UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

~~Terminated~~ (or cancelled) without certification. DMEA No. 1765 X

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

Left Side

Certificate of Audit (Final).

Interim Audit(s).

Report of Review.

Termination Notice or Agreement.

✓ Recision Notice.

Assignment of Contract.

Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

✓ Subordination Agreement.

Leases and assignments of leases.

✓ Application and attachments.

Schedule of Collections.

Operator's monthly reports and all attachments (latest on top).

Right Side

Project summary.

Work completed analysis.

✓ All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report. (Tab)

Operator's Final Report.

Interim Reports.

✓ On-site Exam Report(s). (Tab)

Settlement Sheets.

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

Maps in folder number _____

Operator's Monthly Reports in folder number _____

rwb
Reviewer's Initials

7973

GOVERNMENT COPY

CEKme
2/9/53

RESCISSION OF EXPLORATION PROJECT CONTRACT BY
AGREEMENT BEFORE WORK IS BEGUN

It is agreed this 19th day of January, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government", and Lakeside Monarch Mining Company, hereinafter called the "Operator", parties to that certain Exploration Project Contract Idm-E290, Docket No. DMEA 1765X, dated April 11, 1952, that said contract shall be and is hereby rescinded, revoked, and cancelled as of the date of the contract, before any actions have been taken or costs incurred thereunder, without any obligation whatever, one party to the other, the same as if said contract had never been entered into.

Witness the following signatures as of the day and year first above written.

UNITED STATES OF AMERICA

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

LAKESIDE MONARCH MINING COMPANY

By Lawrence Fox Sec-Treas

DEPARTMENT OF THE INTERIOR
Defence Minerals Administration
[illegible]
JAN 30 1953

MF-200
(June 1951)

Docket No. DMA 1765X
Commodity Lead-Zinc
Idm-E290

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 11th day of April, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]
Lakeside Monarch Mining Company
915 Continental Bank Building
Salt Lake City 1, Utah

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of Tooele described as follows: [3]
Plentiful No. 1 recorded in Book 2-D, page 182
Plentiful No. 2 recorded in Book 2-D, page 183
Plentiful No. 4 recorded in Book 2-D, page 248
Madison No. 1 recorded in Book 3-D, page 603
All recorded in the office of the Tooele County Recorder.
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: Unpaid balance of purchase price of Plentiful No. 1, Plentiful No. 2, and Plentiful No. 4 (with others) described in lease and option agreement between Monarch Mines Company and George H. Short, dated August 19, 1927, of Plentiful No. 1, Plentiful No. 2 and Plentiful No. 4

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

3. *Exploration project.* The Operator, within sixty (60) days from the date of this contract shall commence work on a project of exploration for [5] lead-zinc; 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] seven (7) 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 $ 5,000, which is 50 percent of the agreed estimated total cost of this project, $ 10,000.

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.

Lakeside Mercantile Mng. Co
(Operator)
By Lawrence Fox Sec. Treas.

THE UNITED STATES OF AMERICA
By J. H. Ernst
Regional Director, Region IV
U. S. Bureau of Mines

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Tooele, State of Utah, described in a certain Exploration Project Contract dated April 11, 1952, between Lakeside Monarch Mining Company, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated August 19, 1927, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this 11th day of April, 1952.

MONARCH MINES COMPANY

By [signature] Sec'y. & Treas.

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

Exploration Project

The proposed project consists of constructing a headframe, rehabilitating the incline shaft on the Prospect fissure and sinking the shaft approximately 200 feet.

The location of the proposed work is shown on the attached map.

The estimated working time is 5 months.

The following costs are estimated:

Labor and Supervision	$ 5,850.00
Supplies	1,625.00
Rental of equipment	2,325.00
Headframe	200.00
	$10,000.00

Fixtures and Improvements

Headframe	$ 200.00

Operating Equipment

To be rented:

Bulldozer, 40 hrs. @ $12 per hour plus $50 transportation charge
105 cu. ft. compressor @ $164/mo
1 Drifter @ $73.50/mo
Gasoline driven hoist @ $71.50/mo
Skip, @$50/mo

Estimated total rental - $2,325.00

To be purchased:

None

To be supplied by operator:

None

Supplies

Dynamite, caps, fuse	$ 700.00
400 feet of 16-pound rail	280.00
425 feet of 2-inch pipe	130.00
Timber	165.00
Gasoline, oil, grease	250.00
Small tools	100.00
	$1,625.00

Labor

2 miners @ $12.50 per day
1 hoistman @ $12.50 per day
1 supervisor @ $25.00 per day - $150 per month maximum

Estimated total Labor and Supervision	$5,250.00
Compensation, insurance, taxes	600.00

