Finance
Engineering
Betty

CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of the:

Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

pertaining to Exploration Project Contract No. Idm-888, Docket No. DMA 981X, dated July 27, 1951, including amendments Nos. 1 to 4 inclusive, and Amended Exploration Project Contract No. Idm-888, Docket No. DMA 981, dated May 26, 1953, without amendments, for the period of July 27, 1951 to June 21, 1955, covering a project for the exploration of lead and zinc on property known as the Washington-Idaho Mine, located in the Coeur d'Alene Mining District, Shoshone County, State of Idaho.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reasons:

(a) A major portion ($50,144.19) of the costs was covered by an interim Audit Report and Audit Certificate dated July 6, 1953, issued by B. J. Brekhus, DMEA auditor, and;
(b) all subsequent costs ($5,490.00) incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the Contractor:

Total Cost as billed by Contractor	$55,634.19
Less Proceeds from property disposition	3,660.00
Net Cost as claimed by Contractor	$51,974.19
Exceptions	None
Total Accepted Cost	$51,974.19

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Twenty five thousand nine hundred eighty seven and 10/100 Dollars

--$25,987.10--

is considered valid and proper provided 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.

C. A. Turner, Auditor

June 23, 1955

Schedule of Proceeds from Property Disposition

Idaho Mining Company DMA 981 Idm-E88

Annex I of the amended contract provided that the salvage value of equipment purchased under the prior contract be $3,000.00.

By letter dated June 18, 1955, the Operator bid $660.00 for the surface installations which was accepted by letter dated June 21, 1955 from the Field Team Region I, N. W. District.

Equipment Purchased	$3,000.00
Surface Installations	660.00
Total Salvage	$3,660.00

C. A. Turner, Auditor

June 23, 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

INTERIM AUDIT CERTIFICATE

Grossed
Betty

I have examined the records and transactions of

Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

pertaining to Exploration Project Contract No. Idm-888, including Amendments 1, 2, 3, and 4, Docket No. DMA-981X, for the period July 27, 1951 to March 15, 1953.

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		$50,422.35
Exceptions:		
During this audit	$278.16	
Prior to this audit	-0-	278.16
Total accepted cost		$50,144.19

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Twenty Five Thousand Seventy Two and 10/100 Dollars

** $25,072.10 **

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.

B. J. Brekhus
Auditor

July 6, 1953.

I INTRODUCTION

On June 17 and 18, 1953, an interim audit (covering the period of July 27, 1951 to March 15, 1953) was made of the records and accounts of operations pertaining to Contract No. Idm-888, Docket No. DMA-981X (as amended by the DMEA Executive Officer of Region II, Amendments 1 to 4) with the

Idaho Mining Company
P. O. Box 898
Kellogg Idaho

covering a project of exploration for lead and zinc.

The accounting records under this contract are located in the Company's office at its mine site, which is reached by proceeding six miles east from Kellogg on the main highway, then turning left going up Moon Creek approximately 3 miles.

During the course of the audit the manager, Mr. Bruce E. Allgaier, and the accountant, Mr. James F. McAdam, were consulted as required. Mr. Eric G. Erickson, Mining Engineer, representing the Executive Officer of the DMEA Field Team, collaborated in this audit.

II GENERAL INFORMATION ON RECORDS

The accounting records for the exploration project are completely integrated, through an apparently modern and comprehensive system, with the general accounts covering the Company's exploration development, underground mining and other operations. Material purchases and all other project costs except payrolls are distributed on ledger sheets serving as a cost ledger and the columnar totals used for billing on the MF-104s. Photostatic copies of the cost ledger sheets and the payrolls were submitted with the January

1952 MF-104 and continued until March 1952, which completed the billings made on actual cost basis. Prior to December 1951 transcripts of payrolls and listings of other purchases by vendors were submitted. Documentary support was presented with MF-104s on payments to vendors amounting to $100.00 or over.

The Company's books are maintained by James F. MacAdam, Certified Public Accountant of Spokane, Washington, who makes periodic visits to the site of operations for this purpose, and prepares the information presented in the monthly billings.

III SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety, and validity of the costs shown in the "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher, for the month of February 16 to March 15, 1953. The extent of the audit and the findings under each of the "Items of Cost" follow:

Phase I

Phase I covered rehabilitation of surface facilities and is outlined under Exhibit A of the contract. The principal items of work were as follows:

1. Rebuilding headframe and rock bin (previously destroyed by fire) with electrical and pneumatic connections at shaft.
2. Rehabilitation of compressed air system.
3. Completion of surface water system.
4. Clean and renovate shaft where required.
5. Extend track and air to 300 level working phases, both north and south.

Amendment No. 1 substituted an adit at a fixed amount of $1,000.00 for the retaining wall and backfill specified in (1) above.

An analysis was made of the costs submitted and shown on the March 1953 MF-104. The total costs properly chargeable and allowable under Phase I were:

	Charged	Not Allowable	Allowable
Labor	$ 7,931.02	$	$ 7,931.02
Supervision	3,270.67		3,270.67
Timber	2,640.39		2,640.39
Explosives	921.50		921.50
Pipe	287.75		287.75
Concrete	382.34		382.34
Hardware & small tools	931.86		931.86
Steel Plate & steel	580.60		580.60
Electrical	591.70		591.70
Power and fuel	1,119.09		1,119.09
Misc. Direct Materials	428.13		428.13
Hydraulic Cylinders	192.00		192.00
Installation of Adit	1,000.00		1,000.00
Equipment Repairs	452.86		452.86
Pub. Liab. Insurance	151.98	67.73	84.25
Workmens Comp. Insurance	208.56		208.56
Payroll Taxes	380.49		380.49
Telephone and Telegraph	166.43		166.43
Transportation	909.55		909.55
Bookkeeping	887.50		887.50
Office Supplies	210.43	210.43	-0-
Miscellaneous	518.15		518.15
(1) Equipment Rental	2,119.70		2,119.70
(2) Equipment Depreciation	1,100.00		1,100.00
(3) Equipment Purchased	1,355.15		1,355.15
	$28,737.85	$ 278.16	$28,459.69

(1) Bulldozer 6½ hrs. @ $12.00 $ 75.00
Loader 7 " @ 5.00 35.00
Excavating, 2286 yds. @ .75 1,714.50
Hauling above rock 295.20
$2,119.70

(2) Dep'n on Dodge Power Wagon 7½ mo. @ $150.00 $1,100.00

(3) 1 Jackhammer $ 470.98
1 Jack Leg 167.05
1 Elec. Chain saw 260.00
1 Elec. Sump pump 58.70
Hydraulic Pump Unit for Dodge Power Wagon 398.42
$1,355.15

1050
75
1125

Rehabilitation under Phase I was completed in March 1952. The accounting records provided a partial analysis of the material costs as allocated to the various subsections of Phase I. However, as breakdowns of other costs were not available, presentation of costs by subsections is not included herewith. In order to obtain the detail above presented a substantial number of bills and original documents were examined. The examination was made as follows:

Payroll records from the day physical work started on the contract (Aug. 22, 1951) to completion of work reimbursable on a cost basis (March 31, 1952), were examined. Spot checks were made to paid checks to verify payments of wages and salaries. Invoices for timber, pipe, concrete, hardware and small tools, steel plate and steel, electrical, power and fuel, hydraulic cylinders, and other miscellaneous direct materials were examined. The cost of explosives is represented by two tons on hand at beginning of work plus a small amount purchased as the work progressed.

Cost of repairs, insurance, payroll taxes, telephone and telegraph, transportation, bookkeeping, office supplies and other miscellaneous costs, were spot checked to cost ledger sheets and supporting documents. Public liability insurance on the truck, required by law, was adjusted to eliminate cost of coverage beyond March 1952, when Phase I was completed. Cost of office supplies was disallowed as this is an overhead item normally classified as general and administrative expense.

Equipment rental included a bulldozer, loader, power shovel, and dump trucks. While Exhibit A, Phase I of the contract calls for rental of a power shovel and dump truck at an estimated rental of $30.00 per hour, the

operator performed the work by engaging these items of equipment at a fixed price per cubic yard. This provided a better control of the total amount to be paid for the work. The representative of the DMEA Executive Officer of the Field Team approved the rate as reasonable and the amount of work done as necessary and according to the terms of the contract.

Smaller items of equipment were purchased and have been approved by the Executive Officer of the DMEA Field Team. This equipment, amounting in value to $1,355.15, along with two items of equipment authorized for Phase II in the sum of $3,684.50, (total $5,039.65) have been taken into consideration in executing an amended contract dated May 26, 1953, wherein the value of the equipment as of that date was agreed to be $3,000.00, for which the Government may deduct $1,500.00, its pro rata share upon completion of Phase II A.

Phase II

Phase II as finally executed, is governed by Amendment 3 of the original contract. This phase called for drifting 500 feet at an agreed unit price of $36.00 per foot, or $18,000.00. In addition, the purchase of two items of equipment was authorized for a total sum of $4,085.00. These items of equipment were purchased for $3,684.50 and consisted of:

1 Model 401 Eimco Locomotive	$2,004.50
4 Apex 30 cu. ft. 18 Ga. Side Dumps	1,680.00
	$3,684.50

The amounts as authorized for Phases I and II were as follows:

Phase I (Per contract dated 7/27/51)	$18,158.00
Phase II " " " "	31,920.00
	$50,078.00

As Phase I was completed it was found that the actual cost exceeded the estimated cost by over $10,000.00. Amendment No. 3 was then executed calling for performance of Phase II on a unit cost basis of $36.00 per foot for drifting 500 feet, plus additional amounts for two items of equipment to be purchased as outlined above. It was stated by the operator's manager and the representative of the DMEA Field Team Executive Officer, that the intention at the time of executing Amendment No. 3 was to bring the total cost of both phases within the limitations as originally written.

Exhibit A of the amended contract dated May 26, 1953, established maximum amounts allowable for Phase I and II as follows:

Phase I	$28,737.85
Phase II	21,684.50
	$50,422.35

The approved costs as shown on Exhibit A attached to this report are:

Phase I	$28,459.69
Phase II	21,684.50
	$50,144.19

IV CONCLUSIONS AND RECOMMENDATIONS

This audit has disclosed that all costs as charged to this project, with the exception of the disallowances under Item (5), Initial Rehabilitation and Repairs as detailed in a preceding section of this report, are reasonable and proper under the terms of the contract, including the Exhibit A as amended. The costs audited are the total costs of Phase I and II. The remaining cost as covered by the amended contract dated May 26, 1953, is on a unit cost basis, calling for a maximum additional expenditure

of $72,150.00. The original contract called for a total expenditure of $123,738 00 which was reduced by the amended contract dated May 26, 1953 to $122,572.00.

The adjustments between Items of Cost, as shown on the March 15, 1953 MF-104, the recommended disallowances, and approved amounts, are summarized as follows:

Items of Cost	Totals March MF-104	Distribution Corrected	Disallowed By Audit	Allowed By Audit
(1) Short Form Contract:				
Drifting 500 ft. @ $36.00 per ft.	$18,000.00	$18,000.00	$	$18,000.00
(2) Labor and Supervision:				
Labor	8,818.52			
Supervision	3,270.67			
(3) Operating Materials & Supplies:				
Explosives	921.50			
(4) Operating Equipment:				
Rental	2,009.70			
Purchase	4,919.00	3,684.50		3,684.50
Depreciation	1,100.00			
(5) Initial Rehabilitation & Repairs:	2,755.51	28,737.85	278.16	28,459.69*
(6) New Buildings, Improvements, etc.	5,140.45			
(7) Miscellaneous:				
Repairs to Equipment	437.06			
Payroll Taxes	589.05			
Liability Insurance	151.98			
Power	1,119.09			
Other	1,189.82			
Totals	$50,422.35	$50,422.35	$ 278.16	$50,144.19

*Includes $3,815.95 for rehabilitating shaft.

At the conclusion of the audit the findings were discussed with Mr. Bruce E. Allgaier, manager, and Mr. James F. McAdam, CPA, accountant for the firm.

B. J. Brekhus
Auditor

July 6, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 21 1952

Docket Copy
Amer 981
(Lead, Zinc)

AMENDMENT NO. 1

It is agreed this 4th day of February 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and the Idaho Mining Co., an Idaho Corporation, 711 Hutton Bldg., Spokane 8, Wash.

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-868 of July 27 1951 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached therto, is made a part of this aggrement. The effective date of this amendment shall be July 27 1951.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

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

Executed in sextuplicate the day and year first above written.

IDAHO MINING COMPANY
(Operator)

By [signature]
Secretary

The United States of America

By [signature]
M. E. Volin, Acting Exec. Officer
DMA Field Team, Region II

This amendment adds to phase I the cost of a 10 x 10 x 130 ft. level adit. This tunnel is said to replace the retaining wall and back fill specified in the contract which calls for reconstruction and rehabilitation of headframe and existing facilities, and preparing mine for exploration in the estimated amount of$18,158. Review of the contract does not clearly indicate whether the tunnel will completely replace the work specified in Phase I as to headframe and rock bin. In the equipment to be rented, it is noted that a 3/4 yard power shovel and dump truck are to be rented at $1500 to remove a hill slough and replace retaining wall. It is thus indicated that the $1000 cost for the tunnel will show a considerable saving in the cost previously allowable for Phase I and permit the subsequent phases of the exploration project to be performed. The amendment is therefore approved.

D. E. Mo[illegible]

mch

IDAHO MINING COMPANY
Exploration Project Contract Idm-E88

Amendment No. 1

EXHIBIT "F"

Changes and modifications:

In Exhibit "A", Phase I, Reconstruction and rehabilitation of headframe and existing facilities and preparing mine for exploration, add:

The Government will participate in the cost of a 10 x 10 x 130-foot level adit to an amount not exceeding $1,000.00.

The above mentioned adit will completely replace the retaining wall and backfill specified in the contract, and no further charge for a retaining wall, cribbing, or backfilling shall be made against the contract.

Brought for Murbright
Herres
6/5/51

Defense Minerals Administration 6-20-51

Review of Application for Exploration Assistance

To: Director, Production Expansion Division

From: Director: Supply Division

Docket No. 981

Commodity Zinc-lead

Total Amount $ 185,840.00

Govt. Participation $ 92,920.00

1. Name and Address of Applicant Idaho Mining Company, An Idaho Corporation, 711 Hutton Building, Spokane, Washington

2. Location of Property 23 unpatented claims, a fractional claim, and millsite, located on the West Fork of Moon Creek, Coeur d'Alene Mining District, Yreka Sub-district, and lying within sections 26, T. 29 N. R. 3, E B.M. Shoshone County, Idaho

3. Mineral or metal Zinc-lead Is it listed in Section 9 of MO-5?

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 field team memo to Otto Herres 6/4/51

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project? (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?

Does the lease have sufficient time to run to cover a future productive period?

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201? _____

b) MF-202 _____

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? No

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? No

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes

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? _____

_____

_____

_____

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. see contract attached

e) Are the cost estimates reasonable? See attached note

f) Should more information be requested from applicant? No

g) Is a field examination necessary to complete Exhibit A? No

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

b) If so, are sufficient data furnished? Yes If so, attach a draft. see attached contract

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? Yes If so, attach a draft. Exhibit "C" of attached contract

c) Are rents and charges reasonable? See attached note

d) Is a field check needed? No

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes, see note attached

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Higher than average

e) Is a field check needed? No

10. (e) The costs are high because wages and salaries are higher than average for the district, rental costs and some items of equipment are excessive.

12. (c) Refer to Exhibit C of contract. Equipment to be rented: A sinking hoist is listed to be rented; the operator has an electric hoist at the collar of the shaft which is to be deepened. One hoist in the shaft seems ample and more efficient. Ten mine cars, at $500 each, are listed to be purchased, mine cars (number not stated) are listed under equipment furnished by operator. A total of eight cars are ample for the exploratory work outlined. A total of six pumps are shown - 2 air sump pumps and 4 electric - no data is given as to pump capacities or amount of water to be handled, therefore, the number of pumps required is indeterminate, but seems excessive. For the above reasons the costs are high.

13. (b) The proposed work can be completed in the time allowed provided Phase III is started as early as possible to permit time for completion of Phase IV.

14. Exhibit E (question 23-c)*

a) Is it applicable? Yes

b) Sufficient data? Yes

c) Reasonable? Yes

d) Field check needed? No

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.
On a geologic basis I recommend that the project be approved (A.V. Heyl)
Approved, subject to notations made herein. (G. A. Apell)

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?

Reviewed by: Allen V. Heyl (GS)

G. A. Apell (BM)

Date 6/20/51

97692

Dma-981

APPLICATION FOR EXPLORATORY LOAN

by

IDAHO MINING COMPANY

- - -

1. APPLICANT:

IDAHO MINING COMPANY, an Idaho corporation
711 Hutton Building, Spokane, Washington
Main Office.

2. TYPE OF ASSISTANCE REQUESTED:

Applicant requests assistance from the Defense Materiel Authority in connection with the following exploratory program, hereafter set forth which applicant estimates and believes adviseable to spend, to-wit: $50,000.00.

3. EQUIPMENT OF APPLICANT:

Applicant owns and has installed a surface plant consisting of:

Powder Magazine, capacity about 7½ tons of dynamite,
Petroleum products storage,
Temporary "dry" and change house,
Material for 3,000 Gal. tank to provide water for fire protection, showers, and domestic use,
Hoist-Compressor room, shop, and supply room,
Mine office, providing engineering and drafting space and general office facilities,
Ore bin, capacity approximately 50 tons,
Washington Water Power Co. sub-station of two 1,000 KVA, 13,000-2,400 volt transformers complete with metering and master-switching equipment,
WIMCO Electric Power Transforming Station, capacity 150 KVA, 2,400-440 volt, 3-phase; by 3 Westinghouse 50 KVA transformers,
20 KVA, 2,400-110/220 volt, single-phase; by 2 Westinghouse 10 KVA transformers,
200 cu. ft. Air Receiver tank,
Modern shop providing for construction, maintenance and repair,
Ottumwa single drum hoist, Westinghouse 40 h.p. electric motor and controls, capacity 6,000 lbs. at 300 ft. p.m.
U. S. 40 h.p. electric motor driving a Worthington turbine pump, consisting of 350 ft. of drive-shaft, enclosed in a 6-inch water jacket connecting motor and pump. Capacity 350 gal. per minute at 350 feet of head,
Coeur d'Alene-built combination mine cage and skip. Skip capacity approximately 30 cu. ft. complete with automatic dump irons,
Worthington air-cooled compressor with 75 h.p. Allis-Chalmers electric motor. Capacity approx. 400 cu. ft. of air p.m.
Power wagon. A 4-wheel drive, Dodge-built 1-ton truck complete with winch, 250 ft. cable and snow plow. Provides haulage, crane, or hoist capable of handling sizeable loads.
Gardner-Denver mine car loader,
All necessary drifters and stopers.

4. MINING PROPERTY:

The mining property consists of 23 unpatented claims, a

WELLMAN CLARK
ATTORNEY AT LAW
711 HUTTON BUILDING
SPOKANE 8, WASH.

4. MINING PROPERTY (Continued):

fractional claim, and millsite held in compliance with State and Federal mining law, all of which have been surveyed for patent, and located on the West Fork of Moon Creek, Coeur d'Alene Mining District, Yreka Sub-District, Shoshone County, State of Idaho, and lying within sections 26, Township 29 N., Range 3, E.B.M.

The property is ideally situated with respect to year-around mine operation. Adequate water is available for any and all mining, milling and domestic needs. Timber sufficient for many years use is available on the ground. A well-maintained Forest Service road connects the mine plant with U. S. highway No. 13, three miles distant. U. S. No. 10 is a paved highway passing through the smelter city of Kellogg and the supply and shipping center of Wallace. Foundries, machine shops, sawmills, etc. are at hand in the district. The property is served by a 13,000 volt line supplying reliable electrical service over the Washington Water Power Company system. Power rates are among the lowest in the nation. A Union Pacific Railroad siding is located about three miles distant at Shont's Spur.

5. DEVELOPMENT:

The primary development of the property is by a two-compartment vertical shaft sunk about 350 feet from which have been driven tunnel levels at vertical intervals of about 100 feet. The total development from this work aggregates roundly 2,440 feet. In addition, some 4,000 feet of surface tunnels have been driven.

Generally, these workings are driven in and along an east-west striking and south dipping shear or fractured zone varying in width from 150 to 300 feet. This shear can be traced by bold outcroppings along the entire length of the property, a distance of some 9,000 feet; and presumably continues northeastward to the vicinity of the Dayrock near Wallace, several miles distant. It has been characterized by several competent observes as one of the most prominent structures in the District (Holbert, Reese, Woods, et al).

6. EXPLORATORY PROGRAM:

In the development of the property a crosscut was extended on the 300 level to the north-east (marked in blue on Composite Plan attached hereto.) This crosscut cut a quartz vein eight to ten feet wide. Recent samples from this vein ran as follows: Silver 2.38 oz., lead 1.32 per cent, zinc 13.8 per cent. Applicant proposes to explore this vein by drifting to the west and east thereon and by raising to higher levels. If the structure developed by drifting so warrants, applicant proposes to explore the downward extension by diamond drilling. Applicant believes that $50,000.00 will either prove or disprove a commercial ore body on this structure.

7. TITLE:

Title to the mining property, mill machinery and equipment lies in the applicant subject only in the case of the mining property, to the paramount title of the U. S. Government, the claims being unpatented.

WELLMAN CLARK
ATTORNEY AT LAW
711 HUTTON BUILDING
SPOKANE 8, WASH.

Application for Exploratory Loan by
Idaho Mining Company

8. MANAGEMENT:

The officers of applicant consist of the following:

President and Director - Ben Zimmerman, Poplar, Montana, Rancher.
Vice-President and Director - Ernest E. Henry, Spokane, Washington, Banker.
Secretary - Wellman Clark, Spokane, Washington, Attorney-at-Law.
Treasurer - J. D. McAdam, Spokane, Washington, Certified Public Accountant.
Manager - Bruce E. Allgaier, Kellogg, Idaho, Engineer.

Mr. Allgaier's qualifications are as follows: B. S., Oregon State College (major bio-chem., minor geology and soils); Research fellow, State College of Washington; 3 years sub-contracting, construction and maintenance, Standard Oil Company of California; one year Consulting and Research Dept., Washington Water Power Company; one year Physical Survey Division, Soil Conservation Service; four years, The B. F. Goodrich Company, Engineering Division - Industrial Products Research serving such firms as The Anaconda Copper Mining Co. (Butte, Anaconda, Great Falls), Bradley Mining Co. (Stibnite) and logging and trucking firms through the Pacific Northwest; four years in charge of operations for the Idaho Mining Company, or their predecessor, the Washington-Idaho Mining Co. at the applicant's property.

Engineers and Consultants - Preston and Reynolds, Mine Engineers and Geologists, Kellogg, Idaho.

9. MAPS ATTACHED:

Claim Map.
Composite Plan of Mine Workings.

Applicant will furnish such additional data as the Defense Materiel Authority may require, including full and complete financial statements.

IDAHO MINING COMPANY

By Ernest E. Henry
Vice-President

Attest:

Wellman Clark
~~Assistant~~-Secretary

WELLMAN CLARK
ATTORNEY AT LAW
711 HUTTON BUILDING
SPOKANE 8, WASH.

IDAHO MINING COMPANY

Existing Facilities:	Cost of Repair or Rehabilitation
1 - Powder Magazine	None
1 - Petroleum Products Storage Shed	None
1 - Temporary Dry and Change House	None
1 - Hoist and Compressor Room, Combined with Shop and Supply Room	None
1 - Mine Office	None
1 - Washington Water Power Co. Sub Station, Equipped with 2 100 KVA Transformers	None
1 - Electric Transforming Station, Capacity 150 KVA	None
1 - Ottumwa single Drum Hoist with Controls	None
1 - Worthington Air Cooled Compressor with Motor and Controls	None
1 - 500 cu. ft. Air Receiver Tank	$200.00
1 - 3,000 gal. Water Tank	750.00
1 - Turbine Pump with Electric Drive and Controls to be re-installed in new head frame	200.00
1 - Mine Cage and Skip, to be re-installed in New Head Frame	200.00
1 - Dodge Power Wagon Truck	None
1 - Gardner-Denver Mine Car Loader	None
1 - Drifter and 1 stopper complete with all accessories	None
1 - Shop Equipped with electric Acetylene tools, Forge and all Essential Shop Tools	None
1 - 5 Room House	None

Note - The costs of repairs and rehabilitation are included in the Phase estimates.

EXHIBIT #

IDAHO MINING COMPANY
(An Idaho Corporation)
Spokane, Washington

BALANCE SHEET - June 30, 1951

- - - -

A S S E T S

Cash in Banks	$21.28	
Guaranty Deposits	150.00	
Autos and Trucks	3,694.10	
Shop Equipment	272.40	
Mining Equipment, Movable	6,188.67	
Mining Equipment, Stationary	16,355.76	
Power Transmission Equipment	4,781.79	
Buildings	38,727.11	
Mining Properties	654,889.53	
Subscriptions to Capital Stock	.75	
Expenditures for Development and Other Expenses, August 1, 1950 through June 30, 1951	16,069.99	
Total Assets		$741,151.38

L I A B I L I T I E S

Current Liabilities:		
Accounts Payable	$13,043.60	
Accrued Payroll	4,532.96	
Loans Payable	11,894.45	
Accrued Payroll Taxes	526.92-	
Account Payable, Hospitalization	207.31-	
Contract Payable, Idaho Machinery Co.	1,112.98	
Total Current Liabilities		$31,318.22
Deferred Liabilities:		
Advances from Stockholders		11,334.11
Total Liabilities		42,652.33

C A P I T A L & S U R P L U S

Capital Stock Authorized		$875,000.00		
Less: Unissued Stock	$245,832.50			
Treasury Stock	59,683.75	305,516.25		
Capital Stock Outstanding			569,483.75	
Capital Surplus			129,015.30	
Total Capital and Surplus				698,499.05
Total Liabilities, Capital and Surplus				$741,151.38

A conference between Mr Hoffland, Mr Clock Secretary of the Company and Blakemore on the afternoon of July 24th 1951, Mr Hoffland stated subordination of above liabilities was not necessary -

RPP

IDAHO MINING COMPANY

EXHIBIT A:
Phase III:

± 3 Months $56,890.00

Work to consist of installation of sinking hoist at 300 station and sinking 200 feet.

Sinking to cost $110.00/ft. (direct labor and materials cost)	22,000.00
Equipment Rental	12,150.00
Purchase Switchgear, Transformer and Connecting Cable	1,450.00
Purchase 2 air Pumps @ $385 ea.	770.00
Installation Materials as Timber, Wire rope, Sheaves, Skip, Dump irons, Skip pocket	2,750.00
Supervision, Hoistmen, cagers, Surface Labor	16,270.00
Miscellaneous small tools as skill saws, timber framing materials, mine phones, and Power	1,500.00
	$56,890.00

Phase IV:

± 3 Months $53,350.00

Work to consist of (a) cutting station and skip pocket on 500 level; (b) crosscutting north and south to establish downward extension of two vein structures probed on 500 level above - aggregate of ± 1,000 ft. of crosscut; (c) drift ± 50 ft. on each of two structures to evaluate the structures to some extent.

Station and Pocket:

Materials and Labor	$1,200.00
Equipment Rental	11,250.00
1,000 ft. Crosscut @ $25/ft. (Including direct labor & materials cost)	25,000.00
100 ft. drift @ $30/ft. (Including direct labor & materials cost)	3,000.00
Supervision, Hoistmen, Cagers, Surface Labor	11,400.00
Miscellaneous Small Tools, Maintenance and Power @ $500/mo.	1,500.00
	$53,350.00

Total job without integrating phases of work as outlined above. $185,840.00

WELLMAN CLARK
ATTORNEY AT LAW
111 HUTTON BUILDING
SPOKANE 8, WASH.

EXHIBIT A - Phases III and IV

NON-PRIVILEGED DOCUMENT

TO BE PHOTOCOPIED AND PRODUCED

DO NOT CODE

BATES NO. 0418

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

PROJECT SUMMARY REPORT

W. R. Griswold June 20, 1956

1. Docket No. DMEA-981 (Lead-Zinc)
Contract No. Idm-E88
Property: Washington-Idaho Mine
Shoshone County, Idaho

Operator: Idaho Mining Company
Post Office Box 898
Kellogg, Idaho

Operator's Property Rights: Owner

2. Contract dated July 27, 1951. Amended Contract dated May 26, 1953.

Phase I

Reconstruction and rehabiliation of head frame and existing facilities and preparing mine for exploration.		$ 28,737.75

Phase II

500 feet of drifting		$ 21,684.50

Phase IIA

500 feet drifting @ $36.00/ft.	$18,000.00	
150 feet long hole drilling @ $1.	150.00	18,150.00

Phase III

200 feet shaft sinking @ $170.00/ft.	$34,000.00	
Cutting skip pocket	2,000.00	36,000.00

Phase IV

500 feet drifting @ $36.00/ft.	18,000.00
Total estimate cost of the project	$122,572.00
Government's participation @ 50%	$ 61,286.00

Amendments

No. 1 Dated February 4, 1952.

Permits 10' x 10' x 130' adit in lieu of retaining wall and backfill.

No. 2 Dated May 8, 1952.

Changes completion period to 18 months from contract date.

No. 3 Dated October 6, 1952.

Drifting under Phase I of contract is to be done for $36.00 per foot plus purchase of 4 mine cars and air trammer for cost of $4,085.00.

No. 4 Dated December 16, 1952.

Completion period extended to 24 months.

Amendment to Amended Contract.

No. 1 Dated March 19, 1954.

Project work recessed until July 1, 1954.

Completion period extended to January 1, 1955.

"Pseudo" certification, having all the effect of a certification, to take effect if work was not resumed by July 1, 1954. Also project would automatically terminate as of such date; if work not resumed.

Work Completed

PHASE I			
	Reconstruction and rehabilitation of head-frame and existing facilities and preparation of mine for exploration.		$28,459.69
PHASE II			
	Equipment purchases	$ 3,684.50	
	500 ft. drifting @ $36.00/ft.	18,000.00	21,684.50

Work Completed (continued)

PHASE IIA

152.5 feet drifting @ $36.00/ft.	$ 5,490.00
Total cost of project	$55,634.19
Less proceeds property dispostion	3,660.00
Total net cost of the project	$51,974.19
Government's share at 50%	$25,987.10

Project terminated July 1, 1954 by failure of the Operator to resume work as required by Amendment No. 1 to Amended Contract.

3. Report of Review issued June 23, 1955.

Final Field Team Report April 1956.

4. Certificate of Discovery - None.

5. Comments

The purpose of the exploration was to explore zinc-bearing veins that were known to be on the 300 level of the Washington-Idaho mine. The headframe had been destroyed by fire and the mine flooded so that the first contract work was construction of a headframe and rehabilitation of the shaft. A total of 652.5 feet of drifts and crosscuts was completed on the 300 level under the contract without encountering any significant ore. Geologic work in the Coeur d'Alene district subsequent to the start of contract work indicates that there is little chance of finding significant ore deposits in this area north of the Osburn fault.

With the present data available on the area no further exploration with Government assistance can be recommended.

The first phase of the contract was rehabilitating the surface plant, constructing the headframe and repairing the shaft collar destroyed by fire, dewatering the shaft, and rehabilitating the 300 level. The work under Phase I started in September 1951 and was completed in March 1952 except for retracking and piping the 300 level north. The work was delayed and costs increased by the Operator's lack of funds, a labor strike, sloughing of walls of the excavation at the shaft site caused by heavy autumn rains, heavy snowfall, and more repairs than were anticipated to the top section of the shaft.

Copy to: Docket
Base Metals
Chron.

W. R. Griswold

☒ Audited [redacted]K ANALYSIS SHEET - DMEA PROJEC[redacted] ☐ Actual Cost

☒ Certified P50. Analysis as of 7/15/55 * ☒ Agreed Unit Costs
Incl. Voucher for Sept. 1953

Name IDAHO MINING COMPANY Docket No. 981X

State IDAHO Commodity LEAD-ZINC-SILVER-COPPER-E No. 88

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting (5'x7') *	1,500'	$54,000.00	652.5'	$23,490.00	$23,514.50
Raising					
Shafts *	200'	34,000.00			
Winzes					
Drilling (Specify) Long Hole *	150'	150.00			
[redacted]e Excavation					
Underground Excavation cutting Skip Pocket *		2,000.00			
Roads and Trails					
Operating Equipment Purchased	①	3,684.50		3,684.50	24.50
Initial ~~Surface~~ Rehabilitation & Repairs	①	28,737.50		28,459.69	28,459.69
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$122,572.00		$55,634.19	$51,974.19

Proceeds of Property Disposition $3,660.00

Checked Audit.

① maximum allowable.
Project Terminated.
Project Terminated 12/31/55 - none.

Prepared by W. P. Rugeschel

Copied.

71626

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: January 1 to June 30, 1956 Date of exam: May 31, 1956

Operator: Idaho Mining Company, 711 Spokane-Eastern Building, Spokane, Washington

Mine name: Washington-Idaho

County and State: Shoshone County, Idaho

Docket number and commodity: DMEA-981 (lead-zinc)

Contract number: Idm-E88

Date of contract: July 27, 1951 (Amended May 26, 1953)

Date of certification: March 19, 1954 (per Amendment No. 1 of Amended Contract)

Expiration date of royalty payments: July 27, 1963

Total amount of contract: $122,572.00

Total expenditures under contract: $ 51,974.19

Amount of Government participation at 50%: $ 25,987.10

Royalty payments this period: none

Previous royalty payments: none

Total royalty payments to date: none

Percent Government participation repaid: none

Royalty due on production to date: $34.02

Royalty remarks: Royalty due is from the sale of about 5 tons of lead and zinc concentrates recovered from a mill test. Operator has stated they would consider this liability at the next director's meeting and would no doubt make payment.

Original estimate of reserves (from final Engr.-Geol. report):	"The project work failed to find anything that could reasonably be classified as 'ore reserves'."
Increase (or decrease) of reserves by work performed subsequent to original and last Field Team estimates:	none
Revised estimate of reserves:	none
Production this period:	none
Amount of previous production (since date of contract):	none
Total DMEA production to date:	none
Percent of revised reserves mined:	none

Production remarks:

The property is leased to Pioneer Corporation. It is idle at present and the company has no operating plans for the immediate future.

Other remarks: none

Signed: E. G. Erickson (Engineer)

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

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

RECEIVED
APR 26 1956

April 19, 1956

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

Re: Docket No. DMA-981X (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract No. Idm-E88

Dear Mr. Selfridge:

Enclosed are four copies of a Field Team final report written by Eric G. Erickson, Mining Engineer, Bureau of Mines, and James J. Quinlan, Geologist, Geological Survey, on the Washington-Idaho mine.

The authors state that a certification of discovery is not warranted by the findings of the exploration project but that Amendment No. 1 to the Amended Contract incorporates a pseudo-certification. No further exploration with Government assistance is recommended.

By Field Team, Region I, NW District

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Verne C. Fryklund, Jr., Acting Member
U. S. Geological Survey

Enclosures
cc: USBM(2)
USGS(SRO)
Quinlan

Reviewed by
DMEA OPERATING COMMITTEE
4-30-56
(date)

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 26 1956

FIELD TEAM, REGION I
Northwest District

FINAL REPORT

Amended Contract Idm-E88

by

Eric G. Erickson
Mining Engineer
U. S. Bureau of Mines

James J. Quinlan
Geologist
U. S. Geological Survey

IDAHO MINING COMPANY
P. O. Box 898
Kellogg, Idaho

Docket No.:	DMA-981X
Commodity:	Lead-Zinc
Prior Contract date:	July 27, 1951
Amended Contract date:	May 26, 1953
Termination date:	July 1, 1954

Final Field Team Rpt

Reviewed by
DMEA OPERATING COMMITTEE
4-30-56
(date)

WASHINGTON-IDAHO MINE
Coeur d'Alene Mining District
Shoshone County, Idaho

Spokane, Washington

April 1956

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ILLUSTRATIONS

Plate 1 - Adit Level Geologic Map of the Washington-Idaho Mine

2 - 100 Level, Geologic Map of the Washington-Idaho Mine

3 - 200 Level, Geologic Map of the Washington-Idaho Mine

4 - 300 Level, Geologic Map of the Washington-Idaho Mine

FINAL REPORT

IDAHO MINING COMPANY
Washington-Idaho Mine
Coeur d'Alene Mining District
Shoshone County, Idaho

Amended Contract Idm-E88

* * * * * *

INTRODUCTION

This report describes an exploration project at the Washington-Idaho mine, Coeur d'Alene Mining District, Shoshone County, Idaho, conducted jointly by the Idaho Mining Company and the Defense Minerals Exploration Administration.

Summary

The purpose of the exploration was to explore zinc-bearing veins that were known to be on the 300 level of the Washington-Idaho mine. The headframe had been destroyed by fire and the mine flooded so that the first contract work was construction of a headframe and rehabilitation of the shaft. A total of 652.5 feet of drifts and crosscuts was completed on the 300 level under the contract without encountering any significant ore. Geologic work in the Coeur d'Alene district subsequent to the start of contract work indicates that there is little chance of finding significant ore deposits in this area north of the Osburn fault.

Recommendations

A certification of discovery is not warranted by the findings of the exploration project; however, Amendment No. 1 to the Amended Contract incorporates a pseudo-certification.

The probability of disclosing any minable ore shoots in the area near the shaft that has already been explored to the 300

level appears quite remote. However, continuing the exploration headings northeast and southwest in the north and south sections, respectively, of the 300 level has some merit although the possibility of a worthwhile discovery in either direction appears to be a geologic long shot.

With the present data available on the area no further exploration with Government assistance can be recommended.

LOCATION AND ACCESSIBILITY

The Washington-Idaho mine is on the West Fork of Moon Creek in sec. 26, T. 29 N., R. 3 E., B.M., Shoshone County, Idaho. The property may be reached by traveling east from Kellogg, Idaho, on U. S. Highway 10, a distance of 3 miles to the confluence of Moon Creek and the South Fork of the Coeur d'Alene River, thence north 2 miles over the graveled Forest Service road along Moon Creek to the forks of the creek and road, thence northwesterly 1-1/2 miles on the Forest Service road following the west fork of Moon Creek.

The terrain in the immediate vicinity of the mine is rugged, and the mountain slopes are covered with a heavy growth of timber and underbrush.

The winters are severe, and the snowfall is heavy. The valley is inhabited to within 1 mile of the mine, and the road is kept open the year-round.

PROPERTY

The Operator's property rights as set forth in Article 2 of the contract consist of 23 lode mining claims, a fractional lode claim, and a millsite, all unpatented. The list of claims is as follows:

Annex	Extension	Mill Site
Bessie (Bess)	Extension No. 2	Monte (Montie)
Billy Boy	Extension Fraction	Pack Sack
Black Bass	Half Moon	Ruby
Black Bird	Happy Thought	Seal
Crescent	Idaho	Shark
David B.	Josephine	Western
Elsie	Lost Cabin	Whale
Elsie No. 2	Mabel	

History 1/

The first claims of the present group listed above were located in 1889 on the quartz vein running across the valley. The group was enlarged through the years by several parties. There were numerous pits, tunnels, and shallow shafts excavated in the course of performing the annual assessment work necessary to hold the claims.

The Washington-Idaho Mining Co. was incorporated in October 1927 to develop this group of lode claims. In 1932 the workings on the property included a 340-foot two-compartment shaft, 88 feet of shallow shafts, about 400 feet of open cuts, approximately 3,900 feet of adit tunnels, crosscuts, and drifts. The property was inactive, except for annual assessment work, from 1933 until 1948.

A small mine plant was set up during 1948, and as funds were available, underground work was carried out. In August 1950 the newly incorporated Idaho Mining Company acquired the interests of the Washington-Idaho Mining Co.

In the spring of 1951 a fire destroyed the headframe, and work was terminated. The headframe and surface plant were rebuilt under a DMEA exploration project contract, and subsequent exploration was performed.

The present mine workings connected to the two-compartment 340-foot shaft consist of three levels. The shaft collar elevation is 2,631 feet and the elevations of the No. 1, 2 and 3 levels are 2,505 feet, 2,403 feet, and 2,318 feet, respectively. The extent of workings on each level is approximately 850 feet, 400 feet, and 1,700 feet, respectively. The ground conditions are good, and level workings stand well. Occasional rock bolts or sets of timber were required to support short sections.

There is an adit level east and west of the shaft into the canyon slopes at approximately the 2,628-foot altitude. The west adit workings total about 870 feet and the east adit workings about 670 feet.

The underground workings are ventilated by mechanical blowers, and the workings of the shaft are drained by intermittent operation of a 350 g.p.m. electrically-driven turbine-type pump. The shaft and connected workings are flooded at the present time.

The surface plant is well constructed and in good condition. The plant consists of an office building, headframe and attached ore bins, modern change house, petroleum storage, powder

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1/ Data on past history was furnished by Bruce E. Allgaier, manager for the Idaho Mining Company.

magazine, and a combination building housing hoist, compressor, workshop, and storeroom. The plant is serviced with electric power, and domestic and fire protection water is pumped from a small tributary to Moon Creek flowing by the mineyard to a 3,000-gallon storage tank.

The mining equipment includes a 40 h.p., single drum electric hoist, combination cage and 30-cubic foot skip, 400-cubic foot compressor driven by a 75 h.p. electric motor, mechanical loader, four 30-cubic foot mine cars, air trammer, stopers and drills, small mining tools, sundry shop tools and equipment adequate for small repair work.

GEOLOGY

The mine is just north of the area recently mapped by the Geological Survey. The general geology of the Coeur d'Alene district has been described in the following:

> Ransome, F. L., and Calkins, F. C., 1908, Geology and ore deposits of the Coeur d'Alene district, Idaho: U. S. Geol. Survey Prof. Paper 62.
>
> Umpleby, J. B., and Jones, E. C., 1923, Geology and ore deposits of Shoshone County, Idaho: U. S. Geol. Survey Bull. 732.

The country rock of the Coeur d'Alene district consists of slightly metamorphosed sediments of the Precambrian Belt series that have been folded, faulted, and intruded by granitic stocks and dikes of Late Cretaceous age. The Belt series in this area has been subdivided into six formations on the basis of lithology. From the bottom of the series to the top the formations are: Prichard, Burke, Revett, St. Regis, Wallace, and Striped Peak. The total section is at least 23,000 feet thick and is formed more of very fine-grained quartzites or siltsites.

As far as can be determined in the Coeur d'Alene district, veins are formed along shear zones where there was relatively minor displacement, and principally in a strike-slip direction. The shear zones themselves are undoubtedly the result of major strike-slip movement along the major early east-west striking faults of the area.

The productive veins of the Coeur d'Alene district are confined to seven distinct zones or belts that have a northwesterly trend. Two of these zones are south of the east-west striking Osburn fault; the others lie north of the Osburn fault. Fryklund believes that these formerly contiguous zones now have been separated on the order of 16 miles by post-ore movement along the Osburn fault.

The Idaho mine is north of the Osburn fault and near the center of a north-striking anticline in the Prichard formation. The mine is not in one of the seven productive zones of the Coeur d'Alene district, and there is now doubt that any exploration of this general area would be productive.

Lithologically, the Prichard rocks in this area are quite similar to the Prichard formation rocks exposed in the Pine Creek area, both being largely composed of dark-gray to almost black, very fine-grained quartzites. In the mine area the beds are relatively thin, and there are some beds of black argillite. As shown on the accompanying level maps, away from the veins the beds strike approximately N. 60°-65° W. and dip 20°-60° S. This attitude of the beds is also present along the north vein.

The veins south of the shaft on the 300 level cut across the flanks of a small syncline and are roughly parallel to the strike of the syncline axis; i.e., N. 65°-70° W. There is some intricate drag folding along the flanks of the syncline that shows up in the DMEA South drift.

Three fairly continuous veins are known in the mine as well as two short segments of a fourth vein.

Exploration of the mine has been very useful in establishing portions of the general Coeur d'Alene mineralization sequence and particularly in establishing the age relationship between early dark sphalerite veins and late yellow sphalerite-bearing veins.

The veins that had been explored in the prospect before contract work began were composed of pyrite, quartz, ankerite, galena, and yellow sphalerite. The veins were narrow, 1½ feet in maximum width, and the sulfides formed only a small portion of the veins. In driving the 300 level South drift west the intersection of a dark sphalerite vein with the yellow sphalerite vein was exposed. The yellow sphalerite clearly cut the dark sphalerite. The sphalerite was spectrographically analyzed as part of a study of vein minerals being done by Verne C. Fryklund, Jr., of the U. S. Geological Survey. The analyses are:

	Fe%	Ge%	Cd%	In%	Ga%	Co%
Brown sphalerite	5.1	0.006	0.098	0.0	0.006	0.010
Yellow sphalerite	0.34	0.0	0.41	0.0	0.0	0.0

Fryklund's conclusions are that the difference in temperature of formation as shown by Fe content was certainly great, and on

the basis of this and other work in the Coeur d'Alene district, the yellow sphalerite veins of the district are now regarded as belonging to the "late barren" stage of mineralization and consequently are not believed to be of much economic importance.

The north vein zone explored on the 300 level strikes roughly N. 60° W. For much of its length it is a ribbon-type vein zone 3 to 7 feet wide; individual veins and veinlets within the zone range in width from knife thin to about 2.0 feet. Individual veins in the zone dip steeply north and south, and the veins have been offset by minor northeast-striking faults. The main vein constituent is quartz, and the main sulfide is pyrite; some pyrrhotite is present, and the minor brown sphalerite and galena.

The first vein south of the shaft had been explored before the start of the contract. It had been explored also on the 100 and 200 levels. The vein strikes about N. 65° W. and dips 80°-85° S.--some dips are to the north. The maximum vein width is about 6 inches. The sphalerite is yellow.

The second vein south of the shaft had been cut in a crosscut before the contract started. The general strike of the vein is about N. 70° W.; dips ranged from 30°-50° S. The vein was largely composed of quartz and rarely reached over 1 foot in width. The sphalerite was yellow.

Post-ore basic dikes cut the veins on all levels of the mine.

THE PROJECT

The Operator originally applied for a production loan, which was denied because the mine lacked reserves. The Operator then applied for an exploration loan which was granted. The mine was inaccessible, but it had been mapped by Bunker Hill personnel, and there was some evidence that the vein had improved on the 200 level and might well be ore-bearing on the 300 or 500 levels.

The original exploration project proposed by the Operator was to explore by drifting east and west on the structure cut by the north crosscut about 220 feet north of the shaft on the 300 level. The drifting was to be followed by raising on any ore shoots found and diamond drilling to determine their downward extension. The Operator estimated the cost of this exploration to be $50,000.00.

The application was reviewed in the field by Warren Hobbs, geologist, Geological Survey, and a proposed contract was forwarded to Washington for consideration. An exploration project contract outlining the work items shown on the following page under four phases was approved.

Phase I (3 months)

Rehabilitation, restoring headframe destroyed by fire, repair shaft timbers, mine and surface cleanup	$18,158.00

Phase II (3 months)

500 feet drift on 300 level	31,920.00

Phase III (3 months)

200 feet shaft sinking	33,875.00

Phase IV (5 months)

1,000 feet of crosscutting on 500 level	39,785.00
Total estimated cost	$123,738.00
DMA participation (50 percent)	$ 61,869.00

Note: Phases III and IV were to be done only if the showings found on the third level exploration proved it warranted.

The first phase of the contract was rehabilitating the surface plant, constructing the headframe and repairing the shaft collar destroyed by fire, dewatering the shaft, and rehabilitating the 300 level. The work under Phase I started in September 1951 and was completed in March 1952 except for retracking and piping the 300 level north. The work was delayed and costs increased by the Operator's lack of funds, a labor strike, sloughing of walls of the excavation at the shaft site caused by heavy autumn rains, heavy snowfall, and more repairs than were anticipated to the top section of the shaft. The Operator drove 50 feet of drift on the 200 level on company account during March 1952 and the exploration project contract was recessed from April 1 to July 1, 1952.

Even considering the difficulties encountered, some of the costs of Phase I work seemed unduly high. Although these costs could not very well be isolated as unreasonable and unnecessary under the circumstances, some measure had to be taken to bring the contract actual costs within the estimated costs. During the recess period an agreed unit cost for the drifting and crosscutting was negotiated and authorized by Amendment No. 3. The Operator had contended that the improved surface plant, which exceeded the estimated cost, would make it possible to perform the drifting and crosscutting at less

cost than originally estimated. The agreed unit costs assured the saving would be made, and at the completion of Phase II the total actual cost of Phases I and II was very near the total estimated cost of both stages.

During July and August 1952 additional mining equipment was purchased, the 300 level rehabilitation was completed, as was a shaft run-around connecting the north and south crosscuts. The cost of this work was included in the agreed unit cost for drifting and crosscutting under Phase II of the contract. The 500 feet of drifting and/or crosscutting outlined in Phase II of the contract was completed by March 15, 1953.

On completing Phase II, the Operator wished to continue with the project, but on reviewing the results, the Field Team could not agree that Phase II had provided enough positive information to justify the deeper exploration set up in Phases III and IV of the project. It was agreed, however, that before making a final decision, some additionalwork might be done on the 300 level in an attempt to find sufficient ore to justify the deeper exploration. An Amended Contract effective May 26, 1953, provided for an additional 500 feet of drifting and 150 feet of long-hole drilling on the 300 level as Phase II-A of the contract.

The Amended Contract is summarized below.

Phase I (actual costs)	$28,737.85*	
Phase II (actual costs)	21,684.50*	$50,422.35*
Phase II-A (agreed unit costs)		
500 feet of drifting @ $36/ft.	$18,000.00	
150 feet of long-hole drilling @ $1/ft.	150.00	$18,150.00
Phase III (agreed unit costs)		
200 feet of shaft sinking @ $170/ft.	$34,000.00	
Cutting skip pocket	2,000.00	$36,000.00
Phase IV (agreed unit costs)		
500 feet of drifting @ $36/ft.	$18,000.00	$18,000.00
Total estimated cost (rounded)		$122,572.00*
Government share - 50 percent		$ 61,286.00*

*Indicates "maximum allowable."

The Operator continued the SSW drift on the 300 level and drilled a reported 250 feet of long holes on company account before approval of the Amended Contract dated May 26, 1953. No approved work under the contract was performed during the period March 15, 1953, to June 1953, but the Operator completed 152.5 feet of drifting during June 1953 through September 30, 1953, which was approved by the Government. An official recess allowed suspension of work from October 1, 1953, to not later than July 1, 1954, at which time the contract would be terminated if work had not been resumed. The Operator was unable to resume work because of a reported lack of funds, and the contract was terminated as of July 1, 1954, when the Operator, upon request, could not furnish sufficient evidence that he could continue the exploration project within a reasonable time.

The project work failed to find anything that could reasonably be classified as "ore reserves." The exploration project contract was certified by conditions of Amendment No. 1 to the Amended Contract on the basis of a development rather than a discovery. No production from any present ore showings is anticipated in the foreseeable future.

A mill test run was made on 98.025 tons of ore extracted from the 200 level west drift. The test run was made July 14 and 15, 1952, at the Amy-Matchless mill located on Pine Creek. It was reported that the mill was in poor condition and better results could be expected if the mill was modernized. Prior to the mill test run a 50-pound sample of the ore was tested at the Bunker Hill and Sullivan Mining and Concentrating Co.'s milling laboratory. Following is a tabulation of the results of the laboratory test and a summary of the results of the mill test run:

C o p y

BUNKER HILL AND SULLIVAN MINING AND CONCENTRATING COMPANY

ORE TESTING REPORT

Metallurgical Department

SUMMARY

Date May 28 1952
Test No. 1

Test on Sample submitted by Idaho Mining Company

Assay of Heads ____ Oz. Au. 3.7 Oz. Ag. 2.2 % Pb. 2.1 % Zn 0.25 % Sb
3.4 % Fe. 79.28 % Insol.

Product	% Weight	ASSAY					
		Pb	Ag	Cu	Zn	Cd	Sb
Lead Concentrate	3.16	61.00	112.70	10.7	3.5	0.06	2.25
Zinc Concentrate	2.94	1.89	7.13	0.45	59.0	0.65	4.49
Rougher Tailing	93.90	0.31	0.10		0.23		0.05
	100.00	2.27	3.86		2.06		0.25

Product	Per Cent Recovery or Loss		
	Pb	Ag	Zn
Lead Concentrate	84.78	92.16	5.36
Zinc Concentrate	2.45	5.42	84.14
Rougher Tailing	12.77	2.42	10.50
	100.00	100.00	100.00

Note: The above test results represents the sample submitted for beneficiation only, and represents the ore in question only to the extent that the sample represents the ore.

REAGENTS:

Ph 7.6	Ph 7.8	Ph 7.3	Ph 8.1
Lead Rougher	Zinc Rougher	Lead Cleaner	Zinc Cleaner
0.4 # NaCN	1.6 # Lime	Cresylic Acid	0.4 # Lime
1.0 # $ZnSo_4$	0.6 # $CuSo_4$		Methyl Amyl Alcohol
0.8 # Na_2Co_3	0.1 # Sodium Aerofloat		
0.05# Aerofloat 31	Methyl Amyl Alcohol		

REMARKS:

(Sample consisted of ± 50# ore cored from)
(stockpile and car sampled at the mine.)
(B.E.A.)

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APR 2 6 1956

		Assays			Metallic Contents			Recovery		
	Dry Tons	Silver oz/ton	Lead %	Zinc %	Silver ounces	Lead ton	Zinc ton	Silver%	Lead%	Zinc%
Mill Feed	98.0250	2.21	1.58	2.23	216.5	1.55	2.19	100.00	100.00	100.00
Flat Lead	2.5805	69.15	47.40	9.85	178.44	1.22	0.25	82.42	78.71	11.42
Flat Zinc	2.3425	8.30	4.10	55.15	19.44	0.10	1.29	8.98	6.45	58.90
Tailings	93.1020	0.20	0.25	0.70	18.62	0.23	0.65	8.60	14.84	29.68

Summary of Factual Data

Following is a tabulation of work items completed and approved cost:

	Approved cost
Phase I (actual cost)	
Reconstruction and rehabilitation of headframe and existing facilities and preparation of mine for exploration	$28,459.69
Phase II	
Purchase equipment	$ 3,684.50
Drifting 500 feet	18,000.00 1/
Total Phases I and II	$50,144.19
Phase II-A (agreed unit cost)	
500 feet drifting @ $36/ft.	$ 5,490.00 2/
Total all phases	$55,634.19
Less proceeds from property disposition	3,660.00
Net costs approved by audit	$51,974.19

1/ 500 feet completed at an agreed unit cost of $36/ft.

2/ 152.5 feet completed at an agreed unit cost of $36/ft.

Total amount of contract	$122,572.00
Government's share at 50 percent	61,286.00
Total amount expended	$ 51,974.19
Government's participation	25,987.10
Total amount unexpended	$ 70,597.81
Government's share unexpended	35,298.90
Royalty payments received	none

Equipment

	Actual cost	Liquidation value
1 Eimco loader, Model 401	$2,004.50	
4 Ajax mine cars, 18" gauge, 30 cu. ft. cap.	1,680.00	
Miscellaneous, electrical parts, small tools, etc.	1,355.15	
Totals	$5,039.65	$3,000.00
Installations and facilities	$27,104.54 1/	660.00
Totals	$32,144.19 1/	$3,660.00

1/ Includes all costs of labor, supervision, excavations, materials, repairs to shaft, etc.

The Operator's liquidation value offered for the equipment, which was accepted by the Field Team, was about $1,000.00 more than the items would bring if disposed of on the open market or from original vendors.

The disposition of the surface plant presented the greatest problem. It is very doubtful if anyone, assuming they had a use for the salvageable items, could have recovered materials that would net them $500.00. The installations and facilities would be worth their actual cost to the company if they were in a position to continue working. The company was not financially able to offer more than its accepted bid of $660.00, and the price offered was believed to be more than could reasonably be expected to be recovered by dismantling the headframe and ore bins, which contained the only probable salvage items.

Conclusions

The standard of the contract work completed was good. The greatest handicap affecting the performance of the contract work was the financial condition of the Operator. There were periods when the work appeared to be progressing favorably, but for the most part progress was not satisfactory.

While excavating for the shaft collar, heavy rains loosened the embankment and more than twice the estimated yardage had to be handled, causing some shaft damage which necessitated concreting the upper 20 feet of shaft.

Other delays were a district labor strike in the fall of 1951 and an almost record snowfall the winter of 1951-52. Considering all the delays affecting the project, the lack of sufficient financing on the part of the Operator was the biggest drawback.

The prospect is not in one of the Coeur d'Alene mineral belts, and there should be no expectation that significant amounts of ore will ever be found in this area. In addition, the main vein belongs to the "late barren" stage of the Coeur d'Alene mineralization sequence. On present information further exploration of the mine is not warranted.

Enclosures
Distribution:
DMEA(4)✓
USBM(5)
USGS(SRO)
Docket
Quinlan

File Copy
Surname

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

April 3, 1956

Memorandum

To: Associate Soliciter, Division of Mineral Resources

From: Chief, Base Metals Division

Subject: Docket No. DMEA-981, Idaho Mining Company, Washington-Idaho Mine, Shoshone County, Idaho, Amended Contract No. Idm-X88, Lead-Zinc.

Referring to your memorandum of February 24, covering the cited contract, the Field Team has now stated in their March 12 letter that the ore in question was included due to an oversight on its part. Will you therefore prepare the necessary amendment to exclude 98.025 tons of ore milled during July, 1952 for mill test purposes from the certification.

W. R. Griswold
W. R. Griswold

WRG/er
Copy to: Docket
Base Metals
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

JAN 8 1956

Period: July 1, 1955 to December 31, 1955

Docket No.: DMEA-981
Contract No.: Idm-E88

Operator: Idaho Mining Company, 711 Spokane-Eastern Building, Spokane, Washington

Commodity: Lead-zinc

Mine name: Washington-Idaho

County: Shoshone
State: Idaho

Date of contract: July 27, 1951 (Amended May 26, 1953)

Date of certification: March 19, 1954 (per Amendment No. 1 of Amended Contract)

Expiration date of royalty payments: July 27, 1963

Date of examination for this report: December 8, 1955

Total amount of contract: $122,572.00

Total expenditures under contract: $ 51,974.19

Amount of Government participation at 50%: $ 25,987.10

Royalty payments this period: none

Previous royalty payments: none

Total royalty payments to date: none

% Loan repayment completed: none

Amount of royalty due: none

Royalty remarks: Royalty audit by C. E. Fisher, dated July 28, 1955

Original estimate of reserves
(from final Engr.-Geol. report): none

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

Revised estimate of reserves: none

Production this period (ore or concentrates): none

Amount of previous production (since date of contract): none

Total DMEA production to date: none

% of revised reserves mined:

Production remarks:

The property is leased to Pioneer Corporation. It is idle and the company has no operating plans for the immediate future.

