sinking and drifting and crosscutting to show the actual unit cost per foot of advance. The costs of the surface facilities have been prorated over the entire operation. These unit costs were obtained by prorating all items over both the contract work and the work the operator completed on his own account.

Work

Total units of work completed showing unit cost and total cost shaft sinking - 124 feet

Item	Cost/ft.	Total
Supervision	$ 4.53	$ 562.00
Technical services	4.64	575.00
Drill steel *	1.59	196.93
Hardware & electrical materials *	4.34	537.67
Hand tools & small items of equip. *	4.30	533.33
Other supplies *	2.81	248.67
New buildings **	35.21	4,365.68
Sampling	0.15	18.50
Payroll taxes, etc.	2.25	279.10
Labor	52.74	6,539.80
Explosives	2.89	358.10
Rental	12.90	1,600.00
Equipment repair	7.80	967.47
Purchases of equipment	3.81	472.62
Depreciation	2.01	249.00
Timber	5.46	677.11
Pipe & fittings	1.67	207.01
Gas & oil	11.98	1,485.15
Power	5.88	729.57
Ventubes	1.33	164.71
Sump pumps	9.68	1,200.00
Freight	0.31	38.51
Total	$178.28	$22,105.93

* Materials and supplies purchased for total project and charged to shaft.

** Buildings charged to project as no salvage was realized.

Drifting and crosscutting 568.5 feet*

	Cost/ft.	Total
Supervision	$ 4.05	$ 2,300.28
Technical services	2.78	1,580.86
Drill steel	0.18	102.32
New buildings**	3.98	2,261.10
Sampling	0.03	18.50
Payroll taxes, etc.	1.68	952.54
Labor	20.86	11,860.56
Explosives	3.36	1,910.52
Rental	3.54	2,015.15
Equipment repair	1.31	746.30
Depreciation	1.47	836.25
Timber	0.18	102.77
Pipe & fittings	0.22	123.94
Gas & oil	0.70	398.90
Power	2.54	1,445.07
Track	0.84	479.69
Freight	0.07	38.52
Total	$47.79	$27,173.27

* The 568.5 feet of drifting and crosscutting is the total footage submitted by the operator on his final MF-104.

** Buildings charged to exploration as no salvage was realized.

The total contract amount was $47,500.00 with Government participation at 50 percent or $23,750.00. The total amount was expended under the exploration project contract.

The costs were higher than anticipated which was in part due to the relative inaccessibility of the property especially during the winter months. Another factor affecting the cost was the difficulty encountered with water inflow which during the spring runoff caused suspension of project work.

Powder usage during the exploration averaged approximately 16 pounds per foot which is somewhat in excess of that required in operating mines in the area. This, however, would be only a small factor in increased costs.

Equipment

Equipment purchased under the contract with Government participation is as follows:

		Serial No.	Cost	Gov. Part.
1	432 cfm Worthington compressor	185-29	$3,750.00	$ 945.00*
1	pump with Class I, 10 H.P. Westinghouse motor	38E4477S	191.07	95.53
1	pump, 20 H.P. Ingersol-Rand	0994892	298.70	149.35
1	Copco-Pacific drill with pusher leg	433249	538.69	269.34
1	hoist, Union Iron Works	None	1,030.00	515.00
	Total		$5,808.46	$1,974.22

* Only 90 percent of rental applied on purchase price.

In a letter dated January 22, 1954, the operator submitted a bid of $700.00 for the Government's equity in equipment and supplies. This bid was accepted by the DMEA Executive Officer in a letter dated March 8, 1954, to Jim Creek Mines, Inc.

Exploration Possibilities

Exploration done so far at the Jim Creek property suggests that the pods and lenses of sphalerite and galena are found in zones of silicified dolomite near the contact with granodiorite. Exploration of the Jim Creek property has been disappointing in that it has shown that the pods of ore within the silicified zones are very restricted in size and are widely scattered. No further exploration from the present workings can be recommended at this time.

There exists a possibility, of course, that larger lenses of lead and zinc may be found adjacent to the dolomite-granodiorite contact on neighboring properties or even on the Jim Creek property itself. Exploration for these bodies should be preceded by a careful geologic mapping of the area and particularly of the granodiorite-dolomite contact and the alteration of the dolomite. The altered dolomite is quite distinct, much paler in color, and more silicified than the unaltered dolomite. This should be followed if possible by bulldozing and hand trenching. Any ore lenses which are found by this surface work should then be tested by short diamond drill holes to ascertain whether they have sufficient size and continuity to be of interest before more expensive underground exploration is undertaken.

Enclosure

Distribution:
DMEA (4)
USBM (5)
USGS (SRO)
Docket
Puffett

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

File Copy
Surname

February 9, 1955

Memorandum

To: Chief, Contract Administration - Audit Division

From: Chief, Base Metals Division

Subject: Contracts for which no closing letters will be prepared

We have been advised not to prepare closing letters for the following contracts as too long a period has passed since the completion or termination of these contracts.

Docket No.	Contract No.	Operator
1593	I4m-7113	Ambassador Mines Corporation
1936	7160	Sun Valley Lead-Silver Mines, Inc.
2037	7159	Leadee Peugnet
1630	7182	American Zinc, Lead & Smelting Co.
208	7226	Linton Mines
2094	7273	White Pine Lead Company
1426	7287	Buckeye Mines, Inc.
2471	313	Albert F. Carlson
2475	318	Jim Creek Mines, Inc.

W. R. Griswold

WRGriswold/bjl

W. R. Griswold

Copy to: Docket (9)
Base Metals (9)
Chron.

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

SEP 28 1954

Mrs. Myrtle Purdy
DMEA Certifying Officer
Region II
1201 N. Division Street
Spokane 2, Washington

Dear Mrs. Purdy:

In reviewing the records of this Division it appears that supplemental payments have been made on certain contracts on which amounts due had been withheld without two copies of the payment documents being forwarded to Washington. The contracts involved are listed as follows:

Contract	Docket	Operator	Amount Withheld
F-120	211	Snooze Mining Company	$ 787.48
318	2475	Jim Creek Mines, Inc.	785.64
329	2499	Montana Coal and Iron	1,120.00

In addition, we are missing copies of the October, 1953, MF-104 for Exploration Project Contract No. Idm-E299, Docket No. 2419, Lone Eagle Quartz Mine.

It will be appreciated if you will furnish the required copies of the missing payment vouchers or schedules (showing voucher numbers, dates of payment, and amounts paid) at your convenience.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

AMAlley/ama
September 28, 1954

Copy to: Docket - DMEA 2475
Admr. Reading File
Mr. Chambers

Department of the Interior

Defense Minerals Exploration Admin.

14X4401(01) Revolving Fund,
Defense Production Act, Interior (Allocated
Working Fund to the Office of the Secretary)

MR. ROBERT M. HULL
DMEA AUDITOR
1201 NORTH DIVISION STREET
SPOKANE 2, WASHINGTON

JUN - 8 1954

REURLTR JUNE 4 REGARDING AUDIT CERTIFICATE IDM-E318, DMEA-2475, JIM CREEK MINES. RETEL SPECIFIC QUESTIONS RAISED BY FIELD TEAM.

(Signed) E. D. Talbert

E. D. TALBERT, ACTING CHIEF
CONTRACT ADMINISTRATION AND
AUDIT DIVISION

EDTalbert/wb
June 8, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

No reply will be rec'd. Hull in telephone conversation this date advised that Field Team thought $700.00 (Govt. equity in property) should be deducted from $23,750. payable to Opr. rather than from gross costs.

He was told that certificate was correct as prepared, and that salvage is deductible from gross costs of project.

EDT 6/8/54

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
1201 N. Division Street
Spokane 2, Washington
June 4, 1954

Department of ...
Defense Minerals ...
RECEIVED
JUN - 7 1954

Air Mail

Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Contract Idm-E318,Docket DMEA-2475
Jim Creek Mines, Inc.

Dear Mr. Chambers:

The Certifying Officer and the Field Team have questioned the audit certificate pertaining to the amount due the contractor. The Certifying Officer is holding up payment pending your final review.

Sincerely,

Robert M. Hull

Robert M. Hull
Auditor

File Copy
Surname

J. W. Alt
Griswold
Selfridge
C. H. Johnson
W. Stendorf

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

MAY 28 1954

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region IV
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2475 (Lead-Zinc)
Jim Creek Mines, Inc.
Jim Creek No. 14 Lode
Pend Oreille County, Washington
Contract No. Idm-5318

Dear Mr. Weissenborn:

Will you please advise us as to when we may expect to receive the final Field Team report for the cited contract.

The Operator's final report, dated February 3, 1954, states that the work of the contract was completed on December 2, 1953.

Mr. W. S. Anderson, Mining Engineer, Bureau of Mines, states in his memorandum of January 12, 1954: "It is anticipated there will be no certification of discovery on the subject property."

Sincerely yours,

George C. Selfridge by ESJ
Chairman, Operating Committee

APPROVED:

C. H. Johnson by ESJ
Member, Bureau of Mines

D. M. Larrabee by ESJ
Member, Geological Survey

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

JWAlt/bjl (5/27/54)

R.C.S.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

May 27, 1954

Jim Creek Mines, Inc.
N. 3430 Cook Street
Spokane, Washington

Re: Docket No. DMEA-2475 (lead-zinc)
Jim Creek Mines, Inc.
Pend Oreille County, Washington
Contract No. Idm-E318

Gentlemen:

Enclosed is a copy of an Audit Certificate and Audit Report pertaining to the above-referenced contract prepared by B. J. Brekhus, Auditor, which covers the period May 15, 1952, to March 8, 1954.

You should receive the final payment due you for contract work in a few days.

Sincerely yours,

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

Enclosure

cc: DMEA (2)
USBM (2)
Auditor
Jay L. Chambers, Wash., D. C.

B J Brekhus
Chamber

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

MAY 18 1954

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Dear Mr. Weissenborn:

Enclosed are an original and two copies of the Audit Report and an original and three copies of the Audit Certificate on the following project:

Idm-8318 DMEA-2475 Jim Creek Mines, Inc.

This report represents our final determination covering the above project, and should be distributed in accordance with the provision of Section 3 to Supplement No. 4 of DMEA Circular 9.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

BJBrekhus/wh
May 17, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

R.C.J.

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

March 8, 1954

Jim Creek Mines, Inc.
N. 3430 Cook Street
Spokane 21, Washington

Re: Docket No. DMEA-2475 (lead-zinc)
Jim Creek Mines, Inc.
Pend Oreille County, Washington
Contract Idm-E318

Gentlemen:

Reference is made to your letter of January 22, 1954, in which you submitted a bid of $700.00 for the Government's equity in the jointly-owned equipment and supplies remaining at the Jim Creek mine. You are hereby notified that your bid is acceptable to the Government. The amount of $700.00 will be deducted from the total due you on your final invoice.

Sincerely yours,

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

cc: USBM (2)
DMEA (2)
Hindman

RECEIVED
BUREAU OF MINES
JAN 23 1954
SPOKANE, WASH.

JIM CREEK MINES, INC.
N. 3430 Cook Street
Spokane 21, Washington

January 22, 1954

Defense Minerals Exploration Administration
N. 2101 Division Street
Spokane, Washington

Gentlemen:

Reference to our Defense Mineral Exploration Administration Contract No. I.D.M.-318, we wish to submit our bid of $700.00 for the Government interest in the equipment that was purchased for the mine as listed below.

1 - 10 hp Electric Pump
1 - 20 hp Electric Pump
1 - 22 hp Electric Hoist
1 - Electric Driven Compressor
1 - Capco Atlas Drill and Pusher
Electrical Supplies
Quonset Building
Pipe and Hinges, Rails and Fittings
Miscellaneous small tools, sheave blocks, Navy stretcher, and sinking bucket.

Trusting this meets with your approval.

Yours very truly,

JIM CREEK MINES, INC.

By: Carl Carbon
Carl Carbon

CC:dw

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

March 5, 1954

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2475 (lead-zinc)
Jim Creek Mines, Inc.
Pend Oreille County, Washington
Contract Idm-E318

Dear Mr. Selfridge:

Enclosed are the original and two copies of the operator's final report on the above-referenced contract which has been accepted as satisfactory by the Executive Officer. One copy of this report is being retained for the files of this office.

Sincerely yours,

A. E. Weissenborn

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

Enclosure

cc: USBM (2)
Hindman
Puffett

JIM CREEK MINES INC.

Final report of DMEA
work under Docket No.
2475

Spokane, Wash.
Feb. 3, 1954.

Purpose of Project:

To explore a surface exposure of lead and zinc ore, of good values, which had been uncovered during road construction.

Summary of Work:

Exploration was carried out in two stages.

Stage 1- An incline shaft was deepened to serve a 50 ft. level with 225ft. of drift and 75ft. of x-cut completed. Part of which was not allowed under DMEAM.

Stage 2- Shaft was sunk an additional 110ft. and a station cut on the 150ft. level. There was 228ft. of drift and 146 ft. of x-cut driven on this level.

Location and Accessibility:

The property explored is located 10 miles northwest of Ione, and in the N.W.¼ of sec. 9, T 38, N., R 42 E.W.M., Pend Oerille County, Wash.

It is served by a mountain road from Ione, the first 4½ miles being a portion of the Smackout Pass road, then 3½ miles of "Mine to Market" road to camp. About two miles of company road leads from camp to the project. This is a good summer road but hard to keep open in the winter as the snowfall exceeds eight feet. The county road crews open the road to camp and the mine crew has to keep the road from camp open. This was a major undertaking during this work.

Property:

(1) This project covered one standard mining claim known as Jim Creek Lode Claim No. 14.

(2) The mine workings consist of an incline shaft 150 ft. in depth and two levels, the 50ft. level and 150ft. level.

The surface buildings are a 24'x 48' steel Qunanset building, a 12'x 14' steel oil house, powder house, a 40ft. headframe, ore pocket and dump trestles.

The equiptment includes a 22Hp. Union Iron Wks. electric single drum sinking hoist, 300ft. of 5/8" cable and a #1200 sinking bucket. A 480 cu. ft. Electric motor driven air compressor (Worthington) with a 4'x 8' reciever, all skid mounted. A 5 Hp. ventilation fan with pipe. A change room with shower and heat was provided.

The PUD built in a 7200 volt transmission line and supplied ample power at 440 volts.

Mining equiptment included one 10Hp. automatic electric station pump, one 20Hp. 200 gal. per m. electric sinking pump, one Type 35, high head I-R air sump pump, one I-R two drum small slusher hoist, one Gardener-Denver mucking machine. Two CP sinking hammers and one Copco pusher leg drifter. Three mine cars, welding and cutting outfit and a fairly complete line of shop and mine tools.

OPERATOR'S FINAL REPORT

Housing for one family and the equiptment was supplied at the camp.

A model 25 Cat Dozer was provided for road maintainace and two Army weapon carriers were used for transportation.

3- The condition of the workings were excellent,all being in limestone and no timbering required.

Geology:

The local district consists of a pendant block of Metalline Limestone surrounded by granite and cut by dikes and fingers of granite. It has been severly faulted and folding is evident everywhere.There are numerous surface exposures of Gossan,often with Pb.and Zn.sulphides showing.

The mineralization is found in a bleached,thin bedded dolomite and is probably a replacement of these beds,altho at times the ore seems to cut the bedding at an angle.However it is rather hard to determine true bedding planes and jointning.Quite a little silica is present. Numerous faults have been encountered and these have broken up the vein in the east drift so that it is impossible to establish its continuety and to project the ore from the lower ,to the upper levels witout further exploration cannot be done.

Units of Work Completed:

The work completed and shared by the DMEA,along with unit costs are as follows;

	Feet completed	Costs per ft.
Drifting	398	37.80
X-cut	170.5	43.41
Sinking	124	151.20

The factors affecting these costs were more numerous than on the usual project.First,the isolated location with lack of living quarters made it necessary for the workmen to drive a long distance, part of the time under severe winter conditions.This made it impossible to get a good grade of help.Much time was lost getting from camp to mine on account of the road conditions,there being but four months of the year when road was good.

Water was encountered about 35ft.below the shaft collar and this caused much lost time in pumping,especially in the morning as the acumulated water had to be pumped out.The costs of water sumps,pumping labor and lost time,along with the handling and maintainance of pumping equiptment added materialy to the costs.

X-cut costs were excessive because no provision had been made in the contract for "stations",therefore charging their costs to X-cuting,on the basis of advance was the only alternative.

Drifting was mostly done with a small slusher,mucking over a ramp to a mine car,then trammed to hoist pocket.This was not only slow but ramps were continually damaged by the concussionfrom blasting.

During the wet seasons surface water gave much trouble.

Date of Completion:

The DMEA contract was completed Dec.2,1954 but the company continued working for anothe month with the hopes of proving some ore but the results were negative.

Summary:

In summing up the ore discovery from this project it is quite evident that:

1- Commercial ore widths are too narrow.

2- Length of shoots are short and complicated by faulting.

3- Impossible to project mineral zones between levels or surface.

It is therefor recommended that diamond drilling from the 150 level to check parallel ore zones,extentions of veins,depth and continuity between levels be done next spring when work can be resumed.

Yours very Truly,
Jim Creek Mines Inc.
F.H.Mitchell,E.M.

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

So. 157 Howard Street
Spokane 4, Washington

RECEIVED
FEB 12 1954

February 16, 1954

Mr. R. J. Hindman
Certifying Officer, DMEA
1201 N. Division Street
Spokane, Washington

Re: Docket No. DMEA 2475 (Lead-zinc)
Jim Creek Mines, Inc.
Jim Creek Mine
Pend Oreille County, Washington
Contract Idm-4318

Dear Mr. Hindman:

The Operator has completed work under the subject exploration project contract to the satisfaction of the Government.

The Operator's final report has been submitted and accepted by the Executive Officer, and final invoices have been submitted for payment.

Items of equipment and supplies in which the Government has an equity are as follows:

Equipment	Serial No.	Cost	Govt. part.
432 cfm Worthington compressor	185-29	$3750.00	$ 945.00*
1 pump with Class I, 10 H.P. Westinghouse motor	3[illegible]4779	191.07	95.53
1 pump, 20 H.P., Ingersoll Rand	0994892	298.70	149.35
1 Copco Pacific drill with pusher leg	433249	538.69	269.34
1 hoist, Union Iron Works	none	1030.00	515.00
Total		$5808.46	$1974.22

*Only 90% of rental applied on purchase price

Buildings		
1 Quonset hut	$2000.00	1000.00

Hose and Vent Pipe		
2 - 25' lengths of 12" vent pipe	63.30	31.65
1 - 50' length of 12" vent pipe	52.70	26.35
2 - 50' lengths of 2½" fire hose with adapter for IF thread	71.59	35.79
	187.59	93.79

Pipe and Fittings	Cost	Sett. Part.
Total cost of pipe and fittings purchased under the contract	$283.74	$141.87

Rail, Fish Plates, etc.		
Total cost of rail and fittings purchased under the contract	175.00	87.50

Miscellaneous		
1 - 8" Cable block	20.00	10.00
1 - 6" Cable block	18.54	9.27
2 - M&B Cable blocks	37.56	18.78
2 - 6" Blocks	20.00	10.00
1 - Wye pipe vise	14.25	7.12
1 - Rigid pipe vise	12.35	6.17
1 - Set pipe stock and die	9.50	4.75
1 - Stokes basket stretcher	20.60	10.30
1 - Line oiler	19.94	9.97
1 - Smoking saw	4.97	2.48
1 - Pyrene fire extinguisher	13.00	6.50
1 - Wheelbarrow	11.65	5.82
1 - Mine shaft bucket	35.00	17.50
	238.16	119.08

Electrical Supplies		
1 - 200A 575V Fused disconnect	60.00	30.00
1 - 400A 575V Sav. #08345 disconnect	157.08	78.54
1 - 200A 575V 644344 disconnect	60.00	30.00
1 - 60A 575V 644342 disconnect	22.10	11.05
2 - 30A 575V 645341 disconnect	36.30	18.15
1 - 30A 125V 599211 disconnect	2.51	1.25
1 - 30A fused cutout	3.50	1.75
1 - #536 BANI, 440-volt magnetic start with heaters for 20 HP-440V	49.54	24.78
1 - 60A 575V used trouble fused disconnect	13.00	6.50
	404.03	202.02

In a letter dated January 22, 1954 the Operator submitted a bid of $700.00 for the Government's equity in the above equipment and supplies. The Operator also advertised the items for sale in the Spokane Chronicle on January 28, 29, and 30 and February 1, 1954, but received no bids.

Of the above listed items, only the equipment has a salvage value. The purchase price of the Quonset hut was only $150.00, but transportation and erection costs brought the total cost of the building to $2000.00; it has no resale value. The salvage value of the Base and Test Pipe, Rail and Fittings, Miscellaneous, and Electrical Supplies is negligible.

The Operator's offer of $700.00 for the Government's equity in the equipment and supplies has been accepted, and this amount should be deducted from the final invoice.

Inasmuch as all requirements have been met, it is requested that a final audit be made of the Operator's accounts.

Sincerely yours,

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

cc: DMEA (2)
Contr. Admin. & Audit Div.
DMEM (2)
Paffrath
Auditor

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

1201 N. Division St.
Spokane 2, Washington
January 12, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 1 1954

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Final inspection, Jim Creek mine, Pend Oreille County, Wash., Contract Idm-E318, Docket No. DMEA 2475 (lead-zinc)

The subject property was visited January 7, 1954, accompanied by Willard Puffett, geologist, USGS. Mr. Frank Mitchell, engineer for the Jim Creek mine, was at the property and accompanied the field team personnel on an inspection of the workings.

The Operator had the walls of the east and west drifts on the 150 level washed to facilitate geologic mapping. Advance completed since the last visit was mapped and geology in the east and west drifts was mapped. This information will be included in the final report.

The miners at the property were mucking out a crosscut driven 26' S. 60° E. at a point 30 feet west of USBM #364. This crosscut was driven by the Operator to ascertain if the mineralized portion of the structure exposed in the wall south of USBM #364 was continuous, but results were negative.

Two channel samples were cut across the mineralized portion 4 feet south of USBM#364, - sample 216A for a width of 0.8' and sample 217A for a width of 2'. The sample results will be included in the final report.

Work completed under the exploration project contract is as follows:

Stage I - 50 level

1.	Sinking	22 feet
2.	Drifting	140 "
3.	Crosscutting	27.5 "

An additional 122 feet of drifting and crosscutting was completed on the 50 foot level under Company account.

Stage II - 150 level

1.	Sinking	102 feet
2.	Drifting	229 "
3.	Crosscutting	153 "

The Government will participate for the full amount of drifting and sinking but will participate in only 135 feet of cross-cutting, as total funds were expended when the crosscut driven S. 60° E. at USBM #364 minus 30 was advanced 8 feet, with the balance of the 26 feet being driven on Company account.

The inventory of equipment and supplies was checked with Mr. Frank Mitchell and is tabulated below:

Equipment

Item	Serial No.	Cost	Govt. part.
432 cfm Worthington compressor	185-29	$3750.00	$ 945.00*
1 pump with Class I, 10 H.P. Westinghouse motor	38EM4779	191.07	95.53
1 pump, 20 H.P., Ingersoll Rand	0994892	298.70	149.35
1 Copco Pacific drill with pusher leg	433249	538.69	269.34
1 hoist, Union Iron Works	none	1030.00	515.00
Total		$5808.46	$1974.22

*Only 90% of rental applied on purchase price.

The Operator was advised to submit a bid to the Field Team for the Government's equity in the above equipment, and if the bid is acceptable to the Field Team the Operator will not have to advertise the equipment for sale.

Buildings

1 Quonset Hut	$2000.00	$1000.00

The cost of the quonset hut was only $150.00, but transportation and erection costs brought the total cost to $2000.00. As the building is of value only to the Operator, with the major costs of the building being for transportation and erection, it is recommended that the Field Team accept the bid of the Operator for this building.

Miscellaneous

	Cost	Govt. Part.
1 - 8" Cable block	$ 20.00	$ 10.00
1 - 6" Cable block	18.54	9.27
2 - M6R Cable blocks	37.56	18.78
2 - 6" Blocks	20.00 ?	10.00
1 - Wye pipe vise	14.25	7.12
1 - Rigid pipe vise	12.35	6.17
1 - Set pipe stock and die	9.50	4.75
1 - Stokes basket stretcher	20.60	10.30
1 - Line oiler	19.94	9.97
1 - Docking saw	4.97	2.48
1 - Pyrene fire extinguisher	13.80	6.90
1 - Wheelbarrow	11.65	5.82
1 - Mine shaft bucket	35.00	17.50
Totals	$238.16	$119.06

The cable blocks in the above tabulation have no salvage value, and it is recommended that the Government waive its equity in them.

The salvage value of the remaining items is negligible, and it is recommended that the Field Team accept whatever offer the Operator may make.

Hose and Vent Pipe

2 - 25' lengths of 12" vent pipe	$ 63.30	$ 31.65
1 - 50' length of 12" vent pipe	52.70	26.35
2 - 50' lengths of 2½" fire hose with adapter for IP thread	71.59	35.79
	$187.59	$ 93.79

The above mentioned items have no salvage value, and it is recommended the Government's equity be waived.

Pipe and Fittings

Total cost of pipe and fittings purchased under contract	$283.74	$141.87

A large portion of the pipe and fittings is in place underground and the cost of salvage would more than equal the salvage value; it is recommended that the Government accept any offer the Operator may make.

