

THE UNITED STATES MINING CO.

At the annual meeting of the United States Mining company, held in Boston on the 15th inst., Managing Director A. F. Holden submitted the following report concerning the company's extensive Utah holdings and interests:

United States Mines, Bingham.

These mines cover a portion or the whole of the following workable veins in Bingham: Old Jordan (on which are situated the Old Telegraph, Niagara and Old Jordan mines), Commercial, Galena, Live Pine, Fannie Bemis, Steamboat, Giant Chief, Bully Boy, Silver Shield. Of these veins the Old Jordan vein has alone been developed by this company. The work has been confined to the Old Jordan vein, not because this vein is considered the only profitable one, but merely that it is the largest and most accessible.

Since March 1, 1900, as much as 23,539 feet of exploring work has been driven by this company on this vein, principally in the Old Telegraph and Jordan mines. This work and the work done previous to March 1, 1900, has developed, according to the careful estimates made by the engineers of the company, over 1,000,000 tons of workable ore. In addition to the development of this tonnage, the work done has, we believe, proved the continuity of the ore to the depth.

The Commercial vein, of which this company owns some 4,800 feet on the strike, is known through the workings of the adjoining properties to be valuable, but as yet the United States company has not undertaken the development of it. The Galena and Live Pine have both been profitable mines in the past, and in the estimation of those in charge of the property can be made largely profitable to this company when work is resumed on them.

Machinery, Etc.

The machinery in Bingham is practically all that the property will need for many years. The power plant is ample for a production of 1,000 tons per day. Additional drills, cars, etc., will of course be provided from time to time, but these will naturally have to be charged to the operating expenses. The mines are equipped with complete machine and blacksmith shops, saw-mills, boarding houses and bunk houses.

During 1902 these mines were connected with the Rio Grande Western railway, a distance of about three miles, by a Bleichert wire rope tramway. This tramway was installed with an estimated capacity of sixty tons per hour. Owing to certain changes which have been found necessary since the erection, the tramway has not been able to handle the estimated capacity. Additional towers, strengthening certain parts and some minor changes in design, will, we believe, make the tramway satisfactory in all respects. We expect to have

these changes completed before June 1st of this year.

Niagara Mine.

No work has been done on the Niagara properties other than to keep them in general repair and to lease certain of the upper levels. When funds are provided by the Niagara company work should be resumed on this property.

Centennial Eureka Mine.

When the United States Mining company acquired the stock of the Centennial Eureka Mining company in 1901, this property was closed down and remained closed, so far as the production of ore was concerned, until the completion of the United States smelter at West Jordan. During this period the main shaft was re-timbered and the work of exploration was carried on so far as possible. Stoping was resumed about September 1, 1902, and has been carried on sufficiently to meet the needs of the smelter, until at the present time we are extracting 250 tons a day. Arrangements have just been made to sink the main shaft 500 feet deeper, and it will take the balance of this year to complete this work. It would, of course, be possible to sink much faster than this were it not that should we undertake to materially lessen this time it might seriously interfere with the operation of the property. When this property was purchased there were but two known ore channels in the mine. Systematic development, however, has shown three additional profitable ore channels, and more than an indication of a fourth. There are in sight in the Centennial Eureka mine over 500,000 tons of workable ore.

United States Smelter.

The United States smelter, constructed under the supervision and from the plans of Mr. G. K. Fischer, was started about the 1st of December, and since that time has been running with the usual vicissitudes of a new plant. There have been no metallurgical difficulties encountered; the mixture of Centennial Eureka and United States ores has proven a very excellent one; the slag losses are extremely low. From the four months' operation certain additions to the smelter have been deemed advisable, and have been authorized by the directors. The bin capacity is to be doubled, the automatic part of the dust chambers is to be extended, the briquetting plant improved and other minor changes made. Taken as a whole the smelter has been a success, and will be a greater success.

The United States smelter is better equipped with labor-saving devices and machinery than any other smelter in the west, with the exception of the new Anaconda plant. The training of men to handle these automatic features is somewhat slow and difficult, but the results will more than justify the time taken to train the labor and the cost of these devices and machinery installation. We expect to show

the coming year costs lower for the kind of ore smelted than at any proposition anywhere in the world.

Organization.

The United States Mining company has exceptionally able men at the head of its different departments. Mr. G. K. Fischer, long connected with the Boston-Montana and other plants, needs no introduction in the copper world. He is in charge of the United States smelting operations. Mr. C. E. Allen has for six years past been connected with and in charge of mining operations at the Centennial Eureka mine. There is no man that knows Tintic mining so well. The very successful results of the development work at the Centennial Eureka mine are very largely due to his personal work. Mr. A. P. Mayberry, superintendent of the United States mines at Bingham, has been in charge of the operation of a portion or all the mines for the past seven years. He is thoroughly familiar with the mining operations in Bingham and is qualified to handle these properties. I believe that in the hands of the above mentioned gentlemen the cost of operation of the United States Mining company's affairs will be as low as any similar operation.

Litigation.

There is no litigation pending concerning the Centennial Eureka mine, neither is there any litigation threatened, as far as known. At the United States mines there are three suits now pending and several more to be brought. When these are decided litigation on these properties ought to be at an end. The United States Mining company originally purchased the Old Jordan and Old Telegraph mines. Subsequently it purchased other claims adjoining these mines. All the litigation involves only the ore under these adjoining claims, or the ore under claims, the surface of which is not owned by this company, but which this company claims by reason of owning the apex of the lode. There is no litigation involving the ore under the claims originally purchased by the United States Mining company.

One case brought by the United States Mining company was tried last fall, and the judge, without giving any opinion, dismissed the petition, thus sending the case with all the testimony, maps, etc., to the United States Court of Appeals sitting in St. Louis. No testimony has yet been introduced in the other cases. There is nothing, so far, in any of this litigation to fear, and we have no doubt of a satisfactory outcome of all the suits now pending and those we are yet to bring.

Remarks.

The trustees' report gave the gross cost of various works and improvements, and there is nothing to be added to the statement which they made.

It is impossible to give exact details of the cost of mining and smelting, owing to the short time that the properties have been in operation. We advised the voting that the companies ought to earn during 1903 no less than \$1,500,000 net, and there seems to be no question, judging from the last three months' operation—but that the estimate will be substantiated.