~~9/24~~ 9/24/74

Mr. Eskil Anderson
Little Squaw Mining Co.
P.O. Box 184
Spokane, Washington 99210

Re: OME6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Anderson:

As the period of obligation for royalty payments on production from the subject property has expired, the Government is closing its books and records on this contract, and retains no claim or lien for royalty pursuant to the terms of the OME contract.

We regret that the operation has not been more productive, but we hope that eventually it will reach full production.

Sincerely yours,

Harold Kirkemo
Chief, Office of Minerals Exploration

cc: Region I and II

DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo

HKirkemo/gpw

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

September 27, 1974

Memorandum

To: Branch of Financial Reports, Geological Survey

From: Chief, Office of Minerals Exploration

Subject: Recording of Realized Losses under OME Contracts

The "Write off" of the following realized losses under OME contracts is hereby authorized:

	Contract	Docket	Operator	Write-off
II	2113	6078	Shasta Minerals & Chemical Co.	$30,820.33
I	2140	6148	Little Squaw Mining Co.	40,735.50
III	2145	6205	Arizona Metals Company	17,870.94

Harold Kirkemo

Harold Kirkemo

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code

Lemaster & Daniels
212 Symons Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Fairbanks Precinct, Alaska
Amended Contract 2140

Gentlemen:

Mr. Eskil Anderson, Little Squaw Gold Mining Company, requested that we confirm information in his letter to us dated April 3, 1973 relative to the subject contract as of December 31, 1972. We enclose a copy of his letter.

Our records indicate these data to be as follows as of December 31, 1972:

Payable to the Office of Minerals Exploration under subject contract, 5% royalty on all mineral production from the land as described in a portion of Annex I, copy enclosed, from January 25, 1962, to January 25, 1974, or until the principal and accrued interest are repaid in full, whichever occurs first.

Loan (Government participation)	$40,735.50
Accrued interest at 6½ % as of December 31, 1972	22,443.85
Total as of December 31, 1972	$63,179.35

Royalties received to December 31, 1972, totalling $1,380.53, were applied to interest.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosures

Copy to: Eskil Anderson
Little Squaw Gold Mining Company
P. O. Box 184
Spokane, Washington

Mr. Kirkemo
Region II
HKirkemo/cac 4-6-73

cc: Director's reading file
Mineral Resources
OME reading file

LITTLE SQUAW GOLD MINING COMPANY
P. O. BOX 184 SPOKANE, WASHINGTON 99210

ROOM 737 PEYTON BUILDING - N. 10 POST STREET 1-509 MA 4-2676

April 3, 1973

United States Department of the Interior
Geological Survey
Washington, D. C. 20242

Attention: Mr. Harold Kirkemo, Chief,
Office of Minerals Exploration

Dear Mr. Kirkemo:

In connection with an examination of our financial statements at December 31, 1972, would you please confirm the following information relative to our contingent liability to you under Contract 2140 (OME-6148) Little Squaw Mining Company:

Payable to Office of Minerals Exploration under above subject Contract, 5% royalty payments on mineral production of the Mikado-Star and Little Squaw Group claims, Chandalar Mining District, Alaska:

Loan, per Contract dated January 25, 1962	$40,735.50
Accrued interest at 6¼% to December 31, 1972, less $1,380.55 royalty payments made in January, 1972	24,026.30
Total payable to OME from production proceeds to January 25, 1974, as of December 31, 1972 . . .	$64,761.80

After January 25, 1974, the U. S. Government's liens and subordination agreements on subject claims are to expire along with all requirements of loan and interest repayments, unless such repayments are made in full prior to January 25, 1974.

Please confirm the correctness of the above data, or clarify if not correct, by replying directly to our Auditors, LeMaster & Daniels, 212 Symons Building, Spokane, Washington. An envelope is enclosed for your convenience and early reply.

Yours very truly,

LITTLE SQUAW GOLD MINING COMPANY

By Earl Anderson

Enclosure

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/28/72		120
		220

AIRMAIL

Mr. Patrick H. Murphy
Secretary
Marmac Alaska Mines Ltd.
431 Lincoln Building
Spokane, Washington 99201

Re: OME-6338 (Iron Ore)
Bonanza Gold, Inc.
Jumbo Basin, Prince of Wales Island
Ketchikan Precinct, Alaska
Contract 2185

Dear Mr. Murphy:

Thank you for your letter of November 19, 1972, enclosing two copies of the Mining Lease between Eskil Anderson, lessor, and Marmac Alaska Mines, Ltd., lessee, dated September 18, 1972. As you had already furnished us with two copies of this lease in your letter of September 28, 1972, we are returning the extra copies.

Please refer again to the second and the sixth paragraphs in our letter of October 4, 1972, wherein we note that this lease applies to the property included in Contract 2140 (OME-6148) Little Squaw Mining Company, not to the property described in Contract 2185 (OME-6338) Bonanza Gold, Inc., and that we would appreciate receiving two copies of a collateral lease agreement dated June 1, 1971 (?) which pertains to the Bonanza Gold property.

If this document has been sent in response to our letter of November 17, please ignore the present request.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosures

Copy to: Mr. Eskil Anderson
924 West 22 nd Avenue
Spokane, Washington 99203

cc: Director's Reading File
Mineral Resources
Docket OME-6148
" OME-6338
OME Reading File
OME Region II
Mr. Kirkemo
130 (2)

HKirkemo/gln 11-28-72

Western Mining News

OME- 6148 (Gold)
Little Squaw Mining Company
Contract 2140

THE SILVER CAPITAL
OF THE WORLD

NING NEWS

n 99203 | 25¢ a copy | September 29, 1972

OFFICIAL
COPY
O. M. E.
RECEIVED
OCT 5 1972

INITIALS	CODE
HK	

Little Squaw Signs ity Canadian Operator

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Little Squaw Gold Mining Co. has concluded negotiations for putting its Alaskan property into production, Eskil Anderson, president, has announced.

The firm has signed an agreement with Marmac Alaska Mines, Ltd., of Calgary under which the Canadian company must spend at least $300,000 in the first year and do a minimum 1,000 man-days of work in each year thereafter, he said.

Marmac must also pay Little Squaw a minimum of $25,000 the first year and at least $12,500 in each succeeding year.

Anderson said the operator also must pay taxes on Little Squaw's 25 patented mining claims in Alaska's Chandalar Mining District and do the assessment work required annually on Little Squaw's 15 unpatented claims.

Marmac gets use of Little Squaw's mine camp, mining machinery and 110-ton mill but must maintain everything in good working order, he said.

Net profits are to be divided 60 per cent to Marmac and 40 per cent to Little Squaw.