Other remarks: (Investments, etc.)

Signed: E. G. Erickson (Engr.)

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

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JUL - 5 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period:	January 1, 1955 to June 30, 1955
Docket No.	DMEA 981 (lead-zinc) Contract No. Idm-E88
Operator:	Idaho Mining Company 711 Spokane-Eastern Building Spokane, Washington
Name of mine:	Washington-Idaho
County:	Shoshone State: Idaho
Date certified:	March 19, 1954 (per provisions of Amendment No. 1)
Date of last inspection:	June 17, 1955 Inspection engineer: E. G. Erickson
Contract amount:	$122,572.00
Amount spent:	54,719.19 * Government participation: $27,359.60 *
	Amount repaid to date: none
Reserves:	none
Remarks:	Property leased to Pioneer Corporation. Property is idle and company has no operating plans for immediate future.

Production Summary: None

*Subject to audit.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
June 21, 1955

RECEIVED
JUN 2 7 1955

Mr. Bruce E. Allgaier, Secretary
Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

Re: Docket No. DMA-981 (lead-zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract No. Idm-E88

Dear Mr. Allgaier:

This will acknowledge receipt of your letter of June 18, in which you submit a bid of $660.00 for the surface installations pertaining to Contract Idm-E88. This bid is acceptable to the Government.

Your account will be audited in the near future and you will then be advised of the amount due the Government for the balance still outstanding on your purchase of the jointly-owned equipment plus 50 percent of your bid for the surface installations.

By Field Team, Region I, NW District

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

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

cc: DMEA (2)
USGS (2)
USBM (AD)
Auditor Turner

IDAHO MINING COMPANY
P. O. BOX 898, KELLOGG, IDAHO

4 SBM

RECEIVED
JUN 1955
U. S. BUREAU OF MINES
RECEIVED
JUN 20 1955
SPOKANE, WASHINGTON

C

June 18, 1955.

A. E. Weissenborn, Exec. Officer
USDI-DMEA Field Team, Reg. 1.
South 157 Howard Street
Spokane 4, Washington.

(Docket #DMA-981X (Lead-Zinc)
(Idaho Mining Company
re (Washington-Idaho Mine
(Shoshone County, Idaho
(Contract #DMA-288.

O

Dear Mr. Weissenborn,

This will reply to your April 5th request for a bid on surface installations constructed under Phase I of the above contract; and related matters.

Surface installations concerned at the Washington-Idaho property include a headframe with a bin adjoing on one side and a roofed-over deck at the shaft collar on the other. Air and electrical connections between (about 50-feet) the hoist house and collar are included and also included is about 30 vertical feet of concrete shaft lining (approx. 4'x15'x30').

P

The total original cost for materials in these constructions (exclusive of the concrete shaft lining) will not exceed $6,000. As salvage, materials contained therein would bring about 10% of this value according to estimates obtained, owing to the amount of labor required to dismantle the structures.

Obviously, the structures have considerable value over salvage if further work is contemplated at the property and though the likelihood of this seems rather remote, the possibility is a factor to be valued. Lacking any tangible means for arriving at such a value, an additional 10% over the salvage is offered.

Our bid for the total of surface installations constructed under Phase I of the above contract is therefore, $660.00 (six-hundred sixty dollars) and is offered herewith, subject to your acceptance.

Y

In connection with the closing out of this contract, E. G. Ericksen of the Field Team, suggested that I prepare an historical sketch of the property for your file, utilizing such material as I have accumulated in my 8-years tenure. Such a sketch is enclosed herewith.

RECEIVED
JUN 20 1955
U. S. G. S.
SPOKANE, WASH.

Also per your request: I have a rather complete map of the 300-level workings showing detailed geology and including all but a few feet of the last drift work.. Engineering was checked

IDAHO MINING COMPANY
P. O. BOX 898, KELLOGG, IDAHO

C

and/or corrected by K. L. Preston and geology was done by Hemsorand and Bugent.

I will bring this map in to the U.S.G.S. office on my next Spokane visit with the understanding that it will be returned to me after such copies are made as you desire --- and this within a reasonable time.

Trusting you will advise me of any additional information you require in the above connection, I am

Very truly yours,

O

Bruce E. Algaier, Sec.
Idaho Mining Company

encl. historical sketch

P

BEA

Y

Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

C
O
P
Y

June 18, 1955

A. E. Weissenborn, Exec. Officer
USDI-DMEA Field Team, Reg. 1.
South 157 Howard Street
Spokane 4, Washington.

(Docket #DMA-981X (Lead-Zinc)
(Idaho Mining Company
re (Washington-Idaho Mine
(Shoshone County, Idaho
(Contract #Idm-E88

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Also per your request: I have a rather complete map of the 300-level workings showing detailed geology and including all but a few feet of the last drift work. Engineering was checked and/or corrected by K. L. Preston and geology was done by Hammerand and Nugent.

I will bring this map in to the U.S.G.S. office on my next Spokane visit with the understanding that it will be returned to me after such copies are made as you desire --- and this within a reasonable time.

Trusting you will advise me of any additional information you require in the above connection, I am

Very truly yours,

B. E. Allgaier /s/

Bruce E. Allgaier, Sec.
Idaho Mining Company

encl. historical sketch

COPY

IDAHO MINING COMPANY
P. O. BOX 898, KELLOGG, IDAHO

Resume of the History and Development of the Washington-Idaho Property

During the late 1800's when placer gold was attracting men to the Coeur d'Alene Mining District, a man named Olson prospecting the West Fork of Moon Creek noted an impressive quartz outcrop running across the valley floor from ridge to ridge. Though a placer miner, he interested William Cavanaugh, a seasoned quartz miner, in locating 3 claims which became part of the Cavanaugh group. These locations are of record in 1889.

Later James Heltzel and partners claimed property adjacent (both east and south) to the Cavanaugh holdings. These claims comprised the Heltzel group. Thereafter the Crescent group was located.

In October 1927 the Washington-Idaho Mining Company was incorporated by James Murray, Minnie F. Manley and A. H. Thompson and in time acquired sufficient property along and to either side of the then established shear (as marked by the above-mentioned quartz outcrop) to insure reasonable protection from future apex and extra-lateral rights problems. This acquisition included substantially all of the properties of the 3 above-mentioned groups consisting of 24 claims and a millsite, all held by performance of annual assessment work and in compliance with Federal and State laws; there being no District regulations or modifications in force.

This Washington-Idaho merger terminated the activities of the Michigan-Idaho Mining Company, Bull Run Mining Company and the Crescent Mining and Milling Company as corporate entities and also concluded the activities of Heltzel and Cavanaugh as individual operators in this area.

By 1932, workings at the property included a 2-compartment shaft about 340-feet deep and 88 feet of other shafts and/or winzes, numerous open cuts totaling about 400 feet, approximately 3000 feet of tunnels, 325 feet of cross cuts and 580 feet of drifts representing an expenditure of some $86,255. At this time too, some $28,750 worth of machinery and equipment, buildings, etc. were owned by the Washington-Idaho Company. These items taken together with the purchase price of the properties made the total worth of the Company very nearly $200,000.

The 1931 work was particularly noteworthy in that the shaft was extended 100 feet and a cross-cut was run on the new 300-level. A gain in width and value of the structures established on levels above was noted at this new horizon.

In the face of encouraging development at the mine was the effect of the depression on the nation's purse strings. Venture capital became non-existant and the Washington-Idaho along with many producing mines, was shut down.

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JUN 20 1955
U. S. G. S.
SPOKANE, WASH.

IDAHO MINING COMPANY
P.O. BOX 898, KELLOGG, IDAHO

Stockholders were urged to subscribe a pittance in proportion to their original investment to finance additional work. The response was completely inadequate and operations, save annual assessment work, were abandoned until the fall of 1947.

During this long dormancy many of the principals had in one way or another resigned their interests. In spite of these corporate handicaps an arrangement was made to restore the company to an active organization so that work might be undertaken in the spring of 1948 to re-open and further explore and develop the property.

An adequate small mine plant was set up during the 1948 spring and summer season and though continuously hampered by adequate capital, some underground work was also completed. Throughout 1949 and 1950 underground work was carried according to funds available. The work was further frustrated by untenable corporate problems arising out of the Washington-Idaho's long dormancy of the 1930's. Finally in August of 1950 the charter of the Washington-Idaho was terminated and the assets and liabilities were acquired by the newly incorporated Idaho Mining Company.

In the spring of 1951 a fire destroyed the headframe again terminating underground work. Later under a DMEA participating contract, the surface plant was restored and a considerable amount of underground work was advanced on the 300-level --- always on a deficit financing basis.

In the summer of 1952, approximately 100-tons of low grade ore from a small shoot on the 200-level was custom milled and the concentrate sold to the smelter. The purpose of this small shipment was to establish the amenability of the rock to usual milling and smelting treatments. No difficulties were encountered in beneficiating the mineral constituents. Payments were received for gold, silver, lead, zinc and copper. Penalty fractions were low and the presence of cadmium in the zinc concentrate was adequate to warrant shipping sub-load lots to Great Falls where cadmium is a paid fraction.

Underground work on the 300-level continued intermittently until the summer of 1953 when lacking adequate capital, the work was suspended. Showings at the two drift headings being advanced entirely justify further exploratory work.

Before the pumps were shut down several competent District observers who had been following the work noted that a little gain in width on the southwest heading would provided feed for a small sink/float unit. On the northeast heading mineralization had been showing steadily for the last 20-odd feet of advance showing both greater width and presence of veined mineral constituents at the terminal face.

In my opinion, one of two objectives remain to be determined on the 300-level horizon --- either the end of such mineralization must be established or commercial rock developed. The exploration rests at a point where neither of these conditions has been established.

Bruce E. Allgaier
June 18, 1955.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
1201 N. Division St.
Spokane 2, Washington

DMEA D.C.

April 5, 1955

Mr. Bruce E. Allgaier, Secretary
Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

Re: Docket No. DMA-981X (lead-zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract No. Idm-E88

Dear Mr. Allgaier:

This is in reply to your letter of March 17, 1955, which requests a statement showing the balance due the Government for jointly-owned equipment.

Following is a summary of your account as shown by our records:

Agreed value of equipment as stated in Annex I of the Amended Contract	$3,000.00
Government's share - 50%	1,500.00
Payments on equipment	
Deducted from June 1953 MF-104 - 50%	261.00
Balance due Government on equipment	$1,239.00
Approved payment to Operator on September 1953 voucher - subject to audit - unpaid to date - 50%	$1,179.00

The $1,179.00 due you is subject to audit; therefore, until an audit is made, the Government's lien on the equipment cannot be satisfied by crediting to it the amount due you and your paying the indicated balance.

Before your contract account can be closed out you must submit an acceptable bid on the surface installations constructed under Phase I of the contract and on any other items to which the Government contributed to the actual cost and which may have a use as installed or as salvage. In addition, an acceptable final report including geologic and engineering maps must be submitted.

Your prompt compliance with the above requirements will facilitate winding-up of your contract account in the near future.

It is regrettable that financial difficulties have prevented you from completing the approved contract work.

By Field Team, Region I, NW District

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

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

cc: DMEA (2)
USGS (2)
Certifying Officer
Auditor Turner

COPY

IDAHO MINING COMPANY

Mine office:
West Fork Moon Creek
Shoshone County, Idaho

Mail address:
P. O. Box 898
Kellogg, Idaho

March 17, 1955

A. E. Weissenborn, Exec. Officer
Defense Minerals Exploration Administration
South 157 Howard Street
Spokane 4, Washington

Re: Docket #DMA-981X (Pb-Zn)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract Idm-E88

An overdue reply on the status of the subject contract is submitted herewith:

Further work at the Idaho property seems most unlikely, therefore it is recommended that something like the following steps be taken in order that Idaho books may be closed and audited and a final report prepared and submitted per DMEA contract terms.

As there is an unpaid balance standing on your books to the credit of Idaho from the last month's activity reported on an MF 104 et al under date of October 15, 1953, it is suggested that this credit be applied in full against that amount due the Government on equipment purchased on joint account.

If this is agreeable, then furnish us with a statement setting forth the amount concerned in this application together with the balance remaining. If such a statement shows a balance remaining favoring the Government, arrangement for payment will be made to conclude this phase of the matter.

In the meantime an appraisal will be made and a figure arrived at covering non-expendable items purchased under terms of the contract's Phase I activities. These among other things, include the headframe, air and power connections between the shaft collar and hoist house, steel plate in the bins, etc.

It is our understanding from a recent interview with one of your field men, that a figure covering these various items submitted by us and satisfactory to you, would leave only the final narrative report undone by way of concluding the terms of the agreement.

Trusting you will advise us of your thinking on the above matters, we are

Very truly yours,
Idaho Mining Company

/s/

Bruce E. Allgaier,
Secretary

Received
3/18/55
USGS, Spokane, Wn.

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

1201 N. Division St.
Spokane 2, Washington
March 22, 1955

MEMORANDUM

To: DMEA Field Team, Region I, NW District

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Final settlement of Docket No. DMEA 981 (lead-zinc), Idaho Mining Company, Washington-Idaho Mine, Shoshone County, Idaho, Contract No. Idm-E88

Mr. Bruce E. Allgaier was contacted at the mine office on March 14, 1955, in regard to winding up the contract. He was reminded of the company's obligation to submit a final report, including maps, and a final accounting of all contract items.

There are two account items to be settled, namely, the equipment account and the salvage value of the headframe and surface installations. According to Item 4 of Annex I of the Amended Contract, the Operator agreed to purchase the Government's equity in the operating equipment upon completion or termination of the contract. The value set on the equipment was $3,000 with the Government's share amounting to $1,500. The Operator requested that the amount due the Government for the equipment be decreased by deductions from monthly vouchers; one such deduction of $261.00 was made from the June 1953 voucher, leaving a balance of $1,239.00 due the Government for equipment.

The Certifying Officer's records show that a sum of $1,179.00 is due the Operator for work completed. This amount is being withheld pending final audit and winding up of the contract.

In a letter to the Executive Officer, dated March 17, 1955, the Operator suggested that the amount due the company be credited to the equipment account and that the company be furnished a statement showing the balance remaining. The Operator states: "If such a statement shows a balance remaining favoring the Government, arrangement for payment will be made to conclude this phase of the matter."

I do not think it is advisable to close out the equipment account and give the Operator title to the equipment ahead of final winding up of the contract because the equipment is the only tangible asset in the contract account. It is recommended that the Operator be notified that the Certifying Officer's records show the following, subject to final audit:

Agreed value of equipment as stated in Annex I of the Amended Contract	$3,000.00
Government's share - 50%	1,500.00
Payments on equipment Deducted from June 1953 MF-104 - 50%	261.00
Balance due Government on equipment	$1,239.00
Approved payment to Operator on September 1953 voucher - subject to audit - unpaid to date - 50%	$1,179.00

Rather than furnish the Operator with a statement showing a balance of $60 due the Government on the equipment, it is recommended that the Operator be advised to submit a bid for the headframe and other items that have a liquidation value so that the account can be settled in one transaction. The headframe and other surface installations to which the Government contributed are not expected to have a great value as salvage and in view of the financial position of the company, with no plans for an operation in the future, it may be that these items will have to be liquidated on a scrap basis only.

An interim audit of the contract was made on June 17, 1953, covering all expenditures under the contract with the exception of the last 152 feet of drifting. This drifting was performed at an agreed unit cost, and it is unlikely that the final audit will disclose any exceptions to be taken.

The project was automatically certified by provisions set forth in Amendment No. 1 to the Amended Contract, but the possibility of realizing any royalties from production are very remote.

E. G. Erickson

Orig. & 3 cys - Wash.
USGS (2)
DMEA
AD
Turner
EGE/he

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 8-3

Referred to:

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

Note comments in report regarding:

1. Needs to be followed up
2.
3.
4.

and take appropriate action.

Sent attached

Action taken by Division:

Letter to field to clean up. [illegible]

Initials

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

1201 N. Division St.
Spokane 2, Washington
July 12, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Docket No. DMEA 981 (lead-zinc), Idaho Mining Company, Shoshone County, Idaho, Contract Idm-E88.

The property has been visited several times during the recess period. The mine was allowed to fill with water, but the equipment in which the Government has an equity is stored on the surface.

Item 4 in Annex I sets the value of the equipment at $3000 (62½% of the purchase price). As of September 1953 the Operator had reduced this equipment account by $915.00, leaving a balance of $2085 due the project on equipment. Payment on this September 1953 invoice is being withheld because of the recess of operations.

Mr. Bruce Allgaier was contacted on July 8, 1954 regarding resumption of work at the project. He stated that to date the company does not have sufficient capital to reopen the mine and continue the project.

By paragraph No. 4 in Amendment No. 1 to the Amended Contract, the contract is terminated as of July 1, 1954 if work is not resumed on or before that date. Mr. Allgaier was reminded of the provision in the amendment for termination of the contract and it was suggested that if he had any other negotiation in mind other than closing out the contract he should submit his proposal without further delay.

E. G. Erickson
E. G. Erickson

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 16 1953

Memorandum

November 5, 1953

To: DMEA Field Team, Region II

From: J. J. Quinlan, Geologist, U. S. Geological Survey

Subject: Routine inspection, Docket No. 981 (lead-zinc)
Idaho Mining Company, Shoshone County, Idaho,
Contract No. Idm-E88 (amended)

The subject exploration project site was inspected October 16, 1953.

No underground work was in progress at the time of the inspection nor has any work been done since Mr. E. G. Erickson, U. S. Bureau of Mines, inspected the project on September 17, 1953. Work was suspended because the company was financially unable to continue exploration. Mr. Bruce Allgaier, manager for the company, reported that the company is at present levying an assessment in order to raise additional funds to continue work. As this assessment is due the middle of November the company expects to be able to resume work before the end of November.

The northeast drift heading has been advanced to a point 249.5 feet east of the north crosscut from the shaft. This represents an advance of 116.5 feet under Phase II A of Contract Idm-E88 (amended) or an advance of 21.5 feet since my inspection of August 8, 1953. This new work has shown no noteworthy changes in the vein structure. The vein structure is exceptionally strong, with interesting amounts of galena and sphalerite but no commercial ore. The drift face is now very near the projected position of the fault which cut the vein off near the face of the No. 2 adit level.

The southwest drift heading has been advanced to a point 104 feet beyond survey station No. 324. This represents an advance of 30 feet since approval was given for additional work in this heading under Phase II A of the subject contract. In addition, the operator has sideswiped the drift 45 feet ahead of station No. 324 where the main vein structure enters the south drift wall. This additional work had shown the subsidiary structure to be continuous but weak. The sideswiping has better exposed the main vein structure.

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

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

1201 N. Division St.
Spokane 2, Washington
October 2, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Idaho Mining Company, Shoshone County, Idaho, Contract No. Idm-E88, Docket No. DMEA 981 (lead-zinc)

Mr. Bruce Allgaier, manager for the company, was contacted at the mine on September 17, 1953.

There was no underground work in progress. A re-survey had been made of the 300 level, and it was found that the previous surveying was in error. A corrected map was being drafted and copies will be distributed with the monthly invoice.

Approval of 100 feet of drifting to be performed in the SSW drift was given by the Executive Officer in a letter to the Operator dated August 26, 1953.

The new survey shows the NNE drift face to be 264.5 feet beyond survey station No. 312, an advance of 29.5 feet since August 1, 1953 inspection.

The SSW drift had been advanced 104 feet beyond survey station No. 324, an advance of 30 feet since J. J. Quinlan, USGS, had measured the drift prior to approval of the drifting.

The quartz vein exposed in the hanging wall of the drift at survey station No. 324 + 45 feet was sideswiped, and it is believed to be the main structure.

Assay of sample No. EGE 147, taken in the NNE drift at survey station No. 312 + 235 feet over a 1-foot width, showed 1.5 oz. Ag, 3.8% Pb and a trace of zinc.

Progress has been slow and intermittent. It is believed financing has become harder due to lead and zinc prices.

E. G. Erickson

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

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

[illegible]

[illegible]

Defense [illegible] Administration

[illegible]

[illegible]

[illegible]

[illegible] Company

[illegible], Idaho

DMEA

[illegible] Company

[illegible]

[illegible] County, Idaho

Contract [illegible]

Dear Mr. [illegible]:

Reference is made to your letter of [illegible] 13, 19[illegible].

[illegible] accom- [illegible] project on August [illegible], [illegible] drift [illegible] However, for your information, we are enclosing [illegible]

[illegible] enters the north [illegible] 50 feet [illegible] Station 324. [illegible] drift [illegible] corners. [illegible] In any [illegible] Station [illegible]

[illegible] regard to your [illegible]

audit report of July 6, 1953, there was an approval expenditure of $2,953.34. Determination of this amount was discussed in Minton's letter and was as follows:

Amount submitted for payment by operator		$5,323.00
Amount deducted	$2,146.00 271.16	
		2,417.16
Amount approved		$2,953.34

This approval amount represents payment on 37 feet of drifting at $36.00 per foot minus Brothers' deletion of $271.16. As $6.00 per foot is to be prorated over Phase II A to cover the value of equipment charged to the contract, a credit of $522.00 was made to the gross contract account. Of the $2,953.34, 50 percent or $1,426.72 was payable to you, minus $261.00 which represents 50 percent of the $522.00, or your share of the prorated equipment credit:

	$ 1,426.72
	261.00
Amount paid	$ 1,165.72

It is hoped that the foregoing information will assist you in filing your next T-104.

Very truly yours,

Thor H. Villegaard
for A. A. Wolesonborn
Executive Officer, [illegible]
Field Team, Region [illegible]

Enclosure

cc: [illegible] (2)
[illegible] (2)
[illegible]

COPY

COPY

IDAHO MINING COMPANY

MINE OFFICE:
WEST FORK MOON CREEK
SHOSHONE COUNTY, IDAHO

MAIL ADDRESS:
P.O. BOX 898
KELLOGG, IDAHO

13 September 1953

Re Docket DMEA 981 (lead-zinc)
Contract # Idm-E88

Reference is made to Kiilsgaard's letter under date of Aug. 26th and Hindman's of Aug. 14th.

In the Kiilsgaard letter it is stated that the government will participate in further advance of the southwest heading to the limit of 100-feet beginning at the face where Quinlan made his last examination. Please be advised that we do not have the slightest notion where Quinlan made his last examination. Further, in view of the conversations had with Quinlan during his last visit together with the subsequent reversal of opinion after he returned to Spokane, we will require that he show us precisely where this face that he examined is/was.

Regarding Hindman's letter of explanation concerning the various deductions made in the last check made available by the government: kindly advise where the rate of $6.00 per foot deduction came from. If you will check with Erickson and Brekhus I believe you will find that it was agreed that the $1500 government equity in equipment was to be pro rated over the 500 feet of work per phase II-A at the rate of $3.00 per foot.

This deduction should have been $261.00 rather than $522.00.

When positive evidence is at hand on the above points, we will then be able to file our next MF-104 as amended or revised.

Very truly yours,
Idaho Mining Co.

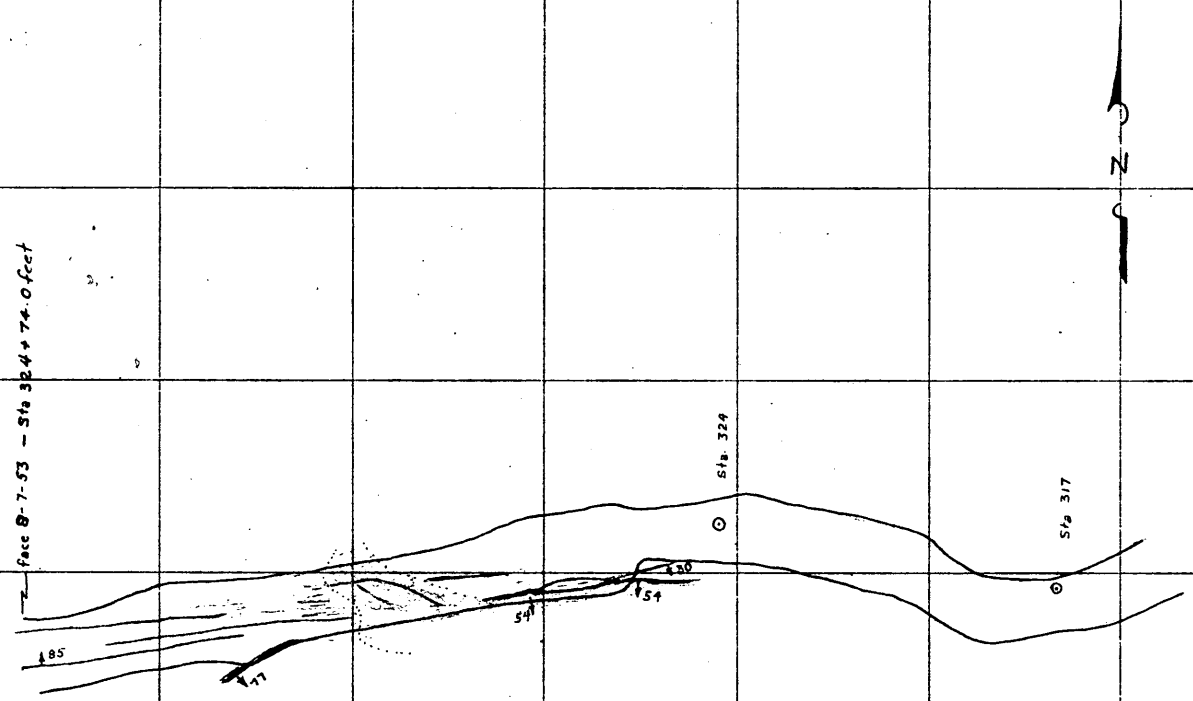
/s/ B. E. ALLGAIER

Bruce E. Allgaier,
Secretary-Manager

cc James F. McAdam
Spkn Estrn Bldg
Spokane, Wash.

BEA:b

DOCKET No. 981 (Lead-Zinc)
IDAHO MINING COMPANY
WASHINGTON-IDAHO MINE
SHOSHONE COUNTY, IDAHO
Scale: 1" = 20'



300 LEVEL SW HEADING

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

DMEA

Memorandum August 27, 1953

To: DMEA Field Team, Region II

From: J. J. Quinlan, Geologist, U. S. Geological Survey

Subject: Routine inspection, Docket No. DMEA-981 (lead-zinc), Idaho Mining Company, Washington-Idaho Mine, Shoshone County, Idaho, Contract Idm-E88 (Amended)

The Idaho Mining Company's exploration project site was inspected August 7 and 8, 1953. The geology of the mine and adjacent area was discussed with Mr. V. F. Hammerand of the Bunker Hill Mining and Smelting Company's geologic staff. Mr. Hammerand is being retained by the Operator as a consulting geologist. He has had wide experience in the Coeur d'Alene district, particularly with ore deposits in the Prichard formation in the Pine Creek area, and is believed capable of giving the Operator sound advice concerning exploration at the Washington-Idaho mine.

Attached is a 50-scale geologic sketch map showing the geology of the Washington-Idaho 300 level. This map represents a compilation of maps prepared by members of Bunker Hill's geologic staff, and in a small part by members of DMEA's staff.

At the time of the inspection, the company was advancing the northeast and southwest drift headings on the 300 level.

The northeast drift heading has been advanced to a point 228 feet east of the north crosscut from the shaft. This represents an advance of 95 feet under Phase IIA of contract Idm-E88 (Amended).

This new work has shown no noteworthy changes in the vein structure. The vein structure is exceptionally strong, with interesting amounts of galena and sphalerite but no commercial ore. It is of interest to note that when Mr. Erickson of the Bureau of Mines inspected the project on August 1, 1953, he reported one foot of galena ore in the face (220 feet east of the north crosscut). Undoubtedly, this was one of the best faces exposed in this heading by contract work. The face at the time of my inspection was not nearly as encouraging, only several small (up to a quarter of an inch) stringers of sphalerite and galena being noted.

The drift has been advanced to a point within 22 feet of the projected position of the fault that cut the vein off near the face of the No. 2 adit. Little work has been done on the adit level to find the vein east of the fault. Long-hole drilling is provided in the contract to locate the vein east of the fault on the 300 level. When the "Amended" contract was prepared, it was intended to allow an additional 275 feet of work east of the fault if conditions warranted. This still being the

intent, this additional work will allow exploration of the vein in the virgin block of ground east of the fault, which, according to Mr. Hammerand, is the type of exploration needed at the property.

The southwest drift heading has been advanced to a point 254 feet west of the south crosscut from the shaft. The prior contract, as modified by Amendment No. 3, provided for 250 feet of drifting on the vein structure south of the shaft designated in Areas A and B. The total amount of work accomplished in Areas A and B to date amounts to 537.5 feet of drifting and crosscutting, more than half of this being on company account. When the "Amended" contract was being considered, an allowance was made for Government participation in an additional 100 feet of drifting in Area B (southeast heading) if conditions warranted. When the "Amended" contract was prepared, the additional drifting was not specified as to area but at locations approved by the Government.

A study of the geologic map will show that the vein structure evidently horsetails in the southeast heading and is very difficult to follow. No additional work appears warranted in this area.

The Operator included 50 feet of drifting in the southwest heading as part of contract work completed in June. This was disallowed as it did not have Government approval, and as we had not been informed as to where this work was being done and why.

Mr. Hammerand has recommended that the southwest heading be advanced. He believes that the structure warrants more work considering its strength and interesting amounts of sphalerite and galena. Further, he believes that the tight folds and rocks involved have produced conditions similar to those in which ore is found in the Prichard formation in the Pine Creek area. One of Mr. Hammerand's main contentions is that future exploration should more or less be confined to getting out into virgin area away from the shaft. Extension of the southwest drift is a step in this direction.

A study of the attached geologic map will show that the present southwest drift face is probably on a branch of the main vein. The company started to follow this subsidiary structure west of the dike, where it appears very strong and was reported to contain good sphalerite and galena. However, as it was followed from the dike and main vein, it grew weaker. The main vein structure appears to go into the south wall of the drift 20 feet back of the present face. The company plans to back up and get on the main structure again.

Examination of recent work in the southwest heading and discussion of it with Mr. Hammerand has shown that advance of the southwest heading should be continued. Therefore, it is recommended that Government

approval be given to use contract funds to advance the southwest heading an additional 100 feet. It is assumed that the Operator will continue on company account to advance this heading after this additional contract work is completed.

Enclosure (1)

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

913

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 27 1953

XXXXXXXXXXXXXXXXXXX
Spokane, Washington
August 20, 1953

Mr. W. R. Wade
Ottosen Tungsten Company
Marysville, Montana

Subject: Docket No. DMEA 2658
(tungsten)
Contract No. Idm-2490

Dear Mr. Wade:

Your letter of August 17, 1953 to Mr. John D. Bardill submitting a cost estimate for rail, air and water pipe, and labor for installation in the Prentiss tunnel has been received.

One of the main objects in writing contracts on a unit cost basis is to prevent the Government from acquiring partial ownership in material, equipment, and supplies. With the granting of a unit cost for drifting, crosscutting and raising, it is applicant's responsibility to procure the pipe, rails, ties, etc., for this work. Your contract provides $470.00 for Stage I contingencies which we interpret to mean that this money may be used for labor to install the pipe and rail, but not to purchase the material. New Buildings, Improvements, Installations (6) contract funds may not be spent for this purpose.

As you state, there are adequate funds for timbering.

We will appreciate receiving the balance of the assays for the upper level adit.

By Field Team, Region II

JDB;mp
cc: Wash. 2
USGS 2
DMEA
AD
JDB
DF

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

Thomas K. Howard, Acting Member
DMEA Field Team, Region II

913

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

1201 N. Division St.
Spokane 2, Washington
August 3, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Idaho Mining Co., Shoshone County, Idaho, Docket No. DMEA 981 (lead-zinc), Contract Idm-E88

The underground operations covered by the DMEA contract were inspected August 1, 1953, accompanied by the new part-time mine engineer.

Work as outlined in the present amended contract is being performed on an agreed unit cost.

The face of the NE Drift located north of the shaft on the 300 level measured 235 feet from survey station #312, showing the total length of drift to be 220 feet for an advance of 87 feet under the amended contract. Advances in the headings south of the shaft on the 300 level were not measured at this time because the contract specifies that any allowable advance in headings south of the shaft must have prior Government approval. Starting point for allowed drifting or crosscutting south of the shaft on the 300 level will be set at the time of approval.

The Operator showed 148 units of drifting completed for his last invoicing period (June '53). These units were reduced to 87. The Operator was mistaken as to the number of units that had been allowed previously in the 300 level NE drift, and he also claimed 50 feet south of the shaft which had not received prior authorization. The disallowances and reasons for the action have been discussed with the Operator.

The NNE Drift had one foot of ore in the face. A sample was cut and the assay results will be reported in a subsequent report. The ore mineral is predominantly galena with no noticeable zinc.

The Geological Survey office in Spokane was notified of the Operator's desire for approval of work south of the shaft on the 300 level.

Progress has been slow due to labor turnover and shortage and to compressor and pump failures. Standard of work accomplished is good.

E. G. Erickson

E. G. Erickson

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

FILE COPY
SURNAME: JLC

800

JLC-ama

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

JUL 16 1953

Mr. B. J. Brekhus
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-E88, DMA-981X
Idaho Mining Company

Dear Mr. Brekhus:

Reference is made to your transmittal letter of July 7, 1953, submitting your Audit Reports and Certificates on Contract Idm-E88, Docket No. DMA-981X, Idaho Mining Company.

On page 8 of the Report you have distributed all Phase I work under Initial Rehabilitation and Repairs (Stage I of the contract). In doing this you certainly were following the outline of the contract. However, in our statistics and in our explanation of Form MF-104, Initial Rehabilitation and Repairs includes only items rehabilitated or repaired which exist above ground, such as buildings, shaft heads, preparation for shafts, etc. This contract included among rehabilitation items an old shaft. Can you pick out the amount of Underground Rehabilitation? If so, please put a star after the amount of $28,459.69 listed under Item 5 and make a footnote to page 8 somewhat as follows: "Includes $_____ for rehabilitating shaft." If there were other underground rehabilitation items the sentence would read in part: "Shaft, adit, drift" or whatever item was rehabilitated.

Please send me a statement of this starred explanation so that we can make the addition to the copies of the report retained in my office.

Sincerely yours,

SIGNED

Per ama

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/ama
July 16, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

R.C.B.
7-16-53

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

Docket Copy

June 25, 1953

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

Re: Docket No. DMEA-981 (lead-zinc)
Idaho Mining Company
Shoshone County, Idaho
Contract Idm-E88

Dear Mr. Selfridge:

Returned herewith are the original and two signed copies of the amended contract for the subject property. One copy of the amended contract has been retained by the Operator, a copy has been forwarded to the Regional Finance Office, and one copy is being retained for our files.

Pursuant to instructions contained in your letter of May 26, 1953, regarding the amended contract, we have inserted in paragraph 4 of Annex I the agreed present value of equipment in which the Government has a 50 percent equity. The agreed present value of equipment is $3,000 and the Government's equity is $1,500. Four copies of a memorandum from E. G. Erickson of the Bureau of Mines explaining how the agreed present value of equipment was arrived at are enclosed.

Paragraph 4 of Annex I stipulated that on account of the Government's equity in the equipment it may deduce the sum of $1,500 from any monies due the Operator upon completion of Phase II-A of the contract. Mr. Erickson's memorandum suggests and the Operator has agreed that $3.00 will be deducted from reimbursement due the Operator on each foot of drifting completed under Phase II-A, thus upon completion of this phase of the work the Government's equity in equipment will have been withheld. We plan to follow this procedure in redeeming the Government's equity as it appears to be a much better plan than deducting the Government's equity as one lump sum when Phase II is completed.

Sincerely yours,

A. E. Weissenborn

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

Enclosure
cc: USBM (2)
Quinlan

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

1201 North Division Street
Spokane 2, Washington

June 19, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Idaho Mining Co., Shoshone County, Idaho, Contract No. Idm-E88, amended contract dated May 26, 1953, Docket No. DMEA 981X (Pb-Zn)

It is recommended that the amount of $3,000.00 be inserted in paragraph 4, Annex I, as the present value of the equipment purchased under the contract in which the Government has a 50 percent equity. The Operator is willing to agree to deducting $3.00/ft. from reimbursement due him for performing the work in Phase II-A, thus upon the completion of Phase II-A the Government's equity will be repaid.

Following is a tabulation of equipment purchased, date purchased, purchase price and agreed estimated present value:

Date Purchased		Item	Purchase Price	Present Price
Sept. 1951	1	Jackhammer and accessories	$ 363.50	$ 180.00
Sept. 1951	1	Mall Electric chain saw	260.00	130.00
Oct. 1951	1	Electric sump pump	58.70	10.00
Oct. 1951	1	Hydraulic pumping unit	322.98	300.00
March 1952	1	Pusher (Jack-leg) w/accessories	155.00	80.00
Aug. 1952	4	Ajax mine cars	1,680.00	1,100.00
Sept. 1952	1	Eimco trammer	2,004.50	1,200.00
			$4,844.68	$3,000.00

Vendors of the mine cars and the trammer were contacted in regard to present value of the equipment and they stated that equipment was not moving due to a mining lull in the district. Although there has been an increase in price of mine cars from $420 per car to approximately $445 and the air trammer now sells at $2400 plus about $100 freight, if the equipment was to be sold today it would bring something less than the present prices set. In view of the Operator continuing to use the equipment and the future depreciation rate will be less, the above prices appear just.

Phase II of the contract was performed on a unit cost basis (Amendment No. 3) and any unused supplies and materials remaining from Phase I were taken into account when the unit price was determined and agreed upon for Stage II.

E. G. Erickson

E. G. Erickson

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
EGE/vf

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

1201 North Division Street
Spokane 2, Washington

June 19, 1953

E. RA DU

To: D EA Field Tea , Region II

Fro . T. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Idaho Mining Co., Shoshone County, Idaho, Contract No. Id.-583, a ended contract dated ay 26, 1953, Docket No. D EA 981X (Pb-Zn)

It is recommended that the amount of $3,000.00 be inserted in paragraph 4, Annex I, as the present value of the equipment purchased under the contract in which the Government has a 50 percent equity. The operator is willing to agree to deducting $3.00/ft. from reimbursement due him for performing the work in Phase II-A, thus upon the completion of Phase II-A the Government's equity will be repaid.

Following is a tabulation of equipment purchased, date purchased, purchase price and agreed estimated present value:

Date Purchased		Item	Purchase Price	Present Price
Sept. 1951	1	Jackhammer and accessories	$ 363.50	$ 180.00
Sept. 1951	1	Mall Electric chain saw	260.00	130.00
Oct. 1951	1	Electric sump pump	53.70	10.00
Oct. 1951	1	Hydraulic pumping unit	322.93	300.00
March 1952	1	Pusher (Jack-leg) w/accessories	155.00	80.00
Aug. 1952	4	Ajax mine cars	1,680.00	1,100.00
Sept. 1952	1	Elmco trammer	2,004.50	1,200.00
			$4,844.63	$3,000.00

Vendors of the mine cars and the tramer were contacted in regard to present value of the equipment and they stated that equipment was not moving due to a mining lull in the district. Although there has been an increase in price of mine cars from $420 per car to approximately $445 and the air tramer now sells at $2400 plus about $100 freight, if the equipment was to be sold today it would bring something less than the present prices set. In view of the operator continuing to use the equipment and the future depreciation rate will be less, the above prices appear just.

Phase II of the contract was performed on a unit cost basis (Amendment No. 3) and any unused supplies and materials remaining from Phase I were taken into account when the unit price was determined and agreed upon for Stage II.

E. G. Erickson

Orig. & 3 - Wash.
USGS - 2
DMEA
N/D
EGE/vf

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

1201 N. Division St.
Spokane 2, Washington
April 27, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 5 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Idaho Mining Co., Shoshone County, Idaho, Contract Idm-E88, Docket No. DMEA 981 (lead-zinc)

The project was inspected March 20, 1953, accompanied by a company employed miner. The Operator had been contacted several other times since the last inspection on January 30, 1953.

The 500 feet of drifting outlined in the contract was completed the first part of March 1953, and the company was continuing some drifting on their own account.

Samples were taken of the vein in the N. 300 DNW at S.S. #312 plus 39 feet and S. 300 DNW at S.S. #317 plus 102 feet; the assay returns showed 0.2% zinc, 0.4% lead, 0.1 oz. silver and 0.1% zinc, 0.3% lead, 0.1 oz. silver over widths of 2.2 feet and 1.0 feet respectively.

The Operator has proposed additional work on the 300 level which is presently being considered; if approved by the DMEA Operating Committee it will be incorporated into an amendment. In the meantime the Operator is continuing some drifting on their own account.

Showings to date on the 300-foot level do not indicate that a great improvement in values can be expected by exploring at an increased depth of 200 feet. Detailed geology of the area is lacking which prohibits the outlining of a justified target for exploration at depth.

Progress and sample and geologic maps are being submitted with the Operator's proposal for additional exploration on the 300 level.

E. G. Erickson

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

FILE COPY
SURNAME:

500

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

APR 23 1953

Mr. John J. Collins, Attorney at Law
3rd Floor, Security Building
Davenport, Iowa

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Moon Creek Mine
Shoshone County, Idaho
Contract Idm-E88

Dear Mr. Collins:

We have your letter of April 16, 1953, in which you request details regarding a Defense Minerals Exploration Administration contract with the Idaho Mining Company.

This company was granted an exploration loan July 27, 1951, to run for two years. The total amount of the estimated project cost is $123,738.00, with the Government participating to the amount of $61,869.00, which is fifty percent.

For any additional information regarding the exploration program we, of course, must refer you to the company.

Sincerely yours,

C. O. Mittenderf

Administrator

WRGriswold/hmj
(4/22/53)
CC to: Docket
Adm. R. File
Op. Committee
Base Metals
Region II
Mr. Kinkel
Mr. Bishop
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 6 1953

~~WASHINGTON 25, D.C.~~
No. 127 Howard Street
Spokane 4, Washington

March 5, 1953

Mr. Howard W. Johnson
6904 Adams Avenue
La Mesa, California

Re: Docket No. DMEA-981X (lead-zinc)
Idaho Mining Company
Shoshone County, Idaho
Contract Ida-288

Dear Mr. Johnson:

Please excuse the delay in answering your letter of January 20, 1953 relative to the exploration loan granted the Idaho Mining Company.

The Idaho Mining Company was granted an exploration loan July 27, 1951 to run for twenty-four months. The total amount of the loan is $123,738.00 with the Government participating in the amount of $61,869.00 which is fifty percent.

For any other information regarding the exploration program, we, of course, must refer you to the company.

Very truly yours

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

mr:sz

cc: DMEA (2)
USBM (2)
Quinlan

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 20 1953

February 6, 1953

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

No reply necessary

Re: Docket DMEA-981 (Lead-Zinc)
Idaho Mining Company
Moon Creek Mine
Shoshone County, Idaho
Contract No. Idm-E88

Dear Mr. Selfridge:

Enclosed are four copies of a composite plan of the Moon Creek mine showing the major structures of the mine and four copies of each of two cross sections. This is in reply to your letter of January 28 in which you discussed the geology of the Moon Creek mine and suggested that the program be re-examined and, if necessary, be described.

In their application for an exploration contract, the applicant's engineers have obviously correlated the southernmost structure shown on the map of the 300-level with the main structures on the 100 and 200 levels. In our opinion, this correlation is not valid, but it should be remembered that at the time the contract was negotiated, the mine was under water and we had to perforce accept the applicant's geologic mapping and his interpretation of that mapping. Fryklund, the Survey geologist, believes that the vein exposed in the long northwest drift on the 300-level is the same structure as that which was explored on the 100 and 200 levels. Inspection of this section shows that this correlation seems logical even though the vein apparently does reverse its dip and changes somewhat in its direction of strike. There are, of course, some uncertainties in making any correlation with the evidence available. We therefore feel that by drifting on the southmost structure on the 300-level, we are following the intent of the contract; even though the results to date have not been too encouraging, we feel that because of the investment made the work should be continued until a definite conclusion can be reached that further work would be futile.

You state in the second paragraph of your letter, "...the wisdom of leaving 1.5 feet of ore assaying 2.8% Pb and 16.8% Zn to follow a barren fissure whose correlation with a previously explored fissure on the 200-foot and 300-foot levels is in doubt, may be open to question."

not referred to

As shown in the geologic map attached to our letter of December 31, however, the "high-grade zinc vein" to which you refer is about $1\frac{1}{2}$ feet wide where it is cut by the flat-dipping quartz vein, which also contains some sphalerite. The zinc vein, however, appears to be pinching at the face and it is possible that it is but a small lens which will completely pinch out. We agree that one or two rounds should be put into the zinc vein to see if it continues to pinch or if it should widen. If it pinches, there would seem to be little point in following it further.

We are not very optimistic about the outcome of the exploration at the Moon Creek mine. Nevertheless, a small amount of additional drifting along the flat drifting quartz vein seems warranted as it does contain some sphalerite. Furthermore, some testing of the showing of the zinc vein in the north heading on the 300-level should be done as this is provided for in the contract. When this work has been done, the results of the exploration should be evaluated and, if necessary, the program at that time can be redescribed or the project closed; but until more work is done, there is no basis for reaching a decision.

By DMEA Field Team, Region II

M. E. Volin

M. E. Volin, Acting Exec. Officer
(U. S. Bureau of Mines)

Thor H. Kiilsgaard

Thor H. Kiilsgaard, Acting Member
(U. S. Geological Survey)

Enclosures

cc: USBM (2)
Fryklund

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 North Division St.
Spokane 2, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 24 1953

February 2, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer

Subject: Interim report, Idaho Mining Company, exploration project contract No. Idm-E88, Shoshone County, Idaho, Docket No. DMEA 981X (Pb-Zn)

I visited the mine January 30, 1953 and contacted Mr. L. Garrand, part-time engineer. Mr. Allgaier, mine manager, had been called into Kellogg, Idaho on business.

The Operator had lost the drift crew (partly to the Army) and was in the process of organizing a new crew. He had experienced some trouble with the pumping arrangement and was making necessary changes (lowering pump) and planned on starting headings no later than Tuesday, February 3, 1953.

No advance had been made since last inspection, January 8, 1953 and only one round had been advanced in each of the four headings since December 16, 1952 inspection.

Approximately 200 feet of drifting remains to be done under phase II of the contract which outlined a total of 500 feet. Phase III and IV are contingent on phase II. Therefore, in view of the amount of money spent on rehabilitation and for purchase of equipment, should the 500 feet of drifting fail to disclose sufficient justification to continue with phase III and IV and the structure continues to be strong, more exploration on the 300 level should be considered for the best interest of the Government and the Operator.

E. G. Erickson
E. G. Erickson

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
EGE/vf

500 FILE COPY
SURNAME:

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

Keating
Selfridge

JAN 28 1953

TSW

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Co.
Moon Creek Mine
Shoshone County, Idaho
Contract No. Idm-288

Dear Mr. Weissenborn:

In your letter of December 31, 1952, you inform us that while the subject contract calls for exploration on the 300-foot level of a structure which has been opened on both the 100-foot and 200-foot levels, it was found that after unwatering the mine this structure already had been explored by drifting on the 300-foot level. If this is true, it appears that the vein has not only steepened below the 200-foot level, but has reversed in dip from south to north. From the few dips that are recorded, the drifting being done to the west could be on the structure followed on the 200 and 300 levels.

However, the wisdom of leaving 1.5 feet of ore assaying 2.8% Pb and 16.8 % Zn to follow a barren fissure whose correlation with a previously explored fissure on the 200-foot and 300-foot levels is in doubt, may be open to question.

Therefore, it is suggested that the contract be re-examined to bring the work to be done more in line with the present knowledge of the mine. If it is found that the work is still justified, it may be necessary to re-describe the program in an amendment or amended contract.

Sincerely yours,

George C. Selfridge

(246)

Chairman, Operating Committee

1-28-53

APPROVED:

J. H. Hodges (246)

Member, Bureau of Mines

A. R. Kinkel, Jr. (246)

Member, Geological Survey

AGKeating/hmj 1-26-53
CC to: Admr. Reading File
Operating Committee
Base Metals Division
Docket File Copy
Mr. Kinkel
Mr. Bishop

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
December 31, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 1 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Idaho Mining Co., Shoshone County, Idaho, Contract Idm-E88, Docket No. DMEA 981 (lead-zinc)

I inspected the project December 16, 1952, accompanied by Mr. Bruce Allgaier, manager for the company.

The following advances were measured:

Working Place	Advance since last report	Total advance	Initial starting point	Remarks
S-300-E-Drift	49'	88'	S.S.#309+16'	
S-300-W-Drift	0	55'	" + 24'	North split
S-300-W-Drift	60'	60'	" +64'	South split
S-300-S-Crosscut	0	34'	S.S.#309+17'	
N-300-E-Drift	32'	32'	S.S.#312+11'	
N-300-W-Drift	30'	30'	" + 5'	

The headings are 8'x7' in cross-section and are being advanced without timber except that the N-300-E & W drifts had to be timbered at the intersection with the N-300-Crosscut. The agreed upon unit price is $36/linear foot of advance.

The S-300-W drift (north split) was stopped and the south split is being explored. Due to the faulted and broken condition of the vein the S-300-E drift has not been able to follow a persistent structure to date. The N-300-W & E drifts are being turned onto the vein and only a small amount of mineralization has been disclosed to date. The Operator has been instructed to keep a sample map of the drifts.

Four miners work on contract in the drift headings and tram the rock to the skip pocket. There are 4 company men, namely, supervisor, hoistman, mechanic (all-around man) and a part-time engineer who also works as skip tender and other miscellaneous jobs.

The planned cycle is to blast 2 headings and muck 2 headings each shift.

Progress sketches are attached.

E. G. Erickson

E. G. Erickson

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 9 1953

December 31, 1952

Mr. Frank Johnson, Chairman
Operating Committee, DMEA
Dept. of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-981x (Lead-Zinc)
Idaho Mining Company
Shoshone County, Idaho
Contract No. Idm-E88

Dear Mr. Johnson:

This letter will supplement our letter of December 22 replying to your letter of December 5 referring to the Idaho Mining Company.

You asked about the S. 15° W. crosscut, and why the Operator did the work.

The contract is somewhat ambiguous in that the contract refers to work to be done on the 300 level on a structure explored on the 100 and 200 levels. The contract map, however, shows that the work is to be done on a flat quartz structure. (It should be pointed out, however, that the mine was flooded and the contract prepared without access to adequate geologic information.) The Operator was not certain whether the flat quartz structure was the same as the structure explored on the 100 and 200 levels and drove the short crosscut to see if the structure on 100 and 200 was not further south.

It is the opinion of Mr. Fryklund that the flat quartz structure, specified to be explored by the contract map, has never been cut on the 100 and 200 levels; and that the downward extension of the 200 level structure is explored by the drift you suggested drilling from. This shows well on a cross section through the east end of the drift, but the correlation is more dubious on the west end of the drift as the structure on the 200 level must have changed strike and reversed its dip between the 200 and 300 levels.

At present, drifting is being done along the flat vein

as this seems to have been the intent of the contract, and also seems the hopeful structure to follow.

Crosscutting was stopped in August after about 20 feet had been driven. The Operator should have consulted the Field Team before undertaking the crosscutting; however, we feel that because of the structural complexity, a small amount of crosscutting was not unreasonable.

By Field Team, Region II

A. E. Weissenborn

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

M E Volin

M. E. Volin, Member
(Bureau of Mines)

cc: USBM (2)
Fryklund

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

[redacted]
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
DEC 22 1952

December 22, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Idaho Mining Company
Docket DMEA-981X (lead-zinc)
Contract Idm-E88
Shoshone County, Idaho

Dear Mr. Johnson:

The questions the Operating Committee brought up in its letter of December 5, 1952, with respect to the Idaho Mine, have been referred to the field men.

We are awaiting clarifying information from the Operator with respect to the S. 15° W. crosscut.

Your comments about long hole drilling from the drift north of Station 309 is interesting. Such drilling was contemplated when the contract was originally written, but eliminated in favor of a closer look at the vein than could be gotten by drilling. We fail to see where "more detailed information" could have been gotten by drilling.

The geologic map, as of November 13, 1952, copies of which are enclosed, shows that the quartz structure is striking almost due west and the distance from the drift you suggest drilling from will be greatly increased. We might add that the inspection report by Mr. Fryklund suggests that the black sphalerite structure be drilled from the other drift.

The north structure had not been explored up to November 13 because the Operator had been driving a run-around at his own expense that would bypass the shaft station, and had just started slabbing for the turn onto the north structure.

By DMEA Field Team, Region II

Enclosure

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

M. E. Volin
M. E. Volin, Member
(U. S. Bureau of Mines)

cc: USBM (2)
Fryklund

500 FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C. DEC 5 1952

Corbett
Keller
Selfridge
Johnson

FXCorbett/bjl/hmj 12-4-52
Copy to: Docket
Adm. R. File
Op. Committee
H. F. Keller (2)
F. X. Corbett
Mr. Bishop
Mr. Kinkle

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

Re: Docket No. DMA-981 (Lead-Zinc)
Contract No. Idm-888
Idaho Mining Company

Dear Mr. Weissenborn:

We have received the interim report on the Idaho Mining Company exploration project and have noted the work done under Phase II, part of which, the crosscut, South 15° West is open to question. This work was not mentioned in the contract or the amendments and unless information not shown on the contract drawing validates this crosscut, there is some doubt of its potential value. If it is an attempt to prospect for parallel fissuring other means might be employed.

Under the terms of the contract which was drawn in Washington, the drift northwest of Station #309 is being driven parallel to and only thirty-five feet away from an existing drift. Considering the short distance between these openings and the paucity of mineralization, the question arises whether adequate, if not more detailed information, would not have been gotten by drill holes. Either long holing with a rock drill or core drilling could have been used for this work and a much greater area of fissure investigated.

The contract did call for drifting on a structure exposed in the crosscut to the northeast of the shaft, but though this mineralization as depicted seemed to be more promising than that exposed elsewhere, it has not been included in the work of Phase II so far.

We would appreciate your comments on the changes made in this phase of the work to that proposed in the contract, and also the advisability of drilling as compared with drifting on some of the structures of interest.

Sincerely yours,

George C. Selfridge
ACTING Chairman, Operating Committee

APPROVED:

J. H. Hedges
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

12-5-52

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

November 25, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
DEC 5 1952

Memorandum

To: DMEA Field Team, Region II

From: Verne C. Fryklund, Jr.

Subject: Routine inspection of Idaho Mining Co. property, Docket No. DMEA-981 (Lead-zinc), Contract No. Idm-E88, Shoshone County, Idaho.

I visited the property November 13, 1952, with Mr. Erickson of the Bureau of Mines. An additional 24 feet of drifting has been done in the west drift on the south vein. This is the first advance since I mapped the drift August 29. The east drift is being turned so as to intersect the east extension of the south vein. Slabbing is in progress for the turn on to the north vein.

The west drift on the south vein encountered a black zinc structure about 3 feet west of the face of August 29, 1952. The mineralized width of the structure was about 2½ feet wide. Yellow sphalerite and quartz have been introduced into the structure over a length of about 10 feet. At the face the structure is .4 foot wide. About half is black sphalerite, and the remainder is galena and carbonate.

The black sphalerite vein is the most encouraging structure found in the mine so far; the contract, however, specifies that the work is to be done on the flat, yellow sphalerite-quartz structure. The Operator should be encouraged to test the black sphalerite vein by long holes from the parallel drift 40 feet north.

Now that the mine is finally in operating condition, progress in the headings should be rapid. I would estimate that the 500 feet of drifting will be completed in about three months. It will then be necessary to decide on the feasibility of the third and fourth stages of the contract.

Dist:
Orig. & 3-DMEA
USBM (2)
Docket
Fryklund

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~

1201 N. Division St.
Spokane 2, Washington
November 19, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
NOV 24 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Idaho Mining Co., Shoshone County, Idaho. Contract Idm-E88, Docket No. DMEA 981X (lead-zinc)

I inspected the property October 23, 1952, accompanied by the company manager, Mr. Bruce Allgaier, and again on November 13, accompanied by Mr. Verne Fryklund, geologist, Geological Survey, and the company's part-time Mine Engineer.

On October 23, 1952, there had been no advance of underground headings since prior inspection. The company was completing prepatory work necessary to facilitate drifting operations, namely, mucking out shaft sump and lowering pump intake, replacing track, extending air and water lines, enlarging waste pocket, enlarging drift sections to accommodate larger equipment. The cost of the preparation was being borne by the company and this was taken into consideration when negotiating for an amendment to allow drifting to be done on an agreed unit price per linear foot.

On November 13 the operation was again inspected and the advance measured. U. S. Bureau of Mines survey tag No. 90 had been blasted out and was reset on same plug as company survey station #309. The drift northwest on the 300 level south of the shaft had been advanced a total of 56 feet under the contract; opposite drift southeast was advanced a total of 49 feet; crosscut south had a total advance of 34 feet. The turns for the drifts east and west off the north crosscut had been started. Some timber will have to be placed at the start of drifts off north crosscut, but timbering has not been necessary in the workings south of the shaft. The headings are carried approximately 8'x7' in cross-section. A total of 149 feet of drifting and crosscutting had been completed of the 500 feet outlined in Phase II of the contract.

Should Phase II (500 feet of drifting) be successful and Phase III (200 feet of shaft sinking) and Phase IV (1000 feet of crosscutting and/or drifting on new 500 level) are undertaken, it is recommended that the contract be amended to allow more than 1,000 feet of exploration on the new level. It may be that all the 1,000

feet will be necessary to crosscut the veins and would leave no allowance for exploring the veins, which is the prime purpose of Phases III and IV.

The northwest drift south of the shaft disclosed a good ore showing ZnS and PbS 1.5' wide about 60 feet from survey station #309. This vein pinched to about 0.1' at the present face. The first 60 feet of the drift was on a predominantly quartz vein showing only minor amounts of PbS and ZnS. The opposite drift southeast followed a narrow, almost barren quartz vein but is at present being turned northerly onto a larger quartz vein. The crosscut extended south failed to disclose any worthwhile structure.