Rehabilitation and Repairs

None

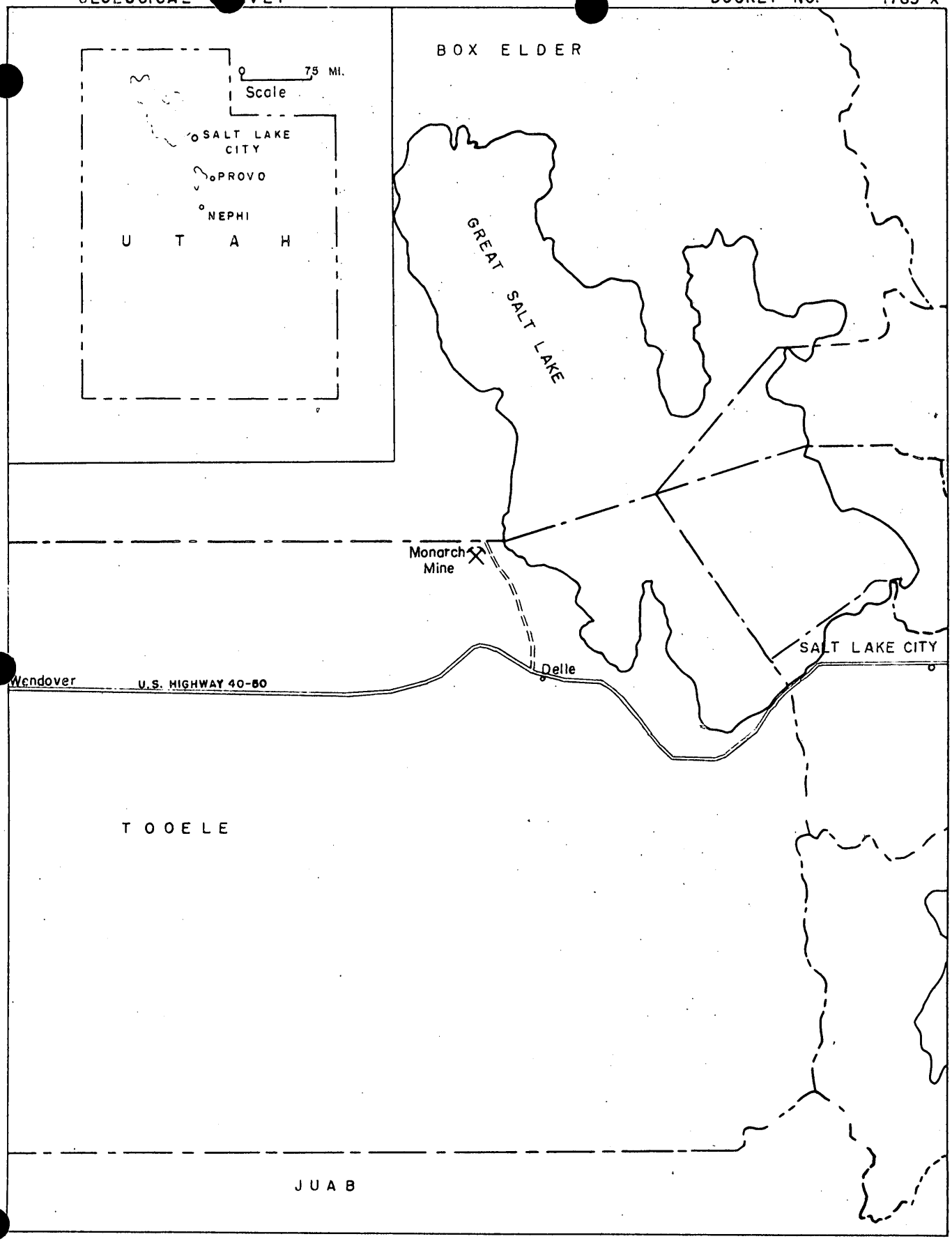


FIG. 1

INDEX MAP OF UTAH

0 8 16 24 MILES
Scale

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS ADMINISTRATION
DOCKET NO. 1765-X

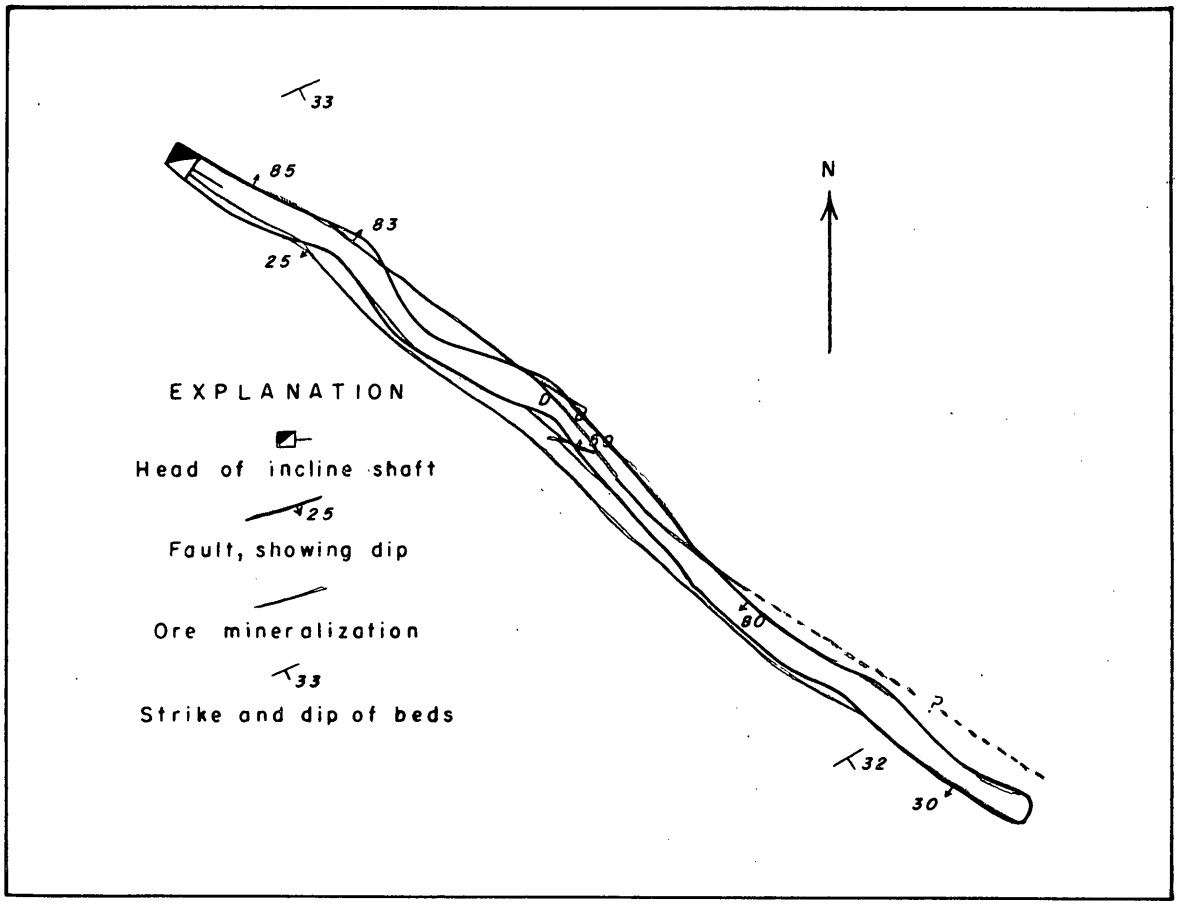


FIG. 3 MAP OF PROSPECT INCLINE SHAFT,
LAKESIDE MINING DIST., TOOELE CO., UTAH

0 40 80 FEET
Scale

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

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

DO NOT FILL IN THIS BLOCK

Docket No. dma 1765X

Date received 6-29-51

Participation

LAKESIDE MONARCH MINING COMPANY
915 Continental Bank Building
Salt Lake City 1, Utah

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 29 1951
LANDON F. STROBEL
Executive Secretary

Name and address of applicant

Date June 22nd 1951

FILL IN THIS BLOCK

Date of application

Estimated cost $10,000.00

Mineral or metal Lead Zinc

Percentage of Government participation $5,000.00

Location of mine Lakeside Mining District, Tooele County, Utah

Date of filing MF-100 None

DMA Docket Number, if available None

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

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

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

Lakeside Monarch Mining Co. (Name of company)

By Laurence Fox (Signature of authorized official)

June 22nd 1951 (Date)

Sec. & Treas. (Title)

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

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

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

Lakeside Monarch Mining Company
915 Continental Bank Building
Salt Lake City 1, Utah
The Applicant

1. Applicant is a corporation of the State of Utah, organized September 19, 1936.

2. Not applicable.

3. The names and addresses of the officers and directors are:

J. D. Shilling, Vice President and Director,
1401 Sigsby Avenue, Salt Lake City, Utah

Lawrence Fox, Secretary, Treasurer and Director,
915 Continental Bank Building, Salt Lake City, Utah

L. S. Breckon, Director,
1107 East South Temple Street, Salt Lake City, Utah

W. H. Gibson, Director,
2626 Hillsden Drive, Salt Lake City, Utah

Henry M. Marry, Director,
1565 Millbrook Road, Salt Lake City, Utah

A. W. Watson, Director,
1130 South 13th East, Salt Lake City, Utah

The five largest stockholders are:

Lawrence Fox, 915 Continental Bank Building, Salt Lake City, Utah
George E. Short, 1361 East Stratford Avenue, Salt Lake City, Utah
J. D. Shilling, 1401 Sigsby Avenue, Salt Lake City, Utah
Chauncey Payne, Emmet, Idaho
Walter B. Farmer, Hampton Falls, New Hampshire

4 (a) The Applicant, since its inception as a corporation, has persistently endeavored to develop its property consistent with its financial ability, metal prices and labor conditions. The Board of Directors are men of long experience in mining, which lends to the fact that management has not been a factor to the present financial position that the company is in.