Marmac already has rehabilitated the camp, its airport, access roads and equipment, Anderson said. It also has sampled ore showings and done bulldozer trenching which has located the eastern extension of the Little Squaw vein, which had been offset by a fault.

He said Marmac plans to do extensive diamond drilling next year and is expected to start up the mill.

The Marmac management has had considerable experience in gold mining in Canada, Anderson said.

The operating agreement followed the consolidation by Anderson of various interests in the Chandalar District under Little Squaw ownership.

Sunny Peak Work Done

Silver Peak Mines Corp. has completed annual assessment work at its Sunny Peak property in Okanogan County's Conconully district, Dale Lanphere, president, has reported.

The work included cleaning up a cave-in, replacing broken timber supports and rehabilitating access roads.

He said a major mining company is examining the property for a

Ladd Mountain Annual Meeting

The regular annual meeting of the stockholders of Ladd Mountain Mining Co. which is normally held on September 15th, will be held

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/4/72		120
		220

October 4, 1972

AIRMAIL

Mr. Patrick H. Murphy
Secretary
Marmac Alaska Mines Ltd.
631 Lincoln Building
Spokane, Washington 99201

File OME-6148

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Murphy:

Thank you for your letter of September 28, 1972 and the two copies of the Mining Lease, dated September 18, 1972, between Eskil Anderson, trustee, and Marmac Alaska Mines, Ltd.

The lease referred to includes no lands subject to OME Contract 2185 (OME-6338) Bonanza Gold, Inc., as the references on our letter of September 25 and your letter of September 28 erroneously suggest. The Chandalar lode claim mentioned in Section XV of the lease is properly referred to Contract 2140 (OME-6148) Little Squaw Mining Company.

We note a minor misinterpretation of the facts in the lease with respect to the obligation for royalty payments under the OME contract.

Article XV of the Lease states that the subject OME contract "...requires payment of 5% royalty from the 'Chandalar Lode Claim' until January 25, 1974, when that payment requirement expires by its terms." Actually, Article 6(b)(2) of the OME contract states that royalty on production shall be paid to the Government"--for a period of ten years (amended to read "twelve years" by Amendment No. 2) from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first." If royalty payments are sufficient to pay the outstanding principal and accrued interest before the twelve-year royalty period expires (January 25, 1974), there would be no further obligation for royalty payments.

We mention this only to point out that the duration of the royalty period in Amended Contract 2140 (Docket OME-6148) Little Squaw Mining Company may be less than the lease indicates if the account is paid in full before expiration of the twelve-year period on January 25, 1974.

Referring again to our letter to you of September 26, 1972, and your reply of September 28, we do not recognize the Mining Lease of September 18, 1972, as the "collateral lease agreement" mentioned in the Notice of Interest in Real Property dated June 1, 1971. We understand from the Notice that the collateral lease agreement also was dated June 1, 1971. Please furnish us with two copies of the collateral lease agreement if we have interpreted the matter correctly.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Eskil Anderson, 924 West 22nd Avenue, Spokane, Washington 99203
cc: Director's Reading File
Mineral Resources
Docket OME-6148
Docket OME-6338
OME Reading File
OME Region I w/copy Mr. Murphy's letter 9/28/72 and Mining Lease 9/18/72
OME Region II, same enclosures
Mr. Kirkemo
130 (2)

HKirkemo/gla 10-4-72

LAW OFFICES OF
PATRICK H. MURPHY
LINCOLN BUILDING
SPOKANE, WASHINGTON 99201

TEMPLE 8-4458
AREA CODE 509

September 28, 1972

OFFICIAL COPY
U. M. E.
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Mr. Harold Kirkemo
United States Department of Interior
Geological Survey
Washington, D.C. 20242

copy file OME-6148

Re: OME-6338 (Iron Ore)
Contract 2185
Bonanza Gold, Inc.
Jumbo Basin, Prince of Wales Island
Ketchikan Precinct, Alaska

Dear Mr. Kirkemo:

Enclosed herewith are two copies of the Mining Lease between Askil Anderson, lessor, and Marmac Alaska Mines Ltd. as lessee which lease was just recently received by us.

Sorry to have overlooked sending you these copies with Form 63 which was mailed from this office earlier this week.

rel OME-6338

Very truly yours

Patrick H. Murphy

Patrick H. Murphy

phm cas

Enclosures

Copy letter & lease to R-II & R-I

MINING LEASE

THIS AGREEMENT is entered into this 1 day of September, 1972, between ESKIL ANDERSON, Trustee, partnership of Eskil Anderson, et al, herein referred to as "Anderson", and MARMAC ALASKA MINES, LTD., a Washington corporation, herein referred to as "Marmac."

WHEREAS, Anderson is the owner of certain mining claims with buildings and improvements thereon, and mining equipment, described as follows:

1. All mining claims and improvements as listed in Schedule "A" attached.

2. All mining and milling equipment, buildings, and other personal property now located in the Chandalar Mining District, Alaska, and listed on the inventory attached hereto as Schedule "B", which equipment is the property of Anderson, and

WHEREAS, the parties have agreed that Anderson will lease the mining claims and equipment he owns in the Chandalar Mining District to Marmac, upon the terms hereinafter set forth:

I

Property Leased

Anderson does hereby lease to Marmac the mining claims with improvements which are now located thereon, described in Schedule "A" attached hereto, and all equipment owned by Anderson in the Chandalar Mining District, listed on Schedule "B" attached hereto.

II

Term of Lease

The term of the lease shall be the same as the term of the Mining Lease of September 23, 1972, between Little Squaw Gold Mining Company and Marmac Alaska Mines, Ltd., unless this lease should be terminated as provided in its Paragraph XIII or forfeited as provided in its Paragraph XIV.

See original copy in ONE 16 33

Consideration

As consideration for the use of the claims, improvements thereon, and the equipment herein described, Marmac shall make payments to Anderson and shall fulfill other commitments as is hereinafter set forth:

1. Marmac shall complete all requirement annual labor (assessment work) on the claims as is required by law in order to maintain title to said claims in good standing. The Proof Of Labor shall be filed reflecting that the work has been completed, and the Proof of Labor for the assessment work year ending September 1, 1972, shall be filed no later than October 1, 1972. For each subsequent year, actual assessment work shall be completed during the fall preceding the September 1 ending the assessment year, and the Proof of Labor shall be filed on or before the last day of the calendar year previous to the year in which the September 1 deadline falls. At the time of filing Proof of Labor, a copy of each filing made shall be delivered to Anderson.