The company will report samples and assay results on an assay map for the next reporting period, and check samples will be taken by Government representative whenever they are considered necessary. The company will also furnish an intermediate print of base map from which additional prints can be made. Overlays will be used for monthly progress reports.

Some bad ground was encountered when drifts were started off the north crosscut; timber will be necessary at intersection and in both headings until ground conditions become better.

When four headings are ready to be advanced it is planned to drill, blast and muck 2 headings each shift with 3 miners, and if labor is available work will be on a 2-shift basis. The present cycle with 2 headings is to drill and blast one heading and muck the other, and do as much preparatory work on the start of the other 2 headings as time permits. There were only 2 miners working the day of my inspection. A "Swede machine" is used for drilling, and broken rock is loaded with a mechanical shovel. Mine cars (30 cu. ft.) are trammed with an Air Trammer. Broken rock is dumped into a small skip pocket (300 level) from where it is hoisted by skip to bin on surface. A dump truck is used to haul rock from bin to nearby disposal area.

A skip-tender, hoistman, and a utility man are necessary, besides the 3 miners on the level, to maintain the planned cycle.

The drifting operation, which is being performed on a unit cost basis ($36/ft.), should be an efficient operation in view of the number of available headings, equipment and facilities.

An itemized list of equipment purchased under the contract is attached; also a sketch showing progress of underground headings.

Orig. & 3 cys—Wash.
USGS (2)
DMEA
M/D
EGE

E. G. Erickson

DMEA
OPERATING EQUIPMENT
INVENTORY

Idaho Mining Company
(Name of company)
711 Spokane & Eastern Bldg.
Spokane, Wash.
(Address)

Idaho Mining Co. mine
(Name of mine)
West Fork Moon Creek
Shoshone County, Ida.
(Location)

Contract No. Idm-E 88

Amount of contract $123,738.00

Govt. participation 50 %

Date Purchased	Serial Number	Description	Units	Unit Cost	Total Cost	Engr.
10/1/52	#22	Model 401 Eimco Air Locomotive (18" gauge, 40"x84" receiver)	1	$1960	$1960	EGE
8/25/52	—	"AJAX" 30 cu. ft. 18" gauge, side dump car	4	420	1680	EGE
2/27/52	—	Stock No. BMK-41A2, Pneumatic Pusher, complete	1	155	155	EGE
Reported on Aug. 51 MF-104	404764	Model RH656W Atlas Rock Drill, complete	1	470.98	470.98	EGE
"	675065	Model 2E18 Mall chain saw	1	260.00	260.00	EGE

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

So. 157 Howard Street
Spokane 4, Washington

October 22, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: Verne C. Fryklund, Jr., Geologist, U. S. Geological Survey

Subject: Routine Inspection of Idaho Mining Company Property, Docket No. DMEA-981 (Lead-Zinc)
Contract No. Idm-E88
Shoshone County, Idaho

I visited the property the afternoon of October 10, 1952. There has been no mining since my inspection report of August 17, 1952.

Work since that time has been on laying track and pipe, working on the sump, and timbering around the shaft station. They were preparing to lower mine cars and I did not go underground.

I have visited the property several times since August 17; I have examined the geology of the three levels and sampled for mineral specimens. This property is almost unique in the district (there are only two other examples that I know of) in that the zinc of the quartz veins is yellow zinc. There has been very little production from this mine to date, same as at the other properties that have yellow zinc, and I now have specimens that show yellow zinc-bearing quartz veins cutting across black zinc veins. This feature has considerable significance in estimating the potential value of this property because 99.999 plus percent of the zinc production of the Coeur d' Alene district has come from black zinc. I very much

doubt if this mine will ever be a major producer, and if there was not such a large investment in the rehabilitation of the shaft and the 300 level I would suggest terminating the contract. Unless significant quantities of yellow zinc are demonstrated by the DMEA drifting on the 300 level, when it finally starts, the contract should be terminated before any attempt is made to open lower levels.

cc:

USBM(2)
Fryklund

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Spokane 2, Washington
1201 N. Division St.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

October 14, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Idaho Mining Company's exploration project, Shoshone County, Idaho, Contract Idm-E88, Docket No. DMEA 981X (lead-zinc)

I inspected the exploration project site September 3, 1952 and September 12, 1952 with Mr. B. Allgaier, Mgr. After inspection of underground operations the contract was discussed.

Mr. Allgaier wished to include a "run-around" crosscut around the shaft and a skip-pocket in Phase II of the project. It was indicated that the addition of these facilities might cut the cost of performing the work enough to justify their approval but on the other hand, performance to date showed Phase I to be over-spent about $10,000 and any added expense would jeopardize the possibility of completing the project. Therefore it was suggested that the operator propose doing the work called for in Phase II at a unit cost that would insure the saving which was indicated as possible. After considerable discussion it was noted that a unit cost per foot for drifting and crosscutting outlined in Phase II could be agreed upon that would cut the cost enough to make the total amount of money spent on Phase I and II very near the estimated amount.

An Amendment is being prepared to allow the operator to perform the drifting and crosscutting in Phase II at a unit cost of $36.00/foot (as proposed by the operator) to include <u>all costs</u> except those set forth for purchase of equipment. The unit cost would be too low if it were not possible to work more than one heading simultaneously. This amendment insures that the work will be done before the Government participates in the cost thereof.

At the time of inspection the "run-around" had been completed, the south crosscut had been extended to insure that all the structure had been cut and drifting had been started both ways on the vein. Rehabilitation of the north crosscut was in progress. The unit cost stipulated in the new amendment will include costs of rehabilitation, therefore the contract will not have to be amended to allow this necessary expense.

E. G. Erickson

Orig. & 3 - Wash.
USGS (2)
DMEA
M/D
EGE/vf

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

Spokane, Washington
October 9, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1952

MEMORANDUM

To: Chairman, Operating Committee, DMEA, Washington, D. C.

From: DMEA Field Team, Region II

Subject: Docket No. DMEA 981X (lead-zinc), Idaho Mining Company, Shoshone County, Idaho, Contract Idm-E88

Enclosed for your consideration are 6 copies of a proposed amendment to the subject contract, prepared to provide for Government reimbursement on the basis of estimated unit costs in lieu of the actual costs of Phase II of the exploration project. The Operator has agreed to the unit costs specified.

The amendment would reduce the amount allowed for Phase II of the project from $31,920 to $22,085 and thus make up almost all of the amount that was overspent on Phase I. In addition, administration of the contract would be facilitated. For these reasons the amendment would be for the benefit of both the Government and the operator.

The estimated unit cost compares favorably with costs obtained on other DMEA projects in the Region with similar operating conditions and is considered equitable.

By Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)
So. 157 Howard St.

M. E. Volin

M. E. Volin, Member
(U. S. Bureau of Mines)
1201 N. Division St.

RECEIVED
OCT 20 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Enclosure

cc: DMEA, Wash. (2)

cae 10/13

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1952

Spokane, Washington
October 9, 1952

MEMORANDUM

To: Chairman, Operating Committee, DMEA, Washington, D. C.

From: DMEA Field Team, Region II

Subject: Docket No. DMEA 981X (lead-zinc), Idaho Mining Company, Shoshone County, Idaho, Contract Idm-E88

Enclosed for your consideration are 6 copies of a proposed amendment to the subject contract, prepared to provide for Government reimbursement on the basis of estimated unit costs in lieu of the actual costs of Phase II of the exploration project. The Operator has agreed to the unit costs specified.

The amendment would reduce the amount allowed for Phase II of the project from $31,920 to $22,085 and thus make up almost all of the amount that was overspent on Phase I. In addition, administration of the contract would be facilitated. For these reasons the amendment would be for the benefit of both the Government and the operator.

The estimated unit cost compares favorably with costs obtained on other DMEA projects in the Region with similar operating conditions and is considered equitable.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)
So. 157 Howard St.

M. E. Volin, Member
(U. S. Bureau of Mines)
1201 N. Division St.

Enclosure

cc: DMEA, Wash. (2)

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

DEPARTMENT OF THE INTERIOR
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RECEIVED
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By Field Team, Region II

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)
So. 157 Howard St.

M. E. Volin, Member
(U. S. Bureau of Mines)
1201 N. Division St.

Enclosure

cc: DMEA, Wash. (2)

Memorandum

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

FROM: P. B. Blakemore

SUBJECT: Recommendation Exploration Contract
DMA Docket 981X Lead-Zinc Idm E88
Yreka District, Idaho.

Cost of Project: $123,738.00 D.M.A. Participation $61,869.00 (50%)

This project was recommended by Field Team, with reservations, and 4 filled out contracts signed by the Operator were processed up to this office.

A letter was written to the Operator on July 6, 1951 for the purpose of bringing the information, costs, etc. within the requirements of the D. M. A. Instead of answering this letter, the Secretary of the Operator, Mr. Wellman Clark of Spokane Washington, came to this office on July 24, 1951 to assist in preparing a proper contract and supply the necessary information.

Discussion:

The subject property has been fairly well equipped and prospecting has been carried on by means of a 300 foot shaft with 3 levels and several tunnels from the surface without discovery of a commercial ore body. Total tunnels, shaft and drifts exceed 4000 feet, driven in a mineralized shear zone which varies from 150 to 300 feet in width.

The 3rd or lowest level contains mineralization with considerably higher lead-zinc values and in larger bodies than those encountered in upper workings.

The present objective in exploration is to extend the drifts on the third level a total of 500 feet and if the findings there warrant it, sink the shaft 200 feet and drift from it to cross-cut and explore for the extension of the favorable 3rd level showings.

Outline of Project:

Phase I (3 months)		
Rehabilitation, restoring headframe destroyed by fire, repairing shaft timbers, mine and surface clean-up	$ 18,158.00	
Phase II (3 months)		
500 feet drift on 300 level	31,920.00	$63.84/foot
Phase III (3 months)		
200 feet Shaft Sinking	33,875.00	$169.38/foot
Phase IV (5 months)		
1000 feet cross cutting on 500 level	39,785.00	$39.79/foot
Total	$123,738.00	

D.M.A Participation $61,869.00 (50%)

Note:

Phases III and IV will be carried out provided the showings found on the third level exploration warrant them.

Materials to be purchased	
Timber, Headframe, and shaft	$3,058.00
Steel Rod bracing aand spikes	750.00
Pipe, air and water lines	100.00
Equipment to be Rented	
1 - Eimco Mucking Machine @ $300 per month	$ 900.00
3/4 Power Shovel and truck to replace level at creek	1500.00
Operators equipment, rental allowed	
1 Dodge Power wagon per month	$150.00
2 Drifters @ $40.00 per month each	80.00
3 Mine cars @ $5.00 per month each	15.00
1 Stoper @ $30.00 per month	90.00
Equipment to be Purchased	
Electric Controls	$ 500.00
5 Mine Cars @ $487.00 each	2435.00
1 Air or electric trauner	3500.00
2 Air Pumps @ $385.00	770.00

Conclusions and Recommendation:

It is entirely possible that the exploration on the third level will expose higher grade mineralization in larger bodies than hitherto encountered and the chances of these showings warranting the completion of the entire program are about 50-50.

The chances of finding commercial ore bodies on the 500 foot level are barely "fair".

The chances of repayment of the Governmental participation are "poor".

Because this shear zone is an extensive and favorable structure for mineralization, so far unexplored at any great depth, this project is recommended.

Alternate methods (core drilling) which might reduce the cost of exploring this ground have been suggested and discussed with the Field Team and Secretary of the Company; however, both of these state that core drilling in this type of deposit has never been satisfactory in this mining district.

P. B. Blakemore

PBBlakemore/bjs
7/30/51
cc to: Reports and Records
Mr. Blakemore
Docket copy
Chron. copy

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

1201 N. Division St.
Spokane 2, Wash.
September 11, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 18 1952

Mr. Bruce E. Allgaier
Sec.-treas., Idaho Mining Co.
P. O. Box 898
Kellogg, Idaho

Subject: Contract Idm-E88
Docket No. DMEA 981 (lead-zinc)

Dear Mr. Allgaier:

This will acknowledge receipt of your letter of September 6, 1952, requesting certain changes in the subject contract.

Your request that $2500.00 be diverted from Phase II funds to provide for the 300-level skip pocket rehabilitation and shaft run-around cannot be approved. It is pointed out that the actual cost of rehabilitation in Phase I exceeded the estimated cost by about $10,000, and any diversion of funds to work not specified in the contract would further decrease the amount available for actual exploration.

With respect to your suggestion that a unit cost of $25,000 be established for Phase II, present regulations do not permit a lump sum payment for this type of work. It is possible, however, to amend the contract to provide payment for drifting on the basis of an agreed, estimated unit cost per foot for units of work actually performed, in lieu of actual cost.

If you desire to amend the contract in this manner, it will be advisable for you to call at this office so that the details can be worked out.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer

M. E. Volin, Member

cc: DMEA, Wash. (2)
USGS, Spokane (2)

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

August 21, 1952

Memorandum

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

From: Verne C. Fryklund, Jr., Geologist, U. S. Geological Survey

Subject: Routine inspection of Idaho Mining Company property. Exploration project contract Idm-28[illegible], Shoshone County, Idaho, Docket No. DMEA-981 (Lead-Zinc)

I visited the property August 19, 1952. There had been some question as to whether the company was still operating and I discussed the matter with Mr. Allgaier, the resident manager. He said that much of the work in the latter part of July and the first part of August had been devoted to dead work around the shaft, although they had also completed about 75 feet of drifting in two of the DMEA headings.

Mr. Allgaier said that the remaining drifting would be done by contract, a legal and bonded contract, and that this contract would be submitted for approval in time for work to start September 1. When I was at the mine salesmen for a powder company were preparing some test shots and I did not go underground. There was a full crew on the property including a hoist man, two miners, and one foreman, so that there is no question as to the company being in operation.

Geological problems have already arisen so I plan to return to the property the week of the 25th.

Verne C. Fryklund

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

VCF/dp

FILE COPY
SURNAME:
500

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

AUG 13 1952

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

Re: Docket No. DMA-981 (Lead-Zinc)
Contract No. Idm-E88
Idaho Mining Company

Dear Mr. Weissenborn:

We have studied with interest the report by Mr. H. T. Reno to M. E. Volin on July 30, 1952, concerning the progress being made under the subject contract.

We are quite in agreement with Mr. Reno's recommendation that a strong letter be sent to the Operator urging efficient operation. If the Operator cannot finance his portion of the costs of the project so that efficient work can be done with an adequate crew, the contract should be terminated. At the end of March, the total expenditure on the project amounted to $28,737.85. This is approximately $10,000.00 more than the estimated cost of the work done to that date. A large part of the extra costs are caused by excessively high overhead charges in comparison to the actual labor charges and the number of men actually employed on the project.

We recommend that the Operator be advised that the contract will be terminated in accordance with Article 17 of the subject contract, if he is unable to prosecute the work pursuant to the terms of the contract.

Sincerely yours,

(signed) FRANK E. JOHNSON
Chairman, Operating Committee (GHS)

HFKeller/bjl/mb
August 8, 1952
cc to: Docket
Adm. Reading Files
Operating Committee
Mr. Keller (2)
Mr. Bishop
Mr. McKnight
Region II
Chron

APPROVED:

D. N. Johnson (GHS)
Member, Bureau of Mines

D. M. Lemmon (GHS)
Member, Geological Survey

SD

M. E. Volin, Member, DMEA Field Team, Reg. II July 30, 1952

H. T. Reno, Mining Engineer, Mining Division, Region II

Periodic Inspection - Contract Idm-E88, Idaho Mining Company, Shoshone County, Idaho - Docket DMA 981 (lead-zinc).

I inspected the work with Mr. C. B. Hoskins July 12, 1952. Mr. Hoskins is acting as a consultant to the operator in setting up a mill test.

The project has been suspended from April 1 to July 1 at the request of the operator. The 90-day suspension was to give the company time to accumulate enough funds to carry on the work two shifts a day in two headings. However, since July 1 only one shift part time in one heading had been worked. The total advance on project work is 8 feet. I have discussed this lack of progress with Mr. E. E. Henry, who seems to be a spokesman for the stockholders of the company. According to Mr. Henry, the company has levied an assessment on the stock and will be in a position to work two headings by August 1, 1952.

The manager, Mr. Allgaier, asked permission to include a shaft run-around in the project. I advised him that unless he could show that this run-around was of direct benefit to the project and would result in a saving of funds, it could not be allowed.

If this project is not in two-shift operation soon, a strong Field Team letter urging efficient operation should be sent to the operator.

H. T. Reno

cc: Orig file
Wash. (2)
USGS (2)
HTR

C
O
P
Y

M. E. Volin, Member, DMEA Field Team, Reg. II May 9, 1952

H. T. Reno, mining engineer, Bureau of Mines

Proposed amendment No. 2, Contract Idm-E88, Idaho Mining Company, Docket No. 981 (lead-zinc)

Subject amendment, attached herewith, will increase the time allowed for completion of the project from 12 to 18 months.

Approximately 3 months' progress was lost last winter on the project because the surface work was not completed before the heavy snowfall. The work was not completed because of a slide above the collar of the shaft and the operator's lack of sufficient funds to finance a large construction crew to make up the lost time.

The operator has asked a recess period of 90 days to allow time to accumulate sufficient capital to carry on the work two shifts in two headings.

I have been concerned about the high overhead and lack of progress on this project. In fact, on my last visit I told the manager that if he didn't do something about it, the Field Team would be forced to. The recess request is the operator's solution to the problem. It is my understanding that the company is financed by a group with a more or less constant income. This group is not able to provide sufficient funds to take advantage of the savings possible under two-shift, two-heading operation of the project.

The management of the company believes that the accumulation of 3 months income will provide funds which, combined with current income, will be adequate to successfully carry on the project to completion.

I believe approval of this amendment is to the best interest of the Government, for if the project were terminated now the $30,000 expended on the surface installations would be lost.

H. T. Reno

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 22 1952

cc: USGS, Spokane
2 cys--Wash.

M. E. Volin, Member, DMEA Field Team, Region II. May 2, 1952

H. T. Reno, Mining Engineer, Mining Division, Region II.

Periodic Inspection, Contract Idm E88, Docket No. 981, (lead-zinc) Idaho Mining Co., Shoshone County, Idaho.

I inspected the work and discussed the contract with the mine manager, Mr. Bruce E. Allgaier, April 10, 1952.

The contract covers rehabilitation of the surface plant, head frame, and shaft, and drifting on the No. 3 level. Rehabilitation of the surface plant and head frame is complete. The shaft is dewatered to the 3 level. At the time of my visit the operator was installing service facilities in the shaft and on the No. 3 level.

This project has been handicapped by winter weather and lack of funds. It was suggested to Mr. Allgaier that every effort be made to obtain sufficient funds to put the work on the No. 3 level on a 2-heading basis. If this is not done the cost will certainly over-run the estimate.

Mr. Allgaier thought perhaps it might be better to shut the project down for a short period rather than dribble the work out with consequent high overhead expense. I agree.

The standards of work on this project have been high, however, so have the costs.

H. T. Reno

Orig to: files
cc: USGS
2 Washington ✓
HTR

Docket Copy

1201 N. Division St.
Spokane 2, Wash.
February 7, 1952

MEMORANDUM

To: Chairman, Operating Committee, DMEA, Washington, D. C.

From: Field Team, Region II

Subject: Contract Idm-E88, Idaho Mining Company, Docket 980

It is noted that the dollar total of the subject contract exceeds the sum of the specified items by $4,600.00. This discrepancy is distributed through the several phases of the contract as follows:

Phase I	-	$2,300
II	-	300
III	-	1,000
IV	-	1,000
Total		$4,600

It is the Field Team's intention to abide by the contract dollar total pending receipt of specific instructions to the contrary.

By Field Team, Region II

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

FEB 2 1952

Glenn C. Reed
for: M. E. Volin, Member
(U. S. Bureau of Mines)

981

IDAHO

SHOSHONE COUNTY

February 1, 1952

Idaho Mining Company, Idm-E88, Pb-Zn

50-50 of $123,738.00

12 months

The exploration is divided into four phases, some of which will be accomplished concurrently. Phase I calls for rehabilitation at the surface and underground. Phase II calls for 500 feet of drifting on the 300 level. Phase III calls for 200 feet of sinking in order to establish a 500 level. Phase IV calls for 1000 feet of crosscutting and drifting on the 500 level. All work is designed to test a single major structure that, as shown in upper levels, is increasing in strength and content of ore minerals at depth.

Rehabilitation has progressed satisfactorily. Drifting on the 300 level is about to start.

Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

COPY

D. O. Vou. No. _____
Bu. Vou. No. DMA-20

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

U. S. Dept. of the Interior, Albany, Oregon
(Department, bureau, or establishment)

Voucher prepared at 10/10/51
(Give place and date)

THE UNITED STATES, Dr.,

To Idaho Mining Company
(Payee)

Address 711 Hutton Building, Spokane 8, Washington
Payee's Account No. Idm-E88

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 Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	8/22-9/30/51	Per certified form MF-104, dated 10/2/51 Docket DMA-981-X				4,357	13
		EXTRA COPY					

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 4,357 13

(Payee must NOT use this space)
Differences _____
Account verified; correct for 4,357 13
(Signature or initials) _____

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

4,357.13

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14x4401	Revolving Fund, Defense Production Act, Interior	4,357.13	4,357.13

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

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

16—22900a-1

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.)

U. S. GOVERNMENT PRINTING OFFICE: 1946 O-88934 16—22900-1

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 88

IDAHO MINING COMPANY
Name of Operator
Docket No. DMA 981-X
Total Contract Amount $ 123,738.00
Government Participation: 50 % Amount, $ 61,869.00
Distribution of Expenditures for Month of Period of August 22 through September 30, 1951.

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

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

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

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

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.

IDAHO MINING COMPANY
(Name of Company)

By H. Wellman Clark
(Signature of Authorized Official)

October 2, 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

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]	470.98	None	470.98			
(*b*) Rented[2]	2378.25	None	2378.25			
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings	2488.93	None	2488.93			
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	1667.70	None	1667.70			
5. Supervision	613.46	None	613.46			
6. Supplies						
(a) Timber						
(b) Explosives	30.50	None	30.50			
(c) Repair Parts	17.19	None	17.19			
(d) Other	254.52	None	254.52			
7. Power	129.00	None	129.00			
8. Transportation	282.58	None	282.58			
9. Insurance						
(a) Fire						
(b) Public Liability	70.70	None	70.70			
(c) Workmen's Compensation	42.04	None	42.04			
10. Contract Work						
11. Other (specify)						
Telephone & Teleg.	27.60	None	27.60			
Bookkeeping	145.00	None	145.00			
Payroll Taxes	95.81	None	95.81			
Total	8714.26	None	8714.26			
Deletions	None	None	None			
Adjusted totals	8714.26	None	8714.26			
Totals previously reported	None	None	None			
Totals to date	8714.26	None	8714.26			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

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

FOR GOVERNMENT USE ONLY

Checked by /S/ J. B. Sanders
Entered by
Approved by /S/ Glenn C. Reed
Amount approved for payment
Remarks

All of above items are direct charges to this project; no indirect charges have been prorated against this project.

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR ~~MONTH~~ PERIOD OF August 22 through September 30, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation	2281.16	2849.23	302.21	3281.66	8714.26	$	8714.26	None	8714.26	18,158.00
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	2281.16	2849.23	302.21	3281.66	8714.26	$	8714.26	None	8714.26	18,158.00

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

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

3. Buildings $2488.93; Power $129.00; Transportation $282.58
Insurance $112.74; Other $268.41

IDAHO MINING COMPANY
P. O. BOX 688, KELLOGG, IDAHO

30 September 1951

Defense Minerals Administration
c/o U. S. Bureau of Mines
North 1207 Division St.
Spokane, Washington

re (DMA 981X
(Lead-Zinc
(IdM E88

Narrative report re form MP-104

One week after notice was given the DMA (8/29), work began at the property on the "Phase I" projects all of which are concerned with renovating and readying of the surface plant for subsequent underground work. The delay in starting was caused by a strike of labor then effective throughout the Coeur d'Alene Mining District --- prospective workers being reluctant to accept work during the strike period.

The shaft and workings were pumped down sufficiently so that subsequent shaft repair work could be completed before the water level again reached the upper levels where such work was to be done. The pump was then pulled and a power shovel and trucks employed to do the excavation incidental to the shaft repair.

This repair was occasioned by a fire which burned out the first four sets (about 20 ft.) of shaft timber to an extent that repair was essential. The fire also destroyed the headframe and cribbing adjacent to the shaft. Destruction of the cribbing allowed considerable sloughing which had to be handled.

Bids were let prior to employing the shovel. Two contractors bid on an estimated 1300 yards outside. One contractor bid on a flat fee for the job and the other by the yard. On 1300 yds. the per yard bid was the lower and was accepted.

Work progressed well on this excavation until we were at the shaft. On the night of Sept. 11th a heavy rain loosened enough of the overhanging material to cause a slide. By the time we were again cleaned out to the shaft, a total of nearly 2800 yds had been moved and a weeks time lost.

Rather than re-frame timber etc. on the top four sets, we determined that it would be more economical in both time and money to pour this portion of the shaft in cement. At this writing all but the collar has been poured. An adit station at the bottom of the excavation cut was set up and some timber sets completed there.

Also during this period the surface water system was well advanced and the air receiver moved and hooked up thus facilitating the use of jackhammers for plugging during these various jobs.

Generally, the work is progressing favorably.

Bruce E. Allgaier.

IDAHO MINING COMPANY

Schedule of Salaries and Wages Paid and Charged to DMA Contract
No. IdM E-88
for
Period August 22, 1951 through September 30, 1951

	Period 8/22 thru 31	Month of September	Total
B. E. Allgaier, Superintendent	$138.46	$475.00	$613.46
R. A. Brinkley	121.15	425.00	546.15
T. B. Harris	56.00	375.00	431.00
J. W. Lamphere	56.00	375.00	431.00
R. A. Whitman		259.55	259.55
Totals	$371.61	$1,909.55	$2,281.16

Distribution:

Labor	$1,667.70
Supervision	613.46
	$2,281.16

To Repts and Records
to file
Wise material
P.E.D. signed the
contract a day
or two ago

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE AUG 29 1951

REFERRED TO:
1. Repts + Records
2.
3.
4.

FOR:

____ Action	____ Recommendation
____ Approval	____ Record of ____
____ Comment	____ Referring to ____
____ Conference	____ Reply for signature of ____
✓ Consideration	____ Rewriting
____ Filing	____ Signature
____ Instructions	____ Suggestions
____ Investigation	____ Your information
____ Initials	
____ Mailing	
____ Previous correspondence	

REMARKS:

Check (X) before the items needing attention.

G E Johnson
Initials of sender.

GPO 16—63815-1

350

IDAHO MINING COMPANY

MAIN OFFICE
711 HUTTON BUILDING
SPOKANE 8, WASHINGTON

Done 981

August 1, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 7 1951
LANDON F. STROBEL
Executive Secretary

Defense Minerals Administration
Department of the Interior
Washington, D. C.

Gentlemen:

Supplementing information furnished you in connection with the above docket, the names and addresses, net worth, and share holdings of the five largest stockholders of the Idaho Mining Company are as follows:

	Name	Address	Approx. Net Worth	Shares
Mgr.	Otto Allgaier,	Spokane, Wash.	$15,000	392,188
	Dan Secord,	Hollywood, Calif.	15,000	340,828
	Dr. F. Coxon,	Altadena, Calif.	75,000	310,001
	Helen Fairbanks,	Pasadena, Calif.	300,000	72,500
Pres.	Ben Zimmerman,	Poplar, Montana	150,000	88,316

Sincerely yours,

Gladyce Cochran
Assistant Secretary

gc

AUG 7 1951

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE AUG - 7 1951

REFERRED TO:

1. 350
2.
3.
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	X Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS:

Check (X) before the items needing attention.

ROBERT E. ADAMS
Cmb
Initials of sender.

GPO 16—63815-1

FILE COPY
SURNAME:

Rottendorf

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

July 6, 1951

Idaho Mining Company
711 Hutton Building
Spokane, Washington

Re: DMA Docket 981X, Lead-Zinc
Washington-Idaho Mine
Treka District, Idaho

Gentlemen:

In reviewing the exhibits attached to the subject exploration contract as prepared by you, we find that additional details of various items are required as follows:

Phase I (Rehabilitation)

A detail of costs for labor, material and supervision will be required to support your list of items 1 to 5 inclusive. You will understand that exploration funds are to be expended for the minimum facilities which are required for exploration work and are not used to equip a property for production and that estimates for same should be prepared for exploration only.

Phase II

It is suggested that a number of short, horizontal diamond drill holes might be adequate for exploring the ground which you propose to explore with drifts "A" and "B" on the 300 level. The proposed drifting at point "C" on the 300 level is acceptable.

Phase III

A carefully planned program of diamond drilling from the 300 level should indicate whether the proposed 200 feet of shaft sinking and 1000 feet of drifting, can be justified. If the southern most drift on the 300 level was extended due south for 75 feet and a drill station cut at the end of it, a pattern of drill holes inclined downward from that point should accomplish the exploration desired.

Under the above premises the equipment you have listed under "to be rented" and "to be purchased" might not be required.

Your list of "Equipment furnished by Operator" contains certain facilities which are classified as those furnished by the Operator "without allowance for use" as specified in Section 5 of the Form MF-200. The items in your list which are eligible for rental allowance are:

Item	Allowable Monthly Rental
Drifter	$ 40.00
Stoper	30.00
Mucking Machine	100.00
Dodge Power Wagon	150.00
Mine Car, 1 ton	5.00

Please advise the number and type of mine cars which you have at the property.

It is required that you furnish 6 copies of the contract covering labor rates and bonuses which you propose to put in effect.

The itemized schedule of labor indicates an unusual proportion of attendance for serving only seven miners. Considering the amount of work proposed it is hoped that the foreman can be eliminated, a part time bookkeeper employed, and that the exploration work can be re-scheduled so that attendant services can be reduced to the amount ordinarily employed for a project of this size.

Kindly include a recent financial statement of your company together with a list of the five largest stockholders and the number of shares held by each.

If your consultants, Preston and Reynolds, have examined and reported on your properties, it is requested that you include a copy of their report.

This office telephoned your Secretary, Mr. Clark, with the hope that the above matters could be expedited but he was reported to be on vacation.

On the receipt by this office of information requested and your advice in regard to the possible changes suggested above, an exploration contract embodying such changes as are mutually satisfactory will be prepared for your signature.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

PBBlakemore/meh
cc to: Adm. Reading File
Strobel
Mittendorf, Olund
Blakemore
Field II (2)
FILES
Chron. Copy

(2 copies to Field)

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

Memorandum

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

FROM: P. B. Blakemore

SUBJECT: Recommendation Exploration Contract
DMA Docket 981X Lead-Zinc Idm E88
Yreka District, Idaho.

Cost of Project: $123,738.00 D.M.A. Participation $61,869.00 (50%)

This project was recommended by Field Team, with reservations, and 4 filled out contracts signed by the Operator were processed up to this office.

A letter was written to the Operator on July 6, 1951 for the purpose of bringing the information, costs, etc. within the requirements of the D. M. A. Instead of answering this letter, the Secretary of the Operator, Mr. Wellman Clark of Spokane Washington, came to this office on July 24, 1951 to assist in preparing a proper contract and supply the necessary information.

Discussion:

The subject property has been fairly well equipped and prospecting has been carried on by means of a 300 foot shaft with 3 levels and several tunnels from the surface without discovery of a commercial ore body. Total tunnels, shaft and drifts exceed 4000 feet, driven in a mineralized shear zone which varies from 150 to 300 feet in width.

The 3rd or lowest level contains mineralization with considerably higher lead-zinc values and in larger bodies than those encountered in upper workings.

The present objective in exploration is to extend the drifts on the third level a total of 500 feet and if the findings there warrant it, sink the shaft 200 feet and drift from it to cross-cut and explore for the extension of the favorable 3rd level showings.

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

Outline of Project:

Phase I	(3 months) Rehabilitation, restoring headframe destroyed by fire, repairing shaft timbers, mine and surface clean-up	$ 18,158.00
Phase II	(3 months) 500 feet drift on 300 level	31,920.00
Phase III	(3 months) 200 feet Shaft Sinking	33,875.00
Phase IV	(5 months) 1000 feet cross cutting on 500 level	39,785.00
	Total	$123,738.00

D.M.A Participation $61,869.00 (50%)

Note:

Phases III and IV will be carried out provided the showings found on the third level exploration warrant them.

Materials to be purchased		
	Timber, Headframe, and shaft	$3,058.00
	Steel Rod bracing and spikes	750.00
	Pipe, air and water lines	100.00
Equipment to be Rented		
	1 - Eimco Mucking Machine @ $300 per month	$ 900.00
	3/4 Power Shovel and truck to replace levee at creek	1500.00
Operators equipment, rental allowed		
	1 Dodge Power wagon per month	$150.00
	2 Drifters @ $40.00 per month each	80.00
	3 Mine cars @ $5.00 per month each	15.00
	1 Stoper @ $30.00 per month	90.00
Equipment to be Purchased		
	Electric Controls	$ 500.00
	5 Mine Cars @ $487.00 each	2435.00
	1 Air or electric trammer	3500.00
	2 Air Pumps @ $385.00	770.00

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

Conclusions and Recommendation:

It is entirely possible that the exploration on the third level will expose higher grade mineralization in larger bodies than hitherto encountered and the chances of these showings warranting the completion of the entire program are about 50-50.

The chances of finding commercial ore bodies on the 500 foot level are barely "fair".

The chances of repayment of the Governmental participation are "poor".

Because this shear zone is an extensive and favorable structure for mineralization, so far unexplored at any great depth, this project is recommended.

Alternate methods (core drilling) which might reduce the cost of exploring this ground have been suggested and discussed with the Field Team and Secretary of the Company; however, both of these state that core drilling in this type of deposit has never been satisfactory in this mining district.

P. B. Blakemore

PBB
Reg. II (2)
Docket

L. F. Strobel

Rm 4626

A.E.C.

April 25, 1951

Memorandum

To: Executive Officer of Field Team, Region II

From: Coordinating Committee, L. M. A.

Subject: Application of
Idaho Mining Company
711 Hutton Building
Spokane, Washington

Re: Docket LMA-980
and LMA-981

Application LMA-980 for a procurement contract and application LMA-981 for an exploration loan, both submitted by the Idaho Mining Company of Spokane, Washington and applying to the Washington-Idaho mine in Shoshone County, Idaho, have been reviewed by the Lead-Zinc Branch.

The Washington-Idaho mine is developed on several vein systems. One system, dipping south, is exposed on the 100 ft., 200 ft., and 300 ft. levels according to the applicant. By drifting along this vein on the 300 ft. level, the company expects to develop 5000 to 6000 tons of ore between the 200 and 300 foot levels. This ore is expected to assay about 2.5% Pb, 2.2% Zn, and 3.2 oz. Ag. Apparently the procurement contract is for this block of ore plus about 500 tons exposed by raises on the 200 ft. level. However, the Lead-Zinc Branch raises the question as to whether this proposal might not be more properly considered under the exploration program.

The company also is requesting (LMA-981) an exploration loan of $50,000 to drift along and raise on another vein system on the 300 ft. level in a different part of the mine. Samples from this vein assayed 2.36 oz. Ag, 1.32% Pb, and 13.8% Zn.

The Lead-Zinc Branch recommends the following:

(1) A geological examination be made to determine if there are sufficient proven reserves of satisfactory grade to warrant a procurement contract. If the decision is favorable, the company should be requested to make formal application on Form AF-100.

(2) If there are not sufficient reserves proven up, determine whether an exploration program would be desirable provided the company would be willing to expend its proposed exploration program.

(3) A geological examination should be made to determine if the exploration program proposed by the company is advisable.

(4) An investigation should be made of the mining methods and costs insofar as these may effect the proposals.

The Washington office has not cleared with the applicant as to his willingness to participate in an exploration loan, hence, to save time (as the applicant lives in Spokane), this matter will be delegated to the field team.

Tom Lyon

Chairman

Approved:
DMA Coordinating Committee

Lowell B. Moon

L. W. Nash

Olof W. Rove

RJLyons:emp 4/25/51
Copies to: A. B. Weissenborn (2)
Region II
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
L. B. Moon
R. H. Mote
L. F. Strebel
C. D. Mittendorf
Files

April 25, 1951

Idaho Mining Company
711 Hutton Building
Spokane, Washington

Gentlemen:

Your application (DMA-300) for a procurement contract for ore from the Washington-Idaho mine in Shoshone County, Idaho, has been reviewed by the Lead-Zinc Branch of the Defense Minerals Administration. The application has been sent to the Executive Officer of the Field Team, Mr. A. E. Weissenborn, S. 157 Howard Street, Spokane, Washington for further information and advice.

The Government's exploration program calls for participation on the part of the applicant. For zinc, lead, and copper deposits the Government funds must be matched on an equal basis. Funds advanced by the Government will be considered a loan, to be repaid if the exploration is profitable, but to be cancelled if unsuccessful. Detailed information concerning the program is enclosed.

Your application (DMA-301) for 150,000 to explore a vein on the 300 foot level of the Washington-Idaho mine is eligible for consideration under this exploration program. If you are willing to participate under the conditions set forth in the regulations, please fill out the enclosed form and send it to the Executive Officer of the Field Team, Mr. A. E. Weissenborn, at the address given above. Any modification of your original proposal will be considered, but you should be specific as to the work you wish to undertake. A field examination may be necessary before the loan is approved and for this reason as well as to avoid delay if you should decide to participate, your application for an exploration loan also is being sent to Mr. Weissenborn.

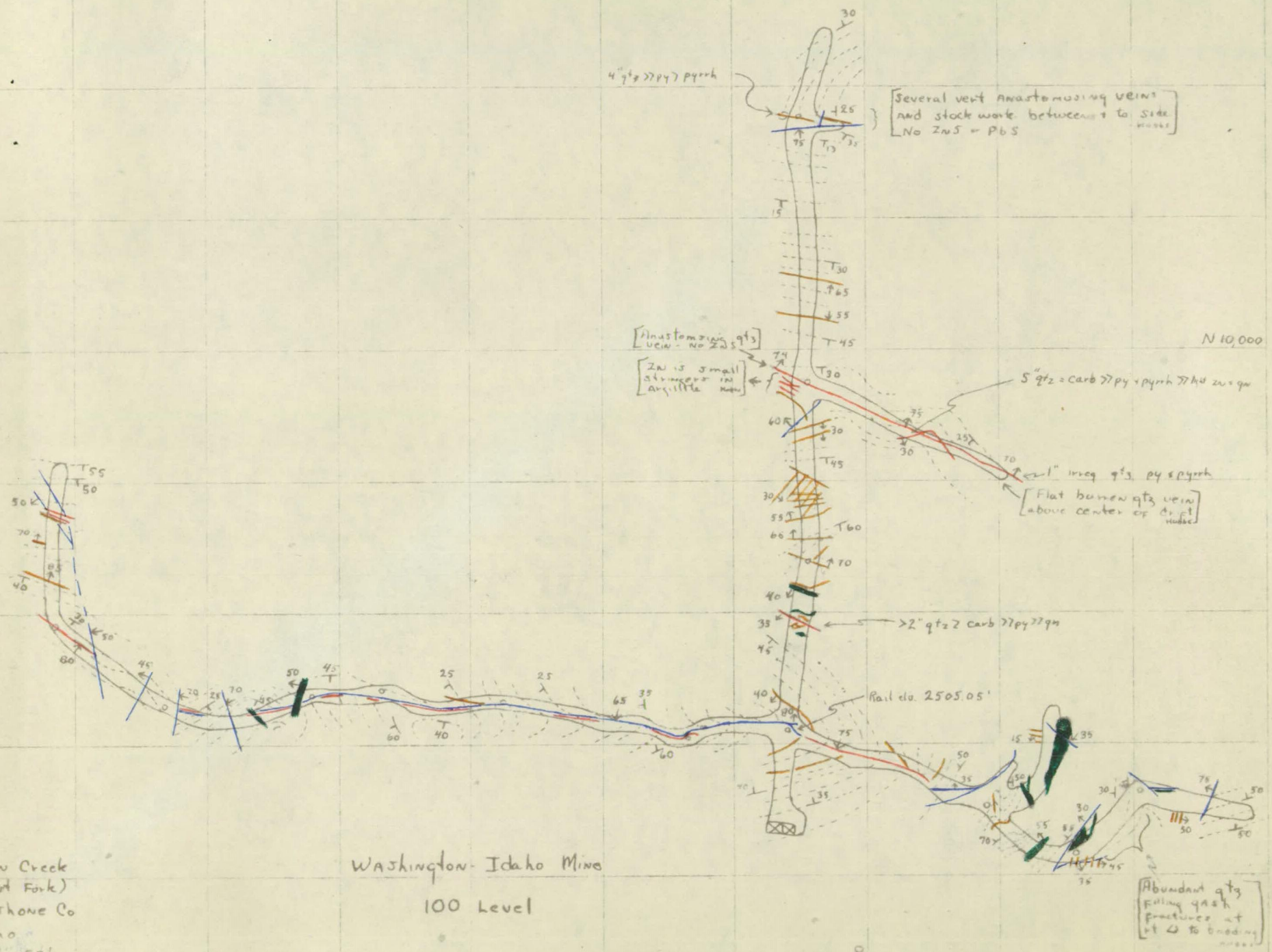
Very truly yours,

Otto Herres

KJLyons:emp 4/25/51
Copies to: A. E. Weissenborn
Region II (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
L. B. Moon
R. K. Mote
Enclosure

MT. H. KNIS, Chief
Lead-Zinc Branch

L. F. Strobel
C. O. Rittenhouse
Files



Moon Creek
(West Fork)
Shoshone Co
Idaho
1" = 50'

WASHINGTON-Idaho Mine

100 Level

Assay Data - 200 Level (From composite sheet)

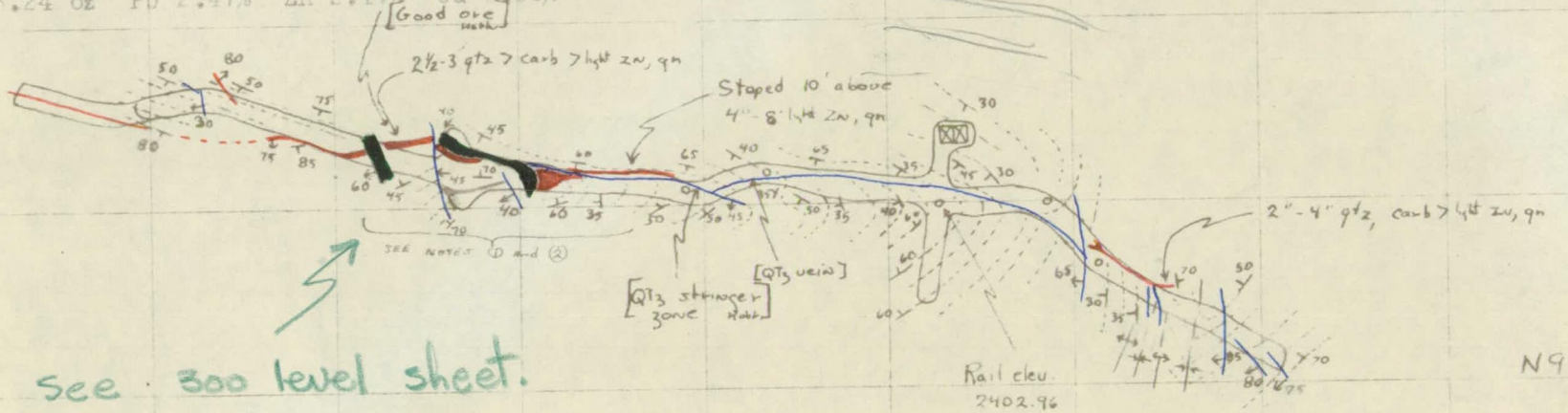
1. Samples across average vein width of 12" (8"-24") cut at ±10 intervals - as reported.

	oz Ag	% Pb	%Zn	%Cu
a.	2.7	2.7	8.2	0.06
b.	17.7	10.5	2.0	0.04
c.	15.3	8.3	2.0	0.69
d.	4.4	3.3	1.8	0.15
e.	4.8	2.5	7.3	0.19
f.	25.2	12.1	9.6	0.85

Grab samples from 96 mine cars of development ore stripped from vein in this area - in stockpile.
Calculated mean values from assays:
Ag 3.24 oz Pb 2.47% Zn 2.17% Cu 0.30%

2. Samples cut representing a mining width of 5'

Ag 4.8 oz	Pb 6.0%	Zn 5.9%
7.8	4.6	12.0



see 300 level sheet.

Moon Creek
(West Fork)
Shoshone Co
Idaho
1" = 50'

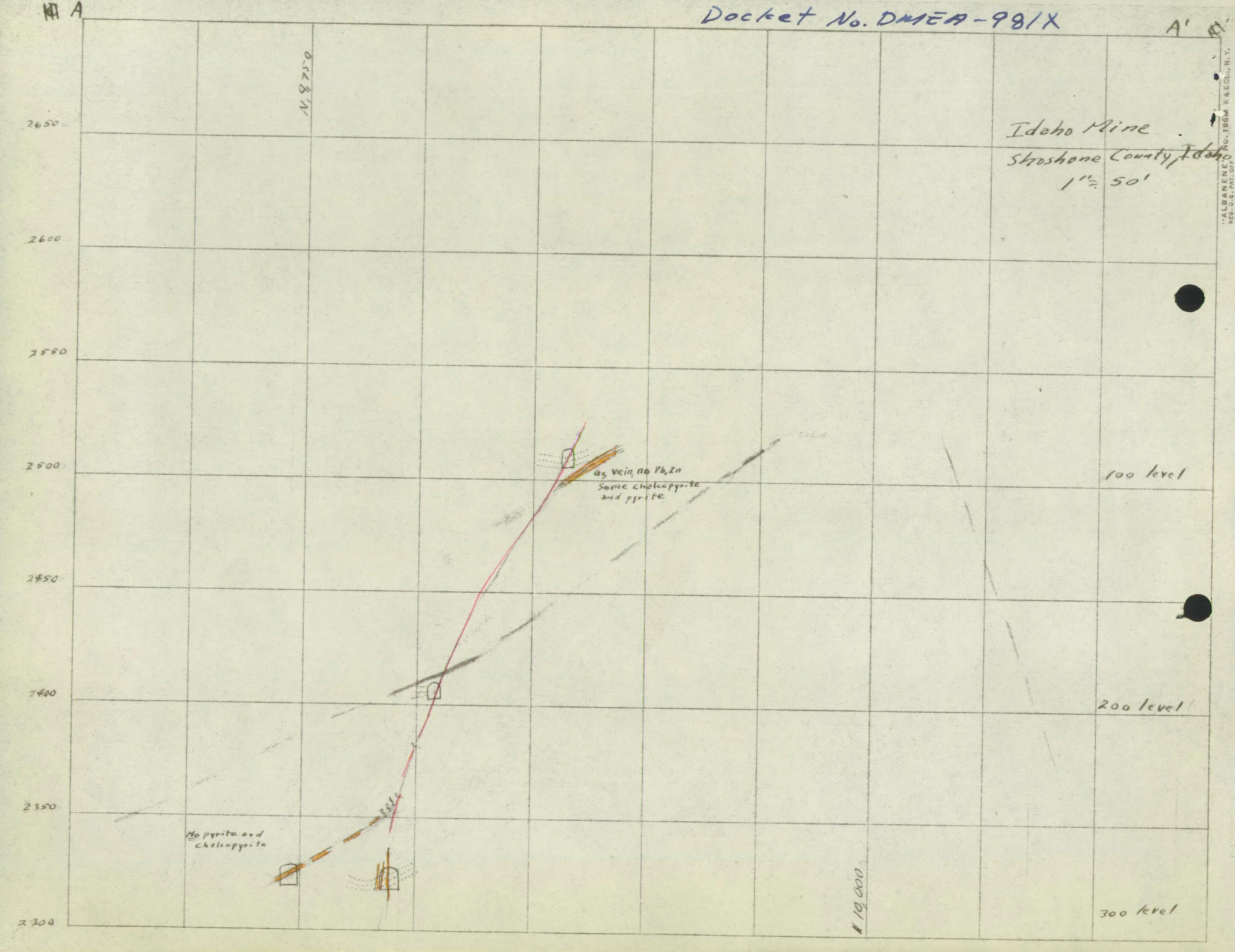
Washington - Idaho Mine

200 Level

E9750

E 10,000

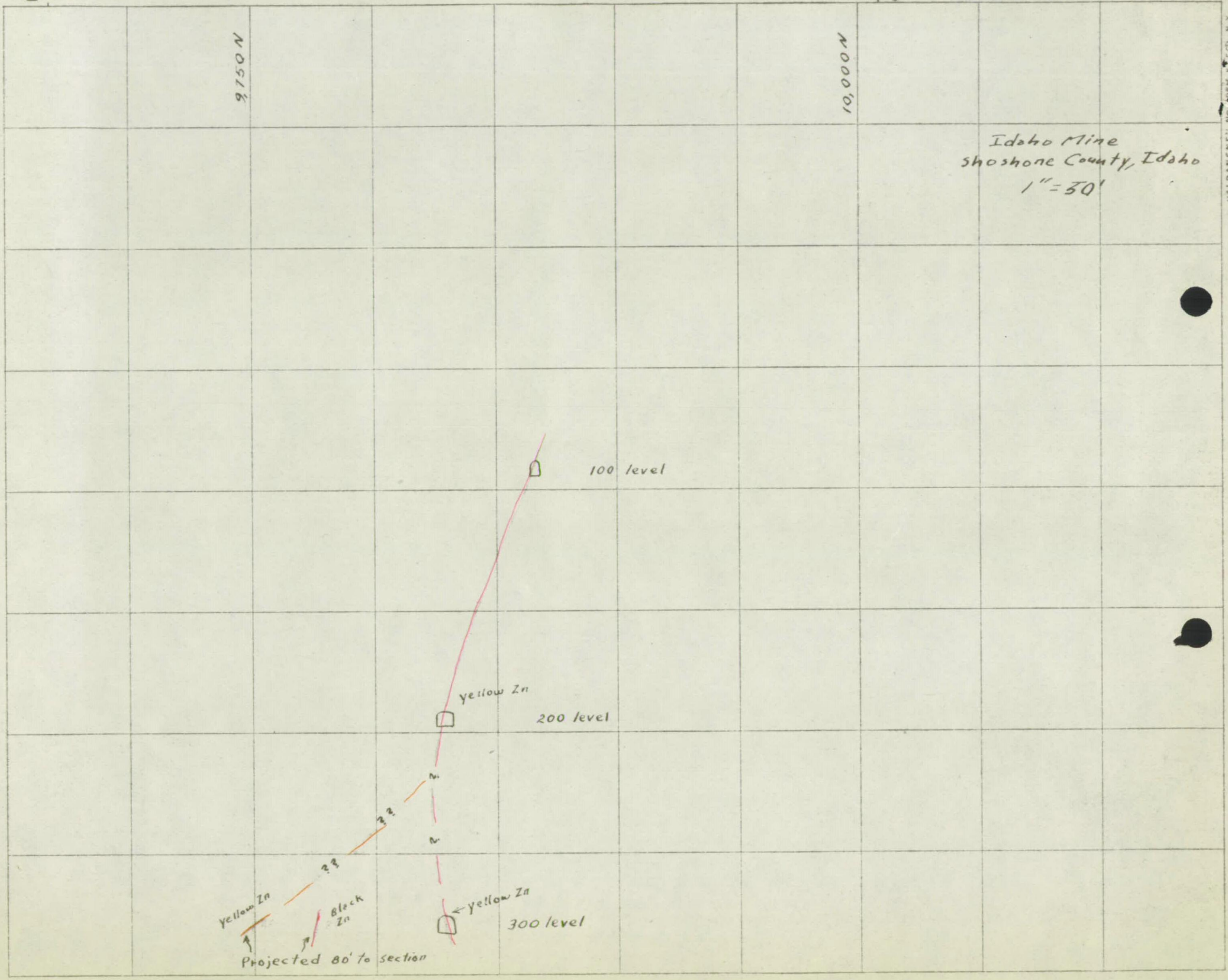
Docket No. DMEA-981X

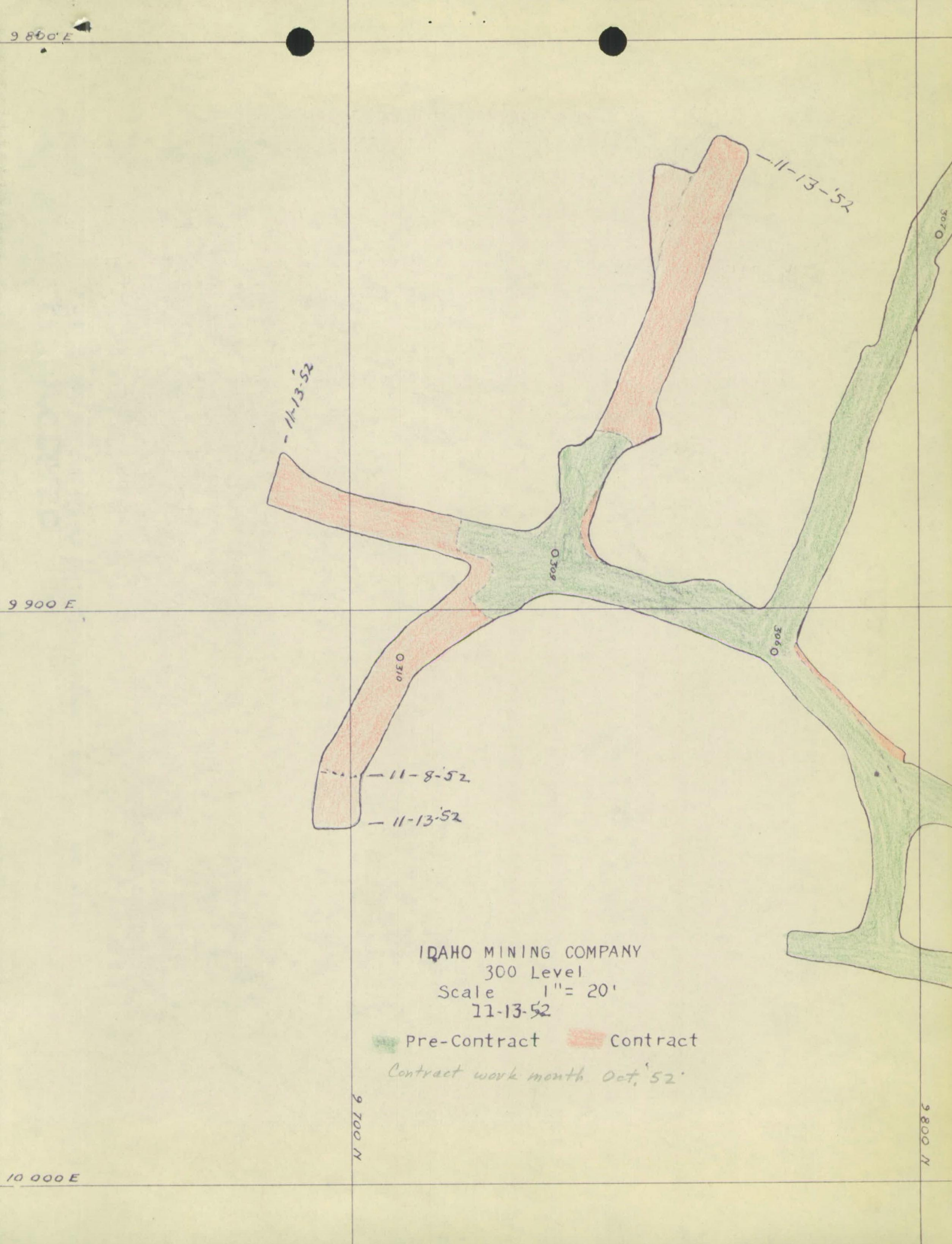


B

B'

Docket No. DMEA - 9817





IDAHO MINING COMPANY
300 Level
Scale 1" = 20'
11-13-52

Pre-Contract Contract

Contract work month Oct. '52.

DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Idm-E NO. 88

DMEA NO. 981

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [x] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [x] Work Comoleted analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No._____: Maps (Use pocket folder or envelope)

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

Reported Inactive 12/28/59

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Amended Contract Idm-888, DMEA-981 (Lead-Zinc), dated May 26, 1953, with:

Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as the Washington-Idaho Mine located in Shoshone County, Idaho, during the period July 27, 1951, through August 21, 1961.

In accordance with Amendment No. 1 and Annex III of the Amended Contract, royalty is payable by the Operator on all minerals mined or produced from the land described in Article 2 of the contract for a period of 12 years from the date (July 27, 1951) of a prior contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated June 25, 1955, indicated accepted costs under the exploration contract amounting to $51,974.19 with the Government's contribution, on a 50 percent basis, being $25,987.10.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established the total sales of concentrates to be $680.46. Royalty due the Government at rates specified in the contract is $34.02. These sales and royalty were applicable to the period covered by a prior Report of Royalty Review which erroneously found no sales subject to Government royalty through July 28, 1955.

At August 21, 1961, the royalty account of this project was found to be:

Total Royalty Due	$34.02
Total Royalty Paid	34.02
Balance of Royalty Due	$ -0-

August 24, 1961

E. D. Talbert

E. D. Talbert, OME Auditor

Idm-888 Idaho Mining Company DMEA-981

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

Based on an examination of the files and discussion with the examining engineer, a prior Report of Royalty Review erroneously reported no sales subject to the Government royalty. During February 1956, however, the examining engineer discovered that 4.923 tons of zinc and lead concentrates had been produced in July 1952 from a mill test run and sold to the Sullivan Mining Company's Zinc Plant, Kellog, Idaho. The proceeds amounted to $680.46 and the 5% royalty thereon was paid on November 28, 1959, by W. A. Calloway, Receiver, Idaho Mining Company, Box 889, Wallace, Idaho.

The files indicate that, subsequent to the suspension of exploration work in September 1953, the property under the contract was leased to the Pioneer Corporation but remained idle. The Operator was dissolved as an Idaho corporation on November 30, 1956, and then operated under a trusteeship until a receiver was appointed on February 24, 1958. The receiver, W. A. Calloway, P. O. Box 889, Wallace, Idaho, sold all of the defunct corporation's property, including the 23 unpatented claims under the exploration contract, to the Austin-Meyer Corporation, 642 Peyton Building, Spokane, Washington.