(b) The management of the project will be under the supervision of Lawrence Fox with full support and advice of the Board of Directors.

Mr. J. D. Shilling, Vice President, has recently retired from the position of assistant in management to Mr. D. K. Moffatt, also retired, general manager of the Utah Copper Division Kennecott Copper Corporation.

Mr. Lawrence Fox is a mine operator of forty years experience and a mining engineer and at the present time is president of Park Utah Consolidated Mines Company.

Mr. W. H. Gibson is a mining man of experience and co-owner with his brother in the Western Powder Company of Salt Lake and an executive officer of various mining companies.

Mr. Henry M. Marry is the owner of the National Equipment Company, dealers in mining machinery and equipment.

Lakeside Monarch Mining Company
915 Continental Bank Building
Salt Lake City 1, Utah
The Applicant

Mr. A. W. Watson, attorney, is a member of the law firm of Critchlow, Watson & Warnock of Salt Lake City, Utah.

5. Applicant is a lessee of the property from Monarch Mines Company.

6. There are no liens or encumbrances.

7. The lease and assignment are attached. The lease is in good standing.

8. The financial statement is attached.

9. Applicant is prepared to invest $5,000.00 in the proposed project. This amount of money is pledged by the directors and other large stockholders. It seems for the present to be adequate to prove the project.

10 (a) The Lakeside Monarch Mining Company property consists of 22 unpatented mining claims, eleven of which are under lease and option from the Monarch Mines Company. The remaining claims are held by right of location. See the attached report of George H. Short dated October 25, 1934. Since the acquisition of the property by the Lakeside Monarch Mining Company about thirty thousand tons of ore have been mined and shipped from the Monarch fissure. Some of this ore was milled and a greater portion was direct smelting ore of a percentage of lead that yielded a profit considering the price of the metal during the period. At present the stopes in the Monarch fissure and above the McBride tunnel are unworkable due to caving conditions. It is generally conceded that some of the ore remaining would be of a profitable grade at the present price of lead if the cost of extraction was not prohibitive.

10 (b) The parcel of land for which the company requests a development loan is the Madison No. 1 claim, whose legal description is as follows:
Beginning at a point located about S 58 degrees East 2460 feet from the northwest corner of Section 11, T 2 N, R 9 W which is Corner No. 1 and running thence southeasterly 1500 feet to Corner No. 2, thence northeasterly 600 feet to Corner No. 3, thence northwesterly 1500 feet to Corner No. 4, thence southwesterly 600 feet to Corner No. 1 the point of beginning. The corners of this claim are established by stakes properly marked. The point of discovery on this claim is situated about 100 feet southeasterly from the north center end line of this claim and is marked by stake with the proper inscription thereon.

11. The present and only name is the Madison No. 1.

12. The Prospect shaft, which is the working point of the Plentiful claim, is situated about eighteen miles from Delle, Utah, a station on the Western Pacific Railroad fifty miles west of Salt Lake City. The railroad station of Delle is also on U. S. Highway No. 40 to San Francisco. From Delle ~~xxxx~~ north to the property a distance of seventeen miles over a fairly good desert road to the main quarters of the company's operations, thence a dugway of about a mile usable for trucks to the Prospect shaft of the Plentiful claim. The rail shipping point is Delle, Utah.

13. Water for mining purposes is acquired from the company's well two miles distant. Culinary water is hauled from Delle, Utah. Both sources are good for all year supply.

It is contemplated the use of gasoline driven power, as has been used previously, at the Prospect. The equipment at the McBride tunnel would not be suitable for this smaller operation.

14. Equipment available for use is located at the McBride tunnel, consisting of a blacksmith and machine shop, boarding and living quarters for six men if

required. All other equipment will be rented.

15. The ore is hauled by truck to Delle, Utah, thence by railroad to the International Smelter at Tooele, Utah, who has milling facilities as well as smelting.

16 (a) Previous exploration in the Prospect Shaft began about five years ago and has continued intermittently whenever funds became available. Beginning with a small high grade of Gilena ore within the contact plane of the limestone beds, intersected by an almost verticle fissure. The beds have a dip of about eighteen degrees. The shaft proceeds with the same inclination of the beds, following the fissure. Ore deposition increased continuously for the full incline depth of the shaft, 250 feet, yielding replacement ore on the beding plane contact, while the fissure itself shows very little change but is responsible, no doubt, for the ore deposition in the replaced limestone. About fifty tons of ore have been marketed during the process of sinking this shaft.

The bottom of the shaft at the present time shows a definite change in the formations. Whether an intersecting fissure or a change in the dip and strike of the beds is responsible, is to be determined.

The intercepting fissure mentioned is thirty inches wide and its mineral content is entirely zinc oxide, having an assay content of 20-30% zinc. It is unusual that zinc should be found at this location while at no other place has such occurrence been noted. It is the purpose to develop the continuance of the lead ore within this area. The lack of funds is the reason for the delayed development.

(b) See George H. Short report.

(c) See George H. Short report.

17. Does not apply.

18. There are no ore or mineral reserves.

(a) Bedded replacement in limestone.

(b) Submitted.

(c) None.

19. No further comment.

20. Lead, zinc. Bedded and fissure deposits.

21. Applicant proposes to sink the shaft to sufficient depth in order to determine what further course to follow. It is difficult to estimate the time required. About six months work should prove the continuation of the lead ore beyond the intercepting zinc fissure.

22. I believe that Mr. Short's report can apply. Geologically the conditions at the Prospect are somewhat identical except that the fissure is not as large, as compared with the Monarch Mine. It is situated about 800 feet to the west of the Monarch fissure and is parallel to it and is a hundred feet or more above the beds that are productive in the Monarch fissure. A new replacement may have been discovered.

23 (a) Labor. The sinking of the shaft a distance to be determined, and other

Lakeside Monarch Mining Company
915 Continental Bank Building
Salt Lake City 1, Utah
The Applicant

drifts, crosscuts, etc. will be at an estimated cost of $30.00 per foot. It is expected that all the work where possible will be done by contract. A total of 100 feet of development is an estimate of what may be necessary to prove the project.

(b) Mr. Fox would supervise the operation with compensation of $25.00 a day only when it is necessary to make a trip to the mine.

(c) Reconstructing head frames - $100.00

(d) Transportation and installation of machinery - $175.00

(e) Applicant will not purchase equipment but will rent what is necessary.

(f)

Compressor rate per month	$180.00
Hoist and cable rate per month	70.00
Drifter and accessories rate per month	80.00
Skip rate per month	10.00
Picks, shovels and small tools	5.00

(g) The rental price of the above equipment is considered as an option on the purchase price governed by Associated Equipment Distributors of Chicago, Illinois.

(h) Pipe, rails, trucks, etc. - $200.00

(i) Power - gas furnished by contractor.

24. All estimates of cost are based on sixty days of operation. Beyond this time interval further operations will necessarily be determined by developments. We are anticipating six month operation if the development of the Prospect proves to be a profitable venture.

It is estimated that a contractor will be able to make two feet of sinking a day for sixty days, 120 feet at $30.00 per foot, $3,600.00.