2. Marmac shall pay to Anderson before March 30, 1973, the sum of $5,000, and annually thereafter before March 30 a minimum sum of $5,000 cash. Minimum annual payments shall be deductible from royalties received from lode production. As additional consideration Marmac shall pay to Anderson monthly, while this lease remains in effect, a sum equal to 5% of all receipts derived from sale of products of lode mining.

IV

Books of Account

Marmac shall keep books and records accurately reflecting all of its operations hereunder, including receipts and expenses. At reasonable times Anderson shall be allowed to examine all books and records of Marmac which relate to its shipments, sales, and operations under this lease. Annually, for the operations during the preceding calendar year, not later than January 31 of the following year, Marmac shall furnish to Anderson a formal written accounting of all its shipments and sales of products produced from these properties. This statement shall be certified as correct by the accountant for Marmac.

Exploration and Development

All mining and development work done by Marmac on the property which is the subject of this lease shall be done in a good miner-like manner and in a manner consistent with all laws which are applicable to its operation.

Marmac shall provide Anderson with copies of maps, assay sheets, and all reports which relate to exploration and development of the properties as soon as may reasonably be done after the same are prepared.

VI

Maintenance

Marmac agrees to maintain the buildings on the property in reasonably good repair during the term of this lease. The equipment described in Schedule "B" Marmac agrees to maintain in generally good repair.

Taxes

Marmac shall pay, before delinquency, during the period while this lease is in force, all taxes levied against the properties herein described.

VIII

Liens

Marmac shall allow no liens to attach to the properties covered by this lease so as to effect the rights of Anderson's ownership therein. Marmac shall keep posted in three conspicuous places on each group of claims, notices to the effect that Anderson is not liable in any way for wages or other indebtedness incurred in the mining operation or for goods, merchandies, or machinery furnished in connection therewith.

IX

Inspections

Marmac shall permit Anderson and representatives to enter upon the properties at reasonable times to inspect the same, to observe cleanups, to insure that proper precautions to prevent loss of gold are in force, and to examine the mining operations thereon. Marmac shall provide suitable living accommodations on or near the property for representatives of Anderson while they are visiting the property and making such inspections. Inspections shall not be made in such a manner as to cause interference with the mining operation.

X

Personal Claims

Marmac agrees to hold Anderson harmless from all claims made arising through Marmac's operation on the property including claims for personal injury, death, or damages to property of others. . . .

XI

Delays

If Marmac should be prevented from or delayed in its performance of the contract through any act of Anderson, or because of strikes, lockouts, fire, earthquake, unavoidable delay in transportation, orders of Government, unavoidable casualties, or other insufficient causes which are beyond the control of

contract. However, Marmac shall exercise all reasonable effort to overcome any such interference. It is understood, never-the-less, that none of the above shall constitute grounds for its failure to make payments required to be made to Anderson under Article III herein.

XII

Assignment

Marmac may not assign its rights under this contract without first having obtained consent of Anderson to do so.

XIII

Termination

Notwithstanding that which is set forth herein to the contrary, Marmac may terminate this agreement at any time simply by giving Anderson 30 days' written notice of intention to do so. At the end of said 30-day period the agreement, in its entirety, shall be at an end subject only to the exception hereinafter set forth:

1. Pay all debts incurred during Marmac's operations on the property.
2. Pay all sums then or thereafter due to Anderson hereunder.

In the event of termination, Marmac shall immediately relinquish possession of the property, including all equipment, to Anderson and shall remove therefrom, with the exception of equipment owned by Marmac.

It is specifically agreed that if Marmac should terminate this agreement Marmac shall then have no obligation whatsoever under this agreement except that which is set forth at item #1 and item #2 above and with the exception that Marmac shall be responsible for doing the assessment work on the properties for the year on which the termination occurs.

XIV

Forfeiture

If, prior to voluntary termination having occurred as is set forth in the paragraph immediately preceding, Marmac should fail to fulfill the terms of this contract as is required of it, then and in that event, Anderson may

terminate this agreement by giving written notice to [illegible]

that the contract be placed in good standing within 60 days from date notice is received or, in the alternative at that time, forfeit its rights under this agreement. Such notice of forfeiture shall specify the condition of the contract which Marmac has not fulfilled and for which the notice of forfeiture is given.

If forfeiture is obtained then, and in that event, all improvements made by Marmac and work done otherwise on the property shall inure to the benefit of Anderson and shall be retained as liquidated damages. Marmac shall give up possession to Anderson at the expiration of the 60-day notice period.

XV

Warranty

Anderson warrants that it is the owner of all property covered under this lease; that the same is unencumbered and no rights thereto have been granted to any other party which was to be superior to the rights of Marmac under this lease.

Amended Contract 2140, Docket No. OME-6148 requires payment of 5% royalty from the "Chandalar Lode Claim" until January 25, 1974, when that payment requirement expires by its terms.

XVI

Notices

Notice under this lease shall be mailed by certified mail to

1. Eskil Anderson, Box 846, Spokane, Washington, 99210
2. Marmac Alaska Mines, LTD., 631 Lincoln Building, Spokane, Washington, 99201

XVII

Binding Upon Heirs

This agreement shall be binding upon and inure to the benefit of the successors of both parties and time is of its essence.

Eskil Anderson

MARMAC ALASKA MINES, LTD.

STATE OF WASHINGTON)
) ss
County of Spokane)

On this _____ day of September, 1972, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Eskil Anderson known to be the individual described in and who executed the within and foregoing instrument; and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate first above written.

NOTARY PUBLIC in and for the State of Washington, residing at Spokane.

STATE OF WASHINGTON)
) ss
County of Spokane)

On this _____ day of September, 1972, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____ and _____ known to be the _____ and _____ respectively of MARMAC ALASKA MINES, LTD., the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

NOTARY PUBLIC in and for the State of Washington, residing at Spokane.

SCHEDULE "A"

(Anderson and Marmac)

List of Claims

UNPATENTED LODE MINING CLAIMS:

Summit
Rex
Shamrock
Hillside Lode #1
Hillside Lode #2
All situated at the head of Big Creek.

Chandalar Lode Claim
West Chandalar Lode Claim
Jupiter Fraction Claim
All situated at the head of Big Squaw Creek, a tributary to Squaw Lake.

Indicate
Tonopah Lode Claim
All situated on Upper Big Creek.