The contract, as amended, provides that the Operator shall pay the Government's royalty regardless of whether it is the producer or has any interest in the land or production. As the Operator is now a non-entity, payment of royalty on any future production is secured only by its lien, if still legally existent, on the land described in Article 2 of the contract.

The Acting Field Officer, OME Region I, reports that the purchaser of the property has limited its activity to annual assessment work.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(a) Information in the files indicates that all sales of production from the property since the date of the original contract have been reported and proper royalty paid to the Government; and

(b) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

MME Form 22
Dec. 60

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name and Address
Austin-Meyer Corporation
(Formerly: Idaho Mining Compan)

642 Peyton Building

Spokane, Washington

Contract No.	Docket No.
Idm-E88	DMEA-981 (Lead-Zinc)

Prepared by (Signature)	Date
D R Macharen	August 21, 1961

Yes	No		
		1. (a)	Does the Operator stockpile ore subject to royalty repayment?
		(b)	If so, is segregation and identification procedure adequate?
		2. (a)	Does the Operator commingle production subject to DMEA or OME royalties with exempt production?
		(b)	If so, is the allocation of the commingled production equitable?
		3. (a)	Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?
		(b)	If so, are adequate records maintained on such material to protect the Government's interest?
		4.	Are the assay controls in effect adequate?
		5.	Does the manner of disposing of production give the Government its fair royalty returns?
		6.	Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?
		7.	Does the Operator buy from or sell to other Operators?
		8.	Current status of property. (Check one).
			Operating.
	X		Inactive.
			Abandoned.
			Date of last production if not operating.

Comment on items 1(b), 2(b), 3(b), and 4 to 6, if answer is No:

Acquired at Receiver's Sale by Austin-Meyer Corp. (See letter 7/12/61 from W. A. Callaway.) Austin-Meyer Corp. is limiting activity to annual assessment work on unpatented claims and has reported that no other work has been done.

84861-60

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED

981

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region I, N.W. District, pertaining to Prior Contract Idm-688, Docket No. DMEA-981X and amended Contract Idm-868, Docket No. DMEA-981, with:

Approved
Belly

Idaho Mining Company
P. O. Box 808
Kellogg, Idaho

for the purpose of determining the amount of royalties due the U. S. Government on sales of lead and zinc from property referred to as Washington-Idaho Mine located in Shoshone County, Idaho.

The Prior exploration contract was dated July 27, 1951, and the Amended contract was dated May 26, 1953. Annex III to Amendment No. 1 dated March 19, 1954, provided that, regardless of any certification of discovery or development, the operator shall pay royalties on any production from the land described in the contract during a period of 12 years from the date of the Prior contract (July 27, 1951) or until the Government's contribution is fully repaid, whichever occurs first. According to Report of Review dated June 23, 1955, prepared by Mr. C. A. Turner, auditor, total accepted costs under the contract amounted to $51,974.19 with the Government's participation, on a 50 percent basis, being $25,987.10.

My review included a conference with Mr. E. J. Erickson, mining engineer, Bureau of Mines, Spokane, Washington, who is thoroughly familiar with the project.

This review was made in lieu of an on-site audit of the operator's accounts and records for the following reasons:

(1) The mine is flooded at the present time and the operator has no immediate plans for future operation,

(2) Available evidence in the files and discussion with the inspection engineer do not indicate any production to date which would be subject to DMEA royalties, and

(3) The administrative cost to the Government of an on-site audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

C. E. Fisher
C. E. Fisher, Auditor

July 20, 1955

Docket Copy

AMENDED
EXPLORATION PROJECT CONTRACT
IDAHO MINING COMPANY
DOCKET NO. DMRA-981

AMENDMENT NO. 1

It is agreed this 19th day of March, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Idaho Mining Company, that Amended Exploration Project Contract Ida-[illegible] (Docket No. DMRA-981), dated May 26, 1953 (hereinafter called the "Amended Contract"), is amended, effective October 1, 1953, as follows:

1. a. Work under the Amended Contract shall be suspended during the period beginning October 1, 1953, and ending not later than July 1, 1954.

b. No costs incurred by the Operator during the period of suspension shall be allowable for contribution by the Government.

c. The Operator, at his own cost and expense, without contribution by the Government, during the period of suspension shall preserve the project work and any property in which the Government has an interest.

d. The Government shall not contribute to any costs of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

2. In Article 3 of the Amended Contract form, delete the date "August 1, 1954," and substitute the date "January 1, 1955."

3. The provisions of Annex III, attached hereto and made a part hereof, are substituted for the provisions of Article 9 of the Amended Contract form. In Annex III, the words "the date of the contract" mean "the date of the Prior Contract (July 27, 1951)."

4. It is of the essence of this contract that work be resumed on or before July 1, 1954, and if the work is not resumed within the time limited, in a manner required to bring the project to completion as required:

a. All obligation of the Government to contribute to costs not incurred before October 1, 1951, shall be and is hereby terminated.

b. The Operator shall promptly perform all winding-up and settlement actions provided for in the contract and shall promptly render to the Government a final report and final accounting.

c. The provisions of Annex III to this Amendment No. 1, as amended hereafter, shall remain in full force and effect. That part of paragraph "b" of Annex III which precedes the first colon is amended to read as follows:

> "The Operator, regardless of any certification of discovery or development, and regardless of whether the Operator is the producer or has any interest in the land or the production therefrom, shall pay to the Government a royalty on all minerals mined or produced from the land described in the Amended Contract for a period of twelve years from the date of the Prior Contract, or until the total amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other amounts realized from the sale or other disposition of any such production (including any bonuses, premiums, allowances, or other benefits), in whatever form disposed of, including ore, concentrates, or metal, as follows:"

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

IDAHO MINING COMPANY

By C. Mittenson
Administrator, Defense Minerals Exploration Administration

By Rubin Hoffman
Chairman

ANNEX [redacted]

The following provisions are in lieu of Article [redacted]:

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years* (or other period fixed by this contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other amounts realized from the sale or other disposition of any such production (including any bonuses, premiums, allowances, or other benefits), in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half ($1\frac{1}{2}$) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half ($1\frac{1}{2}$) percent of any such net amounts, plus one-half ($\frac{1}{2}$) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

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

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

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

*The period twelve years is substituted for the period ten years.

MF-209
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA - [illegible]01

COMMODITY Lead-Zinc

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

Docket Copy

IDM-E 88

AMENDED EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 26th day of May, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Idaho Mining Company, a corporation duly organized and existing under and by virtue of the laws of the State of Idaho, P. O. Box 690, Kellogg, Idaho, and as provided in Annexes I and II, attached hereto and made a part hereof, hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Idaho, County of Shoshone, described as follows: [3] xxxx, detailed in Annex II, but consisting of 63 unpatented claims and a fractional claim and a mill site located on the west fork of Moon Creek, being in the Coeur d'Alene Mining District, Yreka subdistrict, and lying within Sec. [illegible] T. 49 N., R. 3 E., B. M.

the Operator represents and undertakes: [4]

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

None

~~(b) That the Operator has the right to explore and mine the land without consent of any other person~~ XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

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

ARTICLE 3. *Exploration project.*—The Operator, xxxx shall ~~within ______ days from the date of this contract shall commence~~ continue work on a project of exploration for [5] Lead-Zinc ~~in or upon the described land~~; and shall bring the project to completion prior to August 1, 1954. ~~within ______ months thereafter~~ XXXXXXXXXXXX The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

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

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

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

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

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following: and as set forth in Article 13.

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

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

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

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

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

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

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

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

---

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

16—66328-2

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

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

ARTICLE 13. *Changes and added provisions.* To the extent that costs are set forth in Exhibit "A" as agreed unit costs, they are in lieu of the actual costs that would otherwise be allowable costs of the project as provided in Article 6 (a) of the contract form.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By [signature]

Administrator, Defense Minerals Exploration Administration

Idaho Mining Company

By [signature] Sec Treas

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

____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

EXPLORATION PROJECT CONTRACT
IDAHO MINING COMPANY
DOCKET NO. DMA-981

ANNEX I

WHEREAS, the parties to this agreement are also parties to Contract Idm-E88, Docket No. DMA-981X dated July 27, 1951, executed on contract form MF-200 (June 1951) hereinafter called the "Prior Contract"; and

WHEREAS, the work under the Prior Contract was divided into four phases, Phases I and II thereof having been completed, and the parties desire to add a new Phase IIA and to alter the work set forth in Phase IV and to make the basis for the payment of work to be done under Phases IIA, III, and IV a unit-cost instead of an actual-cost basis, and to restate their agreement on the new contract form, MF-200 (Feb. 1952);

NOW, THEREFORE, It is mutually agreed that:

1. Effective as of the date of its execution, the Prior Contract is amended and superseded by this Amended Contract, executed on form MF-200 (Feb. 1952), which shall control the Government's claim and lien for percentage royalty and in which all the rights and obligations of both parties are fully merged, except that vouchers and claims for the Government's contribution to the work performed under Phases I and II of the Prior Contract and payment thereof shall be as therein provided.

2. The Operator hereby releases and agrees to save harmless the Government from all claims and demands arising out of the Prior Contract, except as otherwise herein provided.

3. Exhibit "A" of the Prior Contract is hereby amended and replaced by Exhibit "A" attached hereto and made a part hereof.

4. The equipment purchased under the Prior Contract, in which the Government has a 50 percent equity, is hereby agreed to be of the present value of $ 3000.00 and, upon completion of the work in Phase IIA, the Government on account of its said equity may deduct the sum of $ 1500.00 from any monies due the Operator.

EXPLORATION PROJECT CONTRACT
IDAHO MINING COMPANY
DOCKET NO. DMA-981

ANNEX II

The claims referred to in Article 2 consist of the following, indicated on the map attached hereto and made a part hereof and entitled "Idaho Mining Company - Claim Map":

Annex
Bessie (Bess)
Billy Boy
Black Bass
Black Bird
Crescent
David B.
Elsie
Elsie No. 2
Extension
Extension No. 2
Extension Fraction
Half Moon
Happy Thought
Idaho
Josephine
Lost Cabin
Mabel
Mill Site
Monte (Montie)
Pack Sack
Ruby
Seal
Shark
Western
Whale

EXPLORATION PROJECT CONTRACT
IDAHO MINING COMPANY
DOCKET NO. DMA-981

EXHIBIT "A"

Description of the Work

Phases I and II are as set forth in Exhibit "A" of the Prior Contract.

Phase IIA is added and is as follows:

On level 300, drift in cross section 5' X 7' in the clear not in excess of 500 feet and drill not in excess of 150 feet of long holes at locations approved by the Government.

Phase III is as set forth in the Prior Contract.

Phase IV is as set forth in the Prior Contract except that, in lieu of 1000 feet of crosscutting and 100 feet of drifting, there are to be only 250 feet of crosscutting and 250 feet of drifting.

Estimated Costs of the Project
(* indicates allowable maximum)

Actual Costs of Work Performed under Prior Contract		
Phase I	$28,737.85*	
Phase II	21,684.50*	$50,422.35*
Agreed Unit Costs		
Phase IIA		
500 feet of drifting @ $36.00/ft.	18,000.00	
150 feet of long hole drilling @ $1.00/ft.	150.00	18,150.00
Phase III		
200 feet of shaft sinking @ $170.00/ft.	34,000.00	
Cutting skip pocket @ $2,000.00 1/	2,000.00	36,000.00

1/ The unit here consists of the completed work.

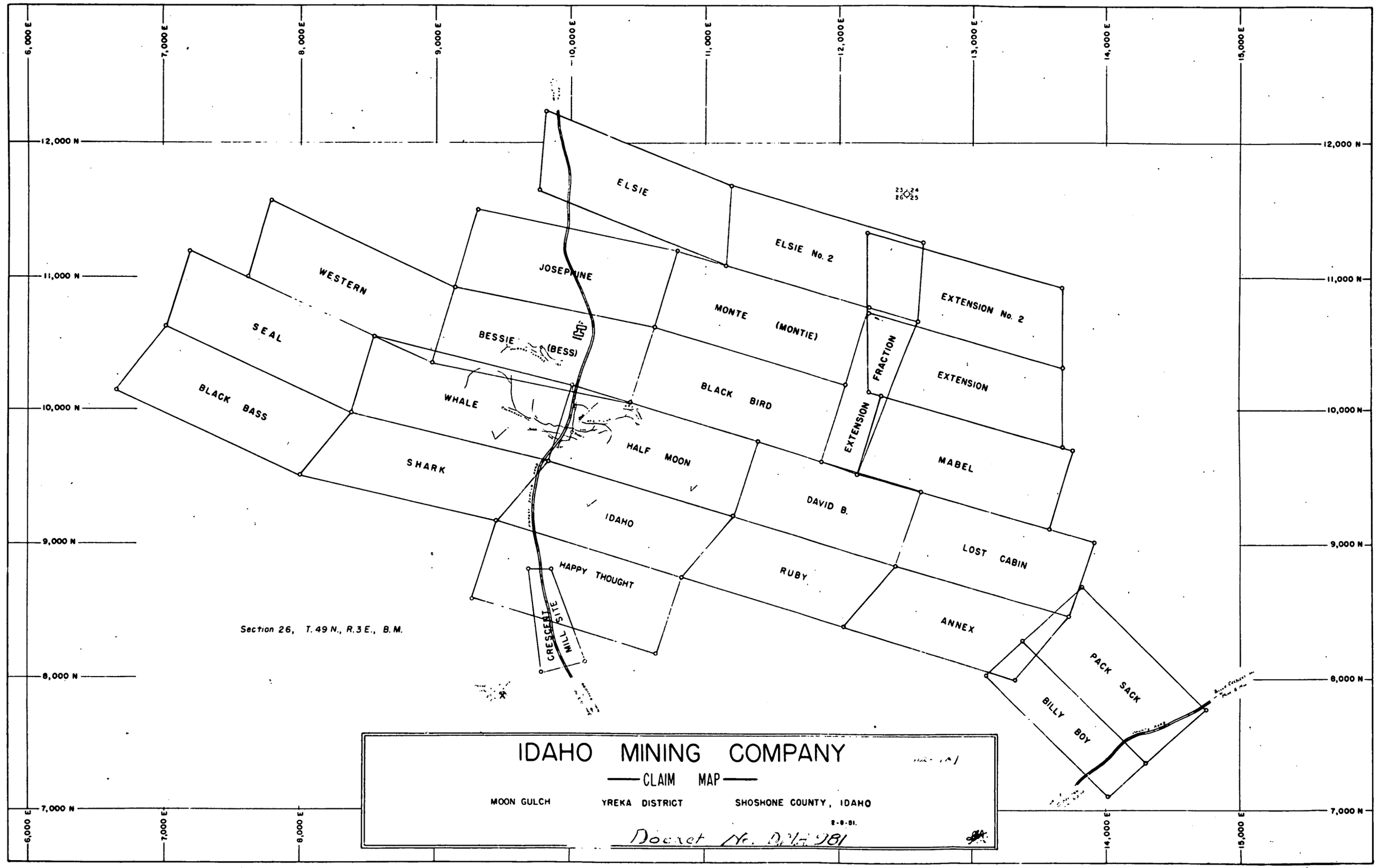
Phase IV

500 feet of crosscutting and drifting @ $36.00/ft.	$18,000.00

The Government will contribute to the cost of the above drifting, long hole drilling, shaft sinking, cutting skip pocket, and crosscutting in Phases IIA, III, and IV on the basis of the agreed unit costs, as they accrue, for work actually performed, in lieu of actual costs.

Total Estimated Cost of Project (rounded to)	$122,572.00*
Government Participation @ 50%	$61,286.00*

Coordinates and Datum from PRESTON & REYNOLDS Washington-Idaho Survey of 1948.



DOCKET COPY

(Amendment to Change Starting and Completion Dates)

AMENDMENT NO. 4

Docket No. DMEA 9-23(Local-Size)

It is agreed this 26th day of Dec. 195 2, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and [illegible] Co.

each acting in consideration of the agreement to the other to the terms hereinafter set forth, that the Exploration Project Contract [illegible] of July 27, 195 1 between the parties hereto be modified and amended to change ~~the starting date from~~ _____ ~~to within~~ _____ ~~No. of day~~ ~~No. of days~~ ~~of the date of the contract and~~ the completion period from _____ No. of months to 24 No. of months from the date of the contract. The effective date of this amendment shall be Dec. 16, 195 2.

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

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

Executed in sextuplicate the day and year first above written.

[illegible]
(Operator)
By [signature]

The United States of America
By [signature]
A.E.Weissenborn, Exec. Officer
DMEA Field Team, Region II

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 19 1953

Idaho Mining Company
Contract Idm-288
Docket No. 981 (lead-zinc)

Justification of Amendment No. 4

Progress on the project has been slower than anticipated because of financial difficulties on the part of the Operator; therefore, the period for completion must be extended if the project is to be completed.

T. E. Howard

DOCKET COPY

AMENDMENT NO. 3

It is agreed this 6th day of October 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, and Idaho Mining Company, Kellogg, Idaho (Docket No. DMEA 981X, lead-zinc)

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E 88 of July 27 1951 between the parties hereto be modified and amended as described in Exhibit "F" attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be April 1 1952.

~~This amendment is made by authority granted to the Executive Officers, DMEA Field Team, Region IX, in Order No. 268, by the Acting Secretary of the Interior.~~

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

Executed in sextuplicate the day and year first above written.

IDAHO MINING COMPANY
(Operator)

By [signature]

THE UNITED STATES OF AMERICA

By [signature]
C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration

Chamber

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 21 1952

NON-PRIVILEGED DOCUMENT

TO BE PHOTOCOPIED AND PRODUCED

DO NOT CODE

BATES NO. 0416

IDAHO MINING COMPANY
Exploration Project Contract Ida-188
Docket No. DMEA 981 (lead-zinc)

Amendment No. 3

EXHIBIT "F"

Changes and Modifications

1. In Exhibit "A" of the contract, page 1, change the summary of Phase II to read as follows:

"500 feet of drifting on the 300 level in the area marked on maps as 'A', 'B' and 'C'

Time - 3 months Cost estimated $22,085."

2. In Exhibit "A" of the contract, page 5, subtitled "Exhibit A - Phase II", delete everything shown on the page and substitute the following:

"Phase II ≠ 3 months $22,085

Description of the work

500 feet of drift shall be driven on the 300 level, not over 250 feet to be driven on the vein structure south of the station (marked A and B on the 300 level map) and not over 250 feet to be driven on the vein structure exposed northeast of the 300 station (marked C on the map).

Estimated Costs of Phase II

Unit Costs

500 feet of drifting at $36.00 1/ per foot, including all costs except purchase of equipment $18,000.00

1/ The Government will contribute to the cost of the drifting on the basis of this agreed, estimated unit cost in lieu of actual costs. The Government will contribute to the cost of equipment purchased on the basis of actual costs to the extent set forth below.

(4) Operating Equipment

To be purchased

4 mine cars @ $420 ea.	$1,680.	
1 air trammer	2,405.	
Total		$ 4,085.00
Total - Phase II		$22,085.00"

Withhold Page 2

Dmea 98/

AMENDMENT NO. 2

It is agreed this 8th day of May 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and the Idaho Mining Company, 711 Hutton Building, Spokane 8, Wash.

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E88 of July 27 1951 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached therto, is made a part of this aggrement. The effective date of this amendment shall be April 1 1952.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

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

Executed in sextuplicate the day and year first above written.

IDAHO MINING COMPANY
(Operator)

By [signature]
Secretary

The United States of America

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 23 1952

IDAHO MINING COMPANY
Docket No. 981 (lead-zinc)
Exploration Project Contract Idm-EB6

AMENDMENT NO. 2

EXHIBIT "F"

Changes and modifications

Change paragraph 3, "Exploration project", of the contract to read:

" . . . properly designed to bring the project to completion within a period of 18 months from the date of this contract."

APPROVAL

November 23, 1951
Date

Under authority granted by Order No. 2653 of the Acting Secretary of the Interior, approval is hereby given to the requests of the Idaho Mining Company, Kellogg, Idaho, contained in the attached letter dated November 20, 1951, an approved copy of which shall be kept on file in the Regional Office of the DMEA Field Team, Region II, for adjustments of Exploration Project Contract Idm-E88 dated July 27, 1951.

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

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

M. E. Wolin
Member, DMEA Field Team,
Region II

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BATES NO. 0418

COPY

IDAHO MINING COMPANY

Mine office:
West Fork Moon Creek
Shoshone County, Idaho

20 November 1951

Mail address:
P. O. Box 898
Kellogg, Idaho

Defense Minerals Administration
c/o U. S. Bureau of Mines
N. 1207 Division Street
Spokane, Washington

Attn. E. G. Erickson

re Idm-E 88

We submit herewith what we contend to be justification for the purchase of

1 - only Model 2E18 (Ser #675065) Mall chain saw

1 - only Model RH656W (Ser #404764) Atlas Diesel rock drill complete with hose attachments and steel with integral carbide insert bits

which we wish to charge against the contract.

We were able to obtain a reduction in price on timber from our supplier by accepting timber which in some instances required extra cuts. The saving in cost for timber on the headframe-bin job alone supports to a considerable extent, the cost of the saw.

Obviously, such a tool has reduced the labor time and consequently lowered the cost. Further, the saw will be available for any number of jobs which will arise as the project advances.

The rock drill was employed initially as a jackhammer drilling plugs during the excavation at the shaft and also in sinking the well for the water system.

This same machine can be used as a sinker, drifter or stoper by attaching the proper air leg. Steel is common to all positions.

Rentals are not available and would not be justified on an economical basis so far as the over-all job is concerned.

We further request ratification of our employment of rental equipment over and above the contract itemization in the "phase I" work to the extent of $489.40 additional.

This additional amount of excavation was occasioned by a slide as was previously reported in the MF104 narrative for the month ending Sept. 30th last.

The above items can, in all probability, be included within the dollar framework of the phase I & II schedules of work, if your office concurs.

Very truly yours,
IDAHO MINING COMPANY
B. E. Allgaier (signed)

cc Wellman Clark
J. F. McAdam

Withdr
Page 2

MF-200
(June 1951)

Docket No. DMA 981X
Commodity Lead-Zinc
Idm-E88

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

Disclose Page 1 (both sides) ONLY

It is agreed this 27 day of July, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

Idaho Mining Company, an Idaho Corporation,
711 Hutton Building, Spokane 8, Washington

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 Idaho County of Shoshone described as follows: [3]

23 unpatented claims, a fractional claim and millsite, located on the west fork of Moon Creek. Coeur d'Alene Mining District, Yreka sub-district and lying within Section 26 Township 29N; Range 3, B.M and particularly on the Half Moon, Whale and Idaho Mining Claims. Standing in the name of Idaho Mining Company.

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:

There are no claims, liens or encumbrances

(*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 30 days from the date of this contract shall commence work on a project of exploration for [5] Lead Zinc silver copper 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 [6] 12 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 $61,869.00, which is 50 percent of the agreed estimated total cost of this project, $123,738.00.

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.

Idaho Mining Company
(Operator)

By Millmon Clark Secretary

THE UNITED STATES OF AMERICA

By C O Mitendorf
Director, Production Expansion Division
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

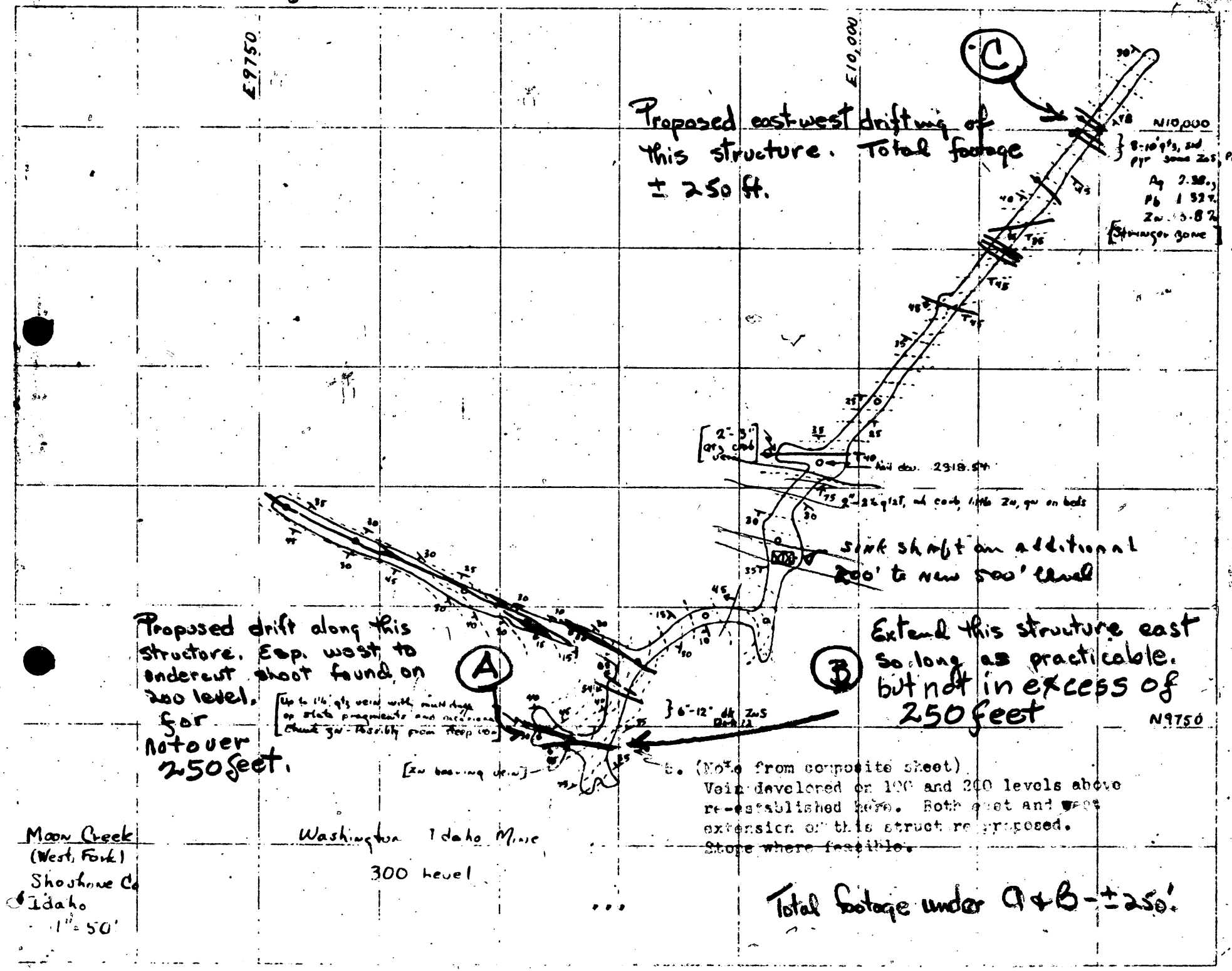
IDAHO MINING COMPANY

The exploration project and the work to be performed are divided into four phases, some of which will be accomplished concurrently. These phases are summarized as follows:

Phase I	Reconstruction and rehabilitation of head frame and existing facilities, and preparing mine for exploration.		
	Time - 3 Months	Cost Estimated	18,198.00
Phase II	500 feet of drifting on the 300 level, in the area marked on maps as "A" "B" and "C".		
	Time - 3 Months	Cost Estimated	31,980.00
Phase III	200 feet of sinking		
	Time - 3 Months	Cost Estimated	33,875.00
Phase IV	1,000 feet of cross cutting and drifting on new 500 level		39,685.00
Total Cost			123,738.00

NOTE: Phase III and IV will be accomplished only if Phase II work justifies the same, in the opinion of the Government.

EXHIBIT A - Summarization


E9750
E10,000
C
Proposed east-west drifting of this structure. Total footage ± 250 ft.
N10,000
8-10' q's, sid pyr some ZnS, PbS
Ag 2.30 oz
Pb 1.32 %
Zn 3.8 %
[Stringer gone]
[2"-3" qtz, cab vein]
Sink shaft an additional 200' to new 500' level
Extend this structure east so long as practicable, but not in excess of 250 feet
Proposed drift along this structure. Esp. west, to undercut shoot found on 200 level, for not over 250 feet.
A
B
[Up to 1½' q's vein with much dark qtz slate fragments and occasional chunk zn - Possibly from steep 100]
6"-12" dk ZnS
[Zn bearing drill]
N9750
b. (Note from composite sheet)
Vein developed on 100 and 200 levels above re-established here. Both east and west extension of this structure proposed. Stope where feasible.
Total footage under A + B - ± 250'
Moon Creek
(West Fork)
Shoshone Co
Idaho
1" = 50'
Washington Idaho Mine
300 Level

IDAHO MINING COMPANY

The primary development at the property is by a 2-compartment vertical shaft sunk about 350 feet from which have been driven tunnel levels at vertical intervals of about 100 feet. The total development from this work aggregates roundly 2,500 feet. In addition some 4,000 feet of surface tunnels have been driven.

Generally, these workings are driven in and along an east-west striking and south dipping shear or fractured zone varying in width from about 150 to 300 feet. This shear can be traced by bold outcroppings along the entire length of the property; a distance of some 9,000 feet; and presumably continues northeastward to the vicinity of the Bayrock near Wallace, several miles distant.

To date all workings have penetrated only the upper part of the Pritchard formation. The Pritchard is characterized by thin-bedded dark gray to black argillites with interbedded quartzites.

Ore thus far exposed occurs in the form of zinc and lead sulphides in fissures or as lenticular replacements in sheared argillite along the hanging wall, in the central zone and in the footwall zone of this fracture system. A milky quartz vein filling carrying conspicuous amounts of light-colored zinc sulphide (Rosin Jack) with lesser amounts of lead sulphide has been rather extensively probed on the 100 and 200 levels off the shaft and is established on the 300. Development on the 200 level produced some 100 tons of ore averaging about 3.24 oz. silver, 2.47% lead, 2.17% zinc, with .3% copper. Essentially this development ore was derived from exploratory raises along the vein on the 200 level over a distance of about 50 feet. Fifteen feet is about the maximum height of any of these raises from the floor of the drift.

The persistence and width of this vein quartz and zinc-lead sulphide in the hanging-wall zone on the 200 level is probably 3 or 4 times that on the 100 level; averaging in width 18-20 inches over the 200 feet exposed. Too, there are several areas 10-15 feet in length where the quartz filling has been virtually replaced by a good grade zinc-lead sulphide showing a conservative mining width of one in one instance of 5 feet.

In the hanging wall zone on the 300 level this vein is again disclosed by a short south-driven crosscut. Judging from the increased width, persistence and mineralization of other structures on the 300 level over that on levels above, it is logical to expect at least as prominent an ore-bearing structure here as is obtained on the 200 level above. This expectation is further fortified by the fact that zinc-lead sulphide mineralization is encountered further east on this horizon (300) than on the horizons above. Also, a dark-colored zinc sulphide (Black Jack) fissure filling 8-12 inches in width is disclosed by the first few feet of this crosscut striking at such an angle as to intersect with the primary hanging wall structure within a few rounds to the east. Approximately 190 feet has been proven along this same vein structure on the 200 level.

In the footwall zone of the shear on the 300 an 8-10 foot mineralized quartz vein is exposed (north crosscut). Recent samples from this vein run as follows: Silver 2.38 oz., lead 1.32 per cent, zinc 13.8 per cent.

EXHIBIT A

PHASE I ≠ - 3 months $18,158.00

Work to consist of:

1. Rebuilding head frame and rock bin (previously destroyed by fire) with electrical and pneumatic connections at shaft

2. Rehabilitation of the Compressed air system/

3. Completion of the surface water system.

4. Clean and renovate shaft where required.

5. Extend track and air to 300 level working faces, both north and south.

Materials

Timber - Head frame - 25,300 board feet at $82.00 per M (includes 8" x 8"s	$2074.00
Timber to re-timber 5 sets in shaft; build ladders, reinforce ladding 12,000 bd. feet	984.00
Steel requirement - 3/4 rod iron spines 3/16 plate for head frame	750.00
Pipe, 2000' of 3" and 1" together with fittings and hangers	100.00

Equipment to be rented

1/4 yard power shovel and 7 yard dump truck, to remove a hill slough and replace retaining wall. Rental at $30.00 per hour for 50 hours	1500.00

Equipment to be furnished by company for which rental is allowed -

1 Dodge Power wagon at $150.00 per M	450.00

Equipment to be purchased

Electrical and pneumatic controls and connections between plant and shaft	500.00
Electric Power	900.00
Miscellaneous expense	900.00
Labor - one superintendent @ $500.00 per month	1500.00
Six workmen @ 2450 per M	7350.00
One bookkeeper and auditor @ 250 per M	750.00
Total Job Cost	18,158.00

EXHIBIT A

PHASE II #1 - 3 months $31,980.00

Work to consist of:

500 feet of drifting on the 300' level not over 250' to be driven on the vein structure south of the station (marked A and B on the 300 level map) and not over 250 feet to be driven on the vein structure exposed northeast of the 300 station (marked C on the map).

Drifting to cost $30.00 per foot and to include direct labor costs, materials and rail, air and timbering $15,000.00

Electric power 900.00

Miscellaneous expense 500.00

<u>Equipment to be purchased</u>

5 mine cars at $487.00 each 2435.00

1 air trammer or 2nd hand electric trammer with charger 3500.00

<u>Equipment to be rented</u>

1 Pneu Muckers at $300.00 900.00

<u>Equipment to be furnished by the company for which rental is allowed</u>

2 - Drifters at $60.00 per month each 240.00
1 - Dodge power wagon at $350 per month 420.00
3 - Mine cars @ $5.00 per M each 45.00

<u>Additional labor requirements</u>

1 Superintendent and 4 others, which will include hoistman and maintenance man 6300.00
Bookkeeper and auditor at $250.00 per month 750.00

Total job cost 31,980.00

EXHIBIT A

phase III	∅ - 3 months	$33,875.00

Phase III and IV are only to be accomplished providing Phase III work justifies the same, in the opinion of the Government.

Phase III -Work to consist of existing ship pocket on 300'

level and sinking shaft 200 feet.

Sinking to cost $120.00 pr foot (electricity,

labor and material cost) $22,000.00

<u>Equipment to be purchased</u>

2 air pumps at $385.00 each	770.00
Materials and miscellaneous expense	2000.00

<u>Equipment to be furnished by the Company</u>
for which rental is allowed

1 - Shaper at $30.00 per M	90.00
1 - Dodge power wagon at 150 per m	450.00
1 - Mine car @ $5.00 /M	15.00
Electric power	900.00

<u>Additional labor requirements</u>

1 - Superintendent and four others, which include boilerman and maintenance man	5900.00
1 - bookkeeper and auditor at $250.M	750.00
Total job cost	33,875.00

EXHIBIT A PHASE III

EXHIBIT A PHASE III

EXHIBIT A

PHASE IV ~ - 3 months $39,785.00

Work to consist of (A) cutting station and pocket
skip pocket on 300' level: (b) Cross-cutting
north and south to establish downward extension of the
two vein structures proved on 300 level above:
An aggregate of(plus or minus) 1000 feet of cross cut;
(c) Drift 50' on each of two structures to evaluate
the structures.

Material and labor for station and pocket	$ 1800.00
1000 feet of crosscut @ 25/ft	25,000.00
100 feet of drifting @ 30/ft	3,000.00
Power, electric	900.00
Miscellaneous expense	1,000.00
<u>Equipment furnished by the company</u>	
for which rentals allowed,	
2 Drifters @ $60.00 each.	240.00
1 Trucking Machine at $300.00	300.00
1 - Dodge Power wagon @ $150.00	450.00
3 - Mine cars at $5.00 each.	45.00
<u>Additional labor requirements</u>	
1 - Superintendent and 4 others	
includes Foreman and maintenance man	5,900.00
Bookkeeper and auditor at $250/M	750.00
Total	39,785.00

IDAHO MINING COMPANY

Additional Facilities

The only additional facilities to be installed and erected consist of:

Head Frame and Waste Bin, the cost of which is included in Phase I - and is estimated at - $8,200.00

IDAHO MINING COMPANY

Mining Equipment

EXHIBIT C

Equipment to be rented

Shovel and truck - 50 hours at $30/hr	$1,500.00
Mucking machine - 3 months @ $300/M	900.00

Equipment to be purchased

1 - Trammer - Air or electric	3,500.00
5 - Mine cars @ 487. ea	2,435.00
2 - Air sump pumps at $385.00 ea.	770.00

Equipment furnished by operator for which rental is allowed

1 Trucking Machine at 100/M	
1 Dodge Power Truck at 150/M	
1 Drifter at	40/M
1 Mucker at	30/M
3 Mine cars @ 25/each	15/M

EXHIBIT A

IDAHO MINING COMPANY

The practice in the Coeur d'Alene District is to guarantee the mine worker the base Union wage of approximately $91.00/week (6 days) and wherever possible to add incentive payments for footage gained over and above an established minimum. If this incentive payment is distributed equally among all members of the crew, it works as a real advantage to the Company through added footage at reduced over-all cost. All personnel under such a plan are obliged to pull their full share of the job-load.

Scales of wages are the maximum anticipated where such a system is established.

Supt.	$550/mo	(Average $500)
Foreman	$500/mo	(Average $450)
Accountant	$450/mo.	(Average $400)
Miners and Machine Operators	$450/mo	(Average $400)

(Consulting Engineers and Geologists $50/day)

The incentive rate is based on approximated $1.10 for each foot of advance or drifts and crosscuts

---

Job Costs Per Foot -

Includes direct labor and materials -

Sinking per foot	$110.00
Drifting per foot	30.00
Crosscutting per foot	25.00

Itemized Schedule of Labor for Entire Project

	Monthly Rate	Project
1 General Superintendent	500.00	6,000.00
4 Surface men, includes Hoistman and Maintenance man at each	450.00	22,600.00
7 Miners and machiner operators ea.	450.00	37,800.00
1 Bookkeeper and Accountant	250.00	3,000.00
13	Total	68,400.00

This payroll is computed on the over-all employment, and is based on the assumption that some of the phases will be as far as possible conducted simultaneously.

All labor and supervision costs have been included in the Phase estimates. No estimate has been made for Engineering services.

EXHIBIT 2

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

RECEIVED
FEB 20 1956

February 15, 1956

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

Re: Docket No. DMEA -981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract No. Idm-E88

Dear Mr. Selfridge:

Enclosed is a memorandum by E. G. Erickson, Mining Engineer, Bureau of Mines, discussing royalties due the Government from the Idaho Mining Company.

The concentrates sold were the product of an experimental mill test which was made at a substantial loss. The concentrates were derived from ore which came from a level on which there was no DMEA work and were mined and milled during a recess period. No further production is anticipated. The property is closed and the Company, although still a corporate entity, is at present inactive.

We recommend that the royalty, which amounts only to $34.02, be waived.

By Field Team, Region I, NW Dist.

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

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

Enclosure 1 (in quad.)

cc: USBM (2)
USBM (AD)
Quinlan

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

RECEIVED
FEB 20 1956

1201 N. Division St.
Spokane 2, Washington
February 9, 1956

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Royalties, Docket No. DMEA-981 (lead-zinc), Idaho Mining Company, Washington-Idaho Mine, Shoshone County, Idaho, Contract No. Idm-E88

In the course of compiling data for the Field Team final report a check was made on the results of a mill test aggregating 98.025 tons, run during July 1952. It was discovered that the resulting 2.3425 tons of zinc concentrates and 2.5805 tons of lead concentrates were sold. The total net smelter return was $680.46 (settlement sheets attached), and the royalty at 5 percent is $34.02.

This production was made in July 1952 during a recess period and came from the No. 2 level on which there was no DMEA project work. The ore was shipped primarily for a mill test, and at the time the possibility of a profitable mining operation was out of the question. The milling charge was $5.50 per ton, or a total of $539.13, and it is reasonable to believe that the mining and ore and concentrate haul was in excess of $750 or about $7.50/ton.

This production was not reported in royalty inspection reports or audits because at the time no production in the sense of the word was anticipated from the mill test. There has been no other production to date.

In view of the fact that the small production resulted from a mill test, and at the time it was known that the cost of the test would be more than the amount recovered, it appears that the royalty may well be waived in this case.

E. G. Erickson

E. G. Erickson

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

Fm M3 20m 2 53 Miner N

SETTLEMENT

SULLIVAN MINING COMPANY
Electrolytic Zinc Plant

P. O. Address: KELLOGG, IDAHO
Freight Address: SILVER KING, IDAHO

RECEIVED FEB 20 1956

In Account With

Idaho Mining Company

Mine: Washington-Idaho Mine Lot: Plant Lot: IMC-1

Location: Moon Gulch, Idaho Shipping Point: ZP Team Track Class: Flotation

Date of Arrival: 7-19-52 Date of Sampling: 7-19-52 Date of Settlement: 7-28-52

Car Initial	Car Number	Lbs. Wet Weight	H_2O
UP	65305	5200	9.9

Gross Weight	5200
Moisture Pounds	515
Dry Weight	4685
Dry Tons	2.3425

ASSAYS		Quotations 7-19-52
Zinc 55.15	%	15.00
Lead 4.10	%	16.00
Silver 8.30	Oz. per ton	.90
Gold	Oz. per ton	
Insol. 3.80	%	
Iron 4.15	%	

TREATMENT	Per Dry Ton $	
Base	16	00
Zinc from ¢ @ $		
Zinc over 4 ¢ @ $ 2.50	27	50
Zinc under % @ $		
Lead under % @ $		
Iron 4.15 % @ $ 0.30	1	245
Net Treatment Per Ton	44	745

CONTENTS			VALUE $		Per Ton
Zinc 2584 Lbs.	@ 15.00		387	60	
Lead 192 Lbs.	@ 16.00		30	72	
Silver 19.44 Oz.	@ .90		17	50	
Gold Oz.	@				
GROSS VALUE			435	82	
DEDUCTIONS					
Zinc 20%		77	52		
Lead 3 units from assay		22	50		
Lead 20% Remainder		1	65		
Lead 41.1 lbs. at .02			82		
Silver 20%		3	50		
Gold					
Metal Deductions		105	99		
Treatment		104	82	210	81
NET VALUE				225	01
FREIGHT AND MISCELLANEOUS					
Freight Value $ Per Wet Ton					
Freight Tons @ $		4	81		
Switching			14		
Federal Tax					
~~Sampling charge of $10.00 waived~~				4	95
BALANCE DUE				220	06

MINER FM 87 12M 6 58

CORRECTION

BUNKER HILL SMELTER

BUNKER HILL & SULLIVAN MINING & CONCENTRATING COMPANY

P. O. Address: KELLOGG, IDAHO
R. R. Station: BRADLEY, IDAHO

In Account With

IDAHO MINING COMPANY

Name of Mine: Idaho Mine Lot No.: Smelter Lot No.: 1

Location: Kellogg, Idaho R. R. Shipping Point: By truck Class: Flot

DATE OF ARRIVAL: 7/16/52 DATE OF SAMPLING: 7/16/52 DATE OF SETTLEMENT: 7/25/52

Car Initial	Car No.	H_2O	Weight, lbs.
1	Truck	10.4	5760

TOTAL GROSS WEIGHT	5760
____ Sacks. Weight of Sacks	
GROSS WEIGHT OF ORE	599
Moisture Pounds	
DRY WEIGHT OF ORE	5161

Metal Assay

Gold	.05	Oz. P. T.
Silver	69.15	Oz. P. T.
Copper	2.65-1.0=1.65	% P. T.
Lead	47.4	% P. T.
Iron	8.5	% P. T.
Insol.	7.0	% P. T.
Lime	0.0	% P. T.
Sulphur	20.6	% P. T.
Zinc	9.85	% P. T.
Antimony	1.4	% P. T.
Arsenic	0.2	% P. T.
Bismuth	0.0	% P. T.

QUOTATIONS

[illegible]		Per Oz.
		Per Oz.
Silver 7-16-52	= .90	Per Oz.
Lead 7-16-52 .16000-.01533	= .14467	Per Lb.
Copper 7-16-52 .24075-.06000	= .18075	Per Lb.
Zinc 7-16-52 .15000 @ 25%	= .03750	Per Lb.

SMELTING AND REFINING DEDUCTIONS

		PER TON
Base Smelting Charge		$ 8.000
Credit ____% Iron over	(____% Zinc x 1.77) @ 40c a unit	$
Debit 8.5 % Iron under	(9.85 % Zinc x 1.77) @ 40c a unit	$ 3.574
Credit ____% Silica over	(____% Iron x .886) @ 8c a unit	$
Debit 7.0 % Silica under	(8.5 % Iron x .886) @ 8c a unit	$ .042
Credit ____% Lime over	(____% Iron x .979) @ 10c a unit	$
Debit 0.0 % Lime under	(8.5 % Iron x .979) @ 10c a unit	$ .832
TOTAL SMELTING DEDUCTIONS		$ 12.448
Silver charge over 50.0 oz. per ton	@ 1.5 c per oz.	$ .287
Antimony charge over 1.0 %	@ .50 per unit	$ .200
Arsenic charge over ____%	@ ____ per unit	$
Bismuth charge over ____%	@ ____ per pound	$
Moisture charges over 10.0 %	@ .20 per unit	$ .080
Sulphur charge over 16.0 %	@ .10 per unit	$ .460
TOTAL SMELTING AND REFINING DEDUCTIONS		$ 13.475

PAYMENT FOR METALS

				VALUE PER TON
Gold ____ Oz.		@ ____	Per Oz.	$
Gold .05 Oz.		@ 31.81825	Per Oz.	$ 1.591
Silver 69.15 Oz.	95%	@ .90	Per Oz.	$ 59.123
Lead 47.4 %	91%	@ .14467	Per Lb.	$ 124.804
Copper 1.65 %	100%	@ .18075	Per Lb.	$ 5.965
Zinc 9.85 %	[illegible]	@ [illegible]	Per Lb.	$ 3.694
			Gross Value	$ 195.177
LESS SMELTING AND REFINING DEDUCTIONS				$ 13.475
NET VALUE PER TON				$ 181.702

TOTAL OUNCES SILVER IN THIS SHIPMENT 178.44

SETTLEMENT

DRY WEIGHT 5161 POUNDS = 2.5805 TONS @ $ 181.702 PER TON EQUALS $ 468.88

Less Freight from Shipping Point to Bradley, Idaho

Gross Weight ____ Pounds = ____ Tons @ $ ____ per ton equals $ ____

Frt. on 2226 lead lbs. paid @ (24.97-17.35)	$	8.48
	$	460.40
	$	
As originally paid	$	450.40
	$	
	$	
	$	
	$	

To: Idaho Mining Co.-Box 898-Kellogg, Idaho NET PROCEEDS $ 10.00

(Note: An extra sampling charge of $10.00 was waived; final settlement totaled $460.40)

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

RECEIVED
AUG 29 1955

No. 157 Howard Street
Spokane 4, Washington

August 22, 1955

Mr. Bruce A. Allgaier, Manager
Pioneer Corporation
711 Spokane & Eastern Bldg.
Spokane, Washington

Re: Docket No. DMA -9017 (lead-zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract No. Idm-188

Dear Mr. Allgaier:

We wish to acknowledge receipt of your letter of August 19 enclosing a check of $390.00 from the Pioneer Corporation in settlement of Contract No. Idm-188.

This sum represents the balance due the Government on your purchase of jointly owned equipment.

Sincerely yours,

A. R. Weissenborn
Executive Officer, DMEA
Field Team, Region I, M Dist.

cc: DMEA (2)
USBM (2)
USBM (AD) w/ck. No. 213

RECEIVED
JUL 11 1955

XXXXXXXXXXXXXXXXXX
1201 N. Division St.
Spokane 2, Washington
July 7, 1955

Mr. Bruce E. Allgaier, Secretary
Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

Re: Docket No. DMA-981
Idaho Mining Company
Contract No. Idm-888

Dear Mr. Allgaier:

Referring to Field Team letter to you of June 21, 1955, this is to advise you that the audit of the Idaho Mining Company has been completed and shows a balance of $390.00 still due the Government on your purchase of jointly-owned equipment.

We will appreciate receiving your check for this balance promptly so that the account can be closed.

By Field Team, Region I
Northwest District

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

cc: USBM
DMEA (2)
USGS (2)

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

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

JUN 29 1955

Mr. Charles A. Turner
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Report of Review
Idaho Mining Company
Ida-286, DMA-981X

Dear Mr. Turner:

Receipt is acknowledged of your Report of Review covering the above-cited Exploration Project Contract.

The Report is accepted and may be distributed in the usual manner.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
June 28, 1955

Copy to: Docket
Admr. Reading File
Mr. Chambers

R.C.L.

No. 137 Howard Street
Spokane 4, Washington

December 17, 1954

Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

Re: Docket No. DMEA-981 (lead-zinc)
Washington-Idaho Mine
Shoshone County, Idaho
Contract No. Ida-[illegible]

Gentlemen:

In August of this year in a conference with the Executive Officer you stated that you expected to resume work at the Washington-Idaho mine in the very near future. The Executive Officer informed you at that time that the contract was automatically terminated because you did not start work on July 1, 1954, in accordance with Amendment No. 1 of the contract, but that if you resumed work within a reasonable time the contract probably could be reinstated.

To date we have had no reply to our letter of September 14, 1954, which requested a statement from you in writing as to your plans for further work on the property. We can therefore only reaffirm the Executive Officer's statement that the contract was terminated on July 1, 1954, and request you to take prompt action to provide us with a final report and a final accounting of the expenditures made under the contract as provided in Article 2 of the contract form. In this connection your attention is called in particular to Annex I of the Amended Contract under item 4, which provides for the payment to the Government of its equity in equipment purchased under the Prior Contract.

Provided a satisfactory settlement has been made of the present contract there is nothing in this action that would prevent you from applying for DMEA assistance at some future date. This application could then be considered on the merits for whatever form of exploration aid is available at that time.

By Field Team, Region II

A. E. Weissenburg, Executive Officer
U. S. Geological Survey

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

cc: DMEA (2)
USGS (2)
USBM (AD)
Outlaw

xxxxxxxxxxxxxxxxxx
No. 157 Howard Street
Spokane 4, Washington

September 14, 1954

Mr. E. E. Allgaier, Manager
Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

Re: Docket No. DMEA-981 (lead-zinc)
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract No. Ida-288

Dear Mr. Allgaier:

It is necessary that we have a statement from you in writing as to your intention of either pursuing the work under the contract or terminating it.

Under the terms of Amendment No. 1 project work was recessed from October 1, 1953, to not later than July 1, 1954. Our field men report that work has not resumed. Unless you are prepared to advance specific proposals looking to the resumption of work, winding up and settlement actions will be instituted. May we hear from you in the next few days.

Sincerely yours,

John E. Vhay
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: Certifying Officer
DMEA (2)
USBM (2)

File Copy
Surname

Griswold
Martin
Chandler
Johnson
Whitenack

500

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

AUG 2 4 1954

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract No. Ida-M88

Dear Mr. Weissenborn:

This refers to your letter of August 12 and to E. G. Erickson's memorandum of July 12, covering the cited project.

Unless this Operator has advanced, or is prepared to advance specific proposals looking to the resumption of work, the proper winding up and settlement actions should be instituted by you to effect complete termination of the contract.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (EHB)

APPROVED:

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

D. M. Larrabee
Member, Geological Survey (EHB)

WRGriswold/bjl (8/20/54)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

August 12, 1954

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

Re: Automatic Termination of Contracts

Dear Mr. Selfridge:

The contracts listed below were given amendments which called for automatic termination if work was not resumed by certain dates. On the contracts listed work has not been resumed and we would like to know whether your office will initiate formal action to terminate the contracts, and if you want us to notify the Operators that the contracts are terminated and that formal papers are coming from Washington.

1. Idaho Mining Company, Docket No. DMEA-981, Contract No. Idm-E88; Amendment No. 1 provides that work is to be resumed on or before July 1, 1954.

2. Signal Mining Company, Docket No. DMEA-2237, Contract No. Idm-E421; Amendment No. 3 provides that work is to be resumed on or before July 1, 1954.

3. United Minerals Reserve Corporation, Docket No. DMA-81, Contract No. Idm-E18; Amendment No. 6 provides that work is to be resumed before May 1, 1954. A letter dated February 18, 1954, from Mittendorf to the company states that if snow conditions make it impractical to resume work by May 1, the Government would consider an additional amendment to recess work for an additional 30 or 60 days.

By Field Team, Region II

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

John S. Vhay, Acting Member
U. S. Geological Survey

cc: USBM (2)
Quinlan

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

April 15, 1954

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract No. Idm-E88

Dear Mr. Selfridge:

Enclosed are the original and two signed copies of Amendment No. 1 to the subject Amended Contract.

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

Sincerely yours,

A. E. Weissenborn

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

Enclosure

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

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

March 31, 1954

Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract No. Idm-888 (Amended)

Gentlemen:

Reference is made to your letter of February 16, 1954, in which you request that contract work be recessed until June 1, 1954. Your request was forwarded to our Washington office for their decision. They have given your request due consideration and have prepared Amendment No. 1 enclosed (original and 6 copies) to cover your situation. Therefore, if the terms and conditions of this amendment meet with the company's approval, would you please have the authorized official sign all copies, retain that copy marked for the operator and return the remaining copies to this office.

The amendment allows for a recess period from October 1, 1953, and ending not later than July 1, 1954. During this period, of course, the Government will not participate in any costs incurred by the operator, nor will it contribute to any costs of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work. The amendment also extends the life of the contract by 5 months, or until January 1, 1955. If work is not resumed by July 1, 1954, there is a provision in the amendment whereby the contract is terminated. You will note, also, that Annex III is substituted for Article 9 of the contract and the repayment period is extended from 10 to 12 years.

Sincerely yours,

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

Enclosure
cc: DMEA (2)
DMEA (2)
Quinlan

FILE COPY
SURNAME:

500

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

Griswold
Chapman
Selfridge
Johnson

MAR 22 1954

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract No. Idm-288

Dear Mr. Weissenborn:

Referring to your letter of March 2, 1954, we are enclosing the original and five copies of Amendment No. 1 to the subject Amended Contract. If it meets with your approval, please present it to the Operator for signature and distribute the copies in the usual manner. If it is not satisfactory, and if any desired changes should lie beyond the range of your delegated authority, please return all copies to this office with your recommendations.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Enclosures 6

WRGriswold/bjl (3/17/54)

APPROVED:

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

Philip W. Guild
Member, Geological Survey (JHB)

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

Rec'd 3-22-54

FILE COPY
SURNAME:

500

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

March 12, 1954

Memorandum

To: Chief Counsel

From: Chief, Base Metals Division

Subject: Docket No. DMEA-981 (Lead-Zinc), Idaho Mining Company, Washington-Idaho Mine, Shoshone County, Idaho, Contract No. Idm-788 (Amended)

Will you kindly prepare an amendment for this project stipulating the following:

1. Recess, October 1, 1953 to July 1, 1954.

2. Extend completion time to January 1, 1955.

3. Project to automatically terminate if work is not resumed by July 1, 1954.

4. If work is not resumed, a "pseudo certification" takes effect.

W. R. Griswold

W. R. Griswold

WRGriswold/bjl

Copy to: Docket
Base Metals
Ehron.

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

March 2, 1954

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

Re: Docket No. DMEA-981 (lead-zinc)
Idaho Mining Company
Shoshone County, Idaho
Contract No. Idm-E88 (Amended)

Dear Mr. Selfridge:

Enclosed are two copies of a letter dated February 16, 1954, from Mr. Bruce E. Allgaier, Secretary-Manager of the Idaho Mining Company. In his letter, Mr. Allgaier requests that contract work be recessed until June 1, 1954; however, no assurance is given that it will be resumed at that time.

The present contract expires August 1, 1954. If work is resumed by June 1, 1954, it will be possible to complete Phase II(A) but not Phases III and IV of the contract. Approximately 350 feet of drifting and 150 feet of long-hole drilling remains to be completed on the 300 level of the mine under Phase II(A) of the contract. Phases III and IV provide for sinking the shaft an additional 200 feet and for 500 feet of crosscutting and drifting from the bottom of this shaft.

Work to date under the contract has not proved very encouraging and it is doubted that it will be geologically feasible to undertake Phase III and IV of the project. However, the northeast drift heading on the 300 level is just now entering an area that has not been explored in the upper workings. It is conceivable that work along this strong structure may lead to ore, but it is considered a long shot. However, it is the type of exploration needed at the property.

Contract work was suspended at the property in September 1953 and the mine was allowed to flood during November. When work was first suspended, the company reported that it would be resumed in November then the date was moved to February and now it is June. We fully appreciate the difficulty that the company is encountering in attempting to raise funds at this time for a lead-zinc project. We are reluctant

to recommend termination as long as there is some chance of making a discovery and as long as the operators are willing to continue. On the other hand, we cannot state with good conscience our conviction that the company will resume operation as promised. We are, therefore, passing the letter on to you for whatever action you deem advisable. Perhaps the solution would be to do as was done in the case of the Homestake and make an automatic termination part of the agreement to become effective if work is not resumed on the agreed-to date.

By Field Team, Region II

A. E. Weissenborn

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

Thomas E. Howard

Thomas E. Howard
For: Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosure

cc: USBM (2) w/cys incoming ltr
Quinlan " " "

IDAHO MINING COMPANY

Mine Office:
West Fork Moon Creek
Shoshone County, Idaho

Mail Address:
P. O. Box 898
Kellogg, Idaho

February 16, 1954

A. E. Weissenborn, Exec. Officer
Defense Minerals Exploration Administration
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMA-981X (Pb-Zn)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract Idm-E88

Dear Mr. Weissenborn,

As you know work was suspended at our property last fall and will not be resumed until additional funds are at hand with which to support further work.

We are presently qualifying with the S.E.C. and will actively get underway in an attempt to secure additional backing with which to continue the projected work. In the interim we ask that you extend us a moratorium on our contract work to June 1, 1954.

In passing our request along for 'time-out' you might find an opportunity to pass our views along together with others you doubtless already have that continued importing and subsidizing of foreign cheaply mined metal isn't contributing anything constructive to the domestic mining industry.

Raising funds in support of an exploration program is at best no easy undertaking and in the face of the present national attitude, is almost an impossible job....as you already know.