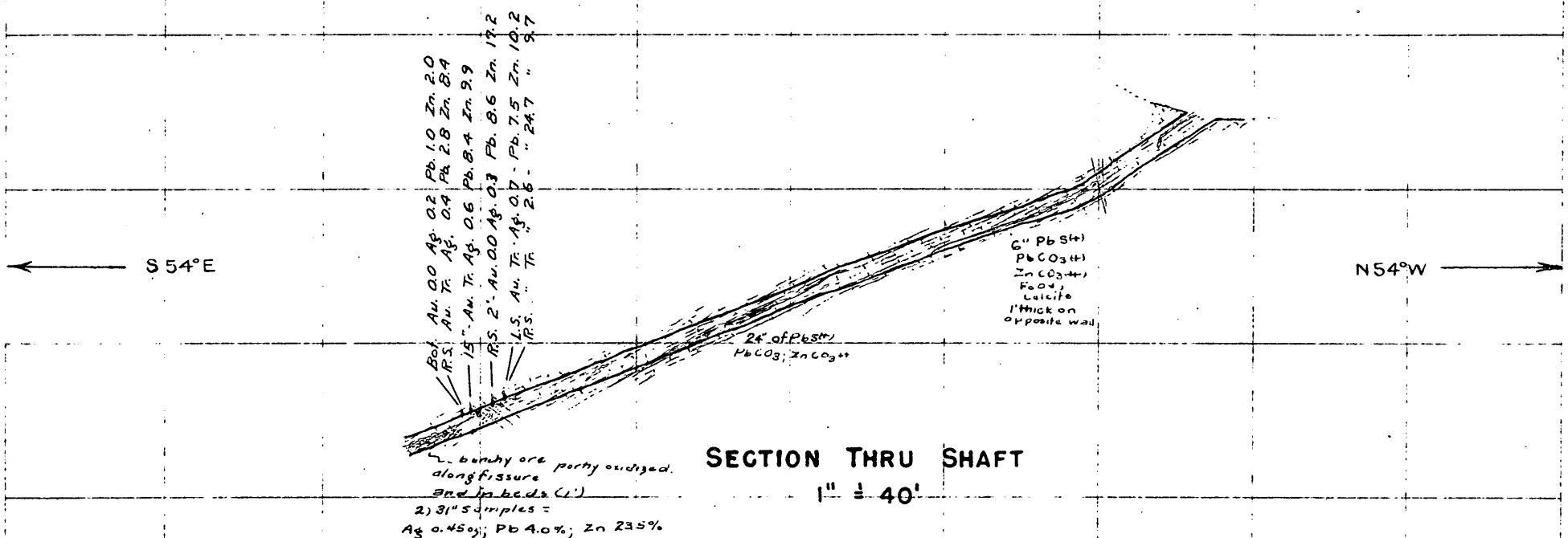
The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

LAKESIDE MONARCH MINING COMPANY By _____

May _____, 1951.

_____
Title

I. S. & R. FORM 16-G



SECTION THRU SHAFT

1" = 40'

LAKESIDE-MONARCH

MINE

TOOELE COUNTY, UTAH

STATEMENT OF ASSETS AND UNRECOVERED PROMOTIONAL, EXPLORATORY, AND DEVELOPMENT COSTS AND STATEMENT OF LIABILITIES

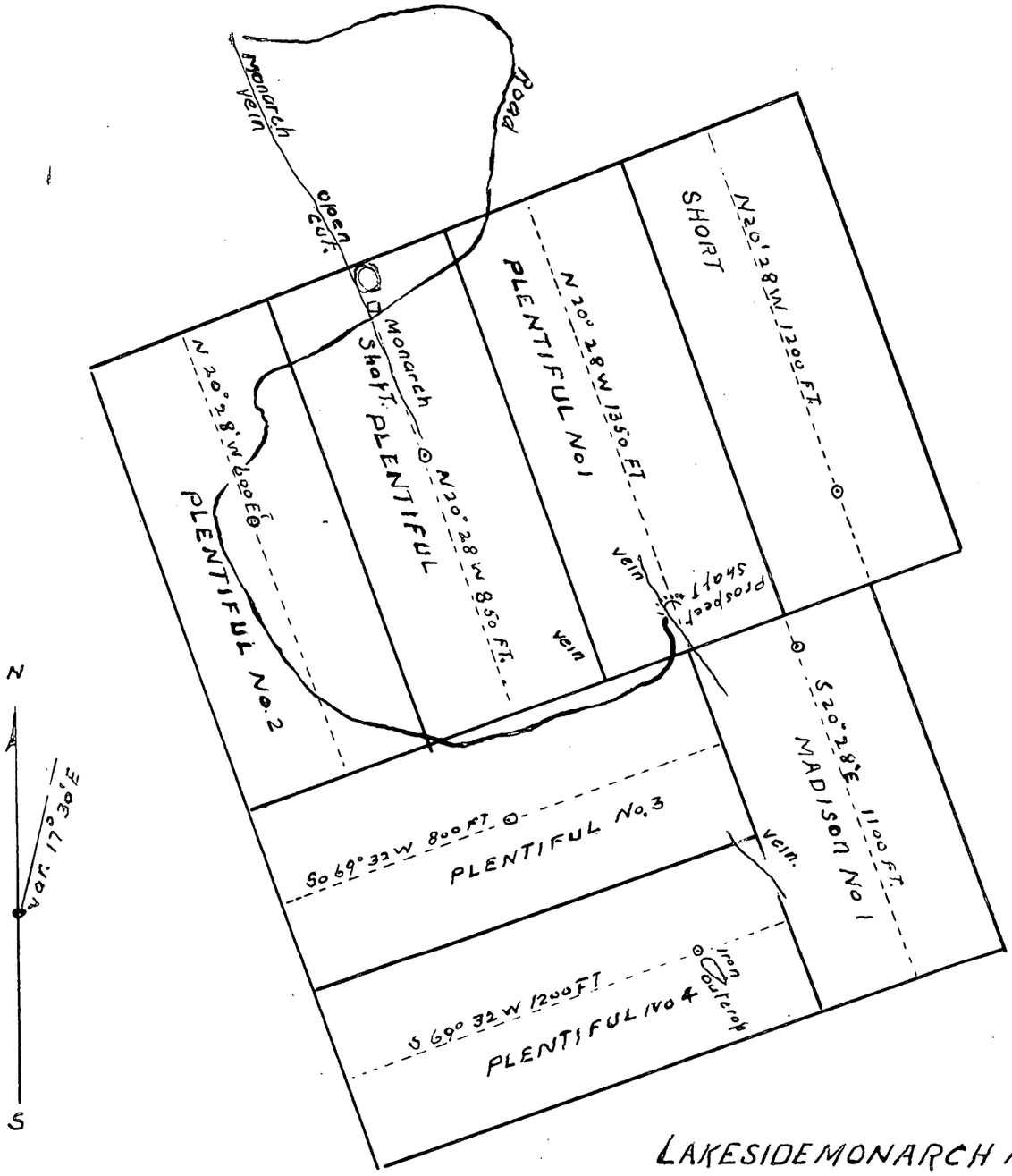
LAKESIDE MONARCH MINING COMPANY
December 31, 1950

