

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 234

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 _____

E. Rozum
Reviewer's Initials

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of:

Privateer Mining Co., Inc.

Provo, Utah

pertaining to Exploration Contract No. IDN-95, Docket No. DMA 234, for the period of August 15, 1951 to November 8, 1951 and from June 19, 1952 to July 16, 1952.

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

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

Total Cost as billed by Contractor	\$8102.30
Exceptions per audit report	40.30
Total Accepted Cost	\$8062.00

The contract calls for a 50 per cent participation of exploration expenses by the United States Government. Therefore, payment to the Contractor by the Government in the amount of Four thousand thirty one and no/100

- \$4,031.00 -

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.

October 27, 1952

T. H. Brading

T. H. Brading
Auditor

I. INTRODUCTION

On September 17, 1952 a final audit (covering the periods from August 15, 1951 to November 8, 1951 and from June 19, 1952 to July 16, 1952) was made of operations pertaining to Contract No. IDM E95, Docket No. DMA 234, and amendments 1 and 2 with the

Privateer Mining Co., Inc.
Provo, Utah

covering a project of exploration for lead and zinc. Mr. D. T. Finch, Business Accountant, collaborated in this engagement.

The accounting records under this contract are located in the office of the Secretary of the company at Provo, Utah. The mine is located in the Mount Nebo Mining District, Juab County, Utah.

Due to adverse weather conditions, operations were recessed November 8, 1951. Operations were again started on June 19, 1952 and carried on until July 16, 1952, at which time exploration work was stopped due to lack of funds and unexpected geological conditions. No discovery was made. During the course of the audit, Mr. Leon Newrin, Secretary and Bookkeeper was present and consulted when necessary.

II GENERAL INFORMATION ON RECORDS

The accounting records for the project consisted of a payroll record, distribution sheets and general ledger.

The original records covering the costs of the project were recorded on a distribution sheet which is the basis for preparation of monthly MF-104 reports. This audit in general involved a check of invoices and payroll records against the monthly distribution sheets. All costs except for depreciation are recorded on a cash basis.

III SCOPE OF AUDIT AND FINDINGS

The audit was limited to a verification of the accuracy, propriety and validity of the costs as shown in "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher for the month of July, 1952.

(1) Independent Contracts:

Not applicable to this contract.

(2) Labor and Supervision:

Payroll records and supporting data for the entire period were checked in detail. Individual time cards approved by foreman were traced to detail payroll records. Supervision includes wages of Mr. Jenkins, President of the company, in the amount of \$1,220.75. Mr. Jenkins was the mine foreman and supervisor. An amount of \$170.00 also is included in supervision salaries for compensation of Mr. Newrin, Secretary, who acts as bookkeeper for the project.

(3) Operating Materials and Supplies:

The records showed that supplies on hand as of August 15, 1951 were as follows:

Gasoline and oil	\$206.52
Explosives	161.00
	<hr/>
	\$367.52

These supplies were charged to the project in the first two months of operations.

Explosives	582.16
Pipe	37.39
Gas, oil and grease	849.39
Steel bits, etc.	311.86

Subsequent purchases of materials and supplies were charged direct to operations at cost as acquired. Invoices covering these purchases were examined and found to be in order.

(4) Operating Equipment:

Charges for operating equipment were checked against the rates as specified in the contract. Adequate records covering the usage on the project of company equipment were not maintained. However, the charges as made were limited to days actually operated and appear to be reasonable. They are as follows:

Rental:

Hoist at 60.00 per month			
11 Days in June	-----	11/30 of 60.00	\$22.00
16 Days in July	-----	16/31 of 60.00	30.97
Truck at 150.00 per month			
11 Days in June	-----	11/30 of 150.00	55.00
16 Days in July	-----	16/31 of 150.00	<u>77.42</u>
			185.39

Depreciation:

Compressor at \$120.00 per month			
11 Days in June	-----	11/30 of 120.00	44.00
16 Days in July	-----	16/31 of 120.00	<u>61.93</u>
			105.93

Purchase:

In June, 1952, a jack hammer was acquired under a lease purchase contract. Payments which were verified by examination of invoices and cancelled checks were made as follows:

June	60.61	
July	<u>55.00</u>	115.61

June payment included \$5.61 for accessories. When operations were discontinued, the equipment was returned to vendor.

(5) Initial Rehabilitation and Repairs

Not applicable to this contract.

(6) New Buildings - Improvements, etc.

Charges to this account were for materials:

Lumber	261.52	
Nails	6.72	
Door & Windows	25.50	
Roofing	30.00	
Sales Tax	6.46	
Labor	231.25	
Taxes & Ins.	<u>20.78</u>	582.23

Invoices and cancelled checks were examined to substantiate validity of charges made. Materials as shown on invoices were those that would be used in construction of a cabin. Labor charges were traced to work sheet, as were applicable taxes and insurance.

(7) Repairs to Equipment: - \$31.66

All charges to this classification were verified by examination of paid invoices. They appear to be in order.

Payroll Taxes and Liability Insurance:

All rates for payroll taxes and insurance were checked by computation shown by the company's files to be in effect. These rates were:

Social Security	1.5%
Utah State	
Unemployment	2.7%
Workmen's Com- pensation Ins.	5.26%

IV GENERAL

The June MF-104 was the first report submitted on the new forms. Due to a misunderstanding on the part of the bookkeeper, some errors in distribution were made. Corrections are reflected in July MF-104 in Column 2, and charges for July appear to be in order. Schedule of corrections as made are shown on page 5.

	<u>Totals</u> <u>June MF-104</u>	<u>Corrections</u> <u>made by Operator</u>	<u>Adjusted Totals</u> <u>June MF-104</u>
(2) Labor & Supervision:			
Labor	2460.28	476.00	2936.28
Supervision	1165.17	49.58	1214.75
(3) Operating Materials & Supplies:			
Explosives	527.14	40.91	568.05
Pipe	37.39		37.39
Gas, oil and grease	759.77	62.62	822.39
Steel Bits, Etc.	222.06	66.72	288.78
(4) Operating Equipment:			
Rental	77.00		77.00
Purchase	60.61		60.61
Depreciation	44.00		44.00
(5) Initial Rehabilitation and Repairs:	695.83	(695.83)	-----
(6) New Buildings, Improvements, etc. :	561.45	20.78	582.23
(7) Miscellaneous:			
Repairs to Equipment	31.66		31.66
Payroll Taxes Liability	181.49	(10.71)	170.78
Insurance	212.87	(10.07)	202.80
	<u>\$7036.72</u>		<u>\$7036.72</u>

The operator expended a total of \$8,102.30 which is \$40.30 in excess of the total amount of the contract. Accordingly disallowance of this amount is made by arbitrarily reducing the depreciation. Inasmuch as the jack hammer was acquired on a purchase contract and returned to the vendor, the Government has no equity in this equipment. The supervising engineer in Salt Lake City, Mr. S. R. Wilson, advises that due to the nature of the terrain, the expense of moving or salvaging the cabin would be in excess of any recoverable value and recommends that the Government equity be written off. Mr. W. H. King, Regional Executive

Officer, concurs in this recommendation. This item is shown on the MF-104 under New Buildings and Improvements in the amount of \$582.23. Mr. Leon Newrin, Secretary, advises that the Operator has no interest in endeavoring to move or salvage the building.

Supplies on hand as listed below, were taken over by the Operator at cost. Proper deduction was made to supplies accounts on July MF-104.

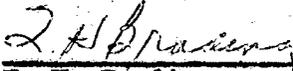
600 gallons gasoline at 23¢ gal.	\$138.00
5 gallons motor oil at \$1.096	5.48
90 # Carbide at .08 lb.	7.20
70 Sticks powder at .875 each	6.13
7 caps at .03	.21
	<hr/>
	\$157.02

V CONCLUSION AND RECOMMENDATIONS

This audit has disclosed that all costs as charged to this project, with the exception of the overcharge of \$42.30 taken as a disallowance on depreciation, are reasonable and proper under the contract. The operator was granted permission by the Regional Executive Office to recess operations on December 29, 1951. However, the formality of executing an amendment extending the time of the contract was inadvertently overlooked. This amendment is now in process.

At the conclusion of the audit, the findings were discussed with the Secretary, Mr. Leon Newrin.

October 27, 1952



T. H. Brading
Auditor, Region IV

No. 2

AMENDMENT OF CONTRACT: No. Idm-E95

Contract Docket No. DMA 234, dated August 2, 1951, between the United States of America and Privateer Mining Company, Inc., is hereby amended as follows, effective as of the date of said contract:

Referring to article "3. Exploration Project" of Exploration Project Contract Form MF-200, delete the following: "six (6) months", and in lieu thereof substitute "twelve (12) months".

*95
30
1951*

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 13 of the contract form.

Dated November 12 1952.

PRIVATEER MINING COMPANY, INC.

By *Don Newson*
Secretary

UNITED STATES OF AMERICA *gus*

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

900

AMENDMENT OF CONTRACT: No. Idm-E95

Contract Docket No. DMA-234, dated August 2, 1951, between the United States of America and Privateer Mining Company, Inc., is hereby amended as follows:

Add to Exhibit "A" attached to the contract, a new section as follows:

Operating equipment

(a) Furnished by Operator with allowable depreciation per month

1 - IR 315 c.f.m. Compressor	\$120.00
1 - Jackhammer and accessories	10.00

(b) Rented by Operator Monthly Rental

1 - G. D. Air Hoist	60.00
1 - Dodge 4 wheel drive 1-ton truck	150.00

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 13 of the contract form.

Dated November 20, 1951.

PRIVATEER MINING COMPANY, INC.

UNITED STATES OF AMERICA

By Clinton C. Jenkins
Clinton C. Jenkins, Pres.

By J. H. [Signature]
Executive Officer - DMA

pje

NOV 23 9 30 AM '51
DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.



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

FILE COPY
SURNAME:

Moulds
Mittendorf

62
NOV 27 1951

Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket No. DMA-234
Privateer Mining Company
Exploration Project Contract
Idm-E95
Amended November 20, 1951

Gentlemen:

Enclosed for recording in your office is the original of
the amended Exhibit A to the Exploration Project Contract between the
Operator named in the above reference and the Government of the United
States.

Sincerely yours, *C. O. Mittendorf*
11/27
(fw)

Administrator
Defense Minerals Exploration
Administration

Enclosure-1
DEMoulds/jem
11-26-51
cc to: Adm. Reading File
Reports & Records
Mr. Moulds
Field Team, Region IV
Docket



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

224 New Customhouse

November 20, 1951

Denver 2, Colorado

Memorandum

To: C. C. Mittendorf, Director, Production Expansion Division
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: Amendment to Contract Idm-E95, DMA Docket 234, Privateer
Mining Company

Enclosed are the original and two copies of an amendment
to the above contract.

This amendment provides for depreciation of a compressor
and jackhammer and rental of an air hoist and a Dodge four wheel
drive one-ton truck.

Copies of this amendment have been sent to the applicant
and to the Fiscal Officer, Region IV. One copy has been retained for
DMA files.

J. H. East, Jr.
J. H. East, Jr.

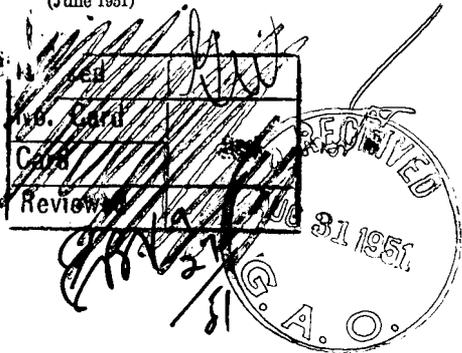
Enclosures

JES:ld

cc: DMA docket, contract, chron.
Koschmann

RECEIVED
DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.
NOV 23 1951

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION



Gao

EXPLORATION PROJECT CONTRACT ¹

It is agreed this 2nd day of August, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and Privateer Mining Company, Inc.
Box 111
Provo, Utah

hereinafter called the "Operator," as follows:

- 1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."
- 2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of Juab described as follows: ² nine patented lode mining claims; Little Eva #1-5 inclusive, Southern Cross, Southern Cross #2, North Star #1, Grand Duke #2, all being Mineral Survey No. 5934 in Mount Nebo Mining District.

with respect to which the Operator represents and undertakes: ⁴

(a) ~~That he is the sole 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:~~

(b) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within sixty (60) days from the date of this contract shall commence work on a project of exploration for lead; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of six (6) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided*, That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. 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.

5. *Fixtures and improvements.* 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. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

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.
⁴ Strike out the provision not applicable.
⁵ Name of mineral.
⁶ Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than \$50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than \$50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, 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.

11. *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.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided*, That the aggregate total of all sums paid by the Government under this agreement shall not exceed \$4,031.00, which is 50 percent of the agreed estimated total cost of this project, \$8,062.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars (\$8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars (\$8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents (\$0.50) in excess of eight dollars (\$8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *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 worthwhile 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 render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

-----Privateer Mining Company, Inc.-----
(Operator)

By Clinton S. Jenkins
President

THE UNITED STATES OF AMERICA

By C. Mitterdorf

Director, Production Expansion Division
Defense Minerals Administration

EXHIBIT A - Exploration Project

The exploration program to consist of the following:

- (1) Rehabilitation of the No. 1 shaft and enlarging to 5 x 7 feet to permit installation of ladderway.
- (2) Sinking No. 1 shaft, now 80 feet deep, an additional 50 feet.
- (3) Crosscutting from bottom of extended No. 1 shaft approximately 50 feet to the southeast to pick up probable extension of "Eva Ore Body" on the east side of the fault and approximately 100 feet of crosscutting and drifting to explore the ore body on this level.

The estimated costs of the project are:

Construction of bunkhouse	\$ 604.00
Rehabilitation and enlargement of shaft	575.00
Sinking 50 feet of shaft @ \$49	2450.00
Drifting and crosscutting 150 feet @ \$19.60	2940.00
Bookkeeping and miscellaneous expense	472.00
Equipment purchase	<u>1021.00</u>
Total	\$8062.00

A bunk house is to be constructed at the following estimated cost:

1327 bd. ft. of lumber @ \$102/M	\$135.00
1400 bd. ft. of lumber @ \$140/M	196.00
62 lbs. nails @ \$14/C	9.00
2 doors @ \$11.50 each	23.00
6 windows @ \$6.50 each	39.00
Labor @ \$13.00 per day	<u>202.00</u>
	\$604.00

Cost of Rehabilitation and enlargement of the No. 1 shaft is estimated as follows:

Lumber	\$ 45.00
Powder, caps, and fuse	10.00
Labor	<u>520.00</u>
	\$575.00

Purchase of the following equipment is allowed:

1 air hoist	\$ 642.00
1 jackhammer	345.00
100 feet air pipe	<u>34.00</u>
	\$1021.00

Labor on the project is to consist of the following:

4 men @ \$13 per day, laborers

1 man @ \$16 per day, foreman

1 bookkeeper @ \$170 per month for total of 2 months



Portal

Station

#1 shaft
Wings

Fault

Proposed
Development

Possible Extension of Eva Ore Body

Eva Mine

Section View of Incline

Scale 50' = 1"

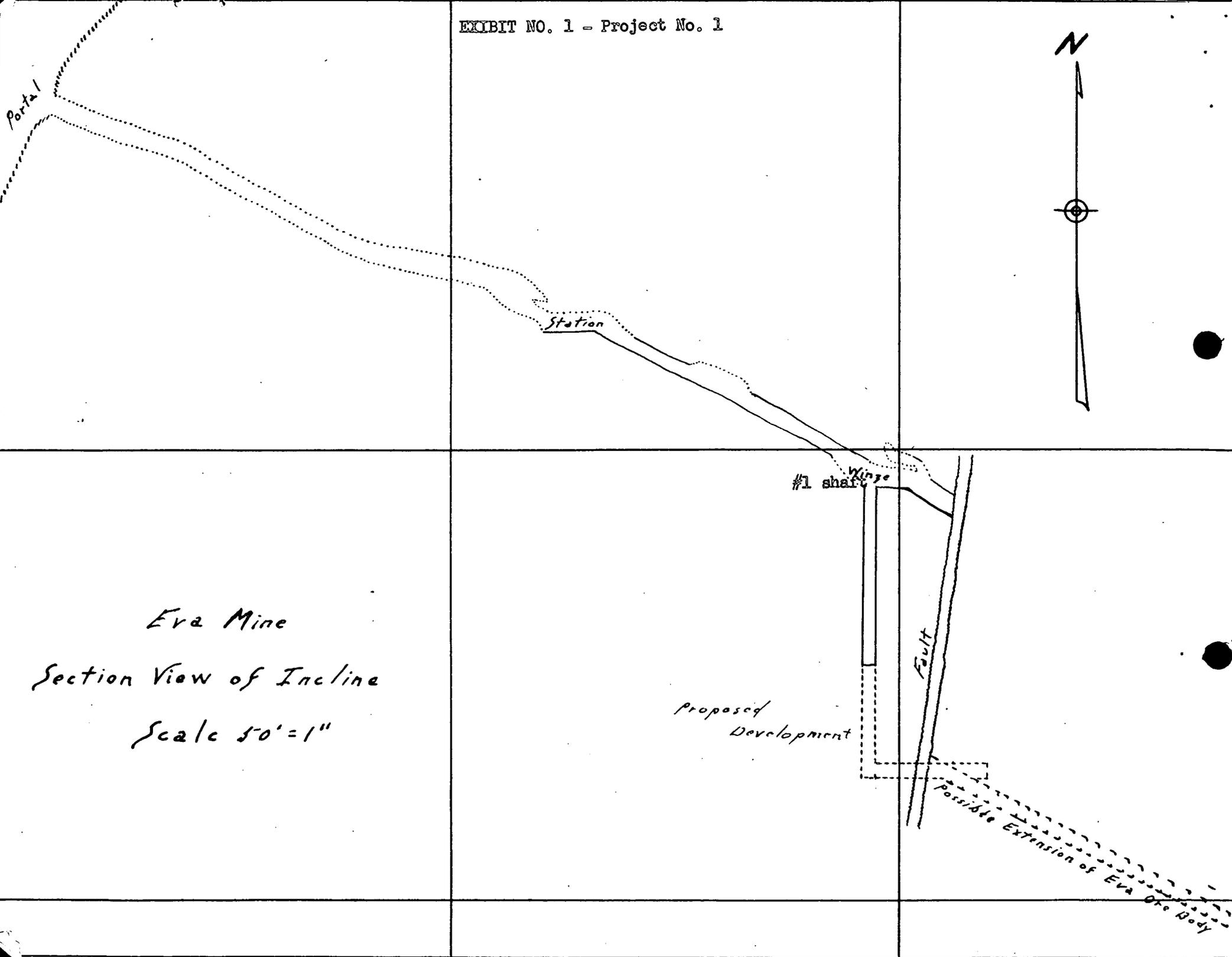
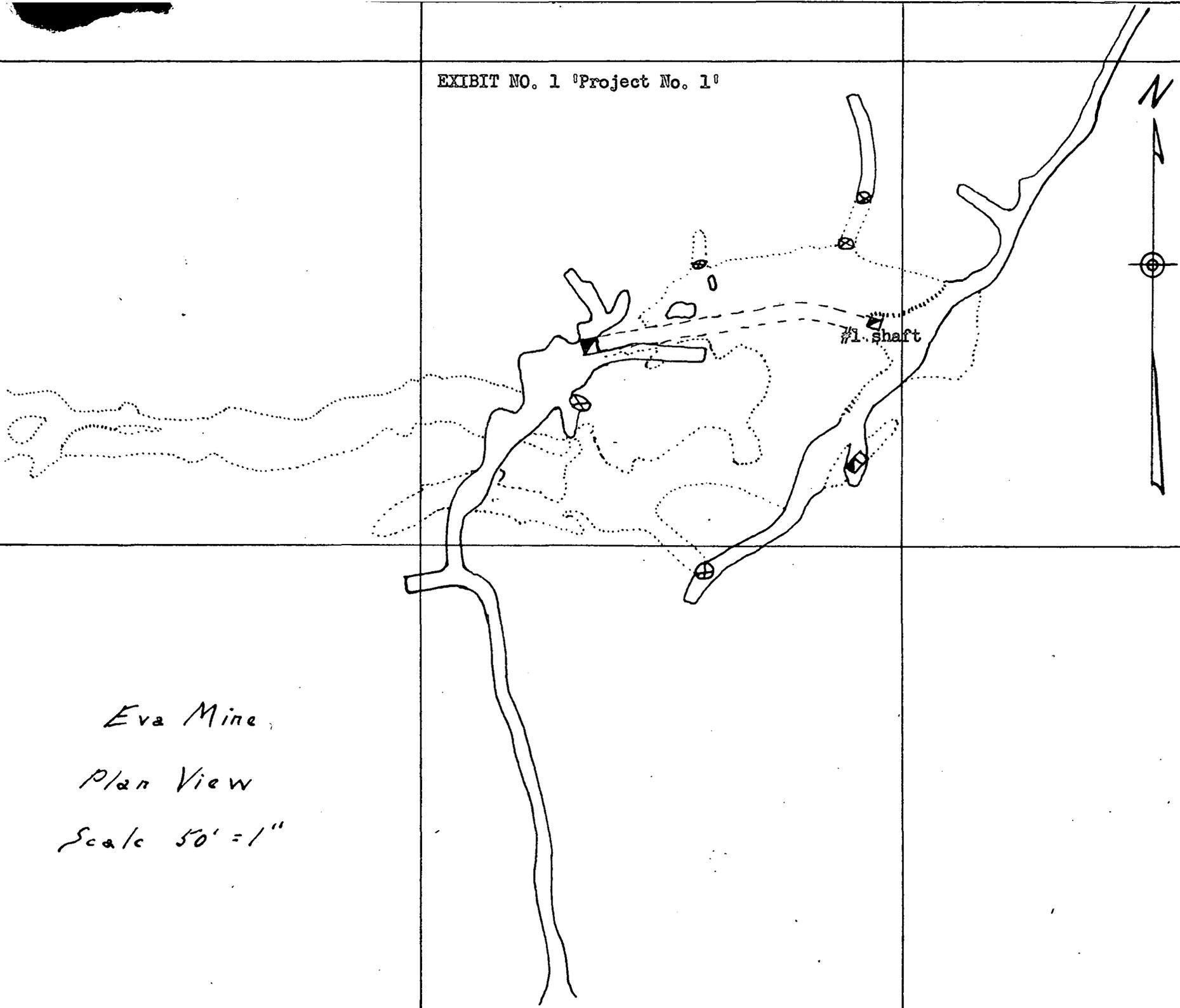
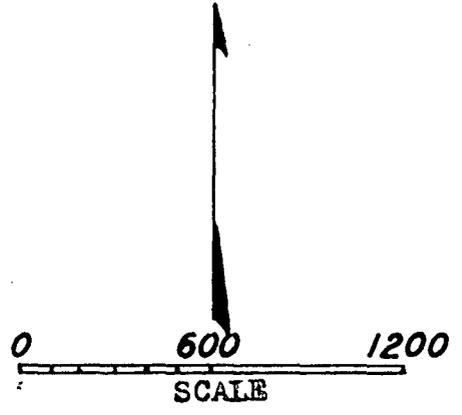
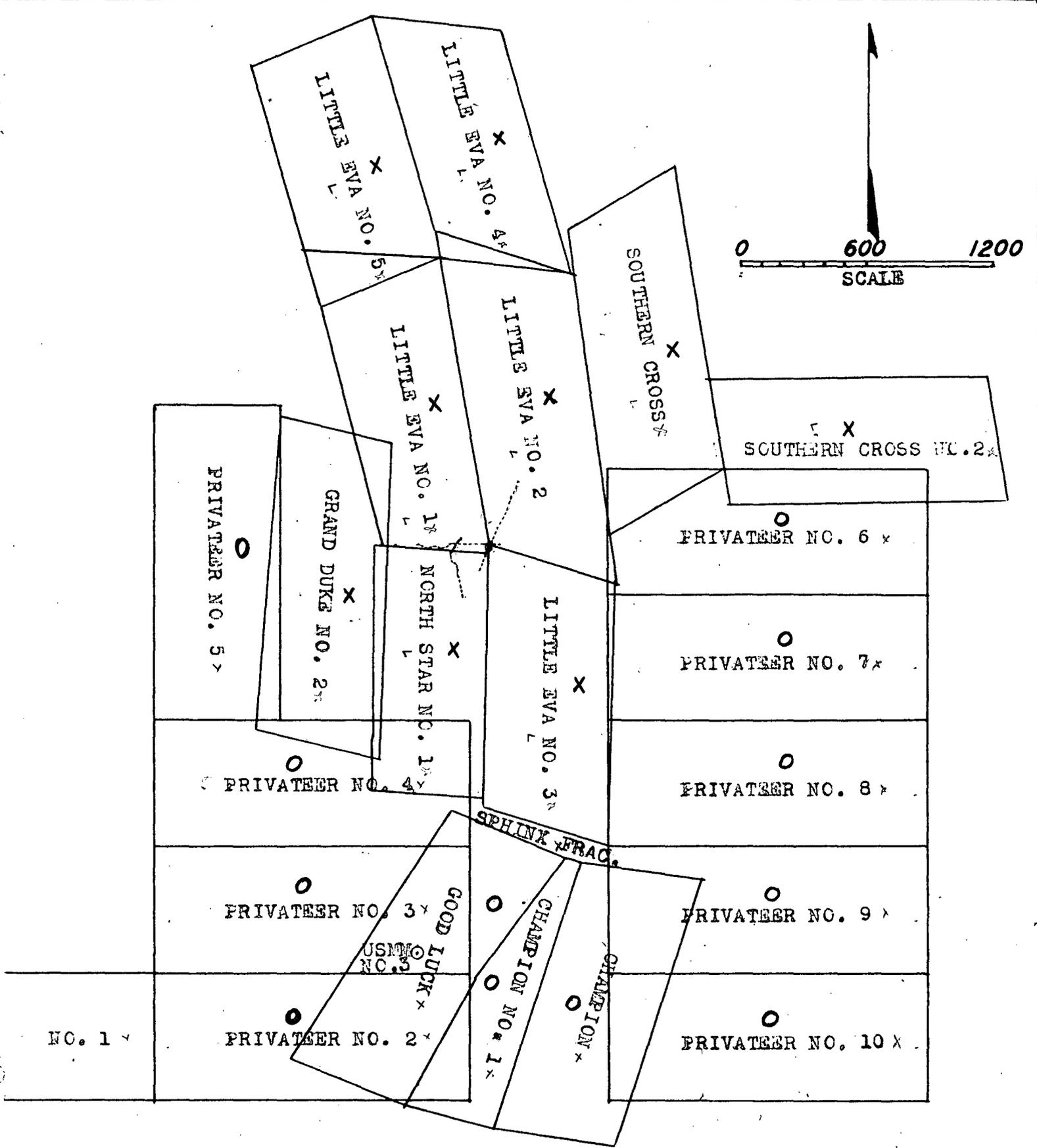


EXHIBIT NO. 1 "Project No. 1"



Eva Mine
Plan View
Scale 50' = 1"



O Claims owned
 X Claims leased

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of JUAB, State of UTAH, described in a certain Exploration Project Contract dated AUGUST 2 51 ~~DECEMBER 1 1950~~, between PRIVATEER MINING COMPANY, a Utah Corporation,

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

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated MAY 1, 1948, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

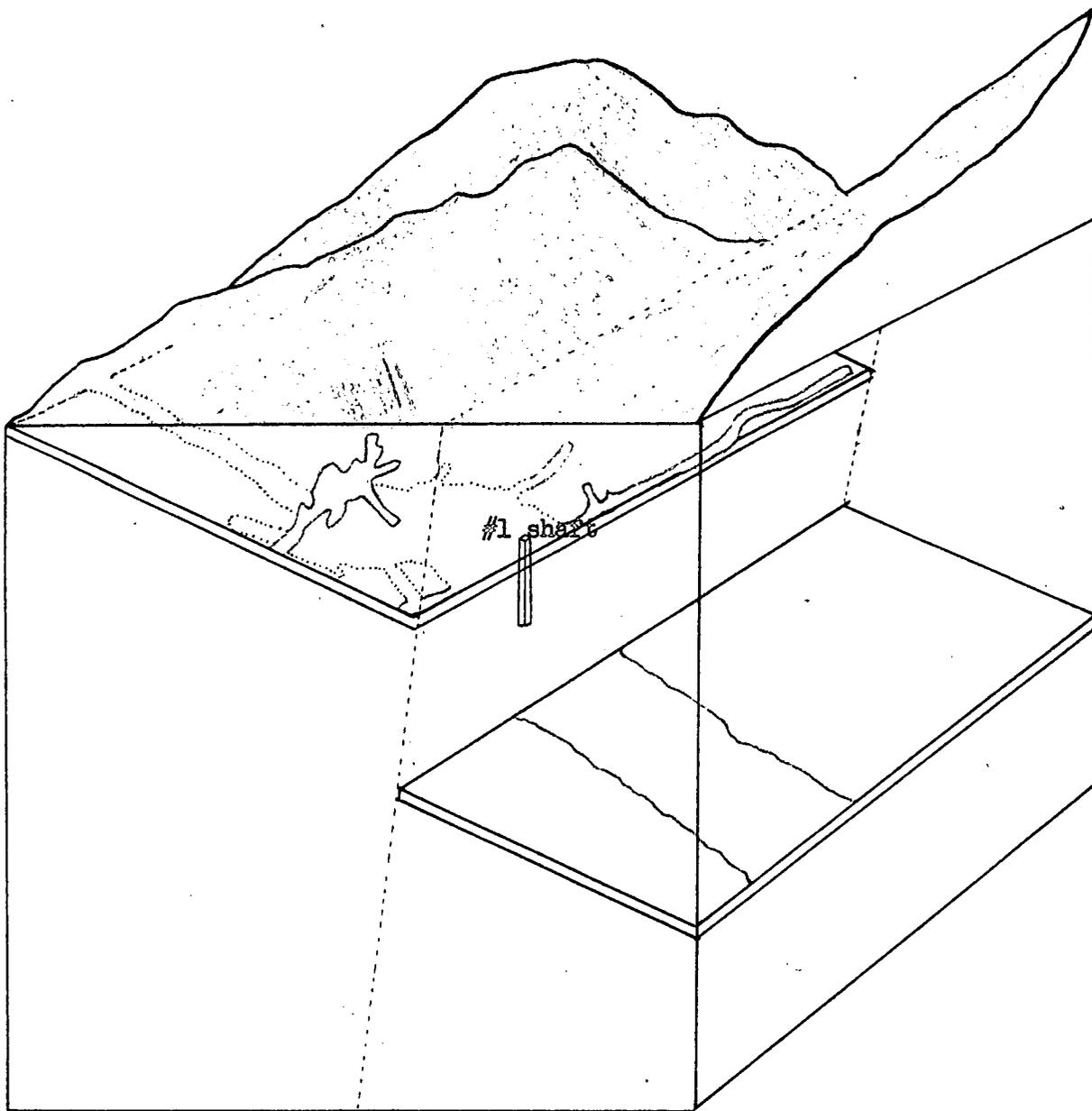
Dated this 27th day of July, 1951

John L. Whiting

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

Joseph Swanson

Being a majority of the Board of Directors of The Eva Mining Company of Utah



STEREOGRAM OF EVA MINE
SCALE 150' = 1"

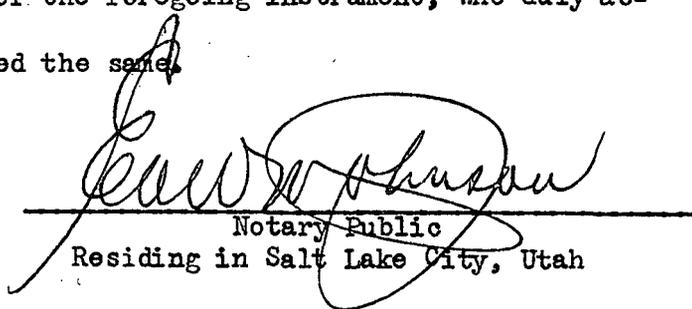
TO WHOM IT MAY CONCERN:

The undersigned, Clinton C. Jenkins, of Springville, Utah, hereby acknowledges that the certain mining lease and option dated May 1, 1948, between John L. Whiting, John S. Groesbeck, M. W. Bird, Joseph A. Swenson, and Lyman Hyde, as the remaining directors of The Eva Mining Company, a Utah corporation, to Clinton C. Jenkins of Springville, Utah, formerly of Spanish Fork, Utah, has been duly assigned by the undersigned, lessee therein named, to Privateer Mining Company, a Utah corporation.