Rail, Fish Plates, etc.

	Cost	Govt. Part.
Total cost of rail and fittings purchased under the contract	$175.00	$87.50

The rails and fittings are in place underground, and it is recommended that the Government accept whatever offer the Operator may make, if any, for these items.

Electrical Supplies

1 - 200A 575V Fused disconnect	$ 60.00	$30.00
1 - 400A 575V Ser. #88345 disconnect	157.08	78.54
1 - 200A 575V C46344 disconnect	60.00	30.00
1 - 60A 575V C46342 disconnect	22.10	11.05
2 - 30A 575V C45341 disconnect	36.30	18.15
1 - 30A 125V D99211 disconnect	2.51	1.25
1 - 30A fused cutout	3.50	1.75
1 - 8536 DAG1, 440 volt magnetic starter with heaters for 20 HP-440V	49.56	24.78
1 - 60A 575V used trumble fused disconnect	13.00	6.50
Total	$404.05	$202.02

The above is a listing of the major salvageable items of electrical equipment, although there are numerous small items which would bring the total costs for electrical supplies considerably higher but for which it is doubtful there would be any salvage value.

As a final audit has not been made, it is recognized that there may be some changes in the above listings.

It is anticipated there will be no certification of discovery on the subject property.

W. S. Anderson

W. S. Anderson

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

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

November 24, 1953

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Docket No. DMEA-2475 (lead-zinc), routine inspection of Jim Creek Mine, Pend Oreille County, Washington, Contract No. Idm-E318

A routine inspection of the Jim Creek mine was made on Friday, November 20, 1953. Three miners were at the property and current advance was being made in the east drift on the 150 level. The new workings were mapped and sampled. A copy of a composite plan of the workings with detail of the geology on the 150 level is attached to this report.

As of the date of the inspection, a total of 305 feet of working had been driven on the 150 level. This includes 77 feet crosscutting, 95 feet drifting to the southwest and 133 feet drifting to the northeast and east. Total amount of workings allowed on the 150 level is 400 feet drifting and 100 feet crosscutting.

The drift to the southwest has continued to follow the bleached, sparsely mineralized band in the gray dolomite. The band has widened to nearly four feet and has flattened in dip to nearly 30 degrees. This band is parallel to the banding (bedding?) in the dolomite. Bleaching is probably due to hydrothermal action. Minerals in the zone include pyrite, galena, and marmatitic sphalerite. Assay results of a sample cut near the eastern extension of this zone were Tr. Au; 0.5 oz Ag; 1.7% Pb; and 1.2% Zn. Another sample was cut near the face but has not been assayed as yet. This zone is apparently the downward extension of the weakly mineralized band exposed on the 50 level.

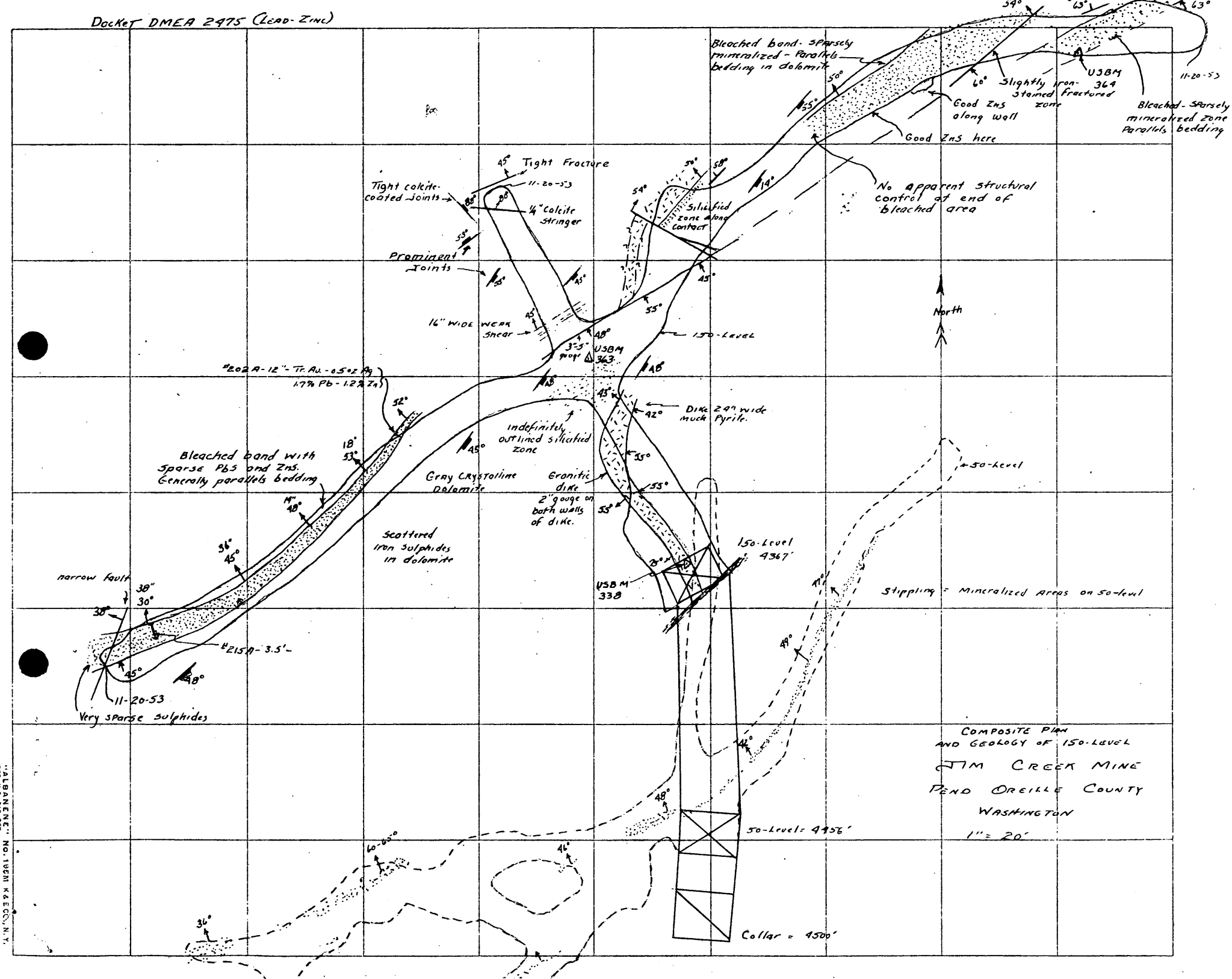
Drifting to the northeast has followed a bleached, sparsely mineralized band, similar in characteristics to that zone exposed in the southwest drift. As can be seen on the accompanying map, this zone is too far to the east to be considered the downward extension of the east ore zone on the 50 level. The zone on the 150 level is indefinitely outlined but in most places was parallel to the banding in the gray

dolomite. As noted on the map, promising concentrations of sphalerite occur in this zone but were not traceable across the drift. There is no apparent structural control on this zone other than bedding, although it does cease to persist beyond a weak shear that crosses the drift. This shear appears to be the eastward extension of a sharp fault that crosses the drift near its junction with the crosscut. Near the face, another narrow bleached band with sparse ore minerals has been intersected. This band also parallels the bedding or banding in the dolomite.

There has been an increase in the rate of advance of drifting during the past month. This increase has resulted from the installation of a mucking machine which replaced the slusher used previously. If the present rate of advance continues, it is probable that the project will be completed within the next two months. If no better indications of ore are found, it is doubtful that a discovery will result from the project.

Enclosure 1
Distribution:
DMEA(Orig.&3)
USBM(2)
Docket
Puffett

DOCKET DMEA 2475 (LEAD-ZINC)



"ALBANENE" NO. 1950 K & E CO., N.Y.
REG. U.S. PAT. OFF.

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
NOV 27 1953

November 23, 1953

Jim Creek Mines, Inc.
W. 1114 Second Avenue
Spokane, Washington

Re: Docket No. DMEA 2475 (lead-zinc)
Jim Creek Mine
Pend Oreille County, Wash.
Contract No. Idm-E318

Gentlemen:

Enclosed are 7 copies of Amendment No. 2 to your exploration project contract, which extends the completion period from 18 months to 24 months. If this amendment meets with your approval, kindly sign all copies, retain the one marked "Operator's Copy" and return the remaining copies to this office.

Sincerely yours,

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

Enclosure

cc: DMEA (2)
USBM (2)

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
NOV 12 1953

100
110
800
220

October 20, 1953

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 2475 (lead-zinc), routine inspection of Jim Creek mine, Pend Oreille County, Washington, Contract Idm-E318

W. S. Anderson, U. S. Bureau of Mines, and W. P. Puffett, U. S. Geological Survey, made a routine inspection of the Jim Creek mine on Thursday morning, October 15, 1953. Mr. Frank Mitchell, engineer, and contract miners were at the mine during the inspection. A tape and compass survey was made of part of the new workings and geology noted. A copy of the map resulting from the survey accompanies this report. That part of the drift on the ore to the east of the crosscut on the 150-level is not shown in detail, for broken rock from the last round blasted prevented detailed mapping of this section of the workings.

The drift to the southwest has been extended 54 feet and the drift to the northeast has been extended approximately 38 feet since the last inspection on September 16, 1953. To the northeast, some slab rounds on the south wall were necessary to straighten the drift to follow the mineralized zone.

As shown on the accompanying map, a silicified, bleached, mineralized band in the dolomitic limestone has been followed in the southwest drift. This band ranges in width from 12 to 31 inches and dips from 45 to 53 degrees to the north. In the central part of this silicified band are very narrow bands of sphalerite and galena, the sphalerite apparently being the most predominant ore mineral. Although there is not sufficient concentration of the sulphides to make ore, it is believed that the zone being followed may represent the downward extension of the mineralized zone exposed in the workings on the 50 level and continued drifting may be successful in intersecting an ore shoot.

The northeast drift was turned to a more easterly direction and was successful in intersecting a band of mineralized rock, similar in character to that band exposed in the southwest drift. The large pile of broken rock in the drift prevented detailed examination of this band, and thus it is difficult to tell just what the relation between the two zones are. They may represent two parallel bands or may be the same band which has been offset along the shear exposed in the crosscut just to the north

of the drift. It is to be noted that the ore zone exposed in the southwest drift was not discernible at its projected extension in the crosscut, so thus it may be that the shear terminates this band just to the west of the crosscut. The operator states that the mineralized band to the northeast is of better grade than that being followed in the southwest drift, and from what could be seen of this band in the drift, it does appear to have a greater concentration of lead and zinc minerals.

Enclosure - 1

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

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

RECEIVED
OCT 12 1953

October 6, 1953

Memorandum

To: DMEA Field Team, Region II

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

Subject: Routine inspection, Docket No. DMEA 2475 (lead-zinc), Jim Creek mine, Pend Oreille County, Washington. Contract Idm-E318

A routine inspection of the workings on the 150 level of the Jim Creek mine was made in company with W. S. Anderson, U. S. Bureau of Mines, on Wednesday, September 16, 1953. Mr. Mahurin, foreman, accompanied us on the inspection. A tape and compass survey of the workings was made and geology noted. A copy of this map accompanies this report.

Since the last inspection on August 20, 1953, the crosscut has been extended 5 feet and drifting has been started both to the northeast and southwest on a silicified zone which had been intersected in the crosscut. The objective of the crosscut was to intersect the downward extension of granitic rocks exposed on the surface, but as yet this has been unsuccessful in the main crosscut.

As can be seen on the accompanying map, the drift on the silicified zone has veered considerably from the proposed straight line from southwest to northeast. Although considerable pyrite and some galena was exposed in the first two rounds to the northeast, for some reason the drift was turned to a more northerly bearing, intersecting barren ground, and finally exposing some granodiorite in the face the day of the inspection. The only promising mineralized rock in this part of the workings is on the southeast wall of the drift near the intersection with the main crosscut.

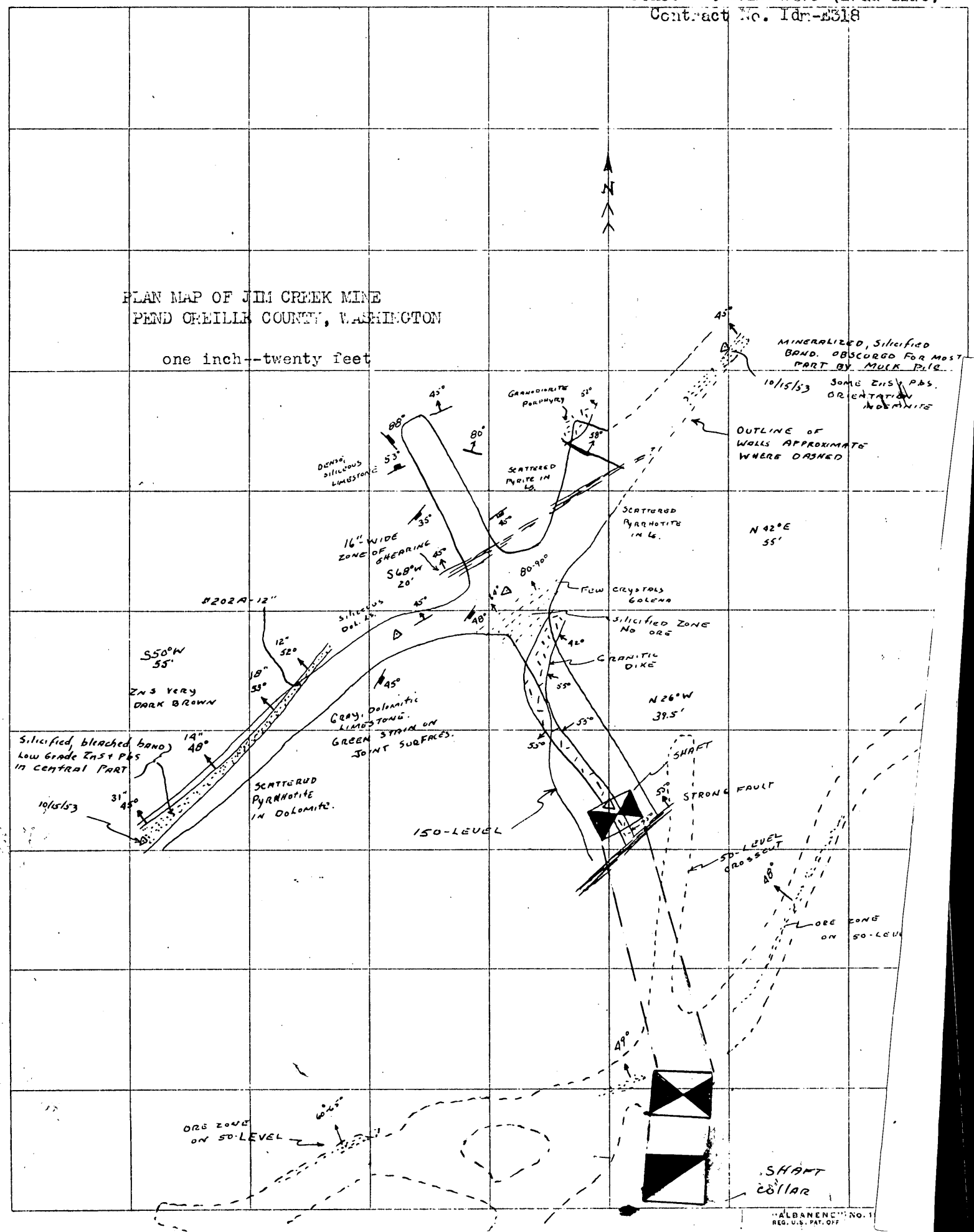
The drift to the southwest is too much in a westerly and slightly northwesterly direction to stay on the suggested strike of the silicified zone. Scattered pyrite was seen in the silicified limestone, but it was suggested to Mr. Mahurin that he turn the bearing of the drift to a more decided southwest direction, when work to extend this part of the workings was resumed.

It is my opinion that if the workings can be kept on the silicified zone which is located quite close to the downward projection of the mineralized zone found on the 50 level, 200 feet of drifting will conclusively prove whether or not an ore zone persists to the lower level.

Enclosure

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

Docket No. DMEA 2475 (lead-zinc)
Contract No. Idm-E318



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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT - 8 1953

1201 N. Division St.
Spokane 2, Washington
September 18, 1953

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Routine inspection of the Jim Creek Mine, Stevens County, Washington, Contract Idm-E318, Docket No. DMEA 2475 (lead-zinc)

The Jim Creek mine was visited September 16, 1953, accompanied by Willard Puffett, U.S. Geological Survey. Mr. R. C. Mahurin, foreman, and two laborers were at the property at the time of the visit.

USBM #338 was placed on a plug in the back 3.5' NW of the hanging wall of the shaft. The crosscut has been advanced 73.5 feet from USBM #338 for a total advance in the crosscut of 77 feet. At USBM #338 + 39 two drifts are being driven on the structure which carried ore on the 50-foot level. One drift is being driven N. 20° E. and the other S. 83° W. The drift to the NE has been advanced 31 feet and the drift to the SW has been advanced 18 feet.

The drift to the SW was filled with 3 feet of muck for the total length, and drifting was in progress only in the drift to the NE.

A tape and compass survey of the workings was made, and Willard Puffett will submit a sketch with his report on the property.

Track has been laid from the shaft to a loading ramp in the crosscut at the intersection of the drifts and the crosscut, and the drifts are being driven as slusher drifts.

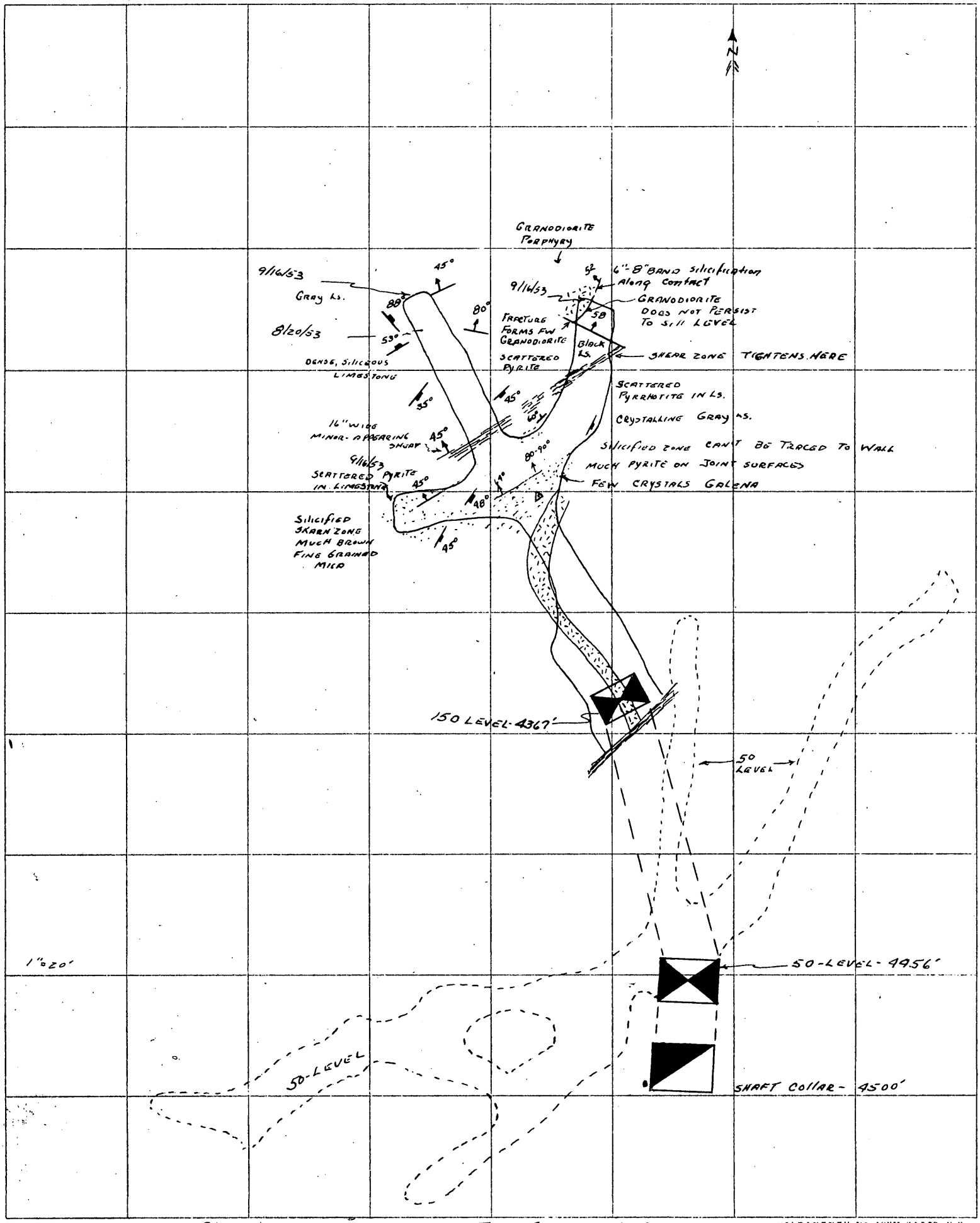
The drift to the NE has been swung a little too far to the north and was off the structure. Mr. Mahurin was advised by Mr. Puffett and the writer that the drift should bear more to the south so that future drifting will be on the structure.

The work under the exploration project contract should be supervised more closely by the Operator as the labor contractor's main objective is to get his footage in even if he is not sure that his advance is in the right direction.

W. S. Anderson
W. S. Anderson

Orig. & 3 cys - Wash.
USGS (2)
DMEA — MD — AD — WSA/he

DOCKET NO. DMEA 2975 (LEAD-ZINC)



COMPOSITE PLAN OF WORKINGS AT JIM CREEK MINE.
PEND OREILLE CTY. WASHINGTON

"ALBANENE" NO. 196M K&E CO., N.Y. REG. U.S. PAT. OFF

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

August 21, 1953

MEMORANDUM:

To: DMEA Field Team, Region II

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

Subject: Routine inspection, Docket No. DMEA-2475 (Lead-Zinc), Jim Creek Mine, Pend Oreille County, Washington, Contract No. Idm-E318.

A routine inspection of the Jim Creek Mine was made on Thursday afternoon, August 20, 1953. Mr. W. Anderson, U. S. Bureau of Mines accompanied me on this examination. Mr. Frank Mitchell, consultant engineer for the Operators, was at the property.

The crosscut on the 150-level had been extended to the northwest for 69 feet. No ore sulphides had been exposed in the crosscut although a strongly silicified zone in the limestone next to a granitic dike had been crosscut. In this silicified zone are a few crystals of pyrite and pyrrhotite. The granitic dike occurs in the footwall of this zone.

The accompanying plan map and section has been made from mapping done during the inspection. On the section it can be seen that the silicified zone in the limestone on the 150-level is in approximately the correct location to be considered to be the deeper extension of the mineralized zone exposed on the 50-level. Therefore, drifting on this zone was recommended to Mr. Mitchell, and he was in agreement. The crosscut is to be extended at least one more round, and if no promising evidence of ore is exposed, drifting will be started either to the northeast or southwest on the silicified zone.

An inspection of the surface exposure of the granitic rocks north of the shaft led to the conclusion that these rocks may represent only a relatively narrow dike that may possibly pinch with depth. The maximum width of the granitic rocks as exposed on the surface is 30 feet, extensions to the northwest being obscured by unconsolidated overburden. If these rocks do represent only a relatively narrow dike, it may be that it will not persist in depth to the 150 level and thus considerable extension of the 150 level crosscut to intersect granite will be in vain.

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

PEND OREILLE COUNTY, WASHINGTON
1" = 20'

"ALBANENE" NO. 10GM K&E CO., N.Y. REG. U.S. PAT. OFF

W. PUFFETT, USGS; W. ANDERSON-USBM

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

August 21, 1953

MEMORANDUM:

To: DMEA Field Team, Region II

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

Subject: Routine inspection, Docket No. DMEA-2475 (Lead-Zinc), Jim Creek Mine, Pend Oreille County, Washington, Contract No. Idm-E318.

A routine inspection of the Jim Creek Mine was made on Thursday afternoon, August 20, 1953. Mr. W. Anderson, U. S. Bureau of Mines accompanied me on this examination. Mr. Frank Mitchell, consultant engineer for the Operators, was at the property.

The crosscut on the 150-level had been extended to the northwest for 69 feet. No ore sulphides had been exposed in the crosscut although a strongly silicified zone in the limestone next to a granitic dike had been crosscut. In this silicified zone are a few crystals of pyrite and pyrrhotite. The granitic dike occurs in the footwall of this zone.

The accompanying plan map and section has been made from mapping done during the inspection. On the section it can be seen that the silicified zone in the limestone on the 150-level is in approximately the correct location to be considered to be the deeper extension of the mineralized zone exposed on the 50-level. Therefore, drifting on this zone was recommended to Mr. Mitchell, and he was in agreement. The crosscut is to be extended at least one more round, and if no promising evidence of ore is exposed, drifting will be started either to the northeast or southwest on the silicified zone.