ASSETS

CURRENT ASSETS:			
Cash on hand		$ 61.64	
TOTAL CURRENT ASSETS:			$ 61.64
OTHER ASSETS AND UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS:			
Property, plant and Equipment:			
Construction & Equipment		$ 23,572.83	
Mine Property		55,646.08	
Unrecovered promotional, exploratory, and development cost:			
Mine Development	$ 72,830.72		
General Development	9,540.14		
		82,370.86	
		161,589.77	
Reserves for depreciation, depletion, and amortization of property, plant, and equipment and unrecovered promotional exploratory, and development costs:			
Less Reserve for Depreciation		19,149.35	
			142,440.42
			$142,502.06

LIABILITIES

CURRENT LIABILITIES:			
Notes Payable:			
Officers and Directors		$ 2,522.73	
Accounts Payable (Trade)		3,055.85	
Accrued Liabilities:			
Taxes	$ 419.72		
Interest	344.92		
		764.64	
Amounts due to underwriters, promoters, directors, officers, employees, and principal holders of equity securities other than affiliates:			
Advances--Officers and Directors		1,998.58	
Other Current Liabilities:			
Contract Payable (Equip)	$ 962.39		
Loan-Int'l S. & R. Co.	500.00		
		1,462.39	
TOTAL CURRENT LIABILITIES:			$ 9,804.19
CAPITAL SHARES:			
Common Stock Authorized 2,000,000 shares at par value of 10 cents per share $200,000.00		$200,000.00	
Less-Unissued Stock, 670,654 shares at par value of 10 cents per share		67,065.40	
		$132,934.60	
Less-Treasury Stock, 90,655 shares at par value of 10 cents per share		9,065.50	
Outstanding (1,238,691 shares)(Par value 10¢)			123,869.10
SURPLUS:			
Paid In			8,828.77
			$142,502.06



LAKESIDE MONARCH MINING CO.

PROSPECT SHFT

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

224 New Customhouse
Denver 2, Colorado

January 26, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JAN 30 1953

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMA 1765X, Contract Idm-E290, Lakeside Monarch Mining Company

Enclosed are the original and two copies of "Rescission of Exploration Project Contract by Agreement Before Work is Begun". Copies of this notice have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

W. H. King
W. H. King

Enclosures

RECEIVED
FEB 9 - 53
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

cal 2/2/53

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 23 1953

224 New Customhouse
Denver 2, Colorado

January 20, 1953

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMA 1765X, Contract Idm-E290, Lakeside Monarch Mining Company

Reference is made to your letter dated January 9, 1953, regarding the status of Contract Idm-E290.

The operator has signified his desire to cancel this contract before work has begun. We have sent him the necessary forms for signature. Your copies will be forwarded when they have been received properly executed.

W. H. King

W. H. King

FILE COPY
SURNAME:

Corbett
Keating

500

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

JAN 9 1953

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

Re: Docket No. DMA-1765X (Lead-Zinc)
Lakeside Monarch Mining Company
Tooele County, Utah
(Contract No. Idm-R290)

Dear Mr. King:

In regard to the above-named exploration project, our files indicate that the expiration date of the contract has passed and apparently no work has been done under the contract.

Will you kindly advise us of the present status of this project so that our information on the matter will be complete.

Sincerely yours,

Frank E. Johnson

Chairman, Operating Committee

FXCorbett/bjl (written 1/9/53)

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

APPROVED:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

J.C. 1/9/53

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

224 New Customhouse
Denver 2, Colorado

June 11, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration
Attention: 210

From: Field Team, Region IV

Subject: Final Report DMA Docket 1765X, (Lead-Zinc), Lakeside Monarch Mining Company, Tooele County, Utah

Enclosed are the original and three (3) copies of the final report on DMA-1765X.

The contract has been signed and is in effect.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Enclosure

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 16 1952

01 - Site Inv Rpt

Mining Division
Region IV

December 4, 1951

Memorandum

To: DMA Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMA Docket 1765K, Lakeside Monarch Mining Company, Lakeside Monarch Lead Mines, Uinta County, Utah

The application of the subject docket was for an exploration loan of $10,000.

The proposed exploration program consists of straightening and relaying the track in the present 235-foot inclined shaft on the Prospect fissure, and extending this an additional 200 feet.

The ore deposits in the Prospect fissure are small, but with good continuity. Galena and Cerussite are the chief ore minerals in a gangue of dolomite, calcite, iron oxide and minor amounts of quartz. Approximately 50 tons of ore has been shipped from the prospect, and remaining ore is about the same.

Movement along the fault has increased in depth and the ore bodies are larger in the lower part of the inclined. The geological and engineering phases of the proposed exploration are sound, and the possibility of discovering larger ore bodies in depth is favorable.

The examining team recommends approval of an exploration loan at an estimated cost of $9,449.60.

An exploration project contract will be processed by this office.

Paul T. Allsman

Paul T. Allsman

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 16 1952

Reviewed by
DMEA OPERATING COMMITTEE

6-20-52
(date)

Mining Division
Date Rec'd.
NOV 16 1951
BUREAU OF MINES
Denver, Colorado

November 15, 1951

Memorandum

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

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA 1765-X, Lakeside Monarch Mining Co., Tooele County, Utah.

Enclosed are the original and seven copies of the subject report, including a section on Summary, Conclusions and Recommendations. The geologic report with the brochure was submitted by the Survey October 2, 1951.

The engineering and geologic aspects of the proposed project appear sound, and I recommend approval as outlined in the report.

Stephen R. Wilson

Stephen R. Wilson

Enclosures - 2

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

October 8, 1951

Memorandum

To: DMA Field Team, Region IV

From: Ogden Tweto, Alternate

Subject: DMA Docket 1765X, Lakeside Monarch Mining Company, Lakeside Mining District, Tooele County, Utah

Enclosed are eight copies of the geologic report by J. W. Hasler and D. C. Arnold of the U. S. Geological Survey, covering the above docket. It has been recommended that the loan be approved.

Ogden Tweto
Ogden Tweto, Alternate
Supervising Geologist
Colorado-Wyoming

Enclosures (10)

Room 307, 320 South Main
Salt Lake City 1, Utah
3 October 1951

Memorandum

To: Director, Field Team Region IV

From: Ralph J. Roberts

Subject: Docket DMA 1765X, Lakeside Monarch Mining Company, Lakeside Mining District, Tooele County, Utah.

Enclosed are eight copies of a geologic report on Docket DMA 1765X, Lakeside Monarch Mining Company, Lakeside Mining District, Tooele County, Utah.

The rocks of the Lakeside Mining District consist of light gray to black limestone interbedded with some quartzite and shale. The formations are Lower Paleozoic in age.

The Prospect incline shaft was driven along the intersection of a small mineralized fault and a favorable ore bed. The ore deposits in the incline are small but display good continuity.

Approximately 50 tons of ore has been shipped from the vein and bedding deposit in the footwall. Another 50 tons of ore could be mined from the hanging wall bed and vein. Conditions indicate that the possibility of finding additional ore beyond the present face is good, and may well improve with depth.

The applicant proposed that the incline shaft be extended an additional 200 feet to further explore the vein at depth. To the southeast in the lower part of the incline shaft increased movement along the fault has caused greater brecciation of the wall rock and consequently the ore bodies are larger. If displacement along the fault continues to increase, the possibility of finding larger ore bodies is favorable. It is recommended that the Defense Minerals Administration enter into a contract with the applicant to extend the inclined shaft an additional 200 feet.