Sincerely yours,

/s/ B. E. Allgaier
Bruce E. Allgaier, Sec-Mgr
Idaho Mining Company

cc E E Henry

B

RECEIVED
FEB 17 1954
U S G S
SPOKANE, WASH

COPY

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

December 14, 1953

Memorandum

To: DMEA Field Team, Region II

From: J. J. Quinlan and A. F. Holzle, Geologists, U. S. Geological Survey.

Subject: Routine inspection, Docket No. DMEA-981 (lead-zinc), Idaho Mining Company, Washington-Idaho Mine, Shoshone County, Idaho, Contract No. Idm-E88 (Amended).

Mr. B. E. Allgaier, Manager, Idaho Mining Company, was contacted at his home at the mine on December 7, 1953.

Work on the project has not been resumed since exploration was suspended in September. Apparently the company is having more trouble than anticipated in arranging additional finances to carry on the project. As with other small operations in the Coeur d'Alene district, the depressed lead-zinc market has made it extremely difficult for companies to raise capital for exploration. Mr. Allgaier reported that he expected it would be about the middle of February at the earliest before funds would be available to resume work.

Mr. Allgaier reported that during the last ten days of November the lower levels of the mine were cleaned up, and mining equipment removed, put in good repair and stored. The lower mine levels are now being allowed to flood.

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

FILE COPY
SURNAME:

140

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

N.S. in R.R.

September 1, 1953

Rubin

Memorandum

To: The Administrator
Through: Mr. W. R. Griswold

From: Chief Counsel

Subject: Gordon R. French, Docket No. DMEA-2887 (Lead)

Reference is made to the memorandum from the Field Team Executive Officer, Region IV, to you dated August 17 requesting a review of the proposed contract and of a performance bond attached thereto.

The application for an exploration contract states that the applicant holds the property under a "lease with option." As we do not have a copy of this instrument, we are unaware of its terms, but assume that it is a lease with option to purchase. If this is the case, the operator has a sufficient right of possession in the property which he can maintain for at least ten years.

The performance bond apparently is attached in lieu of an owner's consent to lien, and is satisfactory for this purpose, provided that the abandonment proviso of Article 7 of the proposed contract be stricken therefrom. This may be done without reference to the surety company because the bond expressly permits modifications of the contract without notice.

A copy of this memorandum should be forwarded to Mr. King for his information.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

JLHofflund:ep

Copy to: Mails & Files
Adm. Reading File
Oper. Comm.
Mr. O. M. Bishop, B/M, Rm. 2423
Mr. A. R. Kinkel, Jr., USGS, Rm. B-242-A, GSA
Mr. Griswold (2)
Mr. Hofflund
Mr. Rubin
(Copy prepared for Reg. IV—2)
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
No. 157 Howard Street
Spokane 4, Washington

August 26, 1953

Betty

Mr. Price L. Allgaier
Idaho Mining Company
P. O. Box 598
Kellogg, Idaho

Re: Pocket No. [illegible]-981 (Lead-Zinc)
Idaho Mining Company
Shoshone County, Idaho
Contract No. Ida-168

Dear Mr. Allgaier:

This is to confirm our telephone conversation of August 13, 1953.

I have discussed the delations of advance of the southwest heading with Mr. Weissenborn but have been unable to find any confirming evidence that prior Government approval had been granted for the advance of this heading. Therefore, we cannot consider further charges in the invoice as previously approved.

The Government will participate in further advance of the southwest heading, up to the allowable limit of 100 feet, to be measured from the face at the time of Quinlan's last examination.

Very truly yours,

Thor W. Hillsgard
for W. W. Weissenborn
Executive Officer,
Field Team, Region [illegible]

[illegible]
[illegible]
[illegible]

913

FILE COPY
SURNAME:

Chambers

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

JUL 2 8 1953

Mr. B. J. Brekhus
DMEA Auditor
c/o Mr. Robert M. Hull
1201 North Division Street
Spokane 2, Washington

Re: Idm-E88, DMA-981x
Idaho Mining Company

Dear Mr. Brekhus:

Receipt is acknowledged of your letter dated July 20, 1953, transmitting two revised pages 8 of the Audit Report covering the above-cited project.

The Certificate and Report are acceptable and may be distributed in the usual manner.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

CC: Docket
Admr. Reading File
Mr. Chambers

R.C.G.
7-28-53

Docket No. DMEA 981X
(lead-zinc)
Contract Idm-E88
9/15

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

1201 N. Division St.
Spokane 2, Washington
July 6, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

Dr. Rudolph J. Brandt
Psychiatric Institute of Beverly Hills
450 North Bedford Drive
Beverly Hills, California

Subject: Idaho Mining Company

Dear Dr. Brandt:

Your letter of June 25, 1953 to the Bureau of Mines in Washington, D. C. requesting information on the Idaho Mining Company has been referred to me for reply.

A project to explore for lead and zinc on the property of the Idaho Mining Company in Shoshone County, Idaho, was begun in September 1951 and is still in progress. The exploration project is being conducted under a contract with the Defense Minerals Exploration Administration with the Government contributing 50 percent of the direct costs of the work in the form of a loan which is to be repaid from production in the event a discovery is made. We regret that we are not authorized to release information concerning the details of the project or results obtained by work completed to date.

For information concerning the extent of holdings, capitalization, present production and working capital, it is suggested that you write directly to George A. McDowell, Idaho State Inspector of Mines, Boise, Idaho. We do not maintain up-to-date data of this type in our files.

If we can be of further service please do not hesitate to let us know.

Sincerely yours,

Thomas E. Howard
Acting Member, DMEA Field Team
Region II

cc: w/o w/ltr from Brandt

USGS (2)
DMEA, Wash. (2)

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

So. 157 Howard Street
Spokane 4, Washington

May 29, 1953

Mr. Bruce E. Allgaier
Secretary-Manager
Idaho Mining Company
P. O. Box 398
Kellogg, Idaho

Re: Docket DMEA-981X (Lead-Zinc)
Idaho Mining Co.
Shoshone County, Idaho
Contract Idm-388

Dear Mr. Allgaier:

After your telephone call the other day we wired our Washington office to determine the status of the proposed Amendment 5. We delayed writing you yesterday when we received word from them that an amended contract had been put in the mail May 26 for we expected to receive it today. However, it did not arrive. It will be mailed to you for approval immediately upon its receipt.

We are sorry if this has inconvenienced you.

Very truly yours,

(Mrs.) Eva M. Raymond
for A. S. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM (2)
DMEA (2)
Quinlan

FILE COPY
SURNAME:

Original
Selfridge

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

BH

DMEA

3669 WRGriswold/bjl 4058

May 28, 1953

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

Reurtt Docket No. DMEA-981X (Lead-Zinc), Idaho Mining Company, Contract No. Idm-788. Requested changes are covered by Amended Contract sent to you May 26, 1953.

G. C. Selfridge, Chairman
Operating Committee, DMEA

Copy to: Docket
Admr. R. File
O p. Committee
Base Metals (DMEA)
Mr. Bishop
Mr. Kinkel (USGS)
Chron.

1-1027
(April 1946)

UNITED STATES
DEPARTMENT OF THE INTERIOR

AGENCY DMEA

TELETYPE

Originator: WRGriswold/bjl
Ext.: 3669 Room: 4058

Appro.:
Date: May 28, 1953
Time:
No.:
To: A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, Spokane, Washington
Subject:

Reurtt Docket No. DMEA-981X (Lead-Zinc), Idaho Mining Company, Contract No. Idm-E88. Requested changes are covered by Amended Contract sent to you May 26, 1953.

G. C. Selfridge, Chairman
Operating Committee, DMEA

CONFIRMATION COPY

Authorized:

Sign original message and transmit to Room ..... in duplicate

U. S. GOVERNMENT PRINTING OFFICE 16—50915-1

RECEIVED
MAY 26 6 57 PM '53
GENERAL SERVICES ADMIN
PUBLIC BLDGS. SERVICE
BMD - COMMUNICATIONS

E

443 WA SP /I-GS-G/

SPOKANE 5-26-53 340P

W. R. GRISWOLD, CHIEF

BASE METALS DIVISION, DMEA

WA/DC/

RE DOCKET DMEA-981X / LEAD-ZINC/, IDAHO MINING COMPANY CONTRACT IDM-E88. WHAT IS STATUS OF AMENDMENT 5 TO SUBJECT CONTRACT /QM/ OPERATOR ANXIOUS TO KNOW IF IT HAS BEEN APPROVED. PLEASE TELETYPE REPLY.

THOR H. KIILSBAARD

FOR EXECUTIVE OFFICER DMEA FIELD TEAM, REGION II.

DMEA-981X IDM-E88 5

VA 341P

MAY 27 9 24 AM '53
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

RECEIVED
1953

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	
DAY LETTER	
NIGHT LETTER	

$

S

E

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1206 10-51

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate	
FULL RATE	
LETTER TELEGRAM	
SHIP RADIOGRAM	

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED

Send the following message, subject to the terms on back hereof, which are hereby agreed to

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAY 28 1953

TELETYPE

May 26, 1953

W. R. GRISWOLD, CHIEF
DASTRATEGIC MATERIALS DIVISION, DMEA
WASHINGTON, D. C.

RE: DOCKET DMEA-981X (LEAD-ZINC), IDAHO MINING COMPANY, CONTRACT IDM-E88

CLAIM IS STATUS OF AMENDMENT 5 to SUBJECT CONTRACT/QM/ OPERATOR ANXIOUS TO KNOW IF IT HAS BEEN APPROVED. PLEASE TELETYPE REPLY.

THOR H. KIILSGAARD
for EXECUTIVE OFFICER, DMEA
FIELD TEAM, REGION II

cc: Chron.
USM
Kiilsgaard
Confirmation

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeated message rate is charged in addition. Unless otherwise indicated on its face, this is an unrepeated message and paid for as such, in consideration whereof it is agreed between the sender of the message and the Telegraph Company as follows:

1. The Telegraph Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unrepeated-message rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeated-message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.

2. In any event the Telegraph Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated-message rate is paid or agreed to be paid and an additional charge equal to one-tenth of one per cent of the amount by which such valuation shall exceed five thousand dollars.

3. The Telegraph Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.

4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Telegraph Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: In cities or towns of 5,000 or more inhabitants where the Telegraph Company has an office which, as shown by the filed tariffs of the Telegraph Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Telegraph Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Telegraph Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Telegraph Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Telegraph Company does not undertake to make delivery but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Telegraph Company is located.

5. No responsibility attaches to the Telegraph Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Telegraph Company's messengers, he acts for that purpose as the agent of the sender.

6. The Telegraph Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Telegraph Company, (a) within ninety days after the message is filed with the Telegraph Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska, Canada, Mexico, or St. Pierre-Miquelon Islands on the other hand, or between a point in the United States and a ship at sea or in the air, (b) within 95 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Telegraph Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of he Communications Act of 1934, as amended.

7. It is agreed that in any action by the Telegraph Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employee of the Telegraph Company is authorized to vary the foregoing.

5-52

CLASSES OF SERVICE

DOMESTIC SERVICES

FULL RATE TELEGRAM

A full rate expedited service.

DAY LETTER (DL)

A deferred service at lower than the full rate

NIGHT LETTER (NL)

Accepted up to 2 A. M. for delivery not earlier than the following morning at rates substantially lower than the full rate telegram or day letter rates.

INTERNATIONAL SERVICES

FULL RATE (FR)

The standard fast service at full rates. May be written in any language that can be expressed in Roman letters, or in secret language. A minimum charge for 5 words applies.

LETTER TELEGRAM (LT)

Overnight plain language messages. Minimum charge for 22 words applies

SHIP RADIOGRAM

A service to and from ships at sea. Plain or secret language may be used. Minimum charge for 5 words applies.

500 FILE COPY
SURNAME:

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

MAY 26 1953

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

Re: Docket No. DMA-981 (Lead-Zinc)
Idaho Mining Company
Moon Creek Mine
Shoshone County, Idaho
Contract No. Idm-288

Dear Mr. Weissenborn:

We are enclosing the original and five copies of an amended contract, signed by the Administrator, to the above project contract. We believe that this is along the lines suggested by you in your recent visit to Washington, and as later discussed with you over the telephone.

In that the contract is being changed from actual cost to agreed unit costs, we assume you will look into the matter of existing supplies and, if there should be excessive amounts, make the proper adjustments.

We call to your attention paragraph 4 of Annex I, in which you must insert an agreed present value of equipment in which the Government has an equity.

Will you please present all copies to the Operator for his signature and distribute in the usual manner.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Enclosures 6

WRGriswold/bjl/hmj (5/22/53)
CC to: Docket
Adm. R. File
Operating Committee
Base Metals Division
Mr. Kinkel
Mr. Bishop
Chron.

APPROVED:

J. H. Hedges
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

FILE COPY
SURNAME:

500

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

Minerals Chronicle

May 21, 1953

Memorandum

To: Administrator

From: Chief, Base Metals Division

Subject: Amendment No. 5 — Docket No. DMA-981, Idaho Mining Company, Contract No. Idm-288

The above exploration project was divided into four phases, with execution of latter phases to be contingent upon the results of the earlier work. The phases were:

1. Various items of surface and underground rehabilitation.

2. 500 feet of drifting on the 300 level.

3. Sink the shaft for a distance of 200 feet, with necessary skip pockets, etc.

4. Establish a new 500 level at shaft bottom by cutting station, then drive a total of 1,000 feet of crosscuts and 100 feet of drifts.

Work done to date under Phase 2 has been disappointing to the extent that the field, as explained verbally by Mr. Weissenborn and Mr. Kiilsgaard, would not recommend undertaking Phase 3 at this time. However, they express themselves as believing that the 300 level still presents some possibilities which should be explored. Hence, the proposed amended contract permits the additional 300 level work which is felt advisable, without going into the heavy expense of sinking the shaft at this time.

No increase of funds is involved inasmuch as Phase IV work has been decreased to balance the added work on the 300 level.

If the additional work on the 300 level gives only the disappointing results which have been encountered to date, the project would then be terminated.

W. R. Griswold

W. R. Griswold

WRGriswold/bjl
Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Chron.

MDS 5-26-53

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

May 18, 1953

Memorandum

To: Administrator
Through: Mr. W. R. Griswold

From: Chief Counsel

Subject: Idaho Mining Company, Docket No. DMEA-981

In lieu of Amendment No. 5 proposed by the Field, there is herewith submitted in satisfactory form for execution an Amended Contract. Consequently, the proposed letter of transmittal to the Field will have to be changed to indicate that an Amended Contract is being sent and not the proposed Amendment.

The original contract, in Article 2, refers to 23 unpatented claims and a fractional claim, but mentions by name only 3 claims on which, presumably, the actual work is being performed. Annex II, which has now been added to the contract, gives the name of all the claims and makes the claim map a part of the contract. The Field Team can add any pertinent details thereto that it desires.

The Executive Officer should also insert in paragraph 4 of Annex I the agreed present value of the equipment purchased under the Prior Contract and the amount of the Government's equity therein.

The map referred to in Annex II should also be attached to the contract.

J. L. Hofflund
Chief Counsel

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

May 15, 1953

Memorandum for the Files

From: Chief, Base Metals Division

Subject: Idaho Mining Co., Docket DMEA 981, Contract Idm-E88

Mr. Weissenborn advised by phone that Stage IV should be reduced to 250 feet of crosscutting and 250 feet of drifting. He stated that such amount of crosscutting would be sufficient for exploration purposes when supplemented by the 250 feet of drifting.

W. R. Griswold

500

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

May 12, 1953

MEMORANDUM for the Files

Subject: Docket No. DMA-981, Idaho Mining Company, Contract No. Idm-E88

Mr. Griswold spoke over the phone today regarding the proposed Amendment No. 5 to the above contract.

It was explained to Mr. Weissenborn that the proposal was unbalanced, that only a small amount of drifting was allowed in Phase Iv. Mr. Weissenborn stated that he would review the project and give us an amended recommendation in a few days.

W. R. Griswold

W. R. Griswold

369 WA SP /I-GS-G/

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 7 1953

Dmea 981

RECEIVED
6 52 AM '53
SERVICES A&M
GLOBS SERVICE
COMMUNICATIONS

SPOKANE WASH 5-6-53 500P

GEORGE C. SELFRIDGE, CHAIRMAN OPERATING COMMITTEE, DMEA, DEPT OF INTERIOR WASHINGTON 25, DC

RE CONTRACT IDM-E88, IDAHO MINING CMPANY LEAD-ZINC. WHAT IS STATUS ON AMENDMENT NUMBER 5 TO SUBJECT CONTRACT /QM/ AMENDMENT LEFT IN WASHINGTON AT LEAD-ZINC OFFICE BY KIILLSGAARD. WILL AMENDMENT BE APPROVED BY OPERATING COMMITTEE/QM/ OPERATOR REQUESTS INFORMATION AS HE WISHES TO COMMENCE PROPOSED WORK AS SOON AS POSSIBLE. IMMEDIATE ANSWER APPRECIATED.

THOR KIILLSGAARD, FOR

A E WEISSENBORN, EXEC OFFICER, DMEA FIELD TEAM, REGION II

IDM-E88 5

EC 504P

MAY 7 8 48 AM '53
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

STANDARD FORM No. 14
APPROVED BY THE PRESIDENT
MARCH 10, 1926

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

FROM

BUREAU

CHG. APPROPRIATION

U. S. GOVERNMENT PRINTING OFFICE 10—1723

T E L E T Y P E

MAY 6, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 8 1953

Dmea 981

MR. GEORGE C. SELFRIDGE, CHAIRMAN
OPERATING COMMITTEE, DMEA
DEPARTMENT OF THE INTERIOR
WASHINGTON 25, D. C.

RE: CONTRACT IDM-E88, IDAHO MINING COMPANY, LEAD-ZINC

WHAT IS STATUS ON AMENDMENT NO. 5 TO SUBJECT CONTRACT? AMENDMENT LEFT IN WASHINGTON AT LEAD-ZINC OFFICE BY KIILSGAARD. WILL AMENDMENT BE APPROVED BY OPERATING COMMITTEE. OPERATOR REQUESTS INFORMATION AS HE WISHES TO COMMENCE PROPOSED WORK SOON AS POSSIBLE. IMMEDIATE ANSWER APPRECIATED.

THOR H. KIILSGAARD
FOR: A. E. WEISSENBORN
EXECUTIVE OFFICER, DMEA
FIELD TEAM, REGION II

c : Confirmation
USBM
Kiilsgaard
R. Carlson
Chrono.

FILE COPY
SURNAME:

500

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

April 30, 1953

n.s. in R. v R.

Memorandum

To: ~~Administrator~~ Chief Counsel

From: Chief, Base Metals Division

Subject: Amendment No. 5 — Docket No. DMA-981, Idaho Mining Company, Contract No. Idm-588

The Field Team has requested an amendment allowing more work for Phase II. To provide for such added expenditure, we have deleted an equal amount from Phase IV.

W. R. Griswold

W. R. Griswold

WRGriswold/bjl

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

Griswold

LAW OFFICES
CHARLES B. KAUFMANN
THIRD FLOOR - SECURITY BUILDING
115 WEST THIRD STREET
DAVENPORT, IOWA

OFFICE PHONE DIAL 3-9249
RESIDENCE PHONE MOLINE 3790

GENERAL LAW PRACTICE
ILLINOIS AND IOWA

April 16, 1953

Ans. 4/24/53

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

DMA-981

Office Of Secretary of Interior
Defense Mineral Administration
Washington, D. C.

Gentlemen:

This Office represents an estate that owns stock in the Idaho Mining Company, P.O. Box 898, Kellogg, Idaho, with mine office at West Fork Moon Creek, Shoshone County, Idaho. In a recent communication from Idaho Mining Company attention was directed to a Government (DMEA) contract regarding DMEA work which was being carried on by said Company. I assume that the abbreviation DMEA refers to some part or subdivision of the Defense Mineral Administration. If I am correct in my assumption, I would like information as to where I can seek more complete details regarding this DMEA contract. Perhaps there is a regional office near Kellog, Idaho that could supply me with the information which I desire.

Your cooperation in this matter will be appreciated.

Yours very truly,

John J. Collins

John J. Collins
Attorney At Law

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
January 20, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Idaho Mining Company, Shoshone County, Idaho, Contract No. Idm-E88, Docket No. DMEA 981 (lead-zinc).

I visited the project site on January 8, 1953, and was informed by Mr. L. Garrand, part-time engineer, that Mr. Bruce Allgaier, manager, was in California and that the work had been temporarily recessed. Mr. Allgaier was meeting with some of the principal stockholders.

Mr. Garrand informed me that only a couple of rounds had been made since my last inspection on December 16, 1952.

On January 20, 1953, I contacted Mr. J. F. McAdams, the company accountant in Spokane, Wash., and he informed me that Mr. Allgaier had returned and that work on the project had been resumed.

I plan on inspecting the property next week.

E. G. Erickson
E. G. Erickson

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

Docket Copy

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

[redacted]
So. 157 Howard Street
Spokane 4, Washington

January 15, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 16 1953

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

Re: Docket DMEA-981X (Lead-Zinc)
Idaho Mining Company
Contract Idm-E88

Dear Mr. Selfridge:

Attached are the original and two signed copies of Amendment No. 4 to the subject contract, with attached justification.

Copies of this amendment have been retained by the Operator, the Finance Officer, and the Field Team.

Sincerely yours,

A. E. Weissenborn

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

Enclosure

cc: USBM (2)
Fryklund

cae
1-19-53

RECEIVED
JAN 30 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

1201 N. Division St.
Spokane 2, Washington
December 30, 1952

Keating
Betty

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
1953

Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

Subject: Amendment No. 4, Contract Idm-E88
Docket No. DMEA 981 (lead-zinc)

Gentlemen:

Enclosed herewith are 7 copies of Amendment No. 4 to your Exploration Project Contract which extends the completion period from 18 months to 24 months. The amendment has been signed by the Executive Officer, DMEA Field Team, Region II. If the amendment meets with your approval please have an authorized official of your company sign all copies, retain the copy marked "Operator's Copy" and return the remaining copies to this office.

Sincerely yours,

Thomas E. Howard
Chief, DMEA Section
Bureau of Mines, Region II

Enclosure

cc: DMEA, Wash. (2)
USGS (2)
DMEA
AD
DF

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
[redacted]
So. 157 Howard Street
Spokane 4, Washington

December 24, 1952

Air Mail

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Idaho Mining Company
Docket DMEA-981X (lead-zinc)
Contract Idm-E88
Shoshone County, Idaho

Dear Mr. Johnson:

Enclosed are copies of a map which were to have accompanied a Field Team letter concerning the subject contract dated December 22, 1952.

Sincerely yours,

Eva M. Raymond

Eva M. Raymond
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosure

cc: USBM (2)
Fryklund

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 2 3 1952

NON-PRIVILEGED DOCUMENT

TO BE PHOTOCOPIED AND PRODUCED

DO NOT CODE

BATES NO. 0418

981

500

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

Re: Docket No. DMA-981X (Lead-Zinc)
Contract No. Idm-888
Idaho Mining Company
Shoshone County, Idaho

Dear Mr. Weissenborn:

Reference is made to your memorandum of October 9, with which were enclosed six copies of a proposed amendment to the subject contract.

We are in agreement with the idea of putting the exploration work in Phase II on a unit cost basis, especially in view of the fact that the expenditures in Phase I of the project greatly exceeded the estimated cost.

Enclosed are the original and five copies of Amendment No. 3, signed by the Administrator of this Administration. If this amendment meets with the approval of the Operator, kindly obtain his signature and return the original and two copies to this office, distributing the other copies in the usual manner.

Sincerely yours,

Frank E. Johnson

Chairman, Operating Committee

Enclosures 6

HFKeller/bjl (written 10/23/52)

APPROVED:

J. H. Hedges

Member, Bureau of Mines

G. R. Tinkel, Jr

Member, Geological Survey

Copy to: Docket
Admr. R. File
Op. Committee
H. F. Keller (2)
Mr. Bishop
Mr. McKnight
Chron.

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

[redacted]
So 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 1 1952

November 17, 1952

Mr Frank E. Johnson, Chairman
Operating Committee DME.
Department of the Interior
Washington 25, D C

Re: Docket DMEA 101 (Lead-Zinc)
Idaho Mining Company
Shoshone County, Idaho
Contract Idm-563

Dear Mr Johnson:

Enclosed are the original and two signed copies of Amendment No 3 to the subject contract

A copy of the amendment has been retained by the Operator, a copy is being retained for the files of this office, and by a carbon copy of this letter, the Regional Finance Officer's copy is being distributed

Sincerely yours,

Thor H Killagaard
For: A. B Weissenborn
Executive Officer DMEA
Field Team Region II

Enclosure

cc: USBM (2)
Reg Finance Officer w/encl
Frykland

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 1 0 1952

November 10, 1952

Idaho Mining Company
P O Box 898
Kellogg, Idaho

Re: Docket DMA-981X (Lead-Zinc)
Contract No Idm-888
Idaho Mining Company
Shoshone County, Idaho

Gentlemen:

Enclosed are six copies of a proposed amendment to your Exploration Project Contract. If the terms and conditions of this amendment meet with your approval, please have an authorized official of your company sign all copies, retain that copy marked "Operator's Copy" and return the remaining copies to this office.

Sincerely yours,

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

Enclosure

cc: DMEA (2)
USBM (2)
Fryklund

FILE COPY
SURNAME:

500

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

H F Keller
Gathert
McKane
Chambers

OCT 30 1952

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

Re: Docket No. DMA-981X (Lead-Zinc)
Contract No. Idm-E88
Idaho Mining Company
Shoshone County, Idaho

Dear Mr. Weissenborn:

Reference is made to your memorandum of October 9, with which were enclosed six copies of a proposed amendment to the subject contract.

We are in agreement with the idea of putting the exploration work in Phase II on a unit cost basis, especially in view of the fact that the expenditures in Phase I of the project greatly exceeded the estimated cost.

Enclosed are the original and five copies of Amendment No. 3, signed by the Administrator of this Administration. If this amendment meets with the approval of the Operator, kindly obtain his signature and return the original and two copies to this office, distributing the other copies in the usual manner.

Sincerely yours,

Frank E. Johnson (GB)
Chairman, Operating Committee

10/30/52

Enclosures 6

HFKeller/bjl (written 10/23/52)

APPROVED:

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

A. R. Kinkel, Jr. (GB)
Member, Geological Survey

Copy to: Docket
Admr. R. File
Op. Committee
H. F. Keller (2)
Mr. Bishop
Mr. McKnight
Chron.

COPY

IDAHO MINING COMPANY

COPY

Mine Office:
West Fork Moon Creek
Shoshone County, Idaho

6 September 1952

Mail Address:
P. O. Box 898
Kellogg, Idaho

Messers A. E. Weissenborn, U.S.G.S. and M. E. Volin, U.S.B.M.
Defense Minerals Exploration Administration
Spokane, Washington

DMEA 981

Gentlemen,

Your attention is directed to certain changes in corporate structure of the Idaho Mining Company, which will necessitate a revision in future reporting and corresponding between our offices.

The writer is now secretary-treasurer and manager for the company with offices at the mine; mail address Box 898, Kellogg, Idaho. J. F. McAdam, company comptroller, who maintains the books of account, etc., has moved his offices to 711 Spokane-Eastern Building in Spokane.

In view of these changes you are requested herewith that all correspondence, payments per contract, etc. are to be directed to me at the Company's Kellogg address. In the interest of facilitating the reporting, obtaining additional information and the like, copies of all such correspondence should be directed to J. F. McAdam, 711 Spokane-Eastern Building, Spokane.

I hereby assert that the foregoing changes in corporate structure of the Idaho Mining Company, are of record in the corporate minutes of meetings duly called and held, of either the board of directors or the shareholders of the Idaho Mining Company and that at such meetings, a quorum was present.

Very truly yours,

/s/

Bruce E. Allgaier
Secretary-Manager
Idaho Mining Company

cc: J. F. McAdam
711 Spokane-Eastern Building
Spokane, Washington

BEA/c

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

So. 157 Howard Street
Spokane 4, Washington

August 24, 1952

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

Re: Docket No. DMA-981 (Lead-Zinc)
Contract No. Idm-E88
Idaho Mining Company

Dear Mr. Johnson:

This is in reply to your letter of August 13 inquiring into the stoppage of work on the subject contract. A conference was held at this office with the operator on August 4; it was agreed at that time and the company was told that the contract would have to be terminated unless work was resumed. The company said that it would make every effort to begin work during August. The recent report from the field states that work has actually been done so presumably the company has solved at least part of its financial difficulties. The work will be watched carefully and if satisfactory progress is not made so that the work can be done within the time allotted we will have to cancel the contract.

Sincerely yours,

A. E. Weissenborn, J.H.K.

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

cc: USBM(2)
Hobbs

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

August 24, 1952

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

Re: Docket No. DMA-981 (Lead-Zinc)
Contract No. Idm-E88
Idaho Mining Company

Dear Mr. Johnson:

This is in reply to your letter of August 13 inquiring into the stoppage of work on the subject contract. A conference was held at this office with the operator on August 4; it was agreed at that time and the company was told that the contract would have to be terminated unless work was resumed. The company said that it would make every effort to begin work during August. The recent report from the field states that work has actually been done so presumably the company has solved at least part of its financial difficulties. The work will be watched carefully and if satisfactory progress is not made so that the work can be done within the time allotted we will have to cancel the contract.

Sincerely yours,

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

cc: USBM(2)
Hobbs

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 23 1952

May 12, 1952

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Proposed Amendment No. 2 to Contract Idm-E88, Idaho Mining Company, DMEA Docket 981, Lead-Zinc.

Enclosed are three copies of an amendment to the subject contract. The reasons for this amendment are given in the attached memorandum by Mr. H. T. Reno at the U. S. Bureau of Mines.

A. E. Weissenborn

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

Enclosures
cc: USBM, Spokane

SdS

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

157 So. Howard Street
Spokane 4, Washington

December 5, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 1 1951

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

Re: Idaho Mining Co.
Exploration Project
Contract IDM-E 88

Dear Sir:

Enclosed are three copies of an approval for the purchase of necessary tools granted by the Field Team to the Idaho Mining Company.

Additional copies of this approval have been sent to the Fiscal Officer and the Operator.

Yours very truly,

A. E. Weissenborn

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

DEPARTMENT OF THE INTERIOR
DMEA
1951

APPROVAL

November 23, 1951
Date

Under authority granted by Order No. 2653 of the Acting Secretary of the Interior, approval is hereby given to the requests of the Idaho Mining Company, Kellogg, Idaho, contained in the attached letter dated November 20, 1951, an approved copy of which shall be kept on file in the Regional Office of the DMEA Field Team, Region II, for adjustments of Exploration Project Contract Idm-E88 dated July 27, 1951.

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

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

M. Elbelin
Member, DMEA Field Team,
Region II

IDAHO MINING COMPANY

MINE OFFICE:
WEST FORK MOON CREEK
SHOSHONE COUNTY, IDAHO

MAIL ADDRESS:
P. O. BOX 898
KELLOGG, IDAHO

20 November 1951

Defense Minerals Administration
c/o U. S. Bureau of Mines
N. 1207 Division Street
Spokane, Washington

Attn. E. G. Erickson re Idm-E 88

We submit herewith what we contend to be justification for the purchase of

1-only Model 2E18 (Ser #675065) Mall chain saw

1-only Model RH656W (ser #404764) Atlas Diesel rock drill complete with hose attachments and steel with integral carbide insert bits.

which we wish to charge against the contract.

We were able to obtain a reduction in price on timber from our supplier by accepting timber which in some instances required extra cuts. The saving in cost for timber on the headframe-bin job alone supports to a considerable extent, the cost of the saw.

Obviously, such a tool has reduced the labor time and consequently lowered the cost. Further, the saw will be available for any number of jobs which will arise as the project advances.

The rock drill was employed initially as a jackhammer drilling plugs during the excavation at the shaft and also in sinking the well for the water system.

This same machine can be used as a sinker, drifter or stoper by attaching the proper air leg. Steel is common to all positions.

Rentals are not available and would not be justified on an economical basis so far as the over-all job is concerned.

We further request ratification of our employment of rental equipment over and above the contract itemization in the "phase I" work to the extent of $489.40 additional.

This additional amount of excavation was occasioned by a slide as was previoulsy reported in the MF104 narrative for the month ending Sept. 30th last.

The above items can, in all probability, be included within the dollar framework of the phase I & II schedules of work, if your office concurs.

Very truly yours,
Idaho mining Company

cc Wellman Clark
J F McAdam

FILE COPY
SURNAME:

Blakemore
Mittendorf

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

AUG 30 1951

Idaho Mining Company
711 Hutton Building
Spokane 8, Washington

Re: Docket No. DMA 981X
Idm-E88

Gentlemen:

In reply to your letter of August 22, 1951, in regard to the filing of a "partial" monthly exploration report for the current month (August), you are advised that these reports should cover the work done in each calendar month, irrespective of the number of days worked in that month.

Should you require additional assistance please communicate with the Executive Officer, DMA Field Team, South 157 Howard Street, Spokane, Washington.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

PB Blakemore/bjs
8/29/51
cc to: Reports & Records
Mr. Mittendorf, Mr. Olund
Mr. Blakemore
Chron.

Code 403

Mr. Beakemore

IDAHO MINING COMPANY

~~MAIN OFFICE~~
711 HUTTON BUILDING
SPOKANE 8, WASHINGTON

August 22, 1951

DEPARTMENT OF THE INTERIOR
RECEIVED
AUG 28 1951
Defense Minerals Administration,
Production Expansion Division.

Department of the Interior
Defense Minerals Administration
Washington 25, D. C.

Re: Docket No. DMA 981X
Idm-E88

Gentlemen:

Please be advised that this company is commencing the first phase of its work under your exploration project on Wednesday, the 22nd day of August, 1951.

As soon as the shaft is unwatered, you will be notified so that you may measure the third level before underground exploration commences.

Since this work is starting in the middle of the month, do you request a partial monthly report for August? We would prefer this for it would be more convenient for us to make monthly accountings, rather than having the period end in the third week of each month.

Sincerely,

Wellman Clark

Wellman Clark,
Secretary

WAC:mc

cc Mr. Bruce Allgaier

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 27 1951

My dear Senator Welker:

I am pleased to report to you that the Defense Minerals Administration of this Department has recently entered into a contract with the Idaho Mining Company, operating in your state for the exploration of possible sources of lead and zinc.

The contract provides that the Government will participate in the expense of this work up to 50% of the cost thereof.

This type of assistance is provided for under Section 303 of the Defense Production Act.

The Defense Minerals Administration will be glad to furnish you any further details you may desire regarding the matter.

Sincerely yours,

Secretary of the Interior

Hon. Herman Welker
United States Senate
Washington 25, D. C.

PEBlakemore/bjs
Written 7/31/51
cc to: Messrs. Secy's Reading File
Adm's Reading File
Mittenderf-Olund
Blakemore
Reports and Records
Docket copy
Chron. copy

Identical letter to:
Senator Henry C. Dworshak
Rep. John T. Wood

FILE COPY
SURNAME:

Mittendorf

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

July 31, 1951

A.E.C.

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

Re: Docket DMA 981X
Exploration Project Contract
Idm-E88
Idaho Mining Company
Spokane, Washington

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,

8/3

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1

PBBlakemore/bjs
cc to: Adm. Reading File
Field Team, Region II (2)
Mr. Billings
Mr. McKnight
Mr. Mittendorf, Mr. Olund
Mr. Blakemore
Reports and Records
Docket copy
Chron. copy

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

July 27, 1951

Memorandum

To: Chief, Production Expansion Division

From: General Counsel

Subject: Idaho Mining Company exploration contract--DMA981X

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

1. Further identification of the claims which are not named in paragraph 2, either by naming them, giving filing data, or otherwise.

2. Correction of the typographical error on the first page of Exhibit "A". "Phase II" as it appears the second time is undoubtedly intended to be "Phase III."

3. Addition at the end of the note at the bottom of the first page of Exhibit "A" of the words "in the opinion of the Government."

4. Change of the sentence at the top of the page of Exhibit "A" relating to Phase III to read: "Phase III and IV are to be undertaken only if, in the opinion of the Government, the results of Phase II justify them."

5. Change the letters "B," "C," "D," and "E," to "A," on the last four pages of exhibits. The amended contract form refers only to "Exhibit A."

Your file is returned herewith.

J. L. Hofflund
General Counsel

Attachment

Corrections made as required above. G. B. Blakemore - 27 July 1951

FILE COPY
SURNAME:

Mittendorf

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

July 27, 1951

Idaho Mining Company
711 Hutton Building
Spokane 8, Washington

Re: Docket No. DMA 981X Lead-Zinc
Idm E88, Moon Creek, Idaho

Gentlemen:

Your copy of the subject Exploration Contract signed by your Secretary, Mr. Wellman Clark, and by the Government was delivered to him today.

This contract is your authority to proceed with the project in accordance with the provisions therein. The D.M. A. Field Team of Region II should be consulted as the exploration proceeds as it is prepared to resolve any questions that may arise.

There are enclosed five copies of Form MF 104, the instructions for the preparation of which are on the first page. This report in quadruplicate serves as a voucher by which the share of Governemntal participation is paid. Additional copies of this form should be obtained from the local Field Office.

Sincerely yours,

C. O. Mittendorf 7/31/51

C. O. Mittendorf, Director
Production Expansion Division

Enclosures-6

PBBlakemore/bjs
cc to: Adm. Reading File
Reports and Records
Mr. Billings
Mr. McKnight
Region II
Mr. Mittendorf, Mr. Olund
Mr. Blakemore
Docket copy
Chron. copy

FILE COPY
SURNAME:

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

Blakemore
Mittendorf

July 27, 1951

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

Re: Docket DMA 981X Idm E88
Lead-Zinc Moon Creek Mine
Shoshone County, Idaho.
Idaho Mining Company
711 Hutton Building
Spokane, Washington

Dear Mr. Weissenborn:

Mr. Wellman Clark, Secretary of the subject company has been handed the company's copy of this completed contract on July 27, 1951, your copy of which is enclosed together with a copy of our letter to the company and our covering recommendation.

A copy of the contract for your Field Finance Officer will be forwarded directly by the Washington Finance Division, together with accounting instructions.

Sincerely yours,

C. O. Mittendorf 8/3/51

C. O. Mittendorf, Director
Production Expansion Division

Enclosures-3

PBBlakemore/bjs
cc to: Adm. Reading File
Reports and Records
Region II
Miss Terry, Finance Division
Mr. Billings
Mr. McKnight
Mr. Mittendorf, Mr. Olund
Mr. Blakemore
Docket copy
Chron. copy

FILE COPY
SURNAME:

Blakemore

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

Memorandum

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

FROM: P. B. Blakemore

SUBJECT: Recommendation Exploration Contract
DMA Docket 981X Lead-Zinc Idm E88
Yreka District, Idaho.

Cost of Project: $123,738.00 D.M.A. Participation $61,869.00 (50%)

This project was recommended by Field Team, with reservations, and 4 filled out contracts signed by the Operator were processed up to this office.

A letter was written to the Operator on July 6, 1951 for the purpose of bringing the information, costs, etc. within the requirements of the D. M. A. Instead of answering this letter, the Secretary of the Operator, Mr. Wellman Clark of Spokane Washington, came to this office on July 24, 1951 to assist in preparing a proper contract and supply the necessary information.

Discussion:

The subject property has been fairly well equipped and prospecting has been carried on by means of a 300 foot shaft with 3 levels and several tunnels from the surface without discovery of a commercial ore body. Total tunnels, shaft and drifts exceed 4000 feet, driven in a mineralized shear zone which varies from 150 to 300 feet in width.

The 3rd or lowest level contains mineralization with considerably higher lead-zinc values and in larger bodies than those encountered in upper workings.

The present objective in exploration is to extend the drifts on the third level a total of 500 feet and if the findings there warrant it, sink the shaft 200 feet and drift from it to cross-cut and explore for the extension of the favorable 3rd level showings.

FILE COPY
SURNAME:

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

Outline of Project:

Phase I	(3 months) Rehabilitation, restoring headframe destroyed by fire, repairing shaft timbers, mine and surface clean-up	$ 18,158.00
Phase II	(3 months) 500 feet drift on 300 level	31,920.00
Phase III	(3 months) 200 feet Shaft Sinking	33,875.00
Phase IV	(5 months) 1000 feet cross cutting on 500 level	39,785.00
	Total	$123,738.00

D.M.A Participation $61,869.00 (50%)

Note:

Phases III and IV will be carried out provided the showings found on the third level exploration warrant them.

Materials to be purchased	
Timber, Headframe, and shaft	$3,058.00
Steel Rod bracing aand spikes	750.00
Pipe, air and water lines	100.00
Equipment to be Rented	
1 - Eimco Mucking Machine @ $300 per month	$ 900.00
3/4 Power Shovel and truck to replace levee at creek	1500.00
Operators equipment, rental alloted	
1 Dodge Power wagon per month	$150.00
2 Drifters @ $40.00 per month each	80.00
3 Mine cars @ $5.00 per month each	15.00
1 Stoper @ $30.00 per month	90.00
Equipment to be Purchased	
Electric Controls	$ 500.00
5 Mine Cars @ $487.00 each	2435.00
1 Air or electric trawmer	3500.00
2 Air Pumps @ $385.00	770.00

FILE COPY
SURNAME:

Matteucci

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

Conclusions and Recommendation:

It is entirely possible that the exploration on the third level will expose higher grade mineralization in larger bodies than hitherto encountered and the chances of these showings warranting the completion of the entire program are about 50-50.

The chances of finding commercial ore bodies on the 500 foot level are barely "fair".

The chances of repayment of the Governmental participation are "poor".

Because this shear zone is an extensive and favorable structure for mineralization, so far unexplored at any great depth, this project is recommended.

Alternate methods (core drilling) which might reduce the cost of exploring this ground have been suggested and discussed with the Field Team and Secretary of the Company; however, both of these state that core drilling in this type of deposit has never been satisfactory in this mining district.

P. B. Blakemore

PBBlakemore/bjs
7/30/51
cc to: Reports and Records
Mr. Blakemore
Docket copy
Chron. copy
Reg. II (2)

FILE COPY
SURNAME:

Mittendorf

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

July 27, 1951

Memorandum

TO: Mr. J. L. Hofflund
General Counsel

FROM: C. O. Mittendorf
Director

SUBJECT: Request for legal opinion:
DMA Docket 981-X
Idaho Mining Company
711 Hutton Building
Spokane, Washington

Transmitted herewith is the subject Exploration Contract for your consideration and opinion.

C. O. Mittendorf

Enclosure

PBBlakemore/meh
cc to: Reports and Records
Hofflund
Mittendorf, Olund
Blakemore
Docket Copy

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

REFERRED TO: DATE 6/13

1. Hessen
2.
3.
4.

FOR:

- ✓ Action
- ---- Approval
- ---- Comment
- ---- Conference
- ---- Consideration
- ---- Filing
- ---- Instructions
- ---- Investigation
- ---- Initials
- ---- Mailing
- ---- Previous correspondence
- ---- Recommendation
- ---- Record of ----
- ---- Referring to ----
- ---- Reply for signature of ----
- ---- Rewriting
- ---- Signature
- ---- Suggestions
- ---- Your information

REMARKS:

Check (X) before the items needing attention.

LANDON F. STROBEL ON
Initials of sender.

GPO 16—63815-1

Mr. M:
Mr. Blakemore says this is the Weissenborn letter and his reply to it.
(Mailed Friday.)

To call 1680 7/18/51

Sen. Dworshak (Idaho) - re Idaho Mng. Co. ~~XXXXXXX~~
(Not about status; wants to talk to you about it.)
(Blakemore case)

T.190

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

So. 157 Howard Street
Spokane 8, Washington

June 4, 1951

Memorandum

To: Otto Herres, Chief, Lead-Zinc Branch, Defense Minerals Administration.

From: Field Team, Region II

Subject: Application of Idaho Mining Company, DMA docket 981

Enclosed are four copies of an exploration contract submitted by the Idaho Mining Company, 711 Hutton Building, Spokane, Washington. We believe that this is completely filled out with all the necessary exhibits.

The Idaho Mining Company originally made two applications, one for exploration and one for a purchase contract. On review of the application in the field by Mr. Hobbs, the exploration program proposed in the attached contract was worked out. Please note that this differs in some respects from the original application.

Briefly, the vein was found on the 100 and 200 levels and was better on the 200 than on the 100. It was opened on the 300 level, but not explored along the strike. The proposal is to explore along the strike of this vein on the 300 level and to sink to the 500 level with additional exploration. The Field Team agrees that this is a geologically reasonable proposal and strongly approves it on this basis, but certain other questions concerning the contract terms are being referred to the DMA for answering.

Review of the exploration contract, Appendix C, suggests that rental charges on equipment furnished by the operator may be excessive in some cases, and some items may have been included that are not allowable rental charges under the provision of the exploration program--for instance the hoist, transformer equipment and pumps. These will be used exclusively for the exploration as there is no other work going on but might be classed as "fixtures" rather than "equipment." This question is arising in numerous cases and

and we need immediate clarification on this problem as it is not clear to us who sets their rental value and what standard is to be used in reviewing the application figures. Lack of time obviously prevents an appraisal of the equipment in the field in most cases. We strongly recommend that a national schedule of allowable rental values be worked out and circulated immediately to the field teams. Furthermore, definition of what is to be included under "equipment" and under "facilities" is badly needed.

We are forwarding the contract with the operator's figures in the hope that some clarification of these points may result.

By Field Team, Region II

A.E. Weissenborn

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

Glenn A. Rudy for

M.E. Volin, Member
(U. S. Bureau of Mines)

Enclosures

cc: U.S.B.M., Spokane
U.S.B.M., Albany

DMA-981

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

So. 157 Howard Street
Spokane, Washington

June 7, 1951

Mr. L. F. Strobel
Executive Secretary
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Dear Mr. Strobel:

Enclosed are five copies of an exploration contract submitted by the Idaho Mining Company, 711 Hutton Building, Spokane, Washington (Docket DMA 981), together with Appendix A, B, C, D, E, and map.

Will you kindly pass this material to the Lead-Zinc Branch.

Very truly yours,

A E Weissenborn

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

Enclosures

P.S. Memo from Field Team, Region II, is attached also.

P.

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

1201

(06)

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=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

PRA234 PR

1951 JUN 20 PM 6 54

SKB390 GOVT PD=SPOKANE WASH 20 240P=

E T MCKNIGHT=

US GEOLOGICAL SURVEY WASHDC=

TWO COPIES DOCKETS 980 AND 981 GOING AIRMAIL TO YOU TODAY.

FORWARDING REMAINING COPIES REGULAR MAIL=

A E WEISSENBORN=

980 981.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

May 29, 1951

Hon. Henry C. Dworshak
United States Senate
Washington 25, D. C.

My dear Senator Dworshak:

This is in answer to your letter of May 21 addressed to Mr. Tom Lyon, Director, Supply Division, regarding Mr. Bruce E. Allgaier, Superintendent of the Idaho Mining Company, P. O. Box 898, Kellogg, Idaho.

We are forwarding to you all the information concerning mining and exploration loans except the Press Release of April 11 and Regulation MO-5. We are furnishing these blanks in duplicate so that you may retain a set for your files.

If there is anything further we can do for you, please do not hesitate to call on us.

Sincerely yours,

JULIAN W. FEISS
Acting
Administrator

Enclosures

TLyon:eh

cc: Administrator's Reading File
Deputy Administrator
Mr. Strebel
Mr. Lyon
A. E. Weissenborn, Field Team, Reg. II
Files

Mass - Copy Central

[illegible] CHAIRMAN
[illegible] HARRY P. COAIN, WASH.
[illegible] EDWARD MARTIN, PA.
JOHN C. STENNIS, MISS. GEORGE W. MALONE, NEV.
RICHARD B. RUSSELL, GA. HENRY C. DWORSHAK, IDAHO
THOMAS [illegible], OHIO FRANK CARLSON, KANS.
[illegible] CLEMENTS, KY. FRANCIS CASE, S. DAK.

FRANK BERRETT, CHIEF CLERK

United States Senate

COMMITTEE ON PUBLIC WORKS

May 21, 1951

Mr. Tom Lyon, Director
Supply Division
Defense Materials Administration
Interior Building
Washington 25, D. C.

Dear Mr. Lyon:

I am enclosing letter from Mr. Bruce E. Allgaier, Superintendent of the Idaho Mining Company, P. O. Box [illegible], Kellogg, Idaho.

You will note that Mr. Allgaier desires full information concerning the various assistance plans under the D. M. A. for the exploration and development of strategic minerals.

I have already mailed to Mr. Allgaier copy of your release of April 11 concerning the mineral exploration program, together with Regulation DC-5 and forms to be used in making application for such a loan.

I shall appreciate your sending me any releases or other information you have available on the other types of assistance which the Government may provide to mine operators for the production of critical and strategic metals and minerals. I should like to have these in duplicate, so that I may retain a set in my files and mail the other to Mr. Allgaier.

Thanking you for this courtesy, I remain

Sincerely yours,

Henry C. Dworshak

Tom Lyon
MAY 25 1951
reply for Boyd
Ans 5/29
Lyon

MAY 21 10 00 AM '51
WASHINGTON, D.C.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
	Drowsd	500
4/8	Talbot	800
		120
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Austin-Meyer Corporation
642 Peyton Building
Spokane, Washington, 99201

Re: DMKA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-288

Gentlemen:

By the terms of Amendment No. 1 and Annex III of the Amended Exploration Project Contract, all minerals mined or produced from July 27, 1951, to July 27, 1963, were subject to the Government's royalty as set forth in said amended contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom.

Sincerely yours,

Acting Director

MMerrithew/mm
4/7/64
cc: Director's Reading File
Region I w/cy of reply from Austin-Meyer
CA&A Division
Docket
Code 500

23263

FILE COPY
SURNAME:

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

April 16, 1951

Mr. Ernest E. Henry
Idaho Mining Company
711 Hutton Building
Spokane, Washington

Subject: DMA-981
Re: Loan

My dear Mr. Henry:

Receipt is acknowledged of your application and attachments of April 5 from the Idaho Mining Company for a loan under the Defense Production Act of 1950.

The application was assigned Docket Number 981 and referred to Mr. Otto Herres, Chief, Lead-Zinc Branch, on April 12.

In any future correspondence relating to your application, kindly refer to DMA-981.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:aec
Copy to Strobel 2
Files
Mr. Herres
Mr. Lyon

MME Form 7
(2/63)

OFFICIAL FILE COPY

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	Mirisuel	500
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	Selfridge	120
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APR 8 1964

Austin-Meyer Corporation
642 Peyton Building
Spokane, Washington, 99201

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-E88

Gentlemen:

By the terms of Amendment No. 1 and Annex III of the Amended Exploration Project Contract, all minerals mined or produced from July 27, 1951, to July 27, 1963, were subject to the Government's royalty as set forth in said amended contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the amended contract or any future production therefrom. We, therefore, are closing our books and records on this amended contract.

Sincerely yours,

George Fumich, Jr.

Acting Director

MMerrithew/mm
4/8/64
cc: Director's reading file
CA&A Division
Region I w/cy of reply from Austin-Meyer
Docket
Code 500

23263

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

POSTMARK OF DELIVERING OFFICE

WASH. D.C. FEB 24 1964

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

RETURN TO

REGISTERED NO.	NAME OF SENDER
598180	DMEA, Dept. of the Intr.
CERTIFIED NO.	STREET AND NO. OR P. O. BOX
	WASHINGTON, D.C.
INSURED NO.	CITY, ZONE AND STATE

POD Form 3811 Jan. 1958

C55—16—71548-4

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee

☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

C C Leibe

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

A A Salsanders

DATE DELIVERED	ADDRESS WHERE DELIVERED *(only if requested in item #1)*
2/24/64	

C55—16—

981

Garwood

220

DMEA 981

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

FILE COPY
O. M. E.
RECEIVED APR 7 1964

DATE	INITIALS	CODE
4/7		800
FEB 19 1964		500

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mr. C. C. Leithe, Secretary-Treasurer
Austin-Meyer Corporation
642 Peyton Building
Spokane 1, Washington

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-E88

Dear Mr. Leithe:

It is possible that you have not received our letter of July 26, 1963; therefore, we are enclosing a duplicate copy.

We would appreciate an early reply to Mr. Griswold's letter so that the necessary actions regarding the closing of the subject contract may be taken.

Sincerely yours,

F M Murphy

F. M. Murphy, Acting Chief
Division of Minerals

Expired 7/27/63

Enclosure

NO PRODUCTION

AUSTIN-MEYER
CORPORATION
642 PEYTON BUILDING
SPOKANE WASHINGTON

992 01

Can we write closing letter, even tho this isn't signed? Marion

Yes

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

COPY

July 26, 1963

Mr. C. C. Leithe, Secretary-Treasurer
Austin-Meyer Corporation
642 Peyton Building
Spokane 1, Washington

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-E88

Dear Mr. Leithe:

Last September you were kind enough to advise us regarding mineral production concerning the 23 mining claims under the referenced exploration project. May we ask that you again advise us as to the period September 4, 1962, to July 27, 1963? We should then be able to remove the Government lien against production from this property and close our docket.

Sincerely yours,

s/W. R. Griswold,
W. R. Griswold, Chief
Division of Minerals

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
	Selfridge	120
2/19	Lancaster	110
	Murphy	100
		220

REGISTERED MAIL
RETURN RECEIPT REQUESTED

FEB 19 1964

Mr. C. C. Leithe, Secretary-Treasurer
Austin-Mayer Corporation
642 Peyton Building
Spokane 1, Washington

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-288

Dear Mr. Leithe:

It is possible that you have not received our letter of July 26, 1963; therefore, we are enclosing a duplicate copy.

We would appreciate an early reply to Mr. Griswold's letter so that the necessary actions regarding the closing of the subject contract may be taken.

Sincerely yours,

s/F. M. Murphy

F. M. Murphy, Acting Chief
Division of Minerals

Enclosure

FMMurphy/mm (2/18/64)
cc: Director's Reading File
Region I
✓Docket
Code 500

23263

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
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	7/26/63	220

JUL 2 6 1963

Mr. C. C. Leithe, Secretary-Treasurer
Austin-Meyer Corporation
642 Peyton Building
Spokane 1, Washington

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-E88

Dear Mr. Leithe:

Last September you were kind enough to advise us regarding mineral production concerning the 23 mining claims under the referenced exploration project. May we ask that you again advise us as to the period September 4, 1962, to July 27, 1963? We should then be able to remove the Government lien against production from this property and close our docket.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

WRGriswold/ama 7-26-63

cc:
Docket
Director's Reading File
Region I

43683

AUSTIN-MEYER CORPORATION
642 PEYTON BUILDING
SPOKANE 1, WASHINGTON

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 7 1962

DATE	INITIALS	CODE
9/7	[illegible]	800
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September 4th, 1962,

United States,
Department of the Interior,
Office of Minerals Exploration
Washington - 25, D. C.

W. R. GRISWOLD, CHIEF,
DIVISION OF MINERALS

This will acknowledge letter stamp-dated August 29th, 1962:

RE: DMEA-981, (lead-zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract, Idm-E88

To my knowledge there has been no mineral production since August 21, 1961, to this datea bove.

Austin-Meyer Corporation

Carl Leithe

C. C. Leithe, Secretary-Treasurer

Copy to Region I

MME Form 7
(10-58)

OFFICIAL FILE COPY

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AUG 2 9 1962

Austin-Meyer Corporation
642 Peyton Building
Spokane, Washington

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-888

Gentlemen:

With reference to the 23 unpatented mining claims formerly owned by the Idaho Mining Company, which were included in the referenced exploration project contract with the Government, would you be kind enough to advise us if there has been any mineral production from August 21, 1961, to date.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

WRGriswold/gla
8-29-62
cc to: Director's Reading File
Region I (2)
Docket
Code 500

43683

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 1 1961

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		~~F00~~
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Sm. 157 Howard Street
Spokane 4, Washington
August 30, 1961

Memorandum

To: Chief, Fiscal Section
Division of Administrative Services
Office of the Secretary

From: Acting Field Officer, Region I

Subject: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-258

There is enclosed a Report of Royalty Review dated August 24, 1961, for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as the Washington-Idaho mine located in Shoshone County, Idaho, during the period July 27, 1951, through August 21, 1961.

As this Report of Royalty Review was made for record purposes only, no distribution has been made to the Operator or its successor.

D. R. MacLaren

Enclosure

DRMacLaren:mlc
cc: CA&A Div.
✓OME
Reading copies to:
Nolan
Robbs
Guild

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

AUG 2 4 1961

Memorandum

To: Acting Field Officer, Region I

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

Subject: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-E88

The original and one copy of a Report of Royalty Review covering the subject contract are attached. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C; and
(b) One copy for your files.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, the original and the copy of the report should be returned to this Division with your comments.

This Report of Royalty Review was made for record purposes only; therefore, no copy for the Operator or its successor is provided.

Attachments

EDTalbert/ama
August 24, 1961

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

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

AUG 1 5 1961

Memorandum

To: Acting Field Officer, Region I

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

Subject: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract Idm-888

This Division is preparing a Report of Royalty Review on the subject contract. Accordingly, your submission of an original and one copy of MME Form 22, Check Sheet of Examining Engineer, will be appreciated.

It appears that this project has been inactive since completion of the exploration work. If this is so, please make an appropriate statement under item 8 of MME Form 22.

EDTalbert/ama
August 15, 1961

Copy to: Docket
Director's Reading File
CA & A Division

43683

Copy (2)

OFFICIAL FILE COPY O. M. E. RECEIVED JUL 17 1961		
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		two
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Rm. 157 Howard Street
Spokane 4, Washington
July 14, 1961

Mr. W. A. Callaway, Receiver
Idaho Mining Company
P. O. Box 389
Wallace, Idaho

Re: DMRA-981 (Land-Size)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Ida-388

Dear Mr. Callaway:

Thank you for your letter of July 12, 1961, regarding the disposition of the property of Idaho Mining Company.

We would appreciate receiving two copies or one reproducible copy of the documents transferring ownership to the Austin-Meyer Corporation of Spokane, Washington.

Sincerely yours,

D. R. Maclaren
Acting Field Officer, GSR
Region I

DRMaclaren:mls
cc: GSR(2) w/cys incoming
CFF
Reading copies to:
Nelson
Hobbs
Guild

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 17 1961

DATE	INITIALS	CODE

Wallace, Idaho
July 14, 1961

Mr. D. R. MacLaren, Acting Field Officer
Office of Minerals Exploration, Region I
So. 157 Howard Street
Spokane 4, Washington

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-E88

Dear Sir:

I wish to apologize for my delay in replying to your inquiry regarding the status of Idaho Mining Company.