SCHEDULE "B"

Anderson and Marmac

1 Caterpillar compressor (broken valves, overhauled but not back on engine)
1 mucking machine - new at Summit Lode
1 old jackhammer
1 new jackhammer with jack leg (dry or wet)
1 dozen carbide bits
1 ore car - at Summit Lode
rails, hose, etc.
1 primary crusher with engine
1 cone crusher
1 gyratory mill
1 Denver 2-cell jigg
1 classifier
amalgam plates
1 full size Wilfley table
1 amalgam barrel
1 15 KW generator
Balls, spare parts, etc.
Tendom dump trailer
Cook shack with kerosene refrigerator, propane stove
Small bunkhouse, beds and bedding
Toolshed with many spare parts and tools
Sawmill
Simmons screens

OME-6148 - Contract 2140
Little Squaw Mining Company

Little Squaw Buys Assets Chandalar Gold In Alaska

SPOKANE—Little Squaw Gold Mining Co. announced that it has completed negotiations for the acquisition of all assets of Chandalar Gold Mining & Milling Co., a limited partnership.

The assets include a mill with a capacity of 100 tons of ore daily, mining equipment and supplies, said Karl W. Jasper, president of Little Squaw.

Chandalar Gold had subleased the Mikado and Little Squaw gold mines in Alaska's Chandalar Mining District from Little Squaw Mining Co. and had completed the mill in 1970. Its plans to put the properties into production were shattered by the death of its organizer, Frank E. Birch, Spokane mining engineer, in the crash of his airplane at the property on May 13, 1971.

Jasper said Little Squaw Gold also has completed the acquisition of all the interests held by the Birch estate in the Chandalar District.

And negotiations are in progress, he said, to consolidate the company's interests in the district through acquisition of part or all of the patented and unpatented properties owned by a group represented by Eskil Anderson, Spokane mining engineer. The Mikado and Little Squaw Mines were leased from this group.

"A much greater interest in the district is anticipated with the consolidation of the various groups into one company owning all or a major portion of the ground, the mill and the equipment, with no over-riding royalties involved," Jasper said.

Little Squaw Gold was incorporated in 1959 by Grandview Mines Inc. and Metaline Mining & Leasing Co.

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

January 25, 1972

AIRMAIL

Re: **OMZ-6148 (Gold)**
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Mr. Karl W. Jasper
President
Little Squaw Gold Mining Company
521 Columbia Building
Spokane, Washington 99204

Dear Mr. Jasper:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 13 1972

INITIALS	CODE
[illegible]	120
HK	120
	220

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT
OR PROJECT UNDER ROYALTY AGREEMENT

1. Since **February 26, 1971**, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes [X] No [ ]

Is the Assignment of Lease between Frank and Bettijeanne Birch and the Little Squaw Mining Company to the Chandalar Gold Mining and Milling Company, dated January 22, 1968, still in effect? If not, please explain. Yes [ ] No [X]

FRANK BIRCH WAS KILLED MAY 13,1971. THIS TERMINATED THE LIMITED PARTNERSHIP. LITTLE SQUAW NOW NEGOTIATING WITH OWNERS FOR NEW ARRANGEMENT.

2. Since **February 26, 1971**, has there been any production from the land subject to the contract? Yes [X] No [ ]

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser (*name and address*)	Quantity	Value
Handy anc Harmon purchased (in ounces)	380.58 AU 80.02 Ag	$15,264.23
ASAR purchased 6,709 lbs gross weight concentrates	294.3 AU 60.00 Ag	12,715.15
		~~$27,979.38~~
		- 368.66
		= 27,610.72

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity (*tons*)	Estimated Grade	Location
Ore			Subtract $348.66 treatment 20.00 sampling and assaying $368.66
Concentrates			H. K. Richmond 3/13/72
Other			

3. Since workings (*see* , has any production been transported through *of contract*)? Yes [ ] No [X]

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	*Title*
KARL W. JASPER	PRESIDENT
Address 521 COLUMBIA BUILDING SPOKANE, WASHINGTON 99204	*Date* 3/8/72

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 18 1972

INITIALS	CODE
gla	1130
HK	1120
	220

OFFICE OF MINERALS EXPLORATION
U. S. GEOLOGICAL SURVEY

TO: Chief, Branch of Budget and Finance FROM: Willard P. Puffett
Field Officer, Region I, OME

ABSTRACT OF REMITTANCES

Date	Amount	Bank, City and State	Name of Remittor	Docket & Contract Numbers	Purpose
1/11/72	$617.32	National Bank of Washington Tacoma, Washington	Tacoma Smelter American Smelting and Refining Co. Tacoma, Wash. 98401 (Little Squaw Gold Mining Co.)	~~OME-31~~ OME-6148 Contract 2140	Royalty

REMARKS: (List smelter or mill lot numbers covered by royalties)

Smelter Lot 1695

Royalty 5 % of $12,346.49

January 13, 1972
Date Prepared

1/18/72
Date Received

Willard P. Puffett
Person Preparing Abstract

Lorraine E. Edwards
Person Receiving Remittance
Collection Officer

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

CONTRACT NO. 800

DATE 1-11-72
SMELTER LOT NO. 1695
MINE LOT NO.
MATERIAL Lb Blds Ore
DATE RECEIVED 11/11/71
ENTRY
MINE NAME
CAR OR VESSEL Truck

STATEMENT OF SETTLEMENT

NAME OF SHIPPER
Mrs Frank Birch - Box 1332
Fairbanks, Alaska 99707
C/o Kenneth C. Haycraft
Suite D. Nerland Bldg.
Fairbanks, Alaska 99701

GROSS WEIGHT 6709 LBS.
CONTAINERS 323 LBS.
NET WEIGHT 6386 LBS.
MOISTURE 4.93 %
NET DRY WEIGHT 6071 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	11/15-19/71	$ 42.943		
SILVER	11/15-19/71	132.380¢	4.0¢	128.380¢
LEAD				
COPPER				
COPPER				