This report is to be accompanied by an engineering report by the U. S. Bureau of Mines.

I concur with the recommendations of the examining geologists and engineers.

Preston E. Hess

for - Ralph J. Roberts

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

Docket DMA 1765X, Lakeside Monarch Mining Company

Lakeside Mining District, Tooele County, Utah

J. W. Hasler and D. C. Arnold, Geologists
U. S. Geological Survey

October 2, 1951

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

By D. C. Arnold and
W. E. Young

The Lakeside Monarch Mining Co., with property in the Lakeside district, Tooele County, Utah, has applied for a DMA loan of $10,000. The property was examined during August 1951 by personnel of the Geological Survey and Bureau of Mines to appraise the feasibility of the proposed loan.

Principal ore deposits on the property occur as fissure fillings and limestone replacements. An inclined shaft 225 feet deep has been sunk on the Prospect fissure. Movement along this zone to the southeast has resulted in increased brecciation of the wall rock. The ore bodies are larger in the lower part of the inclined shaft as a result of the brecciation. Increased displacement along the fissure and branching faults at greater depth in the shaft may have resulted in additional ore bodies. It is proposed that the shaft be deepened 200 feet.

The project is considered sound, and it is therefore recommended that a loan of $10,000 be granted to perform the work as outlined.

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Ore Deposits	1
Ore Reserves	2
Proposed Exploration	2
Conclusions and Recommendations	2

ILLUSTRATIONS

Figure 1. Index map showing location of Monarch Mine, Lakeside Mining district, Tooele County, Utah

Figure 2. Claim map of Lakeside Monarch Mines.

Figure 3. Geologic map of prospect incline shaft, Lakeside Mining district, Tooele County, Utah

Docket DMA 1765X, Lakeside Monarch Mining Company

Lakeside Mining District, Tooele County, Utah

GEOLOGY

The rocks of the Lakeside mining district consist of light gray to black limestone interbedded with some quartzite and shale. The formations are Lower Paleozoic in age, probably Cambrian and Ordovician. In the vicinity of the mine the beds strike northeast and dip 30°-35° SE.

The Prospect incline shaft was driven along the intersection of a small mineralized fault and a favorable ore bed. The fault strikes northwest and dips steeply northeast. In the lower part of the incline shaft the ore bed has been displaced upward approximately three feet on the hanging wall side of the fault. Small bedding plane faults and one small branching fault were seen in the foot wall block. The displacement along the fault increases towards the southeast which causes additional brecciation and drag of the beds adjacent to the fault. The larger amount of brecciation appears to be the cause for the increase in the size of the ore bodies towards the bottom of the incline shaft.

ORE DEPOSITS

The ore deposits in the Prospect incline shaft are small but display good continuity. The deposits are of two types; vein filling along the fault; and a replacement in a favorable bed. The replacement deposit is in the upper part of a black and white banded dolomite bed.

Galena and cerusite are the chief ore minerals. Zinc is present near the bottom of the incline shaft, probably in the form of smithsonite. Dolomite, calcite, iron oxide, and minor amounts of quartz are the principal gangue minerals.

The ore in both the vein and the bed ranges in width from a few inches to as much as three feet. A face of ore about 2 feet wide was seen along the vein at the intersection of the main fault and a branching fault. Here a small block of limestone has been brecciated, and sheared making it susceptible to replacement by ore minerals. The drift at the bottom of the incline is from 6 to 12 feet in the hanging wall of the main fault. Good lead-zinc ore is found in the brecciated limestone showing an increase in the amount of mineralization at depth. Brecciation is also more intense here than further up the incline shaft, thus making additional rock favorable for mineralization.

ORE RESERVES

Approximately 50 tons of ore has been shipped from the vein and the bedding deposit in the footwall. The ore remaining in the hanging wall bed and vein could probably produce another 50 tons of ore. Conditions indicate that the possibility of finding additional ore beyond the present face is good, and may well improve with depth.

PROPOSED EXPLORATION

The applicant proposed that the incline shaft be extended an additional 200 feet to further explore the vein at depth. Displacement along the fault increases towards the southeast which causes additional brecciation and drag of the beds adjacent to the fault. This has increased the size of the ore deposits.

CONCLUSIONS AND RECOMMENDATIONS

Movement along the fault to the southeast has caused increased brecciation of the wall rock, consequently, the ore bodies are larger in the lower part of the incline shaft. If displacement along the fault continues to increase

to the southeast and if any branching faults are encountered, the possibility of finding larger ore bodies is favorable. It is recommended that the Defense Minerals Administration enter into a contract with the applicant to extend the inclined shaft an additional 200 feet.

LAKESIDE MONARCH MINING COMPANY
TOOELE COUNTY, UTAH
DMA-1765X
Lead-zinc

Engineering Report
By W. E. Young
Mining engineer
Bureau of Mines

LAKESIDE MONARCH MINING COMPANY
TOOELE COUNTY, UTAH

CONTENTS

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Engineering report	
Introduction	2
Location	2
History and production	2
Ownership and extent	3
Description of the deposits	3
Minable ore reserves	4
Present status	4
Project proposals	5
Conclusions and recommendations	7

INTRODUCTION

The Lakeside Monarch Mining Co. made application under Docket DMA-1765X for a loan of $10,000 for exploration of mining property in the Lakeside district, Tooele County, Utah. The applicant proposes to sink an existing 225-foot inclined shaft an additional 200 feet to search for lead-zinc ores.

In response to a request from the Field Team, Region IV, dated August 13, 1951, a field examination was made by D. C. Arnold of the Survey and W. E. Young of the Bureau of Mines.

The property had previously been examined by the Bureau of Mines and a report submitted.

LOCATION

The mine is located in the Lakeside Mountains in Sec. 11, T. 2 N., R. 9 W., S.L.B.M. Delle, Utah, on the Western Pacific railroad, is the nearest shipping point, located 18 miles to the south by dirt road.

HISTORY AND PRODUCTION

It is reported that about 30,000 tons of ores were mined from the Monarch fissure. A mill was built on the property for treating the lower-grade ores, but did not successfully concentrate these ores. It appears that variable degrees of oxidation of the ore minerals made milling difficult and resulted in low recovery.

Since that time some exploration has been done on other outcropping veins in the area. A shaft has been sunk 225 feet deep on the Prospect

fissure and approximately 50 tons of lead ore was sorted and shipped as a result of this work.

OWNERSHIP AND EXTENT

The Lakeside Monarch Mining Co. has a lease and option to purchase 11 unpatented mining claims, and holds 11 other unpatented claims by right of location. The proposed exploration is to be done on the Madison No. 1 claim. This claim is one of the group of 11 unpatented mining claims held by the company by right of location. The claims are shown on figure 2 of the Survey report. The unpatented claims held by the company are recorded in the office of Tooele County Recorder as follows:

Located - July 9, 1951
Book 3D
Page 603

DESCRIPTION OF THE DEPOSITS

The principal ore deposits on the property occur as fissure fillings and limestone replacements along the Monarch fissure. This large fissure which strikes N. 20° W. can be traced in a southerly direction for several miles. The main ore shoot has been developed on the fissure as it crosses the crest of an anticlinal fold, the axis of which strikes east-west. Other fissures, paralleling the Monarch fissure, occur in the area. Ore shoots on the Monarch fissure are known to extend from the surface to the 500-foot level. The ores occur as partially oxidized

lead-zinc sulfides in a gangue of iron oxide. Small blocks of unoxidized lead sulfide have been mined.