The Idaho Mining Company, formerly an Idaho corporation, was dissolved by proclamation of the Secretary of the State of Idaho on November 30, 1956 and, on February 24, 1958, I was appointed receiver of the company's remaining assets.

All of the assets have been sold and the proceeds of the sale have been distributed to creditors of the corporation; my duties as receiver have been completed but the receivership has not yet been formally closed.

The 23 unpatented mining claims, together with all of the other assets, were sold to the Austin-Meyer Corporation, 642 Peyton Building, Spokane, Washington.

discuss

Yours very truly,

W. A. Calloway
Receiver

RECEIVED
JUL 13 1961
U.S.
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
June 23, 1961

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 26 1961

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Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract Idm-E88

This is in reference to your memorandum of March 15, 1961. After three letters to the Secretary of State, State of Idaho, we have received a reply, two copies of which are enclosed.

Three letters to W. A. Callaway, Receiver, Idaho Mining Company, have so far drawn no response.

D R MacLaren
D. R. MacLaren

Enclosures

MEMBER OF
STATE BOARD OF EXAMINERS
STATE LAND COMMISSIONERS
STATE BOARD OF FORESTRY
STATE BOARD OF ELECTIONS

ARNOLD WILLIAMS
Secretary of State

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 26 1961

DATE	INITIALS	CODE

THE STATE OF IDAHO

OFFICE OF THE SECRETARY OF STATE
BOISE

June 22, 1961

Mr. D. R. MacLaren,
Acting Field Officer, OME, Region I
U. S. DEPARTMENT OF INTERIOR
Office of Minerals Exploration
So. 157 Howard Street
Spokane 4, Washington

DMEA-981 (lead-Zinc)
IDAHO MINING COMPANY
Washington-Idaho Mine
Amended Contract Idm-E88

Dear Mr. MacLaren:

The records of this office disclose the following information:

IDAHO MINING COMPANY, and Idaho domestic ,
Incorporated July 31, 1950
Capital Stock $875,000.
Kellogg, Shoshone County, Idaho.
Charter forfeited November 30, 1956
Last Annual Statement filed by this corporation (9/6/55) showed the property to be non-productive
Bruce E. Allgaier, of Box 898 Kellogg was Secretary-Treasurer.

WASHINGTON-IDAHO MINING CO., and Idaho domestic,
Incorporated October 21, 1927.
Capital Stock $250,000.oo.
Kellogg, Shoshone County,
Forfeited November 30, 1950.
Non-productive.
Otto F. Allgaier of W.801-23rd, Spokane was Secretary-Treasurer at time of last statement filed August 11, 1949.

Each of these corporations forfeited charters for failure to file the required annual statement. No reinstatement has been made. We have no information on receivership.

RECEIVED
JUN 2[illegible]
SPO[illegible]

Yours very truly,

ARNOLD WILLIAMS
Secretary of State

By
Corporation Clerk

eh

Orig (2)

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 26 1961

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So. 157 Howard Street
Spokane 4, Washington
June 21, 1961

Honorable Arnold Williams
Secretary of State
The State of Idaho
Boise, Idaho

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-288

My dear Mr. Williams:

This refers to our letters of March 21 and April 25, 1961, to which we have received no reply. In order to bring our records up-to-date we would appreciate receiving the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Receivership?

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: OME(2)
CPF
Reading copies to:
Nolan
Hobbs
Guild

Mne (2)

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 26 1961

DATE	INITIALS	CODE
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No. 157 Howard Street
Spokane 4, Washington
June 21, 1961

Mr. W. A. Calloway, Receiver
Idaho Mining Company
P. O. Box 889
Wallace, Idaho

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Ida-288

Dear Mr. Calloway:

This refers to our letters of March 21, 1961, and April 25, 1961, to which we have received no reply. In order to bring our records up-to-date we would appreciate any of the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Receivership?

3. Have the 23 unpatented claims subject to the DMEA contract been sold or abandoned and, if sold, to whom?

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: OME(2)
CPF
Reading copies to:
Nolan
Hobbs
Guild

one (3)

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

DATE	INITIALS	CODE
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"	[illegible]	500
		220

So. 157 Howard Street
Spokane 4, Washington
April 25, 1961

Honorable Arnold Williams
Secretary of State
The State of Idaho
Boise, Idaho

Re: DMMA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-288

My dear Mr. Williams:

This refers to our letter of March 21, 1961, to which we have received no reply. In order to bring our records up-to-date we would appreciate receiving any of the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Receivership?

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: OME(3)
CPF

Reading copies to:
Nolan, Hobbs, Guild

One (3)

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

DATE	INITIALS	CODE
4/28	gad	VVO
4/28	[illegible]	800
"	[illegible]	500
		120

So. 157 Howard Street
Spokane 4, Washington
April 25, 1961

Mr. W. A. Callaway, Receiver
Idaho Mining Company
P. O. Box 889
Wallace, Idaho

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Ida-188

Dear Mr. Callaway:

This refers to our letter of March 21, 1961, to which we have received no reply. In order to bring our records up-to-date we would appreciate receiving any of the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Receivership?

3. Have the 23 unpatented claims subject to the DMEA contract been sold or abandoned and, if sold, to whom?

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: OME(3)
CPF
Reading copies to:
Holman, Hobbs, Guild

Mre (3)

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 24 1961

DATE	INITIALS	CODE
3/24	gad	220
3/24		800
"	Brinkley	500
		220

No. 157 Howard Street
Spokane 4, Washington
March 21, 1961

Honorable Arnold Williams
Secretary of State
The State of Idaho
Boise, Idaho

Re: DMRA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Dm-208

My dear Mr. Williams:

Subsequent to November 20, 1956, Idaho Mining Company, an Idaho Corporation whose former address was 711 Hutton Building, Spokane 8, Washington, operated under a trusteeship until W. A. Calloway of Wallace, Idaho, was appointed receiver.

This company had an exploration contract with the Defense Minerals Exploration Administration. The Office of Minerals Exploration is successor to the DMEA.

In order to bring our records up-to-date, we would appreciate receiving any of the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Receivership?

Sincerely yours,

R. R. McGown
Acting Field Officer, OME
Region I

cc: OME(3); CFF; Director; Econ. Geol.; BAN

Mo (3)

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 24 1961

DATE	INITIALS	CODE
3-24	gad	VVO
3/24	[illegible]	800
"	[illegible]	500
		220

No. 137 Mount Street
Spokane 4, Washington
March 21, 1961

Mr. V. A. Gallaway, Director
Idaho Mining Company
P. O. Box 89
Wallace, Idaho

Re: [illegible] (Lead-Zinc)
Idaho Mining Company
Burlington-Idaho Mine
Shoshone County, Idaho
Amended Contract [illegible]

Dear Mr. Gallaway:

In order that our records of the referenced contract may be brought up-to-date we would greatly appreciate your furnishing us with the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Bunkerhill?

3. Have the 25 unpatented claims subject to the [illegible] contract been sold or abandoned and, if sold, to whom?

Sincerely yours,

D. R. Mathews
Acting Field Officer, GSA
Region I

cc: GSA(5)
CPP
Director
Econ. Geol.
[illegible]

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/14	Talbert	800
	Russwurm	500
3/15	GLS	130
"	Johnson	110
3/15	gad	220

MAR 1 5 1961

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract Idm-E88

The Operator under the subject contract was dissolved as an Idaho corporation on November 30, 1956, and subsequently operated under a trusteeship until a receiver was appointed during the first part of 1958. The receiver, W. A. Calloway, Wallace, Idaho, offered for sale on March 15, 1958, all of the defunct corporation's property, including the 23 unpatented claims under the exploration contract.

In order that our records may reflect a more current status, particularly as to potential royalty liability, if any, your inquiry of both the appropriate corporation office of the State of Idaho and the receiver will be appreciated. Both should be asked as to the present status of the corporation and the receivership. Also, the receiver should be asked for information on the disposition of the 23 claims, i.e., whether sold and, if so, to whom, or abandoned.

(S)
George C. Schwidde

EDTalbert/ama
March 14, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Review Committee

43683

OFFICIAL FILE COPY O. M. E. RECEIVED DEC 4 1959		
DATE	INITIALS	CODE
12-4	gad	220
12/4	[illegible]	800
		500

[illegible] Street
[illegible], Washington
December 2, 1959

Mr. V. A. Gillaway, Manager
Idaho Mining Company
P. O. Box [illegible]
Wallace, Idaho

Re: Docket No. [illegible] (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract No. [illegible]

Dear Mr. Gillaway:

Thank you for your letter of November [illegible], 1959, enclosing your check for $[illegible] covering royalty due on the sale of [illegible] tons of lead-zinc ore mined during July 1959.

Enclosed is the Certifying Officer's acknowledgment of receipt of this check.

Sincerely yours,

A. E. Weissenborn
Executive Officer, OME
Field Team Region X

Enclosure

cc: OME(3)
OMM(2)
OMM(AD)
Director's Reading File

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
December 2, 1959

OFFICIAL FILE COPY O. M. E. RECEIVED DEC 4 1959		
DATE	INITIALS	CODE
12-4	gad	220
12/4	[illegible]	800
"	Griesbach	500
		225

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region I

Subject: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Shoshone County, Idaho
Amended Contract No. Idm-E88

Enclosed are three copies of a letter dated November 28, 1959, from Mr. W. A. Callaway, Receiver, Idaho Mining Company, forwarding to this office a check drawn on the Idaho First National Bank (Wallace Branch), Wallace, Idaho, for $34.02 covering royalty due on ore production by Idaho Mining Company during July 1952.

This check pays in full the Claim of the United States in the matter of Bruce Allgaier, Plaintiff, vs. C. A. Grissom, et al., Trustees of the Idaho Mining Company, Defendants.

A. E. Weissenborn

A. E. Weissenborn

Enclosures

cc: Mr. Ben Peterson
U. S. Attorney
District of Idaho
Boise, Idaho
(Your Reference N-148)

U. S. Attorney
Eastern District of Washington
Spokane, Washington

OME (3)

Wallace, Idaho
November 28, 1959

U. S. Department of the Interior
Office of Minerals Exploration
South 157 Howard St.
Spokane 4, Washington

Gentlemen:

Enclosed is a check for $34.02 which, according to records in my possession, is the amount of royalty due on ore production by Idaho Mining Company under DMEA contract No. 981.

Your acknowledgement of the receipt of the enclosed check will be appreciated.

Yours very truly,

W. A. Callaway, Receiver
Idaho Mining Company
Box 889
Wallace, Idaho

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 4 1959

DATE	INITIALS	CODE
RECEIVED		
DEC		

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

FEB 21 1958

Air Mail

Clerk of the Court
Shoshone County
Wallace, Idaho

Re: Bruce Allgaier, Plaintiff
vs.
C. A. Grimes et al.
Trustees of the Idaho Mining
Company, Defendants

Dear Sir:

There is enclosed for filing in connection with the above-captioned matter, the Proof of Claim of the United States in the amount of $34.02.

Very truly yours,

Edward J. Fritz

DEPUTY Solicitor

Enclosure

HCRubin/emd 2/21/58

Copy to: Solicitor's Docket (2)
DMEA Docket
Administrator's Reading File, DMEA
DMEA Field Team, Reg. I (2)
J. L. Chambers, DMEA
R. P. Dwyer
H. C. Rubin
chron.
U. S. Atty., District of Washington, Spokane, Wash.

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE

STATE OF IDAHO, IN AND FOR THE COUNTY OF SHOSHONE

- - - - -

In the Matter of

BURNS ALLGAIER,

Plaintiff,

-vs-

C. A. CRISSON
L. E. BURNS
J. P. CALDWELL
E. L. NYLAND
H. G. WHITEHOUSE
Trustees of the Idaho Mining
Company, a defunct corporation,

Defendants.

- - - - -

PROOF OF CLAIM BY THE UNITED STATES

District of Columbia)ss.
Washington, D. C.)

Clarence O. Mittendorf, being duly sworn, deposes and says:

1. That he is the Administrator of the Defense Minerals Exploration Administration, an agency of the Department of the Interior, acting on behalf of the United States of America, located at Washington 25, D. C., and is duly authorized to make this proof of claim on behalf of the United States.

2. That Idaho Mining Company, an Idaho corporation, the above-named defendant, was at and before the filing of the above-entitled complaint, and still is, justly and truly indebted to said United States in the sum of $34.98.

3. That the consideration of said debt is a royalty due the United States on the sale of 96.023 tons of lead-zinc ore milled during July 1953, said royalty being due as repayment for money advanced by the United States to the debtor for mineral exploration, pursuant to Contract No. 14m-256.

4. That no part of said debt has been paid, and no judgment has been rendered thereon.

5. That there are no setoffs or counterclaims to said debt.

Ed Docket

6. That the United States does not hold, and has not, nor has any person by its order or to deponent's knowledge or belief, for its use, had or received any security or securities for said debt.

7. That the Contract upon which said debt is founded is attached hereto.

8. That this claim of the United States is entitled to priority by virtue of the provisions of 11 U.S.C., Supp. IV 104(a)(5), and 31 U.S.C. 191.

9. That this claim is made without waiving any other remedy, and without waiving the right to proceed against specific property.

10. That the United States Attorney for the Eastern District of Washington is authorized to represent the deponent and the United States of America in connection with this proof of claim and in all matters whatsoever relating thereto.

/s/ C. O. Mittendorf
Administrator, Indian Minerals
Exploration Administration

Subscribed and sworn to before me this 21st day of February, 1956.

/s/ Calvin Pierson

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

RECEIVED FEB 12 1958

DATE	INITIALS	CODE
2/12	C	220
12	Conw	100
		800
		225

Air Mail

February 10, 1958

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Shoshone County, Idaho
Amended Contract No. Idm-E88

Dear Mr. Selfridge:

Enclosed are one copy each of a Notice and a Supplemental Complaint requesting the Appointment of a Receiver which we have just received from H. J. Hull and Sons, Attorneys at Law, Wallace, Idaho.

The Supplemental Complaint lists certain creditors of Idaho Mining Company including DMEA. The royalty due the Government, estimated in the Supplemental Complaint to be $35.00, is $34.02 as reported in a memorandum dated February 9, 1956 by E. G. Erickson, and was the subject of our letter of February 15, 1956, yours of March 1, 1956, and ours of March 12, 1956.

Will you please advise us whether we should send a representative to attend the hearing. The sum involved is so small that on a monetary basis it does not seem worth while to send one of our men--salary, per diem and travel expenses would at least approximate the amount due the Government. However, for other reasons you may feel that the DMEA should be represented.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
USBM (AD)

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE

STATE OF IDAHO, IN AND FOR THE COUNTY OF SHOSHONE

* * * * *

BRUCE ALLGAIER, Plaintiff, -vs- C. A. GRISSOM L. E. BEESON J. P. CALDWELL B. L. MYLAND H. C. WHITEHOUSE Trustees of the Idaho Mining Company, a defunct corporation, Defendants.	NOTICE

* * * * *

TO: C. A. GRISSOM; J. P. CALDWELL; B. L. MYLAND; L. E. BEESON and C. D. RANDALL, his attorney; H. C. WHITEHOUSE, and FRED W. GILBERT, his attorney; statutory trustees of the Idaho Mining Co. a defunct Idaho Corporation and defendants in the above entitled action; and to the following creditors of the Idaho Mining Co., a defunct Corporation; BIRGER BLOOM, Elk Creek Idaho, and STEVEN J. BILTE, 212 Fourth Street, Wallace, Idaho dba BLOOM AND BILTE, Polaris, Idaho; COEUR D'ALENE HARDWARE AND FOUNDRY CO., Wallace, Idaho; CRYSTAL LAUNDRY, N. 701 Howard Avenue Spokane, Washington; EIMCO CORPORATION, % Coeur d'Alene Hardware and Foundry Co. its local agent; GARDNER SUPPLY CO., Wallace, Idaho; OSBURN LUMBER COMPANY, Osburn, Idaho; UNION OIL COMPANY, N. 508 Fiske Street, Spokane, Washington; BUILDERS SUPPLY CO., Osburn, Idaho; EARL SILER, Smelterville, Idaho; and DEFENSE MINERALS EXPLORATION ADMINISTRATION, South 157 Howard Street, Spokane, Washington:

You and each of you will please take notice that the hour of 10 A.M. (MST) Monday, February 24, 1958, or as soon thereafter as counsel can be heard at the District Court Room in Wallace, Shoshone County, Idaho has been set at the time and place for the hearing of that certain Supplemental Complaint Requesting the Appointment of a Receiver presented by Bruce Allgaier, plaintiff in the above entitled action requesting the appointment of W. A. Calloway of Wallace, Idaho, as receiver for the Idaho Mining Company, a defunct Idaho Corporation for other purposes as more fully set forth in said Supplemental Complaint, a copy of which is attached to and made a part of this notice at which time any in-

terested person may appear and be heard.

You will also take notice that at said time and place the plaintiff, Bruce Alligator, will offer proof of his claim against the said Idaho Mining Company, a defunct corporation, represented by the above named statutory trustees.

Dated this 8th day of February, 1958.

H. J. Hull & Sons

By Piatt Hull
Attorneys for Plaintiff.

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE

STATE OF IDAHO, IN AND FOR THE COUNTY OF SHOSHONE

- - - - - - - -

BRUCE ALLGAIER, Plaintiff, vs. C. A. GRISSOM L. E. BEESON J. P. CALDWELL B. L. HYLAND H. C. WHITEHOUSE Trustees of the Idaho Mining Company, a defunct corporation, Defendants.	SUPPLEMENTAL COMPLAINT REQUESTING THE APPOINTMENT OF A RECEIVER.

- - - - - - - -

Comes now the plaintiff in the above entitled action and shows this court as follows:

I.

That the Idaho Mining Company was chartered as a corporation of the State of Idaho on August 1, 1950, and existed as such until 4:00 P.M. November 30, 1956, when it was dissolved pursuant to Idaho Code, Section 30-605.

That said defunct corporation is without income or property with which to pay its obligations in full.

II.

That the following persons are known to petitioner to be creditors of the said Idaho Mining Company, a defunct Idaho corporation:

Bloom & Bilte, Polaris, Idaho	$ 85.81
Coeur d'Alene Hardware & Foundry Company, Wallace, Idaho	1,470.00
Crystal Laundry, N. 701 Howard Avenue, Spokane, Washington	115.00

Elmco Corporation	$ 14.04
Gardner Supply, Wallace, Idaho	250.00
Osburn Lumber Company, Osburn, Idaho	656.57
Union Oil Company	18.00
Wallace Powder Company, Wallace, Idaho	913.86

Property taxes, State of Idaho and County of Shoshone:

Personal Property:

Year	Rec. No.	Tax	Penalty	Interest	
1954	331	$216.02	4.32	$53.29	273.63
1957	1362	241.15	4.82	1.61	276.58

Real Property:

1955	6353	324.68	4.49	38.20	367.37

Builder's Supply, Osburn, Idaho	434.63
Earl Siler	175.00
DMEA Royalty (est.)	35.00

That in addition to the foregoing creditors said defunct corporation is indebted to petitioner in the sum of $38,114.56 as alleged in his complaint on file herein, to which reference is made for further information.

III.

That the principal assets of said defunct corporation known to plaintiff are the following:

REAL PROPERTY:

Pack Sack, Billy Boy, Extension, Extension #2, Mabel, Lost Cabin, Annex, Ruby, David B. Fraction, Elsie, Elsie #2, Montie, Half Moon, Idaho, Happy Thought, Josephine, Whale, Shark, Black Bass, Seal, Western, and the mineral rights, but not the surface rights, to Bessie, all unpatented lode mining claims located in the Yreka Mining District, Shoshone County, State of Idaho; T. 49 N., R. 3E., Boise Meridian, and the Crescent Millsite located in the Yreka Mining District, Shoshone County, State of Idaho, T. 49 N., R. 3E., Boise Meridian.

with improvements thereon described as follows:

Buildings and/or outside installations:

3500 Gal. water tower and pump house
Oil storage house
Shop-Whse-Compr. & Hoist Bldg.
Office Bldg.
Powder Magazine
Head frame with Bins &
Loading deck adjoining

PERSONAL PROPERTY:

M80 Worthington Compressor
40 hp Ottumwa 1-drum hoist
1000' 3/4 wire rope
40 hp Worthington turbine pump
with 350 ft. column- (QBE)
50 hp 2 st. Worthington pump
25 hp AC 1-st. pump
150 KVA 2300-2400/440 transformer sta.
3-1 phase 2300-24--/400 50 KVA Wsthse.
50 KVA 2300-2400/110-220 transformers
2-25 KVA, 1 phase

Lincoln Electric Welder & Misc. shop tools
Rail, pipe and misc. mng. supplies, rock drills, etc.

IV.

That plaintiff recommends W. A. Callaway of Wallace, Idaho, as a competent and trustworthy person to act as said receiver.

WHEREFORE, PETITIONER PRAYS:

1. That a time and place be set for the hearing of this petition and that all interested persons, including the aforementioned creditors of said defunct Idaho Mining Company be given notice thereof;

2. That said W. A. Callaway be appointed receiver of the assets of said defunct corporation;

3. That said receiver be instructed to inventory the property of said defunct Idaho Mining Company; that he be authorized and instructed to sell its real and personal property at public sale, or if that shall not prove to be feasible, at private sale, subject in both instances to conformation of this court;

that the creditors of said defunct corporation, including plaintiff, be permitted to purchase the assets of said defunct corporation either for cash or in pro tanto discharge of their claims.

4. That petitioner be permitted at said hearing to present proof of the claims set forth in his complaint on file herein;

5. That after due hearing thereon judgment be entered on behalf of petitioner against the trustees of said defunct Idaho Mining Company as prayed in said complaint;

6. That the proceeds of said sale be applied first to the costs of this receivership as approved by this court and any balance be then distributed to the creditors, including plaintiff, as their rights shall appear;

7. For such other relief as may be meet and proper in the circumstances.

Dated this _____ day of January, 1958.

H. J. Hull & Sons

By Piatt Hull
Attorneys for Plaintiff
Residence and Post Office Address:
Wallace, Idaho

STATE OF IDAHO)
)ss.
County of Shoshone)

PIATT HULL, being first duly sworn, deposes and says:

That he is one of the attorneys for the above named plaintiff and makes this verification for the reason that said plaintiff resides outside the County of Shoshone.

That he has read the foregoing Supplemental Complaint Requesting the Appointment of a Receiver and knows the contents thereof and believes the

facts therein stated to be true.

Piatt Hull

Subscribed and sworn to before me this _____ day of January, 1958.

Notary Public in and for the State
of Idaho, residing at Wallace, Idaho.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2-13	Chambers	800
	Leonard	500
2/14	Martin	130
"	Johnson	110
"	Gottschalk	100
2/14	C	220
		225

Cleared with Rubin by phone JLC

FEB 14 1958

AIR MAIL

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract No. Idm-E88

Dear Mr. Weissenborn:

In lieu of sending a representative to the creditors' meeting at Wallace on February 24, 1958, it probably would be as well and much cheaper to send the chairman of the meeting a letter stating that we cannot be represented at this meeting, but that the company owes the Government $34.02 royalty which we would like to claim.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee (SHB)

APPROVED:

Frank D. Lamb (SHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (SHB)
Member, Geological Survey

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. Kiilsgaard, USGS
Mr. Bishop, USBM
Mr. Chambers

JLChambers/wb
February 13, 1958

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/20	Griswold	500
2/20	GCS	130
"	FEG	110
"	Mittendorf	100
2/21	C	225
		225

FEB 20 1958

WRGriswold/er Rm 4442, Ext. 3669

DMEA - Division of Base Metals

14X401(01) Revolving Fund,
Defense Production Act, Interior,
(Transfer to Office of Secy.)

TELETYPE

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Date:

To: Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, Spokane, Washington

Reurtt February 17, Docket DMEA-981, Idaho Mining Company, Contract Idm-E88, we are sending air mail Government's proof of claim to U. S. Attorney at Boise, Idaho.

George C. Selfridge

Chairman, Operating Committee (HB)

WRGriswold/er 2/20/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Base Metals
Chron.

8623

DMEA
RECEIVED FEB 19 1958
DATE
2/19 C com 220 100 800 225

AXXXXXXX-158K

XDXXXXXX-159K

YWB132 WAF SP 29 I-GS-G

SPOKANE WASH 2-17-58 1618U

W S MARTIN, ACTG CHAIRMAN OPERATING COMMITTEE

DMEA, WA

RELET FEBRUARY 14 1958 DOCKET DMEA 981, IDAHO MINING COMPANY. THERE IS NO MEETING CHAIRMAN AS THIS IS A DISTRICT COURT ACTION. UNITED STATES ATTORNEY SAYS WE SHOULD INFORM THE CLERK OF THE DISTRICT COURT, SHOSHONE COUNTY, WALLACE IDAHO, OF DMEA'S CLAIM AND SUBMIT A SWORN STATEMENT SUPPORTING DMEA'S CLAIM. WE CAN WRITE THE CLERK BUT DOES THE FIELD TEAM HAVE AUTHORITY TO MAKE A SWORN STATEMENT FOR DMEA? HEARING IS SCHEDULED FOR 10:00 AM MONDAY FEBRUARY 24.

D R MACLAREN, ACTG MEMBER FIELD TEAM REGION I

14 1958 981 10:00 24

EKC 1621U

FEB 19 9 09 AM '58

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

Bill:
Since it appears unlikely that either Jay or Tuckett will show up — will you take this up with Dwyer? I think I must sign stmt — if so we've got to get it in the mail today. Yo M

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/21	Fraunsel	500
2/21	GCS	130
"	Johnson	110
"	Attendorf	100
2/24	C	220
		225

WRGriswold/er Rm 4442, Ext. 3669

DMEA - Division of Base Metals

14X4401(01) Revolving Fund,
Defense Production Act, Interior,
(Transfer to Office of Secy.)

TELETYPE

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Date:

To: Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, Spokane, Washington

Disregard our TT re Docket DMEA-981, Idaho Mining Company, Contract Idm-E88, of February 20. We are sending proof of claim direct to Clerk of County Court with copy to U. S. Attorney, Spokane.

George C. Selfridge

Chairman, Operating Committee (243)

WRGriswold/er 2/21/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Base Metals
Chron.

8623

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

February 20, 1958

DMEA
RECEIVED FEB 24 1958
DATE | INITIALS | CODE
2/24 | C | 220
| | 225

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract No. Idm-E88

Dear Mr. Selfridge:

Enclosed are three copies of a letter we have written to the Clerk of the District Court, Shoshone County, Courthouse, Wallace, Idaho. We have informed the Clerk that the Government's proof of claim is being air mailed to the U. S. Attorney, Boise, Idaho as mentioned in your teletype of February 20.

Sincerely yours,

D R MacLaren

D. R. MacLaren
for: Wing G. Agnew
Acting Executive Officer
DMEA Field Team, Region I

Enclosure (in trip.)

cc: USBM (2)
USBM (AD)
CPF
Turner

So. 157 Howard Street
Spokane 4, Washington

February 20, 1958

Clerk of District Court
First Judicial District
State of Idaho
Shoshone County Courthouse
Wallace, Idaho

Re: No. _____
Supplemental Complaint Requesting
the Appointment of a Receiver

Dear Sir:

This office of the Defense Minerals Exploration Administration received notice of a hearing set for 10 a. m. (MST) Monday, February 24, 1958, of a Supplemental Complaint Requesting the Appointment of a Receiver, presented by Bruce Allgaier, Plaintiff, vs. C. A. Grissom, L. E. Beeson, J. P. Caldwell, B. L. Ryland, H. C. Whitehouse, Trustees of the Idaho Mining Company, a defunct corporation, Defendants.

We are unable to have a representative of the Defense Minerals Exploration Administration present at this hearing but wish it to be made a matter of record that Idaho Mining Company, under the terms of a DMEA Contract No. Idm-288, owes the United States Government royalty in the amount of $34.02 for which a claim is hereby made.

We have been advised by our Washington, D. C. office that the Government's proof of claim is being air mailed to the U. S. Attorney at Boise, Idaho.

By Field Team, Region I

Wing G. Agnew

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren

Donald R. MacLaren, Acting Member
U. S. Geological Survey

cc: U. S. Attorney
Boise, Idaho
H. J. Hull & Sons
Attorneys at Law
Wallace, Idaho

cc: DMEA (3)
USBM (2)
USBM (AD)

CPF
Turner

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

RECEIVED MAR 10 1958
DATE 3/10 C

220
225

March 5, 1958

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Shoshone County, Idaho
Amended Contract No. Idm-E88

Dear Mr. Selfridge:

only, read

Enclosed for your information is the copy of a Notice of Receiver's Sale which we received February 26, 1958.

Please advise us if we should take any further action regarding the DMEA claim for the royalty due.

Also enclosed are three copies each of a letter dated February 28, 1958, from Robert B. Austin, manager, Coeur d'Alene Hardware and Foundry Company, and our reply. This company is one of the creditors of Idaho Mining Company.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
USBM (AD)

So. 157 Howard Street
Spokane 4, Washington

March 5, 1958

Mr. Robert B. Austin, Manager
Coeur d'Alene Hardware & Foundry Co.
Box 969
Wallace, Idaho

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Shoshone County, Idaho
Amended Contract No. Idm-E88

Dear Mr. Austin:

Thank you for your letter of February 28, 1958, regarding a meeting of certain creditors of Idaho Mining Company which you are calling for March 5, 1958.

We are unable to send a representative to this meeting and are not authorized to give a power of attorney regarding the Government's claim. However, we are forwarding your letter to our Washington, D. C. office for their information.

Sincerely yours,

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

cc: DMEA (3)
USBM (2)
USBM (AD)

WALLACE, IDAHO
WALLACE, IDAHO, U.S.A.

IN THE HEART OF THE
COEUR D'ALENE MINING DISTRICT

ESTABLISHED 1904

Coeur d'Alene Hardware & Foundry Co.

WHOLESALE DISTRIBUTORS OF HARDWARE, IRON, STEEL, SPORTING GOODS

Mine and Mill Supplies Manufacturers of Quality Mining Machinery

BOX 969

WALLACE, IDAHO, U. S. A.

RECEIVED
BUREAU OF MINES
MAR 3 - 1958
SPOKANE, WASH.

February 28, 1958

U.S. Bureau of Mines
1201 N Division
Spokane 2, Washington

Attention: Mr. Wing Agnew

Gentlemen:

Subject: Idaho Mining Company
Receivers Sale

It would appear that in order for the creditors of the Idaho Mining Company to protect their interest it might be advisable to operate as a group and be prepared to bid in amount equal to the accounts owed by the Idaho Mining Company with the exception of the $38,114.56 claimed by Mr. Algaier, the petitioner.

As a suggestion, would it be possible for you to attend a meeting at the office of the Coeur D'Alene Hdwe. & Fdry. Company at 4:00 p.m. on wednesday, March 5 in order to determine a course of action. It is our suggestion that we bid in the buildings and equipment for $5,200.00 which amount would cover the claims together with an estimated $215.00 for the amount of the receiver. The equipment could then be placed in the hands of a used machinery dealer who could take charge of the property so purchased and would first make payment of the taxes which are a prior lien. After the taxes have been paid each of us would be paid on a pro rata basis as the equipment or buildings are sold. The liquidator would be entitled to a reasonable commission on the sale of the equipment and would be expected to guarantee the complete liquidation of our accounts in not to exceed one years time.

The details of our actions can be developed at the meeting proposed for March 5 and any suggestions that you might have to offer will be appreciated.

In the event you are not in a position to attend the above meeting, perhaps you would be willing to send a power of attorney to some individual in this area who might represent you. The writer would be pleased to act in your behalf in the event you would care to have him do so.

Yours very truly,

COEUR D'ALENE HDWE & FDRY COMPANY

Robert B. Austin

Robert B. Austin, Manager

RBA/ko

NOTICE OF RECEIVER'S SALE

The undersigned W. A. Calloway duly appointed and acting receiver of the Idaho Mining Company will offer the following real and personal property at public sale to the highest bidder at the property of the Idaho Mining Company on the West Fork of Moon Gulch, Shoshone County, Idaho, at 2 P.M. (MST) on the 15th day of March, 1958, where said real and personal property may be inspected except those items marked with asterisk (*) which are stored at the garage of Robert Brinkley in Osburn, Idaho, where they may be viewed at 1 P.M. (MST) the day of sale. The real property will be sold separately from the personal property. The personal property may be sold by the piece or as a lot at the discretion of the receiver who reserves the right to reject any and all bids.

The personal property is described as follows:

1400 Worthington Compressor
40 hp Ottawa 1-drum hoist
1000' 3/4 wire rope
40 hp Worthington turbine pump
with 350 ft. column- (QRX)
20 hp 2 st. Worthington pump
25 hp AC 1-st. pump
5 hp motor pump
150 KVA 2300-2200/440 transformer etc.
3-1 phase 2300-24--/440 50 KVA Westhse.
50 KVA 2300-2200/110-220 transformers
2-25 KVA, 1 phase
* 2 ohlen Copco rock drills with air legs
* 1 stoper air leg
* 1 Gardner Denver sump pump
* 1 anvil
* 20 pieces 7' 10' drill steel new
* Miscellaneous par used steel
* 1 Jim crow for bending rails
* Miscellaneous hose and wire, parts for drills, pipe fittings, clamps, etc.
* 1 2" and one 4" victaulic greasing tool
* 1 centrifical pump (no motor)
* 1 5" Vise
1 Homemade hydraulic press
1 drum 100 Turnsco oil

The real property is described as follows:

Park Sash, Billy Boy, Extension, Extension #2, Mabel, Last Cabin, Annex, Ruby, David D. Fraction, Elsie, Elsie #2, Bessie, Bell Moon, Idaho, Happy Thought, Josephine, Whale, Shark, Black Bass, Seal, Western, and the mineral rights, but not the surface rights, to Bessie, all unpatented lode mining claims located in the Yreka Mining District, Shoshone County, State of Idaho; T. 49 N., R. 3E., Boise Meridian, and the Crescent Millsite located in the Yreka Mining District, Shoshone County, State of Idaho, T. 49 N., R. 3E., Boise, Meridian.

Creditors of the company may bid at the sale.

W. A. Calloway
W. A. Calloway, Receiver

Received from H. J. Hull & Sons
Attorneys at Law
Wallace, Idaho

RECEIVED
FEB 26 1958
U. S. G. S.
SPOKANE WASH.

[redacted] 4, 1959

[redacted]eisenborn, Executive Officer
[redacted] Minerals Exploration
[redacted] of the Interior
[redacted]ward Street
[redacted], Washington

[redacted] Atlantic v. Briggs, et al (M-148)

[redacted]eisenborn:

[redacted]ant to your letter of December 2, 1959 concerni[redacted]
[redacted] copy of which was furnished this offic[redacted]
you advise that payment has been made in full o[redacted]
[redacted] of the United States, we are therefore closing
[redacted] in the [redacted]

Very truly yours,

KENNETH G. BERGQUIST
United States Attorney

[redacted]

[redacted]
DEC 7 [redacted]

[redacted] Project No. DMEA [redacted] (Lead, Zinc)
[redacted] Idaho Mining [redacted]
[redacted]
[redacted]
[redacted]
[redacted]

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE: 3/10/60

REFERRED TO: Chairman, Operating Com.,OME
Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Wash.-Idaho Mine
Shoshone County, Idaho
Amended Contract No. Idm-E88

FOR:

____ Action	____ Recommendation
____ Approval	____ Record of ____
____ Comment	____ Referring to ____
____ Conference	____ Reply for signature of ____
____ Consideration	____ Rewriting
____ Filing	____ Signature
____ Instructions	____ Suggestions
____ Investigation	X Your information
____ Initials	
____ Mailing	
____ Previous correspondence	

REMARKS: This letter refers to our corre. of 12/2/59 re. royalty due on ore production for July 1952 and the Claim of ~~of~~ the United States in the matter of Allgaier v. Grissom, et al. No dis-tribution made upon receipt.

Check (X) before the items needing attention.

USBM (2)

A. E. Weissenborn
Initials of sender.

GPO 16—63815-1

So. 157 Howard Street
Spokane 4, Washington

October 7, 1958

EXTRA COPY
C. E.
RECEIVED OCT 10 1958
CODE
500

Mr. Ben Peterson
United States Attorney
District of Idaho
Boise, Idaho

Re: Docket IBMA-981
Idaho Mining Co.
Contract IDM-[illegible]

Dear Mr. Peterson:

Re: Allgaier v. Griesen, et al.
(Your Reference M-143)

This is in reply to your letter of October 1, 1958, regarding Proof of Claim of the United States in the amount of $34.02 in the matter of Bruce Allgaier, Plaintiff, vs. C. A. Griesen et al., Trustees of the Idaho Mining Company, Defendants.

In a telegram dated February 20, 1956, we were informed by our Washington office that "we are sending air mail Government's proof of claim to U. S. Attorney at Boise, Idaho." Accordingly, we wrote our letter of the same date to the Clerk of the District Court at Wallace, Idaho, and sent you a copy.

We received another telegram February 21 stating that "we are sending proof of claim direct to Clerk of County Court with copy to U. S. Attorney at Spokane." By telephone we informed Mr. Dugles in the Spokane office of the U. S. Attorney of the switch and assumed that he would take care of the matter.

On February 27, we received carbon copies of letters from the Department of the Interior, Office of the Solicitor, to Mr. William B. Beatz, U. S. Attorney at Spokane and to the Clerk of the Court, Shoshone County, Idaho, with a copy of Proof of Claim by the United States. Copies of these three documents are enclosed.

We have just talked with the U. S. Attorney in Spokane regarding the status of the claim and he advised us that he will forward what information he has.

If we may be of any further help to you please let us know.

Sincerely yours,

A. E. Weissenborn
Executive Officer, CMR
Field Team Region I

Encls.

cc: U.S.Atty,Spokane

cc: CMR (3)
WSMR (2)
AD

United States Department of Justice

UNITED STATES ATTORNEY
DISTRICT OF IDAHO
BOISE, IDAHO

October 1, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 10 1958

DATE	INITIALS	CODE

Office of Defense Minerals Exploration Administration
S. 157 Howard Street
Spokane, 4, Washington

Gentlemen:

Re: Allgaier v. Grisson, et al.
(Our Reference N-148)

Reference is made to letter of February 20, 1958, from your office to the Clerk of the District Court at Wallace, Idaho, copy of which is attached, the last paragraph of which states that proof of claim is being air mailed to our office.

To date we have received no proof of claim for filing in this matter.

Can you give us any information as to the status of this claim.

Very truly yours,

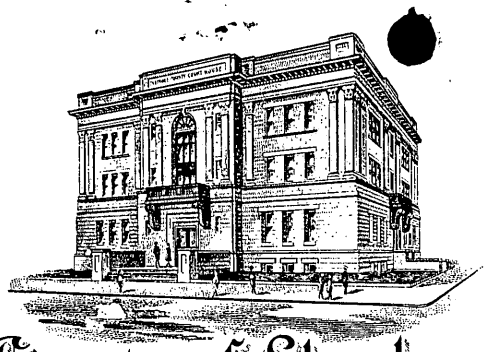
BEN PETERSON
United States Attorney

BP/C
Encl.
CC Claims Division, Dept. Justice

RECEIVED
OCT 3 1958
U.S.G.S.
SPOKANE, WASH.

1 Mrs. Chambers
2 Mrs. Chambers
3. Mrs. Chambers
DMEA

ANNA K. BATTICK, CLERK DISTRICT COURT AUDITOR AND RECORDER
MARIA F. EVANS, TREASURER AND TAX COLLECTOR
JAMES H. BEAN, ASSESSOR
LEWIS GARDNER, SHERIFF
EUGENE F. McCANN, PROSECUTING ATTORNEY



County of Shoshone

WALLACE, IDAHO

PETER R. DUFRESNE, PROBATE JUDGE
H. C. MOWERY, CORONER

COMMISSIONERS
VINCENT ALEXANDER, CHAIRMAN
C. M. SHIPLETT
RAY C. DUNKLE

DME 1981
INTERIOR DEPT.
FEB 27 1958
SOLICITOR

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 28 1958

DATE	INITIALS	CODE
2/28	C	220
		225

February 24, 1958

Department of the Interior
Office of the Solicitor
Washington 25, D. C.

ATTENTION: Edmund T. Fritz

Re: Bruce Allgaier vs. C. A. Grissom et al

Dear Sir:

Please be advised that we are in receipt of the Proof of Claim of the United States, in the amount of $34.02 and same was duly filed this day.

Yours very truly,

ANNA K. BATTICK, CLERK DISTRICT COURT

By Merle Myers Deputy

mm/

RECEIVED
FEB 27 1958
ASSOC. SOLICITOR
MINERAL RESOURCES

In reply refer to:

OFFICIAL FILE COPY

DMEA

RECEIVED FEB 28 1958

DATE		CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

FEB 21 1958

Air Mail

Clerk of the Court
Shoshone County
Wallace, Idaho

Re: Bruce Allgaier, Plaintiff
vs.
C. A. Grissom et al.
Trustees of the Idaho Mining
Company, Defendants

no. 12971

Dear Sir:

There is enclosed for filing in connection with the above-captioned matter, the Proof of Claim of the United States in the amount of $34.02.

Very truly yours,

Edmund J. Fritz

DEPUTY Solicitor

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

FEB 21 1958

AIR MAIL

Mr. William B. Bentz
United States Attorney
Eastern District of Washington
Federal Building
Spokane, Washington

Re: Idaho Mining Company
Docket No. DMEA-901
Contract No. Ida-E88

Dear Sir:

Pursuant to your informal advice to Mr. A. E. Weisenberg, Executive Officer, DMEA Field Team, Region I, Spokane, Washington, we have filed a Proof of Claim with the Clerk of the Court, Shoshone County, Wallace, Idaho, in connection with the complaint filed by Bruce Allgaier against the trustees of the Idaho Mining Company. A copy of the Proof of Claim is enclosed.

Very truly yours,

Edward J. Fritz

DEPUTY Solicitor

Enclosure

HCRubin/emd 2/21/58

Copy to: Solicitor's Docket (2)
DMEA Docket
Adm. R. File, DMEA
DMEA Field Team, Reg. I (2)
J. L. Chambers, DMEA
R. P. Dwyer
H. C. Rubin

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: January 1 to June 30, 1957 Date of exam: May 7, 1957

Operator: Idaho Mining Company, 711 Spokane-Eastern Bldg., Spokane, Washington

Mine name: Washington-Idaho

County and State: Shoshone County, Idaho

Docket number and commodity: DMEA-981 (lead-zinc)

Contract number: Idm-E88

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 11 1957

DATE	INITIALS	CODE
7/11	P.K.	220
11	Com	100

Project inactive. No change in status since the report of July 1 to December 31, 1956.

Signed: E. G. Erickson (Engineer)

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

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 27 1958

DATE	INITIALS	CODE
1/28	C	220
1/28	Obm	100

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1957

Date of exam: December 12, 1957

Operator: Idaho Mining Company
711 Spokane-Eastern Bldg.
Spokane, Washington

Mine name: Washington-Idaho

County and State: Shoshone County, Idaho

Docket number and commodity: DMEA-981 (lead-zinc)

Contract number: Idm-E88

Property inactive. No change in royalty status since report of July 1 to December 31, 1956.

Signed: John D. Bardill (Engineer)

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

RECEIVED
JAN 22 1957
D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1956 Date of exam: Dec. 20, 1956

Operator: Idaho Mining Company, 711 Spokane-Eastern Bldg., Spokane, Washington

Mine name: Washington-Idaho

County and State: Shoshone County, Idaho

Docket number and commodity: DMEA-981 (lead-zinc)

Contract number: Idm-E88

Project inactive. No change in status since report of January 1 to June 30, 1956. It is reported that the property is in litigation and that royalty due in the amount of $34.02 will be included in the settlement.

Signed: E. G. Erickson (Engineer)

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

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

RECEIVED
MAR 19 1956

March 12, 1956

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract No. Idm-E88

Dear Mr. Selfridge:

Referring to the Operating Committee's letter of March 1, the Field Team was cognizant of the shipment of concentrates resulting from test milling of ore. As was stated in our letter of February 15, this was a somewhat ill-advised attempt to mill low-grade rock; the milling was done during a period when the contract was recessed, and the "ore" milled was not from any workings in the driving of which DMEA had participated. It was the Field Team's belief that under the terms of Annex I to the Amended Contract this test run would be excluded from the payment of royalty. When Amendment 1 (dated 3/19/54) to the Amended Contract was signed, which included a certification, both the Field Team and the Operator overlooked the fact that this would require the payment of royalty on the mill test shipment. For reasons given in our letter of February 15, we did not believe that the test shipment should be regarded as "production" in the normal sense of the word. Had we not overlooked the fact that this would be subject to royalty we would have recommended its exclusion.

By Field Team, Region I, NW Dist.

A. E. Weissenborn/O.J.

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

Wing G. Agnew

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

cc: USBM (2)
USBM (AD)

File Copy
Surname

Signed Selfridge
Yopes
Kiilsgaard

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

MAR - 1 1956

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract No. Idm-808

Dear Mr. Weissenborn:

We have your letter of February 15, with enclosures, referring to royalty due the Government on concentrates resulting from test milling of ores from the cited property in July 1952. Your letter recommended that the royalty, which amounts to $34.02, be waived.

The subject Amended Contract is dated May 26, 1953. It was amended on March 19, 1954, and the subject of royalty was given specific consideration therein. In view of these agreements, both made subsequent to the production in question, there appears to be no basis for overlooking this item of royalty.

However, according to Erickson's memorandum dated February 9, 1956, the 1952 royalty question appears to be coming to light now for the first time. This seems to be emphasized by the fact that, from memoranda in the file, the question did not enter into final settlement of the contract. It may be that this production was included in the contract by mutual mistake. If such is the case, and it is so stated to us, we will draft an amendment to delete the production in question from the coverage of the royalty provisions of the Amended Contract.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (SIB)

APPROVED:

P. F. Yopes (SIB)
Member, Bureau of Mines

Thor H. Kiilsgaard (SIB)
Member, Geological Survey

WRGriswold/er 2/21/56 (rewritten 2/28/56)
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Mr. Dwyer, Asso. Sol.
Mr. Chambers, DMEA
Chron.

RCG.

UNITED STATE
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

FEB 24 1958

Memorandum

To: The Administrator, DMEA
Attention: Chief, Base Metals Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMA-981, Idaho Mining Company

The royalty that is the subject of the attached proposed letter to the Executive Officer accrued in July 1952 during a recess, at the Operator's own cost, under the "Prior Contract," on the old form. An Amended Contract, dated May 26, 1953, was executed on the 1952 long form which, in the form executed, required certification to entitle the Government to royalty. Amendment No. 1 to the Amended Contract contains a "pseudo-" which is now in effect and requires payment of royalty on all production from the date of the Prior Contract. Technically, therefore, the Government is entitled to royalty on the production in question.

However, according to Erickson's memorandum dated February 9, 1956, to the Field Team, Region I, the 1952 royalty question appears to be coming to light now for the first time. This seems to be emphasized by the fact that, from memoranda in the file, the question did not enter into final settlement of the contract. It may be that this production was included in the contract by mutual mistake. If such is the case, and it is so stated to us, we will draft an amendment to delete the production in question from the coverage of the royalty provisions of the Amended Contract.

Robert P. Dwyer

Docket No. DNEA 981 X

W&I Mine UCA

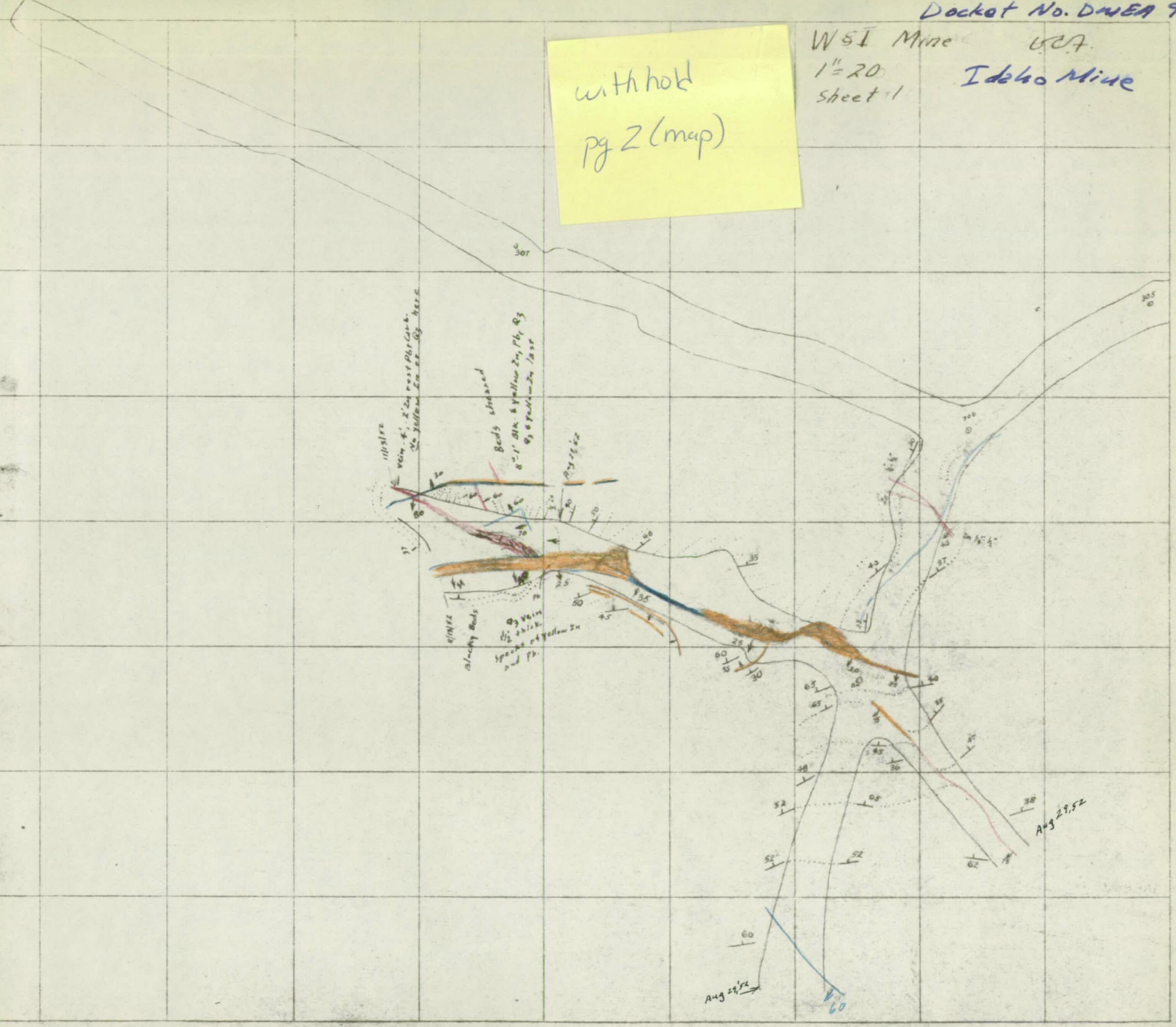
1" = 20

Sheet 1

Idaho Mine

withhold

pg 2 (map)



"ALBANENE" No. 196M K&E CO., N.Y.
REG. U.S. PAT. OFF.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

500

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1957

Date of report: December 12, 1957

Operator: Idaho Mining Company
711 Spokane-Eastern Bldg.
Spokane, Washington

Mine name: Washington-Idaho

County and State: Shoshone County, Idaho

Project number and commodity: DMEA-981 (lead-zinc)

Contract number: Ida-286

Right Side

Property inactive. No change in royalty status since report of July 1 to December 31, 1956.

Signed: John B. Bardill (Engineer)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1956 Date of exam: Dec. 20, 1956

Operator: Idaho Mining Company, 711 Spokane-Eastern Bldg., Spokane, Washington

Mine name: Washington-Idaho

County and State: Shoshone County, Idaho

Docket number and commodity: DMEA-981 (lead-zinc)

Contract number: Idm-E38

Project inactive. No change in status since report of January 1 to June 30, 1956. It is reported that the property is in litigation and that royalty due in the amount of $34.02 will be included in the settlement.

Signed: E. G. Erickson (Engineer)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: January 1 to June 30, 1957 Date of exam: May 7, 1957

Operator: Idaho Mining Company, 711 Spokane-Eastern Bldg., Spokane, Washington

Mine name: Washington-Idaho

County and State: Shoshone County, Idaho

Docket number and commodity: DMEA-961 (lead-zinc)

Contract number: Idm-[illegible]

7/12. [illegible] 500

Project inactive. No change in status since the report of July 1 to December 31, 1956.

Signed: E. G. Erickson (Engineer)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
APR 26 1956

April 19, 1956

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

Re: Docket No. DMA-931X (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract No. Idm-233

Dear Mr. Selfridge:

Enclosed are four copies of a Field Team final report written by Eric G. Erickson, Mining Engineer, Bureau of Mines, and James J. Quinlan, Geologist, Geological Survey, on the Washington-Idaho mine.

The authors state that a certification of discovery is not warranted by the findings of the exploration project but that Amendment No. 1 to the Amended Contract incorporates a pseudo-certification. No further exploration with Government assistance is recommended.

By Field Team, Region I, NW District

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Verne C. Fryklund, Jr., Acting Member
U. S. Geological Survey

Enclosures
cc: WSMA(2)
USGS(SMO)
Quinlan

Reviewed by
DMEA OPERATING COMMITTEE
4-30-56
(date)

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

C O P Y

500

August 4, 1958

Left Side

MEMORANDUM:

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

From: Director, Division of Base Metals

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

The following projects were inactive during the cited period.

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

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

W. R. Griswold

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

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

January 29, 1958

Memorandum

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

From: Director, Division of Base Metals

Subject: Semi-Annual Reports on certified projects
Period - July 1 thru December 31, 1957

There was no activity or change of status on the following projects during the reporting period:

DMEA No.	Contract No.	Name of Operator
2269	Idm-E308	Mines Management Inc.
2237	Idm-E421	Signal Mining Company
981	Idm-E88	Idaho Mining Company
390	Idm-E63	Highland-Surprise Con. Mining Co.
129	Idm-E81	Bennett Mining Company
652	Idm-E177	South Mountain Mining & Concentrating Company

Note: The present Operator of DMEA-652, Potash Company of America, reports that all reserves are now depleted. Since this concern is a large, responsible company, we can accept their statement. However, they say they may do more exploration work this year.

W. R. Grimwald

WRG:ms 1/29
Copies: Dockets as above
Chron

EXTRA COPY
O. M. E.
RECEIVED SEP 1 1961
DATE | INITIALS | CODE
800

So. 157 Howard Street
Spokane 4, Washington
August 30, 1961

Memorandum

To: Chief, Fiscal Section
Division of Administrative Services
Office of the Secretary

From: Acting Field Officer, Region I

Subject: [redacted] (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Ids-588

There is enclosed a Report of Royalty Review dated August 8, 1961, for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as the Washington-Idaho mine located in Shoshone County, Idaho, during the period July 27, 1951, through August 21, 1961.

As this Report of Royalty Review was made for record purposes only, no distribution has been made to the Operator or its successor.

D. R. MacLaren

Enclosure

DRMacLaren:mls
cc: CA&A Div.
OME
Reading copies to:
Nolan
Hobbs
Guild

AUG 2 4 1961

Memorandum

To: Acting Field Officer, Region I

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

Subject: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-E88

The original and one copy of a Report of Royalty Review covering the subject contract are attached. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C; and
(b) One copy for your files.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, the original and the copy of the report should be returned to this Division with your comments.

This Report of Royalty Review was made for record purposes only; therefore, no copy for the Operator or its successor is provided.

Attachments

EDTalbert/ama
August 24, 1961

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

AUG 15 1961

Memorandum

To: Acting Field Officer, Region I

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

Subject: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract Idm-588

This Division is preparing a Report of Royalty Review on the subject contract. Accordingly, your submission of an original and one copy of MME Form 22, Check Sheet of Examining Engineer, will be appreciated.

It appears that this project has been inactive since completion of the exploration work. If this is so, please make an appropriate statement under item 8 of MME Form 22.

EDTalbert/ama
August 15, 1961

Copy to: Docket
Director's Reading File
CA & A Division

EXTRA COPY
O. M. E
RECEIVED JUL 17 1961
DATE | INITIALS | CODE
800

So. 157 Howard Street
Spokane 4, Washington
July 14, 1961

Mr. W. A. Callaway, Receiver
Idaho Mining Company
P. O. Box 889
Wallace, Idaho

Re: DMMA-901 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Ida-888

Dear Mr. Callaway:

Thank you for your letter of July 12, 1961, regarding the disposition of the property of Idaho Mining Company.

We would appreciate receiving two copies or one reproducible copy of the documents transferring ownership to the Austin-Meyer Corporation of Spokane, Washington.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: OME(2) w/cys incoming
CPF
Reading copies to:
Nelson
Hobbs
Guild

EXTRA COPY

O. M. E

RECEIVED JUL 17 1961

DATE	INITIALS	CODE

Wallace, Idaho
July 12, 1961

Mr. D. R. MacLaren, Acting Field Officer
Office of Minerals Exploration, Region I
So. 157 Howard Street
Spokane 4, Washington

Re: [illegible] (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Ida-[illegible]

Dear Sir:

I wish to apologize for my delay in replying to your inquiry regarding the status of Idaho Mining Company.

The Idaho Mining Company, formerly an Idaho corporation, was dissolved by proclamation of the Secretary of the State of Idaho on November 30, 1956 and, on February 24, 1958, I was appointed receiver of the company's remaining assets.

All of the assets have been sold and the proceeds of the sale have been distributed to creditors of the company; my duties as receiver have been completed but the receivership has not yet been formally closed.

The 23 unpatented mining claims, together with all of the other assets, were sold to the Austin-Moyer Corporation, 602 Peyton Building, Spokane, Washington.

Yours very truly,

W. A. Calloway
Receiver

RECEIVED
JUL 13 1961
U.S.E.
SPOKANE, WASH.

EXTRA COPY O. M. E. RECEIVED JUN 26 1961		
DATE	INITIALS	CODE
		800

So. 157 Howard Street
Spokane 4, Washington
June 23, 1961

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: IMEA-961 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract Ida-286

This is in reference to your memorandum of March 15, 1961. After three letters to the Secretary of State, State of Idaho, we have received a reply, two copies of which are enclosed.