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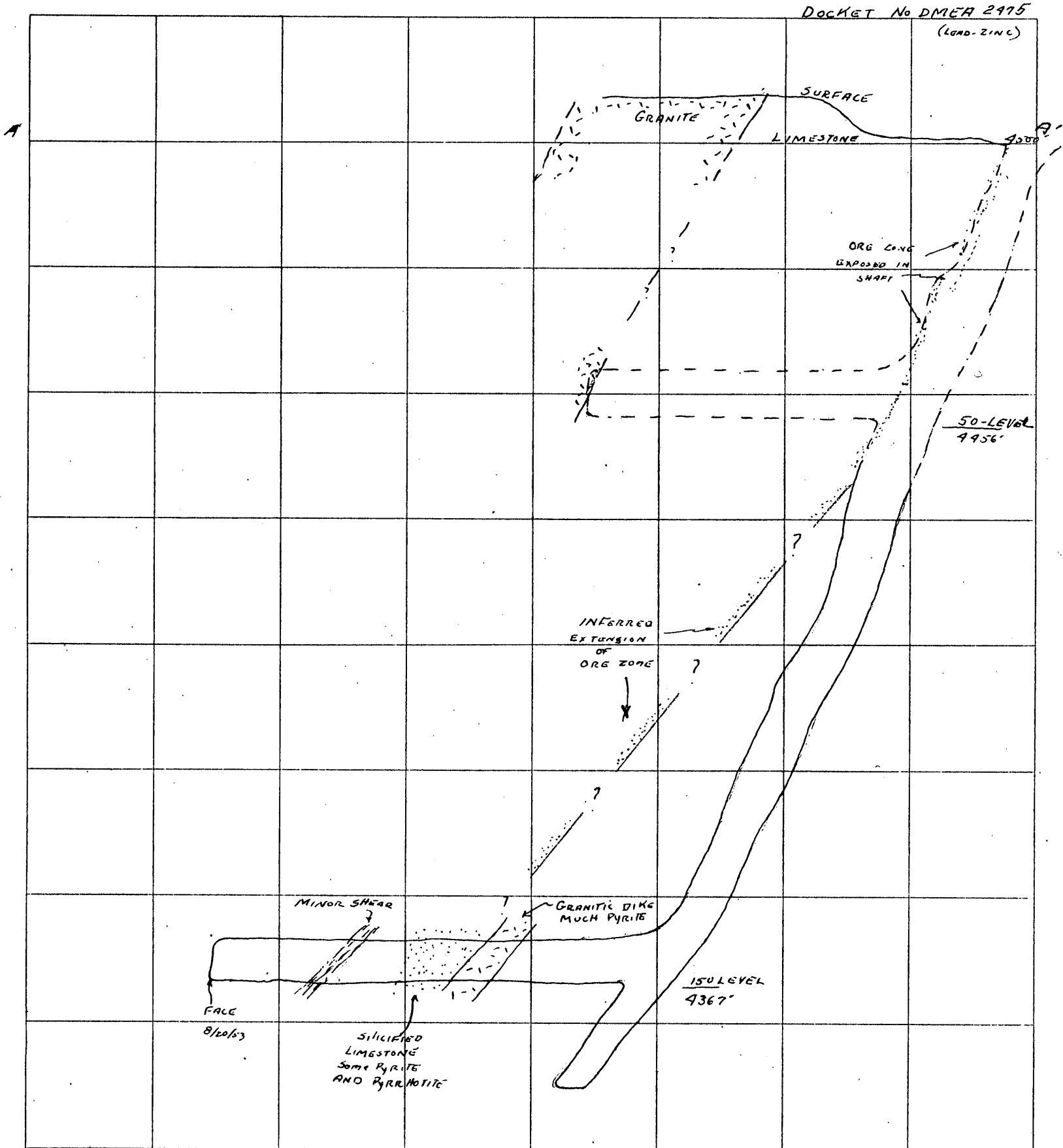
Enclosures
cc: DMEA(Orig.&3) Docket
USBM(2) Puffett

DOCKET NO DMEA 2475
(LEAD-ZINC)

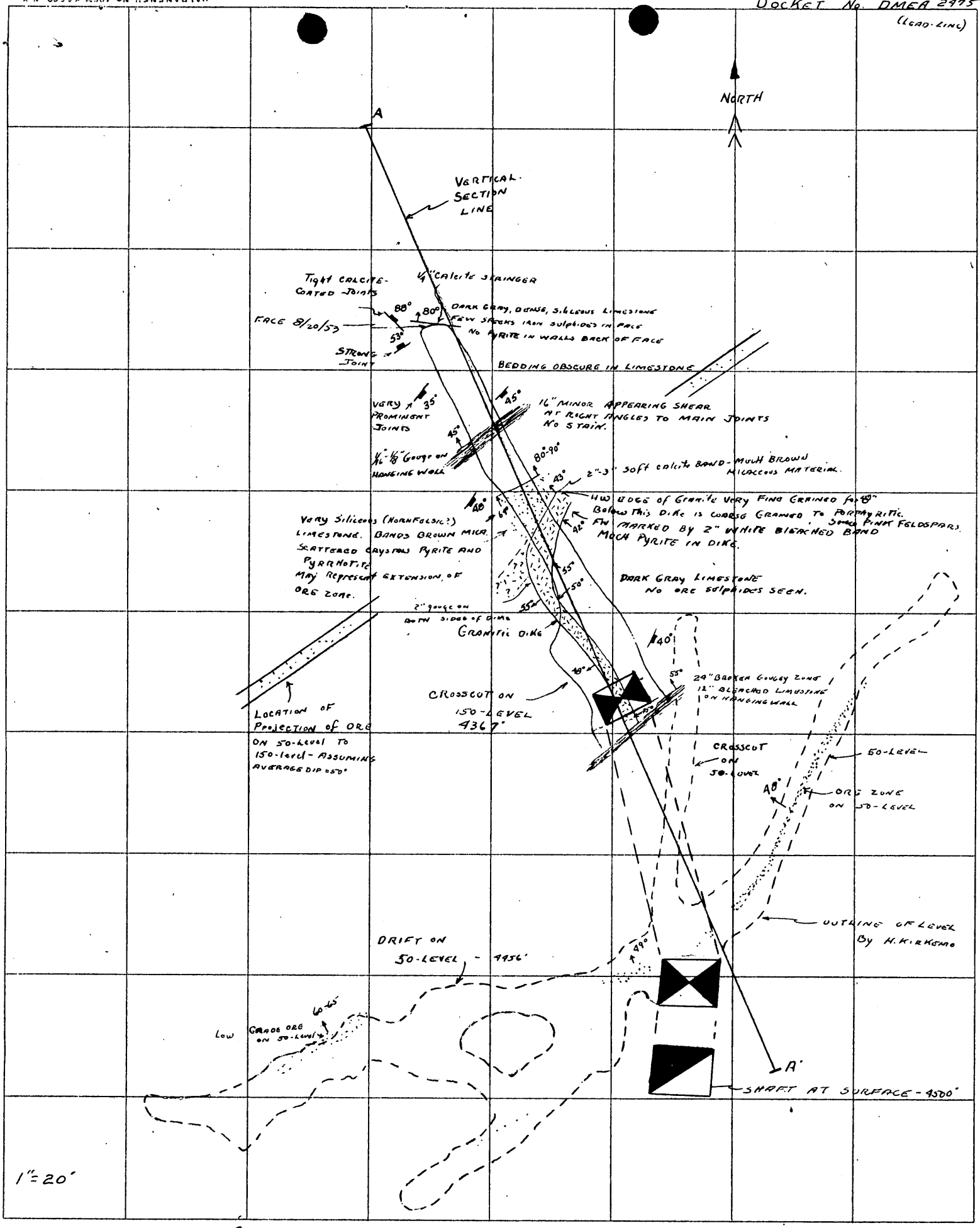


VERTICAL SECTION A-A'
JIM CREEK MINE
PEND OREILLE COUNTY, WASHINGTON
1" = 20'

"ALBANENE" NO. 105M K&E CO., N.Y.
REG. U.S. PAT. OFF

"ALBANENE" NO. 1953 K&E CO., N.Y.
REG. U.S. PAT. OFF.

DOCKET No. DMEA 2975
(LEAD-ZINC)



COMPOSITE PLAN OF WORKINGS AT JIM CREEK MINE, PEND OREILLE COUNTY, WASHINGTON
SHOWING DETAIL OF 150-LEVEL AND OUTLINE OF ORE ON 50-LEVEL.

Tape & BRUNTON SURVEY
50 Level - 8/20/53
W. PUFFETT USGS & WANDERSON-USBM

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

Memorandum

August 19, 1953

To: DMEA Field Team, Region II

From: Gerald W. Fuller, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-2475 (lead-zinc), routine inspection of the Jim Creek Mine, Pend Oreille County, Washington, Contract No. Idm-E318

An inspection of the subject property was made on Monday, August 10, 1953. The writer was accompanied by W. S. Anderson, U. S. Bureau of Mines. Mr. Mitchell, engineer for the company, was at the property during the visit. No geologic mapping was done because of slushing and hoisting operations in progress during the visit.

The northwest face on the 150-foot level station, as mentioned in W. P. Puffett's routine inspection report of July 13, 1953 had been advanced 21 feet since the date of his report.

This crosscut to the northwest has, as yet, exposed no structures which can be correlated with either of the ore-bearing structures on the 50-foot level. A 3- to 4-foot wide granite dike, mentioned by Puffett as being exposed in the northwest face of the station during his visit, was penetrated. The crosscut, for the remainder of the advance, was in banded limestone; no evidence of mineralization could be seen.

Mr. Mitchell was advised to continue the crosscut until an ore-bearing structure, or the granite-limestone contact, has been intersected. It was also recommended that several long-hole steel drill holes be drilled into the hanging wall of the shaft below the 50-foot level to attempt to determine whether the ore-bearing structure on the 50-foot level has pinched-out or continues downward in the hanging wall of the shaft, a possibility mentioned in Puffett's July 13, 1953 report.

A geologic cross section along the west wall of the inclined shaft, (see section accompanying this report) was made, using Harold Kirkemo's map of the 50-foot level (Figure 3), and the surface geology (Figure 1), which accompanied his October 23, 1952 report. This section reveals that the possibility of intersecting the Shaft Vein at its projected position still exists. Neither the Hanging Wall Vein, or any structure suggestive of the vein, was encountered in the projected position of that vein in the 150-foot level crosscut. A projection of the granite-limestone contact to the 150-foot level would be based on

somewhat contradictory evidence; therefore, no prediction is attempted as to its exact position in relation to present face of the crosscut. It is assumed, however, with some degree of certainty that the 100 feet of crosscut allowed in Stage II of the contract will be sufficient to reach this contact. The expiration date of the contract is November 19, 1953, giving what is considered an adequate length to time to complete the allowed crosscutting.

At the conclusion of the current crosscutting it is recommended that a thorough reappraisal be made of the geologic information available. It is possible that the contract should be allowed to expire, or be terminated, even though the contract work will be incomplete. If no ore-bearing structures are intersected in the 150-foot level crosscut, subsequent exploration would be difficult to direct with the information now available. As can be seen from many of W. S. Anderson's reports, poor operating procedures and the operator's apparent reticence to correct inadequacies brought to his attention, have often been cited as reasons for termination of the contract. These two aspects would make it seem desirable to consider terminating the contract at the conclusion of the current work, unless very encouraging evidence is exposed in the 150-foot level crosscut.

Enclosure (1)

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

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, Region II

Subject: Routine examination, Jim Creek Mine, Pend Oreille County, Washington, Contract Idm-E318, Docket No. DMEA 2475 (lead, zinc)

The subject property was visited June 26, 1953. Mr. R. C. Mahurin, labor contractor for cutting shaft station and drifting from the 150' level was present at the property at the time of the visit.

Mr. Mahurin stated that he had been at the property ten days and that during this time pumps have been installed and the shaft dewatered. He anticipated that he would start cutting the shaft station at the 150' level on June 28, 1953. Mr. Mahurin has two miners working with him at the property.

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

Stage I

1. Sinking 22'
2. Drifting 140'
3. Crosscutting 27.5'

Stage II

1. Sinking 96'

It was pointed out to Mr. Mahurin that the sheave should be raised on the head frame to allow room for the bucket to be dumped without the cable clamps being pulled into the sheave. This matter was discussed with the Operators April 15, 1953 as stated in the report of that visit.

Work at the subject property to date has not followed good operating procedures. When exploration work was in progress on the 50' level muck was left in drifts and crosscuts and the Operator

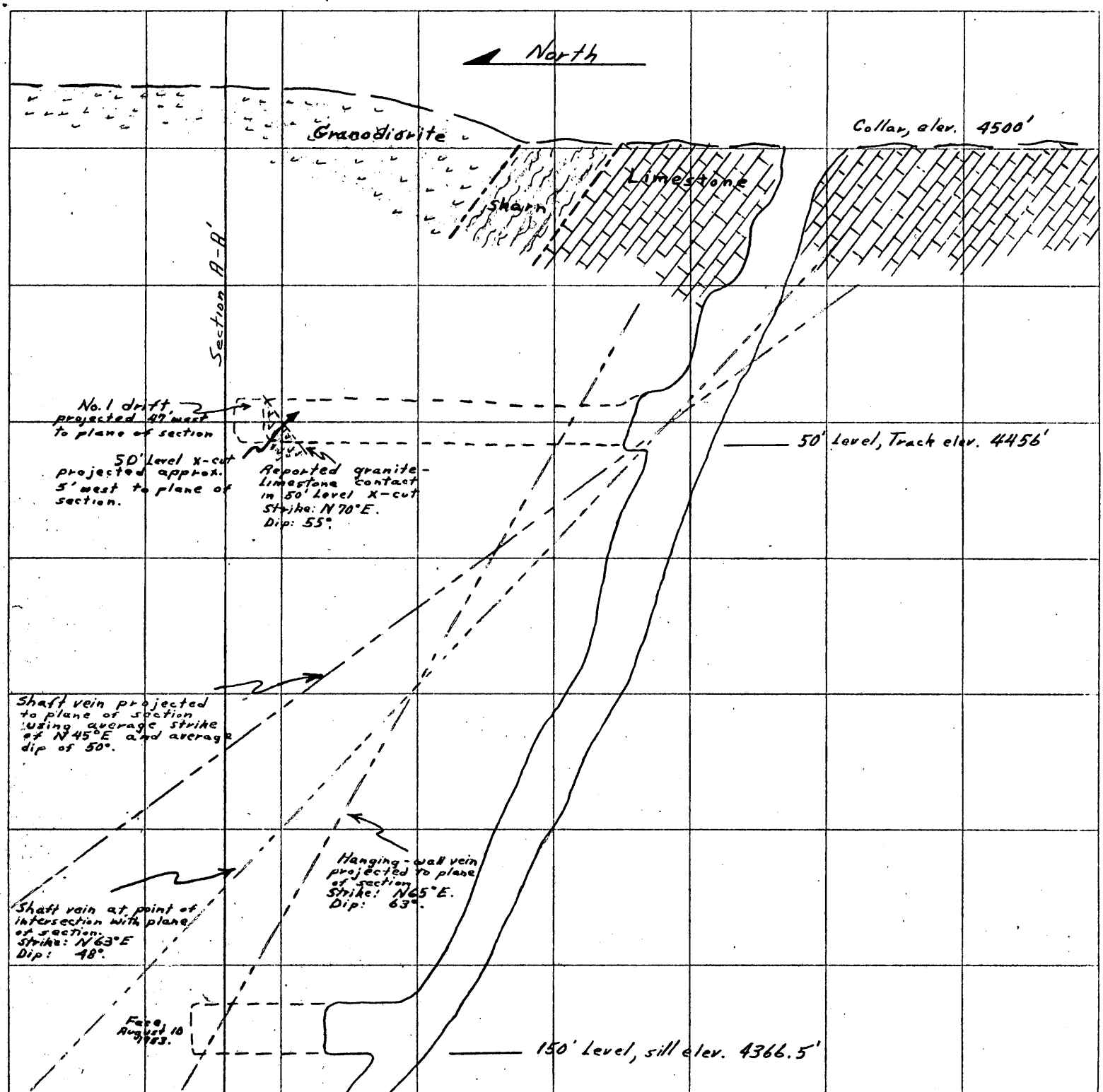
apparently had no definite or planned program which he followed, as is evident from maps of the workings on the 50' level. The northermost drift of the two drifts to the southwest was started on a southwest bearing and then discontinued and a new drift was driven almost due west leaving a pillar. It was stated by the miners at the time the new drift was started that they couldn't slush around a corner. Also in the sinking operations under Stage II of the contract the shaft was not sunk at a uniform inclination as stated in the report of March 25, 1953.

In considering these facts, it is recommended that subject contract be terminated unless the Operator initiates good operating procedure in further exploration work at the 150' level and that he complies with recommendations regarding safe operating practices.

W. S. Anderson

W. S. Anderson

cc: Orig. & 3-Wash.
2-USGS
DMEA
DF
WSA



Geologic Section
Inclined Shaft, Jim Creek Mine
Pend Oreille Co., Washington
Showing Shaft vein and Hanging-wall vein, as mapped on 50-foot Level by H. Kirkemo, projected to 150-foot Level.
Plane of section along west wall of shaft.

"ALBANENE" NO. 180M K&E CO., N.Y.
REG. U.S. PAT. OFF

913

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

July 13, 1953

Memorandum

To: DMEA Field Team, Region II

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

Subject: Docket No. DMEA-2475 (Lead-Zinc), Routine inspection of Jim Creek Mine, Pend Oreille County, Washington, Contract Idm-E318

A routine inspection was made of the Jim Creek Mine on Monday, July 13, 1953. I was accompanied by W. S. Anderson, U. S. Bureau of Mines. R. C. Mahurin, foreman; two laborers were at the mine.

An examination was made of the shaft and 150-foot level station. The sill of the station is an inclined distance of 147.8 feet below the shaft collar. Dimensions of the station were 14 feet long and 11 feet wide. The bearing of the center line of the station is N. 30° W., whereas the bearing of the center line of the shaft at the level is N. 7° W. The level station was not completed and Mr. Mahurin stated that the northwest face was to be advanced 15 feet more before drifting would be commenced.

The relatively rich band of ore exposed in the east wall of the shaft above the 50-foot level cannot be traced below the 50-foot level. It either goes into the hanging wall area of the shaft or else pinches completely. No ore sulphides of any consequence were seen in the lower portion of the shaft above the 150-foot level station. Insofar as is known, no geologist has examined the shaft beneath this lower level, and now the walls are obscured by broken rock and water.

A 2-foot wide fault is exposed in the footwall area of the shaft. This fault is first exposed 32 feet above the 150 level and apparently was followed to the bottom of the shaft. This fault is marked by much broken rock, generally pebble size, and the hanging wall area of this fault is much bleached for a thickness up to 12 inches. Scarcely any iron stain is visible in the fault and the

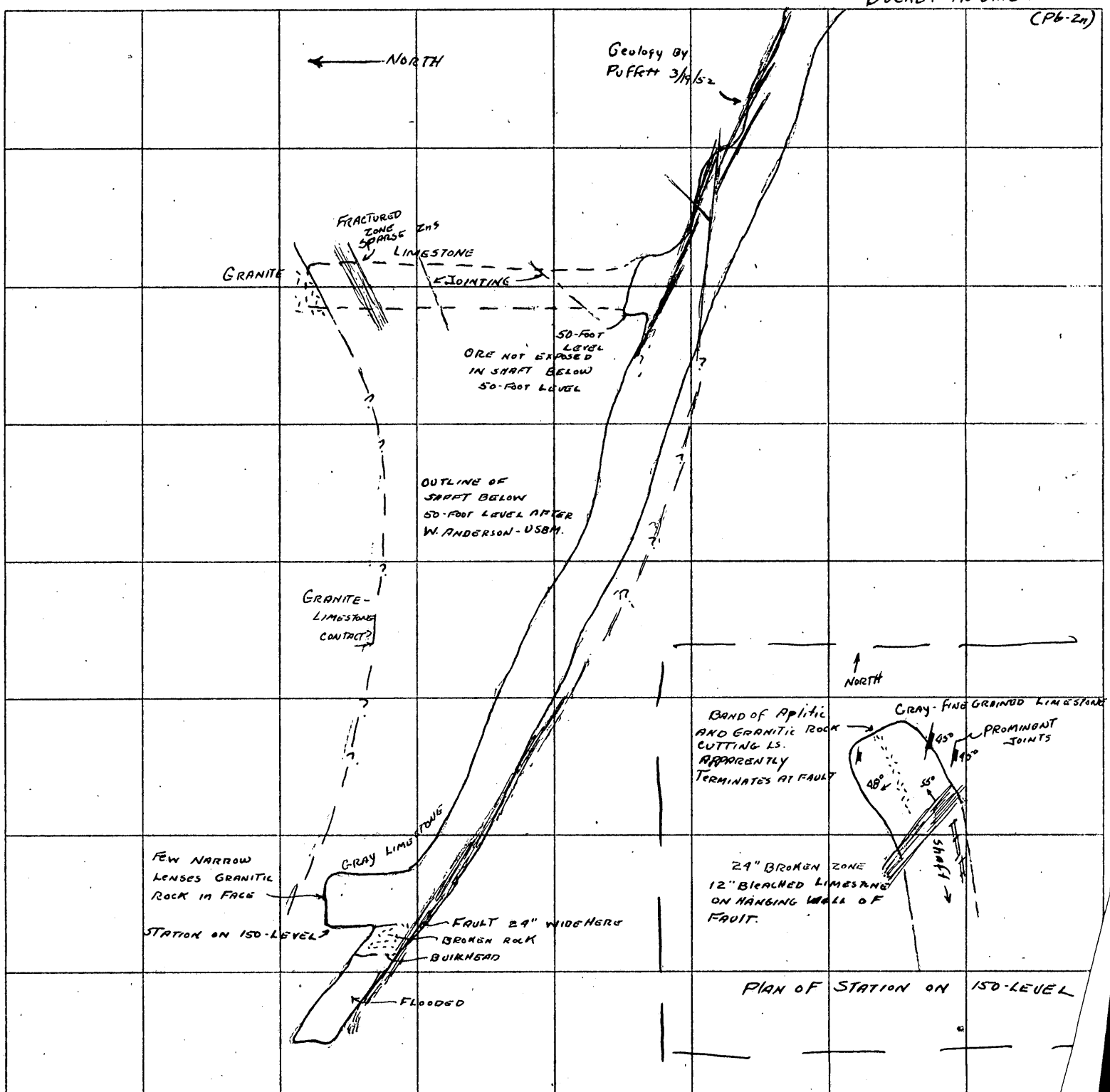
miners report only very sparse amounts of sulphides have been noted near the fault.

In the 150 level station, a 20-inch wide band of siliceous aplitic and granitic rock trends at nearly right angles to the wide fault. In the face of the station this band contains a few lenses of actual granite, whereas the rest of the band is largely made of very light gray siliceous rock in which a few dark minerals of linear habit occur. Other rock exposed on the station are mainly gray fine-grained limestone plus some rather talcy pink to gray mineral forming along the hanging wall of the band of aplitic and granitic rock.

Accompanying this report is a map showing a section of the shaft and an inset showing the geology on the plan of the 150-foot level station. On this map it can be seen that if the station level is extended northwestward an additional foot, there is a good possibility that granite may be intersected. This may be a fortuitous circumstance, for when drifting is commenced, it will be possible to keep granite rock on one wall of the drift and thus the exploration work can be guided by the trend of the granite-limestone contact on the 150-foot level.

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

DOCKET No DMEA 2475
(P6-2n)



EAST WALL (RIB)

INCLINED SHAFT AT JIM CREEK MINE

PEND OREILLE COUNTY

WASHINGTON

1" = 20'

7/13/53
WPP

"ALBANENE" No. 185M
REG. U.S. PAT. OFF

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

1201 North Division Street
Spokane 2, Washington

May 11, 1953

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Routine inspection of Jim Creek Mine, Pend Oreille County, Washington, Contract Idm-E318, Docket No. DMEA 2475 (lead-zinc)

The subject property was visited April 29, 1953 accompanied by Jerry Fuller, geologist, USGS. Mr. Preston, president of the company, and Mr. Mitchell, engineer, were at the property at the time of the visit.

Work under the exploration project contract has been suspended due to an inflow of water into the shaft which the pumps could not handle. The Operators were able to remove all the equipment and it is anticipated that work will not be resumed until about June 1, 1953. Surface water from the spring thaw forms the source of the majority of the inflow into the shaft.

Mr. Mitchell, engineer for the company, stated the bottom had been advanced 15 feet since the last inspection of April 15, 1953. The bottom of the shaft is now 166 feet below the collar for an advance of 97 feet under Stage II of the exploration contract.

When work is resumed at the property the Operators will have to hire a new crew as Mr. John DeGraff, miner foreman, stated that he and his crew are planning on seeking other employment.

W. S. Anderson

W. S. Anderson

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
WA/vf

FILE COPY
SURNAME:

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

Selfridge
Cy Dane
Rohn
Wallace

MAY 8 1953

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Dear Mr. Weissenborn:

This letter is to supplement our letter of April 8 (see Docket No. DMEA-2475) concerning "allowable maximums" as further commented on by you in your letter of April 24, 1953.

We believe if time is taken to carefully estimate the probable cost of new buildings, improvements, or installations that a figure can be arrived at which is within reasonable limits either way. In this manner neither party can be seriously hurt if the estimate is a little high or a little low.

One should keep in mind the fact that the Government takes a disproportionate loss on the salvageable items controlled by "allowable maximums". In many cases salvage is figured on a removal-basis, yet the items remain on the property for use in subsequent operations. and the operator couldn't replace them for several times their actual cost to him. Therefore, the cost of such items should be kept to the minimum necessary to accomplish the work.