	ASSAY & ANALYSIS	METAL CONTENTS						DEBITS	CREDITS
	Calc.								
GOLD	103 16	OZS. 31.3.1	OZS. @ 94.00 % Min. 030 oz			294.3	OZS.		12638 12
SILVER	24 84	OZS. 75	OZS. @ 95.00 % MIN. 5.0			60	OZS.		77 03
LEAD	1 30	%	LBS. LESS	UNITS @	%		LBS.		
COPPER	11	% 7	LBS. LESS 1.0	UNITS @	%	–	LBS.		–
COPPER		%	LBS. LESS	UNITS @	%		LBS.		
ZINC	2	% LESS	UNITS	% @		$			
ARSENIC	20 72	% LESS 1.0	UNITS 19.72 % @	50¢		9	86		
ANTIMONY	19	% LESS –	UNITS	% @					
NICKEL	02	% LESS	UNITS	% @					
BISMUTH		% LESS	UNITS	% @					
TIN		% LESS	UNITS	% @					
CHLORINE		% LESS	UNITS	% @					
SILICA	16 4	% LESS	UNITS	% @					
IRON	29 5	% LESS	UNITS	% @					
LIME	7	% LESS	UNITS	% @					
SULPHUR	24 9	% LESS	UNITS	% @					
ALUMINA	1 7	% LESS	UNITS	% @					
BASE CHARGE						105	00		
LABOR	PER HR. $	BASE $	@	c FOR EA.	c				
OIL	PER BBL. $	BASE $	@	c FOR EA.	c				
METAL VALUE PER TON $		BASE $	@	%					
TOTAL TREATMENT PER TON			6071	LBS. @ $		114	86	348 66	
SAMPLING AND ASSAYING		Small Lot charge						20 00	
FREIGHT	LBS. @ $	PER TON $	Prepaid		TAXES $				
SMELTER LABOR (DISCHARGING)	$				SWITCHING $				
SACK CHARGE	LBS. @ $	PER TON							
IN SOLID BOTTOM CAR		LBS. @ $		PER TON					
UMPIRE CHARGES $		; CUSTOMS $		; REPRESENTATION $					
ADVANCED ON									
ROYALTY	% OF $		* Royalty					2469 29	
		Pulp Assays							
		Gold Silver Lead Copper			** DUE SHIPPER			9877 20	XXXXXXXX XXXXX
		103.17 24.84 1.30 .11			DUE SMELTER			XXXXXXXX XXXXX	–
					TOTALS			12715 15	12715 15

= 368.66
12 346.49

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU

Royalty 5% of $ 12346.49 To: U.S. Geological Survey $ 617.32 *
United States Dept. of the Interior
Room 656, U.S. Court House, W. 920
Riverside Ave., Spokane, Wash 99301

Royalty 15% of $ 12346.49 To: Little Squaw Gold Mining Co. $ 1851.97 *
521 Columbia Bldg. Spokane, Wash

** Subject to adjustment if required by
Presidential Stabilization Order of Aug. 15, 1971

~~Official~~ COPY
O. M. E.
RECEIVED
JAN 11 1972
INITIALS | CODE
gla 100
HK 20
220

OFFICE OF MINERALS EXPLORATION
U. S. GEOLOGICAL SURVEY

TO: Chief, Branch of Budget and Finance FROM: Willard P. Puffett
Field Officer, Region I, OME

ABSTRACT OF REMITTANCES

Date	Amount	Bank, City and State	Name of Remittor	Docket & Contract Numbers	Purpose
1/7/72	$609.06	American Commercial Bank Spokane, Wash.	Little Squaw Gold Mining Company 309 Radio Central Building Spokane, Wash. 99204	OME-6148 Contract 2140	Royalty

REMARKS: (List smelter or mill lot numbers covered by royalties)

Handy and Harman #D1098

Handy and Harman #D1097

January 7, 1972
Date Prepared

Willard P. Puffett
Person Preparing Abstract

1/10/72
Date Received

S Kalnick
Person Receiving Remittance

OME

HANDY & HARMAN

850 THIRD AVENUE • NEW YORK, N. Y. 10022

REFINING STATEMENT

DUNS 202-887

ORIGINAL COPY

REFINING DEPARTMENT
850 THIRD AVENUE
NEW YORK, N. Y. 10022
TELEPHONE
AREA CODE 212 752-3400

1770 KINGS HIGHWAY
FAIRFIELD, CONN. 06432

525 NUBER AVE.
MT. VERNON, N. Y. 10550

42 UNION STREET
ATTLEBORO, MASS. 02703

1900 ESTES AVENUE
ELK GROVE VILLAGE, ILL. 60007

4140 GIBSON RD.
EL MONTE, CAL. 91734

TO

FIRST NATIONAL BANK OF
FAIRBANKS
FAIRBANKS, ALASKA 99701

DESCRIPTION	PRICE	AMOUNT
D1097, 1 BAG RETORTED GOLD SPONGE, BUTTONS & FINES, NET WGT. RECD. 182.85 OZS SETTLED 8/27/71.		
125.72 OZS. GOLD	40.57	5100.46
27.88 OZS. SILVER	1.538	42.88
		5143.34
REFINING CHARGE		89.14
		5054.20 OR.

CHECK ENCLOSED.

5% OF NET= $252.71

1. The prices we pay for the precious metals recovered from your refining lot are based on the metal markets prevailing on the date of settlement. 2. Settlements for refining lots are made as assays are completed. If you require further information regarding your lot, please advise us within 3 days as otherwise the separate identity of your lot will be lost in further processing except for reserve samples. 3. All agreements are contingent upon strikes, accidents, and causes beyond our control.

64-6 20M 1/71

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O. M. E.
RECEIVED
DEC 30 1971

INITIALS	CODE
HK	120
gla	130
	220

OFFICE OF MINERALS EXPLORATION
U. S. GEOLOGICAL SURVEY

TO: Chief, Branch of Budget and Finance FROM: Willard P. Puffett
Field Officer, Region I ~~OME~~

ABSTRACT OF REMITTANCES

Date	Amount	Bank, City and State	Name of Remittor	Docket & Contract Numbers	Purpose
12/27/71	$ 154.15	American Commercial Bank Spokane, Washington	Little Squaw Gold Mining Company 309 Radio Central Bldg Spokane, Wash. 99204	OME-6148 Contract 2140	Royalty

REMARKS: (List smelter or mill lot numbers covered by royalties)

Handy and Harman # D9656 $ 2150.32

Handy and Harman # D1018 ~~932.61~~ 932.61

$ 3082.93

12/27/71
Date Prepared

Willard P. Puffett
Person Preparing Abstract

12/29/71
Date Received

Lorraine E. Edinston
Person Receiving Remittance

HANDY & HARMAN

DUNS 20-[illegible]

850 THIRD AVENUE • NEW YORK, N. Y. 10022

REFINING STATEMENT

ORIGINAL COPY

REFINING DEPARTMENT
850 THIRD AVENUE
NEW YORK, N. Y. 10022
TELEPHONE
AREA CODE 212 752-3400

1770 KINGS HIGHWAY
FAIRFIELD, CONN. 06432

525 NUBER AVE.
MT. VERNON, N. Y. 10550

42 UNION STREET
ATTLEBORO, MASS. 02703

1800 ESTES AVENUE
ELK GROVE VILLAGE, ILL. 60007

4140 GIBSON RD.
EL MONTE, CAL. 91734

TO: First National Bank of Fairbanks
Fairbanks, Alaska 99701

DESCRIPTION	PRICE	AMOUNT
D1018 1 pack retorted gold sponge button, some fines. Net wgt. 2oz'd 36.50 ozs. Settled 7-27-71.		
23.54 ozs. Gold	41.41	975.79
5.02 ozs. Silver	1.557	7.82
		983.61
Refining Charge		50.80
		932.81 Cr.
		932.61
5% ROYALTY TO ANDERSON AND HOCH		$46.63
5% ROYALTY TO O.M.E PD. 12/27/71		$46.63

Check Enclosed.