Three letters to W. A. Callaway, Receiver, Idaho Mining Company, have so far drawn no response.

D. R. MacLaren

Enclosures

MEMBER OF
STATE BOARD OF EXAMINERS
STATE LAND COMMISSIONERS
STATE BOARD OF FORESTRY
STATE BOARD OF ELECTIONS

ARNOLD WILLIAMS
Secretary of State

EXTRA COPY
O. M. E.
RECEIVED JUN 26 1961

DATE	INITIALS	OKK

THE STATE OF IDAHO

OFFICE OF THE SECRETARY OF STATE
BOISE

June 22, 1961

Mr. D. R. MacLaren,
Acting Field Officer, OME, Region I
U. S. DEPARTMENT OF INTERIOR
Office of Minerals Exploration
So. 157 Howard Street
Spokane 4, Washington

RMEA-961 (lead-Zinc)
IDAHO MINING COMPANY
Washington-Idaho Mine
Amended Contract Idm-E88

Dear Mr. MacLaren:

The records of this office disclose the following information:

IDAHO MINING COMPANY, and Idaho domestic ,
Incorporated July 31, 1950
Capital Stock $875,000.
Kellogg, Shoshone County, Idaho.
Charter forfeited November 30, 1956
Last Annual Statement filed by this corporation (9/6/55) showed the property to be non-productive
Bruce E. Allgaier, of Box 898 Kellogg was Secretary-Treasurer.

WASHINGTON-IDAHO MINING CO., and Idaho domestic,
Incorporated October 21, 1927.
Capital Stock $250,000.oo.
Kellogg, Shoshone County,
Forfeited November 30, 1950.
Non-productive.
Otto F. Allgaier of W.801-23rd, Spokane was Secretary-Treasurer at time of last statement filed August 11, 1949.

Each of these corporations forfeited charters for failure to file the required annual statement. No reinstatement has been made. We have no information on receivership.

RECEIVED
JUN 23 1961
SPOKANE, WASH.

Yours very truly,

ARNOLD WILLIAMS
Secretary of State

By
Corporation Clerk

So. 157 Howard Street
Spokane 4, Washington
June 21, 1961

EXTRA COPY
O. M. E
RECEIVED JUN 26 1961
DATE | INITIALS | CODE
800

Mr. W. A. Calloway, Receiver
Idaho Mining Company
P. O. Box 389
Wallace, Idaho

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-288

Dear Mr. Calloway:

This refers to our letters of March 21, 1961, and April 25, 1961, to which we have received no reply. In order to bring our records up-to-date we would appreciate any of the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Receivership?

3. Have the 23 unpatented claims subject to the DMEA contract been sold or abandoned and, if sold, to whom?

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: OME(2)
CPF
Reading copies to:
Nolan
Hobbs
Guild

EXTRA COPY
O. M. E
RECEIVED JUN 26 1961
DATE | INITIALS | COPY
800

So. 157 Howard Street
Spokane 4, Washington
June 21, 1961

Honorable Arnold Williams
Secretary of State
The State of Idaho
Boise, Idaho

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Ida-[illegible]

My dear Mr. Williams:

This refers to our letters of March 21 and April 25, 1961, to which we have received no reply. In order to bring our records up-to-date we would appreciate receiving the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Receivership?

Sincerely yours,

D. M. MacLaren
Acting Field Officer, OME
Region I

DMMacLaren:mls
cc: ✓OME(2)
CPF
Reading copies to:
Nolan
Hobbs
Guild

EXTRA COPY
O. M. E
RECEIVED APR 28 1961
DATE | INITIALS | CODE
800

No. 157 Howard Street
Spokane 4, Washington
April 25, 1961

Mr. V. A. Callaway, Receiver
Idaho Mining Company
P. O. Box 889
Wallace, Idaho

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Ida-288

Dear Mr. Callaway:

This refers to our letter of March 21, 1961, to which we have received no reply. In order to bring our records up-to-date we would appreciate receiving any of the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Receivership?

3. Have the 25 unpatented claims subject to the DMEA contract been sold or abandoned and, if sold, to whom?

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: OME(3)
CFF
Reading copies to:
Nolan, Robbs, Guild

EXTRA COPY
O. M. E
RECEIVED APR 28 1961
DATE | INIT
800

Sa. 157 Howard Street
Spokane 4, Washington
April 25, 1961

Honorable Arnold Williams
Secretary of State
The State of Idaho
Boise, Idaho

Re: DMRA-961 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Ida-[illegible]

My dear Mr. Williams:

This refers to our letter of March 21, 1961, to which we have received no reply. In order to bring our records up-to-date we would appreciate receiving any of the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Receivership?

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

Reading copies to:
Kolm, Kohn, Gold

DRMacLaren:mls
cc: OME(3)
CFF

EXTRA COPY
O. M. E
RECEIVED MAR 24 1961
DATE | INITIALS | CODE

No. 157 Second Street
Spokane 4, Washington
March 21, 1961

Mr. W. A. Calloway, Receiver
Idaho Mining Company
P. O. Box 809
Wallace, Idaho

Re: DMA-961 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Ida-208

Dear Mr. Calloway:

In order that our records of the referenced contract may be brought up-to-date we would greatly appreciate your furnishing us with the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Receivership?

3. Have the US unpatented claims subject to the DMA contract been sold or abandoned and, if sold, to whom?

Sincerely yours,

D. E. Nalsen
Acting Field Officer, OME
Region I

cc: OME(5)
CFF
Director
Econ. Geol.
BMPM

EXTRA COPY
O. M. E
RECEIVED MAR 24 1961

DATE	INITIALS	CODE
		800

No. 157 Second Street
Spokane 8, Washington
March 21, 1961

Honorable Arnold Williams
Secretary of State
The State of Idaho
Boise, Idaho

Re: [illegible]-961 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Ida-[illegible]

Dear Mr. Williams:

Subsequent to November 29, 1956, Idaho Mining Company, an Idaho Corporation whose former address was 711 Hutton Building, Spokane 8, Washington, operated under a trusteeship until W. A. Calloway of Wallace, Idaho, was appointed receiver.

This company had an exploration contract with the Defense Minerals Exploration Administration. The Office of Minerals Exploration is successor to the DMEA.

In order to bring our records up-to-date, we would appreciate receiving any of the following information:

1. What is the present corporate status of Idaho Mining Company?

2. What is the present status of the Receivership?

Sincerely yours,

R. E. Mackrow
Acting Field Officer, OME
Region I

cc: OME(3); OTF; Director; Exec. Sec.; MAW

MAR 1 5 1961

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Contract Idm-688

The Operator under the subject contract was dissolved as an Idaho corporation on November 30, 1956, and subsequently operated under a trusteeship until a receiver was appointed during the first part of 1958. The receiver, W. A. Calloway, Wallace, Idaho, offered for sale on March 15, 1958, all of the defunct corporation's property, including the 23 unpatented claims under the exploration contract.

In order that our records may reflect a more current status, particularly as to potential royalty liability, if any, your inquiry of both the appropriate corporation office of the State of Idaho and the receiver will be appreciated. Both should be asked as to the present status of the corporation and the receivership. Also, the receiver should be asked for information on the disposition of the 23 claims, i.e., whether sold and, if so, to whom, or abandoned.

George G. Selfridge

EDTalbert/ama
March 14, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Review Committee

UNITED STATES ATTORNEY
DISTRICT OF IDAHO
BOISE, IDAHO

December [illegible]

U. M. E.		
MAR 14 1960		
DATE	INITIALS	CODE

A. E. Weissenborn, Executive Officer
Office of Minerals Exploration
Department of the Interior
So. [illegible] Howard Street
Spokane 4, Washington

Re: [illegible] v. [illegible], et al. (E-144)

[illegible]

Very truly yours,

[illegible]
United States Attorney

[illegible]

Filed 2 ne

EXTRA COPY O. M. E. RECEIVED DEC 4 1959		
DATE	INITIALS	CODE
		800

No. 327 Second Street
Spokane 8, Washington
December 2, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region 2

Subject: Docket No. [illegible] (Lead-Zinc)
Idaho Mining Company
Shoshone County, Idaho
Annual Contract No. [illegible]

Enclosed are three copies of a letter dated December 28, 1959, from Mr. T. A. Schlang, President, Idaho Mining Company, forwarding to this office a check drawn on the Idaho First National Bank (Wallace Branch), Wallace, Idaho, for $[illegible] covering royalty due on ore production by Idaho Mining Company during July 1959.

This check goes to fill the claims of the United States in the matter of Bruce Allgaier, Plaintiff, vs. C. A. Wilson, et al., Trustees of the Idaho Mining Company, Defendants.

A. E. Weissenborn

Enclosures

cc: Mr. Don Scherer
U. S. Attorney
District of Idaho
Boise, Idaho
(Your Reference S-[illegible])

U. S. Attorney
Eastern District of Washington
Spokane, Washington

[illegible](2) w/eys incoming
[illegible](AD) DO
Director's Reading File

Wallace, Idaho
November 28, 1959

U. S. Department of the Interior
Office of Minerals Exploration
South 157 Howard St.
Spokane 4, Washington

Gentlemen:

Enclosed is a check for $34.02 which, according to records in my possession, is the amount of royalty due on ore production by Idaho Mining Company under DMEA contract No. 981.

Your acknowledgement of the receipt of the enclosed check will be appreciated.

Yours very truly,

W. A. Callaway, Receiver
Idaho Mining Company
Box 889
Wallace, Idaho

EXTRA COPY
O. M. E.
RECEIVED DEC 4 1959

DATE	INITIALS	CODE

EXTRA COPY O. M. E. RECEIVED DEC 4 1959		
DATE	INITIALS	CODE
		800

[illegible] Street [illegible]
[illegible], Washington
[illegible]

Mr. V. A. Calloway, Secretary
Idaho Mining Company
P. O. Box [illegible]
Wallace, Idaho

Re: Permit No. [illegible] (Modification)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Permit Contract No. [illegible]

Dear Mr. Calloway:

Thank you for your letter of November [illegible], 1959, enclosing your check for $[illegible] covering royalty due on the sale of [illegible] tons of bituminous coal mined during July 1959.

Enclosed is the Certifying Officer's acknowledgment of receipt of this check.

Sincerely yours,

A. E. Vetzquiano
Executive Officer, OSM
Field Task Region I

Enclosure

cc: OSM(3)
WSMR(2)
WSMR(AD)
Director's Reading File

No. 157 Howard Street
Spokane 4, Washington

October 7, 1958

800

Re: Docket IMEA-981
Idaho Mining Co.
Contract Idm-E88

Mr. Ben Peterson
United States Attorney
District of Idaho
Boise, Idaho

Dear Mr. Peterson:

Re: Allgaier v. Grissom, et al.
(Your Reference E-148)

This is in reply to your letter of October 1, 1958, regarding Proof of Claim of the United States in the amount of $34.02 in the matter of Bruce Allgaier, Plaintiff, vs. C. A. Grissom et al., Trustees of the Idaho Mining Company, Defendants.

In a telegram dated February 20, 1958, we were informed by our Washington office that "we are sending air mail Government's proof of claim to U. S. Attorney at Boise, Idaho." Accordingly, we wrote our letter of the same date to the Clerk of the District Court at Wallace, Idaho, and sent you a copy.

We received another telegram February 21 stating that "we are sending proof of claim direct to Clerk of County Court with copy to U. S. Attorney at Spokane." By telephone we informed Mr. Deglow in the Spokane office of the U. S. Attorney of the switch and assumed that he would take care of the matter.

On February 27, we received carbon copies of letters from the Department of the Interior, Office of the Solicitor, to Mr. William B. Bantz, U. S. Attorney at Spokane and to the Clerk of the Court, Shoshone County, Idaho, with a copy of Proof of Claim by the United States. Copies of these three documents are enclosed.

We have just talked with the U. S. Attorney in Spokane regarding the status of the claim and he advised us that he will forward what information he has.

If we may be of any further help to you please let us know.

Sincerely yours,

A. E. Weissenborn
Executive Officer, OMK
Field Team Region I

Encls.
cc: U.S.Attny,Spokane

cc: OMK (3)
USBM (2)
AD

UNITED STATES ATTORNEY
DISTRICT OF IDAHO
BOISE, IDAHO

October 1, 1958

EXTRA COPY
D. M. E.
RECEIVED OCT 10 1958

DATE	INITIALS	CODE

Office of Defense Minerals Exploration Administration
S. 157 Howard Street
Spokane, 4, Washington

Gentlemen:

Re: Allgaier v. Grissom, et al.
(Our Reference N-148)

Reference is made to letter of February 20, 1958, from your office to the Clerk of the District Court at Wallace, Idaho, copy of which is attached, the last paragraph of which states that proof of claim is being air mailed to our office.

To date we have received no proof of claim for filing in this matter.

Can you give us any information as to the status of this claim.

Very truly yours,

BEN PETERSON
United States Attorney

BP/C
Encl.
CC Claims Division, Dept. Justice

RECEIVED
OCT 3 1958
D. M. E.

So. 157 Howard Street
Spokane 4, Washington

March 5, 1958

800

1 cy in M&F.
The best I could get
thermofax of letter

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Shoshone County, Idaho
Amended Contract No. Idm-E88

Dear Mr. Selfridge:

Enclosed for your information is the copy of a Notice of Receiver's Sale which we received February 26, 1958.

Please advise us if we should take any further action regarding the DMEA claim for the royalty due.

Also enclosed are three copies each of a letter dated February 28, 1958, from Robert B. Austin, manager, Coeur d'Alene Hardware and Foundry Company, and our reply. This company is one of the creditors of Idaho Mining Company.

Sincerely yours,

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

Enclosures

cc: USBM (2)
USBM (AD)

Weissenborn: Please [illegible] called the [illegible] and told him [illegible] Meanwhile, any action [illegible] other bills will probably [illegible] to be phased.

So. 157 Howard Street
Spokane 4, Washington

March 5, 1958

Mr. Robert B. Austin, Manager
Coeur d'Alene Hardware & Foundry Co.
Box 969
Wallace, Idaho

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Shoshone County, Idaho
Amended Contract No. Idm-[illegible]

Dear Mr. Austin:

Thank you for your letter of February 28, 1958, regarding a meeting of certain creditors of Idaho Mining Company which you are calling for March 5, 1958.

We are unable to send a representative to this meeting and are not authorized to give a power of attorney regarding the Government's claim. However, we are forwarding your letter to our Washington, D. C. office for their information.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region 1

cc: DMEA (3)
USBM (2)
USBM (AD)

SERVICE AND SUPPLY
COEUR D'ALENE DISTRICT

IN THE HEART OF THE
COEUR D'ALENE MINING DISTRICT

ESTABLISHED 1904

Coeur d'Alene Hardware & Foundry Co.

RECEIVED
BUREAU OF MINES
MAR 3 - 1958
SPOKANE, WASH.

WHOLESALE DISTRIBUTORS OF HARDWARE, IRON, STEEL, SPORTING GOODS

Mine and Mill Supplies Manufacturers of Quality Mining Machinery

BOX 969

WALLACE, IDAHO, U. S. A.

February 28, 1958

U.S. Bureau of Mines
1201 N Division
Spokane 2, Washington

Attention: Mr. Wing Agnew

Gentlemen:

Subject: Idaho Mining Company
Receivers Sale

It would appear that in order for the creditors of the Idaho Mining Company to protect their interest it might be advisable to operate as a group and be prepared to bid in amount equal to the accounts owed by the Idaho Mining Company with the exception of the $38,114.56 claimed by Mr. Algaier, the petitioner.

As a suggestion, would it be possible for you to attend a meeting at the office of the Coeur D'Alene Hdwe. & Fdry. Company at 4:00 p.m. on wednesday, March 5 in order to determine a course of action. It is our suggestion that we bid in the buildings and equipment for $5,200.00 which amount would cover the claims together with an estimated $215.00 for the amount of the receiver. The equipment could then be placed in the hands of a used machinery dealer who could take charge of the property so purchased and would first make payment of the taxes which are a prior lien. After the taxes have been paid each of us would be paid on a pro rata basis as the equipment or buildings are sold. The liquidator would be entitled to a reasonable commission on the sale of the equipment and would be expected to guarantee the complete liquidation of our accounts in not to exceed one years time.

The details of our actions can be developed at the meeting proposed for March 5 and any suggestions that you might have to offer will be appreciated.

In the event you are not in a position to attend the above meeting, perhaps you would be willing to send a power of attorney to some individual in this area who might represent you. The writer would be pleased to act in your behalf in the event you would care to have him do so.

Yours very truly,

COEUR D'ALENE HDWE & FDRY COMPANY

Robert B. Austin

Robert B. Austin, Manager

RBA/ie

DMEA

NOTICE OF RESERVED SALE

The undersigned W. A. Galloway duly appointed and acting receiver of the Idaho Mining Company will offer the following real and personal property for public sale to the highest bidder at the property of the Idaho Mining Company on the West Fork of Moon Creek, Shoshone County, Idaho, at 2 P.M. (MST) on the 15th day of March, 1956, where said real and personal property may be inspected during those hours marked with asterisk (*) which are stored at the garage of Robert Brinkley in Wallace, Idaho, where they may be viewed at 1 P.M. (MST) the day of sale. The real property will be sold separately from the personal property. The personal property may be sold by the piece or as a lot at the discretion of the receiver who reserves the right to reject any and all bids.

The personal property is described as follows:

[illegible] Washington Compressor	*1 stopper air leg
45 hp Gilmore 1-drum hoist	*1 Gardner Denver sump pump
[illegible] 3/4 wire rope	*1 mull
40 hp Washington turbine pump	*25 pieces 7' 10" drill steel rods
with [illegible] h. column [illegible]	*miscellaneous per wood stock
[illegible] hp 3 ch. Washington pump	*1 Jim cover for loading mills
[illegible] hp [illegible] hoist, pump	*miscellaneous hose and wire, pumps for drills, pipe fittings, clamps, etc.
[illegible] hp pump	
[illegible] miscellaneous machinery etc.	*1 2" and one 4" vibrator grizzly feed
[illegible] phase [illegible] 440 [illegible] Volts.	*1 centrifugal pump (no motor)
[illegible] miscellaneous	*1 2" Tee
[illegible] 1 phase	1 Pneumatic hydraulic press
*3 stick stopes with drills with air legs	1 [illegible] gasoline [illegible]

The real property is described as follows:

Fred Hall, Billy Ray, Remember, Remember #2, Hobart, Last Chance, Anvil, Judge, David R. Franklin, Idaho, Idaho #2, Interstate, Half Moon, Idaho, Happy Thought, Hercules, Whale, Shark, Black Bear, Bear, Wanderer, and the mineral rights, but not the surface rights, to Jewels, all unpatented lode mining claims located in the Yreka Mining District, Shoshone County, State of Idaho; T. 48 N., R. 3E., Boise Meridian, and the Gleason Millsite located in the Yreka Mining District, Shoshone County, State of Idaho; T. 48 N., R. 3E., Boise Meridian.

Inspection of the property may be had at the sale.

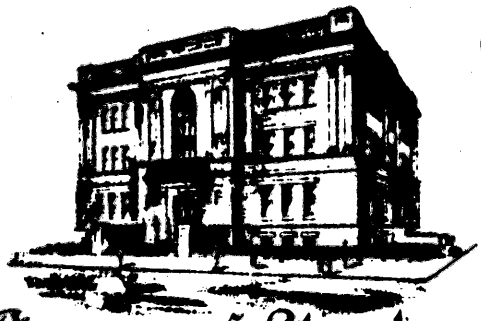
W. A. Galloway, Receiver

Received [illegible] Hall & Sons
Attorneys at Law
Wallace, Idaho

RECEIVED
FEB 16 1956

1. Mr. Sleyster
2. Mr. P...
3. Mr. Cham...
DMEA

ANNA K. BATTICK, CLERK DISTRICT COURT
MARIA R. OYLER, TREASURER AND AUDITOR
JAMES H. DEAN, ASSESSOR
LEWIS GARDNER, SHERIFF
EUGENE R. SULLIVAN, PROSECUTING ATTORNEY



PETER G. DUPOSSING, PROBATE JUDGE
W. C. HOWORT, CHAIRMAN

COMMISSIONERS
VINCENT ALEXANDER, CHAIRMAN
C. H. SHIPLETT
RAY C. DUNKLE

County of Shoshone

WALLACE, IDAHO

INTERIOR DEPT.
FEB 27 1958
SOLICITOR

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 3 1958

DATE	INITIALS	CODE
3/3	C	230
		200

February 24, 1958

E-88

Department of the Interior
Office of the Solicitor
Washington 25, D. C.

ATTENTION: Edmund T. Fritz

Re: Bruce Allgaier vs. C. A. Grissom et al

Dear Sir:

Please be advised that we are in receipt of the Proof of Claim of the United States, in the amount of $34.02 and same was duly filed this day.

Yours very truly,

ANNA K. BATTICK, CLERK DISTRICT COURT

By_____Deputy

Noted JR

RECEIVED
FEB 27 1958
ASSOC. SOLICITOR
MINERAL RESOURCES

In reply refer to:
DMA-981

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON, D. C.

Air Mail

Clerk of the Court
Shoshone County
Wallace, Idaho

Re: Bruce Allgaier, Plaintiff
vs.
C. A. Grissom et al.
Trustees of the Idaho Mining
Company, Defendants

Dear Sir:

There is enclosed for filing in connection with the above-captioned matter, the Proof of Claim of the United States in the amount of $34.02.

Very truly yours,

Solicitor

Enclosure

EXTRA COPY
DMEA
RECEIVED
DATE | CODE
800

So. 157 Howard Street
Spokane 4, Washington

February 20, 1958

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract No. Idm-288

Dear Mr. Selfridge:

Enclosed are three copies of a letter we have written to the Clerk of the District Court, Shoshone County Courthouse, Wallace, Idaho. We have informed the Clerk that the Government's proof of claim is being air mailed to the U. S. Attorney, Boise, Idaho as mentioned in your teletype of February 20.

Sincerely yours,

D. R. MacLaren
for: Wing G. Agnew
Acting Executive Officer
DMEA Field Team, Region I

Enclosure (in trip.)

cc: USBM (2)
USBM (AD)
CPF
Turner

So. 157 Howard Street
Spokane 4, Washington

February 20, 1958

Clerk of District Court
First Judicial District
State of Idaho
Shoshone County Courthouse
Wallace, Idaho

Re: No. _____
Supplemental Complaint Requesting
the Appointment of a Receiver

Dear Sir:

This office of the Defense Minerals Exploration Administration received notice of a hearing set for 10 a. m. (MST) Monday, February 24, 1958, of a Supplemental Complaint Requesting the Appointment of a Receiver, presented by Bruce Allgaier, Plaintiff, vs. C. A. Grissom, L. E. Beeson, J. P. Caldwell, B. L. Hyland, H. C. Whitehouse, Trustees of the Idaho Mining Company, a defunct corporation, Defendants.

We are unable to have a representative of the Defense Minerals Exploration Administration present at this hearing but wish it to be made a matter of record that Idaho Mining Company, under the terms of a DMEA Contract No. Idm-888, owes the United States Government royalty in the amount of $34.02 for which a claim is hereby made.

We have been advised by our Washington, D. C. office that the Government's proof of claim is being air mailed to the U. S. Attorney at Boise, Idaho.

By Field Team, Region I

Wing G. Agnew

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren

Donald R. MacLaren, Acting Member
U. S. Geological Survey

cc: U. S. Attorney
Boise, Idaho
H. J. Hull & Sons
Attorneys at Law
Wallace, Idaho

cc: DMEA (3)
USBM (2)
USBM (AD)
CPF
Turner

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

FEB 21 1958

AIR MAIL

Mr. William R. Beatie
United States Attorney
Eastern District of Washington
Federal Building
Spokane, Washington

Re: Idaho Mining Company
Docket No. DMEA-921
Contract No. Ida-[illegible]

Dear Sir:

Pursuant to your informal advice to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, Spokane, Washington, we have filed a Proof of Claim with the Clerk of the Court, Shoshone County, Wallace, Idaho, in connection with the complaint filed by Bruce Allgaier against the treasurer of the Idaho Mining Company. A copy of the Proof of Claim is enclosed.

Very truly yours,

Edward J. Fritz

DEPUTY Solicitor

Enclosure

HChubin/smd 2/21/58

Copy to: Solicitor's Docket (2)
DMEA Docket
Adm. R. File, DMEA
DMEA Field Team, Reg. I (2)
J. L. Chambers, DMEA
R. P. Dwyer
H. C. Rubin

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

FEB 21 1958

Air Mail

Clerk of the Court
Shoshone County
Wallace, Idaho

Re: Bruce Allgaier, Plaintiff
vs.
C. A. Grimes et al.
Trustees of the Idaho Mining
Company, Defendants

Dear Sir:

There is enclosed for filing in connection with the above-captioned matter, the Proof of Claim of the United States in the amount of $34.02.

Very truly yours,

Edmund J. Fritz

DEPUTY Solicitor

Enclosure

ECRubin/cmd 2/21/58

Copy to: Solicitor's Docket (2)
DMA Docket
Administrator's Reading File, DMA
DMA Field Team, Reg. I (2)
J. L. Chambers, DMA
R. P. Boyer
E. C. Rubin
chron.
U. S. Atty., District of Washington, Spokane, Wash.

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE

STATE OF IDAHO, IN AND FOR THE COUNTY OF SHOSHONE

In the Matter of

BRUCE ALLGAIER,

Plaintiff,

-vs-

A. A. GRIGGS
L. E. BELLOS
J. P. CALDWELL
B. L. HILAND
H. C. HERTZBOURG
Trustees of the Idaho Mining
Company, a defunct corporation,

Defendants.

PROOF OF CLAIM BY THE UNITED STATES

District of Columbia)ss.
Washington, D. C.)

Clarence G. Stromberg, being duly sworn, deposes and says:

1. That he is the Administrator of the Defense Minerals Exploration Administration, an agency of the Department of the Interior, acting on behalf of the United States of America, located at Washington 25, D. C., and is duly authorized to make this proof of claim on behalf of the United States.

2. That Idaho Mining Company, an Idaho corporation, the above-named defendant, was on and before the filing of the above-entitled complaint, and still is, justly and truly indebted to said United States in the sum of $[illegible].

3. That the consideration of said debt is a royalty due the United States on the sale of 96.025 tons of lead-zinc ore mined during July 1952, said royalty being due as repayment for money advanced by the United States to the debtor for mineral exploration, pursuant to Contract No. [illegible].

4. That no part of said debt has been paid, and no judgment has been rendered thereon.

5. That there are no setoffs or counterclaims to said debt.

J. L. Chambers

6. That the United States does not hold, and has not, nor has any person by its order or to deponent's knowledge or belief, for its use, had or received any security or securities for said debt.

7. That the Contract upon which said debt is founded is attached hereto.

8. That this claim of the United States is entitled to priority by virtue of the provisions of 11 U.S.C., Supp. IV 104(a)(3), and 31 U.S.C. 191.

9. That this claim is made without waiving any other remedy, and without waiving the right to proceed against specific property.

10. That the United States Attorney for the Eastern District of Washington is authorized to represent the deponent and the United States of America in connection with this proof of claim and in all matters whatsoever relating thereto.

C. O. Mittendorf
Administrator, Defense Minerals
Exploration Administration

Subscribed and sworn to before me this 21st day of February, 1958.

/s/ Calvin Pierson

AXXXXXXX-158K

XDXXXXXX-159K

YWB132 WAF SP 29 I-GS-G

SPOKANE WASH 2-17-58 1618U

W S MARTIN, ACTG CHAIRMAN OPERATING COMMITTEE

DMEA, WA

RELET FEBRUARY 14 1958 DOCKET DMEA 931, IDAHO MINING COMPANY. THERE IS NO MEETING CHAIRMAN AS THIS IS A DISTRICT COURT ACTION. UNITED STATES ATTORNEY SAYS WE SHOULD INFORM THE CLERK OF THE DISTRICT COURT, SHOSHONE COUNTY, WALLACE IDAHO, OF DMEA'S CLAIM AND SUBMIT A SWORN STATEMENT SUPPORTING DMEA'S CLAIM. WE CAN WRITE THE CLERK BUT DOES THE FIELD TEAM HAVE AUTHORITY TO MAKE A SWORN STATEMENT FOR DMEA? HEARING IS SCHEDULED FOR 10:00 AM MONDAY FEBRUARY 24.

D R MACLAREN, ACTG MEMBER FIELD TEAM REGION I

14 1958 931 10:00 24

EKC 1621U

FEB 14 1958

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

AIR MAIL

Re: Docket No. DMEA-9E1 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Assisted Contract No. Ida-[illegible]

Dear Mr. Weissenborn:

In lieu of sending a representative to the creditors' meeting at Wallace on February 24, 1958, it probably would be as well and much cheaper to send the chairman of the meeting a letter stating that we cannot be represented at this meeting, but that the company owes the Government $34.02 royalty which we would like to claim.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

APPROVED:

Frank D. Lamb

Director, Bureau of Mines

Thor H. Kiilsgaard

Director, Geological Survey

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. Kiilsgaard, USGS
Mr. Bishop, USBM
Mr. Chambers

JLChambers/vb
February 13, 1958

DMEA COPY
DMEA
RECEIVED FEB 12 1958
DATE | INITIALS | CODE

So. 157 Howard Street
Spokane 4, Washington

Air Mail

February 10, 1958

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Shoshone County, Idaho
Amended Contract No. Idm-E88

Dear Mr. Selfridge:

Enclosed are one copy each of a Notice and a Supplemental Complaint requesting the Appointment of a Receiver which we have just received from H. J. Hull and Sons, Attorneys at Law, Wallace, Idaho.

The Supplemental Complaint lists certain creditors of Idaho Mining Company including DMEA. The royalty due the Government, estimated in the Supplemental Complaint to be $35.00, is $34.02 as reported in a memorandum dated February 9, 1956 by E. G. Erickson, and was the subject of our letter of February 15, 1956, yours of March 1, 1956, and ours of March 12, 1956.

Will you please advise us whether we should send a representative to attend the hearing. The sum involved is so small that on a monetary basis it does not seem worth while to send one of our men--salary, per diem and travel expenses would at least approximate the amount due the Government. However, for other reasons you may feel that the DMEA should be represented.

Sincerely yours,

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

Enclosures

cc: USBM (2)
USBM (AD)

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

MAR - 1 1956

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

Re: Docket No. DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract No. Idm-R88

Dear Mr. Weissenborn:

We have your letter of February 15, with enclosures, referring to royalty due the Government on concentrates resulting from test milling of ores from the cited property in July 1952. Your letter recommended that the royalty, which amounts to $34.02, be waived.

The subject Amended Contract is dated May 26, 1953. It was amended on March 19, 1954, and the subject of royalty was given specific consideration therein. In view of these agreements, both made subsequent to the production in question, there appears to be no basis for overlooking this item of royalty.

However, according to Erickson's memorandum dated February 9, 1956, the 1952 royalty question appears to be coming to light now for the first time. This seems to be emphasized by the fact that, from memoranda in the file, the question did not enter into final settlement of the contract. It may be that this production was included in the contract by mutual mistake. If such is the case, and it is so stated to us, we will draft an amendment to delete the production in question from the coverage of the royalty provisions of the Amended Contract.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee
WRGriswold/er 2/21/56 (rewritten 2/28/56)
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Mr. Dwyer, Asso. Sol.
Mr. Chambers, DMEA
Chron.

APPROVED:

P. F. Yopes
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

RECEIVED
AUG 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region I, Wash. District, pertaining to Prior Contract Idm-888, Docket No. DMA-981X and Amended Contract Idm-888, Docket No. DMEA-981, with:

Idaho Mining Company
P. O. Box 898
Kellogg, Idaho

for the purpose of determining the amount of royalties due the U. S. Government on sales of lead and zinc from property referred to as Washington-Idaho Mine located in Shoshone County, Idaho.

The Prior exploration contract was dated July 27, 1951, and the Amended contract was dated May 26, 1953. Annex III to Amendment No. 1 dated March 19, 1954, provided that, regardless of any certification of discovery or development, the operator shall pay royalties on any production from the land described in the contract during a period of 12 years from the date of the Prior contract (July 27, 1951) or until the Government's contribution is fully repaid, whichever occurs first. According to Report of Review dated June 23, 1955, prepared by Mr. C. A. Turner, auditor, total accepted costs under the contract amounted to $51,974.19 with the Government's participation, on a 50 percent basis, being $25,987.10.

My review included a conference with Mr. S. G. Erickson, mining engineer, Bureau of Mines, Spokane, Washington, who is thoroughly familiar with the project.

This review was made in lieu of an on-site audit of the operator's accounts and records for the following reasons:

(1) The mine is flooded at the present time and the operator has no immediate plans for future operation,

(2) Available evidence in the files and discussion with the inspection engineer do not indicate any production to date which would be subject to DMEA royalties, and

(3) The administrative cost to the Government of an on-site audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

C. E. Fisher
C. E. Fisher, Auditor

July 26, 1955

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

JUN 29 1955

Mr. Charles A. Turner
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Report of Review
Idaho Mining Company
Idm-E88, DMA-981X

Dear Mr. Turner:

Receipt is acknowledged of your Report of Review covering the above-cited Exploration Project Contract.

The Report is accepted and may be distributed in the usual manner.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
June 28, 1955

Copy to: Docket
Admr. Reading File
Mr. Chambers

APR 8 1964

Austin-Meyer Corporation
642 Peyton Building
Spokane, Washington, 99201

Re: DMEA-981 (Lead-Zinc)
Idaho Mining Company
Washington-Idaho Mine
Shoshone County, Idaho
Amended Contract Idm-E88

Gentlemen:

By the terms of Amendment No. 1 and Annex III of the Amended Exploration Project Contract, all minerals mined or produced from July 27, 1951, to July 27, 1963, were subject to the Government's royalty as set forth in said amended contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the amended contract or any future production therefrom. We, therefore, are closing our books and records on this amended contract.

Sincerely yours,

George Fumich, Jr.

Acting Director

MMerrithew/mm
4/8/64
cc: Director's reading file
✓CA&A Division
Region I w/cy of reply from Austin-Meyer
Docket
Code 500

Government's copy

AMENDED
EXPLORATION PROJECT CONTRACT
IDAHO MINING COMPANY
DOCKET NO. DMEA-981

AMENDMENT NO. 1

It is agreed this 19th day of March, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Idaho Mining Company, that Amended Exploration Project Contract Idm-E88 (Docket No. DMEA-981), dated May 26, 1953 (hereinafter called the "Amended Contract"), is amended, effective October 1, 1953, as follows:

1. a. Work under the Amended Contract shall be suspended during the period beginning October 1, 1953, and ending not later than July 1, 1954.

b. No costs incurred by the Operator during the period of suspension shall be allowable for contribution by the Government.

c. The Operator, at his own cost and expense, without contribution by the Government, during the period of suspension shall preserve the project work and any property in which the Government has an interest.

d. The Government shall not contribute to any costs of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

2. In Article 3 of the Amended Contract form, delete the date "August 1, 1954," and substitute the date "January 1, 1955."

3. The provisions of Annex III, attached hereto and made a part hereof, are substituted for the provisions of Article 9 of the Amended Contract form. In Annex III, the words "the date of the contract" mean "the date of the Prior Contract (July 27, 1951)."

4. It is of the essence of this contract that work be resumed on or before July 1, 1954, and if the work is not resumed within the time limited, in a manner required to bring the project to completion as required:

a. All obligation of the Government to contribute to costs not incurred before October 1, 1953, shall be and is hereby terminated.

b. The Operator shall promptly perform all winding-up and settlement actions provided for in the contract and shall promptly render to the Government a final report and final accounting.

c. The provisions of Annex III to this Amendment No. 1, as amended hereafter, shall remain in full force and effect. That part of paragraph "b" of Annex III which precedes the first colon is amended to read as follows:

> "The Operator, regardless of any certification of discovery or development, and regardless of whether the Operator is the producer or has any interest in the land or the production therefrom, shall pay to the Government a royalty on all minerals mined or produced from the land described in the Amended Contract for a period of twelve years from the date of the Prior Contract, or until the total amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other amounts realized from the sale or other disposition of any such production (including any bonuses, premiums, allowances, or other benefits), in whatever form disposed of, including ore, concentrates, or metal, as follows:"

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C O Mutteudorf
Administrator, Defense Minerals
Exploration Administration

IDAHO MINING COMPANY

By [illegible]

12

ANNEX III

The following provisions are in lieu of Article 9 :

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years* (or other period fixed by this contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other amounts realized from the sale or other disposition of any such production (including any bonuses, premiums, allowances, or other benefits), in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half ($1\frac{1}{2}$) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half ($1\frac{1}{2}$) percent of any such net amounts, plus one-half ($\frac{1}{2}$) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

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

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

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

***The period "twelve years" is substituted for the period "ten years."**

53651

13

MF-900
(June 1951)
(Revised Feb. 1952)

DOCKET No. DMEA - 981

COMMODITY Lead-Zinc

Government Copy

IDM-E 88

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
AMENDED
EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 26th day of May, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Idaho Mining Company, a corporation duly organized and existing P. O. Box 898 under and by virtue of the laws of the Kellogg, Idaho State of Idaho

/and as provided in Annexes I and II, attached hereinafter called the "Operator," as follows: hereto and made a part hereof.

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Idaho, County of Shoshone, described as ~~xxxx~~ [3] detailed in Annex II, but consisting of 23 unpatented claims and a fractional claim and a mill site located on the west fork of Moon Creek, being in the Coeur d'Alene Mining District, Yreka subdistrict, and lying within Sec. 26, T. 49 N., R. 3 E., B. M.

the Operator represents and undertakes: [4]

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

None

~~(b) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.~~

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

ARTICLE 3. *Exploration project.*—The Operator, ~~xxxx~~ shall / continue ~~xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx~~ work on a project of exploration for [5] Lead-Zinc

in or upon the described land; and shall bring the project to completion/ ~~prior to August 1, 1954.~~ ~~xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx~~. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

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

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

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

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

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following: and as set forth in Article 13.

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

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

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

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

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

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

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

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

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

16—66328-2

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

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

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

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

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

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

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 50 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $ 61,286.00, which is 50 percent of $ 122,572.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided*, that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

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

ARTICLE 13. *Changes and added provisions.* To the extent that costs are set forth in Exhibit "A" as "agreed unit costs," they are in lieu of the actual costs that would otherwise be allowable costs of the project as provided in Article 6 (a) of the contract form.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By [signature]
Administrator, Defense
Minerals Exploration
Administration

Idaho Mining Company
(Operator)

By [signature], Sec-Treas.

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

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

15

EXPLORATION PROJECT CONTRACT
IDAHO MINING COMPANY
DOCKET NO. DMA-981

ANNEX I

WHEREAS, the parties to this agreement are also parties to Contract Idm-E88, Docket No. DMA-981X dated July 27, 1951, executed on contract form MF-200 (June 1951) hereinafter called the "Prior Contract"; and

WHEREAS, the work under the Prior Contract was divided into four phases, Phases I and II thereof having been completed, and the parties desire to add a new Phase IIA and to alter the work set forth in Phase IV and to make the basis for the payment of work to be done under Phases IIA, III, and IV a unit-cost instead of an actual-cost basis, and to restate their agreement on the new contract form, MF-200 (Feb. 1952);

NOW, THEREFORE, It is mutually agreed that:

1. Effective as of the date of its execution, the Prior Contract is amended and superseded by this Amended Contract, executed on form MF-200 (Feb. 1952), which shall control the Government's claim and lien for percentage royalty and in which all the rights and obligations of both parties are fully merged, except that vouchers and claims for the Government's contribution to the work performed under Phases I and II of the Prior Contract and payment thereof shall be as therein provided.

2. The Operator hereby releases and agrees to save harmless the Government from all claims and demands arising out of the Prior Contract, except as otherwise herein provided.

3. Exhibit "A" of the Prior Contract is hereby amended and replaced by Exhibit "A" attached hereto and made a part hereof.

4. The equipment purchased under the Prior Contract, in which the Government has a 50 percent equity, is hereby agreed to be of the present value of $ 3,000.00 and, upon completion of the work in Phase IIA, the Government on account of its said equity may deduct the sum of $1,500.00 from any monies due the Operator.

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EXPLORATION PROJECT CONTRACT
IDAHO MINING COMPANY
DOCKET NO. DMA-981

EXHIBIT "A"

Description of the Work

Phases I and II are as set forth in Exhibit "A" of the Prior Contract.

Phase IIA is added and is as follows:

On level 300, drift in cross section 5' X 7' in the clear not in excess of 500 feet and drill not in excess of 150 feet of long holes at locations approved by the Government.

Phase III is as set forth in the Prior Contract.

Phase IV is as set forth in the Prior Contract except that, in lieu of 1000 feet of crosscutting and 100 feet of drifting, there are to be only 250 feet of crosscutting and 250 feet of drifting.

Estimated Costs of the Project
(* indicates allowable maximum)

Actual Costs of Work Performed under Prior Contract		
Phase I	$28,737.85*	
Phase II	21,684.50*	$50,422.35*
Agreed Unit Costs		
Phase IIA		
500 feet of drifting @ $36.00/ft.	18,000.00	
150 feet of long hole drilling @ $1.00/ft.	150.00	18,150.00
Phase III		
200 feet of shaft sinking @ $170.00/ft.	34,000.00	
Cutting skip pocket @ $2,000.00 1/	2,000.00	36,000.00

1/ The unit here consists of the completed work.

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Phase IV

500 feet of crosscutting and drifting @ $36.00/ft.	$18,000.00

The Government will contribute to the cost of the above drifting, long hole drilling, shaft sinking, cutting skip pocket, and crosscutting in Phases IIA, III, and IV on the basis of the agreed unit costs, as they accrue, for work actually performed, in lieu of actual costs.

Total Estimated Cost of Project (rounded to)	$122,572.00*
Government Participation @ 50%	$61,286.00*

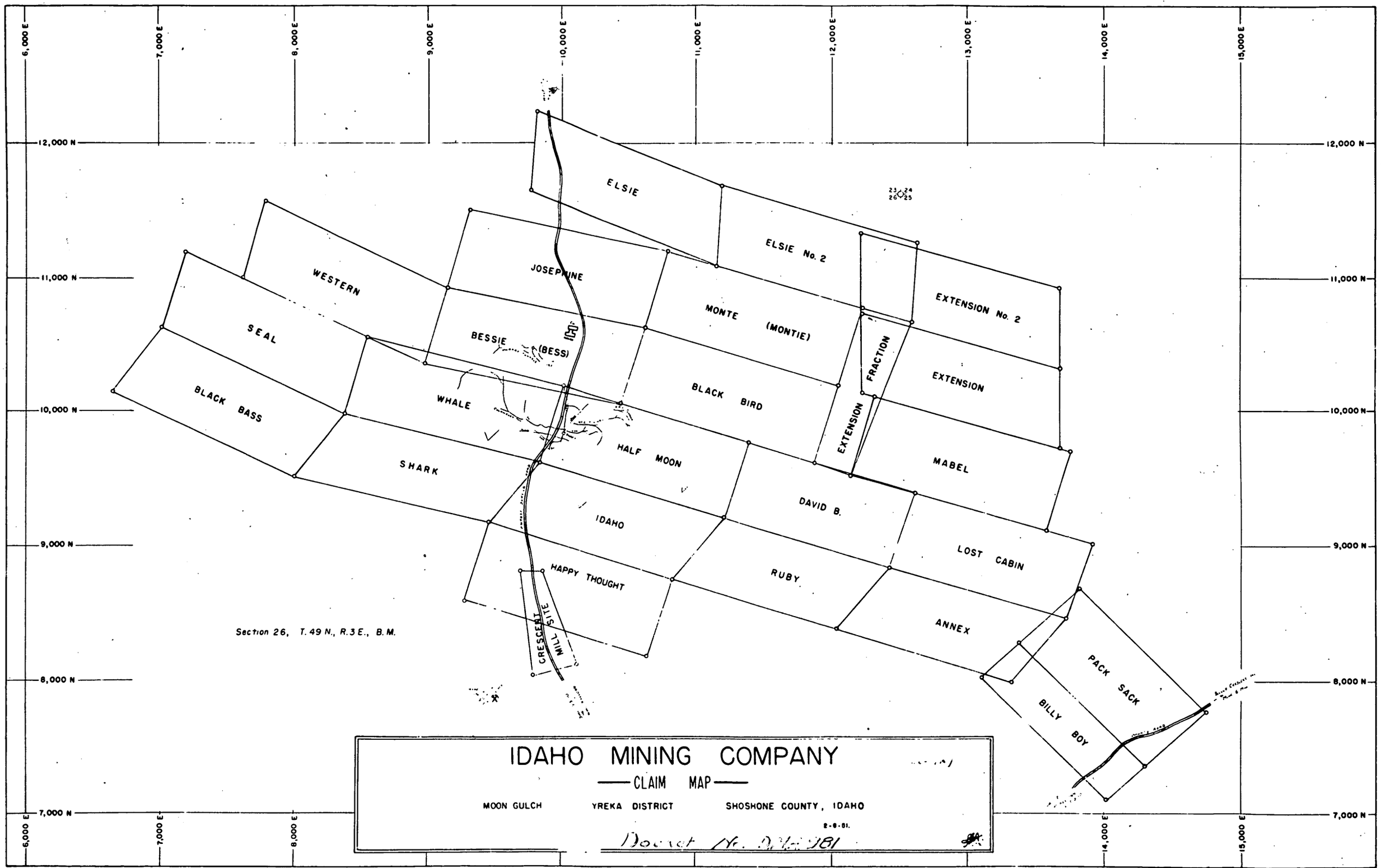
EXPLORATION PROJECT CONTRACT
IDAHO MINING COMPANY
DOCKET NO. DMA-981

ANNEX II

The claims referred to in Article 2 consist of the following, indicated on the map attached hereto and made a part hereof and entitled "Idaho Mining Company - Claim Map":

Annex	Extension	Mabel
Bessie (Bess)	Extension No. 2	Mill Site
Billy Boy	Extension Fraction	Monte (Montie)
Black Bass	Half Moon	Pack Sack
Black Bird	Happy Thought	Ruby
Crescent	Idaho	Seal
David B.	Josephine	Shark
Elsie	Lost Cabin	Western
Elsie No. 2		Whale

Coordinates and Datum from PRESTON & REYNOLDS Washington-Idaho Survey of 1948.



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GOVERNMENT'S COPY

(Amendment to Change Starting and Completion Dates)

AMENDMENT NO. 4 Docket No. DMEA 981X(lead-zinc)

It is agreed this 16th day of Dec. 195 2, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Idaho Mining Co.

each acting in consideration of the agreement to the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E88 of July 27, 195 1 between the parties hereto be modified and amended to change ~~the starting date from~~ ~~No. of day~~ ~~to within~~ ~~No. of days~~ ~~of the date of the contract and~~ the completion period from 18 (No. of months) to 24 (No. of months) from the date of the contract. The effective date of this amendment shall be Dec. 16, 195 2.

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

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

Executed in sextuplicate the day and year first above written.

IDAHO MINING COMPANY
(Operator)
By [signature]

The United States of America
By [signature]
A.E.Weissenborn, Exec. Officer
DMEA Field Team, Region II

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 19 1953

Idaho Mining Company
Contract Idm-E88
Docket No. 981 (lead-zinc)

Justification of Amendment No. 4

Progress on the project has been slower than anticipated because of financial difficulties on the part of the Operator; therefore, the period for completion must be extended if the project is to be completed.

T. E. Howard

2

GOVERNMENT COPY

AMENDMENT NO. 3

It is agreed this 6th day of October 195 2, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, and Idaho Mining Company, Kellogg, Idaho (Docket No. DMEA 981X, lead-zinc)

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E 88 of July 27 195 1 between the parties hereto be modified and amended as described in Exhibit "F" attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be April 1 195 2.

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

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

Executed in sextuplicate the day and year first above written.

IDAHO MINING COMPANY
(Operator)

By [illegible] Sec

THE UNITED STATES OF AMERICA

By C O Mittendorf
~~Administrator, DMEA Field Team, Region II~~
C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration

5

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 21 1952

Dmea 981

AMENDMENT NO. 2

It is agreed this 8th day of May 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and the Idaho Mining Company, 711 Hutton Building, Spokane 8, Wash.

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E88 of July 27 1951 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be April 1 1952.

This amendment is made by authority granted the Executive Officer, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

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

Executed in sextuplicate the day and year first above written.

IDAHO MINING COMPANY
(Operator)

By [signature]
Secretary

The United States of America

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 23 1952

5

IDAHO MINING COMPANY
Docket No. 981 (lead-zinc)
Exploration Project Contract Idm-E88

AMENDMENT NO. 2

EXHIBIT "F"

Changes and modifications

Change paragraph 3, "Exploration project", of the contract to read:

" . . . properly designed to bring the project to completion within a period of 18 months from the date of this contract."

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
DESTRUCTION
MAY 23 1952

6

Wash
Contracts & Audit
Dmea 981
(Lead, zinc)

AMENDMENT NO. 1

It is agreed this 4th day of February 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and the Idaho Mining Co., an Idaho Corporation, 711 Hutton Bldg., Spokane 8, Wash.

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E88 of July 27 1951 between the parties hereto be modified and amended as described in Exhibit "B", attached hereto, which, with any maps or drawings attached thereto, is made a part of this aggrement. The effective date of this amendment shall be July 27 1951.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

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

Executed in sextuplicate the day and year first above written.

IDAHO MINING COMPANY
(Operator)

By H. Ellman Clark
Secretary

The United States of America

By M. E. Volin
M. E. Volin, Acting Exec. Officer
DMEA Field Team, Region II

Defense Minerals Administration

FEB 1 0 1952

Reviewed by Division
2/21/52

MF-200
(June 1952)

Docket No. DMA 981X
Commodity Lead-Zinc

Idm-E88

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 27 day of July, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2]

Idaho Mining Company, an Idaho Corporation,
711 Hutton Building, Spokane 8, Washington

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 Idaho, County of Shoshone described as follows:[3]

23 unpatented claims, a fractional claim and millsite, located on the west fork of Moon Creek. Coured A'lene Mining District, Yreka sub-district and lying within Section 26 Township 29N; Range 3, E.B.M and particularly on the Half Moon, Whale and Idaho Mining Claims. Standing in the name of Idaho Mining Company.

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:

There are no claims, liens or encumbrances

(*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 30 days from the date of this contract shall commence work on a project of exploration for[5] Lead Zinc silver copper 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[6] 12 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 $ 61,869.00, which is 50 percent of the agreed estimated total cost of this project, $ 123,738.00

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.

Idaho Mining Company
(Operator)

By Hellman Clark Secretary

THE UNITED STATES OF AMERICA

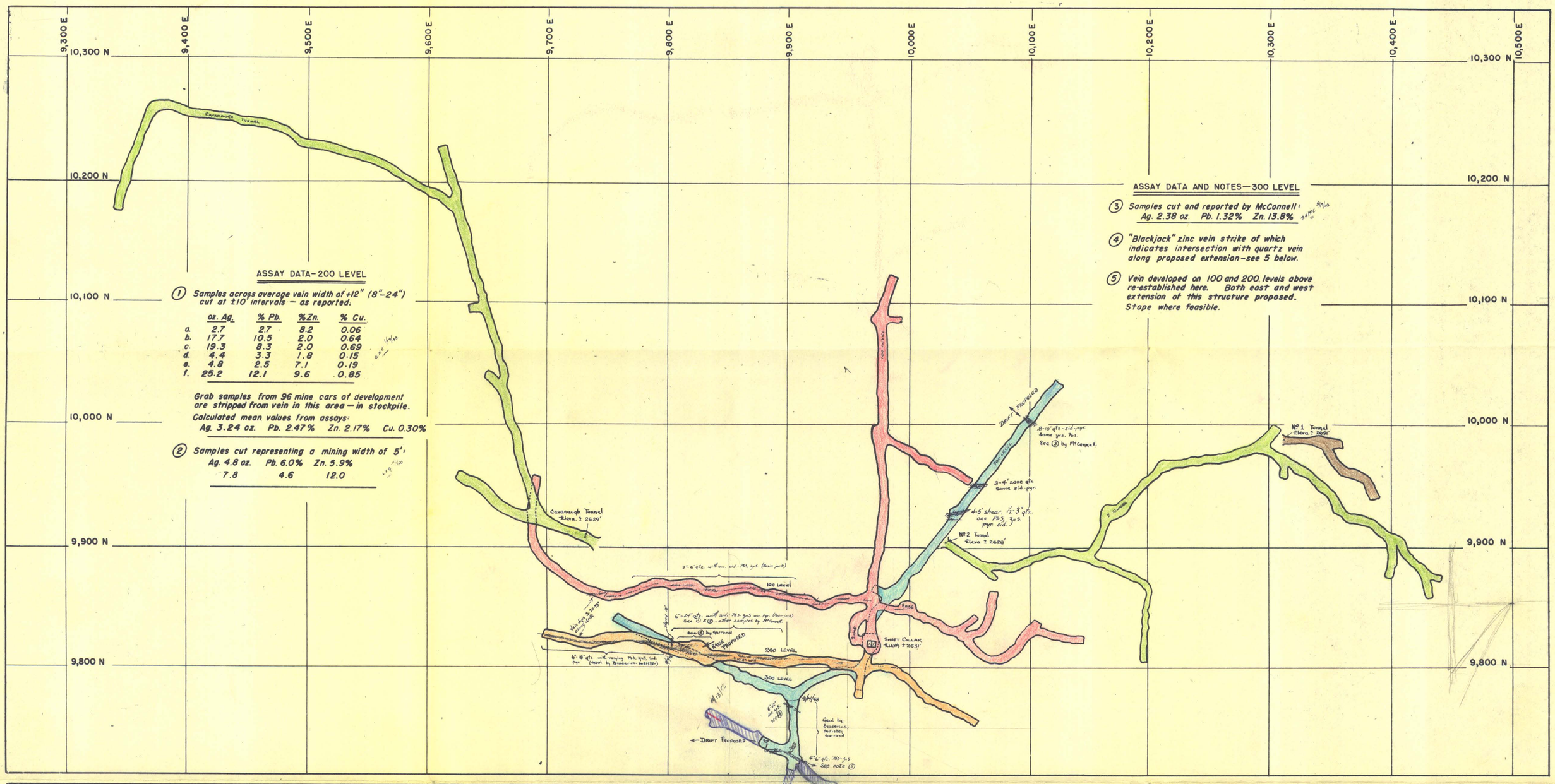
By C O Mittendorf
Director, Production Expansion Division
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

10

COORDINATES AND DATUM FROM PRESTON & REYNOLDS SURVEY OF 1948.

GEOLOGY FROM NOTES BY S.K. GARRETT, 1948.



ASSAY DATA-200 LEVEL

① Samples across average vein width of +12" (8"-24") cut at ±10' intervals — as reported.

	oz. Ag.	% Pb.	%Zn.	% Cu.
a.	2.7	2.7	8.2	0.06
b.	17.7	10.5	2.0	0.64
c.	19.3	8.3	2.0	0.69
d.	4.4	3.3	1.8	0.15
e.	4.8	2.5	7.1	0.19
f.	25.2	12.1	9.6	0.85

Grab samples from 96 mine cars of development ore stripped from vein in this area — in stockpile.

Calculated mean values from assays:
Ag. 3.24 oz. Pb. 2.47% Zn. 2.17% Cu. 0.30%

② Samples cut representing a mining width of 5'.
Ag. 4.8 oz. Pb. 6.0% Zn. 5.9%
7.8 4.6 12.0

ASSAY DATA AND NOTES—300 LEVEL

③ Samples cut and reported by McConnell:
Ag. 2.38 oz. Pb. 1.32% Zn. 13.8%

④ "Blackjack" zinc vein strike of which indicates intersection with quartz vein along proposed extension-see 5 below.

⑤ Vein developed on 100 and 200 levels above re-established here. Both east and west extension of this structure proposed. Stope where feasible.