When estimating costs one should not be overly generous or conservative. All factors relating to the overall cost should be carefully considered and a reasonable allowance added for minor contingencies. Cost in excess of this type of overall estimated cost would probably reflect inefficiency of operation or elaborateness.

For the present, we would rather avoid adopting your suggestions concerning Items Numbers 2 and 3 of your letter because they would only add further complications. In addition, they would increase the responsibilities of the Field Team by forcing it to make decisions regarding these matters which are now automatically taken care of by the contract.

We believe that recent contracts are less subject to under estimates for one reason or another, and if the matter of "allowable maximums" is carefully explained to the applicant before his signing of the contract, the problem will become minor in importance. Where sizeable sums may be involved, as sometimes with rehabilitation, we suggest that you write Washington giving complete details and your recommendations, and I am sure that cases of real need will be favorably acted upon, if the facts justify such action.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

GCSelfridge:pan 5-7-53

Copy to: Mails & Files
Admin. Reading File
G. C. Selfridge
Mr. Hedges, Rm. 4604
Mr. Thayer, Rm. 4234, GSA
Operating Committee
Region II

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 30 1953

April 24, 1953

Air Mail - Special

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Allowable Maximums

Dear Mr. Selfridge:

I have your letter of April 8, 1953, in regard to the report of mine on the Jim Creek mines and the allowable maximums.

I am in agreement with the ideas expressed in your letter nearly a hundred percent; certainly, the DMEA should clamp down on overelaborate installations or equipment. The Field Team in Region II has done this on many occasions; in fact, a letter is now being prepared coming down pretty hard on the Redbird contract for what we agree is too elaborate an installation for the exploratory purpose for which it is designed. We agree with you wholeheartedly, and, as supervising engineers, we must exercise proper control so that project expenditures are balanced within reasonable and permissible limits as stated in the last paragraph of your letter. If allowable maximums will enable us to accomplish this and give us the necessary control, then we are, in truth, all for them provided that they do not otherwise restrict the administration of the contract too greatly. We have, however, a great many cases where, for one legitimate reason or other, simple installations quite consistent with the needs of exploration have cost more than had been estimated and allowed for in the contract. It is these cases and these cases only with which we are concerned, where it seems to us that the operator is, not uncommonly, being penalized for an error in judgment on his part or on the part of the Government or because of unforeseen circumstances which have arisen.

It seems to me that this matter which has caused a great deal of concern and which has been quite annoying to a good many operators could be solved very simply in one of three ways.

1. We should be more generous in estimating costs which will be classed as allowable maximums. The Field Team in Region II has, in general, figured a good many of the costs of installations too closely. We did not at the start of the program envision that the items of allowable maximums would prove to be so completely inflexible. This solution, of course, can only apply to subsequent contracts.

2. We should allow a small contingency fund in every contract, which, at the discretion of the Field Team, could be applied to any item in the contract regardless of whether it was a starred item or not. This also would only apply to new contracts.

3. We could permit the allowable maximums to be exceeded on the approval of the Field Team for small amounts and upon the approval of the Operating Committee for larger amounts of some significance. In no case would the total amount of the contract be raised without special action by the Administrator, and there would be no intention of approving equipment and installation beyond the needs of exploration. What I mean is that if we make an estimate of say $2,500.00 for some installation and hit it within a hundred or a hundred and fifty dollars either way, we have made a pretty good estimate, and there should be some way of being able to pay the just costs if the estimate is exceeded by some such amount as this. At present, there is no way that this can be done.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn H.K.
Executive Officer, DMEA
Field Team, Region II

cc: USBM(2)

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

1201 North Division Street
Spokane 2, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 5 1953

April 20, 1953

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Routine inspection of Jim Creek Mine, Pend Oreille County, Washington, Contract Idm-E318, Docket No. DMEA 2475 (lead-zinc)

A routine examination was made of the subject property Wednesday, April 15, 1953, accompanied by John De Graff, miner foreman at the property.

There was approximately 25 feet of water in the shaft at the time of the visit and two pumps with a combined capacity of 300 g.p.m. were used to pump out the shaft before the work cycle could begin. Time for pumping was one hour and assuming that 18,000 gallons of water was discharged from the pumps during the hour, the inflow in the shaft was approximately 18 g.p.m. using 17 hours as the time the pumps were not in operation between shifts.

A sketch showing the shaft section is attached. As can be seen from the sketch, the inclination of the shaft has not been maintained at a uniform angle. It was recommended to the operator at the time of the previous visit of March 18, 1953 that a uniform inclination be followed in the shaft for the remainder of the sinking operations. It was evident from the initiation of Stage II of the contract that a working shaft could not be sunk following the structure and as the main objective of sinking was to gain depth for crosscutting and drifting on the 100 foot level to explore for the ore body, the shaft should have been sunk at a uniform inclination for efficient hoisting operations.

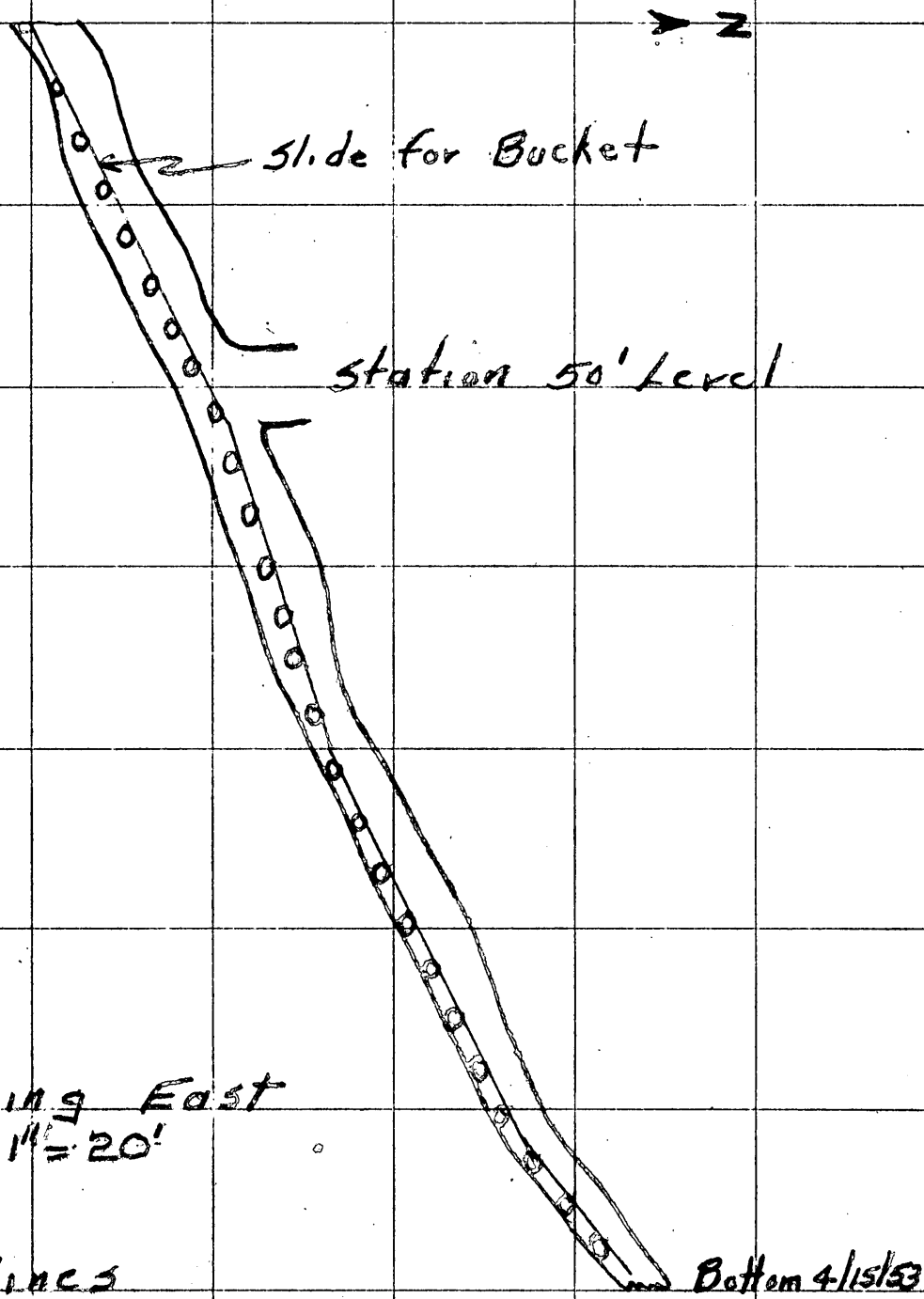
The bottom of the shaft was 151 feet below the collar at the time of the visit for an advance of 82 feet under Stage II of the exploration contract.

The operators have installed a new bucket for hoisting muck which is larger than the one formerly used. With the new bucket there is not enough head room between the head frame pocket and the sheave with the result that the clamps on the rope are pulled into the sheave during dumping of the bucket. The operator, to gain more head room, shortened the dead end of the rope and used four clamps instead of five as required by safety regulations. Also the 'U' bolt clamps do not have the proper spacing and are not secured to the rope properly. The first two clamps are spaced 1" apart with the rest having a spacing of 5" and the middle clamp is placed with the 'U' applying against the live rope. This was pointed out to the operator and it was recommended they correct the method of securing the rope to comply with safety regulations.

W. S. Anderson

W. S. Anderson

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
L. H. McGuire
WSA/vf



Shaft Section looking East
Scale 1" = 20'

Jim Creek Mines
Contract Idm E-318

Sketch by W. S. Anderson

"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF

FILE COPY
SURNAME:

500

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

APR 8 1953

Mr. A. E. Weissenborn, Executive Officer
DMA Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

D.C. 4/8/53

Re: Docket No. DMA-2475 (Lead-Zinc)
Jim Creek Mines, Inc.
Jim Creek No. 14 Lode
Pend Oreille County, Washington
Contract No. 2Dm-5218

Dear Mr. Weissenborn:

We have your most interesting letter on the general subject of "Allowable Maximums" in the exploration project contracts, and we want to thank you for such a clear exposition of your views. However we must point out that there are various factors which we must at all times bear in mind in our attempts to maintain an equitable program which will be fair to the Operator and at the same time not leave us open to censure in the handling of Government funds.

We are continually being confronted with instances in which an Operator will intentionally over-run an allowable maximum item for reasons which he considers to be his own best interests. For example, we may have allowed a maximum of $3,000.00 for a shaft headframe sufficient for exploratory purposes. Yet the Operator may feel that since he is going to the bother of installing a headframe, he may as well erect a more substantial structure, at a greater cost, which would not only be adequate for the initial exploratory stage but would also be adequate for subsequent mine operation. In such an event we cannot quarrel with the Operator's judgment. Perhaps he was quite correct in his ideas, yet we cannot expend exploratory funds to build an operative headframe.

The above applies to so very many items — possibly we allow a modest sum for a surface building to contain a mine hoist and compressor — yet the Operator, with good reason, may desire to erect a more substantial building for permanent mine operation use. We do not question his judgment, but we do question the limit of our participation, from an exploratory viewpoint.

The same reasoning applies to sizes of mine hoists, sizes of air compressors and very many similar items.

In effect, we are saying to the Operator "We will not participate in the expense of any size or type of headframe you may choose

to erect, nor will we participate in the cost of any size of hoist, air compressor, etc., you may see fit to install -- we will only participate to the extent that such costs are necessary to the delineated exploration project."

It often happens that a contract will contain a group of "allowable maximum" items, such as, perhaps, a surface building, a headframe, a mine hoist, an air compressor, etc. We often deliberately "star" each item so that a balanced and proper installation may be made. If we left a loose and open package, with only the general total starred, the project would be out of control and an Operator could divert an undue proportion of available funds to, perhaps, an unnecessarily elaborate headframe, with the consequent skimping of the other items of the package.

We should point out that designing and estimating engineers, in making set-ups for mine installation and construction programs, could never get away with any "package deals" in which various dissimilar items were grouped to a total cost -- they must delineate and justify each major item as a part of a balanced program.

To sum up, we feel that in the appraisal of project items which will fall into the "allowable maximum" classification, the needs of the project should be weighed to determine what type, size, cost, etc., is justified by the exploration project itself. Then an amount which is considered as fair and reasonable should be allocated. If the Operator subsequently wishes to go beyond purely exploratory needs, it is assuredly his privilege, but at his own expense.

We could not begin to cite the number of instances in which we have been expected to share in the costs of elaborate steel and reinforced concrete surface buildings, large hoists far beyond simple exploratory needs, over-sized air compressors, over-designed headframes, large-volume pumping systems, exploratory drifts to be driven to transport level size and large dimension shafts which would be in order for a heavy operative ore movement but are completely out of order as pertaining to the particular exploration project.

In essence, as supervising engineers, we must exercise proper control so that project expenditures are balanced within reasonable and permissible limits.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

APPROVED:

J. H. Hedges (JHB)

Member, Bureau of Mines

A. R. Kinkel, Jr. (JHB)

Member, Geological Survey

WRGriswold/hmj (4/1/53)
CC to: Docket
Adm. R. File
Op. Committee
Base Metals Div.
Mr. Kinkel
Mr. Bishop
Mr. Griswold
Mr. Alt
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

March 21, 1953

Mr. George Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 27 1953

Re: Docket No. DMEA-2475 (Lead-Zinc)
Jim Creek Mines, Inc.
Pend Orielle County, Washington
Contract No. Idm-E318

Dear Mr. Selfridge:

This will acknowledge your letter of March 2 in which you discuss your general philosophy in regard to raising the allowable maximums in contracts and specifically with regard to the construction of a compressor and change house at the Jim Creek mine.

You are, obviously, on sound ground when you state that when the Operator signs a contract with the Government, he undertakes a certain amount of obligation in addition to receiving certain advantages, and he must be prepared to meet his commitments. By a strict interpretation of the contract, there is, then, no reason for the Government to raise these limits even where the Operator shows that in spite of good work and careful management he has exceeded the allowable maximum. This is a small matter with this particular contract, and therefore, it is not worth arguing further. However, as you point out, even the most experienced engineers cannot estimate costs with precision; therefore, it seems to me that there should be some way by which these inacuracies could be adjusted. If this were a unit cost contract, the Operator might have a chance of getting his money back from some other item, but with this particular contract, he has no way available. In spite of what you say, it does not seem to me as though we are actually carrying our fair share of the genuine and actual costs of exploration. As you point out, the contractor has signed a contract of his own free will in return for certain advantages; however, we are careful now to point out to him the meaning of the allowable maximums and the fact that these are very difficult to change, although we did not do this at the time the allowable

maximums were established because we did not know their full significance ourselves. On many occasions, however, a contractor will sign the contract knowing that he cannot possibly meet the allowable cost on certain of the allowable maximum items. He does this because he has usually waited so long for the contract anyway that he does not wish to delay the proceedings any further by quibbling over individual items of cost, and he decides that he will absorb the difference himself rather than argue with the DMEA and delay the execution of the contract. Although he signs, it leaves in many cases a rather bad taste in his mouth and I can add that this matter of allowable maximums has caused more resentment among operators than any other provision in the contract. In my opinion, it is the inflexible rock on which the good ship, DMEA, may very well founder. I may add to that, with me, the problem of allowable maximums is a matter of fair dealing and not of generosity. With the same Jim Creek contract, we have recently deleted a very large item which the Operator has claimed for the rehabilitation of his shaft. Since rehabilitation of the shaft was not provided for in the contract, we see no reason why it should have been done; therefore, we have disallowed it and are prepared to stand our ground.

The matter of the allowable maximums represents such a radical difference in thinking between Washington and Region II that there seems little point in persuing it much further. My only hope is that they can be held to a minimum.

Sincerely yours

A. E. Weissenborn, AEW

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

cc: USBM (2)
Kirkemo

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane, Washington
March 27, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 31 1953

Mr. Jay L. Chambers, Chief,
Contract Admin. and Audit Division,
Defense Minerals Exploration Administration,
Interior Building,
Washington 25, D. C.

Subject: Your telegram of March 27, 1953, re
Jim Creek Mines, Inc., contract Idm-E318

Dear Mr. Chambers:

Enclosed is a copy of my letter to the Field Team explaining in detail the deletion of $1,778.18. The main amounts deleted were due to costs charged as Initial Rehabilitation and Repairs. Both the engineer, Mr. Anderson, and Mr. Howard, Chief of the DMEA Section, Bureau of Mines, told me these amounts should be deleted. As there was no provision made in the contract for this item, I had no alternative but to delete these amounts.

If there are any further questions on this matter I will be only too happy to answer them for you.

Sincerely,

R. J. Hindman

R. J. Hindman
Certifying Officer
Region II

COPY

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 31 1953

March 12, 1953

Memorandum

To: DMEA Field Team, Region II

From: R. J. Hindman, Certifying Officer

Subject: Jim Creek Mines, Inc. contract Idm-E318, January MF-104

The above MF-104 submitted by the Operator in the amount of $2,853.23, has been approved for a total of $1,075.05. The Operator should receive a check for $537.53 within the next few days. Deletions were made as follows:

Item 2. $946.10 was disallowed on this item. $716.60 covered labor on shaft rehabilitation which was not covered in the contract. $229.50 was for labor on the headframe. This was the amount over the approved allotment for this item.

Item 3. $14.94 explosives and $402.14 was disallowed as they were both expenses incurred in connection with the shaft rehabilitation.

Item 4. $300.00 compressor rental was disallowed as it was charged under shaft rehabilitation and also because no invoice accompanied this charge. Depreciation on equipment used in the shaft rehabilitating work in the amount of $36.00 also was disallowed.

Item 7. Payroll taxes which applied to shaft labor in the amount of $79.00 was also deducted.

/s/ R. J. Hindman

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 27 1953

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MAR 27 2 19 PM '53
GENERAL SERVICES ADM
PUBLIC BUILDINGS SERVICE
PUB-SUPPLY SERVICE

V

205 WA SP /I-BOM/

SPOKANE WASH 3-27-53 935

MR JAY L CHAMBERS CHIEF CONTRACT ADMIN AND AUDIT DIV

DMEA DEPT INTERIOR

WA

REURTEL MARCH 26TH REFERENCE DMEA 2475, IDME 318 JIM CREEK MINE JANUARY MS-104 SUSPENSION TOTALING $1,778.18 DUE TO OPERATOR EXCEEDING ALLOWABLE MAXIMUMS AND COSTS CHARGED UNDER INITIAL REHABILITATION AND REPAIRS NOT ALLOWABLE UNDER TERMS OF CONTRACT. LETTER FOLLOWING SHOWING COMPLETE BREAKDOWN AND REASONS FOR DISALLOWANCE.

RAY MOND J. HINDMAN CERTIFYING OFFICER BOM DMEA SP

26TH DMEA 2475 IDME 318 MS-104 $1,778.18

AC 936

MAR 27 1 15 PM '53

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

FILE COPY
SURNAME:

Talbert

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

D. M. E. A.

E. D. Talbert
3719 2612

14X3923.970 Working Fund, DMEA
March 26, 1953

Mr. R. J. Hindman, Certifying Officer, Bureau of Mines
1207 North Division Street, Spokane, Washington

Re DMEA-2475, Idm-8318, Jim Creek Mines. January MF-104 indicates suspensions totalling $1,778.18. Please advise reasons.

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
March 26, 1953

Copy to: Docket
Admr. Reading File
Bu Mines Audit
Mr. Griswold
Mr. Chambers

3/26/53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 North Division Street
Spokane 2, Washington

March 25, 1953

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Routine inspection of Jim Creek Mine, Pend Oreille County, Washington, Contract Idm-E318, Docket No. DMEA 2475 (lead-zinc)

The subject property was visited Wednesday, March 18, 1953 accompanied by Pushpa B. Malla, Mining Engineer, Nepal Bureau of Mines.

John DeGraff, miner foreman, was at the property at the time of the visit. He stated that the operations had been inactive for approximately two weeks because of adverse weather conditions and also that he had been ill and unable to work.

There was approximately 30 feet of water in the shaft at the time of the visit and the writer was unable to check the depth of the shaft but from information supplied by Mr. DeGraff, the bottom is 126 feet below USBM #209 for a total advance of 53 feet under Stage II of the exploration contract.

The dip of the incline flattens from 66 degrees to 56 degrees at USBM #209 plus 74 and is then steepened again, as stated by Mr. DeGraff, just below the existing water level in the shaft. From my inspection there seemed to be no valid reason for the changes in dip and this matter was discussed with the Operator. Mr. Mitchell, engineer at the property, stated that the change in dip was made while he was not present at the property and that his instructions to the miners were to keep a constant dip on the incline. The writer recommended that a uniform dip be followed for the remainder of the sinking operations.

Powder used for the 53 feet of advance under Stage II of the contract has been ten and one-half boxes of 40% Atlas Gelodyn for an average of 12 pounds of powder per foot of advance.

It is the opinion of the writer, after talking with the miners at the property, that the Operators will have difficulty in maintaining an efficient operating force. Mr. DeGraff, miner foreman, stated that he was planning on resigning on or about the first of April. This matter will be discussed with the Operators the latter part of the week of March 23-27.

W. S. Anderson

W. S. Anderson

Orig. & 3 - Washington
USGS - 2
DMEA
M/D
WSA/vf

FILE COPY
SURNAME:

500

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

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

MAR 2 1953

Re: Docket No. DMEA-2475 (Lead-Zinc)
Jim Creek Mines, Inc.
Pend Orielle County, Washington
Contract No. Idm-E318

Dear Mr. Weissenborn:

We have your letter of February 9, 1953, on the above-cited docket in which you note that the cost of construction of the combination hoist, compressor and change house had exceeded the allowable maximum of $2,000.00 by the sum of $266.04.

Referring to your request "that the stars placed upon the $2,000.00 for the combination hoist, compressor and change house and $2,500.00 for the construction of a head frame be removed by means of an appropriate amendment so that we may make payment", we must point out that, in addition to the items having been starred, this matter is fully covered in paragraph 6 of Article 6 of the contract. You will note that such sums are stipulated to be "allowable maximums".

Hence, any proposed amendment would not simply be a matter of removing the stars, but would involve changing the stipulated amount allowed for this item from $2,000.00 to $2,266.04.

It must be borne in mind that when an Operator signs a contract with the Government he undertakes certain obligations in addition to receiving certain advantages, and that he must be prepared to meet his commitments.

We fully appreciate that we can never hope to achieve complete precision with the method of allowable maximums and unit costs. Even the most experienced estimating engineers cannot hope to accomplish that. However, we do feel that the present procedure is fair and equitable within reasonable and sensible limits, and we would be

most reluctant to abrogate it except in a very exceptional instance. In the above case we would not be disposed to effect the amendment suggested.

Sincerely yours,

George C. Selfridge

(JHB)

Chairman, Operating Committee

APPROVED:

J. H. Hedges (JHB)

Member, Bureau of Mines

Noted

T. P. Thayer (JHB)

Member, Geological Survey

WRGriswold/bjl/hmj
(Written 2-19-53)
CC to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Bishop
Mr. Kinkel
Mr. Alt

Wash

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

1201 North Division St.
Spokane 2, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 24 1953

February 11, 1953

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Routine inspection of Jim Creek Mines, Pend Oreille County, Washington, Contract Idm-E318, Docket No. DMEA 2475 (lead-zinc)

An inspection of the subject property was made February 6, 1953. John De Groff, miner foreman and two miners were at the property at the time of the visit.

USBM #206 which was 39 feet below the collar of the shaft was blasted out during slabbing operations in preparation for further shaft sinking. As the tag could not be found, USBM #209 was placed on the east wall plate of the collar set.

A concrete bulkhead has been placed across the west drifts and they will be used as a sump during sinking operations.

Sinking operations under Stage II of the exploration contract have been initiated. Two rounds have been "pulled" and the bottom is 77 feet below USBM #209 for an advance of 4 feet under Stage II of the contract. The shaft is being carried 5' x 9' in the clear and timber has not been required except for stulls to support the skids for the bucket.

A bench round is used in the sinking operations and an average of 18 holes is drilled (9 for each bench) each round.

A new bucket has been installed for hoisting muck and the dumping arrangement on the head frame has been corrected so the hoistman is no longer required to leave the hoist room and dump the bucket manually. Also the hoist drum has been aligned with sheave as recommended in the report of January 21, 1953.

Landings have not been installed at intervals on the manway in the shaft and I discussed this with Mr. Mitchell, engineer for the company, and he stated that the State of Washington mine inspector informed him that landings were not required if the incline did not exceed 66 degrees.

Work completed in Stage I of the contract is as follows:

1. Sinking the shaft an additional 22 feet on the vein to form a sump for the 50-foot level drift.

2. Drifting to the east for 73 feet.

3. Drifting two drifts to the southwest for a total of 152.5 feet.

4. Crosscut 12 feet to connect the two drifts to the southwest.

5. Crosscut 52 feet to the northwest to the granite-limestone contact.

A total of 289.5 feet of drifting and crosscutting has been completed of which the Government has participated for 167.5 feet. The 52-foot crosscut to the granite-limestone contact was not authorized in the exploration contract and additional crosscutting and drifting was done on company account. The additional 22 feet of sinking in the shaft was added to the contract by Amendment No. 1 and was participated in by the Government.