STATE OF UTAH)
 : SS.
COUNTY OF SALT LAKE)

On this 27th day of July, 1951, personally appeared before me Clinton C. Jenkins, the signer of the foregoing instrument, who duly acknowledged to me that he executed the same.



Notary Public
Residing in Salt Lake City, Utah

My Commission Expires:

March 17, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

JUL 31 1951

Executive Secretary

Nature, Estimate and Description of Project

The funds requested, in this application, will be spent in the following manner:

(a) one bunk house. \$500.00

Up to the present time, a tent has been used for lodging by employees engaged in development work in the area of the Creek Tunnel. If a bunk house were made available for this project, the work could be carried on more agreeably and much more efficiently.

(b) initial set-up and renovating one-half mile of access road. \$500.00

The Creek Tunnel is accessible from the main road to the Ave Mine, by one-half mile of road in the bottom of North Canyon. This section of road is badly in need of repair and needs to be re-routed for about five hundred feet in one place. This work and the initial work of setting up for operation at the Creek Tunnel is included in the above estimate of \$500.00.

(c) tunneling 700 feet. \$11,550.00

The Creek Tunnel will be extended a distance of 700 feet in order to intersect at depth, the ore exposed in the Starr Tunnel. This work will entail the following daily expenditures:

3 men @ \$12.00 per day	\$36.00
powder, fuse and caps	10.00
compressor rental (\$140.00 per mon. - \$7.00 per day)	7.00
air cost	5.00
steels & bits (steel breakage & bit upkeep or removal)	3.00
pipe, rail and ties	4.00
carbide & lamps (lamp upkeep & replacement - carbide)	1.00
Total daily cost (4 feet in tunnel)	\$66.00

Additional equipment needed for this project and not worked in on the daily expenditure:

1 stopper	\$610.00
1 air receiver	50.00
2 mine cars	150.00
100 feet of air hose	50.00
600 feet of rail	200.00
300 feet of air pipe	135.00
small tools	25.00

Secretary's salary (for this project for seven months)	\$50.00
Taxes and insurance on payroll:	\$77.50
Total cost of Project Number 2:	\$14,877.50

Description of Mineral Occurrence in the Starr Tunnel
and
Reasons for Out-lined Development

The ore in the Starr Tunnel is composed of coarse to fine grained galena in lead carbonate and of the secondary zinc minerals malachite and hydrozincite. The ore is generally confined to a large east-west fissure, on which the tunnel was driven but small replacement pods are numerous throughout the workings. The portal of the Starr Tunnel is about thirty five feet stratigraphically below the bedding, in which the Ave ore body forms a replacement, however, the bottom of the incline in the Starr Tunnel is in the same horizon as the Ave ore body. It is in

the bottom of the incline in the Starr Tunnel, that most of the ore is exposed. In this area, the ore appears to be bedding-out away from the main fissure although confirmation is difficult due to insufficient development work.

The East-West fissure, on which the Starr Tunnel was driven, is intersected at numerous points throughout the workings by fissures trending North-South. These intersections presented a favorable condition for ore deposition as they are accompanied by intense mineralization. The geological factors encountered in the Starr Tunnel are almost identical to those in the Eva Mine and are reasonably to be expected to produce an ore deposit of the same general character as that in the Eva Mine.

Reasons for Out-lined Development

The extension of the Creek Tunnel, an additional 700 feet, is being undertaken with a number of considerations in mind.

(a) the main object in extending the Creek Tunnel is to reach a point 172 feet vertically beneath the bottom of the incline shaft in the Starr Tunnel. At this point, contact will, presumably, be made with the extension of the ore-bearing fissure system that is exposed in the Starr Tunnel above.

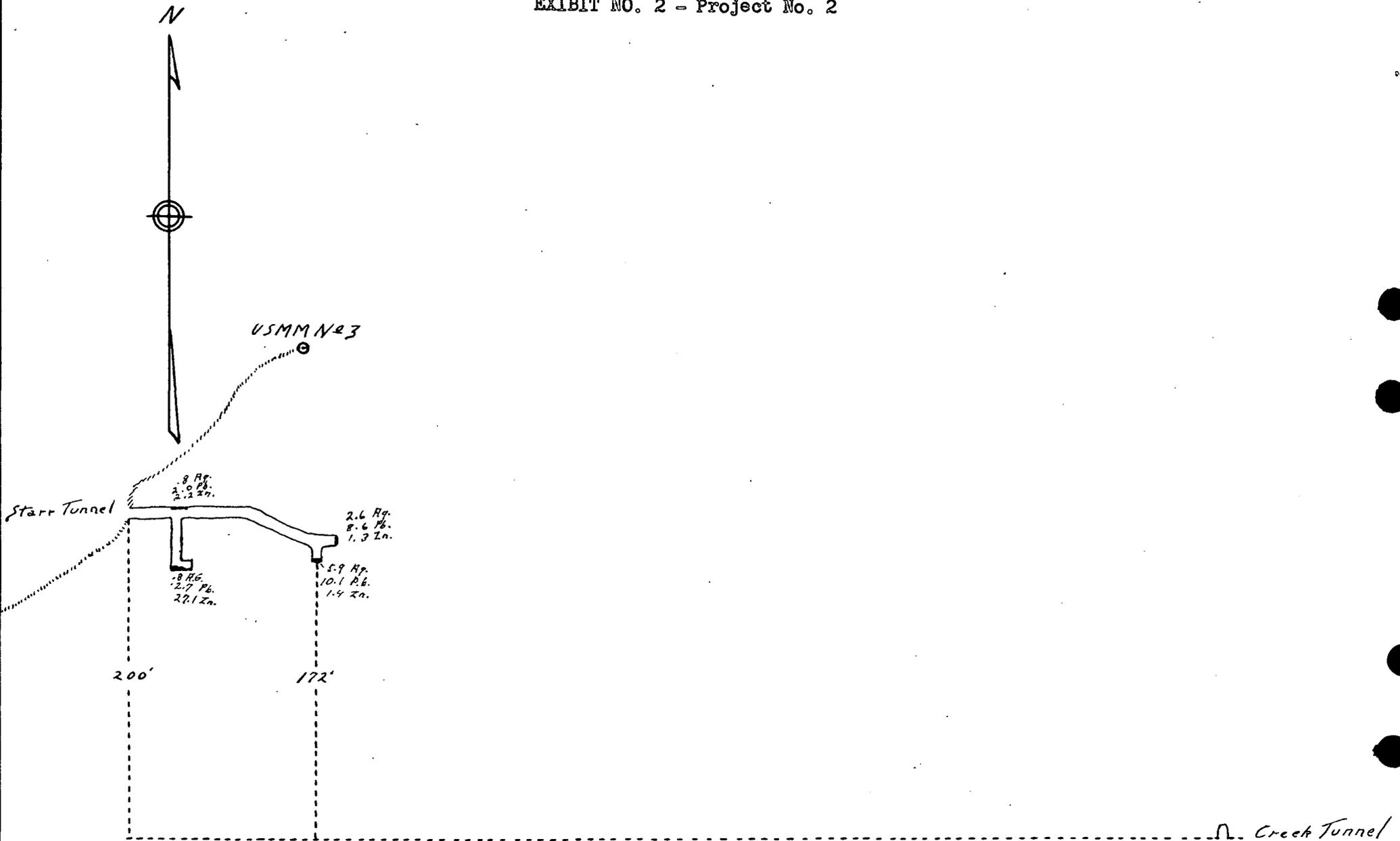
(b) after completion of the first 300 feet of the proposed drive, the contact between the quartzite and the limestone will be cut. This contact could disclose interesting results as quartzite has been commonly known to act as a dam to ore bearing solutions and this condition could result in an ore body at the limestone-quartzite contact.

(c) after completion of 400 feet of the proposed drive, the coarse-grained dolomitic limestone bedding that has been productive in the Eva Mine and Starr Tunnel, will be cut. If the ore in the bottom of the incline shaft in the Starr Tunnel represents a bedded deposit, then the chances are good that the ore will be picked up at this point.

(d) 500 feet of the proposed development work will be driven in limestone, through an area which is traversed by a number of East-West fissures. These fissures show evidence of mineralization on the surface which indicates that they have been subject to mineralizing solutions. Therefore, by cutting potentially-productive beddings in the vicinity of these fissures, one is taking the most logical chance of developing an ore body.

Conclusions To substantiate the data given above, which was worked out by projection of surface topography, a preliminary 'spontaneous polarization' geophysical survey was made with very promising results.

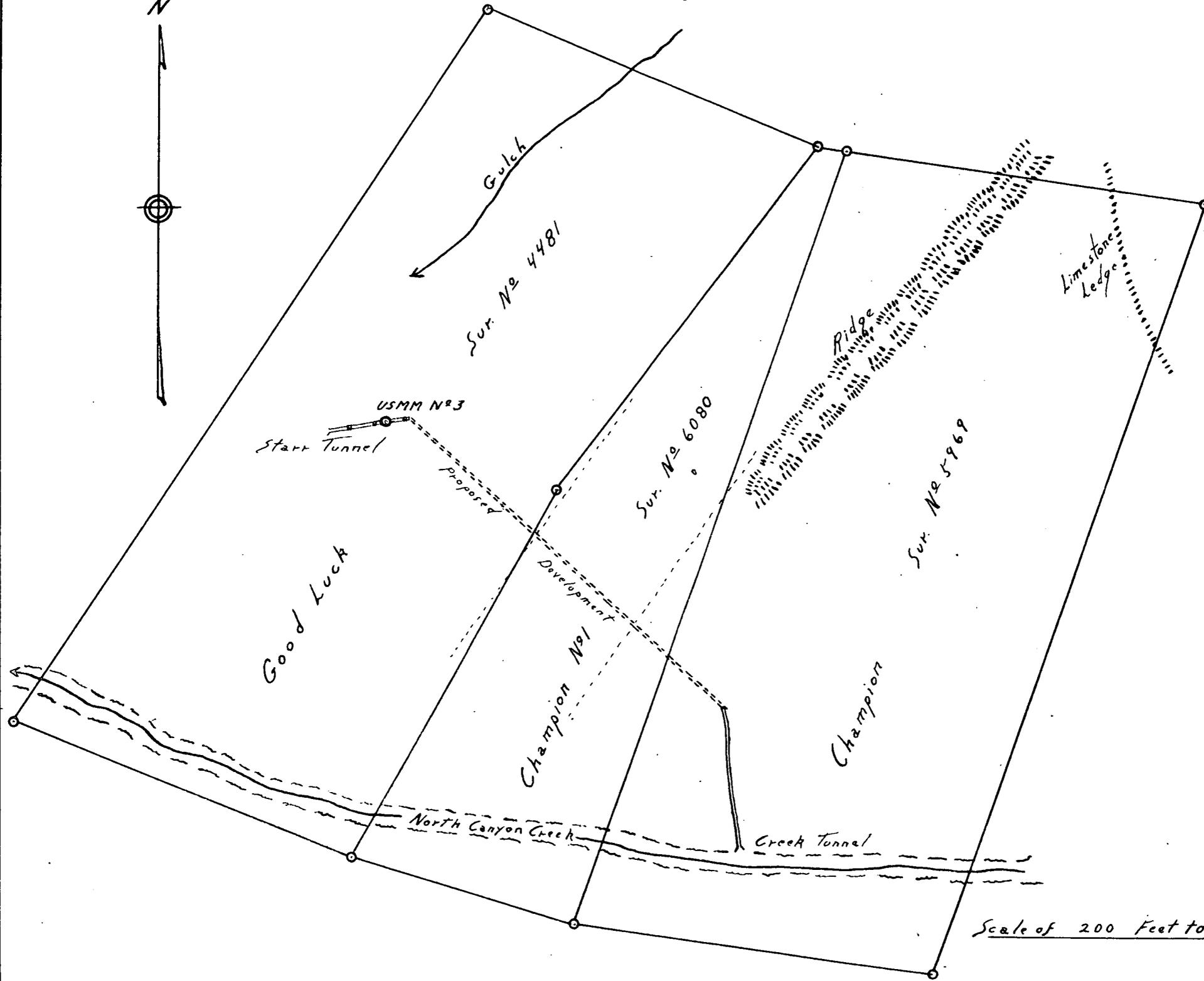
EXHIBIT NO. 2 - Project No. 2



Section

Scale of 80' Feet to the inch

EXHIBIT NO. 2 - Project No. 2



HISTORY OF PROPERTIES:

Location: The Eva Mine is located about two miles from the mouth of North Canyon in the Mount Hobbs Mining District. The Mine is eleven miles from the town of Mona and ten miles from the railroad spur at Starr.

The Starr and Creek Tunnels are also located in North Canyon and are approximately the same distance from Mona and the railroad spur at Starr.

Property Extent: The property that has been leased by the company, consists of nine patented lode mining claims as follows: Little Eva numbers 1,2,3,4 and 5 - Southern Cross - Southern Cross No. 2 - North Star No. 1 and Grand Duke No. 2.

The property on which the Starr and Creek Tunnels are located, is owned by the company and consists of the following lode mining claims: Three patented claims; Good Luck - Champion and Champion No. 1. Also, eleven unpatented claims consisting of; Privateer lode mining claims numbers 1,2,3,4,5,6,7,8,9,10 and Sphinx Fraction.

History: The Eva Mine was opened in the year of 1898, and operated intermittently until 1914, at which time it was closed-down and was not operated again until 1949, when it was acquired by the Privateer Mining Company.

During the period from 1898, until 1914, approximately five thousand tons of ore were mined which averaged about \$30.00 per ton at that time. The average tenor of the ore shipped, as indicated by available smelter return sheets, was 19.3 % zinc, 37.9% lead and 16.2 ounces of silver to the ton.

The Starr Tunnel was opened and operated during the same period as the Eva Mine and has not been worked since 1914. The Creek Tunnel was started shortly after the discovery of ore at the Starr Tunnel and was started in an effort to pick up the ore in the Starr Tunnel at depth where it would be feasible to work.

A limited number of high-grade ore shipments were made from the Starr Tunnel. There are no records available as to the grade of the ore shipped or the amount, but it is reported that about one hundred tons similar that of the Eva Mine, were shipped.

Existing Development: For information covering existing development, refer to Exhibits numbers 1 and 2; and the maps attached thereto.

MANAGERIAL EXPERIENCE:

The experience and competence of the officers of the Privateer Mining Company may be substantiated by the following information:

The President and General Manager, Clinton C. Jenkins, has been actively affiliated with mining for the past five years. During this period, he participated in the following activities:

(a) constructing one mile of road, equipping and operating the Lyman & Blackett Mine for a period of one year.

(b) working for the New Park Mining Company, for two seasons, as a member of the Engineering Staff. As a member of such, he made geophysical surveys in the field and mapped the results of same. All maps and engineering data supplied in this application are his work.

(c) since becoming President and General Manager of the Privateer Mining Company, Mister Jenkins has directed and assisted in the construction of over seven miles of access road to the Eva Mine and Creek Tunnel. He has also directed and assisted in all development projects undertaken by the Privateer Mining Company to date.

(d) Mister Jenkins has directed the purchasing of all mining equipment that the company owns at present. The amount owned in relation to the amount spent, will attest to his ability in this regard.

The Vice Presiden, C. W. Jenkins, has been affiliated with mining for the past twenty years. During this time, he has been engaged principally in leasing, subleasing and marketing of limestone, dolomite and manganese. He is well qualified to assist in the management of the company and invaluable as an advisor in marketing our product.

The Secretary, Leon Neuren, has been an employee of the Knight Investment Company for a period of about thirty-three years. During this time he has demonstrated his ability to full-fill the obligations incurred as a secretary.

PROPERTY (Mining Claims):

The property of the Privateer Mining Company was purchased from its' incorporators on May 14, 1949, for 350,000 shares of stock, having a par value of .10¢ per share. This property includes:

- (a) Three patented claims - Good Luck #4481 - Champion #5969 and Champion #1 #6080.
- (b) eleven unpatented claims - Privateer Numbers 1,2,3,4,5,6,7,8,9,10 and Sphinx Fraction.
- (c) for claim maps, refer to Exhibit No. 1.

Leased property acquired by the company on May 14, 1949, consists of nine patented claims. These are:

- (a) Little Eva Numbers 1,2,3,4, and 5 - Patent number 5934.
- Southern Cross " " "
- Southern Cross No. 2 " " "
- North Star No. 1 " " "
- Grand Duke No. 2 " " "

The above mentioned mining claims were acquired on a Lease & Option to Buy agreement which is dated May 5, 1946. The terms of the lease are as follows:

- (a) Time - five years.
- (b) Royalties - a percent of the net smelter returns as follows:

\$ 1.00 to \$10.00	7 $\frac{1}{2}$ %
\$10.00 to \$15.00	10%
\$15.00 to \$20.00	12 $\frac{1}{2}$ %
\$20.00 to \$30.00	15%

And 15% on all other ores extracted from said property.

(c) Purchase Price - The purchase price of the afore-mentioned property is \$20,000 and the option to purchase is to be exercised within a period of five years from lease date. The Company may elect whether they will pay the full amount in one payment, or shall make a payment of \$10,000 dollars down, and shall pay a sum of \$5,000 dollars on the same day of the month of each succeeding year until the full amount thereof shall have been paid. It is further agreed that all moneys paid as royalties from the operations by the Company shall be applied on the purchase price.

EQUIPMENT:

The following equipment will have to be purchased in order to conduct operations as outlined in this application:

No.	Item	Price	To be purchased from:
1	Compressor (105 cfm) rental	\$140.00 per month	Cate Equip. Co. S.L.C., Ut.
1	Jackhammer (44 lb.)	\$315.00	Gardner Denver " "
1	Stoyer (R 104)	\$610.00	Gardner Denver " "
1	Air Hoist (HDA)	\$595.00	Gardner Denver " "

<u>No.</u>	<u>Item</u>	<u>Price</u>	<u>To be purchased from:</u>		
2	Mine Cars	\$150.00	Bogue Supply Co.	S.L.C.,	Ut.
1	Air Receiver (426)	\$50.00	Bogue Supply Co.	"	"
100	feet of air hose	\$50.00	Bogue Supply Co.	"	"
100	feet of air pipe (1½")	\$30.00	Bogue Supply Co.	"	"
1000	feet of air pipe (2")	\$440.00	Bogue Supply Co.	"	"
2000	feet of rail (12 lb.)	\$700.00	Bogue Supply Co.	"	"
	small tools	\$25.00	Bogue Supply Co.	"	"

The above stated prices on equipment represent current cash prices.

FINANCIAL CONDITION:

The applicant has never been in receivership, bankruptcy, in hands of creditors, or found it necessary to effect any kind of a compromise with creditors.

Finis

UNITED STATES GOVERNMENT

APPLICATION FOR GOVERNMENT LOAN
UNDER SEC. 302 OF
DEFENSE PRODUCTION ACT OF 1950

AMOUNT OF LOAN REQUESTED
\$20,300.00

TERMS OF LOAN REQUESTED
Agreeable to terms specified by delagate agency.

DATE OF APPLICATION
December 11, 1950

TO BE FILLED IN BY DELEGATE AGENCY

NAME AND ADDRESS OF APPLICANT

(Street, City, Zone, State)

**Privateer Mining Company
P. O. Box 111
Provo, Utah**

(DATE RECEIVED)

COMM.

AGRIC.

INT.

D.T.A.

FILE NO.

INSTRUCTIONS

Application should be filed with the Department of Commerce, Department of Agriculture, Department of Interior, or the Defense Transport Administration, whichever has the primary interest in the facilities, products, or processes involved. However, for convenience of the applicant, he may file with any government agency with which he has contract or other pertinent relationships and such agency will arrange for the transmittal of the application to the appropriate office.

Submit four (4) signed copies of the application. Name and address of applicant should be stamped or typed for identification of each sheet of the application and all accompanying papers. When a question is inapplicable, this should be so stated on the form. Additional sheets may be attached in answering any questions or in providing other supporting information.

1. PURPOSE OF LOAN

Give a brief general statement of the purpose of the loan requested, including in the table below estimated amounts for such major purposes as land acquisition, building construction, purchase of plant, purchase of equipment, working capital, repayment of debt, etc. Statement should make clear whether funds will be used for expansion of capacity, development of technological processes, or production of essential materials.

General Statement

This loan is being applied for in order to extend two development headings on the property of the Privateer Mining Company, which in the companies' opinion present excellent possibilities of disclosing substantial deposits of zinc-lead-silver ore.

Proposed development consists of the two following projects:

1. deepening No. 1 underground shaft in the Eva Mine, which has already been sunk to depth of 80 feet, and additional 50 feet and then cross-cutting a distance of 50 feet. The purpose of this development is to pick up the probable extension of the Eva ore body on the East side of the fault.

2. extending the Creek Tunnel, which is 226 feet in length at present, an additional distance of 700 feet. This work will be done in order to intersect, at depth, the ore exposed in the Starr Tunnel which is inaccessible at present, due to its location.

Estimated	NATURE OF EXPENDITURE	AMOUNT
1.	one bunk house.	\$500.00
	initial set-up and reconditioning first 80 feet of shaft.	\$500.00
	sinking 50 feet and cross-cutting 50 feet.	\$3,930.00
	administration expense - secretary and payroll taxes & ins.	\$472.40
	<u>Total Expenditure for No. 1 project:</u>	<u>\$5,402.40</u>
2.	one bunk house.	\$500.00
	initial set-up and renovating of 1/2 mile of access road.	\$500.00
	tunneling 700 feet.	\$12,770.00
	administration expense - secretary and payroll taxes & ins.	\$1,127.60
	<u>Total expenditure for No. 2 project:</u>	<u>\$14,897.60</u>
	Total amount applied for	\$20,300.00

UMA-234

3A

2. PROPOSED METHOD FOR REPAYMENT OF LOAN**Provo, Utah**

State sources of funds, and proposed schedule of repayment

A percentage of the net profits derived from the operations of the Privateer Mining Company in accordance with specifications set forth by the lending agency.

3. NATURE OF BUSINESS AND DESCRIPTION OF PROJECT

Describe fully the business activity for which the funds are intended. In so doing, identify the materials and services to be produced, describe the facilities and processes involved, and explain in detail any research activity and the nature of the results expected. Attach blueprints and specifications, if available, and furnish other technical details to the extent that they are not covered elsewhere in the application.

The funds applied for in this application will be used for:

1. completion of development work necessary to pick up the probable extension of the Eva ore body. This work comprises:

building of one bunk house.

initial set-up and reconditioning first 80 feet of No. 1 underground shaft.

sinking 50 feet and cross-cutting 50 feet.

administration expense (secretary - taxes and insurance on payroll).

SEE EXHIBIT NO. 1 FOR MAPS AND FULL DESCRIPTION OF THIS PROJECT.

2. completion of development work necessary to intersect, at depth, the ore exposed in the Starr Tunnel which is inaccessible at present, due to its location. This work comprises:

building of one bunk house.

initial set-up and renovating one-half mile of access road to the portal of tunnel.

tunneling 700 feet.

administration expense (secretary - taxes and insurance on payroll).

SEE EXHIBIT NO. 2 FOR MAPS AND FULL DESCRIPTION OF THIS PROJECT.

4. Relationship to National Defense. Explain carefully how the expenditure of the funds will contribute to national defense. As a part of such explanation, the following questions should be answered to the extent possible:

(a) What evidence exists as to current shortages of the materials or services to be produced?

The conclusion that there is a shortage of zinc and lead, both regionally, nationally and internationally, is based upon the fact that there has been a substantial increase in the prices of both metals during the past few months and that civilian needs for these metals are being curtailed as the result of the critical needs of the United States Government and her allies.

(b) What evidence exists as to future shortages of the materials or services to be produced?

Future shortages of these metals will undoubtedly persist and probably increase as a result of the foreign policy upon which our nation has embarked and as a result of beligerant forces that are growing in the world today.

(c) Are such shortages, if any, regional or national in scope?

It is evident that shortages of these metals are international in scope due to the fact that for some time our government has been financing development of mines producing zinc and lead minerals in foreign countries, through the Marshall Plan.

(d) In what respects will the use of the funds aid directly in expediting the carrying out of government defense contracts? (A listing of defense contracts, if any, held by applicant is required in item 8 below.)

Up to the present time, there have been no government contracts issued to our concern, but in the event the government deems fit to do so, money made available to us at this time will greatly facilitate our ability to produce a sizable tonnage of zinc-lead ore in the immediate future.

4. Relationship to National Defense - Continued

Provo, Utah

(e) In what respects will the use of the funds aid indirectly in expediting the carrying out of government defense contracts or related operations?

Funds made available to the company by the government as the result of this application will aid directly in expediting the carrying out of government defense contracts or related operations, by making available zinc-lead ore at a time when it is needed.

(f) Are there available alternative methods or facilities to accomplish the same purpose as that for which these funds are intended? (For instance, unused capacity, possibility of multiple shift operations, idle facilities, readily convertible equipment, sub-contracting?) If answer is yes, explain why alternatives are not used.

There are no alternative methods by which the company can accomplish its' purposes as set-forth in this application.

5. Maximum Designed Production

List separately materials or services identified in item 3 (a)	Unit of measure (b)	Maximum designed production with existing facilities (c)	Average percentage of maximum designed production used in quarter preceding filing of application (d)	Maximum designed production including use of funds applied for (e)
Zinc-Lead Ore	ton	none	none	40 ton per day

6. Employment

(a) Number currently employed at location(s) where funds are to be used. (Use pay period ending nearest 15th of month preceding filing of application.)

Men are not employed at the projects described in this application due to lack of finance. Mine has been closed down as a result.

(b) Maximum feasible employment with existing facilities.
(1) Single shift operation.

With funds applied for in this application, 5 men could be employed at the Eva Mine and 3 men at the Creek Tunnel.

(2) Multiple shift operation (specify how many shifts).

Multiple shift operation would necessitate a like number of men per shift.

(c) Estimated additional employees required by the use of the funds applied for.

Eight men.

7. Timing

(a) On what date(s) are the requested funds needed?

It would be desirable to have \$5,000, of the requested funds, at the companys disposal by April 1, 1951, so as to have the necessary equipment purchased and available to begin work about May 1st. The remainder as follows: (\$3,300 June 1st) (\$3,300 July 1st) (\$1,740 August 1st) (\$1,740 Sept. 1st) (\$1,740 Oct. 1st) (\$1,740 Nov 1st) (\$1,740 Dec 1st).

(b) On what expected date(s) will applicant begin to use such funds and what output is to be expected from the use of funds? Wherever possible, give planned schedule of output.

If requested funds are granted, the company will be able to start development operations by May 1, 1951.

1. It will take about two months to complete the development work, outlined for project Number 1. If successful, Production could be started by July 15, 1951.

2. From six to seven months will be required to complete development work outlined for project Number 2. Production can be anticipated on or before December 1, 1951.

8. Output from the use of funds applied for will be for the following purposes: **Provo, Utah**
 a. For the following principal prime defense contracts (if any) with the United States Government:

Date of contract (a)	Contracting Government Agency (b)	Program symbol (2 digits) or other contract identification (c)	Materials or services (d)	Delivery date(s) (e)	Amount (Dollars) (f)
<p>This section of the form is not applicable to the representation of the projects described in this application because no contracts have been let to the Privateer Mining Company by the United States Government.</p>					

b. For the following subcontracts (if any) with U.S. Government prime defense contractors:

Date of contract (a)	Materials or services (b)	Supplied to (Give name and address of firm) (c)	Delivery date(s) (d)	(e) Government agency receiving end product or services (f) Program symbol (2 digits) or other contract identification	Amount (Dollars) (g)
				(e)	
				(f)	
		None.		(e)	
				(f)	
				(e)	
				(f)	

c. For the following classes or types of customers not covered by contracts listed above (list materials or services to be provided and, wherever possible, also indicate final product use):

Applicants out-put of zinc-lead-silver ore will be sold to custom smelters for processing and resultant metals will presumably be sold on the open market.

9. Feasibility

Provo, Utah

(a) Estimate anticipated requirements for manpower, equipment, raw materials, energy, fuel, transportation facilities, water supply, housing, community facilities, and other factors of production, for (1) preparation of the facilities and (2) actual operation thereof. (The estimates may be limited to those factors of substantial significance to the preparation and operation of the facilities for which the funds are intended.)

Estimate of anticipated requirements:

- Manpower - 5 men will be required at the Eva Mine
- 3 men will be required at the Creek Tunnel
- Equipment- 1 compressor (105 cfm) - rental -
- 1 air hoist
- 1 jackhammer
- 1 stoper
- 1 air receiver
- 2 mine cars
- small tools
- 100 feet of air hose
- 1100 feet of air pipe
- 950 feet of rail

- Fuel - 5000 gallons gasoline
- 100 gallons of oil
- Transportation facilities:
- Mine is 11 miles from Mona.
- Workers furnish own trans.
- Trucks are available in Mona
- for contract hauling of ore.
- Water supply - is adequate.
- Housing - two bunk houses.

(b) Discuss and evaluate the availability of each of the above factors in the area(s) where the funds will be used.

The manpower needed for this project can be drawn from the town of Mona, Utah, which is about 11 miles from the workings. Many of the residents of this community are miners who, in the past, have been employed in the mines of Eureka, Utah.

The above mentioned equipment can easily be purchased from equipment firms located in Salt Lake City, Utah.

Fuel for the project can be purchased from either of two bulk plants, located in Nephi, Utah, which is near the mine.

Trucks are available in Mona, for the contract hauling of ore from the mine.

Water is available at the Mine and Creek Tunnel for Culinary use and equipment underground.

Lumber for bunk houses is easily procured at Nephi, Utah.

Powder, fuse and caps are available in Salt Lake City, Utah.

10. The following applications for necessity certificates for tax amortization (Under Section 124A of the Internal Revenue Code) for facilities at the location(s) covered by this application have been filed since January 1, 1950.

Date of application (a)	Government file number (b)	(Estimated) Total of facilities in dollars on each application (c)	(d) If final action has been taken, give date of	
			Issuance	Denial
	None -	Not applicable.		

11. Recent Efforts to Obtain Credit

(a) Banks- List names and addresses of all Banks of Deposit of Applicant within the last 5 years: (Mark with an asterisk (*) bank or banks in which deposits are now kept)

None.

11. Recent Efforts to Obtain Credit - Continued**Provo, Utah**

(b) State efforts to obtain credit, within 60 days preceding date of application, from banks, the Reconstruction Finance Corporation, or other sources, results, and reasons if refused. (NOTE.- Section 302 of the Defense Production Act of 1950 states that a loan may be extended "only to the extent that it is not otherwise available on reasonable terms." Accordingly, Applicant should show that it has applied to each bank named in (a) above, or explain the reason for not doing so. The fact that a loan of the particular maturity and terms applied for is refused by a bank or banks is not sufficient to comply with the statute, if credit on reasonable terms is available. State whether a bank will participate in the loan, and if so, state name of bank and amount of participation. Full particulars must be given.) List the names and addresses of banks and other lending institutions to which applications for credit have been made, and in each case state date of application, amount of credit available, if any, maximum term for which credit is available, what consideration, if any, was given to possible guarantee of loan under Federal Reserve Regulation V, and reason for refusal or reason loan was not obtained. Indicate whether or not application was definitely refused for further credit on any basis.

The applicant has contacted the following banks during the past Summer, in an effort to obtain a loan with which to develop the property dealt with in this application. Refusal was made on the basis that mining equipment and land did not constitute collateral to said banks and a loan could not be made on any other basis.

Springville Banking Company
Bank of Spanish Fork
Commercial Bank of Spanish Fork
Commercial Bank of Nephi

Springville, Utah
Spanish Fork, Utah
Spanish Fork, Utah
Nephi, Utah

The Reconstruction Finance Corporation in Salt Lake City, Utah was also contacted by the applicant in an effort to obtain a loan. The applicant was informed that all mining loans were made strictly on the basis of collateral and that the applicant did not have sufficient equipment to hardly be worth consideration.

12. What other forms of government financial assistance, if any, have been received or requested by the applicant in connection with the purposes of the loan herein applied for? If applicant plans to request such assistance in the future, give details.

None.

13. HISTORY, MANAGEMENT, LEASED AGREEMENTS, INSURANCE, ETC.

REFER TO EXHIBIT NO. 13 ^{13A}

These subjects should be fully covered in statements attached hereto. Outline past management experience or other basis for showing competence of the Applicant to perform in accordance with expressed purpose of the application. If plant was purchased, state price, form and terms of payment, date of purchase, from whom and under what circumstances purchase was made. If it is proposed to construct or acquire new facilities (including equipment), state estimated cost and basis of such estimate, form and terms of payment, and from whom purchases of facilities will be made. State whether Applicant, or the business or plant, has been in receivership, bankruptcy, Chapter X, XI or XII, in hands of creditors, committee, or whether Applicant has effected a compromise with creditors, and if so, discuss fully. Indicate whether business is conducted in leased premises and whether any facilities are leased from others and describe terms of any lease agreements. List type and amount of insurance carried on plant property. Describe briefly any pending or threatened litigation affecting Applicant.