MINABLE ORE RESERVES

There are no known minable ore reserves in the mine. Possible substantial tonnages of marginal-grade ores exist, but the old stopes and sublevels are so badly caved that it is generally conceded that it is not economic to mine the remaining ores. Some stoping was done below the McBride tunnel level both on the 375-foot level and on the 500-foot level, but the grade of the ore was too low to permit hoisting.

PRESENT STATUS

(a) Exploration and development -

The principal working level of the mine is the McBride tunnel. This adit has developed the Monarch fissure for a distance of 1,250 feet along its strike. A crosscut was extended 200 feet into the footwall and another extended 160 feet into the hanging wall in the vicinity of the No. 1 ore shoot. The 304 raise extends from the McBride tunnel to the surface, a distance of approximately 300 feet. A winze has been extended down the dip of the vein 200 feet below the McBride tunnel.

The Water tunnel was driven along the strike of the vein from the opposite side of the mountain at a little higher elevation than the McBride tunnel. This tunnel develops the No. 2 ore shoot. A shaft was sunk 200 feet from the surface on this shoot.

A 225-foot incline has been sunk on the Prospect fissure, 800 feet east of the Monarch fissure.

(b) Mining and milling equipment and other facilities -

All mining equipment, except a large Diesel-powered compressor and tracks, has been removed from the mine.

All milling equipment has been removed. A large mill building in excellent condition still remains intact. A cook house and a dormitory, adequate to accommodate six men, are standing on the property.

PROJECT PROPOSALS

It is proposed to deepen the shaft on the Prospect fissure 200 feet. This shaft has been driven 225 feet at the intersection of a specific limestone horizon and the fissure. A thin seam of mineralization has extended from the surface to the bottom of the shaft. It is anticipated that this mineralization will increase with depth. It will be advantageous to straighten the existing portion of the shaft and re-lay the track in order to sink deeper. This will require blasting about six large sideswipe rounds. Some timbering probably will be necessary as a result of the enlarged section.

The proposed project will require all new equipment. It will be necessary to rent a compressor, drills, and drilling equipment, hoist and skip, and to install a new head frame at the collar of the shaft.

Rental Costs

Compressor, $164 per month, 5 months ----------	$ 820.00
Drills and drilling equipment, $73.50 --------- per month, 5 months	367.50
Hoist, $71.50 per month, 5 months ----------	357.50
Skip, $111.00 a month, 5 months ----------	555.00
	$ 2,100.00

Estimated cost of temporary head frame, installed --- $ 200.00

Transportation, Including Access Roads

The existing road to the project will need repair to make the site accessible. Flash floods have washed out parts of the road in the main canyon. It is estimated that 5 days' work with an R.D.-8 bulldozer will be required to rehabilitate the washed-out sections of road.

Estimated cost, 40 hours at $12 per hour ----------	$ 480.00
Plus drayage charge ----------	50.00
	$ 530.00

Manpower

Three men would be required to operate the project, two miners and one hoistman.

2 miners, 125 days at $12.50 ----------	$3,125.00
1 hoistman, 125 days at $12.50 ----------	1,562.50
Insurance and taxes ----------	500.00
	$5,187.50

Power

The project could be operated with gasoline-powered compressor.

Estimated cost ---------- $ 250.00

Water

Water for drilling purposes must be hauled from the company well, 5 miles from the project. It will be necessary to haul water for camp use from Delle, a distance of 18 miles.

Other Costs

Powder, 3,000 pounds at $21.50 M	$ 645.00
Caps, 500 at $21.60 M	10.80
Fuse, 3,000 feet at $1.32 C	39.60
	$ 695.40
Track, 12-lb. rail, 400 feet at $693.86 M ft.	$ 277.54
Pipe, 2-in., 425 feet at $ .3039 ft.	129.16
Timber, 1,000 board feet at $100 M bd. ft.	100.00
	$1,202.10
Equipment rental	$ 2,100.00
Head frame	200.00
Road construction	530.00
Manpower	5,187.50
Power	250.00
Other costs	1,202.10
	$ 9,469.60

It is estimated that the total cost of sinking 200 additional feet will be approximately $10,000. It is estimated that three men would be able to sink approximately 2 feet per day.

CONCLUSIONS AND RECOMMENDATIONS

The project is considered sound and approval is recommended. The estimated cost of $10,000 for sinking 200 feet is based on the condition the company does the work. Additional footage may be had if the company could successfully negotiate a contract at a lower cost per foot.

FILE COPY
SURNAME:

Moulds

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

MAY 1 1952

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

Re: Docket No. DMA 1765X
Lakeside Monarch Mining Co.
915 Continental Bank Bldg.
Salt Lake City 1, Utah

Dear Mr. East:

We are returning, herewith, two copies of the subject contract transmitted by your office.

The contract has been registered as Idm-290, and distributed except for the enclosed copies designated "Operator's Copy" and "Field Team's Copy" which are to be distributed as designated.

Sincerely yours,

D. E. Moulds (ref) cc

D. E. Moulds, Chief 5-1
Base Metals Division
Defense Minerals Exploration
Administration

Enclosures - 2

5-1-52
CC to:
Adm. Reading File
Docket File Copy
Region IV
Mr. Moulds

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

224 New Customhouse
Denver 2, Colorado

April 11, 1952

REGISTERED MAIL

Memorandum

To: C. O. Mittendorf, Acting Administrator

From: Executive Officer, Field Team, Region IV

Subject: Contract Docket DMA-1765X, Lakeside Monarch Mining Company, Salt Lake City, Utah

Enclosed are six copies of a contract between the Government and the Lakeside Monarch Mining Company. All copies have been signed by an authorized official of the Lakeside Monarch Mining Company, the corporate seal affixed, and all copies have been signed by the Regional Director, Region IV. Kindly assign a contract number and return the required number of contracts to this office.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

RECEIVED
APR 16 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

OFFICE OF THE ADMINISTRATOR

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 10 1951

224 New Customhouse
Denver 2, Colorado

December 4, 1951

Memorandum

Attention: Code 210

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: DMA Docket 1765X, Lakeside Monarch Mining Company, Lakeside Monarch Lead Mines, Tpoele County, Utah

The subject report has been approved by us and an exploration loan of $9469.00 is being processed.

Your copies of the report and the brochure are being held here until the execution of the exploration project contract.

Attached are the original and one copy of DMA Form 3b.

Paul T. Allsman

Paul T. Allsman, Alternate

A. H. Koschmann

A. H. Koschmann

Copy of this memo. to Base Metals Div. - 2/13/52 - BL

3.50

FILE COPY
SURNAME:

Lyons (E.J.M.)
McKnight
Bellinger
Oil Hary
(E.H.Mote)
Fox
Merrill

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

July 27, 1951

Re: DMA-1765X

G.E.e.