W. S. Anderson

Orig. & 3 - Wash.
USGS - 2
DMEA
L. H. McGuire
M/D
WSA/vf

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

February 9, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 16 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2475 (Lead-Zinc)
Jim Creek Mines, Inc.
Pend Oreille County, Wash.
Exploration Contract No. Idm-E~~381~~ 318

Dear Mr. Selfridge:

It has come to my attention that an item of $85.76 which was paid for a hot water heater in the change house at the Jim Creek Mines has been disallowed by the Certifying Officer. This together with a previous disallowance of $180.28 represents the excess over the item allowed for the construction of the combination hoist, compressor, and change house, which was placed at $2,000.00 maximum. The enclosed statement explains the situation.

In our opinion, the disallowed charges are fair and just costs which the Government ought to pay if it is to take its proper share of exploration costs. It will be noted that the allowable maximum for new buildings, improvements, and installations has not been exceeded. We therefore request that the stars placed upon the $2,000.00 for the combination hoist, compressor, and change house and $2,500.00 for the construction of a head frame be removed by means of an appropriate amendment so that we may make payment of what we consider a fair, just, and necessary cost of exploration.

Attached are two memorandums (dated January 7 and February 2, 1953) from the Certifying Officer stating his reasons for the deletions of the items specified.

Sincerely yours,

A. E. Weissenborn

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

Enclosures (3)
cc: USBM(2)
Kirkemo
Certifying Officer

COPY COPY

DMEA Field Team, Region II January 7, 1953

R. J. Hindman, Certifying Officer

Jim Creek Mines, Inc., Contract Idm-E318, November 1952 MF-104

The above report was submitted by the operator for $5,396.41. The amount approved for payment was $5,216.13. $180.28 was deleted from Item 6 as the contract has set an allowable maximum of $2,000.00 for the construction of the combined hoist, compressor and change house.. The deletion represents the amount that exceeds this maximum.

I wish to call the Field Team's attention to the excellent manner in which Mr. Field has submitted his reports. They are adequate in every detail and I feel that the Operator should be commended on this.

R. J. Hindman

cc:
DF
AD
USGS
Operator
R.M. Hull
Engineer

COPY COPY

DMEA Field Team, Region II February 2, 1953

R. J. Hindman, Certifying Officer

Jim Creek Mines, Contract Idm-E318, December 1952 MF-104

The subject MF-104 has been checked and approved for payment in the amount submitted less the following deletion:

$85.76 which had been paid for a hot water heater was deducted as this item was not included in the contract under items to be purchased.

R. J. Hindman

cc:
DF
AD
USGS
Operator
Engineer
R.M. Hull

JIM CREEK MINE
DOCKET NO. DMEA 2475
CONTRACT NO. IDM-E318

Article 6 of the contract reads as follows:

New Buildings, Improvements, Installations

(1)	Construction of combination hoist, compressor and change house	$ 2,000.00*
(2)	Construction of headframe with two pockets	2,500.00*
	Total	$ 4,500.00*

*Indicates allowable maximum.

---

(1) Charges by Operator to Item 1 have totalled $2,266.04. The Finance Officer has disallowed $266.04 of this amount as follows:

$180.28	deleted from MF-104 for Nov. 1952
85.76	deleted from MF-104 for Dec. 1952
$266.04	Total amount deleted.

(2) Charges by Operator to Item 2 have totalled $2,230.70 and this amount has been allowed.

Balance remaining in funds from Item 2=$269.30

Total balance remaining if all of Operator's charges are allowed is $3.26.

Both Items 1 and 2 have been completed and no further charges are expected.

If funds can be transferred from Item 2 to Item 1, the Operator will have complete payment for amount claimed for both items since there are sufficient funds remaining to cover both items.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

January 30, 1953

MEMORANDUM

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 1 1953

To: DMEA Field Team, Region II

From: Howard B. Nickelson, Geologist
U. S. Geological Survey

Subject: DMEA Docket No. 2475 (Lead-Zinc), inspection for purpose of mapping crosscut and raise at the Jim Creek Mine, Pend Oreille Co., Wash., Exploration Contract No. Idm-E318.

The Jim Creek mine was inspected by W. S. Anderson, Bureau of Mines Engineer, and Howard Nickelson on January 21, 1953.

A crosscut driven by the Operators at their own expense was mapped. The crosscut was driven N 7° E for a distance of 53 feet from the north wall of the drift opposite the shaft on the 50' level. No mineralization was encountered in the crosscut. The granite-limestone contact was intersected 51 feet from the north wall of the drift. The contact strikes N 70° E and dips 55° to the southeast. About two inches of quartz occurs irregularly along the contact. The contact between the limestone and the fine-grained granite is quite sharp. Several small fractures occur within 15 feet of the contact in the limestone, about parallel to the contact, and dip between 37 and 68 degrees; a small amount of calcite occurs along the 1/4" fractures. The limestone is somewhat broken and fractured by rather close spaced joints, along the crosscut.

The Operator's at their own expense drove a 15-foot raise along the footwall fault about 12½ feet ~~east~~ west of the shaft hoping they would cut the flow of water from the shaft. This operation did not prove successful. The raise was inaccessible, but a cross section was drawn across the drift and raise. The miners reported some galena up in the raise.

Webb Anderson will write a report on the operating conditions of the mine.

Howard Nickelson

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

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

1201 North Division St.
Spokane 2, Washington

Department of the Interior
Defense Minerals Administration
RECEIVED
FEB 3 1953

January 23, 1953

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Routine examination of Jim Creek Mines, Pend Oreille County, Washington, Contract Idm-E318, Docket No. DMEA 2475 (lead-zinc)

Mr. Nickelson, USGS, and the writer made an examination of the subject property January 21, 1953. John DeGroff, miner foreman and two miners were working at the property at the time of the visit.

Two men were working in the shaft cleaning out the bottom in preparation for further sinking with the other miner operating the hoist and tramming the muck from the bin to the dump.

The arrangements for dumping the muck from the bucket into the pocket on the head frame was not working satisfactorily as the hoistman had to leave the hoist room, climb the ladder to the pocket and manually dump the bucket. Aside from being uneconomical, it is a safety hazard because the hoistman has to leave the hoist room unattended while dumping the bucket. In order to dump the bucket manually, slack is left in the cable and if the bucket should slip, there could be a serious injury. It was also noted that the hoist drum is not properly aligned with the sheave which will cause excessive wear both on the sheave and the cable.

I recommended that corrections be made in the dumping arrangements and also the hoist drum should be properly aligned with the sheave. Mr. Mitchell, engineer, was not at the property and I have not been able to contact him as yet but will do so as soon as possible.

Landings have not been installed at intervals on the ladders going down the shaft and it was recommended that these be placed at intervals conforming to safety regulations.

W. S. Anderson
W. S. Anderson

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
L. H. McGuire
WSA/vf

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

1201 North Division St.
Spokane 2, Washington

January 9, 1953

Defense Minerals Administration
RECEIVED
JAN 10 1953

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Routine inspection of Jim Creek Mines, Pend Oreille County, Washington, Contract Idm-E318, Docket No. DMEA 2475 (lead-zinc)

An inspection was made of the subject property December 30, 1952. Mr. Preston, president of the company, and Mr. Mitchell, engineer, accompanied me on the inspection.

The compressor and hoist have been installed and are now ready for operation. Mr. Preston and Mr. Mitchell installed all electrical equipment and wiring required in the installation of both units for it is difficult in that area to secure the services of an electrician.

The work during the last month has been slowed by adverse weather conditions and much time is required in keeping the road open to the mine. At the time of my visit there was 20 inches of snow at the property.

The head frame has been erected and the collar set has been installed in the shaft.

It is anticipated that with the surface work completed, shaft sinking will be initiated by the 21st of January, 1953.

The Operator's seem to be conscientious in their efforts to keep costs as low as possible although construction of the head frame and compressor house took longer than anticipated due to the adverse weather conditions.

Good standards of work have been maintained in all surface installations.

W. S. Anderson

W. S. Anderson

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
WSA

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
DEC 5 1952

1201 North Division Street
Spokane 2, Washington

November 26, 1952

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Routine inspection of Jim Creek Mines, Pend Oreille County, Washington, Contract Idm-E318, Docket No. DMEA 2475 (Lead-zinc)

An inspection was made of the subject property November 19, 1952. Mr. Preston, president of the company, and Mr. Mitchell, engineer, were at the property at the time of my visit.

The new access road which was being constructed at the time of my last visit on October 3, 1952 is now completed. Also the old road from the camp to the new access road has been rehabilitated. There is 0.7 mile of new construction and 0.7 mile rehabilitation. The new access road is better situated as it is on higher ground making it possible to continue operations through the winter.

A steel frame quonset hut has been erected for use as a compressor house and change room. The quonset hut was purchased from war surplus and erected by Cundroff & Moss, contractors from Metaline, Washington. Total cost for purchase and erection of the hut was stated to be $2,000 by the Operators. The compressor and change house have an overall dimension (floor plan) of 20' x 48' with the change room being 20' x 10'.

A 432 cfm stationary electric compressor has been acquired by the Operators on a rental-option basis and was to be delivered Thursday, November 20th. The compressor is supplied by the Western Machinery Company, at a monthly rate of $300.00. Included with the compressor will be a 4' x 8' receiver.

The Operators have purchased an electric hoist for the shaft. The cost of the hoist was $1,033.00. The hoist has not been received as yet so I was unable to obtain serial number, size, capacity, or make at the time of my visit.

There are three men employed at the property at the present time preparing a sump in the southwest drift. The sump will be constructed with two compartments.

The headframe will have to be constructed before sinking operations can be initiated in the shaft. It is anticipated the headframe will be completed by the first of December, 1952.

John DeGraff, miner foreman, is going to sink the shaft on a labor contract, a copy of which will be sent to the DMEA Field Team.

Mr. Preston and Mr. Mitchell inquired if a crosscut driven in a northwesterly direction from the shaft station to the granite limestone contact could be charged to the exploration contract. A memorandum report by Harold Kirkemo, USGS, dated October 23, 1952 stated that the work would be financed by the company without DMEA aid. It is recommended, insofar as the crosscut is not covered in the exploration contract, that the crosscut shall not be financed by DMEA.

W. S. Anderson

W. S. Anderson

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
WSA/vf

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

XXXXXXXXXXXXXXXXXXXX
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 13 1952
Received 11/13/52 [illegible]

November 6, 1952

No Reply necessary
BJL

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Dept. of the Interior
Washington 25, D. C.

Re: Docket DMEA-2475-Lead-Zinc
Jim Creek Mines, Inc.
Pend Oreille County, Washington
Contract No. Idm-E318

Dear Mr. Johnson:

This is a long overdue reply to your letter of September 15. A reply was held here while we were giving some additional consideration to the problem, and is now probably unnecessary because a number of inspection reports turned in since the middle of September have given, I believe, the answer to all of the questions raised. However, to clear the record I will reply to your letter of September 15 in the form of a summary of recent developments on the property.

Additional sampling and mapping gives some encouragement for further work on the property although the grade is a little on the low side. We considered some further drifting or crosscutting on the 50-foot level, and we discussed this with Mr. Keller during his recent visit to Spokane. Our opinion, concurred in by Mr. Keller, was that the 50-foot level was too near the surface for optimum exploration, and that if we were going to go further with the contract, we might as well proceed with Stage II and do the exploration from a deeper level. Consequently, the deepening of the shaft is now in progress.

Sincerely yours,

A. E. Weissenborn

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

cc: USBM (2)
Kirkemo

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
NOV 3 1952

October 23, 1952

Memorandum

To: DMEA Field Team, Region II

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

Subject: Docket No. DMEA-2475 (lead-zinc), Memorandum Report of Progress at Jim Creek Mines, Inc., Pend Oreille County, Washington, under DMEA Contract Idm-E318.

Summary

Stage I of the above contract was completed in September 1952. Drifts and crosscuts totaling about 231 feet were driven on the 50-foot level and the inclined shaft was extended an additional 22 feet. Mineralized structure was followed in 127 feet of drifting and a second vein was discovered by crosscutting. A gross ore reserve of 1130 tons averaging 5.73 percent zinc and 1.30 percent lead is calculated from work done on Stage I. It is reasonable to expect that an additional 500 tons of ore of similar grade may be found with work planned by the Jim Creek Company on the 50-foot level.

Stage II of the contract is designed to explore the ore body with an additional 110 feet of shaft sinking followed by 400 feet of drifting and crosscutting. An additional 2300 tons of ore averaging 7 percent combined zinc and lead may be expected with this proposed work. There is a possibility that parallel veins may be found which will augment the ore reserve tonnage estimated on known veins.

Recommendations

It is recommended that the Operator continue exploration work allowed in Stage II. This includes 110 feet of shaft sinking and 400 feet of drifting and crosscutting. Development work to date has disclosed two vein-like, mineralized replacement bodies in limestone near a limestone-granite contact. It is reasonable to expect that a number of mineralized structures may exist in deposits of this type. These structures may be parallel or en echelon in pattern and exploration work should be directed to test such possibilities.

Details of the exploration program for other veins will be based on interpretation of geologic information gathered during the shaft sinking and initial drifting on the Shaft vein on the 150-foot level. This program will be planned to the mutual advantage of the Government and the Operator.

Progress Report

I visited the Jim Creek mine on September 10, 11, and 25 for routine inspections of work done on the DMEA contract. John DeGraff, foreman, and two miners were working at the mine on each visit. I have mapped the 50-foot level, inclined shaft and the surface near the shaft. Six maps showing geology, assays, and sections are attached.

The prospect as now developed shows two zinc-lead replacement veins in a limestone and dolomitic limestone roof pendent in a granodiorite batholith. The limy beds are in the Maitlen phyllite formation (Cambrian age) and the granodiorite is part of the Kaniksu (Cretaceous (?) age) batholith.

The roof pendent of Cambrian rocks is 300 to 400 feet wide and one-quarter of a mile or more long. The shaft and mine workings are on the north side of the roof pendent and within 30 feet of the granodiorite. The mineralized streaks parallel the strike and probably parallel the dip of the limestone-granite contact.

The prospect was discovered accidentally by the Jim Creek Mining Company on September 28, 1951, during construction of a road between the company camp and the No. 15 claim. A zinc-lead outcrop in the roadway was uncovered with a bulldozer. The dip of the mineralized exposure could not be determined so two diamond drill holes were drilled in October 1951 by the Havlick Diamond Drilling Company of Spokane for the Jim Creek Mining Company. The holes were drilled from the surface and directed to intersect the ore at depth. (See attached Figures 1 and 2.) The first hole, D. D. H. 4, was drilled 253 feet and cut limestone with occasional specks of pyrite. D. D. H. 5 was drilled in the same general direction because of the possibility that D. D. H. 4 might have been deflected. It penetrated 256.5 feet of limestone containing scattered grains of pyrite. D. D. H. No. 5 ended in silicified limestone that may be in the skarn zone near the granodiorite. The shaft was sunk to a depth of approximately 67 feet following the ore and the 50-foot level was established 45 feet below the collar.

The shaft and the No. 1 and No. 2 drifts on the 50-foot level follow a zinc-lead replacement vein called the Shaft vein. This vein attains a maximum width of three feet and has a strike length of 70 feet. The Shaft vein strikes north 35°-55° east and dips 40°-60° to the northwest. It pinches out in crystaline white limestone 53 feet northeast of the shaft and appears to be cut off by a zone of joint cracks ten feet southwest of the shaft. There is a possibility the same vein was followed in No. 2 drift southwest to 40 feet from the shaft. The vein contains streaks, blebs and disseminations of sphalerite, some galena and minor amounts of pyrite. The vein is well-defined in the shaft but grades into the limestone without distinct walls on the 50-foot level.

The H.W. vein is 20 to 25 feet in the hanging wall of the Shaft vein and was followed for 40 feet in No. 4 drift. It strikes north 65° east and dips 35° to 65° to the northwest. It attains a maximum width of five feet and is a zone of disseminated sphalerite, galena, pyrite and calcite in mottled limestone.

Two prominent joint systems were noted in the limestone on the 50-foot level. One system strikes north 20 to 30° east dipping 45° to 55° southeast and the other system strikes north 35° west and dips 50° southwest. Some of the northeast striking joints intersect and possibly offset the Shaft vein west of the shaft.

Ore Reserves

Ore reserves have been calculated on both veins and the individual ore reserve blocks are indicated on attached Figures 4 and 5. The reserves are based on weighted averages of assays from all samples cut in the mine. In the calculations it was assumed that 11 cubic feet of rock in place equalled one ton.

Ore Reserve Block Number		Width	Percent	Percent	
Indicated Ore	Inferred Ore	Feet	Zinc	Lead	Tons
1 (Shaft vein)		2.3	6.42	1.57	410
2 (H.W. vein)		2.5	5.00	1.33	286
	3 (Shaft vein)	2.25	6.1	0.8	230
	4 (H.W. vein)	2.25	5.00	1.33	204
Average grade and total tons			5.73	1.30	1130

Silver is not considered in the ore reserve estimate as silver values did not exceed 0.2 ounce per ton in any sample assayed.

The Jim Creek Company intends to drive a crosscut on the 50-foot level in a northwesterly direction from the shaft station to intersect the H.W. vein and possibly continue to the granite-limestone contact. It was understood this work will be financed by the Company without DMEA aid.

Preparations are underway by the Jim Creek Mining Company to continue with Stage II of the DMEA contract through the winter. A more permanent road replacing the original road is being built from the county road to the mine. A building to house the essential machinery and equipment will be erected at the mine when the road is completed.

Arrangements were made by the Jim Creek Company with the Pend Oreille County Public Utilities District to extend a 7200-volt 3 phase power line $1\frac{1}{4}$ miles from the company's camp to the mine. Poles are furnished by the Jim Creek Company and the line is installed by the P.U.D. at no cost to the consumer. The Jim Creek Company will purchase power on a PUD B 2 rate schedule and pay a minimum monthly charge of $85.35. An escape clause is contained in the contract with PUD in the event of discontinuance of power use by the Jim Creek Mining Company.

Harold Kirkemo
Geologist

Enclosures
cc: DMEA (4)
USBM (2)
Kirkemo

DMEA Docket No. 2475

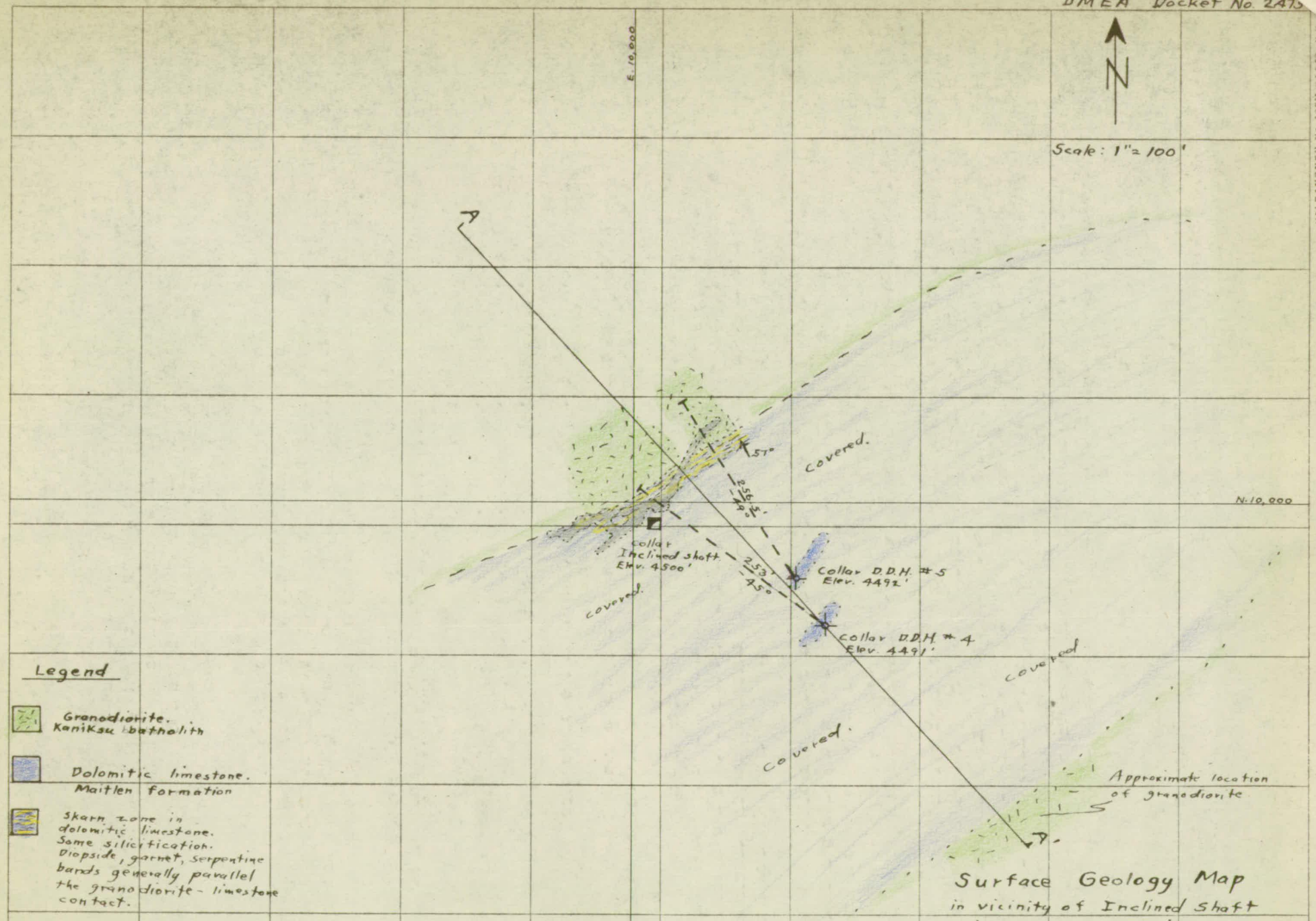
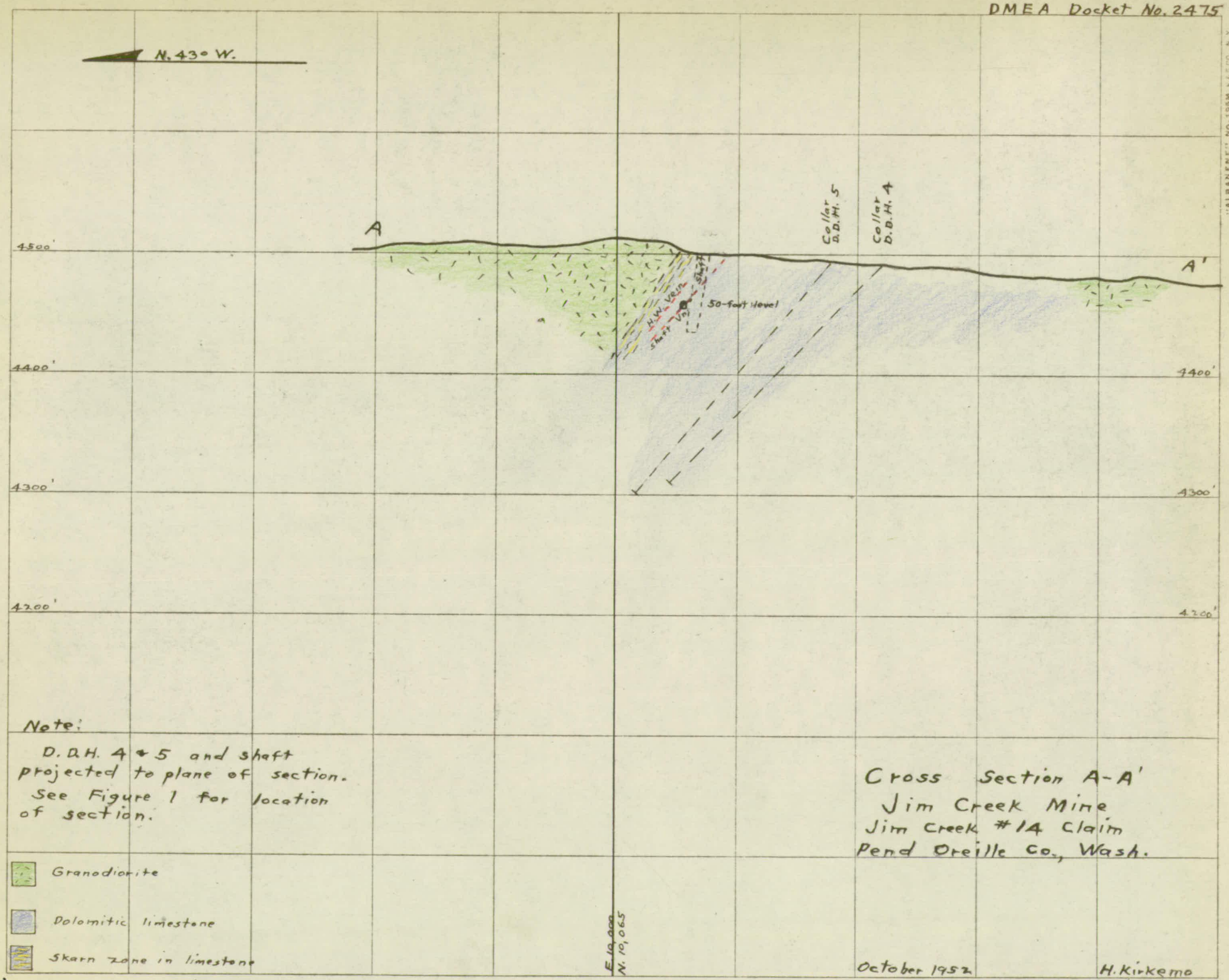