14. NAMES AND ADDRESSES OF OFFICERS, DIRECTORS, OR PARTNERS, AND IN ADDITION THERETO, THE FIVE LARGEST STOCKHOLDERS IF 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 Applicant (d)	Number of shares held in applicant		Life insurance carried for benefit of Applicant	
				Common (e)	Pre-ferred (f)	Amount (g)	Net cash surrender value after loans (h)
Clinton C. Jenkins Springville, Utah	Pres & Genl Mgr "D"	\$1,902		330,000			
C. W. Jenkins Salt Lake City, Ut.	Vice President "D"	none	\$20,000	15,000			
Leon Newren Provo, Utah	Secretary "D"	none	\$15,000	1,000			
	Total		x x x x x	346,000		x x x	x x x

15. 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	\$100,000.00	\$43,598.80	\$.10¢	435,988	none
Preferred stock	\$ none	\$	\$		

16. PURCHASE AND SALES RELATIONS WITH OTHERS

Does Applicant buy from, sell to, or use the services of, any concern or partnership in which an officer, director, large stockholder, or partner of the Applicant has a substantial interest? If not, so state. If so, give names of such officers, directors, stockholders, and partners, and names of such concerns or partnerships.

None

Does any officer, director, large stockholder, or partner of Applicant receive any commission, bonus, or other payment in cash or services from any concern or partnership with which Applicant has business dealings? If not, so state. If so, give names of such officers, directors, stockholders, or partners and amounts of such commissions, bonuses, or payments.

None

17. COMPENSATION SCHEDULE

INSTRUCTIONS: The schedule shall show the amount of compensation being paid to all employees of Applicant receiving compensation at a rate in excess of \$10,000 per annum, including employees paid on a part-time basis where the rate of compensation exceeds \$10,000 per annum computed on a full-time basis. If Applicant is a corporation, the schedule should show the compensation, regardless of amount, being paid to all officers, directors, and such stockholders as have an interest in Applicant's business of 10 percent or more. If Applicant is a partnership, the schedule should show the compensation being paid to, or being withdrawn by, all partners for their personal use. If Applicant is an individual, the schedule should show the amount being withdrawn by Applicant for his personal use. In each case the listed person's connection with the business should be indicated (i.e., whether an officer, director, stockholder, partner, owner, etc.). The calendar basis for the compensation should likewise be shown. Attorneys or firms of attorneys on a regular retainer or salary basis should be included. The schedule should include a separate notation indicating the source and amount of any compensation being paid by a company or firm directly or indirectly controlling, affiliated with, or controlled by, Applicant. If the space provided herein is insufficient, the schedule should be continued on the reverse side or appropriate continuation sheets should be attached.

17. COMPENSATION SCHEDULE - Continued
 The term "compensation", as used herein and such schedule, shall include all salaries, fees, bonuses, commissions, retainers, regular drawing accounts, and other payments, direct or indirect, in money or otherwise, for personal services.

Name (a)	Position (b)	Compensation paid during previous fiscal year (c)	Present compensation (d)
No one.			

18. COLLATERAL
 (a) The applicant offers the following described collateral as security for repayment of the loan applied for.

Description (a)	Date acquired (b)	Cost (c)	Book Value (Net) (d)	Appraised* value (e)
Property now held: Property owned by the Privateer My. Co. Good Luck - Patent #4481 Champion No. 1 Pat #6080 Champion - Patent #5969 Privateer mining claims no.s 1,2,3,4,5,6,7,8,9,10 & Sphinx Fraction (unpatented claims) (Refer to back of page for leased claims held by the Privateer Mining Company.)	May 14, 1949	350,000 shares of stock		
To be acquired: None				

* This column need be filled in only if a recent appraisal has been made. If so, identify appraiser below.

Name (a)	Title (b)	Date (c)
None		

(b) Describe existing liens, if any, on property listed above.

None

18 - Collateral (continued)

Leased property held by the Privateer Mining Company, comprise the following patented claims. They were acquired by the company on May 14, 1949 under a 5 year lease and option to buy agreement:

Little Eva	#1	Patent No.	5934
Little Eva	#2	"	"
Little Eva	#3	"	"
Little Eva	#4	"	"
Little Eva	#5	"	"
Southern Cross	#2	"	"
Southern Cross		"	"
North Star	#1	"	"
Grand Duke	#2	"	"

EXHIBIT A - CURRENT FINANCIAL STATEMENT
 As of December 1, 1950
 (Date not more than 30 days prior to date of application)

ASSETS

CURRENT ASSETS

1. Cash.....		\$	
2. Notes receivable.....	\$		
Less reserve for doubtful notes.....			
3. Accounts receivable:			
Current.....	\$		
Past due not over 4 months.....			
Past due over 4 months.....	\$		
Less reserve for doubtful accounts.....			
4. Inventories:			
Raw materials.....	\$		
Work in process.....			
Finished goods.....	\$		
Less reserve for inventory losses.....			
5. Other current assets (describe).....			
TOTAL CURRENT ASSETS.....		\$	

FIXED AND OTHER ASSETS

6. Plant used in business:			
Land... and Leasehold	\$	<u>120,003.00</u>	
Buildings.....		<u>307.45</u>	
7. Machinery.....		<u>2,544.04</u>	
8. Equipment, furniture, and fixtures.....	\$	<u>122,854.49</u>	
Less reserve for depreciation.....			<u>122,854.49</u>
9. Investments—stocks and bonds.....			
10. Investments in affiliated companies.....			
11. Receivables due from affiliated companies.....			
12. Real estate not used in business.....			
13. Due from officers, directors, employees, stockholders.....			<u>19.53</u>
14. Deferred charges.....			<u>11,826.69</u>
15. Other assets..... Development and unrecovered costs			<u>134,700.71</u>
TOTAL ASSETS.....			\$134,700.71

LIABILITIES

CURRENT LIABILITIES

16. Notes payable (see schedule 1, page 10):			
Banks.....	\$		
Trade creditors.....			
Officers, stockholders, relatives.....			
Insurance companies.....	\$		
17. Accounts payable.....			
18. Other current liabilities:			
Delinquent taxes { Real estate.....	\$		
Federal.....		<u>16.37</u>	
Wages and salaries.....		<u>1,186.94</u>	
Due officers.....		<u>4,904.08</u>	
Accrued interest, rent, taxes, wages, etc.....			
TOTAL CURRENT LIABILITIES.....			\$ 6,107.39

FIXED AND OTHER LIABILITIES

19. Machinery liens.....			
20. Mortgage debts (see schedule 2, page 10).....			
21. Bonds or debentures (see schedule 2, page 10).....			
22. Other liabilities..... two and one-half year lease			<u>19,964.52</u>
23. Common stock (if Applicant is incorporated).....	\$	<u>43,628.80</u>	
24. Preferred stock (if Applicant is incorporated).....		<u>none</u>	
25. Surplus (if Applicant is incorporated).....		<u>65,000.00</u>	<u>108,628.80</u>
26. Capital and Surplus Account (if Applicant is partnership or individual).....			<u>134,700.71</u>
TOTAL LIABILITIES.....			\$134,700.71

NET WORTH

27. Contingent liabilities (explain).....	\$		
---	----	--	--

NOTE.— Submit copy of last available audit or of financial statement at close of last fiscal period (if such date differs from date of above statement).

EXHIBIT C - CONDENSED COMPARATIVE STATEMENT OF CONDITION

For years ended December 31

(Insert date of end of fiscal year)

(000.00 omitted. Use figures to nearest thousand. For instance, the figure \$3,489.36 should be written as 3; the figure \$3,689.36 should be written as 4)

ASSETS	(Figures for 3 preceding years)			Current year as of date of Exhibit A
	19	19	19	
CURRENT ASSETS:			49	
1. Cash.....				
2. Receivables (after deducting reserves).....				
3. Inventories.....				
4. Other current assets:				

TOTAL CURRENT ASSETS.....				
FIXED AND OTHER ASSETS:				
5. Plant accounts (before depreciation):				
Machinery, equipment, etc.....			2	3
Delivery equipment.....				
Real estate and buildings used in business.....			120	120
6. Other assets (as investments, real estate not used in business, etc.):				
(Deferred Expense)				
Development Unrecovered Costs			7	12

TOTAL ASSETS.....			129	135
LIABILITIES				
CURRENT LIABILITIES:				
8. Notes payable.....				
9. Accounts payable.....				1
10. Accrued liabilities.....				
11. Other current liabilities:				
_____			4	5

TOTAL CURRENT LIABILITIES.....				
FIXED AND OTHER LIABILITIES:				
12. Mortgage debts.....				
13. Debentures.....				
14. Other fixed liabilities:				
_____			20	20

RESERVES:				
15. Reserve for depreciation.....				
16. Other reserves:				

NET WORTH:				
17. Common stock (issued) (if Applicant is incorporated)..			40	44
18. Preferred stock (issued) (if Applicant is incorporated)				
19. Surplus (if Applicant is incorporated).....			65	65
20. Capital and surplus account (if Applicant is partnership or individual).....				

TOTAL LIABILITIES.....			129	135

NOTE— If years included in the above table are not adequately representative of applicant's financial experience, condition statements may be submitted for additional years.

EXHIBIT D

AGREEMENT AS TO COMPENSATION FOR SERVICES RENDERED OR TO BE RENDERED TO APPLICANT IN CONNECTION WITH APPLICATION AND/OR LOAN To induce the United States Government and its agencies to make a loan under Sec. 302 of the Defense Production

Act of 1950 to (hereinafter called "Applicant") and in consideration of the making of a loan to Applicant, the undersigned, having been retained by Applicant for the purpose of rendering professional or other services in connection with its application for a loan or loans, hereby represents, warrants, and agrees that the undersigned has not been paid, has not made any agreement with the Applicant to be paid, and has not procured any person to pay or agree to pay, and will not, directly or indirectly, charge or receive any bonus, fee, or commission in any form in connection with the said application for, or the obtaining of, the loan applied for by the Applicant, or any compensation in any form for services rendered or to be rendered in connection therewith except for the services and in the amounts stated below:

Table with 4 columns: Name, Description of services, Amount paid, Amount to be paid. All cells are currently empty.

To induce the making of the loan and the employment of the undersigned by Applicant, the undersigned hereby further warrants, covenants and agrees, upon the consideration herein specified, and in consideration of the employment of the undersigned by Applicant, as above recited, that if the amount of compensation stated above for any such services shall not be deemed reasonable by any agency of the United States Government, the undersigned will reduce the charge for such services to such amount as shall be deemed reasonable by such agency, and will not, directly or indirectly, charge or collect from the Applicant or any other person, any sum in excess of the amount so deemed reasonable; and that if the undersigned has heretofore collected, from the Applicant or any other person, as compensation for any such services, any amount deemed by such agency to be unreasonable, the undersigned will refund to Applicant or such other person such sums as are in excess of the amount deemed reasonable. The undersigned further warrants, covenants and agrees that if the amount of the compensation for any such services is not determinable at the date of application, or is not stated above, it will not collect or charge any sum as compensation for such services without the prior written approval of the Government agency with which this application is officially filed as to the nature of the services for which such compensation is to be paid and the amount of such compensation.

Witness: Address of witness:

Dated , 19

NOTE—Corporations must execute foregoing certificate in corporate name, by duly authorized officer, and seal must be affixed and duly attested; partnerships must execute in firm name, together with signature of a general partner. If no compensation is paid or to be paid for services rendered in connection with application or loan, this should be so stated and the Applicant should sign this Exhibit.

CERTIFICATION

The Applicant hereby certifies that the statements made in the foregoing application, and all exhibits and documents submitted in connection therewith, are true and correct statements to the best of Applicant's information and belief and are submitted as a basis for credit. The Applicant agrees to reimburse any agency of the United States Government upon demand for any expenses incurred in connection with or arising out of this application or any loan made pursuant hereto.

Dated Dec 11, 1950

Witness: (For individual applicants)

(Signature)

Witness: (For partnership applicants)

(Full name of firm)

By , a general partner. (Signature)

(For corporate applicants)

(CORPORATE SEAL)

PRIVATEER MINING COMPANY (Full corporate name of applicant)

Attest: (Signature)

By (Signature) (Title) Secretary

The United States Criminal Code, 18 U.S.C., Sec. 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.

Mining Division
Date Rec'd.

JUL 2 1951

BUREAU OF MINES
Denver, Colorado

Project No. 1.

① Bunk. house. (12x24)

Boarding	1327 bdft	@ \$102 per 1000	= \$135
framing	1409 bdft	@ \$140 per 1000	= 195
Nails	62 lbs	@ \$14 per 100 lbs	= 9
Labor	127 hrs	8 hr day @ \$13.05 per day	= 203
Doors	2 @	\$11.50 each	= 23
Windows	6 @	\$6.50 each	= 39
Total.			* \$604

(Cost per sq ft. floor space = \$2.10)

② Initial set up & reconditioning first 80' of #1 shaft

80' of Revamping shaft to 5x7	\$520
Lumber for ladder & head frame	45
Powder cap & fuses	10
	* \$575

C. Sinking 50 ft. & cross-cutting 50'

5 Men. (4 Men @ \$13.00 per day 1 Man @ \$16.00 = \$68

Powder, Caps & Fuse 12

Air cost 10

Steel & Bits 4

Pipe 1

Carbide 1

Ladder 2

Daily cost. ^{2 ft.} 1/2 ft. in shaft \$98

Shaft cost * \$2450

Drift cost. 5 ft. per day * 980

Additional Equip

1 Air Hoist \$642

1 Jack Hammer 345

100 ft. Air pipe 34

* \$1061

Sec. Salary * 170

Taxes etc. * \$302

Total cost \$6142

Project No 2.

Bunk. House	\$ 600
Tunneling 700 ft @ \$22.50/ft	= 15750
Drifter (24) (stoper is impracticable)	95
1 Air receiver (Made over Railroad Brake) 2nd-hand receiver	50
2 Mine cars	300
100 ft. Air Hose	113
600 ft. Rail 12#	560
300 ft. Air Pipe	102
Small tools	100
Sec. Sal.	350
Taxes.	777
Total.	\$ 19587

Total cost Project 1 = \$ 6,142
Total cost Project 2 = 19,587
Total cost \$ 25,729

JUL 2 1951

Nature of Business and Description of Project

The funds requested, in this application, will be spent in the following manner:

BUREAU OF MINES
Denver, Colorado
\$500.00

(a) one bunk house.

Up the present time, a tent has been used for lodging by employees engaged in development work in the area of the Creek Tunnel. If a bunk house were made available for this project, the work could be carried on more agreeably and much more efficiently.

(b) initial set-up and renovating one-half mile of access road. \$500.00

The Creek Tunnel is accessible from the main road to the Eva Mine, by one-half mile of road in the bottom of North Canyon. This section of road is badly in need of repair and needs to be re-routed for about five hundred feet in one place. This work and the initial work of setting up for operation at the Creek Tunnel is included in the above estimate of \$500.00.

(c) tunneling 700 feet. \$11,550.00

The Creek Tunnel will be extended a distance of 700 feet in order to intersect at depth, the ore exposed in the Starr Tunnel. This work will entail the following daily expenditures:

3 men (@ \$12.00 per day)	\$36.00
powder, fuse and caps	10.00
compressor rental (\$140.00 per mon. - \$7.00 per day)	7.00
air cost	5.00
steels & bits (steel breakage & bit upkeep or renewal)	3.00
pipe, rail and ties	4.00
carbide & lamps (lamp upkeep & replacement - carbide)	1.00
Total daily cost (4 feet in tunnel)	\$66.00

Additional equipment needed for this project and not worked in on the daily expenditures:

1 stoper	\$610.00
1 air receiver	50.00
2 mine cars	150.00
100 feet of air hose	50.00
600 feet of rail	200.00
300 feet of air pipe	135.00
small tools	25.00

Secretary's salary (for this project for seven months) 350.00

Taxes and insurance on payroll: 777.60

Total cost of Project Number 2: \$14,897.60

Description of Mineral Occurance in the Starr Tunnel
andReasons for Out-lined Development

The ore in the Starr Tunnel is composed of coarse to fine grained galena in lead carbonate and of the secondary zinc minerals smithsonite and hydrozincite. The ore is generally confined to a large East-West fissure, on which the tunnel was driven but small replacement pods are numerous throughout the workings. The portal of the Starr Tunnel is about thirty five feet stratigraphically below the bedding, in which the Eva ore body forms a replacement, however, the bottom of the incline in the Starr Tunnel is in the same horizon as the Eva ore body. It is in

the bottom of the incline in the Starr Tunnel, that most of the ore is exposed. In this area, the ore appears to be bedding-out away from the main fissure although confirmation is difficult due to insufficient development work.

The East-West fissure, on which the Starr Tunnel was driven, is intersected at numerous points through-out the workings by fissures trending North-South. These intersections presented a favorable condition for ore deposition as they are accompanied by intense mineralization. The geological factors encountered in the Starr Tunnel are almost identical to those in the Eva Mine and may reasonably be expected to produce an ore deposit of the same general character as that in the Eva Mine.

Reasons for Out-lined Development

The extension of the Creek Tunnel, an additional 700 feet, is being under-taken with a number of considerations in mind.

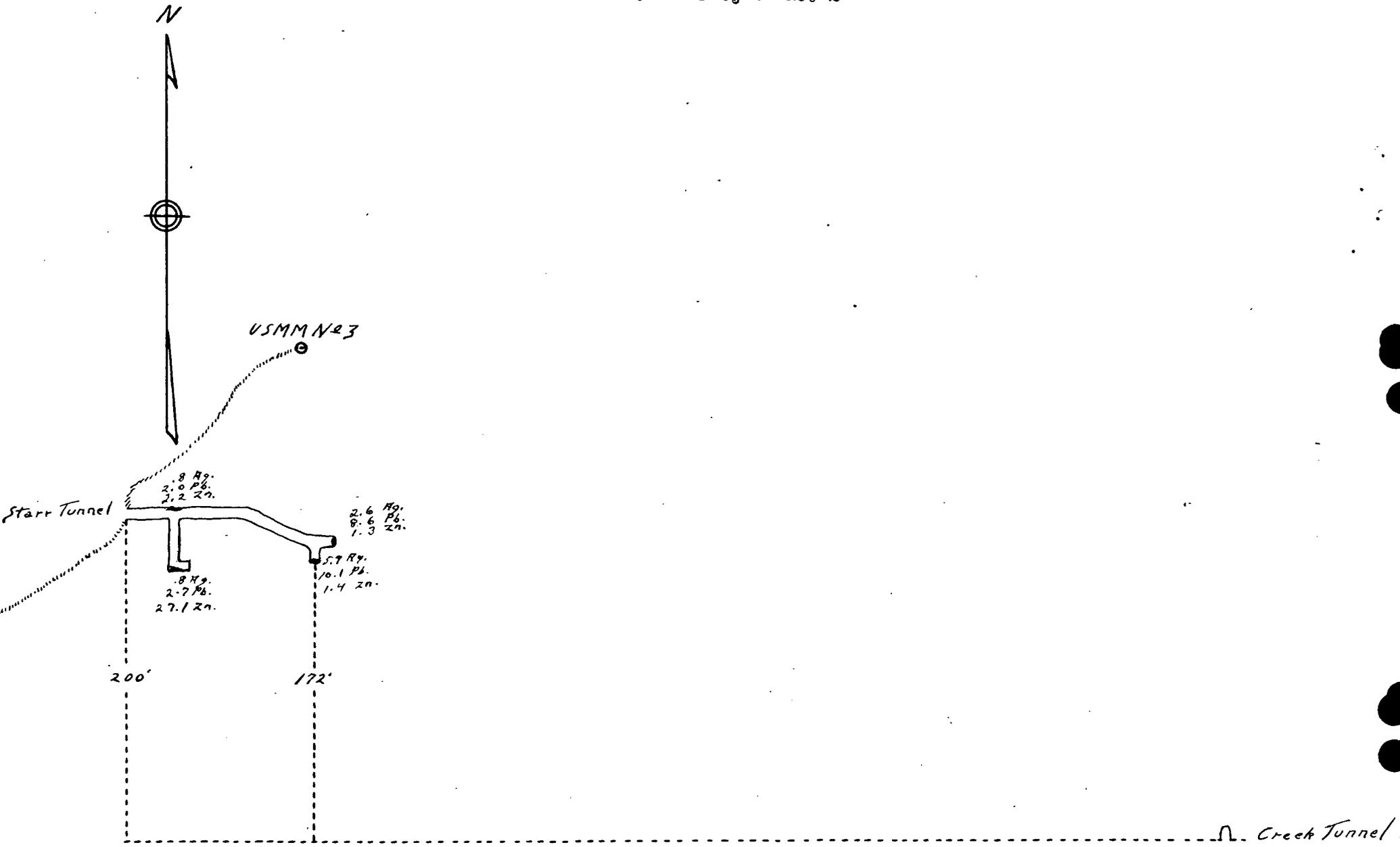
(a) the main object in extending the Creek Tunnel is to reach a point 172 feet vertically beneath the bottom of the incline shaft in the Starr Tunnel. At this point, contact will, presumably, be made with the extension of the ore-bearing fissure system that is exposed in the Starr Tunnel above.

(b) after completion of the first 200 feet of the proposed drive, the contact between the quartzite and the limestone will be cut. This contact could disclose interesting results as quartzite has been commonly known to act as a dam to ore bearing solutions and this condition could result in an ore body at the limestone-quartzite contact.

(c) after completion of 400 feet of the proposed drive, the coarse-grained dolomitic limestone bedding that has been productive in the Eva Mine and Starr Tunnel, will be cut. If the ore in the bottom of the incline shaft in the Starr Tunnel represents a bedded deposit, then the chances are good that the ore will be picked up at this point.

(d) 500 feet of the proposed development work will be driven in limestone, through an area which is traversed by a number of East-West fissures. These fissures show evidence of mineralization on the surface which indicates that they have been subject to mineralizing solutions. Therefore, by cutting potentially-productive beddings in the vicinity of these fissures, one is taking the most logical chance of developing an ore body.

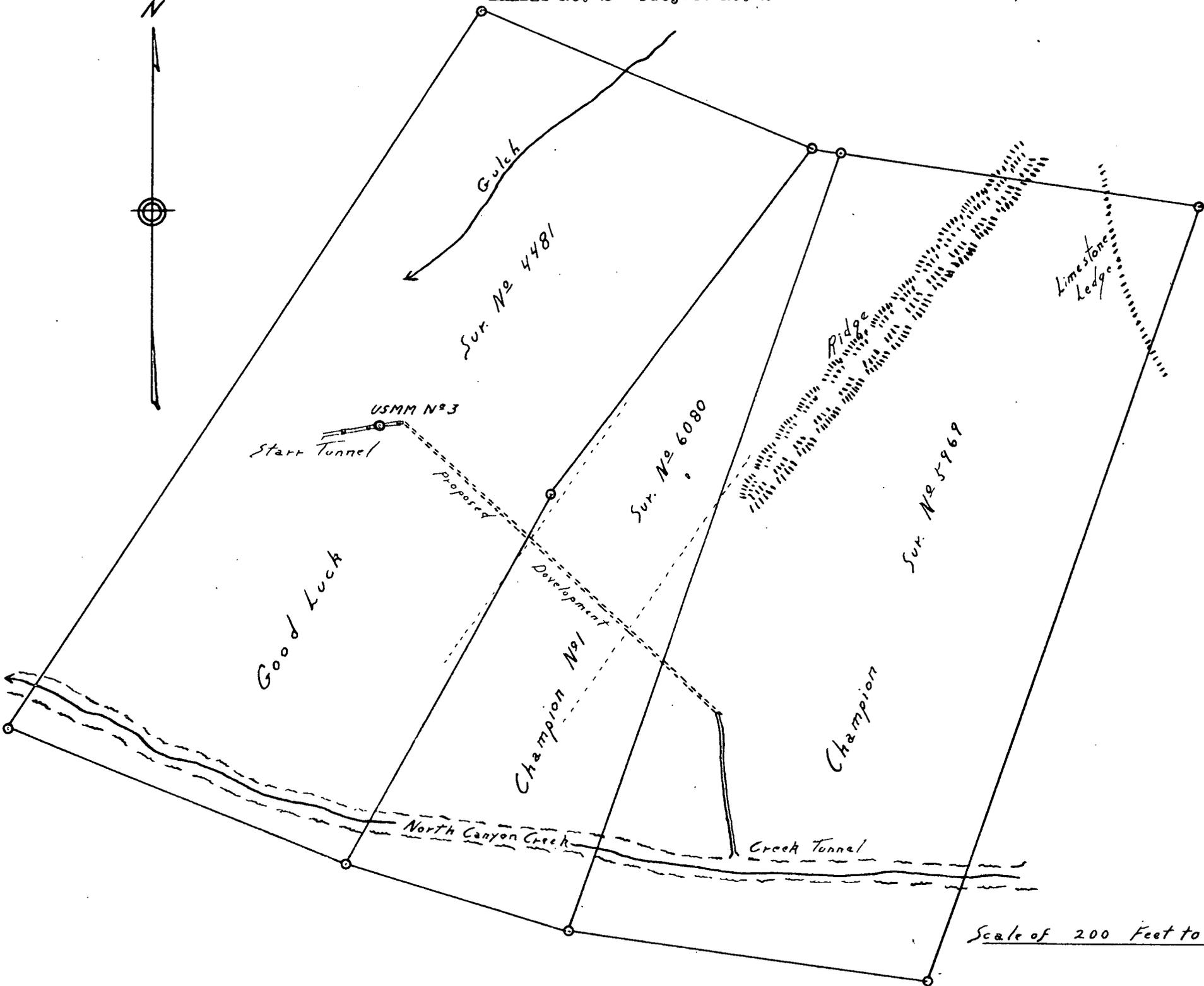
Conclusion: To substantiate the data given above, which was worked out by projection of surface topography, a preliminary 'spontaneous polarization' geophysical survey was made with very promising results.