[illegible] fees we pay for the precious metals recovered from your refining lot are based on the metal markets prevailing on the date of [illegible] assays are completed. If you require further information concerning your lot, please advise us within [illegible] [illegible]essing except for reserve samples. 3. All agreements are contingent [illegible]

HANDY & HARMAN

850 THIRD AVENUE • NEW YORK, N. Y. 10022

REFINING STATEMENT

DUNS 202-8876

ORIGINAL COPY

REFINING DEPARTMENT
850 THIRD AVENUE
NEW YORK, N. Y. 10022
TELEPHONE
AREA CODE 212 752-3400

1770 KINGS HIGHWAY
FAIRFIELD, CONN. 06432

525 NUBER AVE.
MT. VERNON, N. Y. 10550

42 UNION STREET
ATTLEBORO, MASS. 02703

1900 ESTES AVENUE
ELK GROVE VILLAGE, ILL. 60007

4140 GIBSON RD.
EL MONTE, CAL. 91734

TO: First National Bank of Fairbanks
Fairbanks, Alaska 99701

DESCRIPTION		PRICE	AMOUNT
D9655 1 sack retorted gold sponge and fines. Net wgt. rec'd 81.70 ozs. D9656 Sacked 7-20-71.			
54.01 ozs.	Gold	40.38	2180.92
12.63 ozs.	Silver	1.536	19.40
			2200.32
	Refining Charge		50.00
			2150.32 Cr.

5% ROYALTY TO ANDERSON AND HOCH $107.52
5% ROYALTY TO O.M.E. PD. 12/27/71 $107.52

Check Enclosed,

from the desk of

KARL W. JASPER

7/27/7

TO MR. PUFFETT

ENCLOSED PLEASE FIND LITTLE SQUAW CHECK IN THE AMOUNT OF $154.15. WHICH IS 5% OF THE AMOUNT AS SHOWN ON THE HANDY AND HARMON SMELTER REPORTS. THIS IS THE TOTAL AMOUNT LITTLE SQUAW HAS RECIEVED FROM THE OPERATION. IN ORDER TO PREVENT PROBLEMS WITH THE IRS IT IS OUR INTENTION TO ENDEAVOR TO RAISE SUFFICIENT MONEY TO COMPLETELY PAY ALL ROYALTIES DUE. WE THEN WILL NO DOUBT BRING ACTION AGAINST THE BIRCH ESTATE AND MR. HAYCRAFT IN PATICULAR FOR USING AND DIVERTING FUNDS NOT HIS TO DO SUCH WITH. PLEASE ACKNOWLEDGE RECIEPT OF THIS AT YOUR EARLIEST CONVENIENCE. THANK YOU.

VERY TRULY YOURS,

KARL W. JASPER, PRES.
LITTLE SQUAW GOLD MINING CO.

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

November 2, 1971

Mr. Kenneth C. Haycraft, Attorney
Call, Haycraft, and Fenton
Suite D, Nerland Building
Fairbanks, Alaska 99701

OFFICIAL COPY
O. M. E.
RECEIVED
V 5 1971
INITIALS | CODE
gla | 130
HK | 120
220

Re: Royalty Payment
OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Haycraft:

I have received, from Mr. Karl Jasper, a copy of your letter to American Smelting and Refining Company instructing them to pay the OME royalty. I am pleased that you have found a buyer for the concentrates and of course hope that proceeds from the sale will be sufficient to also pay the royalty due from gold sponge sales earlier this year.

The royalty check should be made out to "U. S. Geological Survey" and should be sent to our office at Rm. 656, U. S. Court House, W. 920 Riverside Ave., Spokane, Wa.,99201. I telephoned Mr. Randt, Assistant Manager, American Smelting and Refining Company, to make this change. He, however, suggested that I notify you of the change and then you can so instruct him. He said that there would be plenty of time for you to change your instructions before the final settlement is made on the ore sales.

Sincerely,

Willard P. Puffett
Field Officer, Region I

cc: Director
OME

WPPuffett/at

United States Department of the Interior

GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U1 S. Court House
Spokane, Wash., 99201

October 15, 1971

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 18 1971

INITIALS	CODE
gla	130
JHR	~~120~~
	220

MEMORANDUM

To: Chief, Office of Minerals Exploration
Field Officer, Region II

From: Field Officer, Region I

Subject: Recent production and unpaid royalty
OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended contract 2140

Mrs. Frank Birch brought the attached records of gold sponge sales to my office on Friday, Oct. 15, 1971. She said that the July 20, 1971, payment was for gold produced in 1970. Still to be sold are some gold concentrates now stored at Fairbanks, Alaska.

Apparently Frank Birch, as general partner in the limited partnership of Chandalar Gold Mining and Milling Company, had agreed with Little Squaw Mining Company to operate the Mikado mine and pay 20 percent royalty on production. Reference to this agreement is in the letters of Eskil Anderson, and other papers I forwarded to you on Sept. 28, 1971. Presumably, within the agreement, there are references to the Government's lien on production from the mine and the Chandalar Mining and Milling Company were to be responsible for the payment of the Government's royalty.

Mr. Frank Birch was killed in an airplane accident near the Mikado mine on or about May 13, 1971, during his preparation to start a new mining season. He had made arrangements for mining labor, supplies, and financing for this new work.

After Mr. Birch's death, Mrs. Birch and her son, who is a mining student at the University of Alaska, decided to continue with the mining activity that had been planned by Mr. Birch.

Mrs. Birch sold four shipments of gold sponge between July 9 and Aug. 11, 1971. The attached payment records are of these sales. Concentrates, now stored at Fairbanks, Alaska, will be sold as soon as a buyer can be located.

According to Mrs. Birch, the miners who had agreed to spend the entire season at the property became discouraged and left a month earlier than planned. This meant that a large percentage of the stored supplies were not consumed, and as no other miners were available, Mrs. Birch and her son left the mine.

When Mrs. Birch returned to Spokane, about the last week in Sept., 1971, Little Squaw Mining Company notified her that they were cancelling her lease. Little Squaw contended that the lease should be forfeited because insufficient work had been done and that she had not notified the buyer of the gold about the Government's right to royalty.

According to the attached sheets, the gross sale price of the gold sponge was $15,264.23, of which the Government's royalty, due and unpaid, is $726.21. Mrs. Birch hopes that proceeds from the sale of the concentrates will be sufficient to pay the Government's royalty on the gold sponge sale.