Figure 1



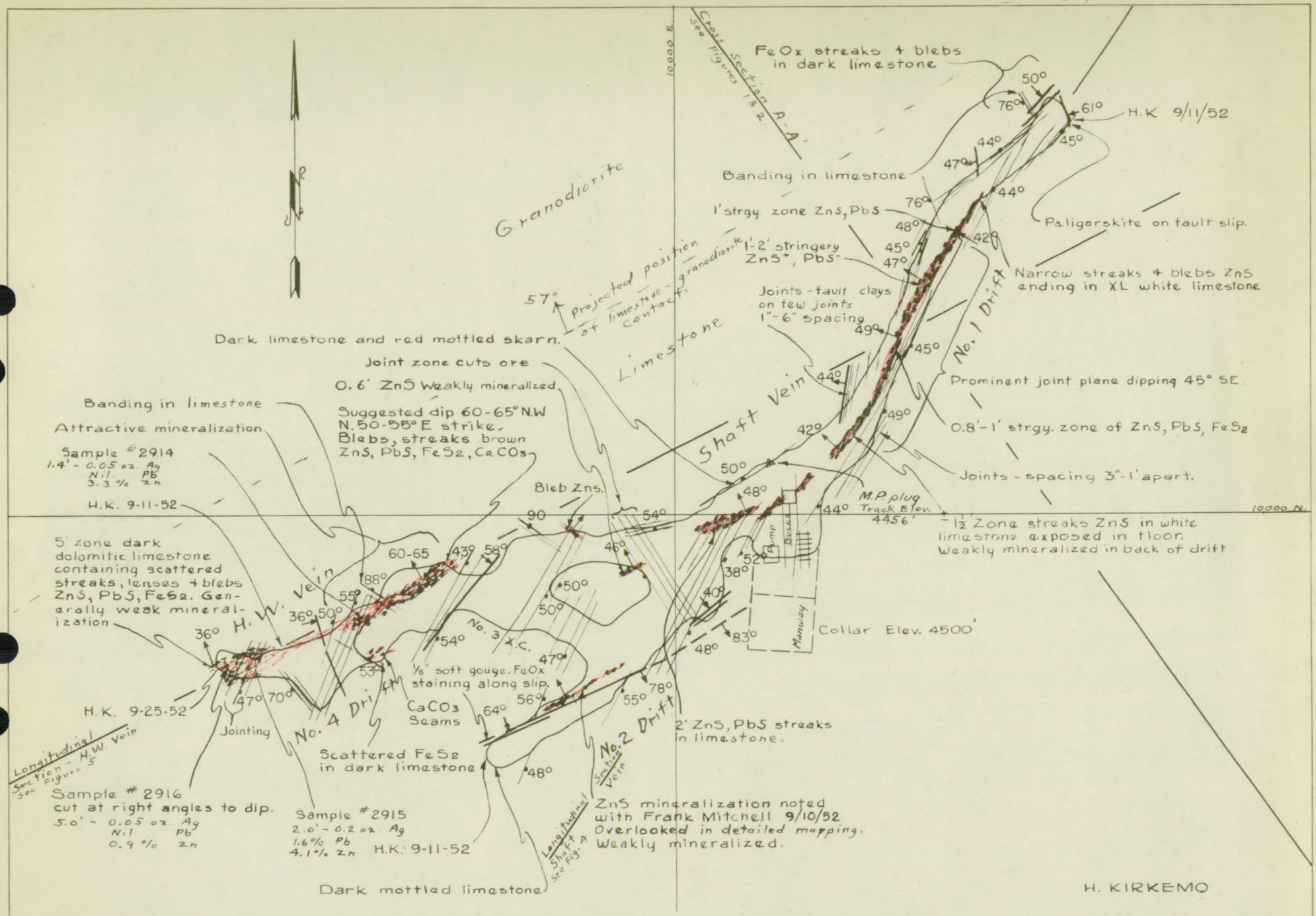
Note:
D.D.H. 4 & 5 and shaft projected to plane of section. See Figure 1 for location of section.

Cross Section A-A'
Jim Creek Mine
Jim Creek #14 Claim
Pend Oreille Co., Wash.

October 1952

H. Kirkemo

Figure 2

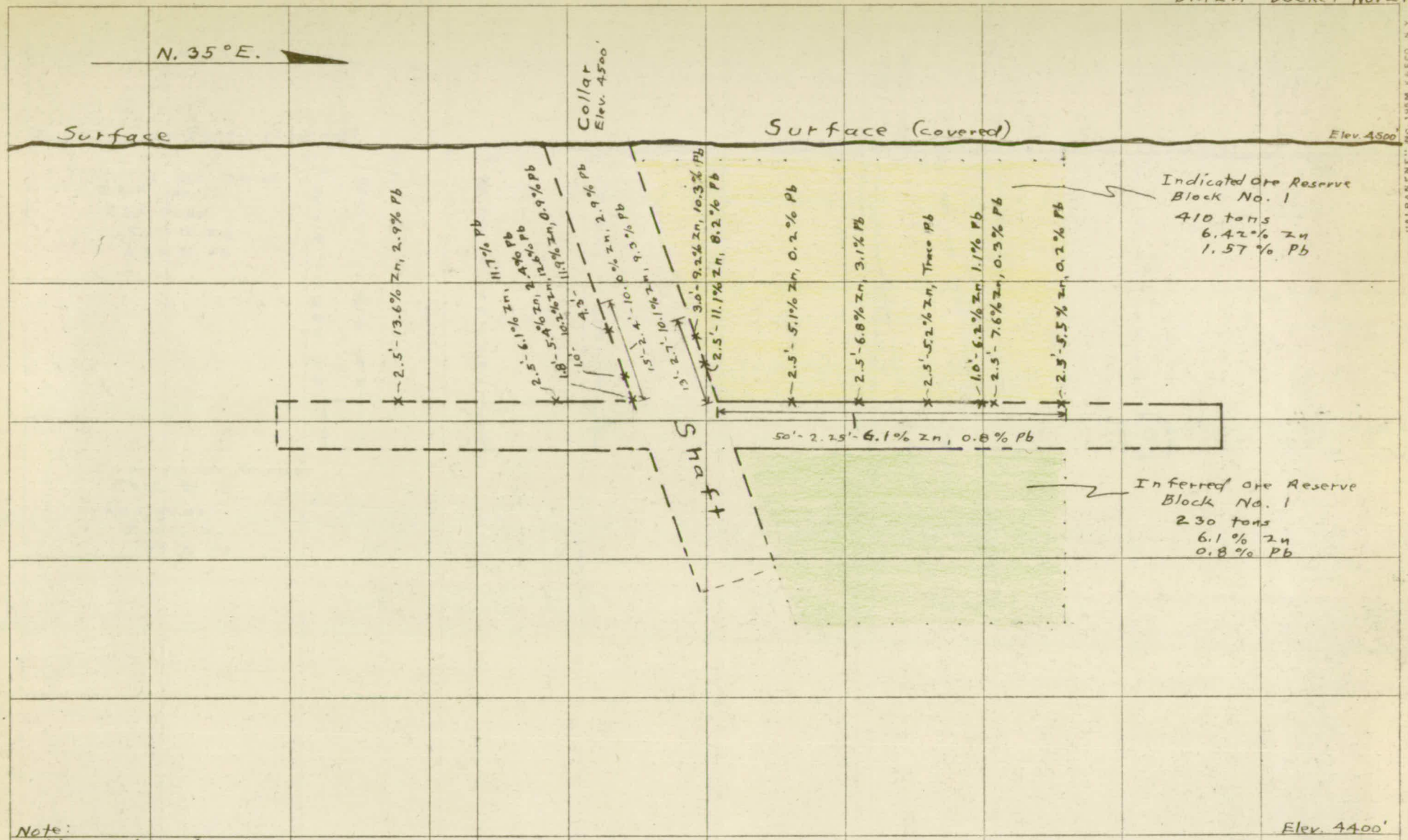


50 FOOT LEVEL, JIM CREEK MINE

JIM CREEK #14 CLAIM, PEND OREILLE COUNTY, WASHINGTON

Scale: 1" = 20'

Figure 3



Note:
Silver values do not exceed 0.1 oz. per ton.

Sampled by:
P. H. Mitchell, Jim Creek Mining Co.
Assayed by: W. H. Stowell & Co., Spokane
R. E. Leigh, Anaconda Copper Mining Co.
Assayed by: Union Assay Office, Inc. Salt Lake City
W. P. Duffett, U.S. Geological Survey
Assayed by: Union Assay Office, Inc.

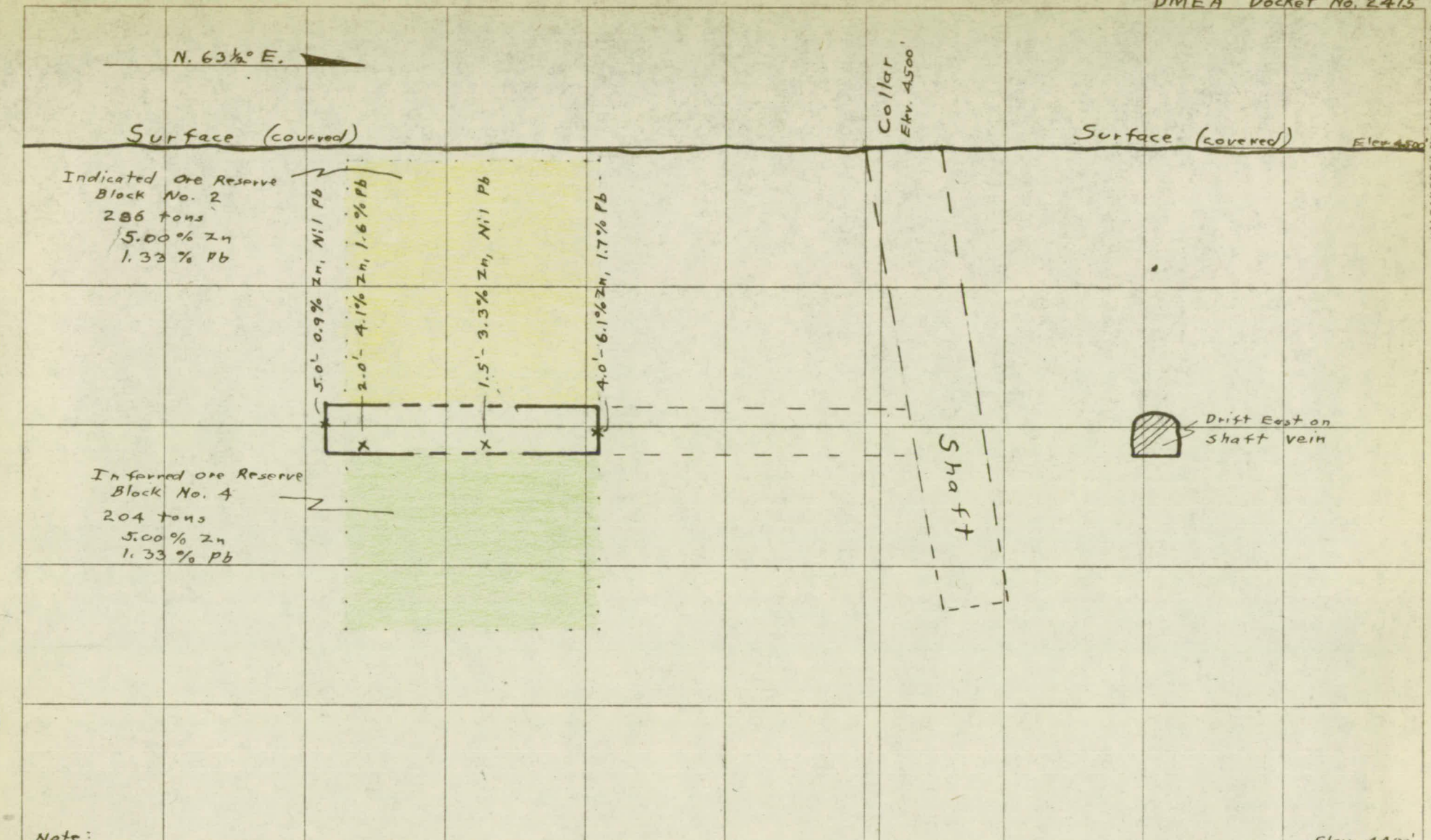
N. 9,975
E. 10,000

Longitudinal Section
Shaft Vein
Jim Creek Mine
Jim Creek #14 Claim
Pend Oreille Co., Wash.

October 1952

H. Kirkemo

Figure 4



Note:
Silver values do not exceed 0.2 oz. per ton.

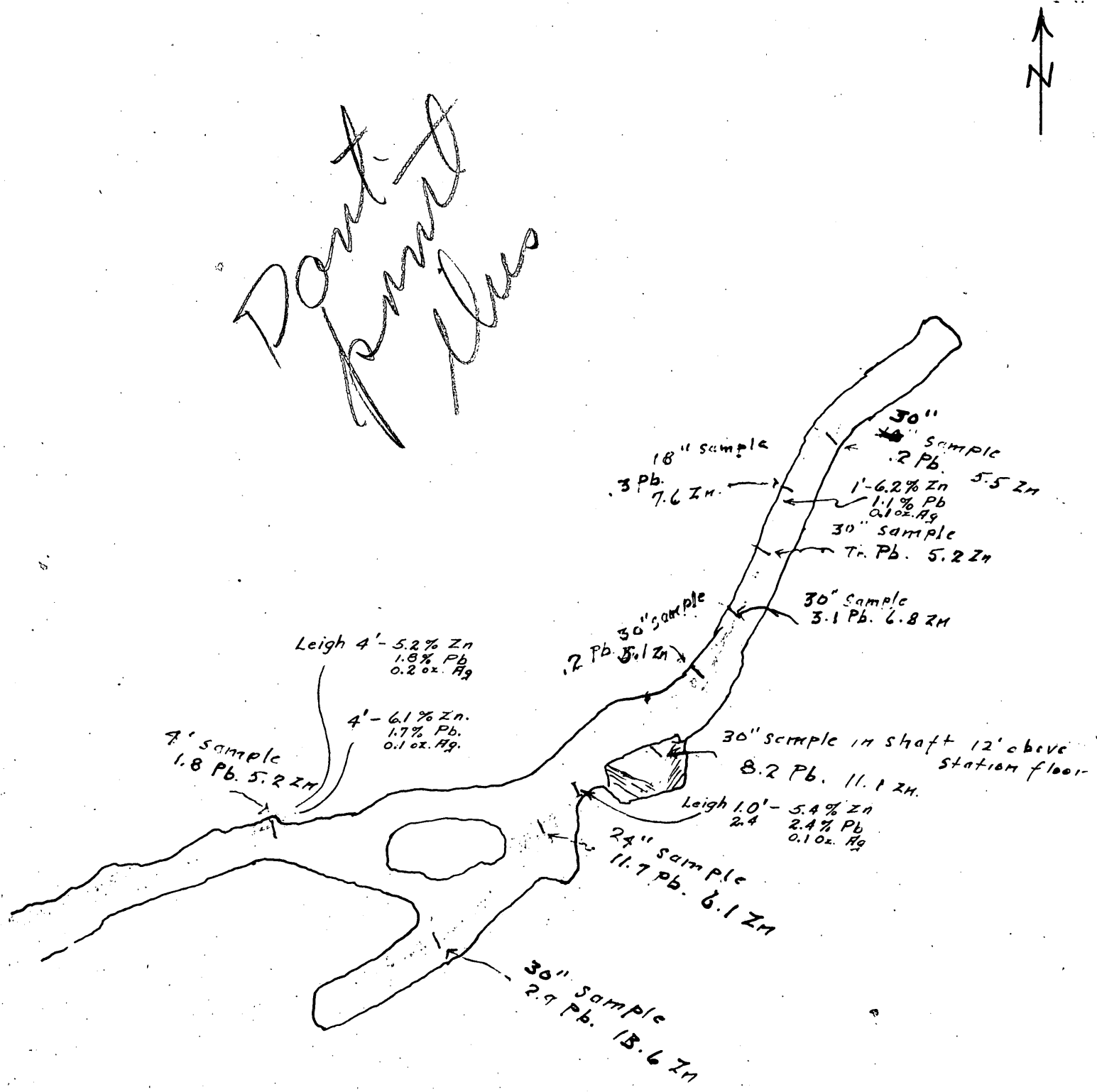
Sampled by:
W. P. Puffett, U.S. Geological Survey
Harold Kirkemo, " " "
Assayed by: Union Assay Office, Inc.
Salt Lake City, Utah

Longitudinal Section
H. W. Vein
Jim Creek Mine
Jim Creek #14 Claim
Pend Oreille Co., Wash.

October 1952

H. Kirkemo

Figure 5



Above Tunnel
Est. 1300 Tons Av. assay
3.2 Pb. 7.3 Zn.
(Estimated by F. H. Mitchell)

Assay Map
50 Foot Level, Jim Creek Mine
Jim Creek #14 claim, Pend Oreille Co., Wash.
Scale: 1" = 20'

Map by: F. H. Mitchell, mining engineer
Jim Creek Mining Company.
Sept. 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 North Division St.
Spokane 2, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 27 1952

October 7, 1952

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Routine inspection of Jim Creek Mines, Pend Oreille County, Washington, Contract Idm-E318, Docket No. DMEA 2475, (lead-zinc)

An inspection was made of the subject property October 3, 1952.

John DeGroff and two workmen were working on a new access road to the shaft at the time of the visit. There is no work being carried on in the shaft or the drifts at the present time except for occasional pumping to keep the workings from being flooded. The drift and crosscuts have been cleaned of muck and there is about 6 inches of water in the two crosscuts to the west.

USBM #206 was placed in the back of drift, 39 feet below the collar of the shaft.

The crosscuts to the northwest have been straightened out and joined with the work proceeding on one heading. This work was not authorized and is not charged to the project.

Mr. DeGroff informed me that they are not planning on initiating any work in further sinking of the shaft until surface work now in progress is completed.

W. S. Anderson

W. S. Anderson

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

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

So. 157 Howard Street
Spokane 4, Washington

September 15, 1952

Mr. Frank E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Jim Creek Mines, Inc.
Docket No. DMEA-2475
(Idm-E318 (Lead-Zinc)
Pend Oreille Co., Washington

Dear Mr. Johnson:

Reference is made to your letter of August 28, 1952.

Enclosed is the original and two copies of Exhibit "F" to Amendment No. 1 to the subject contract. This exhibit was prepared in Washington and sent to the field for approval of the Operator and the Field Team. It is to be substituted for the attachment to the cover sheet to Amendment No. 1 which was mailed to you in July.

By copy of this letter the Fiscal Officer's copy is being mailed.

Sincerely,

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

cc: USBM (2) w/2 encls.
Fiscal Officer w/encl.

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Adm.
SEP 15 1952

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

So. 157 Howard Street
Spokane 4, Washington

September 15, 1952

2475

Mr. Val Y. Preston, President
Jim Creek Mines, Inc.
N. 1114 Second Avenue
Spokane, Washington

Dear Mr. Preston:

Enclosed is your copy of Exhibit "F" which is to replace the exhibit which is presently attached to your copy of Amendment No. 1.

Sincerely,

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

Enclosure

cc: DMEA (2)
USBM (2)

FILE COPY
SURNAME:

500
Alt
WMAlt

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

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

SEP 15 1952

Re: Docket No. DMEA-2475 (Lead-Zinc)
Contract No. Idm-E318
Jim Creek Mines, Inc.
Pend Oreille County, Washington

Dear Mr. Weissenborn:

The copy of the routine inspection report of Willard P. Puffett, Geologist, US Geological Survey, of August 28, 1952, of the above referenced contract has been received.

From the last paragraph of this memorandum we are of the opinion that the work of Stage I, crosscutting, drifting and shaft sinking has been completed, but todate the only progress report (MF-104) that we have received is for the period of May 19 to June 30, 1952, so we do not know if the money allowed for this stage has been expended.

In case the money for Stage I has not been expended, we would like to suggest drifting or crosscutting on the ore cut in the crosscut shown on the sketch accompanying Mr. Puffett's memorandum which gives sample, WPJC #2/48" - 6.1% Zn., 1.7% Pb., 0.1 Oz. Ag., 0.0 Au. This ~~apparently~~ appears to be a favorable ore zone.

Probably by now the Operator has been contacted regarding the continuation of the project. We concur with Mr. Puffetts conclusion, that the Operator should submit proof of favorable mineralization and controlling structures before seriously considering Stage II of the project. It might be advisable to amend the contract to permit some additional work on the 50 foot level before deciding on the Stage II of the project.

We would appreciate your comments regarding this proposal.

Sincerely yours,

Frank T. Johnson B. A.
Chairman, Operating Committee

APPROVED:

J. H. Hedges
Member, Bureau of Mines.

T. P. Thayer
Member, Geological Survey

JWAlt/mb
Sept. 10, 1952 Copy to: Docket, Adm. Reading File, Operating Committee, Mr. Keller, Mr. Alt, Mr. Bishop, Mr. McKnight, Region II

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

1201 N. Division St.
Spokane 2, Wash.

September 9, 1952

To be filed - Spokane, Washington

MEMORANDUM

To: DMEA Field Team, Region II

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

Subject: Progress examination of Jim Creek Mines, Pend Oreille County, Wash., Contract Idm-E318, Docket No. DMEA 2475 (Lead Zinc)

An inspection was made of the subject property September 4, 1952. Mr. Bollman, one of the workmen at the property, was the only one present at the time of my visit. He said they finished their shift at one o'clock and Mr. DeGraff, the foreman, had left for Ione, Washington.

At the present time there are three men working on the project including Mr. DeGraff, the foreman.

Mr. Bollman accompanied me on an examination of the workings. The northeast drift is approximately 70' to the face from the shaft. There is no mineralization at the face and no work is being carried out in this heading at the present time.

Drifting is now in progress in a drift to the northwest shown as #4 on the accompanying sketch. There are stringers in the face of this drift which have Pb and Zn present.

As can be seen on the accompanying sketch, there has been no definite program followed by the operator. Drifts No. 3 and 4 were driven 20 feet apart to encounter the same ore zone. One of these drifts would have been sufficient and it should have been evident to the operator that another drift was unnecessary.

Mr. Bollman advised me that there was no work done for a week in August due to mechanical trouble with surface installations. He also stated that it has been difficult to obtain miners for the operation.

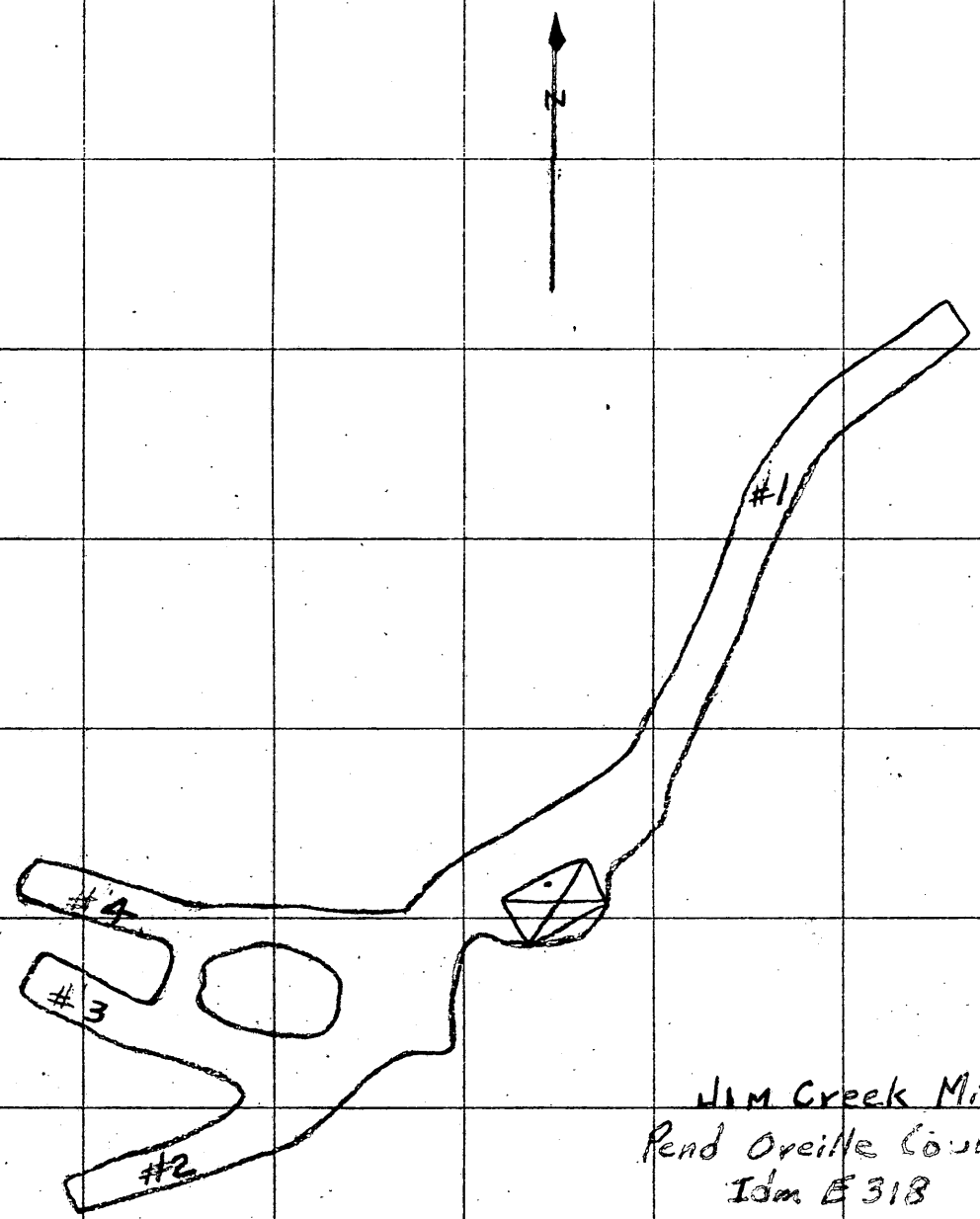
The operator has not followed the proposed program and in the work that has been done it is evident that the operator has not had a planned program. It is suggested that stage II of the contract should not be initiated.