Section

Scale of 80' Feet to the inch

EXHIBIT NO. 2 - Project No. 2



Scale of 200 Feet to the inch

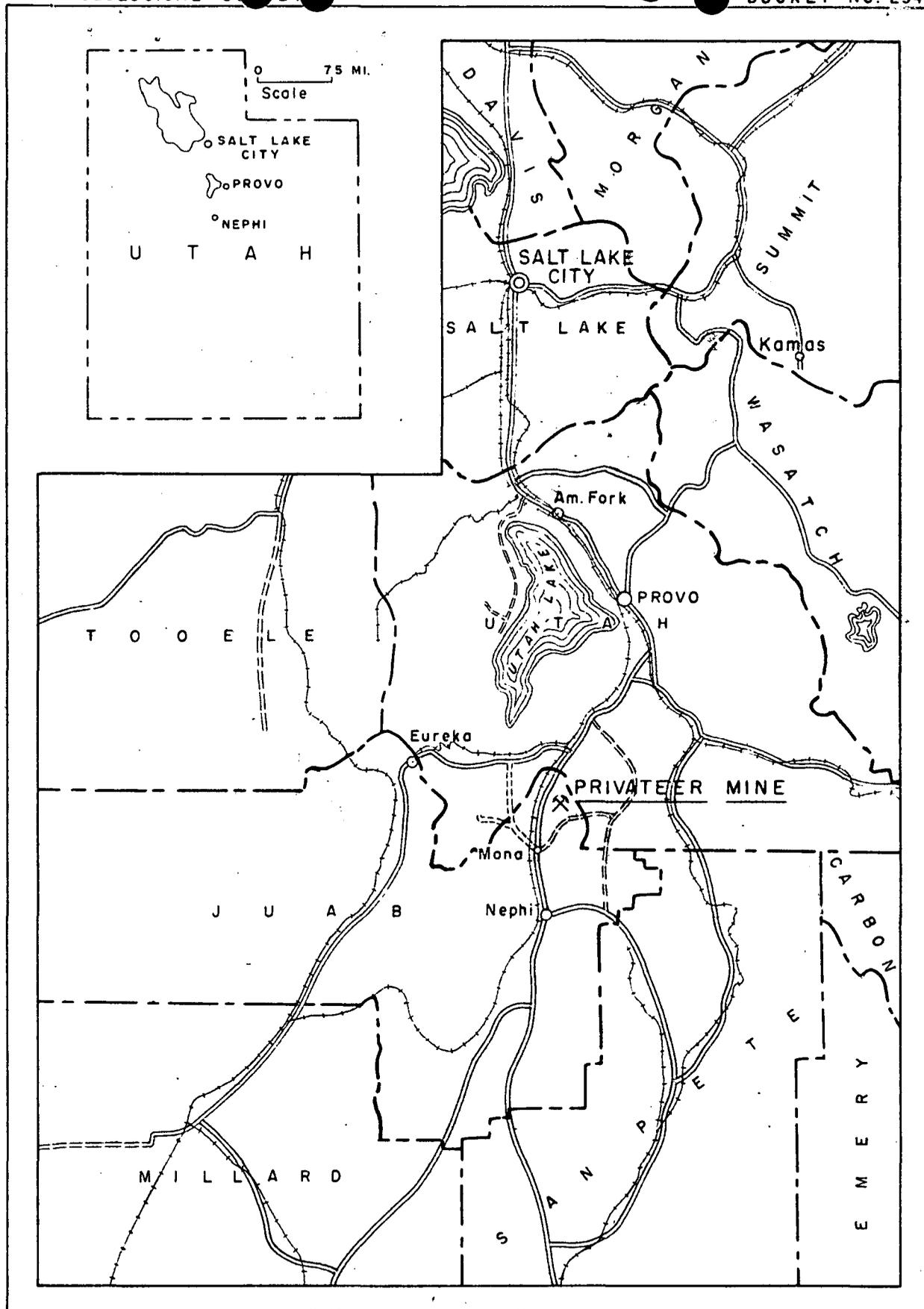


FIG. 1 INDEX MAP OF CENTRAL UTAH

0 5 10 15 20 MILES
Scale

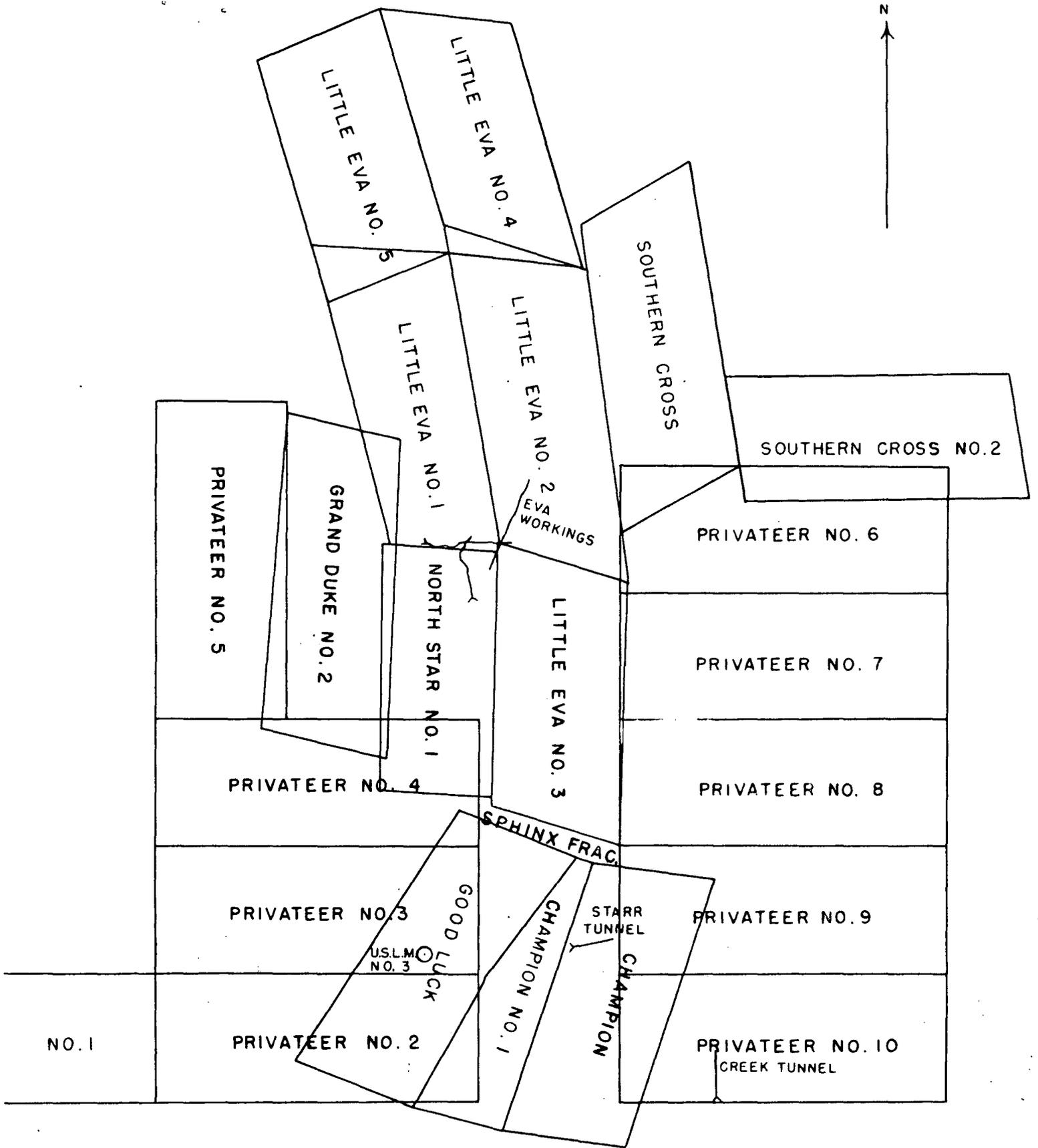
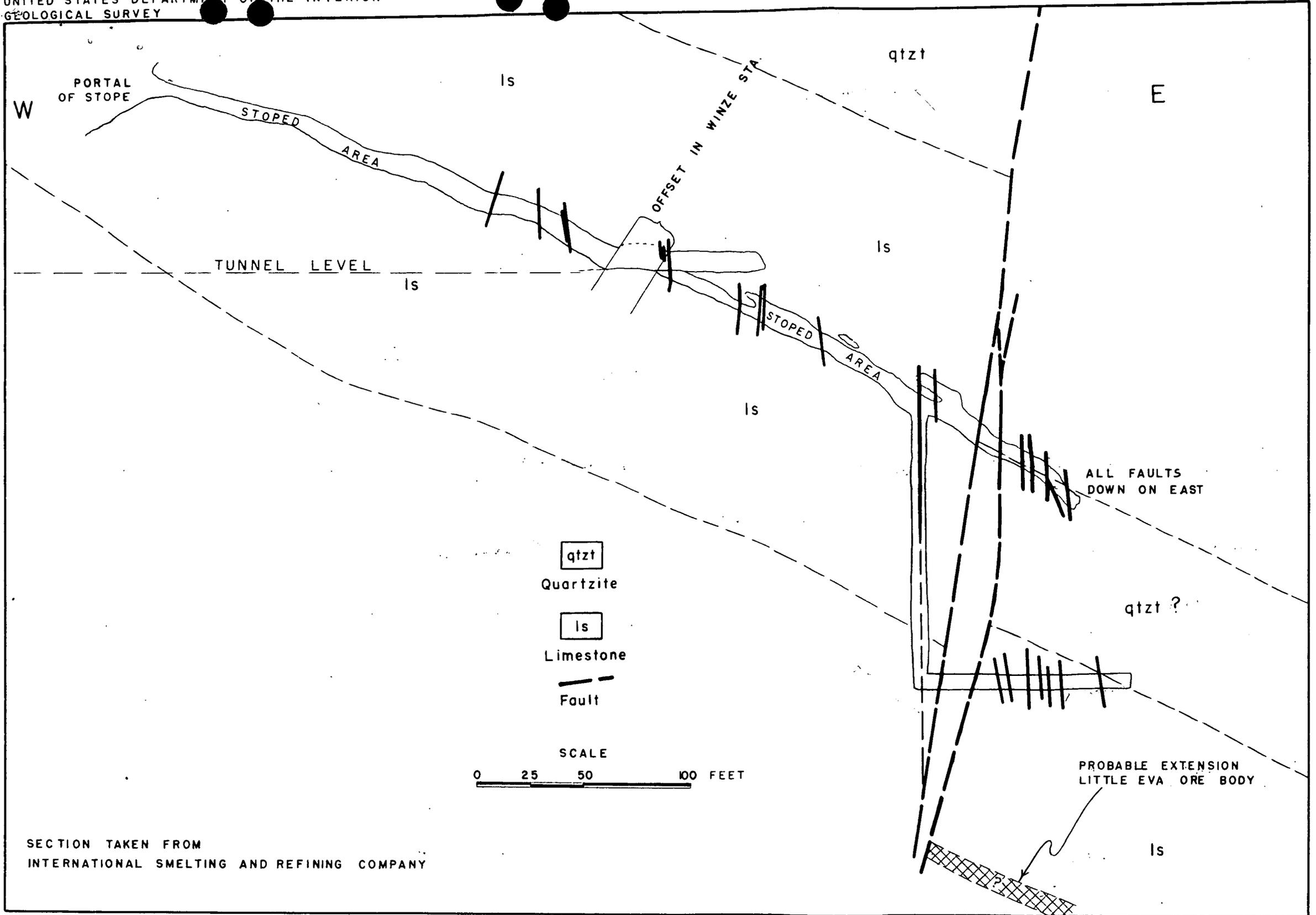


FIG. 2

RELATIONSHIP OF EVA WORKINGS TO
STARR AND CREEK TUNNEL

**LARGE
FORMAT
DOCUMENTS
AT END OF
FILE**



SECTION TAKEN FROM
INTERNATIONAL SMELTING AND REFINING COMPANY

FIG. 4 VERTICAL SECTION THROUGH LITTLE EVA ORE BODY
(LEAD-ZINC)

MINING LEASE AND OPTION

THIS AGREEMENT made and entered into at Springville, Utah County, Utah, this 1st day of May, 1948, between JOHN L. WHITING, JOHN S. GROESBECK, M. W. BIRD, JOSEPH A. SWENSON AND LYMAN HYDE, the remaining directors of that certain corporation known as The Eva Mining Company of Utah, a Utah corporation, the charter of which was forfeited for lack of payment of the State annual license tax in the year 1945, hereinafter called the First Party, and Clinton C. Jenkins, of Spanish Fork, Utah, hereinafter called the Second Party, WITNESSETH:

WHEREAS, the above named persons constituting the herein named First Party are the remaining directors of that certain corporation known as the Eva Mining Company of Utah; and

WHEREAS, the charter of said Utah corporation has been forfeited for failure to pay the annual license tax charged by the state of Utah, and that such action of forfeiture is of record as of the year 1945; and

WHEREAS, said First Party is desirous of disposing of the property of said corporation for the purpose of winding up its affairs as provided by statute; and

WHEREAS, the Second Party is desirous of taking a lease and bond on such property for the purpose of investigating the same as to whether he would be justified in purchasing the same; and

WHEREAS, he has made an offer to the First Party which seems in all respects fair;

Now, THEREFORE, in consideration of the payments, covenants and agreements on the part of the parties hereto to be made, kept and performed, it is agreed:

1. That First Party hereby grants to the Second Party a lease and option upon those certain mining claims in Mt. Nebo unorganized mining district in Juab County, and particularly referred to as Little Eva Numbers 1, 2, 3, 4 and 5; Southern Cross and Southern Cross No. 2; North Star No. 1; and Grand Duke No. 2 lode mining claims, patented as United States lot No. 5934; and further agrees to make and execute its certain mine deed to the above described property and agrees that the same shall be placed in escrow with

the Springville Banking Company at Springville, Utah, to be delivered to the Second Party herein upon full and complete compliance of the terms and conditions herein contained.

2. The Second Party agrees that he will immediately take possession of such property and in a good and workman-like manner begin the development thereof at such place and in such manner as in his judgment will bring about the best results from a mining and financial standpoint, and he agrees that if ore shall be discovered on such property that he will pay to the First Party herein the following royalties on the net smelter returns from such ore sold by the Second Party to any Utah smelter:

\$1.00 to \$10.00	7½%
\$10.00 to \$15.00	10%
\$15.00 to \$20.00	12½%
\$20.00 to \$30.00	15%

And 15% on all other ores extracted from said property during the operations herein provided for.

3. It is understood that net smelter returns shall mean the amount owing to the shipper by the smelter after there has been paid all transportation, sampling and freighting charges.

4. Further it is agreed that the Second Party shall have the right to purchase said property at any time within Five years for the sum of Twenty Thousand Dollars, and it is further agreed that all moneys received by the First Party as royalties from the operations by the Second Party shall be applied on said purchase price.

5. The Second Party herein agrees that he will pay all taxes levied against such property during the time he has possession thereof, including social security, workmen's compensation and other protective assessments properly levied against such property or the operations thereof, and that he will comply in all respects so far as his operations are concerned with the laws of Utah.

6. The Second Party agrees that at all times during the life of this lease and before he shall have availed himself of the option herein contained and purchased the same, he will keep conspicuously posted upon said property at a point where his work is being carried on a notice to all concerned that his operations thereon are being conducted as a lessor.

7. The Second Party herein agrees to perform upon the said property the equivalent of \$500.00 in value of development or operation work each and every year during the continuation of this lease.

8. The Second Party is hereby given the right at any time before the expiration of this lease, as long as the same is kept active, to purchase the property hereinabove described for the sum of Twenty Thousand Dollars (\$20,000.00) payable in installments of Ten Thousand Dollars (\$10,000.00) down, and Five Thousand Dollars (\$5,000.00) per year thereafter annually on the recurring date of the first payment until the full amount has been paid, the First Party agrees that upon receipt of the first Ten Thousand Dollars (\$10,000.00) to make and execute its certain mine deed to the above described property and agrees that the same shall be placed in escrow with the Springville Banking Company at Springville, Utah, to be delivered to the Second Party herein upon full and complete compliance of the terms and conditions herein contained and at the same time the First Party agrees to deposit with said banking company a copy of this agreement.

9. This Lease and Option shall remain in full force and effect for a period of five years from date hereof unless sooner surrendered by Second Party or cancelled by First Party by reason of Second Parties non-compliance with terms of lease.

10. Each and every clause and covenant under this mining lease and option shall extend to the assigns, successors, heirs, executors and administrators of the parties hereto.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands this the day and year first above written.

John L. Whiting

John S. Groesbeck

M. W. Bird

Joseph A. Swenson

Lyman Hyde

First Party
Being the Remaining Directors of The Eva
Mining Company of Utah, a Utah Corporation.

Clinton C. Jenkins

Second Party

A F F I D A V I T

STATE OF UTAH)
 : SS.
COUNTY OF SALT LAKE)

I, CLINTON C. JENKINS, being duly sworn on oath, depose and say:
That I am a citizen of the United States, over 21 years old, residing in
Springville, Utah. That I am the president of Privateer Mining Company, a
Utah corporation, and have advanced various sums of money to the above named
corporation, the total amount of which is \$6,107.39, which amount is due and
payable at date.

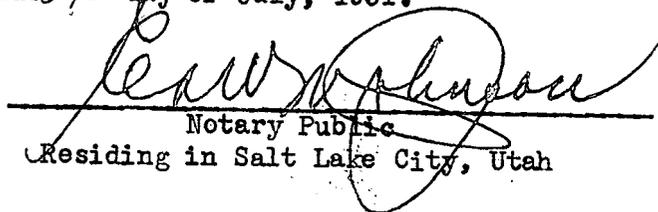
NOW, THEREFORE, in consideration of a loan to the above entitled
corporation by the Defense Minerals Administration of the Department of
the Interior of the United States, as Docket DMA-234, affiant does hereby
subordinate all of his right, title, interest and claim in and to the
amount of money advanced by him to said corporation as hereinabove stated,
or to any part thereof until such time as the above mentioned loan shall
have been fully paid, and agrees that the lien and claim of the United States
of America, under the provisions of said loan, shall be prior to the under-
signed's rights to reimbursement of the above mentioned sum or any part thereof.

The undersigned agrees to commit no act, nor assert any claim under
judicial process or otherwise that may contravene or conflict with the prior
lien and claim of the United States of America under the provisions of said
Exploration Project Contract. This undertaking and covenant shall be binding
upon the heirs, successors, and assigns of the undersigned.

Dated this 27th day of July, 1951.



Subscribed and sworn to before me this 27th day of July, 1951.



Notary Public
Residing in Salt Lake City, Utah

My Commission Expires:

March 17, 1952

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

Bureau No. 42-R1036.3
Approved by THE INTERIOR
Defense Minerals Administration
RECEIVED

NOV 24 1952

Month of July, 1952 Docket No. DMEA _____
Operator's Name Privateer Mining Company
Address P. O. Box 111, Provo, Utah
Contract Amount, \$ 8062.00 Government Participation: _____%

Contract No. Idm-E95
Minerals Lead
Amount, \$ 4,031.00

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.....	533.00	2,936.28	3,469.28 ✓			
Supervision.....	176.00	1,214.75	1,390.75 ✓			
Technical Services.....						
(3) Operating Mat'ls. and Supplies:						
Timber.....						
Explosives.....	14.11	568.05	582.16 ✓			
Pipe.....		37.39	37.39 ✓			
Track.....						
Gas, oil & grease.....	27.00	822.39	849.39 ✓			
Steel - bits - etc.....	23.08	288.78	311.86 ✓			
(4) Operating Equipment:						
Rental.....	108.39	77.00	185.39 ✓			
Purchase.....	55.00	60.61	115.61 ✓			
Depreciation.....	61.93	44.00	105.93 ✓			
(5) Initial Rehabilitation and Repairs.....						
(6) New Bldgs., Improvements, etc.....		582.23	582.23 ✓			
(7) Miscellaneous:						
Repairs to Equipment.....		31.66	31.66 ✓			
Sampling and Analysis.....						
Payroll Taxes.....	29.78	171.78	201.56 ✓			
Liability Insurance.....	37.29	201.80	239.09 ✓			
(8) Contingencies (specify):						
TOTALS.....	1,065.58	7,036.72	8,102.30	1,065.58	7,036.72	8,102.30

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Oct 16 1952 Payee Privateer Mining Co.
Don Newren Title Secretary

*40.30
Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
1,025.28 8,062.00
512.64 AMA
Signature [Signature] (Authorized Certifying Officer)
Date 11/19/52 Vou. No. DMA 53-62
(See other side)

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

* Excess over the total authorized cost of the project

(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. *Adm-E 25* in accordance with the terms of the contract.

Signature *W. E. Young SRW* Title *Mining Engineer* Date *Oct. 15, 1952*

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature *W. J. King* Title *Executive Officer* Date *11/5/52*

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.

DEPARTMENT OF THE INTERIOR
Bureau No. 42-R1151
Approved Expires 6-30-53.
RECEIVED
NOV 24 1952
Minerals Administration

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

Month of July 1952 Docket No. DMEA 234 Contract No. Idm-895
Operator's Name Privateer Mining Company Minerals Lead
Address P. O. Box 111, Provo, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting.....	<u>Ft.</u>	<u>1,010.58</u>	<u>30</u>	<u>3,917.85</u>	<u>95</u>	<u>41.24</u>	<u>150</u>	<u>19.60</u>
Crosscutting.....								
Raising.....								
Shafts.....	<u>Ft.</u>			<u>2,743.63</u>	<u>50</u>	<u>54.87</u>	<u>50</u>	<u>49.00</u>
Winzes.....								
Drilling: Core.....								
Churn.....								
Auger.....								
Stripping.....								
Trenching.....								
Test Pits.....								
Roads and Trails.....								
<u>Shaft Rehabilitation</u>				<u>742.98</u>				
TOTAL DISTRIBUTED COSTS		<u>1,010.58</u>		<u>7,404.46</u>				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased.....		<u>55.00</u>		<u>115.61</u>				
Initial Rehabilitation and Repairs.....				<u>582.23</u>				
New Buildings, Improvements, etc.....								
TOTAL COSTS		<u>1,065.58</u>		<u>8,102.30</u>				

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. 16 1952 Operator Privateer Mining Co.
Per Jon Newren 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.

Privateer Mining Co.
Docket No. DMA 234
Contract No. Idm-395
Month of July, 1952
Final report

NAARRATIVE OF PROGRESS, etc. (continued)

(Expenditures and costs, continued from first page)

Liability insurance	\$ 37.29
16/31 month rental on hoist & truck	108.39
16/31 month depreciation on compressor.	61.98
(old jackhammer discarded)	
Total.	<u>\$1065.58</u>

*Inventories:

600 gal. gasoline	\$138.00
5 " motoroil	5.48
90# Carbide	7.20
70 sticks powder	6.13
7 caps	.21

Certified True Transcript of Payrolls for Month of July, 1952, covering mining labor in drifting in the property of PRIVATEER MINING COMPANY:

<u>Employee</u>	<u>Time</u>	<u>Rate</u>	<u>Amount</u>
Clinton C. Jenkins	11 d.	16.00	\$176.00
Gary Van Ansdal	11 d.	13.00	143.00
Ray Van Ansdal	11 d.	13.00	143.00
Oran Wall	11 d.	13.00	143.00
Leon Wall	8 d.	13.00	<u>104.00</u>
Total			\$709.00

Certified True Copy of Invoices for materials Purchased by Privateer Mining Co. during the month of July for use in drifting in its mine:

<u>Date</u>	<u>Supplier</u>	<u>Items</u>	<u>Amount</u>
7-5-52	Utah Bit & Steel Service Co.	Rental of Thor Drill to 8/16/52	\$ 55.00
7-5-52	Stephen Bee Hardware Co.	Carbide Sales tax	1.38 <u>.02</u> 1.40
7-5-52	Consolidated Corporation	1 box Caps Sales tax	3.75 <u>.06</u> 2.81
7-5-52	Utah Bit & Steel Service Co.	24 White ILSH Bits @ 21 1/2 24 Red ILSH " " 21 1/2 24 Orange IL CH " " 19 1/2 12 Green ILSH " " 20 1/2 12 Black CH " " 19 1/2 1 Gal Rock Drill Oil	5.16 5.16 4.56 2.52 2.40 <u>.50</u> 20.30
		Sales tax	<u>.41</u> 20.71
7-12-52	Whitmore Oxygen Co.	100# Miners Carbide Sales tax	8.01 .16
7-12-52	Standard Oil of California	5 gal Calol Compressor Oil Sales tax	4.30 <u>.09</u> 4.39
7-12-52	Consolidated Corporation	400' Fuse @ 1.35 Sales tax	7.00 <u>.14</u> 7.14
7-12-52	Continental Oil Co.	690 gal gas @ .23 10 " motor oil Sales tax	156.40 9.50 <u>.19</u> 166.09
7-12-52	Thomas Heeler	1 box Powder	<u>10.50</u>
			\$276.21

CERTIFIED CORRECT:

Leon Newman
Secretary, Privateer Mining Company

Certified True Statement of Payroll taxes and Liability Insurance on July, 1952,
payrolls of Privateer Mining Company:

Payable to:

Collector of Internal Revenue Social Security tax, $1\frac{1}{2}\%$ x 709.00	\$10.64
Utah Unemployment Compensation Fund Contribution of 2.7% on 709.00	19.14
The State Insurance Fund Premium on \$709.00 at 5.26	<u>37.29</u>
	<u>\$ 67.07</u>

CERTIFIED CORRECT:



Secretary, Privateer Mining Company

October 22, 1952

Memorandum

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

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA-234, Contract Idm-E95, Privateer Mining Co., Juab County, Utah. MF-104 forms for July 1952. Your memorandum of October 1, 1952.

Enclosed are the original and four copies of MF-104 forms and supporting data covering the subject project for July 1952. Required copies of W. E. Young's progress report are included. The forms have been revised as suggested in your memorandum of above date.

Work under the contract was terminated July 16, 1952, as a result of exhaustion of contract funds and unexpected geologic conditions. The operator has decided to abandon any further work on the property.

Advance in the crosscut during July was 30 feet, making a total of 95 feet of crosscutting under the contract. On the date of inspection by W. E. Young, July 14, the total advance was determined to be 86 feet, thus 9 additional feet of advance was made to the end of the day, July 16. The operator removed his equipment and winze facilities from the property, thus it was not possible to check the 9 feet of advance after termination of the work. A geologist of the International Smelting and Refining Co. mapped the level before the equipment was removed. His map shows progress as claimed on the MF-104 forms.

Irregularities on the MF-104 forms have been noted in the attached progress report. The contract permits purchase of a jackhammer which was acquired by the operator by rental-purchase agreement. The agreement was not carried to completion, thus the jackhammer was returned to the vendor. A charge of \$55 for the jackhammer rental is entered on the July MF-104 forms and is allowable. It is recommended that the Government's equity in the jackhammer be written off without reclaim.

Supply inventory remaining on the property at the date of contract termination is properly listed. The supply items were sold to the contractor by proper procedure and price and are accounted for in the MF-104 forms.

A charge of \$582.23 is shown under item 7 on the July MF-104 forms. This represents a new building on the property in which the Government has an equity. However, the cost of salvaging the building and disposal of the lumber and other supplies will be more costly than justified. It is not possible to move the building in one piece because of the extremely difficult terrain. Recommendation is made that the Government waive equity in the building. The attached letter from the secretary of the Privateer Mining Co. states that the building is of no further value to his company.

It is recommended that repayment be made to the operator as noted in W. E. Young's progress report. The July MF-104 forms include the final expenditures on the project.

Attached information includes the penciled copies of your suggested changes in the July MF-104 forms, one copy each of the superceded MF-104 forms with the progress report and transmittal letter. Also included is the operator's final report, corrected as suggested in your memorandum of October 1, 1952.


Stephen R. Wilson

S. R. Wilson

October 15, 1952

W. E. Young

DMEA-234, Contract Idm-E95, Privatser Mining Co., Juab Co., Utah.
MF-104 forms for July 1952

Progress is reported at 30 feet for the month of July. The project was terminated and the equipment moved before this footage could be verified. However, Mr. Thomas, geologist for International Smelting and Refining Co., was called in and mapped the advance before the equipment was moved. His map shows the footage has been done.

The supply and service charges were necessary and do not appear excessive. All charges are supported by the required documentation. The narrative report is considered adequate.

Item 2 Labor and Supervision -

Checked and verified correct. Conforms with contract.

Item 3 Operating Materials and Supplies -

Checked and verified correct. Supported by required documentation. Inventory of excess supplies has been sold and the amounts received subtracted.

Item 4 Operating Equipment -

Rental - Checked and verified correct - \$108.39 for 16 days on air hoist and truck. Conforms to contract.

Purchase - Purchase of jackhammer was made by paying rental with option to buy. Contract was not completed and jackhammer was returned to vendor.

Depreciation - \$61.93 for 16/31 of month on compressor. Checked and verified correct. Conforms with contract.

Item 7 Miscellaneous -

Payroll taxes and liability insurance checked and verified correct.

The Government has an equity in item (6). This is a small house built at a cost of \$582.23.

The cost of tearing this building down and removing would be greater than the sale value of the lumber involved. It would be impossible to remove the building intact over the existing

roads. Therefore, it is recommended that the Government's equity be written off without reclaim.

Payment is approved for \$532.79. This is 50 percent of \$1,065.58, the amount spent in July.

W. E. Young
W. E. Young

Privateer Mining Co.
 Docket No. LMA 234
 Contract No. Ida-195
 Month of July, 1952
 Final Report

NARRATIVE OF PROGRESS, etc.

Drifting:

The drift was extended 30 feet farther in July, and that made the total length 95 feet.

The contract, Ida-195, was awarded to prospect for the probable extension of the Eva orebody, and it has been followed out. The extension of the orebody was based on the following geologic inferences:

The Eva orebody outcropped at the surface and was developed on an incline of about 26° for a distance of approximately 450 feet, where it terminated against a fault.

The displacement of the fault was found by correlating a block of quartzite seventy feet thick, which lies 110 feet above the Eva orebody on the west side of the fault, with what appeared to be the same block on the east side of the fault. The displacement was found to be somewhere between a minimum of 55 feet and a maximum of 110 feet. The block of quartzite on the east side of the fault was visible for a distance of about 50 feet and was then lost under a mantle of overburden. This exposure seemed sufficient to base our calculations of the fault displacement.

Our underground development consisted of sinking a shaft 130 feet from the Eva bedding on the west side of the fault near the termination of the orebody, and then drifting through the fault into the beddings on the east side.

Upon reaching a point about 82 feet from the bottom of the shaft, we encountered a slickenside with a brecciated band of material about 4 inches thick adhering to it. After passing through this we found quartzite. The appearance of quartzite in this area indicates that there has been a displacement approximately parallel to the first one, which gives us a total displacement of approximately 197 feet instead of a maximum of 110 feet which we had assumed.

Conclusion: At this time our company feels that due to the unexpected appearance of a second fault displacement and the distance involved, a further development for the probable extension of the Eva orebody is not advisable as investors would consider probable returns from such development not commensurate with the risk involved.

Expenditures and costs incurred in July were as follows:

Explosives purchased	\$20.45	
Less inventory on hand	8.34*	\$ 14.11
Gas, oil, and grease purchased	\$170.48	
Less inventory on hand	143.48*	27.00
Carbide purchased	\$ 9.57	
Less inventory on hand	7.20*	2.37
Payment on new jackhammer		
Rental with option to buy. . .		55.00
Drill bits.		20.71
Labor, 41 shifts @ \$13.00		533.00
" 11 " @ \$16.00		176.00
Unemployment tax.		19.14
Social Security tax		10.64



UNITED STATES
DEPARTMENT OF THE INTERIOR

New Customhouse
Denver 2, Colorado

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

November 14, 1952

Memorandum

To: T. A. Christensen

From: Executive Officer, Field Team, Region IV

Subject: DMA Docket 234, Contract Idm-B95 (Lead) Privateer Mining Company, Inc., Juab County, Utah - Operator's Monthly Progress Report for the period of July, 1952

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, except for the following deduction: Excess over the total authorized cost of the project which is noted in the Final Report of Audit dated October 31, 1952.

Remarks - This constitutes the final report on the project. Final Audit has been made as stated above. The operator has submitted a final Narrative Report.

Disposition of property and supplies which were acquired under the contract is covered in attachments to the MF-104 Report consisting of Statement from the Operator, Recommendations in Engineer's Report, and Waiver of the Government's interest by this office.

Delay in processing the report was normal delay necessary for clarification of all matters relative to the Final Report.

W. H. King
W. H. King

Enclosures

JWT:oc

cc: Contract
Secretary to the Operating Committee (2) ✓
SRWilson
Chron.
ANKoschmann (2)

224 New Customhouse
Denver 2, Colorado

November 14, 1952

Mr. Leon Newren, Secretary
Privateer Mining Company, Inc.
Box 111
Provo, Utah

Re: Docket DMI 234
Contract Idm-895

Dear Mr. Newren:

Consistent with the authority delegated this office under Order 2884 from the Office of the Secretary, Department of the Interior, we hereby waive the Government's interest or equity in any facility, building, fixture or piece of equipment, or in any material or supplies acquired under Contract Idm-895, which may have not been expended at the completion of Project work, which was on or about July 16, 1952.

Very truly yours,

W. H. KING

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

JWI:jp
cc Contract
Chron
SRWilson
ARKoschmann (2)

PRIVATEER MINING COMPANY

P. O. Box 111
Provo, Utah
Oct. 21, 1952

Defense Minerals Administration
c/o U. S. Bureau of Mines Station
1600 E. 1st South Street
Salt Lake City, Utah

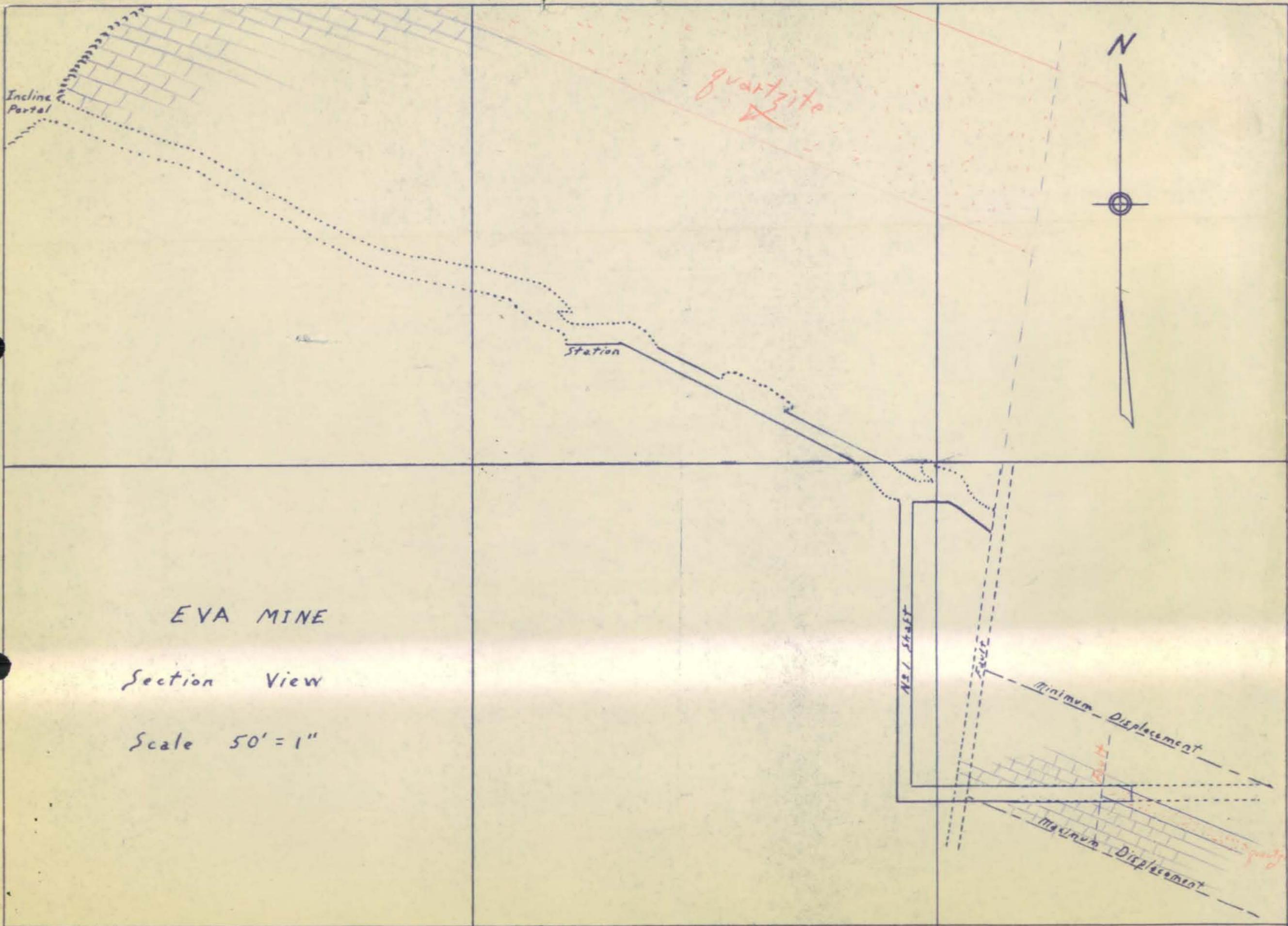
Gentlemen: In Re: Docket DMA 234

The mine cabin which we built on Mt. Nebo, and
in which you shared the cost, is of no further value to
the Privateer Mining Company.

Yours very truly

/s/ Leon Newren

Secretary
Privateer Mining Company



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

Budget Bureau No. 42-R1036.3
Approval Form 50-53.
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

Month of June, 1952 Docket No. DMEA 834
 Operator's Name Privateer Mining Company Contract No. 1400-95
 Address P. O. Box 111, Grove, Utah Minerals Lead
 Contract Amount, \$ 5062.00 Government Participation: 50% Amount, \$ 4031.00

NOV 24 1952

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.....	407.00	2052.40	2460.00			
Supervision.....	189.00	1637.17	1826.17			
Technical Services.....						
(3) Operating Mat'ls. and Supplies:						
Timber.....						
Explosives.....	197.70	649.44	827.14			
Pipe.....		37.09	37.09			
Track.....						
Gas, Oil, Grease	270.40	401.37	750.77			
Coal, Bits, Cartridges		152.00	152.00			
(4) Operating Equipment:						
Rental (11/30's mo.)	77.00		77.00			
Purchase.....	60.01		60.01			
Depreciation.....	44.00		44.00			
(5) Initial Rehabilitation and Repairs.....		698.03	698.03			
(6) New Bldgs., Improvements, etc.....		661.45	661.45			
(7) Miscellaneous:						
Repairs to Equipment.....	20.10	8.50	28.60			
Sampling and Analysis.....						
Payroll Taxes.....	23.01	150.00	173.01			
Liability Insurance.....	22.10	164.68	186.78			
(8) Contingencies (specify):						
TOTALS.....	1250.45	5786.27	7036.72	1250.45	5786.27	7036.72

I certify that the above bill is correct and just and that payment therefor has not been received.
 Date July 5, 1952 Payee Privateer Mining Company

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

Per Leon Newren Title Secretary

\$ 625.22
 Signature [Signature]
 (Authorized Certifying Officer)

*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.