? 763.21

Mrs. Birch was advised to notify the purchaser of the gold concentrates about the Government's right to royalty.

Willard P. Puffett

Willard P. Puffett

Attachments

cc: Director

HANDY & HARMAN

850 THIRD AVENUE • NEW YORK, N. Y. 10022

REFINING STATEMENT

DUNS 202-8876

TO: First National Bank of Fairbanks
Fairbanks, Alaska 99701

ORIGINAL COPY

REFINING DEPARTMENT
850 THIRD AVENUE
NEW YORK, N. Y. 10022
TELEPHONE
AREA CODE 212 752-3400

1770 KINGS HIGHWAY
FAIRFIELD, CONN. 06432

525 NUBER AVE.
MT. VERNON, N. Y. 10550

42 UNION STREET
ATTLEBORO, MASS. 02703

1900 ESTES AVENUE
ELK GROVE VILLAGE, ILL. 60007

4140 GIBSON RD.
EL MONTE, CAL. 91734

DESCRIPTION			PRICE	AMOUNT
D9656	1 sack retorted gold sponge and fines. Net wgt. rec'd 81.70 ozs. Settled 7-20-71.			
54.01 ozs.	Gold		40.38	2180.92
12.63 ozs.	Silver		1.536	19.40
				2200.32
	Refining Charge			50.00
				2150.32 Cr.

Check Enclosed,

Re: OME-6148 (Gold)
Little Squaw Mining Company
Contract 2140

[illegible] 1. [illegible] samples received from your refining lot are based on the metal markets prevailing on the date of settlement. 2. Settlements for refining [illegible] your lot, please advise us within 5 days as otherwise the separate identity of your lot [illegible]

HANDY & HARMAN

DUNS 202-88

850 THIRD AVENUE • NEW YORK, N. Y. 10022

REFINING STATEMENT

ORIGINAL COPY

REFINING DEPARTMENT
850 THIRD AVENUE
NEW YORK, N. Y. 10022
TELEPHONE
AREA CODE 212 752-3400

1770 KINGS HIGHWAY
FAIRFIELD, CONN. 06432

625 NUBER AVE.
MT. VERNON, N. Y. 10550

42 UNION STREET
ATTLEBORO, MASS. 02703

1900 ESTES AVENUE
ELK GROVE VILLAGE, ILL. 600

4140 GIBSON RD.
EL MONTE, CAL. 91734

TO:

First National Bank of Fairbanks
Fairbanks, Alaska 99701

DESCRIPTION			PRICE	AMOUNT
D1098 1 bag retorted gold sponge, buttons and fines. Net wgt. rec'd 266.6 ozs. Settled 9-1-71.				
177.31 ozs.	Gold		40.62	7202.33
34.50 ozs.	Silver		1.483	51.16
				7253.49
	Refining Charge			126.39
				7127.10

5% OF NET= $356.35

Check Enclosed.

1. The prices we pay for the precious metals recovered from your refining lot are based on the metal markets prevailing on the date of settlement. 2. Settlements for refin lots are made as assays are completed. If you require further information concerning your lot, please advise us within 5 days as otherwise the separate identity of your will be lost in further processing except for reserve samples. 3. All agreements are contingent upon strikes, accidents, and causes beyond our control.

64-6 20M 1/71

HANDY & HARMAN

850 THIRD AVENUE • NEW YORK, N. Y. 10022

REFINING STATEMENT

DUNS 2[illegible]

ORIGINAL COPY

REFINING DEPARTMENT
850 THIRD AVENUE
NEW YORK, N. Y. 10022
TELEPHONE
AREA CODE 212 752-3400

1770 KINGS HIGHWAY
FAIRFIELD, CONN. 06432

526 NUBER AVE.
MT. VERNON, N. Y. 10550

42 UNION STREET
ATTLEBORO, MASS. 02703

1900 ESTES AVENUE
ELK GROVE VILLAGE, ILL. 60[illegible]

4140 GIBSON RD.
EL MONTE, CAL. 91734

TO:

First National Bank of Fairbanks
Fairbanks, Alaska 99701

DESCRIPTION	PRICE	AMOUNT
D1018 1 sack retorted gold sponge button, some fines. Net wgt. rec'd 36.50 ozs. Settled 7-27-71.		
23.54 ozs. Gold	41.41	974.79
5.02 ozs. Silver	1.557	7.82
		982.61
Refining Charge		50.00
		932.61 Cr.

Check Enclosed.

Re: OME-6148 (Gold)
Little Squaw Mining Company
Contract 2140

[illegible]es we pay for the precious metals recovered from your refining lot are based on the metal markets prevailing on the date of [illegible] assays are completed. If you require further information [illegible] advise us within [illegible]

HANDY & HARMAN

850 THIRD AVENUE • NEW YORK, N. Y. 10022

REFINING STATEMENT

DUNS 202-8876

TO:

FIRST NATIONAL BANK OF
FAIRBANKS
FAIRBANKS, ALASKA 99701

ORIGINAL COPY
REFINING DEPARTMENT
850 THIRD AVENUE
NEW YORK, N. Y. 10022
TELEPHONE
AREA CODE 212 752-3400

1770 KINGS HIGHWAY
FAIRFIELD, CONN. 06432

525 NUBER AVE.
MT. VERNON, N. Y. 10550

42 UNION STREET
ATTLEBORO, MASS. 02703

1900 ESTES AVENUE
ELK GROVE VILLAGE, ILL. 60007

4140 GIBSON RD.
EL MONTE, CAL. 91734

DESCRIPTION	PRICE	AMOUNT
D1097, 1 BAG RETORTED GOLD SPONGE, BUTTONS & FINES, NET WGT. RECD. 182.85 OZS. SETTLED 8/27/71.		
125.72 OZS. GOLD	40.57	5100.46
27.88 OZS. SILVER	1.538	42.88
		5143.34
REFINING CHARGE		89.14
		5054.20 OR.

CHECK ENCLOSED.

Re: OME-6148 (Gold)
Little Squaw Mining Company
Contract 2140

1. The prices we pay for the precious metals recovered from your refining lot are based on the metal markets prevailing on the date of settlement. 2. Settlements for refining lots are made as assays are completed. If you require further information concerning your lot, please advise us within 5 days as otherwise the separate identity of your lot will be lost in further processing except for reserve samples. 3. All agreements are contingent upon strikes, accidents, and causes beyond our control.