W. S. Anderson

W. S. Anderson

Enclosure

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



Jim Creek Mine
Pend Oreille County, Wash
Idm E 318

Scale 1" = 20'

140

FILE COPY
SURNAME:

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

AUG 28 1952

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Jim Creek Mines, Inc.
Docket No. DMEA-2475
(Idm-X318) Lead-Zinc
Amendment No. 1

Dear Mr. Weissenborn:

The substance of Amendment No. 1 of the subject contract, enclosed with your memorandum of July 26, 1952, is approved but it is rather confusing as written. It is suggested that the attached revised amendment be substituted if it meets with your approval and that of the Operator. If you make the substitution, initial each copy in conjunction with the Operator and return the original and two copies to this office and distribute the other three copies as usual.

Sincerely yours,

H. F. Keller (NB)

ACTING Chairman, Operating Committee

Attachment

Approved:

C. N. Johnson (NB)
Member, Bureau of Mines

D. M. Lemmon (NB)
Member, Geological Survey

AEKane/ema/8-15-52
cc: Mails & Files
Adm. Reading File
Operating Comm.
J. H. Hedges
T. P. Thayer
J. L. Hofflund
A. E. Kane
H. F. Keller
Chron.
Pending

JIM CREEK MINES, INC.
EXPLORATION PROJECT CONTRACT
DOCKET NO. 2475 - Idm-E318
Lead-Zinc

Amendment No. 1

EXHIBIT "F"

In order to cover the costs of sinking the shaft an additional 22 feet to form a sump for the 50-foot level drift, this amendment is made, effective as of May 19, 1952.

In Exhibit "A":

(1) Under "Description of the Work," add to Stage I the following:

3. Sink present shaft 22 feet on the vein in order to form a sump for the 50-foot level drift.

(2) Under "Estimate of Costs, Summary" delete everything under Stage I and substitute the following:

Drifting 125 feet (slusher drift) @ $30.00 per foot	$ 3,750.00	
Crosscutting 50 feet @ $35.00 per foot	1,750.00	
Sinking shaft 22 feet @ $100.00 per foot	2,200.00	
Operating equipment to be rented	800.00*	
Total Stage I		$ 8,500.00

(3) Under "Details," Stage I, (4) Operating Equipment to be Rented, on page 3, add:

"Electric generator set, 25 KW, with electric pump - 4 months @ $200/month $800.00*"

and change the total from $460.00* to $1,260.00*.

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

So. 157 Howard Street
Spokane 4, Washington

DMEA(4)

August 28, 1952

Memorandum

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

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

Subject: Routine examination of progress at Jim Creek Mine, Pend Oreille County, Washington, under DMEA contract Idm-E319, Docket No. DMEA-2475 (Lead-Zinc)

A routine inspection of the Jim Creek Mine was made Thursday August 21, 1952. I was accompanied on this examination by E. H. Roseboom, U. S. Geological Survey. Mr. DeGraff, foreman of operations, was at the property at the time of this visit.

A tape and compass survey was made of the drifting that had been done as part of the contract. Inasmuch as the sinking done as part of the contract is now a sump, this was not available for inspection. Geology was plotted and two samples were taken from separate ore-mineralized zones. The map showing the sample locations and assay results accompany this memorandum.

The purpose of the drifting was to explore for lateral extensions of a steeply dipping tabular replacement zone which had been exposed in both walls of a shaft. Initial drifting was to the southwest and it evident that here the operators had trouble in following the ore. From what could be observed in the workings, the ore zone either did not persist far in this direction or else it was displaced by faulting. From observation of the accompanying map it can be seen that considerable wandering around was done. An ore zone was successfully penetrated but this zone has no apparent connection to that one on which the proposed

exploration was to be done. A sample taken of this ore zone assayed 7.8 percent combined zinc and lead.

A drift 65 feet long has been made to the northeast. Apparently this drift followed ore for at least 40 feet. A sample taken across the ore zone assayed 7.9 percent combined lead-zinc.

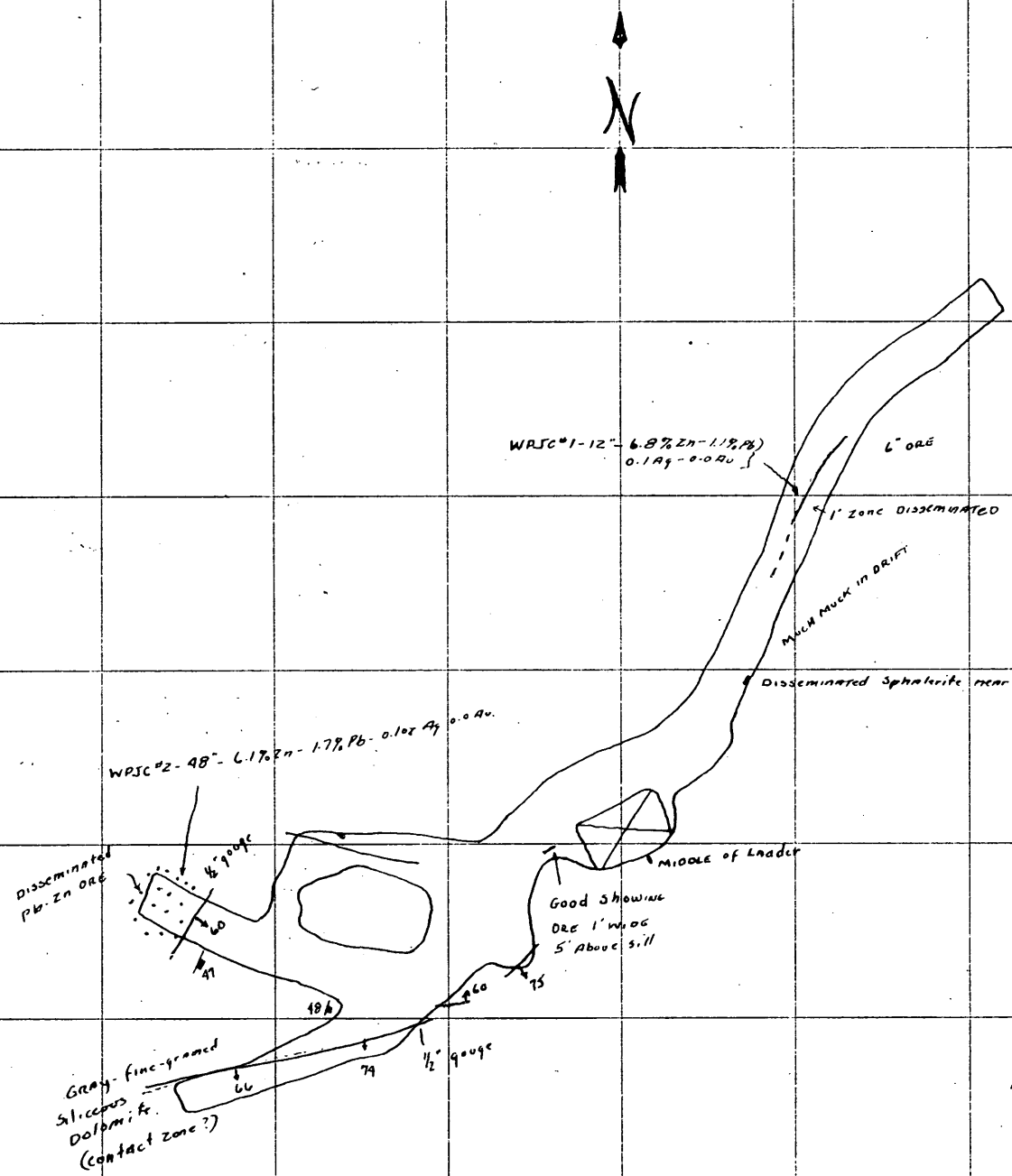
All of the drifting had been done using a slusher to remove the muck. At the time of the inspection, much broken rock remained in all of the tunnels and because of this it was difficult to observe much of the drift walls. From what could be seen though it is believed that insufficient evidence had been exposed to substantiate the initiation of stage II of the contract which calls for sinking an additional 110 feet on the vein and to drift on the vein at the bottom of the shaft.

There is the possibility that if the workings were cleaned of broken rock evidence may be exposed that would substantiate the work in stage II, but I believe the burden rests with the operator to submit proof that such evidence exists.

Willard P. Puffett

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

WPP/dp



JIM CREEK MINE
PEND OREILLE COUNTY,
WASHINGTON
1" = 20'

Tape & Compass Survey: 8/21/52
W. P. PUMPELLY
C. H. ROSEBOOM } USGS

"ALBANENE" NO. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

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

So. 157 Howard Street
Spokane 4, Washington

July 26, 1952

Memorandum

To: Operating Committee, DMEA

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

Subject: Amendment No. 1, Jim Creek Mines, Inc., Pend Oreille County, Washington, Docket DMEA-2475 (lead-zinc), Contract Idm-E318.

Attached are the original and two copies of Amendment No. 1 to the subject contract together with a justification from E. A. Magill, U. S. Bureau of Mines, explaining the necessity for this amendment.

A. E. Weissenborn

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

Enclosures 2

cc: USBM, Spokane (1)

RECEIVED
AUG 7 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

M. E. Volin, Member, DMEA Field Team, Region II July 22, 1952

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

Routine progress examination of Jim Creek Mines,
Pend Oreille County, Washington, Contract Idm-E318
Docket No. DMEA 2475 (lead-zinc)

A routine progress examination of the subject property was made on July 19, 1952.

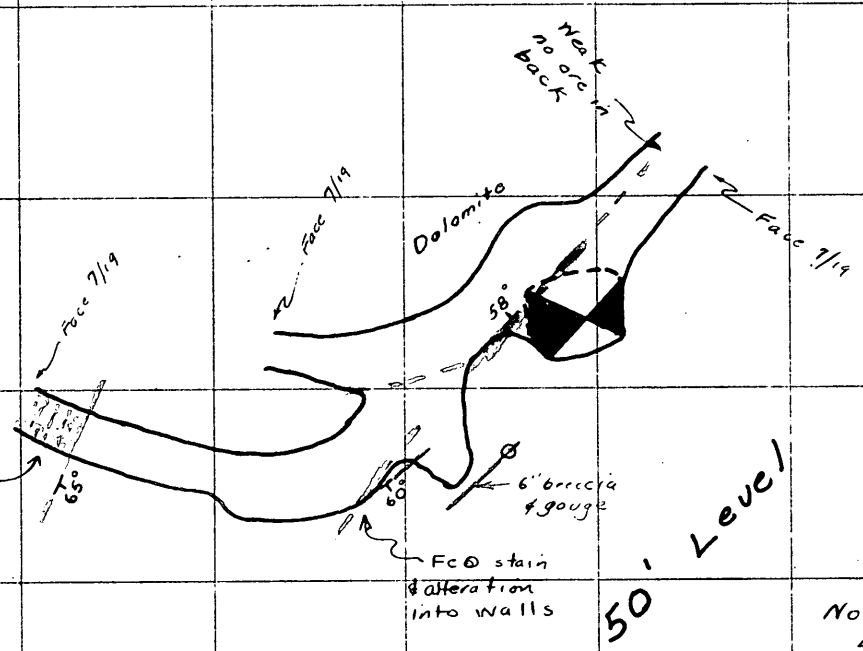
Since my last visit on May 28, 1952, the operators have completed the sump and cut a small station on the 50 foot level. They have drifted a total of 43 feet on the structure which they followed down the shaft and have crosscut a total of 40 feet (see attached map). The sill of the 50 foot level is 48 feet below the collar of the shaft.

Apparently the operators have spent a major portion of their time recently in drifting on branches from the main structure. They were advised to stop their drifting and crosscutting on the secondary structures and to follow the main structure as long as it could be traced.

Operations are being carried out on a two shift basis driving small slusher drifts; a Swedish rock drill with pusher leg is being used to drill an eleven hole round. Drilling time is a little over one hour.

E. A. Magill

cc: USGS (2)
Wash (2) ✓
EAM (1)



Note - 50' Level sill 48' below collar of shaft

N

Jim Creek Mine

Pend Oreille Co., Wash. 10m E-318

Scale 1" = 20'

7/19/52 EAM

ALBANENE NO. 196M K & E CO. REG. U.S. PAT. OFF.

M. E. Volin, Member, DMEA Field Team, Reg. II July 21, 1952

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

Amendment No. 1 - Jim Creek Mines, Inc., Pend Oreille County, Wash., Docket DMEA 2475 (lead-zinc), Contract Idm-E318.

The subject amendment has been prepared to cover the cost of sinking the shaft an additional 22 feet to form a sump for the 50-foot level drift.

Soon after the examining team made a visit to the property on May 28, 1952 operations were shut down due to the spring thaw. The examining team at the time of their visit naturally expected that the shaft and station would be completed long before Washington approved the contract; consequently, no provision was made for shaft sinking in Stage 1. Unfortunately, shaft sinking was not completed and an increased flow of water was encountered, necessitating a larger pump. Amendment No. 1 has been prepared to cover these developments.

E. A. Magill

EAM:w

cc: Wash. (2)
USGS (2)
EAM (1)

SD

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

No. 157 Howard Street
Spokane 4, Washington

July 3, 1952

Memorandum

To: A. [illegible] Weissenborn, Executive Officer, [illegible] Field Team, Region II

From: [illegible] Duffett, Geologist, [illegible]

Subject: Routine inspection of progress at Jim Creek Mine, Ferry County, Washington, under DMA Contract [illegible]-316. Docket No. [illegible]-2475, Lead-Zinc.

An inspection was made of the Jim Creek Mine on Thursday, July 3, 1952. I was accompanied on this inspection by George P. Marinos, Professor of Geology, Athens, Greece.

At the time of the inspection a station had been made in the hanging wall of the shaft from which a slusher drift was being initiated to explore the ore showing to the west. A total of 13 feet of tunnel had been made as part of the work done under the contract. This drift had not as yet intersected the extensions of the ore showings exposed in the west wall of the shaft but it is probable that one or two more rounds will expose the ore. No map was made of the short tunnel inasmuch as the operators were experiencing difficulty at the time with their slusher equipment and the drift was cobbed with [illegible], equipment, and muck from the last round blasted.

The road from camp to the shaft is still giving the operators much difficulty. Apparently the overburden, residual gravels and limestone, is very saturated with moisture and is coupled with the occurrence of numerous springs along the course of the road which for a very soft road bed. At the time of the inspection two men were employed repairing the worst sections of the road, other bad sections previously having been corduroyed.

William [illegible] Duffett

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
[illegible]

JUL 14 1952

cc: [illegible]
[illegible]
USGS(SRO)

. E. Volin, Member, DMEA Field Team, Reg. II June 5, 1952

E. A. Magill, mining engineer, Bureau of Mines

Jim Creek Mines, Inc., Pend Oreille County, Wash., Contract Idm-E318, Docket No. DMEA 2475 (lead-zinc)

A visit was made to the subject property on May 28, 1952.

At the time of the visit the shaft measured 54 feet in depth from the collar. Lead ore was exposed in the bottom although there was a flattening of the structure at about 50 feet which may affect the mineralization. The Operators plan to continue sinking an additional 15 feet for a sump. A station at the 50-foot level has already been partially cut. Sinking of the shaft and cutting the station for the 50-foot level does not come under the exploration project contract.

The shaft is making considerable water. This water is being handled by an electric pump and generator set. The shaft fills overnite and it takes about 2 hours to pump it out in the morning.

At the time of the visit there were four men working at the property. One man is working on a staggered shift basis so that the shaft is pumped dry by the time the other three come to work.

E. A. Magill

Orig. to files
cc: USGS, Spokane (2)
Washington (2)
EAM

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

June 3, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 6 1952

Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Jim Creek Mines, Inc.
DMEA-2475, Idm-E318
Commodity - Lead-Zinc

Dear Sir:

Enclosed are the original and three copies of the subject contract which have been signed by the Operator.

Sincerely yours,

K H Gray
Kathryn Gray
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures

cc: USBM

585

Docket

FILE COPY
SURNAME:

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

S.W.G.
Moulds

MAY 19 1952

Mr. A. E. Weissenborn
Executive Officer, Region II
DMEA Field Team
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 2475 (Lead-Zinc)
Jim Creek Mines, Inc.
Exploration Project Contract

Dear Mr. Weissenborn:

We are enclosing the original and five copies of the above contract, signed by this office for the Government, together with Exhibit "A" (5 pages) and one map.

Before the contract can be executed it will be necessary to add to the description of the unpatented mining claims, either the recording data, or something in lieu thereof, as required by DMEA Circular 21, Article 3 (c).

If the contract meets with your approval, kindly present to the applicant for approval and signature, and when completed, distribute in the usual manner. In the event the contract is not satisfactory, return all copies with your recommendation concerning any necessary modification.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosures - 6

APPROVED:

L. H. Hedges

Member, Bureau of Mines

D. M. Lemmon

Member, Geological Survey

JWAlt/hmj
5-16-52
CC to: Adm. Reading File
Docket File Copy
Region II
Operating Committee
Mr. Bishop
Mr. McKnight
Mr. Alt
Mr. Moulds

Docket FILE COPY
SURNAME:

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

Jim Creek 2475

DMEA

JWAlt
FXCorbett
3544 2614

1420137 Salaries and Expenses, Defense
Production Activities, Interior, 1952
5-16-52

A. E. Weissenborn, Exec. Officer. Region II, South 157 Howard Street
Spokane, Washington
Jim Creek Mines DMEA 2475, Hypothek Mining and Milling Co., 2420

JIM CREEK CONTRACT TO OPERATING COMMITTEE TODAY. HYPOTHEK BEING PROCESSED.

D. E. Moulds (mef)

D. E. MOULDS, CHIEF
BASE METALS DIVISION
DEFENSE MINERALS EXPLORATION
ADMINISTRATION

JWAlt/FXCorbett/hmj
5-16-52
CC to: Adm. Reading File
Docket File Copy
~~Mr. Moulds~~
Mr. Corbett
Mr. Alt

52UO KM44 WA SP /I-GS-G/

SPOKANE, WASH. 5-15-52 907

C. O. MITTENDORF, ACTG ADMINISTRATOR,

DEFENSE MINERALS EXPLORATION ADMIN, DEPT OF INTERIOR, BOM,

WA

PLEASE ADVISE STATUS JIM CREEK APPLICATION STEVENS COUNTY WASHINGTON, DMEA-2475 LEAD ZINC. FIELD TEAM REPORT SUBMITTED APRIL 1.

A E WEISSENBORN, EXEC OFFICER

DMEA FIELD TEAM REGION II

DMEA-2475 1

EC 908

RECEIVED
MAY 15 1 03 PM '52
COMM. SERVICE SECTIONS
PUBLIC ROADS BUR.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 15 1952

MAY 15 2 17 PM '52

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

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

May 13, 1952

Memorandum

To: Acting Administrator

Through: D. E. Moulds

From: Chief Counsel

Subject: Jim Creek Mines, Inc., Docket No. DMEA-2475

The subject contract has been drafted in this office from material supplied to it, and is approved subject to obtaining and adding to the description of the unpatented mining claims either the recording data or something in lieu thereof, as required by DMEA Circular 21, Article 3(c).

Your attention is called to the fact that the estimated cost of the work is $47,500, and of this amount only the rental of operating equipment, in the total sum of $5,960.00, is estimated in terms of actual costs to which the Government will contribute. I have no objection to the contract from a legal standpoint, but Mr. Johnson has indicated on several occasions that he doubts if we ever would approve a contract in the actual costs of which the Government will participate, but which is practically devoid of any estimate in terms of actual costs. In DMEA Circular 21 (Article 6(c)) it is stated: "It is apparent that ordinarily there is no good reason why the statement [estimate of costs] cannot be made in the standard and normal manner under the eight categories provided in Article 6(a) of the contract form." Here is a contract in which not even one of the categories is fully estimated. It is for you to determine whether contracts should be written in this manner.

J. L. Hofflund
Chief Counsel

Attachments

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

April 18, 1952

Memorandum

To: Mr. D. E. Moulds, DMEA

From: Erwin J. Lyons, USGS
O. M. Bishop, USBM

Subject: Recommendation for approval of application DMEA-2475, for exploration grant submitted by Jim Creek Mines, Inc.

The Jim Creek Mines, Incorporated, W. 1114 Second Avenue, Spokane, Washington, has requested Government assistance to explore its property in northwest Pend Oreille County, Washington. Estimated total cost of the project is $62,778.50 of which the Government's share would be $31,389.25. The field team has examined and reported on the property.

The area is one of Paleozoic sediments intruded by granite which outcrops near the deposit and which apparently underlies the area at not too great a depth. The deposit is a tabular-shaped replacement of limestone probably closely related to a shear zone.

At the time of the examination, a shaft had been sunk 55 ft. in the deposit. Near the surface the mineralized zone was 3 to 5 ft. wide but at the 45 ft. level it had narrowed to 9 inches. Three samples taken by the field team at depths of 28 and 30 ft. in the shaft ranged from 0.1% to 6.9% lead and from 0.8% to 7.7% zinc over a 4 ft. width.

The present reviewers ~~is~~ are not particularly impressed at this time with the deposit being a possible producer of a substantial amount of lead and zinc. However, the applicant is currently exploring the property and the examining team recommends that before the contract is signed a field check be made to determine if the project is still feasible. We concur with this recommendation. The project should be set up in 2 stages as recommended by the field team, so that it can be abandoned at relatively slight cost if Stage I is unsuccessful.

Erwin J. Lyons
Erwin J. Lyons, USGS

for O. M. Bishop
H. E. Olund
O. M. Bishop, USBM

DMEA-2475

OFFICE OF THE ADMINISTRATOR

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 7 1952

So. 157 Howard Street
Spokane 4, Washington

April 2, 1952

MEMORANDUM

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

From: E. A. Magill, U. S. Bureau of Mines, and
Willard P. Puffett, U. S. Geological Survey

Subject: Application for government aid in exploration for lead-zinc ore in Pend Oreille County, Washington, by Jim Creek Mines, Inc.

RECOMMENDATIONS

It is recommended that favorable consideration be given to the modified exploration program proposed by the examining team.

APPLICANT

The applicant is Jim Creek Mines, Inc., West 1114 Second Avenue, Spokane, Washington. Val Y. Preston of Spokane is president, and Carlos F. White of Spokane is treasurer.

LOCATION OF DEPOSIT

The property is in Section 9, T. 38 N., R. 42 E., W. M. Pend Oreille County, Washington, near the headwaters of Jim Creek. It is about 9 miles northwest of Ione, Washington by dirt road. Ione is 110 miles north of Spokane, Washington on the Great Northern Railroad.

OWNERSHIP

Mineral Claim No. 14 is an unpatented mining claim owned by Jim Creek Mines, Inc. The county records were not checked.

HISTORY AND PAST PRODUCTION

An exposure of galena was found in 1951. As this exposure was on flat ground, it was necessary to sink a shaft to develop it.

The property has not produced.

Reviewed by
DMEA OPERATING COMMITTEE

4-11-52
(date)

ON-SITE EXAM. REPORT

DESCRIPTION OF PROPOSAL

The applicants have set up their proposal in two stages as follows:

Stage I

*1. Sink on vein to a depth of 70 feet
2. Drift on the vein 100 feet in either direction on about the 50 foot level.

Stage II

1. Sink an additional 120 feet
2. Drift on the vein 200 feet in either direction on the 150 foot level.

Estimated costs of the project:

Stage I

70 feet of sinking (not detailed)	
200 feet of drifting (not detailed)	
Total cost of Stage I	$13,378.50

Stage II

120 feet of sinking (not detailed)	
400 feet of drifting (not detailed)	
Facilities	11,700
Equipment to be purchased	5,550
Total cost of Stage II	$49,400
Total cost of project	$62,778.50

* Note: At the time of the examining team's visit on March 19, 1952, the shaft was at 55 feet and the operators were in the process of cutting a station.

The examining team proposes the following exploration program:

Time Schedule

Stage I

4 months

1. Drift on the vein on the 50 foot level in either direction to boundaries of ore shoot but not to exceed a total of 200 feet of drifting.

2. Crosscut a maximum of 50 feet to explore into hanging and footwalls near apparent center of ore shoot.

Stage II

12 months

1. Sink an additional 110 feet on vein
2. Drift on the vein on the 150 level in either direction to the boundaries of the ore shoot but not to exceed a total of 400 feet of drifting.
3. Crosscut a maximum of 100 feet to explore into hanging and footwalls.