Date 11/19/52 Vou. No. 53-62
 (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. *Adm. E. 95* in accordance with the terms of the contract.

Signature *W. E. Young* Title *Mining Engineer* Date *8/14/52*

APPROVAL BY DMMA EXECUTIVE OFFICER OR ALTERNATE:

Signature *W. D. King* Title *Executive Officer* Date *11/14/52*

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

NOV 24 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1952 Docket No. DMEA 234
Operator's Name Privateer Mining Company
Address P. O. Box 111, Provo, Utah

Contract No. I One 95
Minerals Lead

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	<u>Ft.</u>	<u>1189.84</u>	<u>19</u>	<u>2907.27</u>	<u>65</u>	<u>44.73</u>	<u>150</u>	<u>19.80</u>
Crosscutting								
Raising	<u>Ft.</u>			<u>2743.83</u>	<u>50</u>	<u>54.87</u>	<u>50</u>	<u>49.00</u>
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		<u>1189.84</u>		<u>5650.00</u>				
Operating Equipment Purchased		<u>60.61</u>		<u>60.61</u>				<u>01621.00</u>
Initial Rehabilitation and Repairs				<u>742.00</u>				<u>0 575.00</u>
New Buildings, Improvements, etc.				<u>882.00</u>				<u>0 004.00</u>
<u>Wart, Drifts, Lockup</u>				<u>5850.00</u>				<u>05802.00</u>
TOTAL COSTS		<u>1250.45</u>		<u>7056.71</u>				<u>06662.00</u>

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

REMARKS: ~~Cost for June includes about \$200.00 inventory of gas and explosives purchased when we resumed work.~~

Date July 5, 1952 Operator Privateer Mining Company
Per Don Newson Title Secretary

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

Privateer Mining Co.
Docket No. DMA 254
Contract No. Idms95
Month of June, 1952

NARRATIVE OF PROGRESS

Drifting:

Work was resumed in the drift, after the winter shutdown, on June 19, 1952; and the drift was extended 19 feet all in limestone.

The rock becomes progressively more coarse grained similar to that replaced by the Sva orebody and limestone surrounding it.

The last five feet have been considerably mineralized with incrustations of zinc in crevices and vug holes, making the showing encouraging.

Expenditures and costs were as follows:

Explosives	\$ 177.70
Gasolene, oil, and grease.	278.40
Payment on new jackhammer.	60.61
Repairs on compressor, pipe line, etc.	26.16
31 3/8 shifts labor @ \$15.	407.88
8 " " " @ \$16.	128.00
Unemployment tax	14.47
Social Security tax.	8.04
Liability insurance.	28.19
11/30's month rental on hoist & truck	77.00
11/30's " depreciation on compressor.	44.00
Total	\$1250.45

Cost per foot continues to approximate closely that used as an estimate in our application for DMA loan; and we are unable to reduce it.

Map attached shows in red the footage for June.



UNITED STATES
DEPARTMENT OF THE INTERIOR

NOV 24 1952

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

November 14, 1952

Memorandum

To: T. A. Christensen
From: Executive Officer, DMA Field Team, Region IV
Subject: DMA Docket 234, Contract Idm-195 (Lead) Privateer Mining Co., Inc., Juab County, Utah - Operator's Monthly Progress Report for the period of June, 1952

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104.

The Project accounts have been audited and the accounts cleared by the Audit Report dated October 31, 1952.

Remarks - Delay in processing the Report is accounted as follows:

Date of Report	July 5, 1952
Field Inspection of work accomplished	July 14, 1952
Report received in Regional Office	August 18, 1952
Delay in field accounted to normal work load and clarification of matters pertaining to termination of work which was on July 16, 1952.	
Report processed for payment	November 14, 1952
Delay in Regional office pending completion of final audit and receipt of documents pertaining to settlement of Government equity in a building and equipment purchased.	

W. H. King
W. H. King

Enclosures

JWT:oc

cc: Contract

Secretary to the Operating Committee (2)

SRWilson
Chron.
ANKoschmann (2)

August 15, 1952

Memorandum

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

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA-234 - Contract Idm-E95, Privateer Mining Co.,
Juab County, Utah. MF-104 forms for June 1952

Enclosed are the original and four copies of MF-104 forms and supporting data covering the subject project for June 1952. W. E. Young prepared the progress report, which is attached.

Work under the contract was resumed June 19, 1952, after a recess period during the winter. During the 11-day period in June, an advance of 19 feet was made in the crosscut, making a total crosscut advance of 65 feet to the end of the month. The property was inspected by W. E. Young July 14, 1952, and as of that date 86 feet had been completed in the crosscut.

Irregularities on the MF-104 forms have been noted in the progress report. Under item 3, the operator has listed powder cost at \$177.70. This includes the labor cost for transporting the powder to the mine and is a proper charge. A gasoline purchase of \$278.40 also includes labor for transporting the supply to the mine.

Under item 4 a charge of \$60.61 has been made for part payment on a jackhammer. The contract permits purchase of a jackhammer and an amendment dated November 20, 1951, permits depreciation of \$10 per month on a company-owned jackhammer. The payment of \$60.61 was made on a rental-purchase contract rather than an outright purchase. The machine was returned to the vendor in July because of termination of the project.

Recommendation is made that the operator be reimbursed for the Government's share of the expenditures subject to clarification of items mentioned above and in the progress report.


Stephen R. Wilson

S. R. Wilson

August 15, 1952

W. E. Young

DMEA-234, Contract Idm-E95, Privateer Mining Company, Juab County, Utah. MF-104 forms for June 1952 and progress report.

The progress was checked on July 14, 1952. The crosscut measured 86 feet from the shaft to the face. The progress reported had been made. Quartzite was encountered in the face indicating the work has been done too high in the limestone bedding. Samples of quartzite were taken and compared with samples taken on the surface. This confirmed the position of the drift in the limestone bedding.

The supply and service charges made during June were necessary and do not appear excessive.

Charges on MF-104 forms are supported by documentation except miscellaneous repairs to equipment. This should be \$16.68.

Item 2. Labor and Supervision. Checked and verified correct. Conforms with contract.

Item 3. Operating Materials and Supplies. Powder \$177.70. This item contains \$155.81, cost of powder, plus \$20 labor cost and \$1.89 payroll taxes, and workmen's compensation for hauling powder to mine site. Gasoline \$278.40. This item contains \$197.40, cost of gas, oil and grease plus \$74.00 labor cost, and \$7.00 payroll taxes and workmen's compensation for hauling gasoline to mine site.

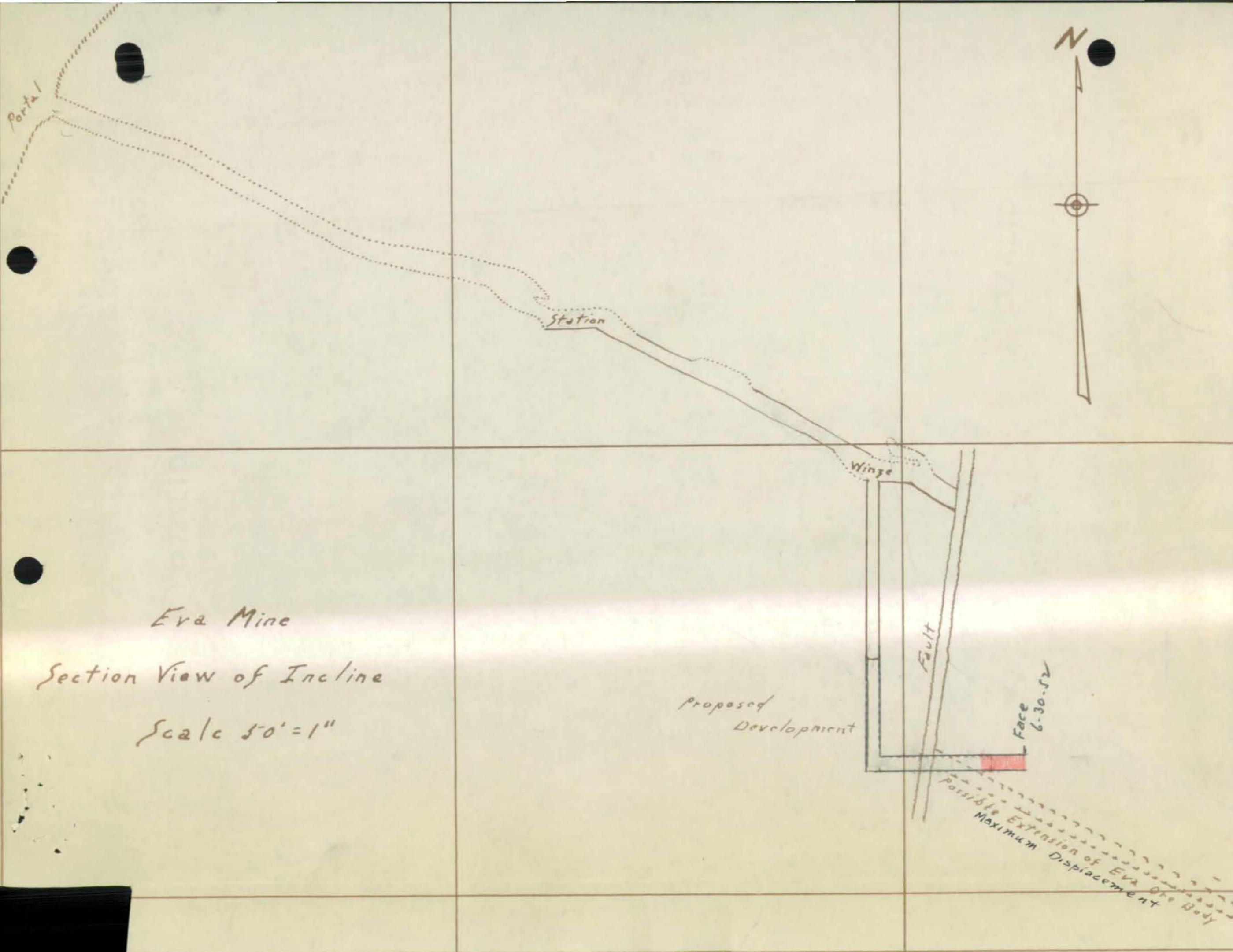
Item 4. Operating Equipment. Rental: Checked and verified correct. Conforms to contract. Purchase: \$60.61 is rental on jackhammer with option to purchase. Amendment to contract will only permit depreciation(\$10 per month), therefore, \$3.33 only is allowable. Actually the jackhammer was rented with option to purchase and then returned. Depreciation. Checked and verified correct. Conforms to contract.

Item 7. Repairs to Equipment. \$26.16, should be \$16.68 to conform to amount documented.

Payroll taxes and Workmen's Compensation. Does not reflect payroll taxes and workmen's compensation for time spent hauling powder and gasoline. Otherwise verified correct.

Payment for \$591.84 is approved. This is 50 percent of the amount spent during the month of June 1952 after deleting \$66.76.

W. E. Young
W. E. Young



Portal

Station

Winge

Fault

Face

6-30-52

Proposed Development

Possible Extension of EVA of Body
Maximum Displacement

Eva Mine

Section View of Incline

Scale 50' = 1"



PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. _____
 Bu. Vou. No. DMA-123

**GENERAL ACCOUNTING
 OFFICE PREAUDIT**

Certified for payment in the
 sum of \$ _____

Comptroller General of the
 United States

By _____

**U. S. Dept. of Interior, Defense Minerals
 Administration, 224 New Customhouse**

(Department, bureau, or establishment)

Voucher prepared at Denver, Colorado 12/28/51
 (Give place and date)

THE UNITED STATES, Dr.,

To Privateer Mining Company
 (Payee)
Box 111

Address Provo, Utah

Payee's Account No. I-DMA-E-95

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 general supply schedule, and other information deemed necessary) Terms _____ % Discount Cash _____ days	Quantity	UNIT PRICE		AMOUNT	
				Cost	Per	Dollars	Cts.
	<u>November 1951</u>	Brought forward from continuation sheet(s) Certified "Operator's Monthly Progress Report" for the Mineral Exploration Program attached:					<u>142.88</u>

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 142.88

(Payee must NOT use this space)

Differences _____

Account verified; correct for _____

(Signature or initials) JH

142.88

Contract No. I-DMA-E-95 Date 8/2/51 Reg. No. _____ Date _____ Invoice Rec'd _____

W.H.K. **MEMORANDUM**

Approved for Payment by:
J. H. East, Jr.

Naomi E. Stokes
 Authorized Certifying Officer

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title		Limit'n or Proj't Amount	Appropriation Amount		
	Amount	Obligations liquidated				
<u>14X1401</u>	<u>Revolving Fund, Defense Production Act, Interior</u>			<u>142.88</u>		
Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT		OBJECTIVE CLASSIFICATION	
			Symbol	Amount	Symbol	Amount

Paid by { Check No. _____ dated _____, 19____, for \$ _____ } on Treasurer of the United States in favor of
 { Cash, \$ _____, on _____, 19____. Payee _____ }
 (Sign original only)

* 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.
 † If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for \$ _____", and over his official title.

Per _____
 Title _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

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

Privateer Mining Company
(Name of Company)

By 
(Signature of Authorized Official)

December 5, 1951
(Date)

Secretary
(Title)

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

MONTHLY SUMMARY COST STATEMENT

Name of operator Privateer Mining Company
 Project No. DMA 234
 Total contract amount \$8062.00
 Government participation percent 50

Distribution of Expenditures for Month of November, 1951

ITEM	MONTHLY TOTAL	TOTALS PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT USE ONLY		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries.....	245.52	3600.88	3846.40	245.52	3600.88	3846.40
Equipment purchase ¹						
Equipment rental ²						
Buildings..... Buildings Material		330.20	330.20		330.20	330.20
Explosives.....		391.35	391.35		391.35	391.35
Repair parts.....						
Other supplies.....	17.03	857.63	874.63	17.03	857.63	874.66
Power.....						
Transportation.....						
Withholding taxes.....	10.30	148.68	158.98	10.30	148.68	158.98
Compensation insurance.....	12.91	171.77	184.68	12.91	171.77	184.68
Other insurance.....						
Contract work.....						
Other (specify).....						
TOTAL.....	285.78	5500.51	5786.27	285.76	5500.51	5786.27
Totals previously reported.....	5500.51			5500.51		
Totals to date.....	5786.27		5786.27	5786.27		

FOR GOVERNMENT USE ONLY	
Checked by.....	
Entered by.....	
Approved by <u>W.E. Young</u>	<i>See file W.H.R.</i>
Amount approved for payment.....	
Remarks.....	
.....	

¹ Enter total purchase price in month purchase is made.
² Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF November, 1951

Name of operator Privateer Mining Company
 Project No. DMA 234
 Total contract amount \$3062.00
 Government participation percent 50

TYPE	NUMBER	MAN-SHIFTS	RATE	TOTAL
Miners.....	4	11 $\frac{1}{2}$	\$ 13.00	\$149.52
Muckers.....				
Trammers.....				
Timbermen.....				
Pumpmen.....				
Hoistmen.....				
Surface.....				
Samplers.....				
Assayers.....				
Shift bosses.....				
Mechanics.....				
Electricians.....				
Blacksmiths.....				
Carpenters.....				
Drill runners.....				
Drill helpers.....				
Teamsters.....				
Manager.....				
Superintendent.....				
Engineers.....				
Geologists.....				
Bookkeeper.....				
Foreman.....	1	6	16.00	96.00
Clerks.....				
Stenographers.....				
Other.....				
TOTAL.....	5	17$\frac{1}{2}$		245.52

NOTE.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY	
Checked by	
Entered by	
Approved by <i>W. E. Young</i>	
Remarks	
.....	
.....	
.....	

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November, 1951

Name of operator Privateer Mining Company
 Project No. DMA 234
 Total contract amount \$8062.00
 Government participation, percent 50

ITEM	Costs					PROGRESS				
	Wages ¹ and salaries	Equipment ²	Supplies	Other ³	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting.....	268.73		17.03		285.76	Foot	13	33	46	150
Crosscutting.....										
Raising.....										
Shafts.....										
Winzes.....										
Drill holes.....										
Overburden.....										
Rehabilitation and preparation.....										
Geology and geophysics.....										
Trenching.....										
Sampling and assaying.....										
Roads and trails.....										
Test pits.....										
Other (specify).....										
TOTALS.....	268.73		17.03		285.76		13	33	46	150

¹ Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
² Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
³ Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

FOR GOVERNMENT USE ONLY

Checked by.....

Entered by.....

Approved by W. E. Young

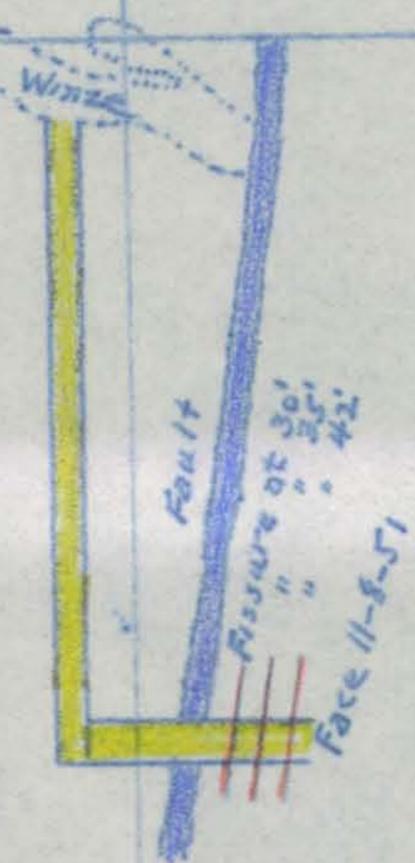
Remarks.....



EVA MINE

Section View of Incline

Scale 1" = 50'



PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. _____
 Bu. Vou. No. **DMA-91**

Dept. of Interior, Defense Minerals Administration, 224 New Customhouse

U. S. _____
 (Department, bureau, or establishment)
 Voucher prepared at **Denver, Colorado** **11/29/51**
 (Give place and date)

PAID BY _____
 (For use of Paying Office)

GENERAL ACCOUNTING OFFICE PREAUDIT
 Certified for payment in the sum of \$ _____
 Comptroller General of the United States
 By _____

THE UNITED STATES, Dr.,
 To **Privateer Mining Company**
 Box 111 (Payee)
 Address **Provo, Utah**
 Payee's Account No. **I-DMA-E-95**

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms _____ % Discount Cash _____ days	Quantity	UNIT PRICE		AMOUNT	
				Cost	Per	Dollars	Cts.
	October 1951	Brought forward from continuation sheet(s) Certified "Operator's Monthly Progress Report" for the Mineral Exploration Program attached:				944.52	
						944.52	

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total **944.52**

(Payee must NOT use this space)

Differences _____

Account verified; correct for **944.52**
 (Signature or initials) *[Signature]*

Contract No. **I-DMA-E-95** Date **8/2/51** Req. No. _____ Date _____ Invoice Rec'd _____

MEMORANDUM

Approved for payment by *[Signature]*
J. H. East, Jr.

Naomi E. Stokes
 Authorized Certifying Officer

NOV 30 1951

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title		Limit'n or Proj't Amount	Appropriation Amount		
	Symbol	Amount				
14X1101	Defense Minerals Administration			944.52		
Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT		OBJECTIVE CLASSIFICATION	
			Symbol	Amount	Symbol	Amount

Paid by { Check No. _____ dated _____, 19____, for \$ _____ } on Treasurer of the United States in favor of
 { Cash, \$ _____ on _____, 19____, Payee _____ } payee named above.
 (Sign original only)

* 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. If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for \$ _____" and over his official title.

Per _____
 Title _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

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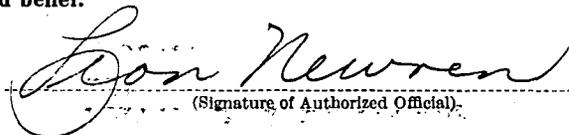
Maps.—Whenever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

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

Privateer Mining Company
(Name of Company)

By 
(Signature of Authorized Official)

Nov. 31, 1951
(Date)

Secretary
(Title)

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

MONTHLY SUMMARY COST STATEMENT

Name of operator Privateer Mining Company
 Project No. DMA 234
 Total contract amount \$8062.00
 Government participation percent 50

Distribution of Expenditures for Month of October, 1951

ITEM	MONTHLY TOTAL	TOTALS PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT USE ONLY		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries.....	1220.75	2380.13	3600.88	1220.75	2380.13	3600.88
Equipment purchase ¹						
Equipment rental ²	340.00		340.00	---		---
Buildings <u>Material</u>		330.20	330.20		330.20	330.20
Explosives.....	123.75	267.60	391.35	123.75	267.60	391.35
Repair parts.....						
Other supplies.....	433.47	424.16	857.63	433.47	424.16	857.63
Power.....						
Transportation.....						
Withholding taxes.....	51.27	97.41	148.68	51.27	97.41	148.68
Compensation insurance.....	59.79	111.98	171.77	59.79	111.98	171.77
Other insurance.....						
Contract work.....						
Other (specify).....						
TOTAL.....	2229.03	3611.48	5840.51	1889.03	3611.48	5500.51
Totals previously reported.....	3611.48			3611.48		
Totals to date.....	5840.51		5840.51	5500.51		

FOR GOVERNMENT USE ONLY	
Checked by.....	
Entered by.....	
Approved by <u>SR Wilson WDM</u>	
Amount approved for payment <u>114.52</u>	
Remarks.....	
.....	

¹ Enter total purchase price in month purchase is made.
² Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit. Difference Statement

Date: November 29, 1951
Payee's
Reference: Progress Report
October 1951

Privateer Mining Company
Box 111
Provo, Utah

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount claimed	\$	<u>2229.03</u>
Difference	\$	<u>--340.00</u>
Amount Approved	\$	<u>1,889.03</u>

The reason for the difference was due to:

Equipment rental and depreciation has been disallowed and will be disallowed until after date of amendment to contract which is November 20, 1951.

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF October, 1951

Name of operator Privateer Mining Company
 Project No. DMA 234
 Total contract amount \$8062.00
 Government participation percent 50

TYPE	NUMBER	MAN-SHIFTS	RATE	TOTAL
Miners.....	8	62³/₄	\$13.00	\$ 815.75
Muckers.....				
Trammers.....				
Timbermen.....				
Pumpmen.....				
Hoistmen.....				
Surface.....				
Samplers.....				
Assayers.....				
Shift bosses.....				
Mechanics.....				
Electricians.....				
Blacksmiths.....				
Carpenters.....				
Drill runners.....				
Drill helpers.....				
Teamsters.....				
Manager.....				
Superintendent.....				
Engineers.....				
Geologists.....				
Bookkeeper.....	1	13	\$170.00 Mo.	85.00
Foreman.....	1	20	\$16.00	320.00
Clerks.....				
Stenographers.....				
Other.....				
TOTAL	10	95³/₄		1220.75

NOTE.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY	
Checked by	
Entered by	
Approved by	<i>Speckerson</i>
Remarks	
.....	
.....	

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October, 1951

Name of operator Privateer Mining Company
 Project No. DMA 234
 Total contract amount \$8062.00
 Government participation, percent 50

ITEM	Costs					PROGRESS				
	Wages ¹ and salaries	Equipment ²	Supplies	Other ³	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting.....	1009.38	273.66	422.29		1705.33	Foot	33	0	33	150
Crosscutting.....										
Raising.....										
Shafts.....	322.43	66.34	134.93		523.70	Foot	8	42	50	50
Winzes.....										
Drill holes.....										
Overburden.....										
Rehabilitation and preparation.....										
Geology and geophysics.....										
Trenching.....										
Sampling and assaying.....										
Roads and trails.....										
Test pits.....										
Other (specify).....										
TOTALS	1331.81	340.00	557.22		2229.03		41	42	83	200

¹ Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
² Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
³ Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

FOR GOVERNMENT USE ONLY

Checked by.....
 Entered by.....
 Approved by Spurlock
 Remarks.....

November 7, 1951

Memorandum

To: S. R. Wilson

From: W. E. Young

Subject: UMA 234, Contract Ida-E95, Privateer Mining Co., Juab County, Utah

The Privateer property was inspected October 30, 1951. As of this date the shaft had been deepened 50 feet as per contract and crosscutting started to the southeast from the bottom of the shaft. A total of 27 feet of crosscutting had been completed at the date of inspection.

The main fault has been cut at a point in the crosscut 13 feet from the shaft. Limestone on the east side of the fault is slightly mineralized, chiefly along bedding and joint planes.

MF-104 forms for October 1951 have been checked and appear to be in order. It is recommended that \$1114.52 be vouchered for payment to the operator. This amount is 50 percent of \$2229.03, the total expended during October.

W. E. Young
W. E. Young *W. E. Young*

NARRATIVE OF PROGRESS
 DMA 234

SINKING OF SHAFT:

The sinking of the shaft (winze) was completed in October; 8 feet were completed which added to previous 42 feet in Aug. & Sept. reports finishes the 50 feet specified in the contract.

Costs were as follows:

Explosives	\$ 46.70
Pipe & fittings.	35.49
Carbide lamps	2.14
Gasolene and oil	50.60
15 man-shifts labor @ \$13	195.00
5 " " " @ \$16	80.00
4 " " bookkeeper	20.54
Unemployment tax	7.98
Social security tax.	4.43
Compensation insurance.	14.48
Rental and depreciation of property	68.34
Total	<u>\$523.70</u>

DRIFTING:

We drifted from the shaft (at the bottom) in an easterly direction 33 feet. The first strand of the fault was encountered at 15 feet and the most easterly strand at 25 feet.

As well as can be determined, we have passed through the fault and are in ground on the east side of the fault. The breccia zone in the fault was weakly mineralized with little gouge.

The face of the drift at present is mineralized in the bedding planes and has a well defined fissure on the north side of the drift.

Costs were as follows:

Explosives.	\$ 77.05
Gasolene and oil.	170.34
Steel and bits.	146.33
Carbide lamps	8.82
Other supplies.	19.75
47 1/2 man-shifts @ \$13.	620.75
15 " " @ \$16.	240.00
9 " " bookkeeper.	64.46
Unemployment tax.	24.98
Social Security tax	13.88
Compensation insurance.	45.31
Rental and depreciation on equipment.	273.66
Total	<u>\$1705.33</u>

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. _____
 Bu. Vou. No. **DMA-17**

GENERAL ACCOUNTING OFFICE PREAUDIT
 Certified for payment in the sum of \$ _____
 Comptroller General of the United States
 By _____

U. S. **Dept. of Interior, Defense Minerals Administration, 224 New Customhouse**
 (Department, bureau, or establishment)
 Voucher prepared at **Denver, Colorado** **10/11/51**
 (Give place and date)
THE UNITED STATES, Dr.,
 To **Privateer Mining Company**
 (Payee)
Box 111
 Address **Provo, Utah**
 Payee's Account No. **I-DMA-E-95**

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 general supply schedule, and other information deemed necessary) Terms <u>net</u> % Discount Cash _____ days	Quantity	UNIT PRICE		AMOUNT	
				Cost	Per	Dollars	Cts.
	September 1951	Certified "Operator's Monthly Progress Report" for the Mineral Exploration Program attached; Brought forward from continuation sheet(s)				1,041.22	

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total **1,041.22**
 (Payee must NOT use this space)
 Differences _____
 Account verified; correct for **1,041.22**
 (Signature or initials) *[Signature]*

Contract No. **I-DMA-E-95** Date **8/2/51** Req. No. _____ Date _____ Invoice Rec'd _____

[Handwritten initials]

MEMORANDUM

Approved for payment by: **J. H. East, Jr.** **Naomi E. Stokes**
 Authorized certifying Officer

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title		Limit'n or Proj't Amount	Appropriation Amount
	Symbol	Amount		
14X1101	Defense Minerals Administration			1,041.22

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

Paid by { Check No. _____ dated _____, 19____, for \$ _____ } on Treasurer of the United States in favor of
 { Cash, \$ _____, on _____, 19____, Payee _____ }
 (Sign original only)

* 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.
 † If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for \$ _____", and over his official title.

Per _____
 Title _____

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.

2. (a) After advertising by circular letters sent to _____ dealers.

(b) And by notices posted in public places.

(If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(a)(b)" or "2(a)", depending on whether or not notices were posted.)

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, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

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

Privateer Mining Company By *Don Newren*
(Name of Company) (Signature of Authorized Official)
October 3 1951 *Secretary*
(Date) (Title)

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

MONTHLY SUMMARY COST STATEMENT

Name of operator Privateer Mining Company
 Project No. DMA: 834
 Total contract amount \$8068.00
 Government participation percent 50%

Distribution of Expenditures for Month of September, 1961

ITEM	MONTHLY TOTAL	TOTALS PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT USE ONLY		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries.....	1473.23	907.00	2380.13	1473.13	907.00	2380.13
Equipment purchase ¹						
Equipment rental ²						
Buildings <u>material</u>		330.20	330.20		330.20	330.20
Explosives.....	211.39	55.21	266.60	211.39	55.21	266.60
Repair parts.....						
Other supplies.....	269.93	155.23	425.16	269.93	155.23	425.16
Power.....						
Transportation.....						
Withholding taxes.....	59.32	38.09	97.41	59.32	38.09	97.41
Compensation insurance.....	68.67	43.31	111.98	68.67	43.31	111.98
Other insurance.....						
Contract work.....						
Other (specify).....						
TOTAL	2082.44	1529.04	3611.48	2082.44	1529.04	3611.48
Totals previously reported.....	1529.04			1529.04		
Totals to date.....	3611.48	1529.04	3611.48	3611.48	1529.04	3611.48

FOR GOVERNMENT USE ONLY	
Checked by	
Entered by	
Approved by <u>Dr. Wilson W. C. M.</u>	<u>PTC</u>
Amount approved for payment	
Remarks	
.....	
.....	

¹ Enter total purchase price in month purchase is made.
² Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF September, 1961

Name of operator Privateer Mining Company
 Project No. DMA 234
 Total contract amount \$8062.00
 Government participation percent 50%

TYPE	NUMBER	MAN-SHIFTS	RATE	TOTAL
Miners.....	•	75 5/8	\$15.00	\$983.13
Muckers.....				
Trammers.....				
Timbermen.....				
Pumpmen.....				
Hoistmen.....				
Surface.....				
Samplers.....				
Assayers.....				
Shift bosses.....				
Mechanics.....				
Electricians.....				
Blacksmiths.....				
Carpenters.....				
Drill runners.....				
Drill helpers.....				
Teamsters.....				
Manager.....				
Superintendent.....				
Engineers.....				
Geologists.....				
Bookkeeper.....	1	24	\$170.00 per mo.	170.00
Foreman.....	1	20	\$16.00	320.00
Clerks.....				
Stenographers.....				
Other.....				
TOTAL.....	10	119 5/8		1473.13

NOTE.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY	
Checked by	
Entered by	
Approved by <u>SK Wilson WTW</u>	
Remarks	
.....	
.....	
.....	

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF September, 1951

Name of operator Privateer Mining Company
 Project No. DMA 234
 Total contract amount \$8662.00
 Government participation, percent 50

ITEM	Costs					PROGRESS				
	Wages ¹ and salaries	Equipment ²	Supplies	Other ³	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting.....										
Crosscutting.....										
Raising.....										
Shafts.....	\$1601.12		481.32		2082.44	1 ft	37	5	42	50
Winzes.....										
Drill holes.....										
Overburden.....										
Rehabilitation and preparation.....										
Geology and geophysics.....										
Trenching.....										
Sampling and assaying.....										
Roads and trails.....										
Test pits.....										
Other (specify).....										
TOTALS.....	1601.12		481.32		2082.44					

¹ Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
² Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
³ Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

FOR GOVERNMENT USE ONLY
Checked by.....
Entered by.....
Approved by..... <i>S.P. Wilson W.M.</i>
Remarks.....
.....
.....

PROGRESS REPORT

PRIVATEER MINING CO.

DMA-234, Contract Idm-E95

Period September, 1951

The Privateer Mine was inspected September 28, 1951. The project had been working 5 days per week since the previous inspection. Thirty-eight feet of advance was measured in the winze, an average of 2 feet per shift. The winze is in limestone and has not encountered the main fault. A total of 4 men are presently employed.

MF-104 forms for September 1951 have been received and checked. The forms appear to be in order with the following minor irregularities:

1. The number of miners shown on page 3 of the form is 8. Actually, no more than 4 have worked during any one day. Apparently labor turnover has made a total of 8 men working at some period during the month. The number of man-shifts is indicative of the probable average of near 4 men per shift during the month.