Dma-981

COMPOSITE PLAN OF MINE WORKINGS

"Washington-Idaho Mine" IDAHO MINING COMPANY

T.49N., R.3E., B.M., Yreka District, Shoshone County, Idaho

—LEGEND—

scale: 1" = 50'

GR - BR TUNNEL WORKINGS

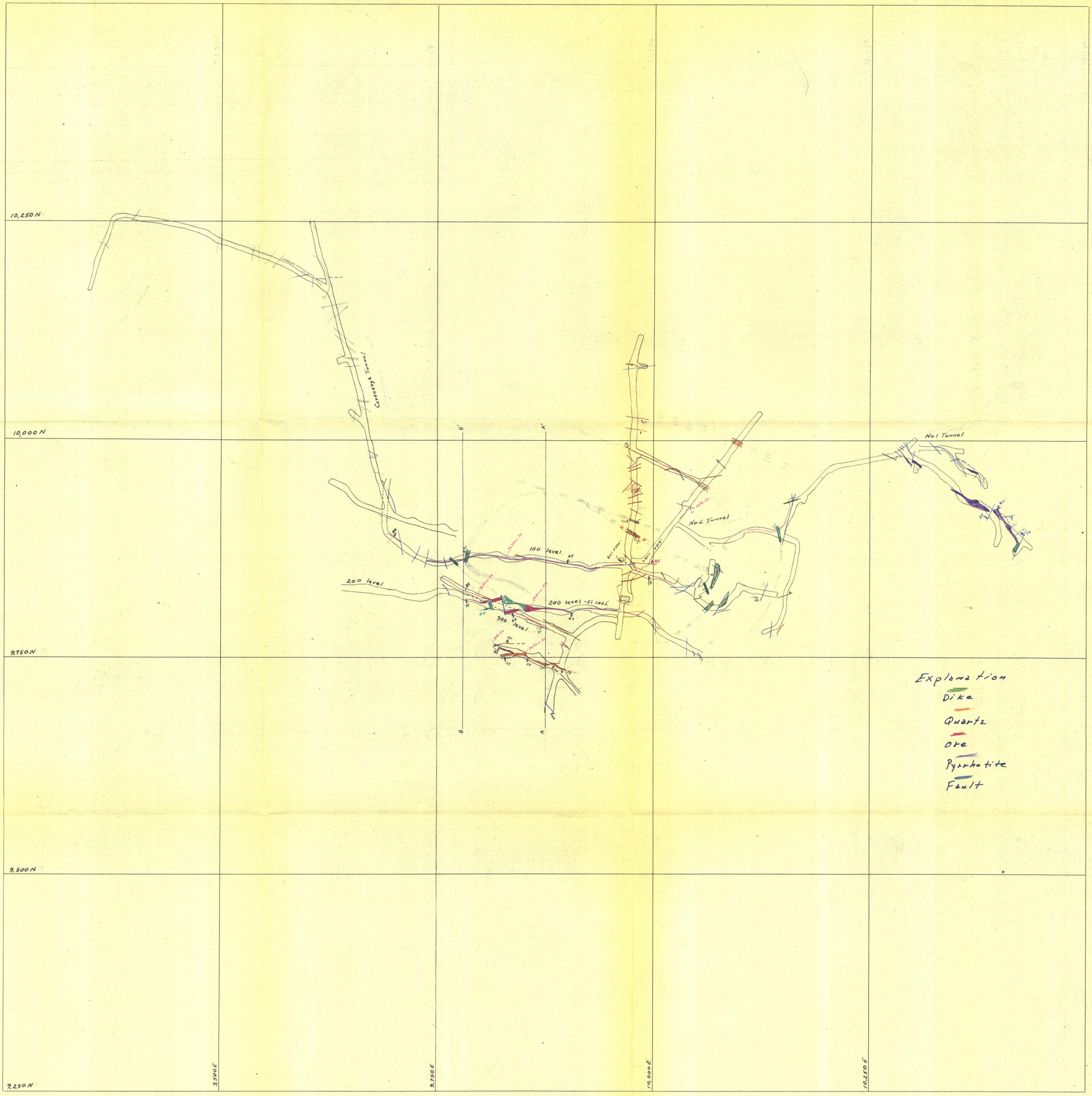
RED 100 LEVEL (SILL ELEVA. 2505.05')

OR. 200 LEVEL (SILL ELEVA. 2402.97')

BL. 300 LEVEL (SILL ELEVA. 2317.77')

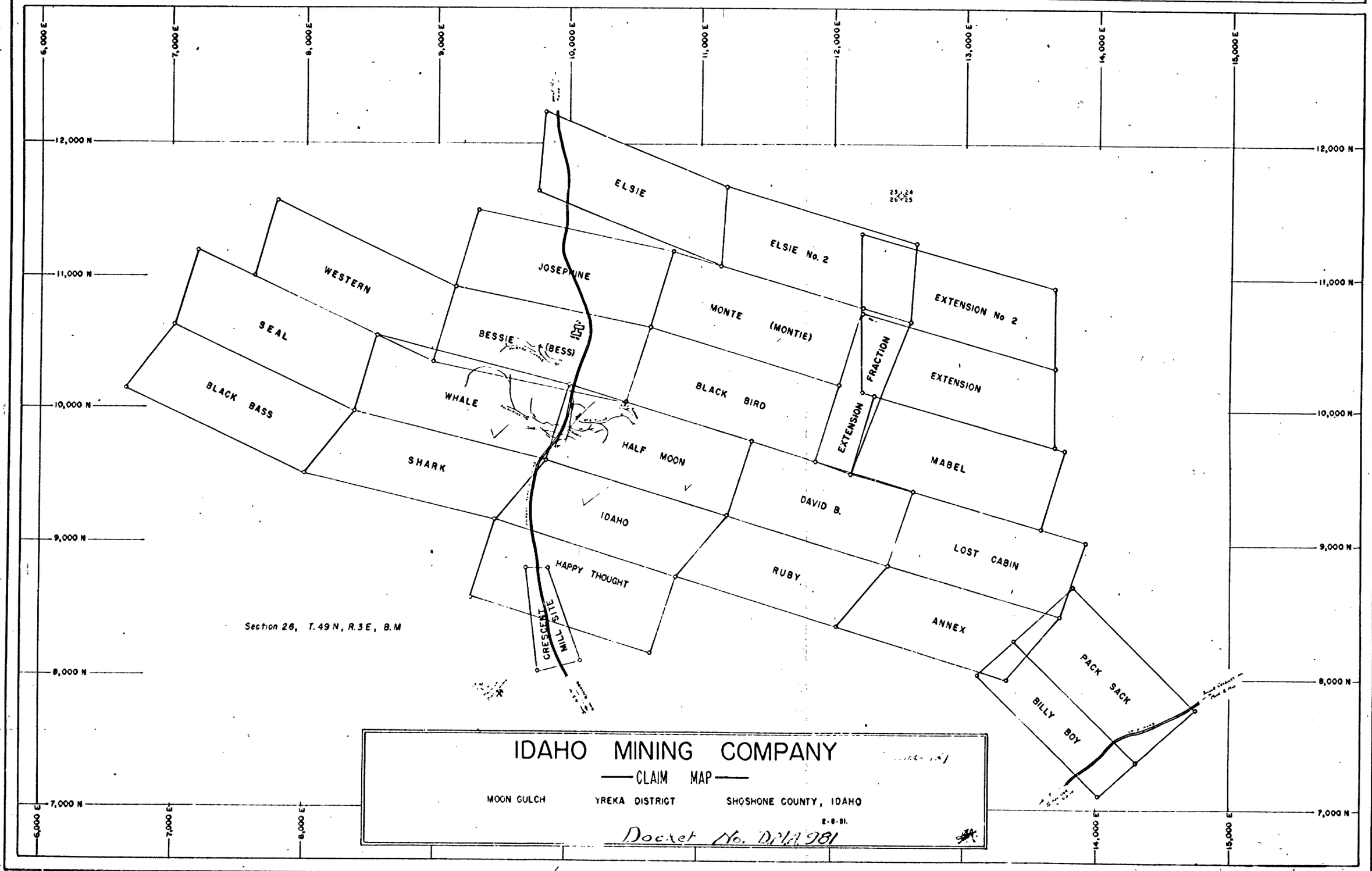
2-5-51.

Docket No DMEA-78IX



Idaho Mine, Shoshone County, Idaho
Composite Plan showing major structures
Geology from Company maps and U.S.G.S.
1" = 50'

Coordinates and Datum from PRESTON & REYNOLDS Washington-Idaho Survey of 1948.



IDAHO MINING COMPANY

CLAIM MAP

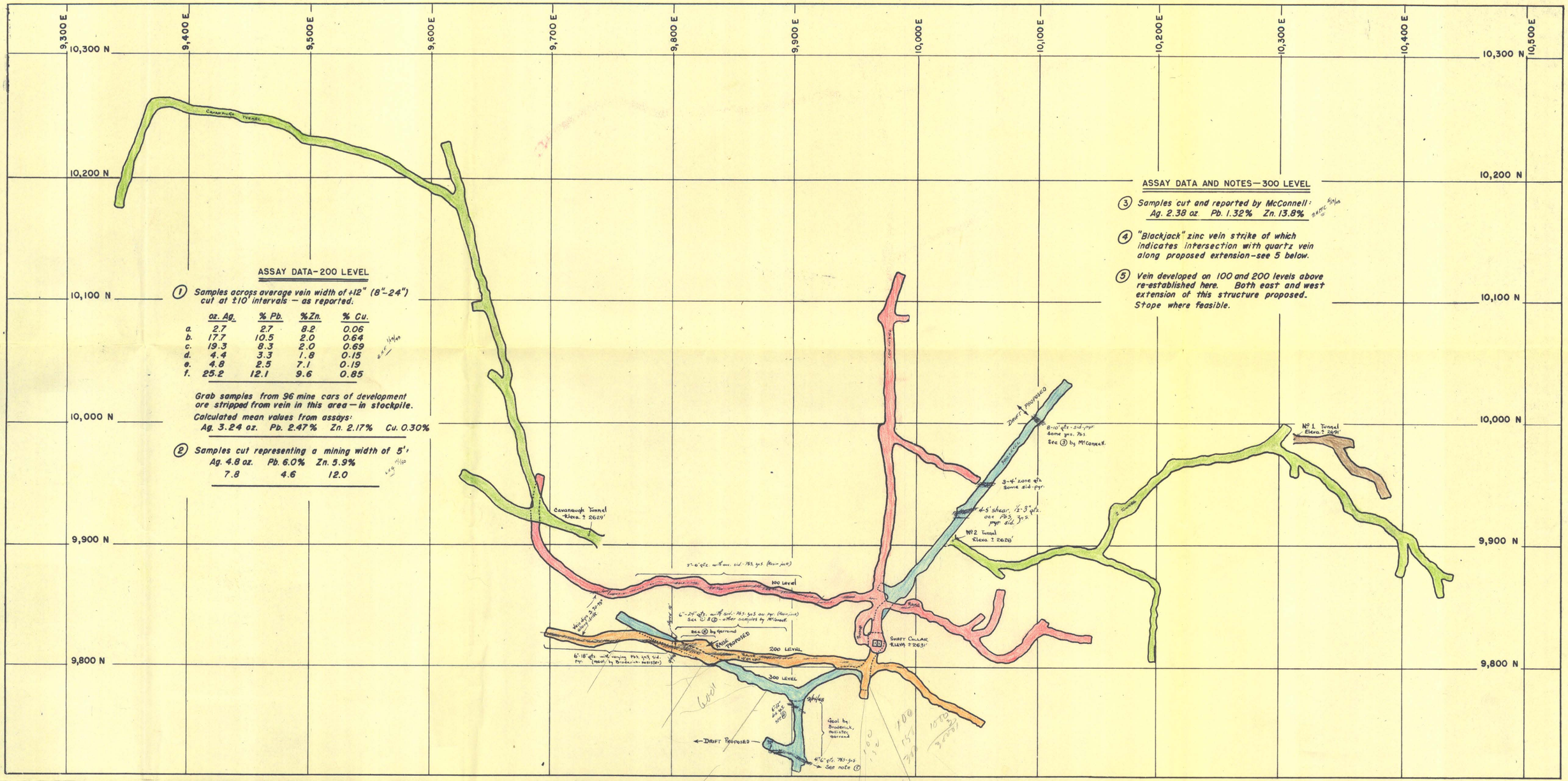
MOON GULCH YREKA DISTRICT SHOSHONE COUNTY, IDAHO

2-8-81.

Docket No. DIA 981

COORDINATES AND DATUM FROM PRESTON & REYNOLDS SURVEY OF 1948.

GEOLOGY FROM NOTES BY S.K. GARRETT, 1948.



COMPOSITE PLAN OF MINE WORKINGS

dma - 981

"Washington - Idaho Mine" IDAHO MINING COMPANY

T. 49 N., R. 3 E., B.M., Yreka District, Shoshone County, Idaho

—LEGEND—

scale: 1" = 50'

GR - BR TUNNEL WORKINGS

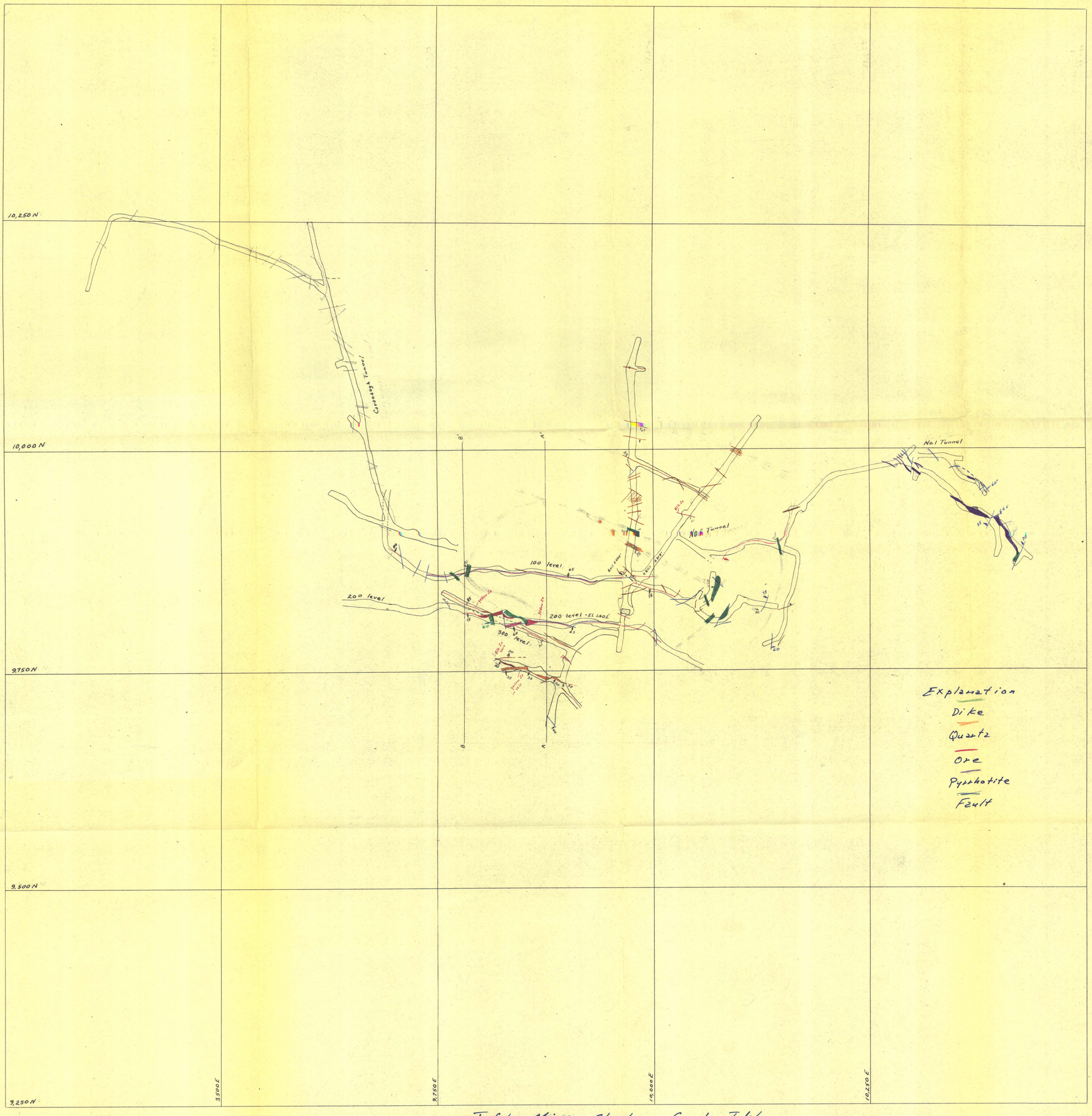
RED 100 LEVEL (SILL ELEVA. 2505.05')

OR. 200 LEVEL (SILL ELEVA. 2402.97')

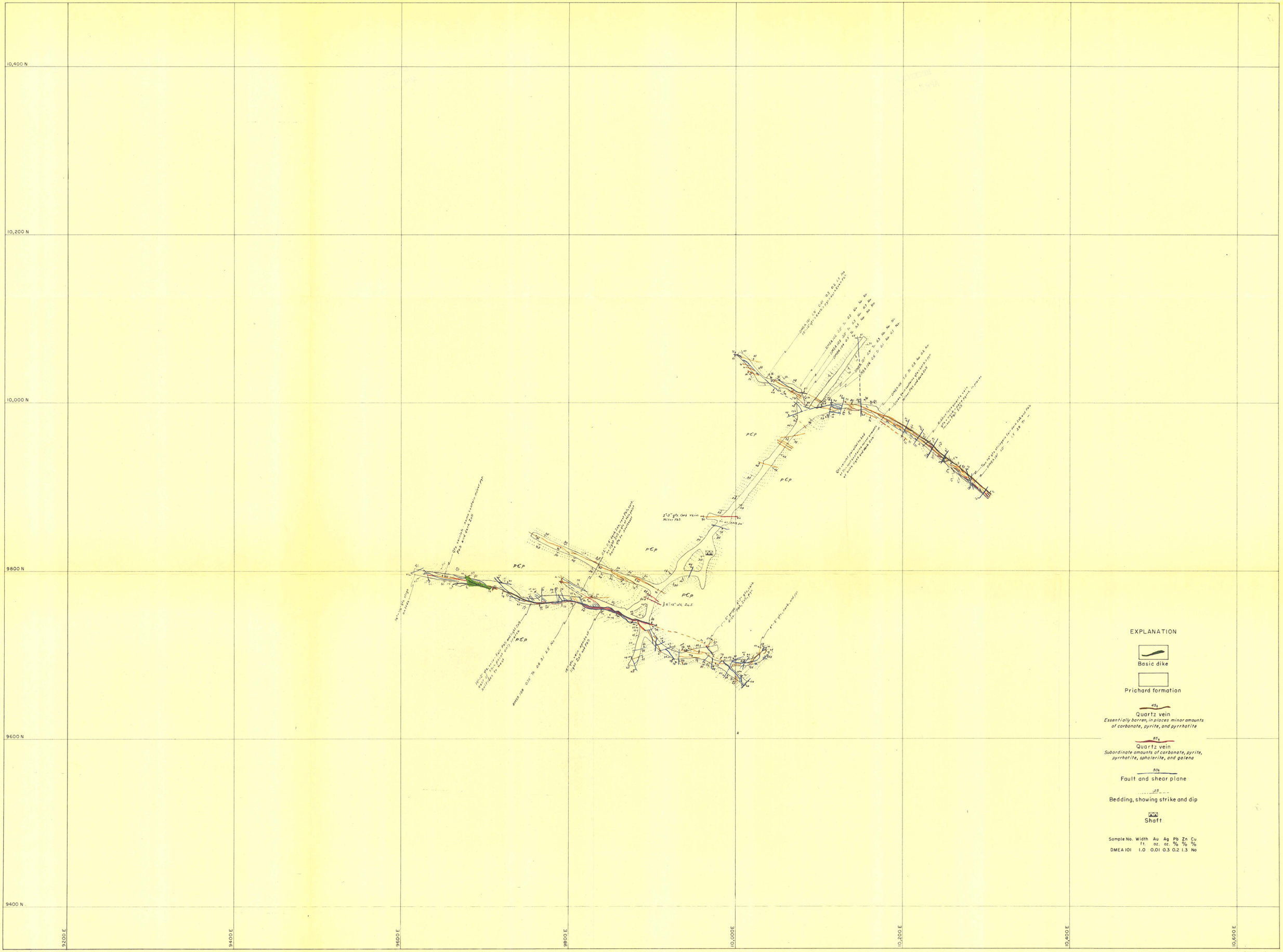
BL. 300 LEVEL (SILL ELEVA. 2317.77')

2-5-51

Docket No. DMEA-981X



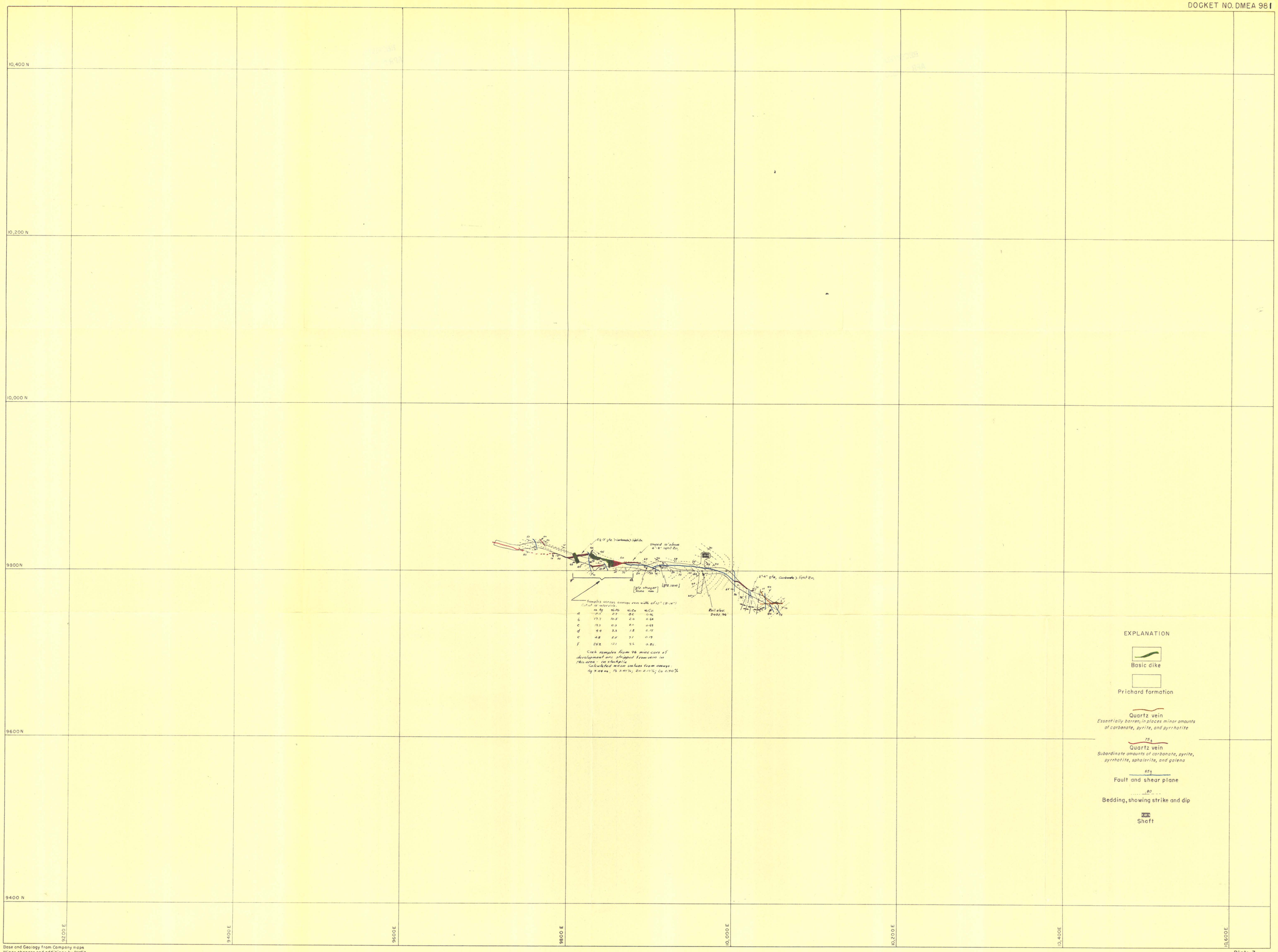
Idaho Mine, Shoshone County, Idaho
Composite Plan showing major structures
Geology from Company maps and U.S.G.S.
1" = 50'



Base from Company maps
Geology in part from Company maps and by DMEA Field Representatives

300 LEVEL, GEOLOGIC MAP OF THE WASHINGTON-IDAHO MINE, IDAHO MINING CO., SHOSHONE COUNTY, IDAHO

1" = 50'

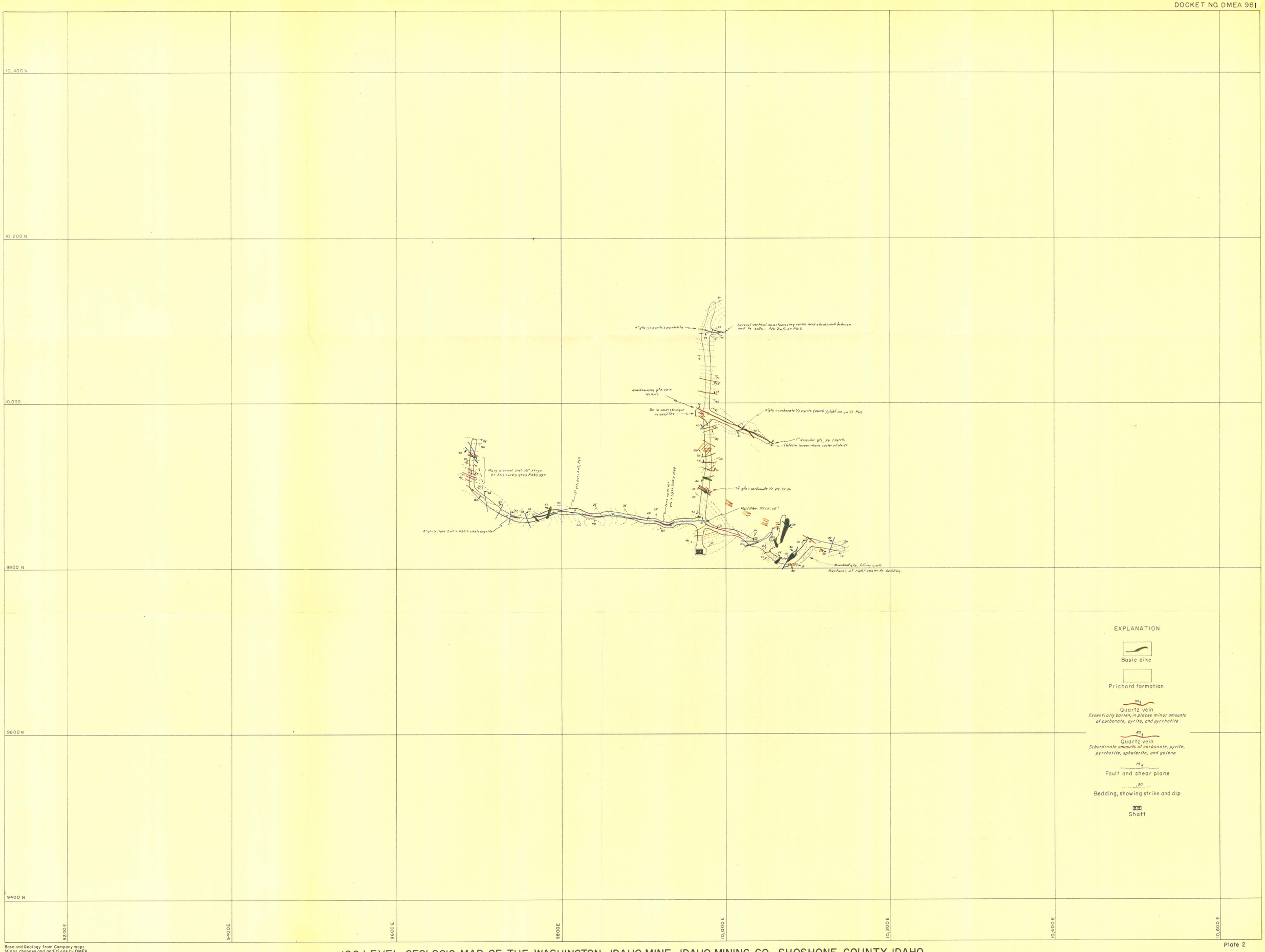


Base and Geology from Company maps
Minor changes and additions by DMEA
Field Representatives

200 LEVEL, GEOLOGIC MAP OF THE WASHINGTON-IDAHO MINE, IDAHO MINING CO, SHOSHONE COUNTY, IDAHO

1"=50'

Plate 3

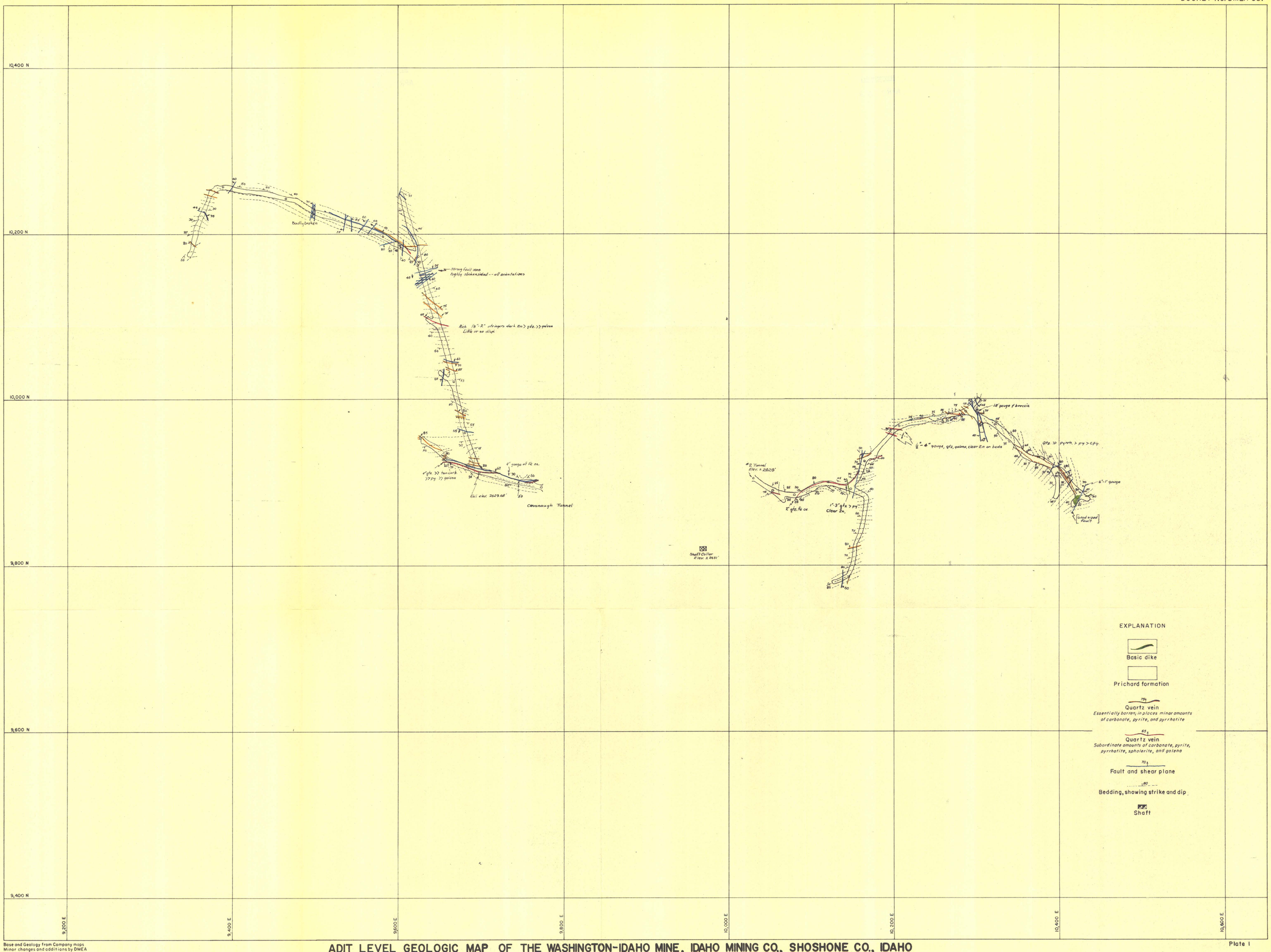


Base and Geology from Company maps
Minor changes and additions by DMEA Field Representatives

Plate 2

100 LEVEL, GEOLOGIC MAP OF THE WASHINGTON-IDAHO MINE, IDAHO MINING CO., SHOSHONE COUNTY, IDAHO

1"=50'



Base and Geology from Company maps
Minor changes and additions by DMEA Field Representatives

ADIT LEVEL GEOLOGIC MAP OF THE WASHINGTON-IDAHO MINE, IDAHO MINING CO., SHOSHONE CO., IDAHO

1" = 50'

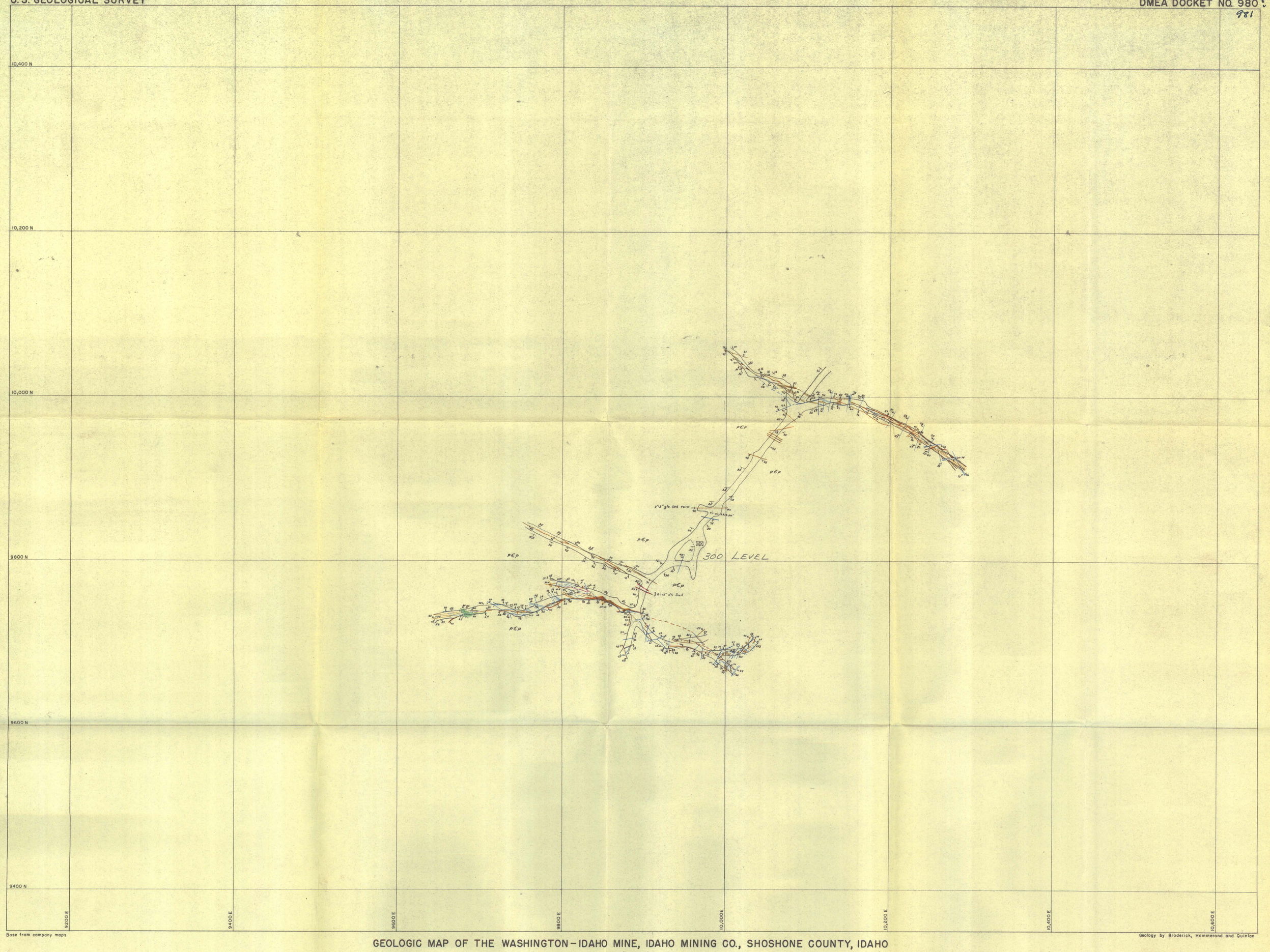
Plate I

Docket No. DMEA-981X

Idaho Mine, Shoshone County, Idaho
Composite Plan showing major structures
Geology from Company maps and U.S.G.S.

U.S. GEOLOGICAL SURVEY

DMEA DOCKET NO. 980 981



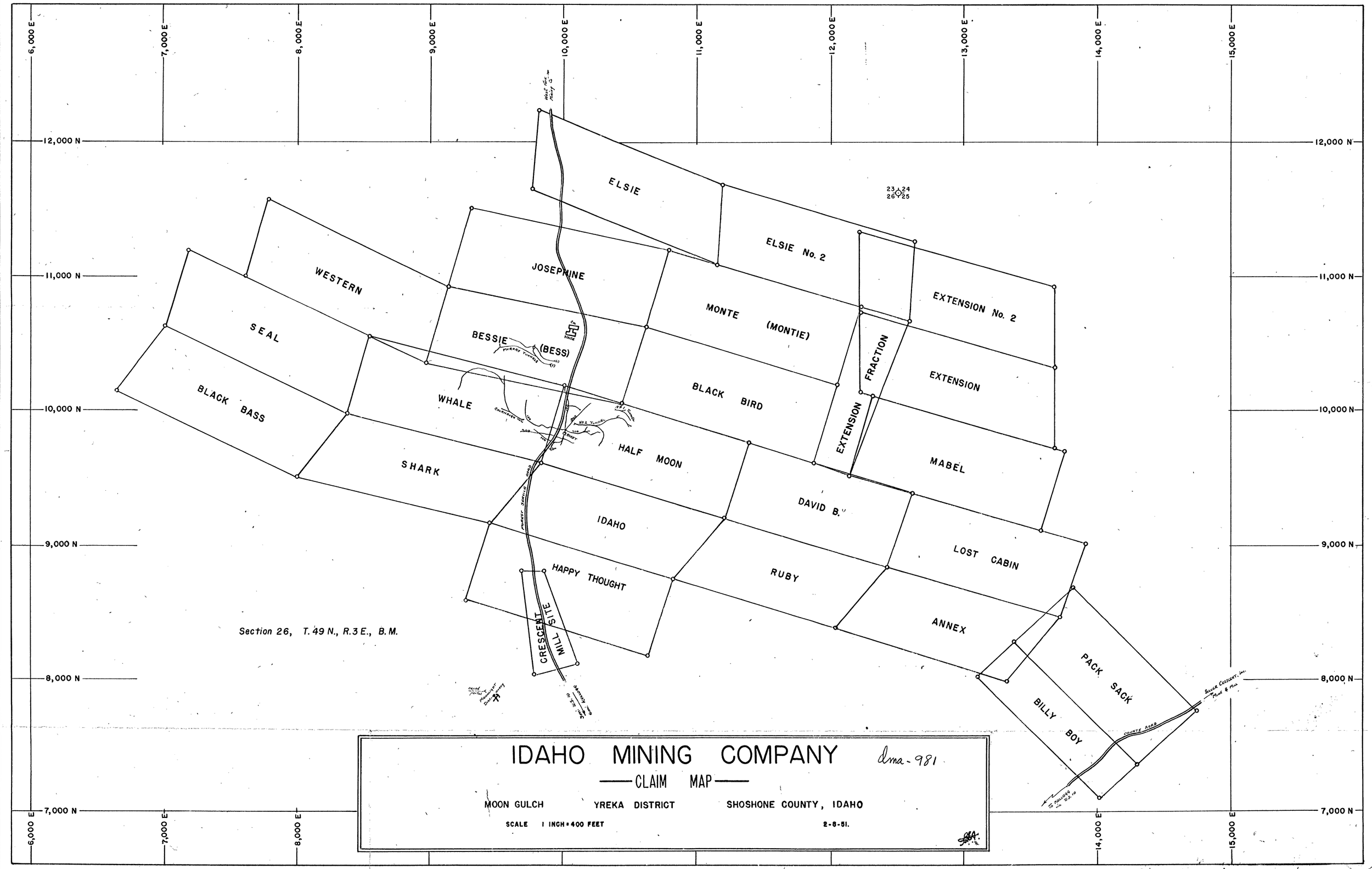
Base from company maps

Geology by Broderick, Hammerand and Quinlan

GEOLOGIC MAP OF THE WASHINGTON-IDAHO MINE, IDAHO MINING CO., SHOSHONE COUNTY, IDAHO

1" = 50'

Coordinates and Datum from PRESTON & REYNOLDS Washington-Idaho Survey of 1948.



IDAHO MINING COMPANY

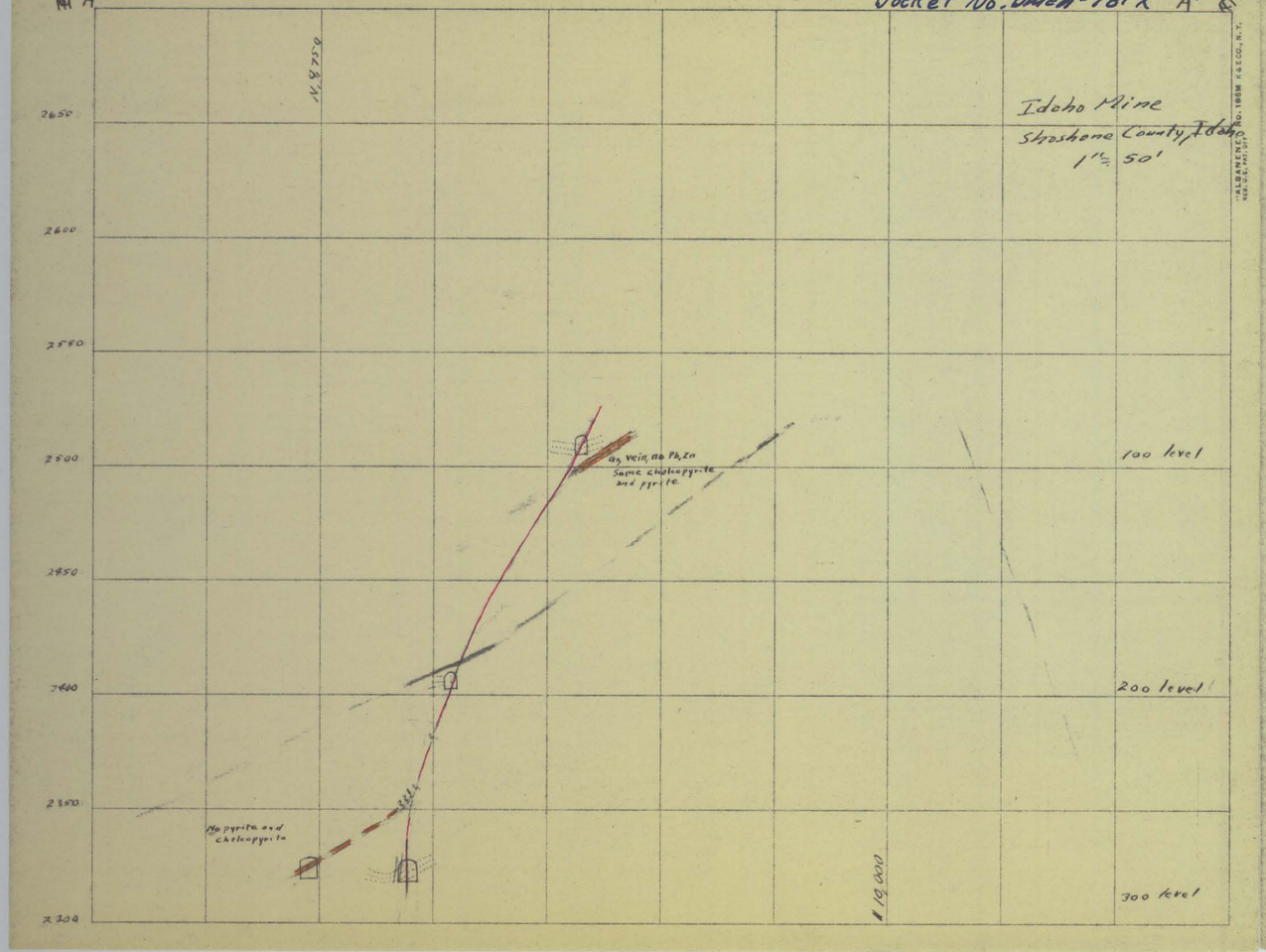
dma-981

CLAIM MAP

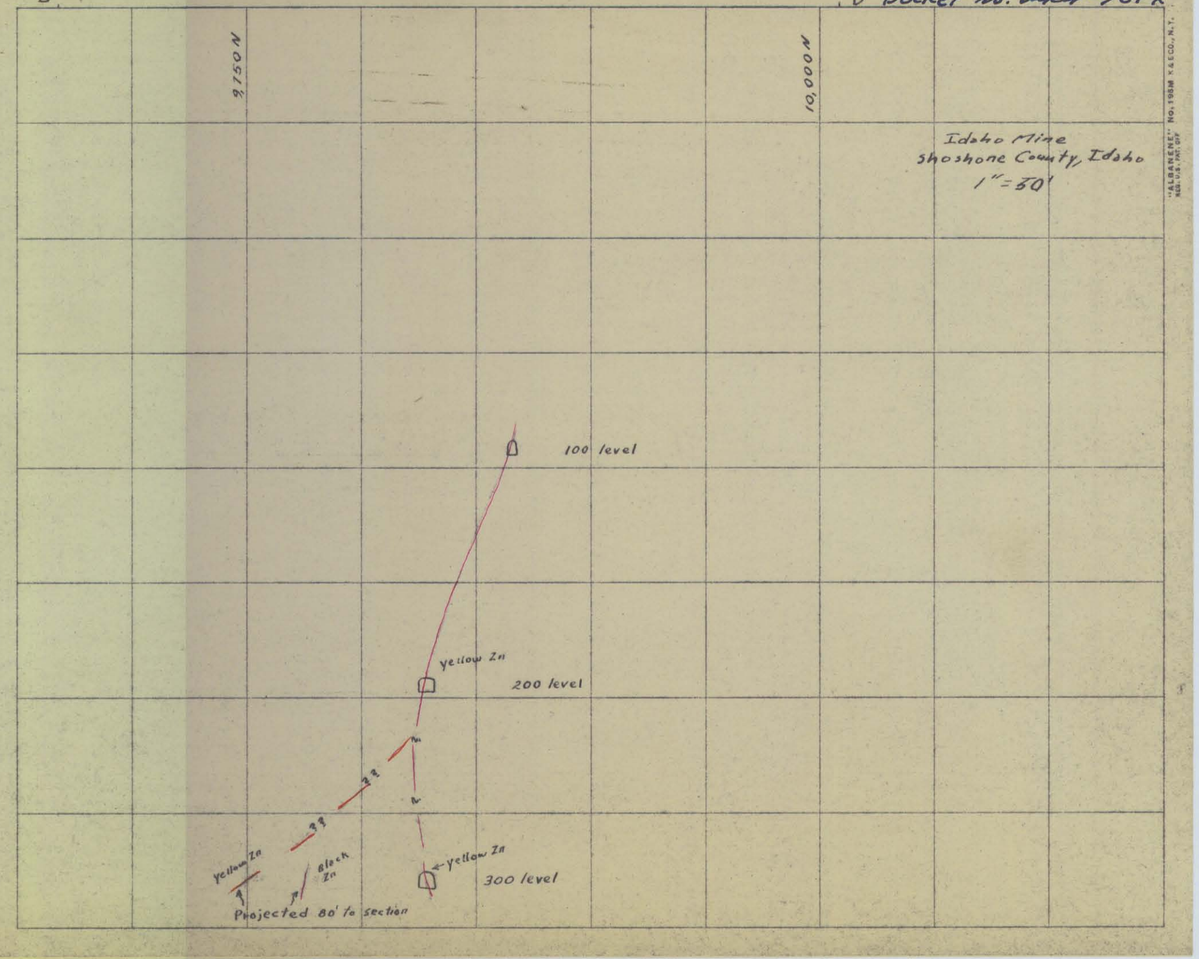
MOON GULCH YREKA DISTRICT SHOSHONE COUNTY, IDAHO

SCALE 1 INCH = 400 FEET 2-8-51.

A Docket No. DMEA-981X A'

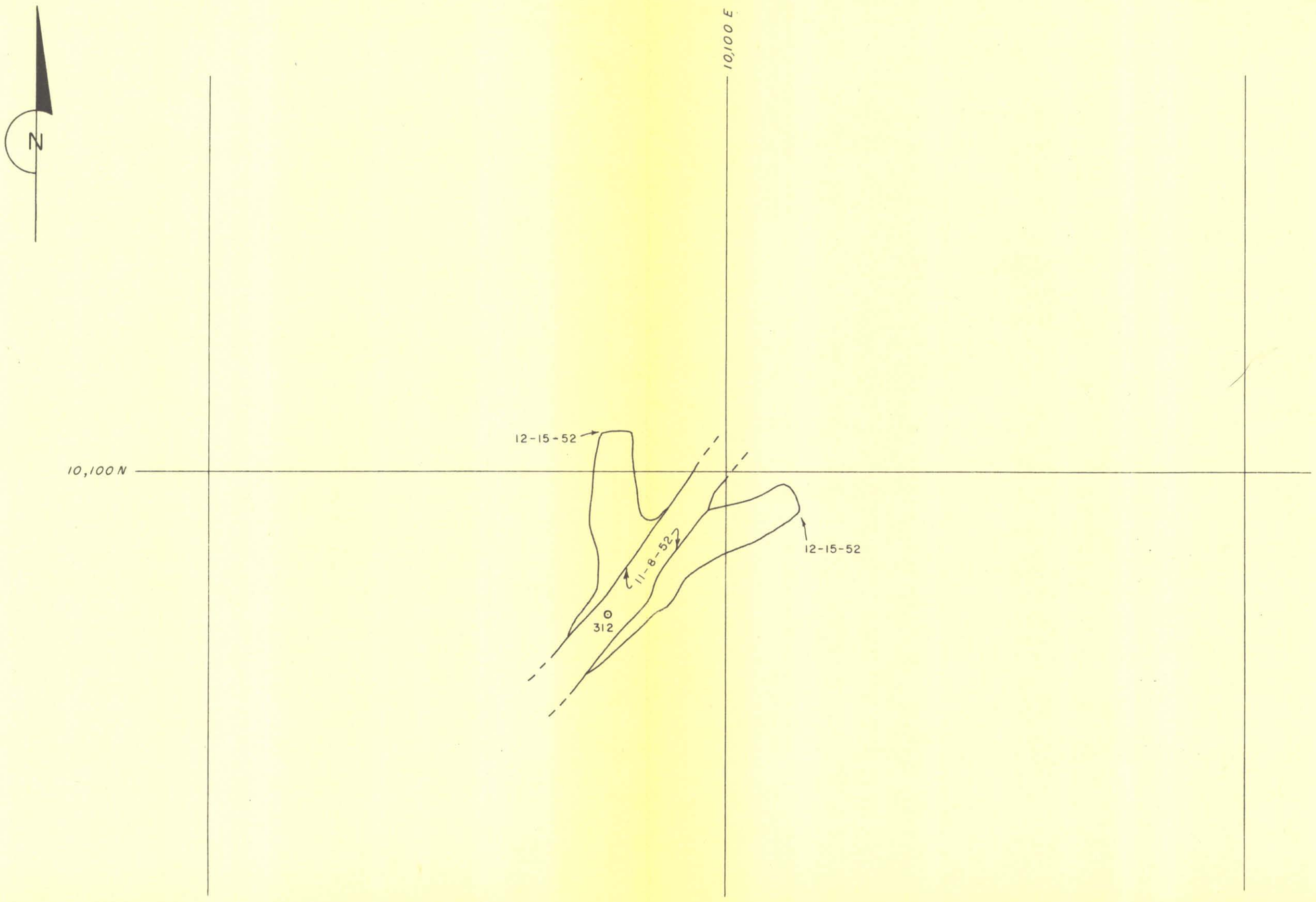


B B' Docket No. DMEA-981X

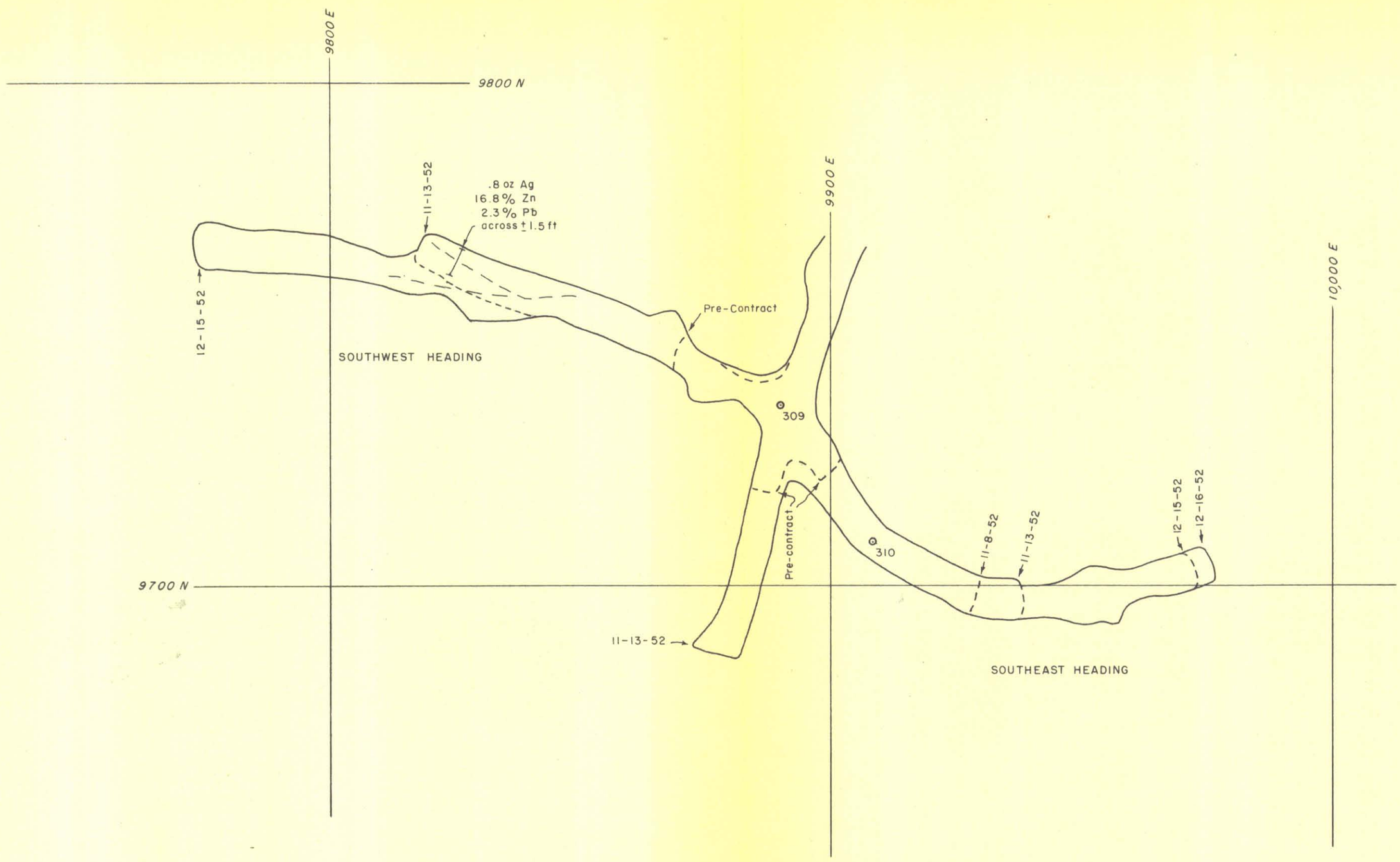


Docket No. DMEA-981X

Idaho Mine Shoshone County, Idaho
Composite Plan showing major Structures
Geology from Company maps and U.S.G.S.
1" = 50'



NORTHEAST & WEST HEADINGS

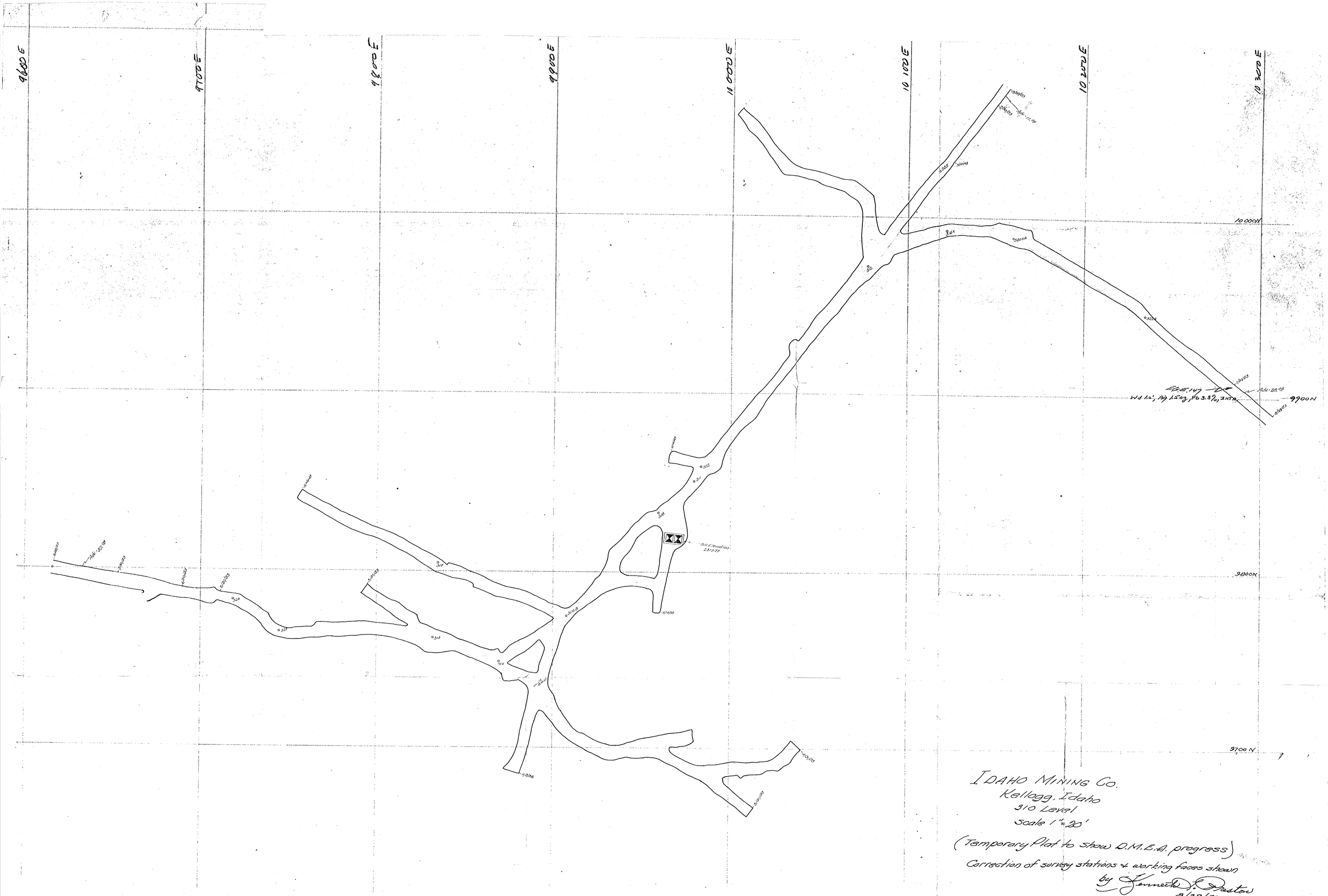


300 LEVEL

Idaho Mining Company, Shoshone County, Idaho

SCALE 1 in. = 20 ft.

Contract No. I-dm-E-88



IDAHO MINING CO.
Kellogg, Idaho
310 Level
Scale 1" = 20'

(Temporary Plat to show D.M.E.A. progress)

Correction of survey stations & working faces shown

by Kenneth J. Preston
8/28/53