Mr. Lawrence Fox, Secretary-Treasurer
Lakeside Monarch Mining Company
915 Continental Bank Building
Salt Lake City 1, Utah

Dear Mr. Fox:

The application submitted by your company for a loan to explore the Madison No. 1 Calim in Tooele County, Utah has been reviewed by the Lead-Zinc Branch of the Defense Minerals Administration and has been referred to Mr. J. H. East, Jr., Executive Officer, DMA Field Team, 224 New Customhouse, Denver 2, Colorado for further information and advice.

Very truly yours,

SIGNED By 8/6
Tom Lyon, Director
Supply Division

Erwin J. Lyons/emp
G 7-27-51
Copies to: J. H. East, Jr. Region IV (2)
Chief Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
Reports & Records
Directorsr. file 4214 GSA
Br. r. file 4214 GSA
Files

McKinstry
Billings
O'LEARY
(FOR WHITE)

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

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

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Docket No. 1765X

Commodity Lead-zinc

Applicant Lakeside Monarch Mining Company, 915 Continental Bank Bldg. Salt Lake City 1, Utah

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review."

Very truly yours,

Chairman
Coordinating Committee

For Bureau of Mines

For Geological Survey

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. ~~1765X~~

Commodity ~~Lead, zinc~~

Total Amount ~~$10,000~~

Govt. Participation ~~50%~~

1. Name and Address of Applicant ~~Lakeside Monarch Mining Company~~

~~915 Continental Bank Building, Salt Lake City 1, Utah~~

2. Location of Property ~~Madison No. 1 claim, Sec. 11, T. 2 N., R. 9 W.,~~

~~Tooele County, Utah~~

3. Mineral or metal Lead-zinc Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None

d) Don't know—needs field examination X

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? Yes

Does the lease have sufficient time to run to cover a future

productive period? Yes

*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 Don't know

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? Yes

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? No

If not, are there sufficient data given so that you can describe the project? No If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No

_____

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? In part

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? Don't know

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

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

c) Is a field check needed? No

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

a) Is it applicable? Yes

b) Sufficient data? No If so, attach a draft.

c) Are rents and charges reasonable? Don't know

d) Is a field check needed? Yes

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

a) Are there sufficient data? No

b) Is the schedule adequate for the work proposed?_____

c) Is the schedule excessive for the work proposed?_____

d) Are the proposed wages and salaries reasonable?_____

e) Is a field check needed? Yes

11. Exhibit B

Transportation and installation of machinery $ 175.00

12. Exhibit C

Equipment purchase
None

Equipment rental

Compressor at $180/month
Hoist and cable at $70/month
Drifter and accessories at $80/month
Skip at $10/month
Small tools at $5/month

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.

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: Erwin J. Lyons - GS

Date 7-27-51

INT.-DUP. SEC., WASH., D.C. 99009

Docket DMA-1765X

14. Exhibit E.

Reconstruction of head frame $100.00

Cons. Smith

FILE COPY
SURNAME:

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

July 2, 1951

Mr. Lawrence Fox
Treasurer and Secretary
915 Continental Bank Building
Salt Lake City 1, Utah

Subject: DMA-1765X
Re: Exploration Loan -
Madison Number 1

My dear Mr. Fox:

Receipt is acknowledged of your application and attachments of June 22, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1765X and referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on June 29, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1765X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

L. F. Strobel:jc
cc: Strobel
File
Herres
Lyon

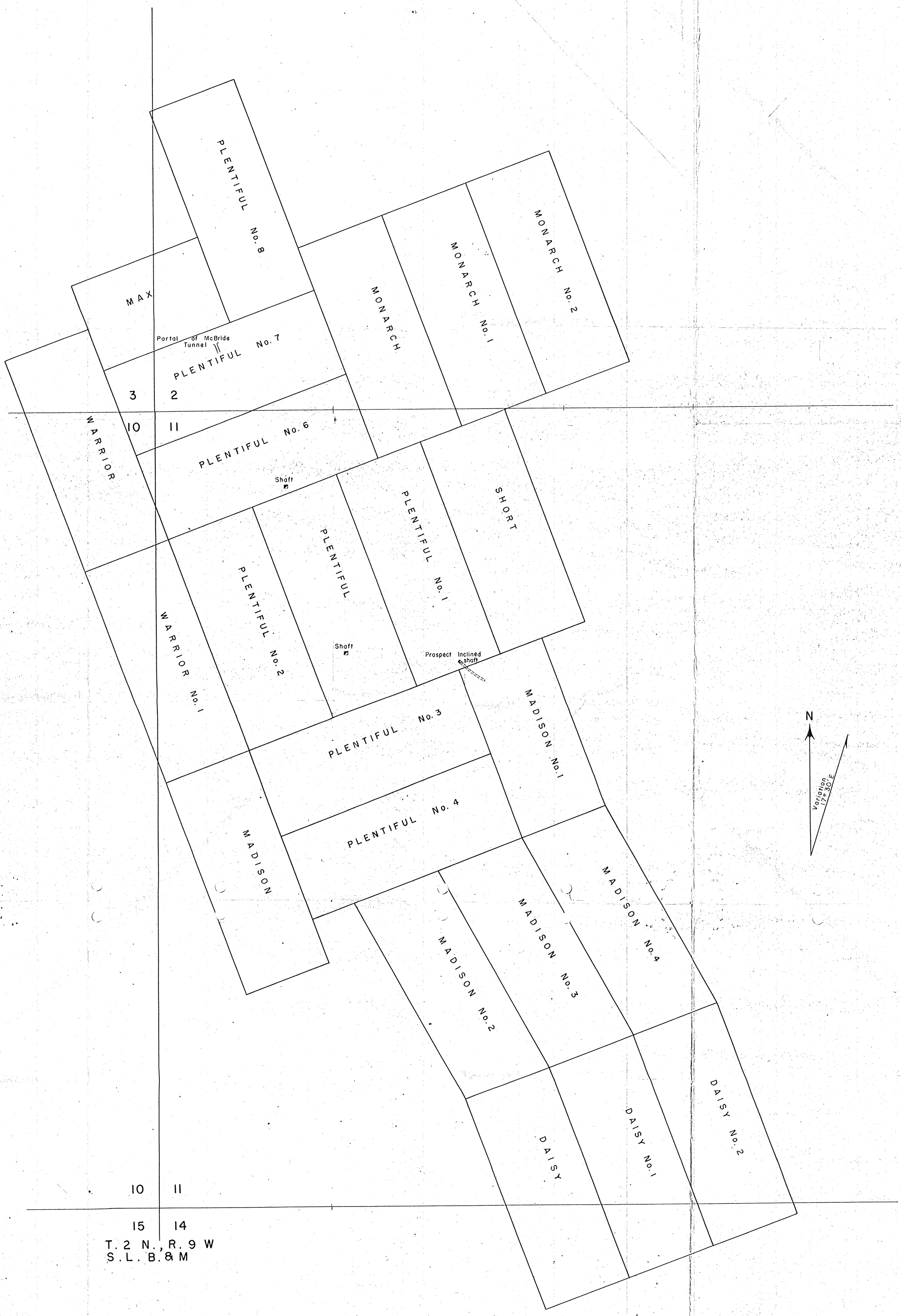

FIG. 2

LAKESIDE MONARCH MINING COMPANY
TOOELE COUNTY, UTAH

0 300 600 900 FEET
Scale