2. An error of \$1.00 has been made in the total amount of other supplies shown under the monthly total on page 2 of the form. Supplies for the month are listed at \$268.93, but should be \$269.93. The total expenditure for the month, \$2,082.44, appears to be reasonable.

It is recommended that \$1,041.22, which is 50 percent of \$2,082.44,

be vouchered for payment to the operator.

W. E. Young
W. E. Young *By S. Wilson*

Form MF-104
Privateer Mining Company
P. O. box 111, Provo, Utah
Month of September, 1951

NARRATIVE OF PROGRESS
DMA 234

SINKING OF SHAFT:

During the month of September Privateer Mining Company continued the sinking of its shaft (winze) an additional 37 feet, which leaves only 8 feet to complete the sinking. This week, ending Oct. 6th, will see the shaft completed, after which the drift will be driven.

The formation became progressively more compact and hard, and weak mineralization was encountered in bedding planes. It was necessary to run the compressor extra time to ventilate the shaft sufficiently to enable the crew to work.

Attached hereto is a copy of the map submitted with the application for loan showing in red the progress for the month of September.

Costs exclusive of depreciation and rental were as follows:

Explosives.	\$ 211.39
Steel, bits, carbide.	34.52
Other supplies.	7.40
Gas & oil for compressor.	228.01
75 5/8 man-shifts labor @ \$13	983.13
20 " " " " \$16	320.00
24 " " bookkeeper	170.00
Unemployment tax.	39.77
Social Security tax	19.55
Compensation insurance.	68.67
	<u>\$20 82.44</u>

PRIVATEER MINING COMPANY

John Newen

Secretary

Portal

Station

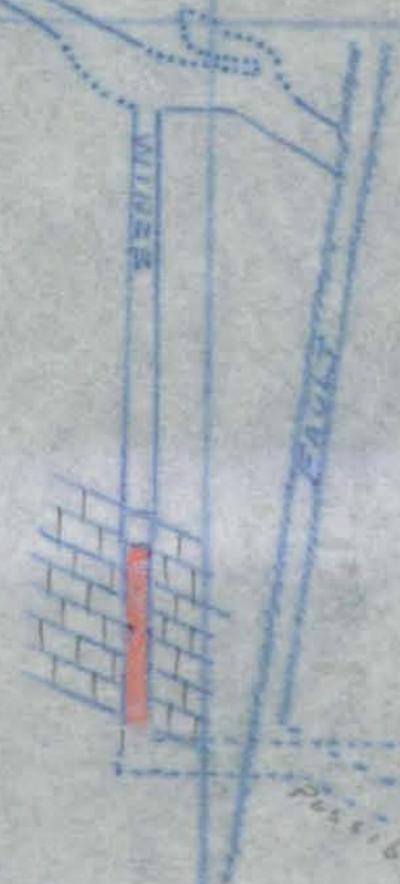


Eva Mine

Section View of Incline

Scale 1" = 50'

Development work completed
in September 1951
shown in red



Possible extension of Eva ore body

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

DMA-52-19

D. O. Vou. No. _____
Bu. Vou. No. **DMA-27**

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of \$ _____
Comptroller General of the United States
By _____

U. S. **Dept. of Interior, Defense Minerals Administration, 224 New Customhouse**
(Department, bureau, or establishment)
Voucher prepared at **Denver, Colorado** **9/19/51**
(Give place and date)
THE UNITED STATES, Dr.,
To **Privateer Mining Company, Inc.**
(Payee)
Box 111
Address **Provo, Utah**
Payee's Account No. **I-DMA-E-95**

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 general supply schedule, and other information deemed necessary) Terms <u>net</u> % Discount Cash _____ days	Quantity	UNIT PRICE		AMOUNT	
				Cost	Per	Dollars	Cts.
	Month of August 1951	Brought forward from continuation sheet(s) Certified "Operator's Monthly Progress Report" for the Mineral Exploration Program attached;				\$ 764.52	

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total **764.52**

(Payee must NOT use this space)

Differences _____

Account verified; correct for _____

(Signature or initials) _____

Contract No. **I-DMA-E-95** Date **8/2/51** Req. No. _____ Date _____ Invoice Rec'd _____

pte
JHE

MEMORANDUM

Approved for payment by:
J.H. East, Jr.

Alfred K. Olson
Authorized Certifying Officer

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title		Limit'n or Proj't Amount	Appropriation Amount
	Symbol	Amount		
14X4401	Defense Minerals Administration			\$764.52

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

Paid by { Check No. _____ dated _____, 19____, for \$ _____ } on Treasurer of the United States in favor of
{ Cash, \$ _____, on _____, 19____, Payee _____ } payee named above.
(Sign original only)

* 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.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for \$ _____", and over his official title.

Per _____
Title _____

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.

2. (a) After advertising by circular letters sent to _____ dealers.

(b) And by notices posted in public places.

(If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(a)(b)" or "2(a)", depending on whether or not notices were posted.)

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, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

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

Privateer Mining Company

(Name of Company)

By

Leon Newman
(Signature of Authorized Official)

September 5, 1951

(Date)

Secretary

(Title)

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

MONTHLY SUMMARY COST STATEMENT

Name of operator Privateer Mining Company
 Project No. DMA 234
 Total contract amount 28062.00
 Government participation percent 50%

Distribution of Expenditures for Month of August

ITEM	MONTHLY TOTAL	TOTALS PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT USE ONLY		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	907.00		907.00	907.00		907.00
Equipment purchase ¹						
Equipment rental ²						
Buildings	330.20		330.20	330.20		330.20
Explosives Materials	55.21		55.21	55.21		55.21
Repair parts						
Other supplies	155.23		155.23	155.23		155.23
Power						
Transportation						
Withholding taxes	38.09		38.09	38.09		38.09
Compensation insurance	43.31		43.31	43.31		43.31
Other insurance						
Contract work						
Other (specify)						
TOTAL	1529.04		1529.04	1529.04		1529.04
Totals previously reported						
Totals to date	1529.04		1529.04	1529.04		1529.04

FOR GOVERNMENT USE ONLY	
Checked by
Entered by
Approved by	<u>W. E. Miller</u>
Amount approved for payment
Remarks

¹ Enter total purchase price in month purchase is made.
² Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

Form MF-104
Privateer Mining Company
P. O. Box 111, Provo, Utah
Month of November, 1951

NARRATIVE OF PROGRESS
(DMA 234)

DREFTING:

The drift was extended during the first eight days of November a distance of 13 feet, making the total 46 feet from the station at the bottom of the shaft.

The ground on the East side of the fault so far is considerably broken up, but well mineralized. An open fissure was encountered at 35 feet and another at 42 feet. The walls of the fissures were coated with a thin layer of mineralized breccia and about two inches of calcium carbonate. Both fissures were wet and appeared to be the same as those exposed at the northeast corner of the Eva orebody. The face of the drift is well mineralized.

We were forced to stop operations at the mine on the 8th of November on account of hazardous road conditions caused by snowfall; so we were unable to complete our development program this fall. We, therefore, respectfully ask for an extension of the time limit in our contract. We shall be able to resume work some time between the middle of May and the 1st of June, 1952. At that time we plan to continue drifting in an easterly direction until we have picked up the extension of the Eva orebody or the Eva bedding.

NARRATIVE OF PROGRESS
 (DMA 234)

Bunkhouse:

At the close of the month of August, West Park Mining Company had completed the bunkhouse under the exploration loan program at a cost of \$582.23 exclusive of depreciation and rental items, computed as follows:

2100' b.m. lumber @ 120.00	\$252.00-
68' " " 140.00	9.52-
48# nails @ 14.00	6.72-
1 door	10.20-
3 windows	15.30-
6 rolls roofing @ 4.25	25.50-
1 " " "	4.50-
Sales tax	6.46-
5 manshifts labor @ 16.00	80.00-
10 " " 13.00	130.00-
Proportion of office salary	21.25-
" " withholding taxes	9.71-
" " compensation insurance	11.07-
Total	\$582.23

Rehabilitation and Enlargement of Shaft:

The rehabilitation and enlargement of shaft was also completed with the exception of hanging the ladder way, material for which is on the property. It was a more costly project than anticipated, but the shaft now handles more rapidly the materials to be hoisted and lowered and the improvement has added to the safety factor. Cost amounted to \$742.98 exclusive of depreciation and rental items, computed as follows:

150# dynamite	34.81-
300' fuse	4.13-
70 caps	1.97-
Cable for ladder way	27.00
Bolts and washers	3.45
Clamps	1.05
Nails and screws	4.46
Lumber	30.76
Gas and oil for compressor	62.62
28 manshifts labor @ 13.00	364.00
7 " " " 16.00	112.00
Proportion of office salary	49.58
" " withholding taxes	22.07
" " compensation insur.	25.08
Total	\$742.98

Sinking of Shaft:

The last two days of the month were devoted exclusively to the sinking of the shaft which was deepened 5 feet. As the crew gets better accustomed to the routine of the job, better footage will be made and the saving in cost should be ample to cover the excess of cost over estimates in the rehabilitation of shaft. Cost amounted to \$203.83 exclusive of depreciation and rental, computed as follows:

(Shaft costs)

Explosives	14.30
Steel, bits, and carbide	8.00
Gas and oil for compressor	17.89
2 manshifts labor @ 16.00	32.00
8 " " 13.00	104.00
Proportion of office salary	14.17
" " withholding taxes	6.31
" " compensation insurance	7.16
Total	<u>\$203.83</u>

Q
O
P
Y

September 11, 1951

Memorandum

To: Paul T. Allsman , Chief, Mining Division, Region IV
From: Chief, Utah-Wyoming Branch, Mining Division
Subject: DMA-234, Privateer Mining Co., Juab County, Utah.
Contract Idm-E95

Attached are 4 copies of MF-104 forms with accompanying data for August 1951, covering the subject contract.

The information has been checked and found to conform with the contract with the exceptions noted.

1. The overall cost of enlarging the shaft is slightly greater than the amount shown in the contract, in part because of insufficient amount for powder included in the contract. The total expenditure appears reasonable, however.

2. The withholding taxes item should be shown as OAB to properly identify the amount. This item and the compensation insurance should be listed under Other on page 4 of MF-104 instead of being included under Wages and Salaries on this page.

3. The contract calls for purchase of a hoist, but the operator has rented one at a rate of \$60 per month and has requested a change in the contract to cover this item.

The Privateer Mining Co. has submitted a request in letter form for changes in the contract. Four copies of the letter are attached. Exhibit A in the contract states that 50 feet of shaft sinking is to be allowed at \$49 per foot. Presumably, this amount was established to include all expenses incident to the shaft sinking, including rental of a compressor and use of a company-owned jackhammer. The amount specified in the contract for drifting and crosscutting apparently is meant to cover all expenses related to this work. No mention is made in the contract concerning transportation. The Hedge track present on the property is utilized for transporting supplies and is needed because of the steep terrain.

Stephen R. Wilson

Encl.

COPY

September 11, 1951

Air Mail

Memorandum

To: Paul T. Allsman, Chief, Mining Division, Region IV
From: Chief, Utah-Wyoming Branch, Mining Division
Subject: DMA-234, Privateer Mining Co., Juab County, Utah.
Contract Ida-E-95

The MF-104 forms for August 1951, covering the subject property, were mailed to you earlier today. The forms were mailed before proper approval signature. Will you please approve the forms as shown or return them to me for my signature.

Two copies of a memorandum accompanying the MF-104 forms were mailed. Four additional copies will be placed in the mail tomorrow.

Stephen R. Wilson

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF August

Name of operator Privateer Mining Company
 Project No. DMA 234
 Total contract amount 38062.00
 Government participation percent 50

TYPE	NUMBER	MAN-SHIFTS	RATE	TOTAL
Miners.....	4	46	13.00	598.00
Muckers.....				
Trammers.....				
Timbermen.....				
Pumpmen.....				
Hoistmen.....				
Surface.....				
Samplers.....				
Assayers.....				
Shift bosses.....				
Mechanics.....				
Electricians.....				
Blacksmiths.....				
Carpenters.....				
Drill runners.....				
Drill helpers.....				
Teamsters.....				
Manager.....				
Superintendent.....				
Engineers.....				
Geologists.....				
Bookkeeper.....	1	15	170.00	85.00
Foreman.....	1	14	16.00	224.00
Clerks.....				
Stenographers.....				
Other.....				
TOTAL.....	6	75		907.00

NOTE.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY	
Checked by	
Entered by	<i>L. C. McMillan</i>
Approved by	
Remarks	
.....	
.....	

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF August

Name of operator Privateer Mining Company
 Project No. DMA 234
 Total contract amount \$8062.00
 Government participation, percent 50

ITEM	Costs					PROGRESS				
	Wages ¹ and salaries	Equipment ²	Supplies	Other ³	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting.....										
Crosscutting.....										
Raising.....										
Shafts (5').....	163.64		40.19		203.83					
Winzes.....										
Drill holes.....										
Overburden.....										
Rehabilitation and preparation.....	572.73		170.25		742.98					
Geology and geophysics.....										
Trenching.....										
Sampling and assaying.....										
Roads and trails.....										
Test pits.....										
Other (specify Bunkhouse).....	252.03		330.20		582.23					
TOTALS	988.40		540.64		1529.04					

¹ Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
² Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
³ Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

FOR GOVERNMENT USE ONLY

Checked by.....

Entered by.....

Approved by W. M. Miller

Remarks.....



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

March 19, 1954

PROJECT SUMMARY REPORT

By: J. W. Alt

1. Docket No. DMA-234 (Lead)
Contract No. Idm-E95
Property: Eva Mine
Location: Juab County, Utah

Operator: Privateer Mining Company, Inc.

Operator's Property Rights: Lease - Nine patented mining claims

Date of lease - May 1, 1948

Date of Landlord's Subordination Agreement - July 27, 1951

2. Contract dated August 2, 1951 -- To complete, 6 months

Work Authorized

- (1) Rehabilitation of the No. 1 shaft and enlarging to 5 X 7 feet to permit installation of ladderway.
- (2) Sinking No. 1 shaft now 80 feet deep, an additional 50 feet.
- (3) Crosscutting from bottom of extended No. 1 shaft and approximately 50 feet and approximately 100 feet of drifting and crosscutting on this level.

The estimated costs of the project are:

Construction of bunkhouse	\$ 604.00
Rehabilitation and enlargement of shaft	575.00
Sinking 50 ft. of shaft @ \$49.00	2,450.00
Drifting and crosscutting 150 feet @ \$19.60	2,940.00
Bookkeeping and miscellaneous expense	472.00
Equipment purchase	<u>1,021.00</u>
Total estimated cost	\$8,062,00
Government Participation @ 50%	\$4,031.00

Amendments

No. 1, dated November 20, 1951

Pertains to operating equipment to be furnished by Operator and rented by Operator.

No. 2, dated November 12, 1952

Changes completion time from (6) to (12) months.

Work under the terms of the contract was started on August 15, 1951 and completed July 16, 1952.

Work Completed

95 feet of drifting @ \$41.24/ft.	\$3,917.85 ✓
50 feet of shaft sinking @ \$54.87/ft.	2,743.63 ✓
Shaft rehabilitation	742.98 ✓
Operating equipment purchased	115.61 ✓
New buildings	<u>582.23</u> ✓
Total cost	\$8,102.30
Cost allowed	\$8,162.00

3. Audit Certificate - dated October 27, 1952

Total cost as billed by Contractor	\$8,102.30
Exceptions per audit report	<u>40.30</u>
Total accepted cost	\$8,062.00
Government participation	\$4,031.00

4. Certification date - No certification made as there has been no discovery of ore.

5. The shaft was sunk an additional 50 to a total depth of 130 feet and a 95 foot crosscut was driven S. 70° E. into the footwall of the fault. The crosscut exposed several splits, exposing a fault zone rather than a single prominent fault. No ore was found throughout the 95 foot crosscut. The prominent quartzite that lies 120 feet above the Eva bed was found in the fault zone but the Eva bed was not found and may be deeper than was expected because of additional offsets on the splits in the fault zone.

There are no ore reserves and there has been no discovery of lead-zinc ore at the Eva mine.

J. W. Alt.
J. W. Alt

dated

WORK ANALYSIS SHEET - DMEA PROJECT

Actual Cost

certified

Analysis as of 12/3/54.
Incl. Voucher for July 1952.

Agreed Unit Costs

Name Privateer Mining Co., Inc.

Docket No. DMEA-234

State Utah.

Commodity Lead

Idm-E No. 95

OPERATION	AUTHORIZED		COMPLETED		NET COST
	Units	Cost	Units	Cost	
Drifting & Crosscutting ✓	199'	\$3,897.55	95'	\$3,897.55	\$3,897.55
Raising					
Shafts ✓	56'	\$2,723.63	50'	\$2,723.63	\$2,723.63
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		115.61		115.61	115.61
Surface Rehabilitation & Repairs					
Underground Rehabilitation ✓		742.98		742.98	742.98
New Building, Improvements, etc. ✓		582.23		582.23	582.23
Other (Specify)					
Totals		\$8,062.00		\$8,062.00	\$8,062.00

Prepared by W. H. Kuykendall



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

224 New Customhouse
Denver 2, Colorado

June 23, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMA 234 (Lead), Contract Idm-E95, Privateer Mining
Company, Juab County, Utah

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

1. Original and one copy of the operator's final report.
2. Original and three copies of the final geologic report
by the Geological Survey.
3. Original and three copies of the final engineering
report by the Bureau of Mines.

A significant discovery did not result from the exploration
work. Therefore, no certification of discovery is recommended.

W. H. King
W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

JUN 25 1953

Reviewed by
DMEA OPERATING COMMITTEE

6-29-53
(date)



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

500

FILE COPY
SURNAME:

Martin

MAY 14 1953

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

Re: Docket No. DMEA-2444 (Lead)
Outlet Mining Company
The Phoenix Lode Mining Claim
Mineral County, Colorado
Contract No. Idm-5396
and
Docket No. DMEA-234 (Lead-Zinc)
Privateer Mining Company
Kva Mine
Juab County, Utah
Contract No. Idm-195

Dear Mr. King:

With reference to the last monthly report of Region IV, received here on May 4, 1953, a review of our records of the above two projects indicates that all necessary terminating data are now on hand and that therefore, in the future, they may be deleted from the listing of current projects.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

S.A.
5-14-53

APPROVED:

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

T. P. Thayer
Member, Geological Survey (TB)

WRGriswold/bjl (written 5/5/53)

Copy to: Docket (2) No 234
Admr. R. File
Op. Committee
Base Metals (2)
Mr. Bishop
Mr. Kinkel
Chron.



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

224 New Customhouse
Denver 2, Colorado

NOV 21 1952
November 21, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

11/26/52 Received by [Signature]

Memorandum

To: Chairman, Operating Committee, DMEA
From: Executive Officer, DMEA Field Team, Region IV
Subject: Docket DMA 234 (Lead), Contract Idm-E95,
Privateer Mining Company, Juab County, Utah

Reference is made to your letter dated November 19, 1952, relative to the status of the subject contract.

The MF-104 reports for the months of June and July, 1952, were forwarded to the Secretary of the Operating Committee by our memorandum dated November 19, 1952.

The July 1952 MF-104 report constitutes final payment under the contract in conformance with the Final Audit Report dated October 31, 1952.

The Operator's Final Narrative Report is being held in this office pending receipt of the Engineer's Final Report, which has been delayed because of the current workload.

W. H. King
W. H. King



FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

Handwritten signature: *J. H. Johnson*
A vertical rectangular box with horizontal lines, likely a routing slip or filing stamp.

Mr. W. L. King
Executive Officer, Region IV
DWA Field Team
224 New Custarhouse Building
Denver 2, Colorado

NOV 19 1952

ras

Re: Docket No. DWA-234 (Lead)
Contract No. Idm-195
Privateer Mining Company, Inc.
Juab County, Colorado

Dear Mr. King:

The last Progress Report (Form DF-104) in our file of the above-referenced docket and contract is for the month of November 1951. The only inspection report that we have is dated December 11, 1951, by W. E. Young and states that the property was inspected October 30, 1951.

We have received the copy of Amendment No. 2 dated November 12, 1952, which extends the completion time of this contract from 6 to 12 months. The contract is dated August 2, 1951, and according to the amendment would allow the work of the contract to be completed by August 2, 1952.

We understand that the work allowed by this contract was completed in July 1952. Will you please advise us as to the status of this contract, and if the work allowed in the contract has been completed, we would appreciate receiving the final report and audit.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee

APR 1952:

W. E. Hedges (2/B)

Member, Bureau of Mines

A. R. Kunkel, Jr. (2/B)
Member, Geological Survey

JWalt/bw (written 11/18/52)

Copy to Docket

Adm R. File

Op. Comm.

HFKeller (2)

JWalt

Mr. Bishop

Mr. McKnight

Chron.

J.H. Johnson
11-19-52



UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

NOV 24 1952

224 New Customhouse
Denver 2, Colorado

November 19, 1952

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 234, Contract Idm-E95 (Lead)
Privateer Mining Company, Inc., Juab County, Utah

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, and other supporting data for the month of July, 1952, pertaining to DMA Docket 234, Contract Idm-E95, Privateer Mining Company, Inc. The Operator's and Engineer's Final Report and other data will be forwarded at a later date.

W. H. King
W. H. King

Enclosures



UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

WASHINGTON 25, D. C.

See

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

November 19, 1952

Memorandum

NOV 24 1952

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 234, Contract Idm-E95, (Lead)
Privateer Mining Co., Inc., Juab County, Utah

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104A and MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of June, 1952, pertaining to DMA Docket 234, Contract Idm-E95, Privateer Mining Co., Inc.

W. H. King
W. H. King

Enclosures



Docket Copy

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 17 1952

224 New Customhouse
Denver 2, Colorado

November 12, 1952

Memorandum

To: C. O. Mittendorf, Administrator, DMEA *gone - Leach*
From: Executive Officer, DMEA Field Team, Region IV
Subject: Amendment No. 2 to Contract Idm-E95, Docket
DMA 234, Privateer Mining Company

Enclosed are the original and two copies of Amendment No. 2 to Contract Idm-E95. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

This amendment is in accordance with the agreement reached between this office and the Privateer Mining Company at the time they recessed the operation because of severe weather.

W. H. King
W. H. King

Enclosures

RECEIVED

NOV 19 1952

GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

*Co
11-17*



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

224 New Customhouse
Denver 2, Colorado

November 10, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

Mr. E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Interior Building
Washington 25, D. C.

NOV 13 1952

re: Docket No. DMA-234
Contract No. Idm-E95
Privateer Mining Co., Inc.

Dear Mr. Talbert:

Thanks for calling my attention to the error of \$2.00
in the final audit report and audit certificate on the subject
contract.

I would appreciate it if you will initial the copies
in Washington. The copies here have already been initialed.

Sincerely yours,

T. H. Brading
Auditor, Region IV



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

FILE COPY
SURNAME:

800

Talbert

NOV 4 1952

62

Mr. Thomas H. Brading
DMEA Auditor
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DM-234
Contract No. Ida-895
Privateer Mining Co., Inc.

Dear Mr. Brading:

Reference is made to your final audit report and audit certificate on the subject contract transmitted to us by your letter of October 31, 1952.

It appears that the amount of the exceptions should be \$40.30, rather than \$42.30, as stated in your report and the certificate. If this is so, please advise and we will correct and initial as required. The copies distributed in Region IV should likewise be corrected and initialed by you.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert
11/4/52

E. D. Talbert, Acting Chief
Contract Administration and
Audit Division

EDTalbert/wb
November 4, 1952

Copy to: Docket
Admr. Reading File
Mr. Talbert



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

NOV 27 1951



Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket No. DMA-234
Privateer Mining Company
Exploration Project Contract
Idm-E95
Amended November 20, 1951

Gentlemen:

Enclosed for recording in your office is the original of the amended Exhibit A to the Exploration Project Contract between the Operator named in the above reference and the Government of the United States.

Sincerely yours,

Administrator
Defense Minerals Exploration
Administration

Enclosure-1



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

DEPARTMENT OF THE INTERIOR
RECEIVED

NOV 23 1951

Defense Minerals Administration,
Production Expansion Division

224 New Customhouse

November 20, 1951

Denver 2, Colorado

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: Amendment to Contract Idm-E95, DMA Docket 234, Privateer
Mining Company

Enclosed are the original and two copies of an amendment
to the above contract.

This amendment provides for depreciation of a compressor
and jackhammer and rental of an air hoist and a Dodge four wheel
drive one-ton truck.

Copies of this amendment have been sent to the applicant
and to the Fiscal Officer, Region IV. One copy has been retained for
DMA files.

J. H. East, Jr.

Enclosures

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.

NOV 23 9 29 AM '51



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

FILE COPY
SURNAME:

140

September 21, 1951

a. r. c.

Memorandum

To: J. H. East, Jr., Regional Director, Region IV
From: J. L. Hofflund, General Counsel
Subject: Privateer Mining Co., Inc., Contract Idm-E95, Docket DIA-234

Reference is made to your memorandum to me of September 17 proposing to amend the above contract and several other contracts.

Your proposed amendment should be revised as follows:

1. Strike out your proposed item 1. It is not necessary to provide for the exclusion of this piece of equipment from the items to be purchased, merely because of the addition of a similar item to be rented. Presumably the field team will not allow the operator to collect rent for an air hoist and also to purchase one.

2. The statement of your item #2 is ambiguous. If it is intended to add an item "Operating Equipment" it could be done as follows:

Add to Exhibit "A" a new section as follows:

"Operating Equipment

a. Furnished by Operator with Allowable Depreciation per month

1 - IR 315 cfm Compressor \$200.00

1 - Jackhammer and Accessories 40.00

b. Rented by Operator

1 - G. D. Air Hoist 60.00

1 - Dodge 4 Wheel Drive 1-Ton Truck 150.00"

In the concluding paragraph of your proposed amendment the reference to "Article 13 of the contract form" should be changed to "Article 11 of the contract form."

The proposed amendments are returned herewith as per your request.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment

JLHofflund/ema

Copy to: Reports & Records
C. O. Mittendorf
J. L. Hofflund
Chron.



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

C. O. Mittendorf
AUG 29 1951

Mittendorf

Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket DMA 234
Exploration Project Contract
Idm-B95
Privateer Mining Company, Inc.
Provo, Utah

Gentlemen:

Enclosed for recording in your office is the original, signed copy of an exploration project contract executed between the operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf *(Signature)*
C. O. Mittendorf, Director
Production Expansion Division *8/78/29*

Enclosure-1

DEMOulds/meh
cc to: Adm. Reading File
Reports and Records
Messrs. Mittendorf, Olund
Mr. Moulds
Docket



OFFICE OF
REGIONAL DIRECTOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION IV

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

August 16, 1951

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: Exploration Project Contract Idm-E95, DMA-234, Privateer
Mining Co., Inc., Box 111, Provo, Utah.

Enclosed herewith are an original and three copies of
the contract as listed above, which has been signed Clinton C.
Jenkins, President of the Privateer Mining Co., Inc.

The applicant has been given one copy of the contract
and one copy is being retained for DMA files.

Paul T. Allsman, Alternate

Enclosures (4)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

AUG 20 1951



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

AUG 6 1951

a. e.

Moulds
Mittendorf

Mr. J. H. East, Jr.
Executive Officer
Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMA 234
Privateer Mining Co.

Dear Mr. East:

Enclosed please find six copies of the contract covering the subject exploration project which have been signed by this office with project register number and effective date as shown.

The contract required signing by a duly authorized officer of the company in the presence of yourself or member of your regional staff without any changes to its contents. If any provisions are unsatisfactory to the operator, the contract must be returned to this office for re-execution.

After signing the contract, one copy is to be given to the operator and one retained by your office. The remaining copies including the original, are to be sent to this office as soon as possible.

A copy of the contract required by the Regional Finance Office will be forwarded directly by the Washington Finance Section together with accounting instructions.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosures-6

APPROVED:

Tom Lyon
Chairman, Coordinating Committee

Lowell B. Moore
Member, Bureau of Mines
- Cliff N. Ross

Member, Geological Survey

DEMoulds/bjs (8/2/51)
cc to: Adm. Reading File
Reports and Records ✓
Mr. Moon
Region IV
Mr. Billings
Mr. McKnight
Mr. Mittendorf, Mr. Olund
Mr. Moulds
Docket copy
Chron. copy



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

FILE COPY
SURNAME:

140

Guthrie

August 1, 1951

del'd by hand

a. t. e.

Memorandum

To: Director, Production Expansion Division
From: General Counsel
Subject: Privateer Mining Company - exploration contract -
Docket No. IMA-234

The contract in the captioned case is approved as to legal
form and sufficiency subject to:

1. Indication of the nature of the organization of the prospective operator, whether a corporation or partnership, as required in footnote 2.
2. Correction of discrepancy between the claim, "Southern Cross #1," as shown in paragraph 2 and, "Southern Cross #2," as shown on the claim diagram.
3. Indication of the trade of the workmen listed in the last page of Exhibit A.
4. Proper signature by the prospective operator.
5. Attachment of appropriate subordination agreements.
6. Dating as of the day of signature by the Government or delivery of the contract to the operator.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

not stuffed here

Attachment

RRGuthrie/ema

Copy to: R. R. Guthrie
J. L. Hofflund
Chron.

del'd by hand

~~File~~ Reports and Rec. unit.

JUL 28 1951

BUREAU OF MINES

Denver, Colorado

Handwritten notes:
1951
10/1/51

July 28, 1951

Memorandum

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

From: Chief, Utah-Monting Branch, Mining Division

Subject: DMA 234, Privateer Mining Company - Supporting information as requested in teletype message from J. H. East dated July 26, 1951

Attached are six copies of Landlords Subordination Agreement and two copies of mining lease covering the subject docket. Also included are copies of other supporting papers which the applicant wished to include.

Stephen R. Wilson

Faint stamp:
EXAMINED BY...
JUL 28 1951

Faint stamp:
JUL 28 1951
RECEIVED
ENGINEERING DIVISION

Copy to-
 PT Allsman ✓
 Files
 Df

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

W. P. MARSHALL, PRESIDENT

Mr. Strabel

(20)

4670

SYMBOLS	
L	Day Letter
NL	Night Letter
T	Int'l Letter Telegram
LT	Int'l Victory Ltr.

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

PA090 LB404

LSLA760 PD=SALT LAKE CITY UTAH 27 613P=

1951 JUL 27 PM 8 44

C O MITTENDORF DIR ON PRODUCTION EXPANSION DIV=
INTERIOR DEPT
DEFENSE MINERALS ADMIN WASHDC=

RETEL JULY 26 LANDLORDS SUBORDINATION AGREEMENTS SIGNED AND
MAILED YOU TODAY=
Jenkins
CLINTON C JFKINS PRIVATEER MINING CO=

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

RECEIVED

JUL 3 01951

8:30 a.m.

LANDON F. STROBEL
Executive Secretary

DMA-234



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

FILE COPY
SURNAME:

Mittendorf

C. O. Mittendorf, Director
Production Expansion Division
Defense Minerals Administration X5371

1420137 Salaries and Expenses,
Defense Production Activities
Interior, 1952 (10.1)

July 26, 1951

MR. CLINTON C. JENKINS
PRIVATEER MINING COMPANY
PROVO, UTAH

CONFIRM BY WIRE ABILITY TO OBTAIN LANDLORD'S SUBORDINATION
AGREEMENTS COVERING LITTLE EVA GROUP NO. 5934 WHICH WILL
BE REQUIRED FOR EXPLORATION PROJECT DOCKET DMA 234.

C. O. MITTENDORF, DIRECTOR
PRODUCTION EXPANSION DIVISION

DEMoulds/meh
cc to: Reports and Records ✓
Mr. Mittendorf, Mr. Olund
Mr. Moulds



UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

FILE COPY
SURNAME

July 20, 1951

Re: Docket DMA-234

Exam
McKnight
Billings
OIL ENR
(F.O.R. MOTE)

Mr. Clinton C. Jenkins, President
~~Privateer Mining Company~~
P. O. Box 111
Provo, Utah

Dear Mr. Jenkins:

Before further action can be taken on your application it will be necessary for you to submit a copy of the lease for those properties listed in your application. Also required will be six copies of Form MF-202, "Landlord's Subordination Agreement". Seven copies of this form are enclosed.