Estimated costs of project

Stage I

Drifting 200 feet (slusher drift) at $30 per foot	$6,000
Crosscutting 50 feet at $35 per foot	1,750
Contingency	750
Total cost of Stage I	$8,500

Stage II

Sink 110 feet at $100 per foot	11,000
Drift 400 feet at $35 per foot	14,000
Crosscut 100 feet at $35 per foot	3,500
Rehabilitation	200
Additional facilities	4,500 ? $5800.00
Equipment to be purchased	5,550
Total cost of Stage II	$38,750 ? $39,000.00

Per foot costs are to include all operating costs including labor, supervision, engineering, accounting, assaying, etc.

Total estimated cost of project:

Stage I	$ 8,500
Stage II	$38,750
	$47,250

Fixtures and improvements

Stage I
None

Stage II

Construction of combination hoist, compressor, and change house	$2,000
Headframe with two pockets	2,500

Operating equipment to be rented

	Length of Rental-Months	Monthly Rental Cost
Stage I		
Slusher and scraper	4	$40
*Drifter on hammer with jackleg	4	75

* Rent to apply on purchase

Stage II		
Air compressor 500 cfm	9	$300
Mucking Machine	5	200
Electric generator set 25 KW	9	200

Operating equipment to be purchased

Stage I
None

Stage II

Skip, cable and shea~~rer~~ve	$850
2 electric sump pumps at $600 ea.	1200
Hoist gasoline engine driven	2500
Drifter or drill with jackleg	650
4 ore cars at $150 ea.	600
	5800.

Operating equipment furnished by operator

	Estimated Replacement Cost	Monthly Allowance
Stage I		
Air compressor, 210 cfm gasoline driven	$3,000	$ 50
Hoist, air single drum	300	5
Jackhammer	300	5
Ore car	150	2
Truck 3/4 ton, 4-wheel drive	1,000	16
2 pumps (air sump) at $250 ea.	500	8

Stage II	Estimated Replacement Cost	Monthly Allowance
Tractor caterpillar Mdl 35 with dozer	$2500	$42
Hoist air single drum	300	5
Jackhammer	300	5
Ore car	150	2
Truck 3/4 ton, 4-wheel drive	1000	16
2 pumps, air sump, at $250 ea.	500	8

Labor and supervision

	Per hour	Per month
Surface labor	$1.675	
Underground labor	1.775	
Foreman		$450
Engineer (part time)		150
Bookkeeper or accountant (part time)		50

Rehabilitation and repairs

Stage I
None

Stage II
Tool shed and shop $200

GEOLOGY

The area in which the Jim Creek Mining Company's shaft has been sunk is one of Paleozoic sediments intruded by granitic rocks. To the east the nearest sediments have been mapped by Park and Cannon 1/ as Maitlen Phyllite and to the west the nearest mapped sediments have been correlated by Campbell 2/ with the Metaline Limestone, both sedimentary units having been assigned to Cambrian Age. The intrusive rocks represent cupolas of the Kaniksu batholith of Mesozoic age. There is no available geologic map of the immediate area on which the proposed exploration is to take place.

1/ Park, C. F., Jr. and Cannon, R. S. Jr., Geology and ore deposits of the Metaline Quadrangle, Washington, U. S. Geological Survey, Prof. Paper 202, Pl. I.

2/ Campbell, C. D., Cambrian rocks of northeastern Stevens County, Washington, Geological Survey Bulletin., Vol. 58, No. 7, Pl. I, July 1947.

The property was first examined Feburary 25, 1952, at which time a shaft had been sunk 34 feet on an approximate 60° inclination. The shaft site was revisited March 19, 1951, the shaft at this time having been reported to have been sunk slightly more than 50 feet. Muck from the last round filled the shaft bottom to the 45-foot level.

Rocks exposed in the shaft are blue-gray dolomitic limestone The surface was obscured by 3 to 5 feet of snow, but the consulting engineer retained by the applicant pointed out ridges near the shaft which he reports to be granitic rocks. Apparently the entire area is underlain at not too great depth by igneous rocks.

The shaft is being sunk following an apparently tabular-shaped replacement of the limestone by fine-grained sphalerite and galena. Indications at the time of the examination were that the ore is closely related to a minor-appearing shear zone, the ore for the most part being in the hanging wall of the structure. Within 10 feet of the surface are evidences of leaching and oxidation. Deeper in the shaft this evidence is lacking and only slight bleaching of the wall rock occurs near the shear. The ore exposed in the shaft is mainly confined to a continuous high-grade zone ranging in width from 3 to 5 feet near the surface to 9 inches at the 45-foot level. Discontinuous stringers of lower-grade ore are exposed in the foot- and hanging-wall of the high-grade zone.

Although positive evidences of bedding are not apparent, the ore minerals are exposed in narrow, closely-spaced parallel stringers that may indicate bedding planes. The strike of the stringers changes from nearly east-west at the surface to N. 55° E. at the 45-foot level. The stringers dip 60-70 degrees to the north in the upper part of the shaft and flatten to 45 degrees at the 45-foot level. Indications are that with depth the ore zone is flattening and narrowing considerably.

Three samples were cut in the ore zone. Samples No. 1 and No. 2 were cut at the 28-foot level in the west wall of the shaft and No. 3 was taken at the 30-foot level in the east shaft wall. No. 1 and No. 3 are from the main high-grade zone, whereas No. 2 is from a foot-wall zone. Following are the assay data of the samples:

Sample No.	Width (inches)	Percent Pb	Percent Zn
1	27	3.2	12.8
2	13	0.5	2.9
3	36	9.2	10.32

The applicant states in his application the average sample value of the ore over a 5 foot width is 6 percent lead, 8 percent zinc, and 2 ounces to the ton of silver. No data have been submitted by him to substantiate these claims.

The applicant states there was no surface indication that an ore zone existed in this particular location. The mineralized showings were discovered when a bulldozer was being extracted from a "mud" hole during the course of road building in the area. Because of lack of surface exposures of the ore zone, it is impossible to estimate its possible lateral extensions. Evidence exposed in the shaft indicates there is a possibility that a minable ore zone exists.

The ore zone at the 45-foot level has narrowed and flattened considerably. Therefore, drifting to explore lateral extensions of the ore, as the applicant suggests, before more costly shaft sinking is undertaken appears feasible from a geological viewpoint. If the ore zone is found to persist for a considerable strike length, it can be assumed that subsequent shaft sinking will remain in ore for at least half the strike length. This assumption is based on the premise that the limestone is not truncated at shallow depth by granitic rocks, or that the ore zone is not displaced by faulting. There are no positive or negative indications from the presently available information for the existence of the above-mentioned two possibilities, and it is believed that the proposed exploration program, set up as stages, should be considered geologically feasible.

MINE WORKINGS

The only working is a 6' x 8' shaft sunk 50 feet on the ore.

RESERVES

There are no measurable ore reserves.

RATE OF PRODUCTION

Property is not in production. Ore from development work is being stockpiled.

TIME SCHEDULE

It is estimated that it will take 16 months to complete the project. Actual operating time should be considerably less than this, but weather may delay operations some during the winter.

POWER

Power will be furnished during Stage I by gasoline. Power for Stage II will be furnished by gasoline or diesel. The operators desire to bring in electrical power at an estimated cost of $5,000 for Stage II. If the operators can show that the installation of electrical power will be a savings over costs of diesel or gas power, it is recommended that they be allowed to bring in electrical power.

TRANSPORTATION

It is 9 miles over dirt road to rail facilities at Ione, Washington. The last 1½ miles of road needs additional work before vehicles can pass over it without difficulty.

The operators have requested no access road construction.

COMPETENCE OF APPLICANT

It is believed that the controlling stockholders of Jim Creek mines will secure competent supervision to direct the project. The persons in control are successful businessmen in enterprises other than mining.

DISCUSSION OF PROPOSAL

The examining team believes that the property warrants exploration to determine the extent of the high-grade ore exposed in the shaft. There is the very definite possibility that the ore exposed is only a high-grade lense which is limited in extent. Stage I, as proposed by the examining team, should confirm or deny this possibility at a reasonable cost.

The applicants are now actively engaged in carrying out the program as outlined in Stage I. As of March 27, they have started drifts in either direction from the shaft on the 50-foot level.

If this contract is approved by Washington, it is recommended that before the contract is delivered to the operators a field check be made to determine if the program is still feasible.

cc: USBM, Spokane
USBM, Albany

EXPLORATION

Subject: DMEA-2475
Re: Exploration Loan
Jim Creek Lead-Zinc Mine
April 8, 1952

Mr. Val Y. Preston
Jim Creek Mines Inc.
W. 1114 Second Ave.
Spokane, Washington

My dear Mr. Preston:

This will acknowledge receipt of your application dated March 10, 1952 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2475 and referred to the Base Metals Division.

Kindly refer to DMEA-2475 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Administrative Officer

7862

DMEA-2475

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 7 1952

April 1, 1952

Memorandum

To: Chairman, Operating Committee, DMEA, Washington 25, D. C.

From: Field Team, Region II

Subject: Application for government assistance in exploration for lead-zinc by Jim Creek Mines, Inc., Pend Oreille Co., Wash.

Transmitted herewith are the following:

4 completed copies of MF-100
4 completed copies of MF-103
4 copies of examining team memorandum to
A. E. Weissenborn, Executive Officer,
DMEA Field Team, Region II.

Jim Creek Mines, Inc., are now actively engaged in sinking a shaft and drifting on a lead-zinc ore showing in a granite-limestone contact area in northwest Pend Oreille County, Washington. Prior to making formal application for government assistance to complete their exploration project, the applicants conferred with members of the Field Team to determine whether their proposed program would be considered feasible. An examination of the workings showed that a 3- to 5-foot-wide mineralized replacement zone was persisting, with depth as deep as the shaft had been sunk. Because of the flat terrain and reported poor exposure of bedrock, the shaft-sinking project appeared to be the most feasible inasmuch as the applicants do not consider diamond-drilling results to be conclusive in exploring the expected type of ore body.

Upon receipt of the completed forms MF-100 and MF-103, another visit was made to the property to check results of continued work. The ore zone appeared to be flattening and narrowing with depth, but still persisted strong enough to merit exploration. Consequently, the enclosed memorandum was prepared in which a recommendation for favorable consideration of a stage-type exploration project is included.

The Field Team concurs with the recommendation of the examining team.

By DMEA Field Team, Region II

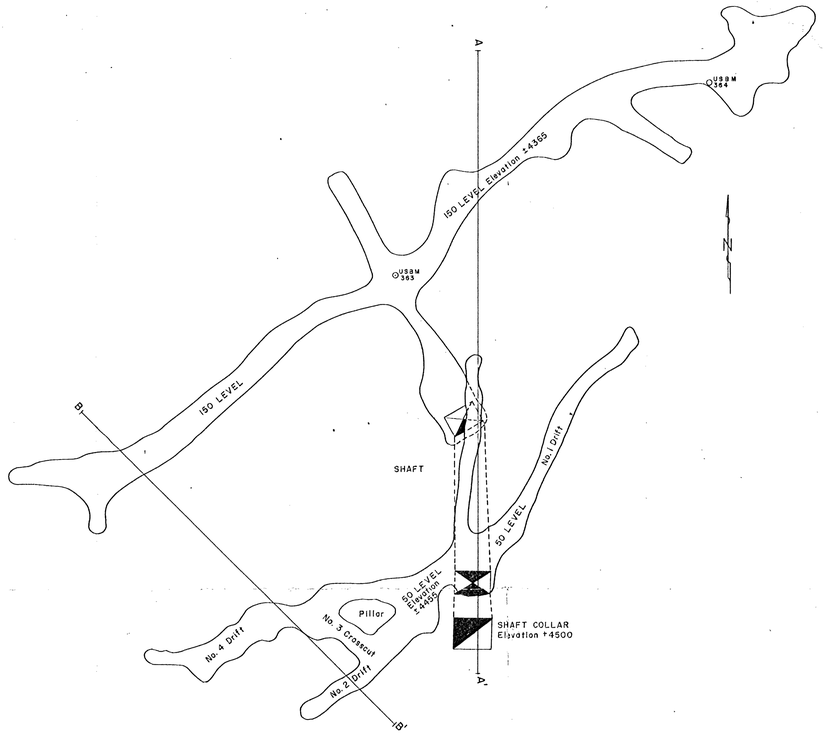
A. E. Weissenborn

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

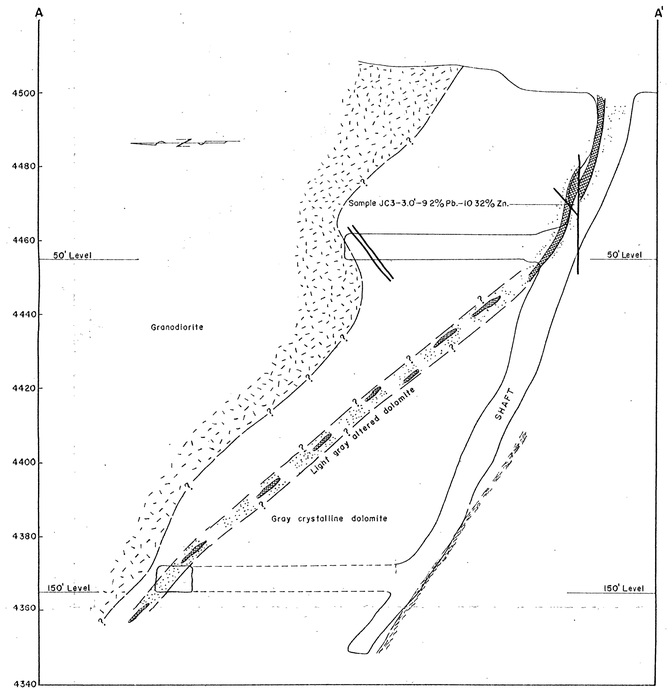
for Glenn A. Reed

M. E. Volin, Member
(U. S. Bureau of Mines)

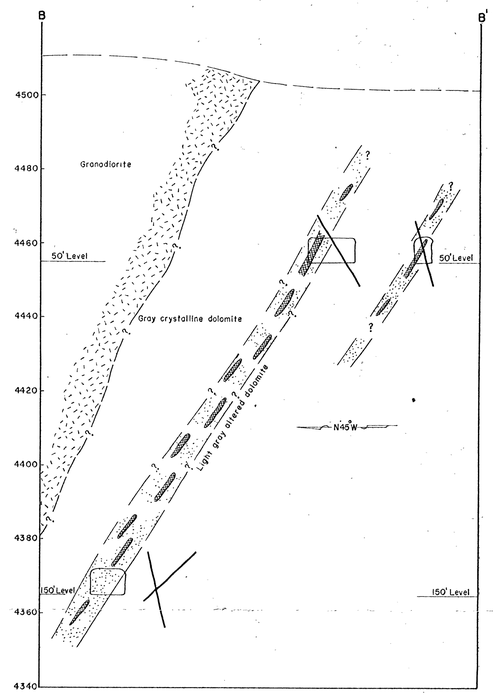
cc: USBM, Spokane



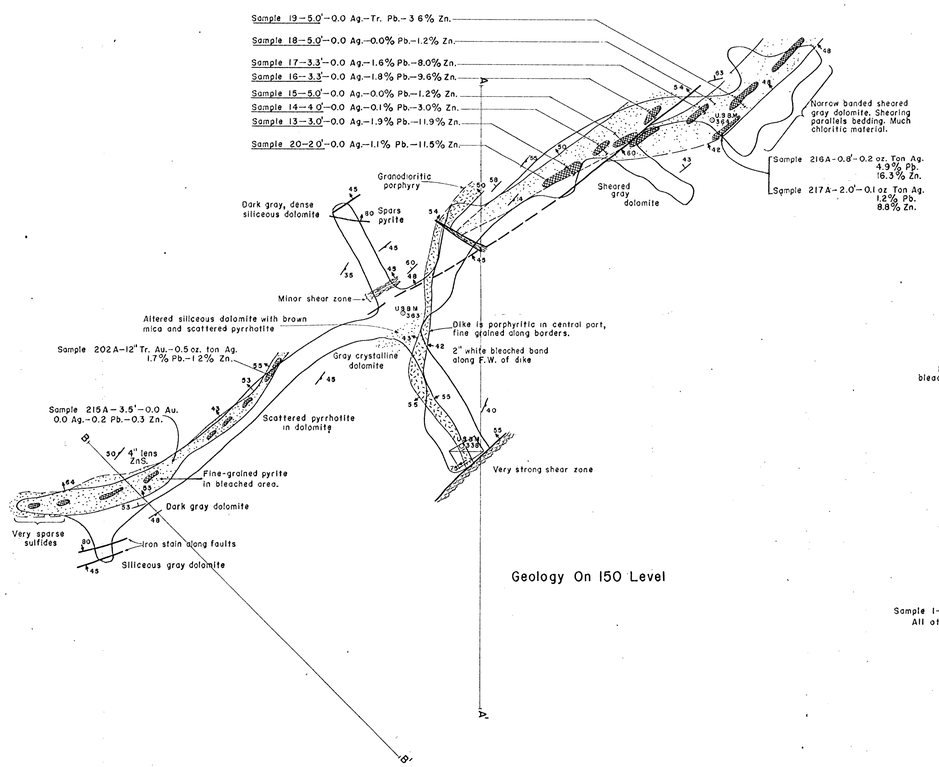
Composite Plan Map Of Underground Workings



Vertical Section A—A'



Vertical Section B—B'

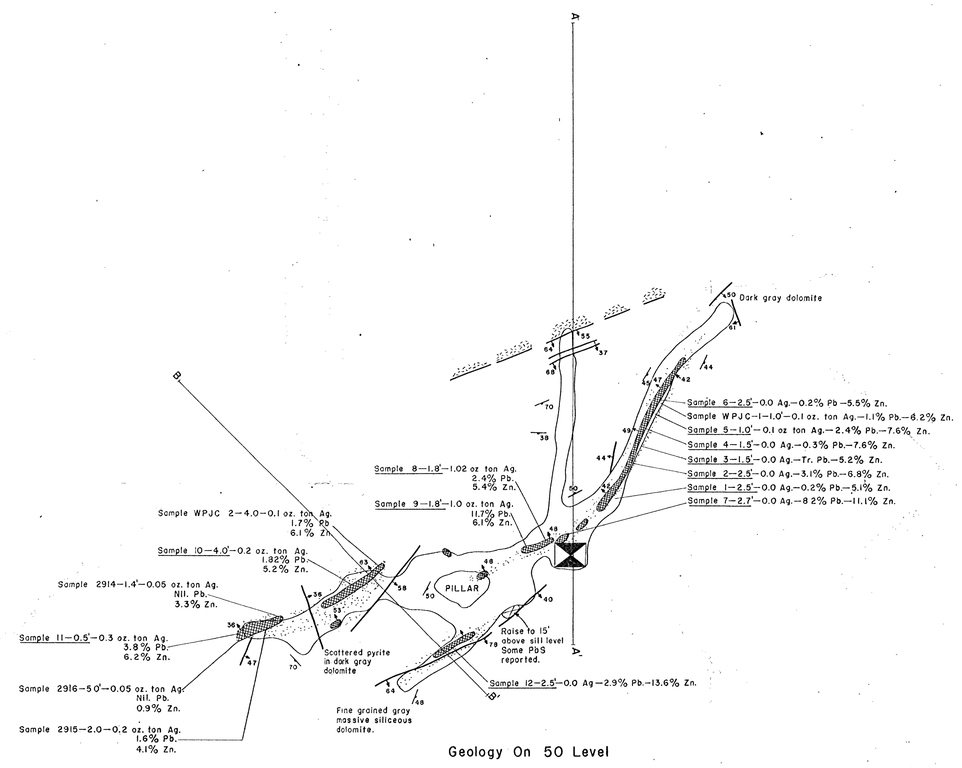


Geology On 150 Level

EXPLANATION

- Gray siliceous dolomite
- Hydrothermally (?) altered dolomite, bleached, probably contains much diopside
- Granodiorite
- Lead and zinc sulfides
- Geologic contact, showing dip
- Strike and dip of joints
- Fault with shear zone showing dip
- Strike and dip of beds

Sample 1—20—JIM CREEK, samples (underlined)
All other samples by D.M.E. A. personnel



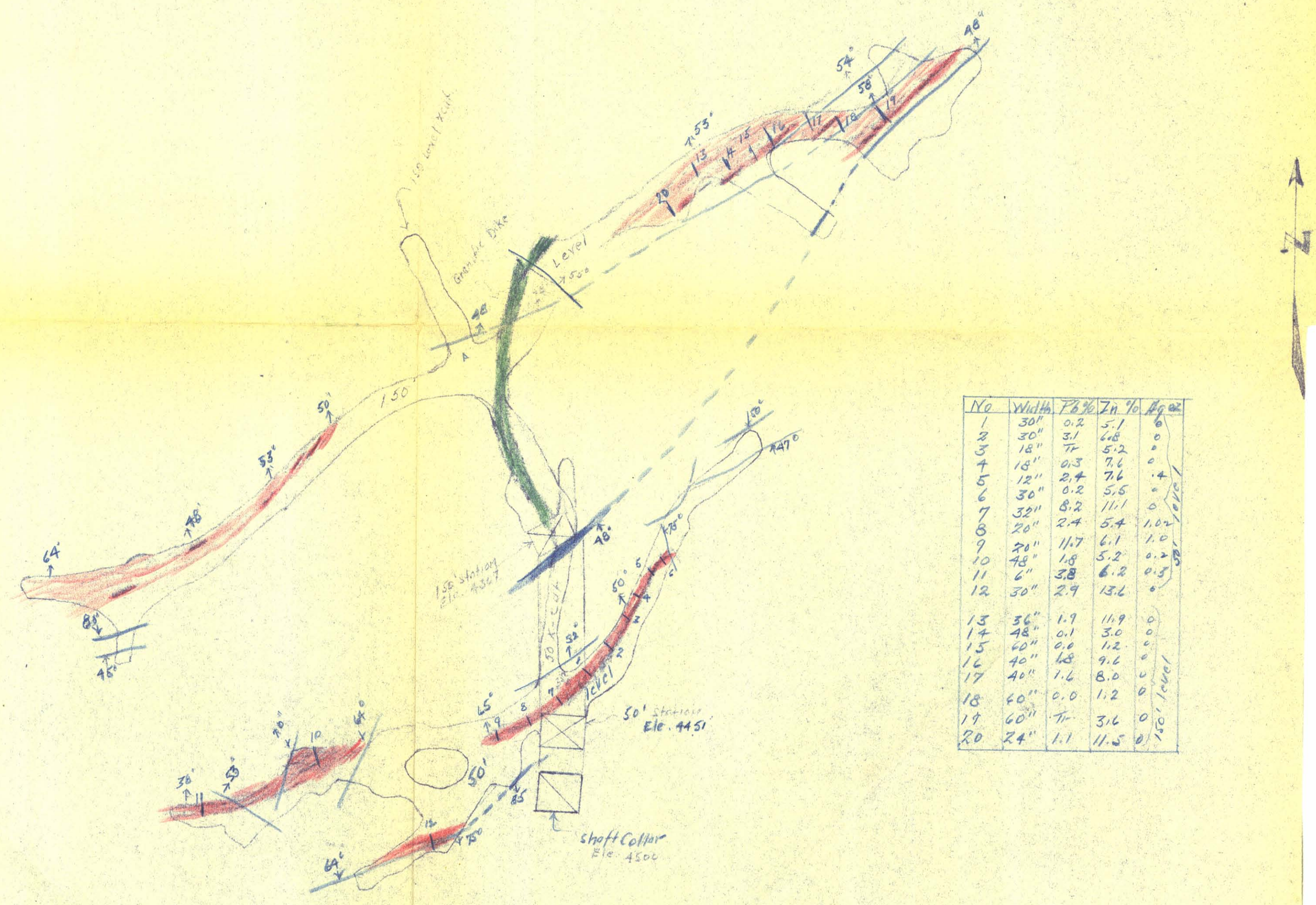
Geology On 50 Level

GEOLOGIC MAP OF JIM CREEK MINE

UNPATENTED CLAIM NO. 14, SEC. 9 T. 38 N. R. 42 E., W. M.
STEVENS COUNTY, WASHINGTON

SCALE 20 15 10 5 0 20 40 60 80 FEET

Tape and Brunton Survey — Completed 1-7-54
H. Kirkemo, H. Nickelson, W. Puffett, U. S. G. S.
W. S. Anderson, U. S. B. M.



No	Width	Pb %	Zn %	Ag oz	
1	30"	0.2	5.1	0	50' level
2	30"	3.1	6.8	0	
3	18"	Tr	5.2	0	
4	18"	0.3	7.6	0	
5	12"	2.4	7.6	.4	
6	30"	0.2	5.5	0	
7	32"	8.2	11.1	0	
8	20"	2.4	5.4	1.02	
9	70"	11.7	6.1	1.0	
10	48"	1.8	5.2	0.2	
11	6"	3.8	6.2	0.3	
12	30"	2.9	13.6	0	
13	36"	1.9	11.9	0	150' level
14	48"	0.1	3.0	0	
15	60"	0.0	1.2	0	
16	40"	1.8	9.6	0	
17	40"	1.6	8.0	0	
18	60"	0.0	1.2	0	
19	60"	Tr	3.6	0	
20	24"	1.1	11.5	0	

JIM CREEK MINE

Pend Oreille County, Washington

Scale: 1" = 20'

Claim No 14

Dec. 31, 1953