Very truly yours,

T. P. Billings, Chief
Lead-Zinc Branch

Enclosures 7

EJLyons:emp
G 7-19-51

Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
Reports & Records
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

4214 GSA

956



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

224 New Customhouse
Denver 2, Colorado

July 12, 1951

Memorandum

To: Landon Strobel, Executive Secretary, Defense Minerals Administration

From: Field Team, Defense Minerals Administration, Region IV

Subject: DMA Docket 234, Privateer Mining Company, Eva Mine, Juab County, Colorado

We are forwarding you original and two copies of the report on Docket 234 as listed above.

We concur with the findings of the Geologist and recommend that Project No. 1 be approved and that Project No. 2 be denied.

The brochure is also returned herewith.


J. H. East, Jr.


A. H. Koschmann

Enclosures

One copy by Air Mail
Two copies by Regular Mail

JUL 17 1951
4



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

200 New Customhouse
Denver 2, Colorado

July 8, 1961

Memorandum

To: DMA Field Team, Region IV

From: A. H. Koschmann

Subject: DMA Docket 234--The Privateer Mining Co., Eva Mine, Juab County,
Utah

Enclosed are the original and 7 copies of the above report by
J. W. Maxler and B. W. Osterstock of the Geological Survey and W. E. Young
of the Bureau of Mines.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Tyoming

Enclosures (8)



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Date Rec'd.

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

JUL 2 1951

June 29, 1951

BUREAU OF MINES
Denver, Colorado

Memorandum

To: Paul T. Allsman, Chief, Mining Division, Region IV
From: Chief, Utah-Wyoming Branch, Mining Division
Subject: Docket DMA 234, Privateer Mining Co., Eva mine,
Mt. Nebo district, Provo, Utah.

Attached is the brochure and correspondence concerning the subject docket. A joint report covering the property has been prepared and was mailed to Denver by Roberts today.

Stephen R. Wilson
Stephen R. Wilson

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

JUL 16 1951
LANDON F. STROBEL
Executive Secretary



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

FILE COPY
SURNAME:

Handwritten notes in a rectangular box: "AL Brokaw McKnight for Hedges Hedges Mittendorf" with an arrow pointing to the name "Mittendorf".

February 2, 1951

Mr. Clinton C. Jenkins, President & General Manager
Privateer Mining Company
P. O. Box 111
Provo, Utah

Dear Mr. Jenkins:

Your application (Docket DMA 234) for a Government loan under the provisions of the Defense Production Act of 1950 has been reviewed by the Lead-Zinc Branch of the Defense Minerals Administration. Before final decision can be taken on your request it will be necessary to obtain additional information on your property. Your application, therefore, has been referred to the appropriate field office with the request that the needed information be supplied to us.

Yours very truly,

S. H. Williston, Director
Supply Division
Defense Minerals Administration

ALBrokaw:jeh
G-2/2/51

copy to: Chief, Lead-Zinc Branch
Geological Survey - McKnight
J. H. Hedges
R. H. Mote
2 copies to Executive Officer,
Regional Field Team, Region IV
Strobel
Mittendorf
Files ✓

Handwritten vertical text on the right margin: "Privateer 234"

Handwritten signature or initials on the right side of the page.

Handwritten vertical text at the bottom right: "45-6"



UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
200 New Customhouse
Denver 2, Colorado

FNRL
FT. RPT.

June 22, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 234, Privateer Mining Company, Eva Mine,
Juab County, Utah

Enclosed are nine copies of the final geologic report on
the Privateer Mining Company, Eva Mine, Juab County, Utah, DMEA
Docket 234.

It has been recommended that no certification of discovery
be made.

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

Enclosures (9)

DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION
ADMINISTRATION
RECEIVED

JUN 26 1953

Reviewed by
DMEA OPERATING COMMITTEE

6-29-53

(date)



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Room 208 - 222 So. West Temple
Salt Lake City 1, Utah
June 19, 1953

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

From: R. J. Roberts
Utah-Nevada District Office

Subject: Final Geologic Report DMEA 234, Privateer Mining Company,
Eva Mine, Juab County, Utah.

Enclosed are nine copies of the final geologic report on the Privateer Mining Company, Eva Mine, Juab County, Utah, DMA Docket 234.

The Privateer Mining Company applied for a loan to explore for lead and zinc in a faulted continuation of the Eva ore body in the Eva mine.

At the Eva Mine a dark, coarse-grained dolomitic limestone of Mississippian age strikes N. 20°-30° E. The Eva bed, which is 30 feet thick, is explored in the mine workings and contains ore thus far discovered.

The exploratory work consisted of deepening the No. 1 shaft to a depth of 130 feet, and driving a 95 foot crosscut southeast, to explore for the Eva ore bed in the footwall of a fault that cut off the Eva ore body near the shaft.

The crosscut from the bottom of the shaft found a broad fault zone instead of a single prominent fault. No ore was discovered and there are no ore reserves at depth at the Eva Mine. It is therefore recommended that no further exploratory work be done by the DMEA at the present time.


J. William Hesler

for Ralph J. Roberts Reviewed by
DMEA OPERATING COMMITTEE

6-29-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS MCKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMA-234. Privateer Mining Company, Eva Mine

Juab County, Utah

By

J. William Hasler
U. S. Geological Survey

June 18, 1953

Reviewed by
DMEA OPERATING COMMITTEE

6-29-53

(date)

FIELD TEAM
FINAL REPORT

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Summary, Conclusions and Recommendations	4

Illustrations

- Fig. 1. Index Map of Central Utah
2. Relationship of Eva Workings to Starr and Creek Tunnel
3. Map of Workings of Little Eva Mine, Juab County, Utah
4. Vertical Section Through Little Eva Ore Body

FINAL GEOLOGIC REPORT

DMA 234, PRIVATEER MINING COMPANY, EVA MINE

JUAB COUNTY, UTAH

Introduction

The Privateer Mining Company, Eva Mine, Juab County, Utah, applied for a loan, DMA Docket 234, to explore for lead and zinc in a faulted continuation of the Eva ore body in the Eva Mine. A loan of \$8,062.00 was approved and work under the terms of the contract was begun August 15, 1951.

Location and Accessibility

The Eva mine is 10 miles east of Mona, Utah, in the Mt. Nebo district at the head of North Canyon at an altitude of 9,500 feet (fig. 1). It can be reached by travelling east from Mona, Utah, up Pole Canyon over a dirt road with steep grades. Easier access can be had by traveling east from Nephi, Utah over a Forest Service road to Monument Park. From here a newly constructed road branches west to the mine. The property consists of 23 claims, most of which are in Sec. 13, T. 11 S., R. 1 E., Salt Lake Base and Meridian, (fig. 2).

History and Production

The reported production from the Eva mine is 10,000 tons of lead-zinc, silver ore valued at \$150,000. Records of production during 1912 and 1913 total 809 tons of sorted ore averaging 38 percent lead, 19.2 percent zinc and 15.9 ounces silver to the ton. During the same period shipments of oxidized ore totalling 800 tons contained 10 to 15 percent lead, 20-25 percent zinc and 4-6 ounces silver to the ton. The Eva workings consist of a 250 foot adit that intersects an ore shoot about 200 feet below its outcrop (fig. 3). From the adit an inclined stope extends down the dip along the Eva bed for 210 feet to where mineralization has been terminated by a fault striking N. 30° E. (fig. 4). Drifts have been driven

along this fault for 350 feet to the northeast and 150 feet to the southeast. A vertical winze has been sunk 80 feet below the adit.

Geology and Ore Deposits

The Eva bed, a dark, coarse-grained dolomitic limestone of Mississippian age contains the ore bodies thus far discovered. This bed is 30 feet thick. It strikes N. 20-30°E., and dips 20-30° E. in the mine.

A fault that strikes N. 30° E. and dips steeply northwest to vertical terminates the ore body in the Eva bed at the bottom of the workings. Other tight but persistent east-west steeply dipping fractures have apparently aided in localizing the ore.

The workings of the Eva mine explore an ore body localized at the intersection of the Eva bed and a steeply dipping tight fracture zone that strikes eastward. The ore appears to rake 25° eastward within the fracture zone.

The ore is composed of argentiferous galena, sphalerite, cerusite, smithsonite, calamine and hydrozincite in a gangue of domomite and calcite. The Eva bed commonly has a ribbon-like texture resulting from light colored, thin dolomite veinlets.

The ore was mined down dip for about 400 feet over a width of 40 to 50 feet. The average thickness of ore mined was 3 to 4 feet, but ribs of waste rock were left in the stopes as pillars and fill. Striae and slickensides on the fault that terminates the ore in the Eva bed indicate that the southeast wall was faulted downward and moved northward. A distinctive quartzite bed has been identified in both the footwall and hangingwall blocks; the dip slip is calculated to be about 120 feet. The strike slip movement on the fault is not definitely known, but may be as much as 80 feet.

Exploratory Work

The applicant proposed the following exploratory project for the

Eva mine: deepen the No. 1 winze an additional 50 feet to a total depth of 130 feet, and then crosscut to the southeast to pick up the probable extension of the Eva ore body on the east side of the fault.

The exploratory work proposed by the applicant was based on sound geologic interpretation and the possibility of finding the extension of the Eva ore-bearing bed appeared good, and was therefore approved by the examining field team. Work under the terms of a DMEA contract was begun on August 15, 1951 and completed July 16, 1952.

Results of Exploratory Work

The exploratory work was begun under the DMEA contract on August 15, 1951. The work consisted mainly of rehabilitation of the No. 1 winze and sinking an additional 50 feet, to a total depth of 130 feet. A 95 foot crosscut was driven S. 70° E. from the bottom of the No. 1 into the footwall of the southeast striking fault that terminated the Eva ore body (fig. 4).

The crosscut from the bottom of the winze showed the fault movement was distributed along several small faults of minor movement instead of being on a single plane as expected. The total movement on the fault zone may be greater than the expected 120 feet. The prominent quartzite 120 feet above the Eva bed was found on the footwall of one of the minor faults but the Eva bed was not located because of the offset on other faults in the fault zone. No ore was found in the footwall of the fault zone.

It is not deemed advisable to explore further for ore at the Eva mine at the present time. There has been no significant discovery of lead-zinc ore. There are no ore reserves at the Eva mine, and it is therefore recommended that no further exploratory work be done by the DMEA.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The Privateer Mining Company, Eva Mine, Juab County, Utah applied for a loan, DMA Docket 234, to explore for lead and zinc in a faulted continuation of the Eva Ore body in the Eva mine, Mt. Nebo district. A loan of \$8,062.00 was approved and work under the terms of the contract was begun August 15, 1951.

The Eva mine is 10 miles east of Mona, Utah, in the Mt. Nebo district at the head of North Canyon at an altitude of 9,500 feet. The property consists of 23 claims, most of which are in Sec. 13, T. 11 S., R. 1 E., Salt Lake Base and Meridian.

The reported production from the Eva mine is 10,000 tons of lead-zinc-silver ore valued at \$150,000. The Eva workings consist of a 250 foot adit that intersects an ore shoot about 200 feet below its surface outcrop. From the adit an inclined stope extends down the dip along the Eva bed for 210 feet to where mineralization has been terminated by a steeply dipping fault striking N. 30° E.

At the Eva mine, a dark, coarse-grained dolomitic limestone of Mississippian age strikes N. 20°-30° E. The Eva bed, which is 30 feet thick, is explored in the mine workings and contains ore thus far discovered.

The workings of the Eva mine explore an ore body localized at the intersection of the Eva bed and a steeply dipping tight fracture zone that strikes eastward.

The ore is composed of argentiferous galena, sphalerite, cerusite, smithsonite calamine and hydrozincite in a gangue of dolomite and calcite. The Eva bed commonly has a ribbon-like texture resulting from light colored thin dolomite veinlets.

The applicant proposed to deepen the No. 1 winze in the Eva mine (80 feet deep) an additional 50 feet to a total depth of 130 feet, then

crosscut to the southeast to pick up the probable extension of the Eva ore body on the east side of the fault.

The shaft was sunk an additional 50 feet to a total depth of 130 feet and a 95 foot crosscut was driven S. 70° E. into the footwall of the fault. The crosscut exposed several splits, exposing a fault zone rather than a single prominent fault. No ore was found throughout the 95 foot crosscut. The prominent quartzite that lies 120 feet above the Eva bed was found in the fault zone but the Eva bed was not found and may be deeper than was expected because of additional offsets on the splits in the fault zone.

There are no ore reserves and there has been no discovery of lead-zinc ore at the Eva mine. It is therefore recommended that no further exploratory work be done by the DMEA.



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

Mining Division
Date Rec'd.

AUG 20 1952

BUREAU OF MINES
Denver, Colorado

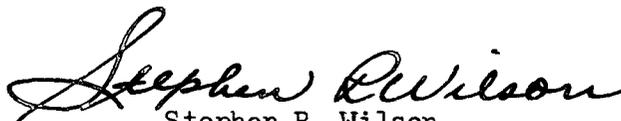
August 18, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV
From: Chief, Utah-Wyoming Branch, Mining Division
Subject: DMA-234, Contract Idm-E95, Privateer Mining Co., Juab
County, Utah. Final report submitted by operator.

Enclosed are the original and 4 copies of a final report submitted by the subject contractor after termination of the project work. Exploration was stopped July 16, 1952, as a result of exhaustion of contract funds and unexpected geologic conditions.

The contractor lists expenditures for the work items completed. No progress maps are included. A section attached to the July MF-104 forms illustrates the situation as of the date of termination.


Stephen R. Wilson

Enclosure

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
RECEIVED

JUN 26 1952

FINAL REPORT

DMA Docket No. 234, Contract No. Idm-~~E92~~⁹⁵, was executed by the Privateer Mining Company for the purpose of prospecting for the probable extension of the Eva orebody.

So far as could be determined from surface outcrops, the fault against which the Eva orebody terminated, involved a maximum displacement of 110 ft. and a minimum of 55 ft. Development work was planned accordingly and entailed sinking No. 1 Shaft an additional 50 ft. and then drifting through the fault to prospect the area in which the extension of the Eva orebody was projected.

Upon nearing completion of this work program, at a distance of 82 feet from the station at the bottom of the shaft, another distinct fault was encountered which revealed a $5\frac{1}{2}$ ft. bedding of quartzite on the east side of the fault. The drift was extended 13 more feet in order to establish the quartzite as being a distinct bedding. The work confirmed that as a fact, and the only conclusion to draw is that if there is an extension of the Eva orebody on the east side of the fault, it would be 110 ft. below this quartzite as it is on the surface.

The officers of the company feel that this unexpected disclosure complicates the chances of finding the faulted orebody to such an extent that they will be unable to finance further exploration for it, and, therefore, have regretfully given up the project.

The program outlined under Contract No. Idm-E93 was carried out in the following manner:

We began construction of the bunkhouse on August 15, 1951 and completed it on August 20, 1951, at an aggregate cost of \$582.23.

Rehabilitation and enlargement of No. 1 Shaft followed the construction of the bunkhouse and was completed August 29, 1951 at an aggregate cost of \$742.98.

Sinking of No. 1 Shaft began August 30, 1951, and was completed October 6, 1951 at an aggregate cost of \$2,743.63.

The drift from the bottom of the No. 1 Shaft was begun October 9, 1951, and continued until November 8, 1951, when heavy snowfall forced a shutdown. Work was resumed in the drift on June 19, 1952, and stopped on July 16, 1952, after completing 95 ft. from the station at the bottom of the shaft. The aggregate cost of drifting was \$4033.46.

A summary of the costs is, therefore, as follows:

Operating equipment purchased	\$ 115.61
Bunkhouse	582.23
Rehabilitation and enlargement of No. 1 Shaft	742.98
Sinking No. 1 Shaft	2,743.63
Drifting	<u>3,917.85</u>
Total	\$8,102.30

(In computing the cost for July, 1952, the last month reported, inventories of supplies on hand were deducted. The only remaining item to be salvaged is an adjustment of rental on jackhammer)

OPERATIONS
FINAL REPORT

Privateer Mining Co.
Docket No. DMA 234
Contract No. Idm-E93

FINAL REPORT (continued)

Contract No. Idm-E93 provided for a total cost of \$8060.00 of which
the Government's 50% share would be \$4,030.00

Privateer Mining Co. has received on the contract from
the Government for work done in 1951. 2,893.14

Leaving a balance due from the Government of \$1,137.86

Respectfully submitted

PRIVATEER MINING COMPANY

Leon Newman
Secretary



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

Mining Division
Denver, Colorado

DEC 8 - 1952

BUREAU OF MINES
Denver, Colorado

December 4, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV
From: Chief, Utah-Wyoming Branch, Mining Division
Subject: DMEA-234, Contract Idm-E95, Privateer Mining Co., Juab
County, Utah

Enclosed are the original and eight copies of a final report of project work accomplished under the subject contract. The report was prepared by W. E. Young, the inspecting engineer during the period of contract operation.

The Survey has been unable to prepare terminal maps covering the work because of inaccessibility of the workings; thus the report includes only a brief description of the geology by Young.

An audit of the accounts has been completed and final settlement made with the contractor.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

Reviewed by
DMEA OPERATING COMMITTEE

6-29-53

(date)

PRIVATEER MINING COMPANY, INC.
EVA MINE
JUAB COUNTY, UTAH
DMEA-234
Contract Idm-E95
Lead-zinc-silver

Final Report

By W. E. Young
Mining engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE

6-29-53

(date)

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The project was completed on July 16, 1952, after the crosscut encountered the hanging wall quartzite of the Eva bedding. This provided conclusive evidence that crosscutting was done too high in the limestone and had passed above the productive bed. Improper calculation resulted from the assumption that the exposure of quartzite near the portal of the main tunnel is the limestone-quartzite contact. This is the only good exposure of quartzite, and it was here the section was measured. The main fault, crossing near the portal of the tunnel, has thrown the east block down, exposing quartzite. It was assumed that this is the bottom of the quartzite member. Actually, the exposure must be well up in the quartzite bedding. A greater throw than anticipated had occurred.

During the course of the project work, it was possible to dispose of waste by filling excavations at various locations underground. This reduced expenses, inasmuch as it was not necessary to rehabilitate the inclined winze in order to hoist the muck to the surface. At the present time, all available space underground has been filled. Any future sinking of the vertical winze will require hoisting and tramping all waste to the surface. In view of this, it became evident that the cost of sinking an additional 50 feet and crosscutting 100 feet would cost as much or more than the original cost of the project. The management is unable to assume 50 percent of this cost even though

an additional loan could be obtained. For this reason, the operator abandoned the project without reaching the ore-bearing bed.

- (a) Additional exploration is not warranted.
- (b) The project was not successful.
- (c) Production is not economically feasible.

It is recommended that the Government abandon its interest in the project.

DESCRIPTION OF WORK COMPLETED

The project started on August 15, 1951, and was completed on July 16, 1952. Work accomplished consisted of:

1. Building small bunkhouse.
2. Rehabilitation and enlargement of 80-foot winze.
3. Sinking winze an additional 50 feet.
4. Crosscutting 95 feet from bottom of shaft through the fault into downthrown east block.

DESCRIPTION OF GEOLOGY

The rocks in the vicinity of the Eva mine are Mississippian limestones and quartzites which strike N. 25° E. and dip 20° to 30° E. The workings explore an ore body localized at the intersection of a limestone bed and an east-west zone of fracturing. The ore bed lies approximately 100 feet below a quartzite member. A north-south fault terminates the ore about 410 feet below the surface outcrop. The fault throw was estimated to be between 80 and 110 feet, with the east block being downthrown. The winze was sunk to a depth of 130 feet.

A crosscut from the bottom of the winze passed through the fault and into the downthrown east block. At 95 feet, the crosscut encountered the overlying hanging wall quartzite. This proved that all development work had been done above the productive bed.

No mineralization was exposed as a result of the exploratory work. There are no ore reserves at the mine.

EXPENDITURES

The estimated costs of the project were:

Construction of bunkhouse -----	\$ 604.00
Rehabilitation and enlargement of winze ---	575.00
Sinking 50 feet of shaft at \$49-----	2,450.00
Bookkeeping and miscellaneous -----	472.00
Equipment purchase -----	<u>1,021.00</u>
Total contract amount approved -----	\$8,062.00
Total cost of project -----	\$8,102.30
Government's share of cost -----	\$4,031.00

All of the Government's share has been expended. There was no production during operation.

EQUIPMENT PURCHASED FOR PROJECT

The only equipment purchased was a jackhammer, which was obtained on a rental-purchase agreement. Two monthly payments were made, amounting to \$115.61. The jackhammer was returned and this amount applied to rental.

A building to serve as cookhouse and dormitory was constructed at a cost of \$582.23. It would not be possible to move the building intact. The cost of tearing down and removing for sale would be greater than the sale value of the reclaimed material. Therefore, it is recommended that the Government waive its interest or equity in this building.

Mining Division
Region IV

July 6, 1951

Memorandum

To: J. H. East, Jr., U. S. Bureau of Mines
A. H. Koschmann, U. S. G. S.

From: Chief, Mining Division, Region IV

Subject: DMA 234, The Privateer Mining Company, Eva Mine, Juab
County, Colorado
DFM

The attached report recommends approval of Project No. 1 for the exploration of the probable southwest extension of the Eva ore body on the east side of the fault. The estimated cost of this project is \$5,402.40.

Project No. 2 for the exploration of the Starr and Creek tunnel area is not recommended due to the fact that the ore showings now exposed are not of commercial size and grade.

We concur with both recommendations.

Exhibit 1 of NSRB 146, contains sufficient information for processing an Exploration Project Contract.

P. T. Allsman

FAA:ld

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

JUL 16 1951
LANDON F. STIGBEL
Executive Secretary

ONT-S:172
RPT



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

200 New Customhouse
Denver 2, Colorado

July 3, 1951

Memorandum

To: DMA Field Team, Region IV

From: A. H. Koschmann

Subject: DMA Docket 234--The Privateer Mining Co., Eva Mine, Juab County,
Utah

Enclosed are the original and 7 copies of the above report by
J. W. Hasler and R. W. Osterstock of the Geological Survey and W. E. Young
of the Bureau of Mines.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (8)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

Docket DMA-234, Privateer Mining Company, Eva Mine,
Mount Nebo District, Provo, Utah

(Lead-Zinc)

W. E. Young, Mining Engineer
U. S. Bureau of Mines

J. W. Hasler and R. W. Osterstock, Geologists
U. S. Geological Survey

June 28, 1951

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ILLUSTRATIONS

- Figure 1. Index map of Utah.
- Figure 2. Relation of Eva workings to Starr and Creek tunnel.
- Figure 3. Eva mine workings.
- Figure 4. Section of Eva ore body.
- Figure 5. Plan of Starr tunnel.

Docket DMA-234, Privateer Mining Company, Eva Mine,
Mount Nebo District, Provo, Utah

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

Docket DMA-234, Privateer Mining Company, Eva mine, Juab County, Utah, proposed two projects: (1) Exploration of the faulted continuation of the Eva orebody, and (2) exploration in the Starr and Creek tunnel area.

The docket was forwarded from the Field Team Region IV with the request that a Survey geologist clarify the geology and determine the reserves and that a Bureau of Mines engineer determine the accessibility and probable cost of the tunnel extension.

The Eva mine is 25 miles northeast of Nephi on Mount Nebo at an altitude of 9500 feet. The property has a recorded production of 810 tons during 1912-13 that averaged 28 percent lead, 19.2 percent zinc and 15.9 oz. silver a ton. About 800 tons of zinc ore reported to contain 25-35 percent zinc, 10-15 percent lead, and 4 to 6 oz. silver a ton is also reported. In all, shipments are reported to total a few thousand tons.

The Eva workings are in dolomitic limestone of Mississippian age. The ore deposits are oxidized lead-zinc ores that replace the limestone at the intersection of bedding and steep fractures striking eastward. A reverse fault that strikes N. 30° E. and dips about 70° NW cuts off the orebody on the southeast and drops it down about 120 feet on the southeast.

The applicant proposes to look for the faulted continuation of the orebody; he wishes to deepen a winze to a depth of 130 feet and crosscut 50 feet to the expected position of the ore. It is concluded that this project (No. 1) is

based on sound interpretation of the geology; it is therefore recommended that the Defense Minerals Administration enter into a contract with the applicant, and share the estimated cost of the work (\$7,402) in the Eva workings.

The Starr and Creek tunnel workings explore oxidized lead-zinc showings 2000 feet south of the Eva workings. The ore showings are low grade and discontinuous. The applicant's project No. 2 proposes to explore for new ore bodies by crosscutting from the Creek tunnel. The outlook for discovery of ore bodies of commercial size and grade are not promising, however, and it is concluded that this project does not have merit. It is therefore recommended that approval of project No. 2 be denied.

Docket DMA-234, Privateer Mining Company, Eva Mine,
Mount Nebo District, Provo, Utah

INTRODUCTION

Docket DMA-234, Privateer Mining Company, Eva Mine, Juab County, Utah, proposes two projects for exploration of the Privateer mining property:

(1) Exploration for the faulted continuation of the Eva ore body by deepening the Eva shaft 50 to 130 feet and crosscutting 50 feet, and (2) intersect the Starr tunnel ore body at depth by crosscutting 700 feet from the Creek tunnel.

In response to a request from the Field Team dated February 12, 1951, a geologic examination was planned to clarify the geology and determine the possible reserves. Deep snow in the mine area delayed the examination until June 5 and 6 when J. W. Hasler, R. W. Osterstock, and B. J. Sharp visited the property. W. E. Young of the U. S. Bureau of Mines had previously examined the property in November, 1950, and had prepared a brief report. This report is incorporated in the present report.

Location and Accessibility

The Eva mine is 10 miles east of Mona, Utah in the Mt. Nebo district at the head of North Canyon at an altitude of 9,500 feet. (fig. 1) It can be reached by traveling east from Mona up Pole Canyon over a dirt road with steep grades. Easier access can be had by traveling east from Nephi over a Forest Service road to Monument Park. From here a newly constructed road branches west to the mine. This route is 27 miles from Nephi but has the advantage of easy grades. The property consists of 23 claims, most of which are in sec. 13, T. 11 S., R. 1 E.

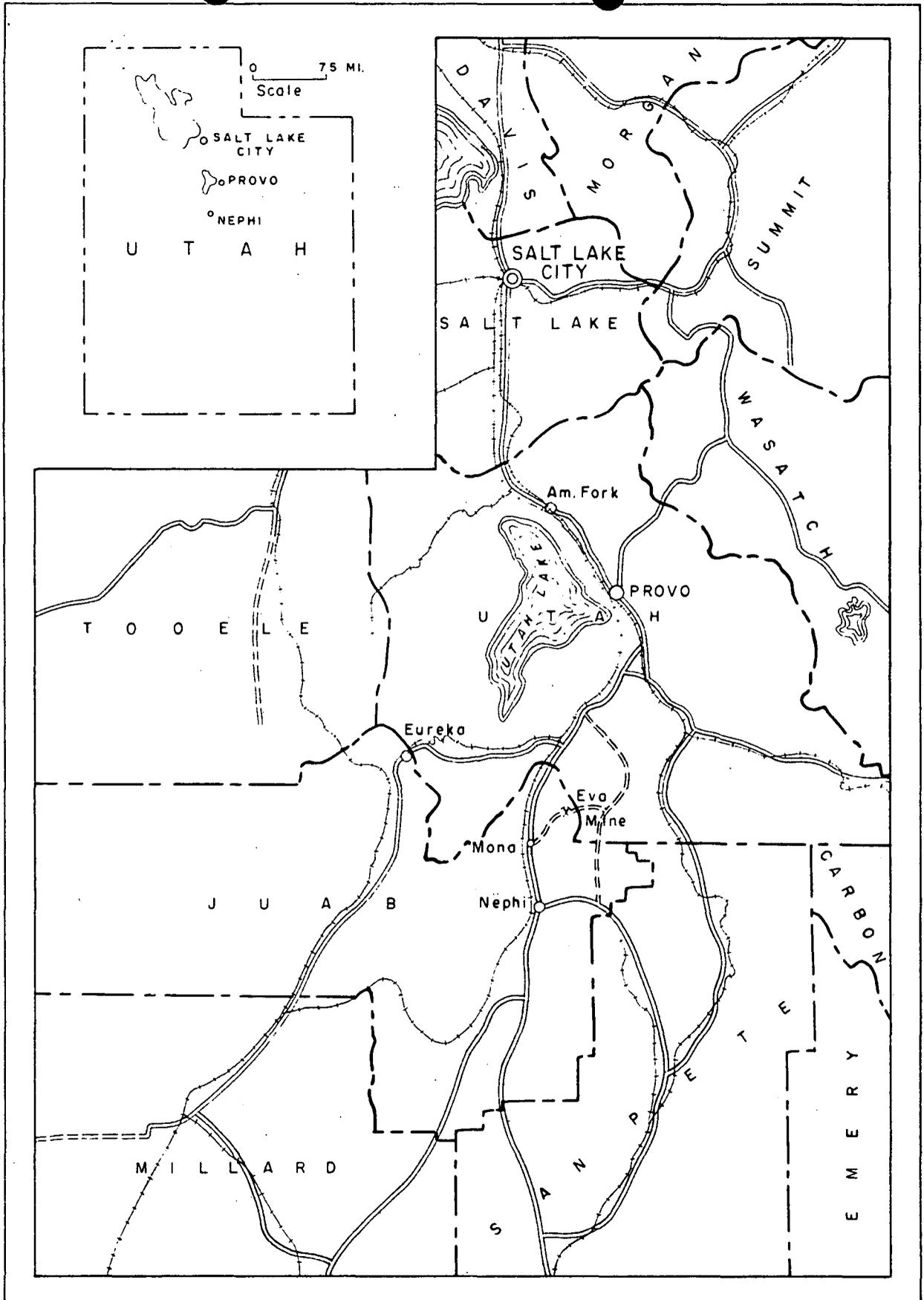
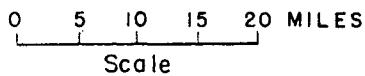


FIG. 1

INDEX MAP OF UTAH



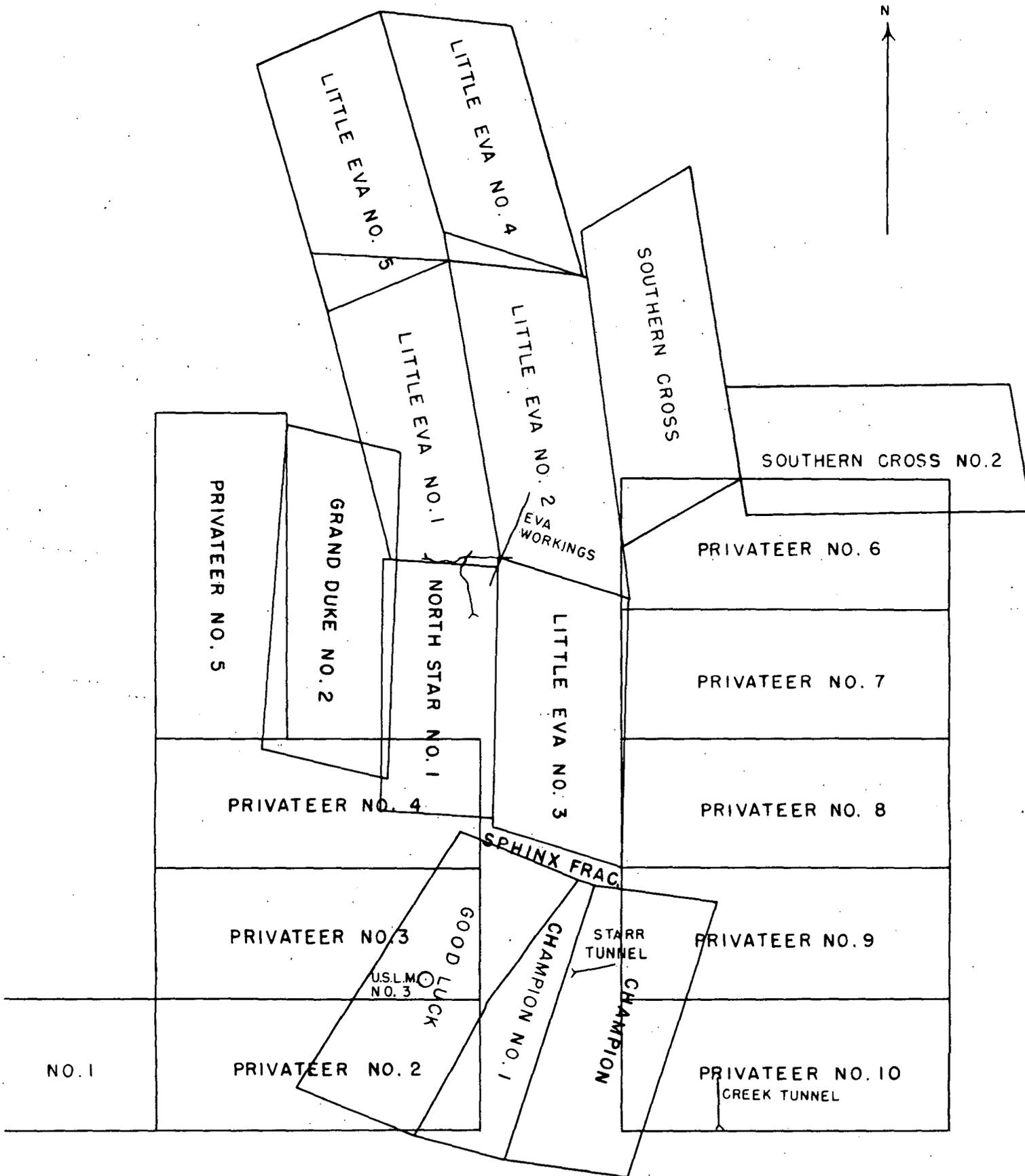
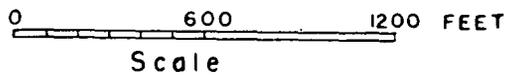
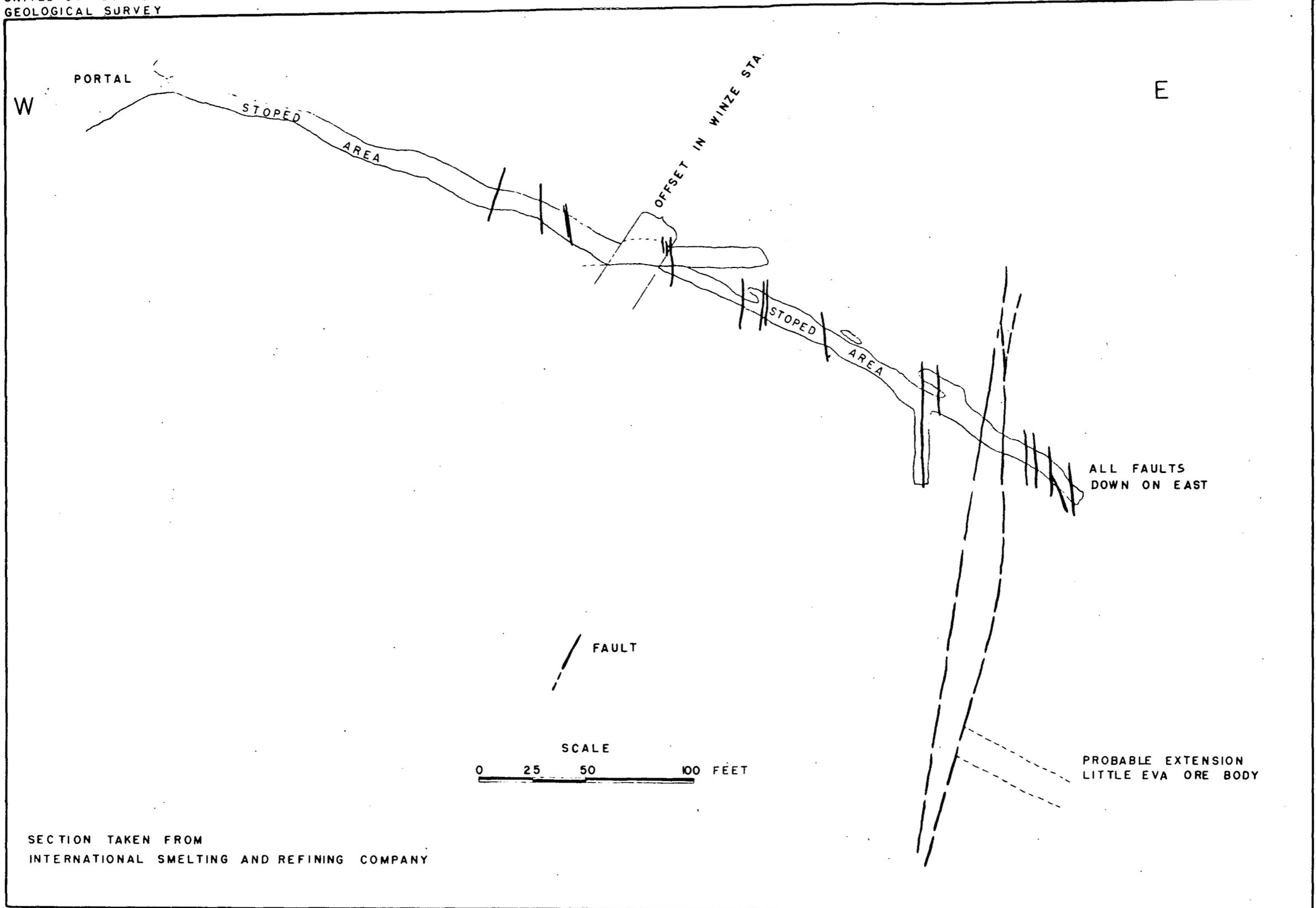


FIG. 2

RELATIONSHIP OF EVA WORKINGS TO
STARR AND CREEK TUNNEL



**LARGE
FORMAT
DOCUMENTS
AT END OF
FILE**



SECTION TAKEN FROM
INTERNATIONAL SMELTING AND REFINING COMPANY

FIG. 4 VERTICAL SECTION THROUGH LITTLE EVA ORE BODY
(LEAD-ZINC)

The Starr and Creek tunnel workings are about 2000 feet south of the Eva workings and about 1800 feet lower. (fig. 2)

History and Production

The reported production from the Eva mine is 10,000 tons of lead-zinc-silver ore valued at \$150,000. Records of production during 1912 and 1913 total 809 tons of sorted ore averaging 38 percent lead, 19.2 percent zinc, and 15.9 oz. silver to the ton. During the same period shipments of oxidized ore totalling 800 tons contained 10 to 15 percent lead, 25 to 35 percent zinc and 4 to 6 oz. silver to the ton.

EVA MINE

The Eva workings consist of a 250-foot adit that intersects an ore shoot about 200 feet below its surface outcrop (fig. 3). From the adit an inclined stope extends down dip along the Eva bed for 210 feet to where mineralization has been terminated by a fault striking N. 30° E. Drifts have been driven along this fault for 350 feet to the northeast and 150 feet southwest. A vertical winze has been sunk 80 feet below the bottom level.

Geology

At the Eva mine, a dark coarse grained dolomitic limestone of Mississippian age strikes N. 20°-30° E. and dips 20°-30° E. The Eva bed, which is 30 feet thick, is explored in the mine workings and contains the ore bodies thus far discovered.

A fault zone that strikes N. 30° E. and dips steeply northwest to vertical terminates the ore body in the Eva bed at the bottom of the workings. Other tight, but persistent east-west steeply dipping fracture apparently have aided in localizing the ore.

Ore Deposits

The workings of the Eva mine explore an ore body localized at the intersection of the Eva bed and a steeply dipping tight fracture zone that strikes eastward. The ore appears to rake 25° eastward within the fracture zone.

The ore is composed of argentiferous galena, sphalerite, cerusite, smithsonite, calamine, and hydrozincite in a gangue of dolomite and calcite. The Eva bed commonly has a ribbon-like texture resulting from light colored, thin dolomite veinlets.

The ore was mined down dip for about 400 feet over a width of 40 to 50 feet. The average thickness of ore mined was 3 to 4 feet, but ribs of waste rock were left in the stopes as pillars and fill.

Striae and slickensides on the fault that terminates the ore in the Eva bed indicate that the southeast wall was faulted downward and moved northward. (figs. 3 and 4) A distinctive quartzite bed has been identified in both the foot wall and hangingwall blocks; the dip slip is calculated to be about 120 feet. The strike slip movement on the fault is not definitely known, but may be as much as 80 feet.

Ore Reserves

Except for a few low grade pillars and small pockets, all of the available ore has been mined from the accessible workings of the Eva mine. There are no measured or indicated reserves, but as the ore is cut off abruptly by a fault, it is inferred that the ore continues in the down dropped block.

No accurate basis can be set up for calculation of the inferred ore reserves, but it would seem reasonable to expect that a tonnage comparable with the tonnage

already mined could be found in the down faulted block. It is also inferred that the grade of ore that might be discovered would be about the same as ore that has been mined.

Proposed Exploration

The applicant has proposed the following exploratory project for the Eva mine:

Project No. 1. Deepening No. 1 underground shaft in the Eva Mine (80 feet deep) an additional 50 feet to 130 feet, and then cross-cutting 50 feet southeast to pick up the probable extension of the Eva ore body on the east side of the fault.

Estimated Costs

Bunk house	\$ 500.00
Reconditioning shaft	500.00
Shaft sinking 50 feet and crosscutting 50 feet	3,930.00
Administrative expense and miscellaneous	<u>472.40</u>
	\$ 5,402.40

The applicant proposes to complete the work himself in the same manner in which the previous work has been done. It is suggested that the present 80 feet of shaft be enlarged to 5 feet by 7 feet size and continued to the proposed depth. Previous work is entirely satisfactory for prospecting, but would be inadequate to handle the tonnage anticipated when mining begins.

The estimated costs appear reasonable, but it is suggested that an additional 100 feet of crosscutting and drifting be included to definitely complete the

project. This will increase the total crosscutting and drifting to 150 feet and increase the loan to \$7,402.40.

The proposed exploratory program (Project No. 1) is based on a sound interpretation of the geology, structure, and ore controls. The probable position of the ore layer is known within narrow limits, and there is a good chance that the downfaulted block contains ore bodies of commercial size.

STARR AND CREEK TUNNEL WORKINGS

The Starr (fig. 5) and Creek tunnel workings are about 2000 feet south of the Eva workings and 1800 feet lower. They can now be reached by trail, but completion of a half-mile of road would be necessary to permit trucks hauling to the Creek tunnel portal.

The Starr tunnel strikes N. 80° E. and is 130 feet long. The first 75 feet are level and the remainder slopes downward at 25°. The Creek tunnel strikes N. 10° W. and is 226 feet long in barren limestone. It is proposed to extend this tunnel N. 45° W. to connect with the Starr tunnel workings. As the Starr tunnel face is about 150 feet higher than the Creek tunnel, a connecting raise would also be required.

Geology

The Starr and Creek tunnel workings are coarse-grained, dark, dolomitic limestones of Mississippian age that strikes N. 35° E. and dips 25° S. The limestones are cut by three sets of steep faults; one strikes N. 50° E. and dips 80° W., a second set strikes north-south and is steeply dipping to vertical, and a third strikes N. 55° W. and dips 75° SW.

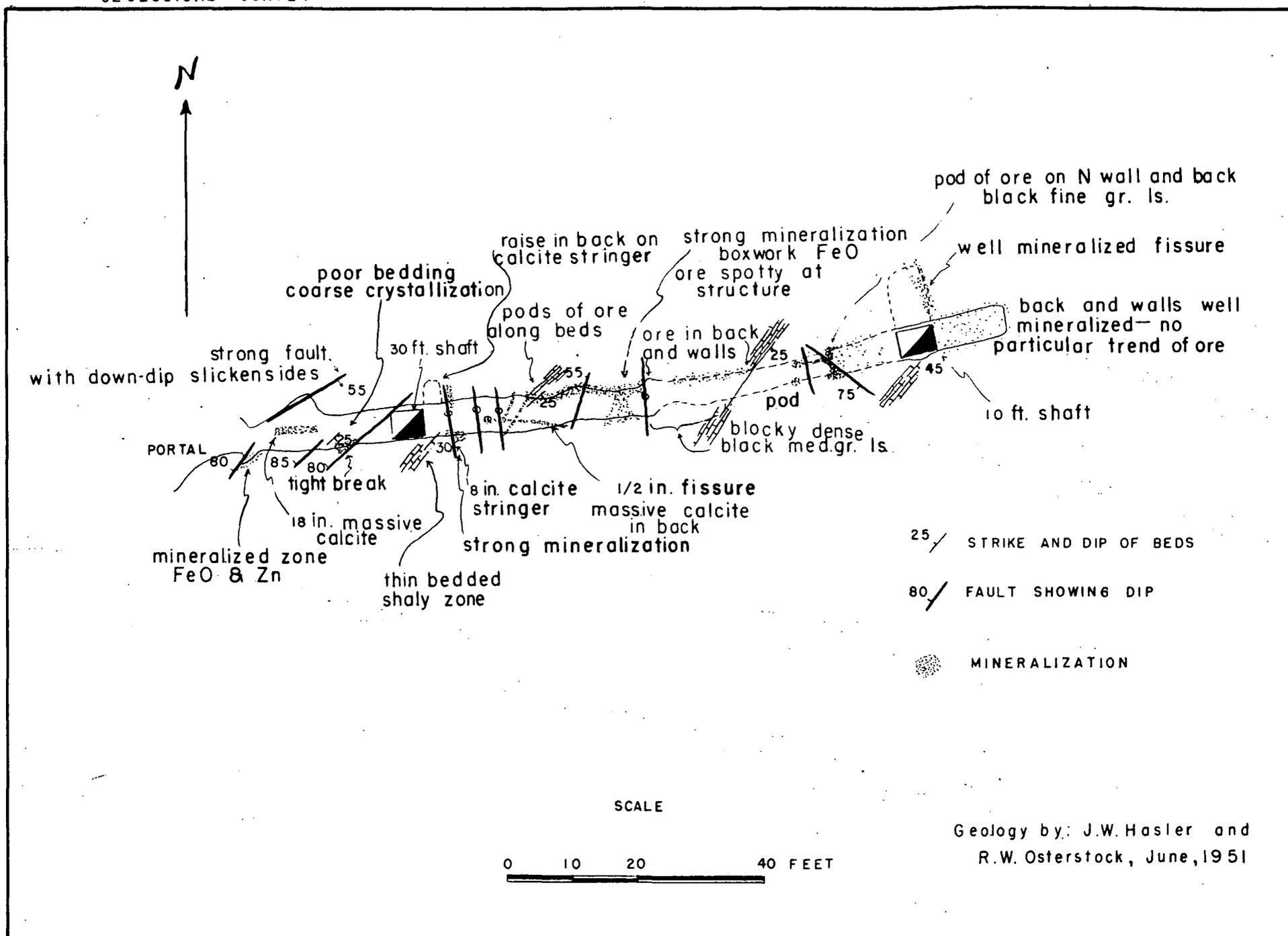


FIG. 5 STARR TUNNEL, LITTLE EVA MINE, JUAB COUNTY, UTAH
(LEAD-ZINC)

Ore Deposits

Oxidized lead-zinc ore occurs in irregular pods, stringers, and sporadic replacements of the dolomitic limestone. The Starr tunnel follows thin seams of oxidized ore along fractures. Two small pockets of oxidized ore aggregating possibly 10 tons were found near the face of the Starr tunnel. No predominant trend of ore is apparent, and the outlook for downward continuity of the ore to the level of Creek tunnel does not appear promising.

Reserves

No reserves of measured or indicated ore can be calculated in the Starr tunnel. It is inferred that a few tens of tons of ore may be available in and near the workings, but the outlook for the discovery of substantial tonnages is not good.

Proposed Exploration

The applicant also proposed the following project:

Project No. 2. Crosscut 700 feet N. 50° W. from the present face of Creek tunnel to intersect ore 172 feet below the Starr tunnel that occurs in the No. 2 shaft in the Starr tunnel. It would also be necessary to renovate one-half mile of access road, and build a bunk house near the lower Creek tunnel. Estimated costs for this exploration project are \$14,897.60.

As the outlook for discovery of ore bodies of commercial size and grade in the Starr tunnel is not promising, project No. 2 does not appear to have merit.

CONCLUSIONS AND RECOMMENDATIONS

It is concluded that Project No. 1 (Eva mine) is sound, and approval is therefore recommended. Project No. 2 Starr and Creek tunnels is highly speculative and is not a good geologic bet. It is therefore recommended that approval of Project No. 2 be denied.

6/5/51

Defense Minerals Administration

7-19-51

Review of Application for Exploration Assistance

To: Production-Expansion Division

Docket No. DMA-234

Commodity Zinc-lead

From: Director, Supply Division

Total Amount \$8,062

4031

Govt. Participation 50%

1. Name and Address of Applicant Privateer Mining Company, P. O. Box 111,
Provo, Utah

2. Location of Property Eva mine, 10 miles east of Mona, Juab County, Utah

3. Mineral or metal Zinc, lead, silver Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application
(question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good See attached field team report

b) Poor _____

c) None _____

d) Don't know—needs field examination _____

e) Is there an alternative and favorable project? No
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? No. Applicant has
been requested to submit.

Does the lease have sufficient time to run to cover a future

productive period? Don't know.

*question numbers are those of MF-103

JUL 10 1951

5

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202 Yes. Applicant has been requested to submit.

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? Has been checked

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

Is a field check needed on this point? Has been checked

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Has been modified. See exhibit A attached

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Yes

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

10. Exhibit A

Description of Project -

Project No. 1 consists of the following:

- (1) Rehabilitating No. 1 shaft and enlarging it to 5 x 7 feet to permit installation of a ladder-way.
- (2) Sinking No. 1 shaft, now 80 feet deep, an additional 50 feet.
- (3) Crosscutting from the bottom of No. 1 shaft 50 feet to the southeast to pick up the probable extension of the Eva ore body on the east side of the fault. The field team recommends that an additional 100 feet of crosscutting and drifting be included to complete the project.

Estimated Costs:

Construction of bunk house.....	\$ 604.00
Rehabilitation and enlargement of No. 1 shaft..	575.00
Equipment purchase.....	1,021.00
Sinking 50 ft. of shaft at \$49/ft.....	2,450.00
50 ft. of drifting at \$19.60/ft.....	980.00
100 " " " and crosscutting (recommended by field team) at \$19.60.....	1,960.00
Secretary's salary, taxes, etc.....	<u>472.00</u> ✓
	8,062.00

The above costs are modified from those presented in the field team report. Minor modifications are those relating to the cost of construction of the bunk house and of rehabilitating and enlargement of No. 1 shaft. These costs have been increased in amount by \$104 and \$75 respectively, over the costs given in the field team report. Not included in the field team estimate was equipment purchase in the amount of \$1021.

The above costs are based on cost sheets which are attached to this docket and which were received July 2, 1951 in the office of the Bureau of Mines, Denver, Colorado. These apparently were received after the field team report had been transmitted.

Is this part a worthwhile exploration project? _____

d) Are the cost estimates detailed? Yes _____

Can they be summarized, as on page 2 of Procedural Instruction 5-A,

from the available data? Yes _____ If so, attach a draft.

e) Are the cost estimates reasonable? Yes _____

f) Should more information be requested from applicant? No _____

g) Is a field examination necessary to complete Exhibit A? Has been checked _____

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes _____

b) If so, are sufficient data furnished? Yes _____ If so, attach a draft.

c) Is a field check needed? Has been checked _____

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes _____

b) Sufficient data? Yes _____ If so, attach a draft.

c) Are rents and charges reasonable? Yes _____

d) Is a field check needed? Has been checked _____

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes _____

b) Is the schedule adequate for the work proposed? Yes _____

c) Is the schedule excessive for the work proposed? No _____

d) Are the proposed wages and salaries reasonable? Yes _____

e) Is a field check needed? Has been checked _____

11. Exhibit B

Bunk House

1327 bd.ft. of boarding at \$102/1000 ft....	\$	135
1409 " " " framing " #140/1000 "		195
62 lbs. of nails at \$14/100 lbs.....		9
2 doors at \$11.50 each.....		23
6 windows at \$6.50 each.....		39
Labor at \$13.05/day.....		203
	\$	<u>604</u>

12. Exhibit C

Equipment purchase

1 air hoist.....	\$	642
1 jackhammer.....		345
100 ft. air pipe.....		<u>34</u>
	\$	1,021

Equipment rental

None

13. Exhibit D

4 men at \$13/day
1 man at \$16/day
1 secretary at \$170 for a 2 month period.

14. Exhibit E (question 23-c)*

a) Is it applicable? Yes

b) Sufficient data? Yes

c) Reasonable? Yes

d) Field check needed? Has been checked

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.
See attached draft.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? _____

*Approved
Erwin J. Lyons*

Reviewed by: Erwin J. Lyons - GS

Date 7-19-51

14. Exhibit C

Rehabilitating 80 ft. of No. 1 shaft	
Lumber for ladder and headframe.....	\$ 45
Powder, cap, and fuses.....	10
Enlarging shaft to 5 x 7 ft.....	520
	<hr/>
	\$ 575

16. The field team recommends that Project No. 1 as proposed by the applicant be approved with an additional 100 ft. of crosscutting and drifting included.

Project No. 2 is recommended for denial on the basis that the possibilities of finding orebodies of commercial size and grade are not promising.

The Lead-Zinc Branch concurs in these recommendations.

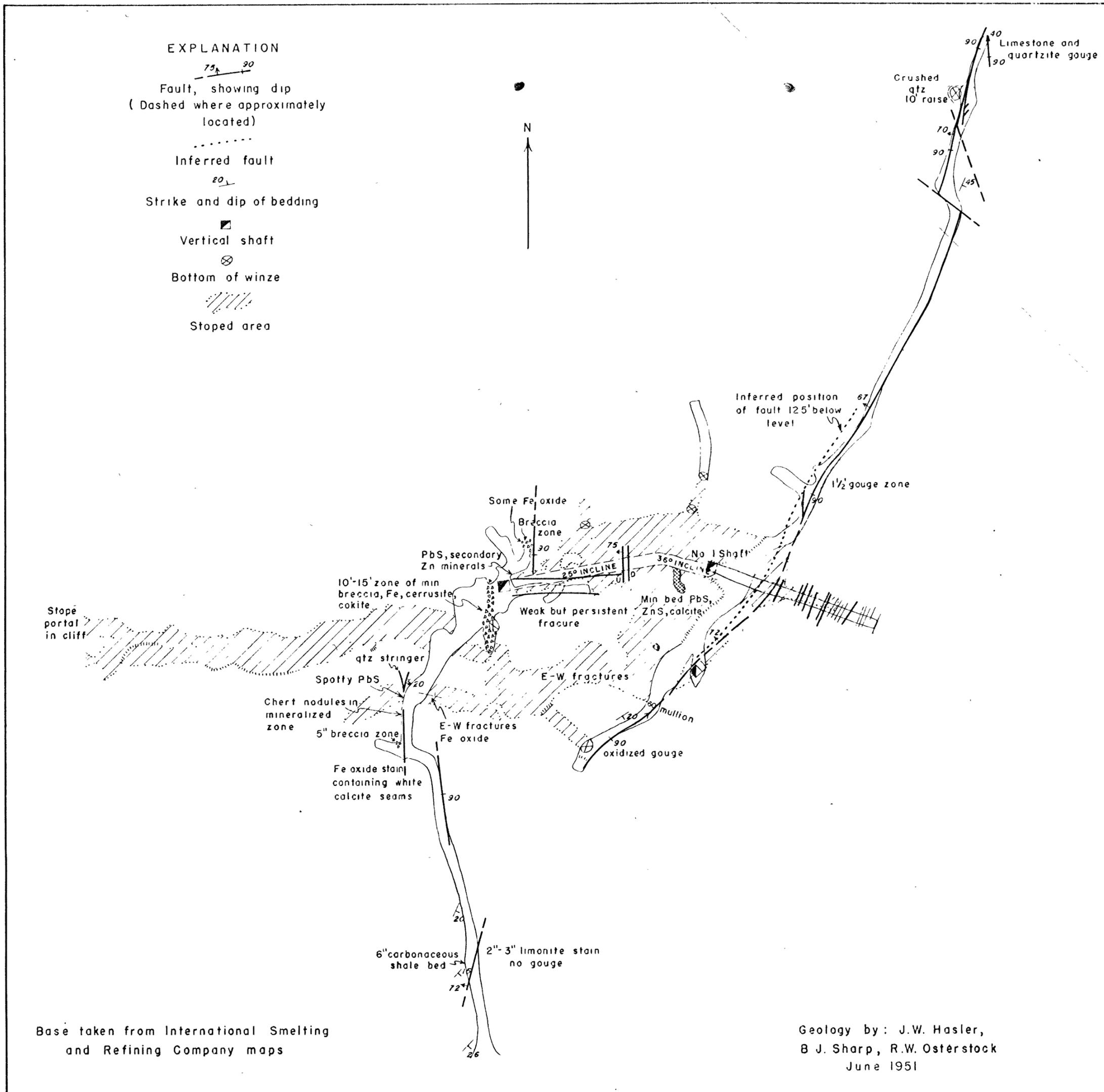
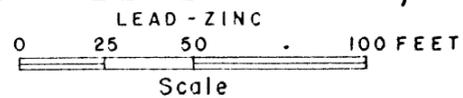


FIG. 3

MAP OF WORKINGS OF LITTLE EVA MINE, JUAB COUNTY, UTAH



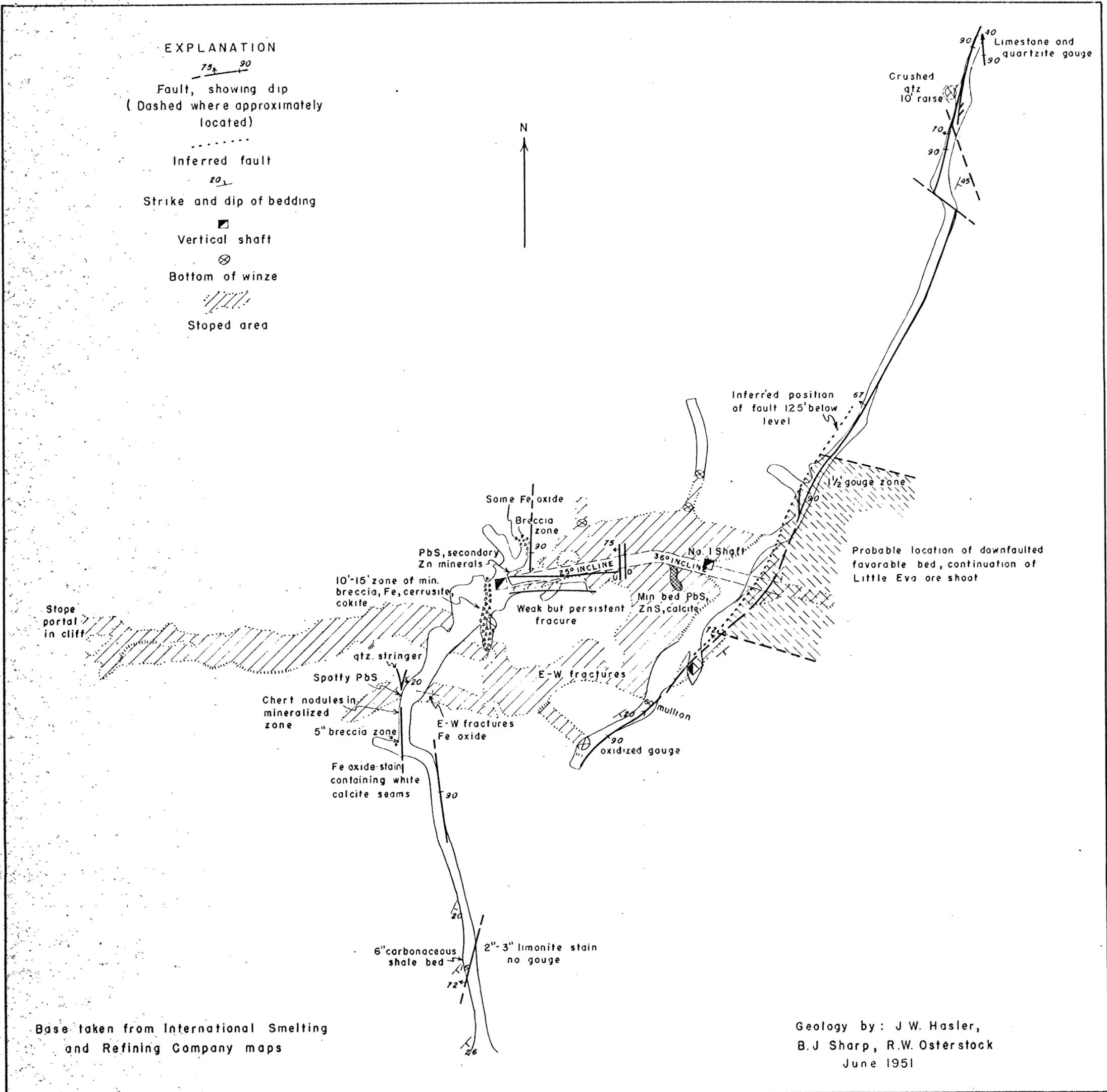
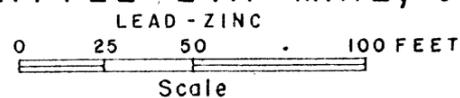


FIG. 3 MAP OF WORKINGS OF LITTLE EVA MINE, JUAB COUNTY, UTAH



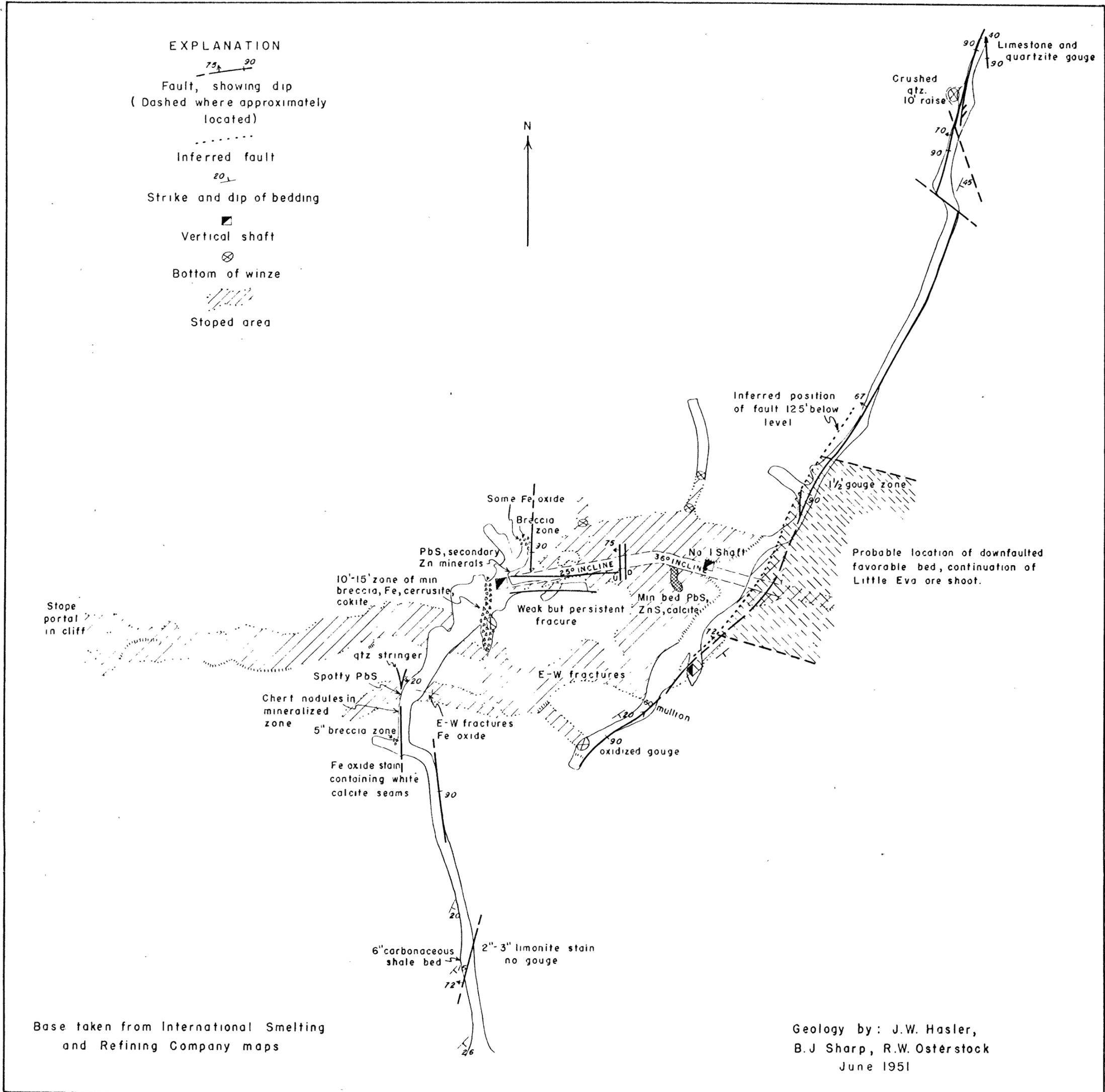


FIG 3

MAP OF WORKINGS OF LITTLE EVA MINE, JUAB COUNTY, UTAH