64-6 20M 1/71

HANDY & HARMAN

850 THIRD AVENUE • NEW YORK, N. Y. 10022

REFINING STATEMENT

DUNS 202-68

ORIGINAL COPY

REFINING DEPARTMENT
850 THIRD AVENUE
NEW YORK, N. Y. 10022
TELEPHONE
AREA CODE 212 752-3400

1770 KINGS HIGHWAY
FAIRFIELD, CONN. 06432

625 NUBER AVE.
MT. VERNON, N. Y. 10550

42 UNION STREET
ATTLEBORO, MASS. 02703

1900 ESTES AVENUE
ELK GROVE VILLAGE, ILL. 60007

4140 GIBSON RD.
EL MONTE, CAL. 91734

TO:

First National Bank of Fairbanks
Fairbanks, Alaska 99701

DESCRIPTION			PRICE	AMOUNT
D1098 1 bag retorted gold sponge, buttons and fines. Net wgt. rec'd 266.65 ozs. Settled 9-1-71.				
177.31	ozs.	Gold	40.62	7202.33
34.50	ozs.	Silver	1.483	51.16
				7253.49
		Refining Charge		126.39
				7127.10 C

Re: OME-6148 (Gold)
Little Squaw Mining Company
Contract 2140

Check Enclosed.

1. The prices we pay for the precious metals recovered from your refining lot are based on the metal markets prevailing on the date of settlement. 2. Settlements for refining lots are made as assays are completed. If you require further information concerning your lot, please advise us within 5 days as otherwise the separate identity of your lot will be lost in further processing except for reserve samples. 3. All agreements are contingent upon strikes, accidents, and causes beyond our control.

64-6 20M 1/71

15264.23

7127.10

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/4/71		120
		220

OCT 4 1971

AIRMAIL

Mr. Karl W. Jasper
President
Little Squaw Gold Mining Company
521 Columbia Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

We have learned that shipments of gold sponge were made on July 9, 19, August 3 and 11, 1971, by Mrs. Bettijeanne Birch from the subject property and middling concentrates were accumulated which she hoped to ship later. To date we have not received records of these shipments or royalties from the sales as required by the OME contract.

We would appreciate receiving information on this matter at your earliest convenience.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OME Docket
OME Reading File
OME Field Officer, Region I (2)
OME Field Officer, Region II
Mr. Kirkemo
130

HKirkemo/gla 10-4-71

ROUTING AND TRANSMITTAL SLIP

			ACTION
1	TO (Name, office symbol or location) Chief, Office of Minerals Exploration and Field Officer, Region II	INITIALS DATE	CIRCULATE COORDINATION
2	Re: OME-6148 (Gold) Little Squaw Mining Company Mikado, et al., Claims Chandalar Mining District	INITIALS DATE	FILE INFORMATION
3	Fairbanks Precinct, Alaska Amended Contract 2140	INITIALS DATE	NOTE AND RETURN PER CONVERSATION
4		INITIALS DATE	SEE ME SIGNATURE

O. M. E.
RECEIVED
SEP 30 1971
INITIALS CODES
1130
120
1220

REMARKS Attached are several xeroxed sheets of information concerning the summer's activities at the Little Squaw mine (this info brought to our office by Mr. Eskil Anderson). Note that there were shipments of gold sponge on July 9, 19, Aug. 3 and Aug. 11--plus middling concentrates to be shipped later.

I cannot find the current address of Mrs. Birch but have been told that she is going to return to Spokane. Mr. Anderson also would like to know where and how much gold was produced. I do not know if Mrs. Birch made provisions to pay the required royalty to the Government.

9/2/71 Box 1332 Fairbanks Alaska 99707

Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions.

FROM (Name, office symbol or location)	DATE
Willard P. Puffett Spokane, Washington WPP	9/28/71 PHONE

OPTIONAL FORM 41
AUGUST 1967
GSA FPMR (41CFR) 100-11.206

GPO : 1967 O—300-455 (8-H) 5041-101

ESKIL ANDERSON
MINING GEOLOGIST
POST OFFICE BOX 846
SPOKANE, WASHINGTON 99210

924 WEST 22ND AVENUE
SPOKANE, WASH. 99203
(509) RI 7-5328

May 23, 1971

Dean Earl Beistline
College of Earth Sciences
University of Alaska
College, Alaska 99701

Dear Earl:

Bettijeanne Birch was here for dinner last night and is moving to a very nice home a few blocks away. She was in excellent spirits and enthusiastic about the Chandalar operations and seemed to be most anxious that the latest investors in Chandalar Gold Mining and Development Company get their money back promptly, a statement we often hear. We look at that somewhat ironically since our own largest investments in cash and work were made so long ago, from 1947 to 1950, with another $25,000 plus in cash and an unbelievable amount of work since the first of the recent investments were begun by Little Squaw in 1959.

We informally advised Little Squaw by phone and later by memo of the present legal status. Bettijeanne apparently has no knowledge that any changes are necessary and presumably has not been told by Little Squaw. Roughly it is this:

Lodes

Two Basic Leases to Little Squaw from Eskil Anderson, 1/1/70, as amended and continued from leases entered into in 1959 and later. These leases are assignable only upon written approval.

Sublease - Little Squaw to Frank Birch and Bettijeanne Birch, approved by Eskil Anderson. Contradictions with basic leases objected to at time of signing (see enclosed letter from John Campbell.) Subleases governed by terms of basic leases if in conflict.

(Unpatented placer claims on Big and Little Squaw Creeks were included in sublease to Birch, on basis of Hugh Matheson lease assignment to Little Squaw in 1962.)

Assignment of Sublease to Chandalar Gold Mining and Milling Co., approved April 7, 1967.

Chandalar Gold Mining and Milling Company, Ltd. was formed by an "Agreement of Limited Partnership". Paragraph VII of that agreement, sentence One, is "The Partnership shall terminate upon the death, retirement, or incapacity to act of the general partner." Approval of Sublease from Little Squaw to Frank Birch was also automatically terminated upon the death of the operating partner and requires approval of new operator or operators to be effective, as would assignment of Sublease if limited partnership were in existence.

Tobin Creek Placer

Agreement of Limited Partnership

Paragraph VII "The partnership shall terminate upon the death, retirement or incapacity to act of the general partner.

Paragraph IX "....In the event of the death of the general partner.... the limited partners shall elect one of their number to liquidate the partnership....."

. have had a continuously unpleasant relationship with Little Squaw because of its failure to honor even the few contractual obligations involved in the basic leases. Almost without fail each new lease has been breached within six months its signing and it has been necessary to begin unpleasant breach of agreemen proceedings. A self appointed and self perpetuating Little Squaw executive committee of two, neither with a mining background, has caused subleases and other reements to become a shambles which will result in disastrous legal complicati if not corrected.

One exam e refers to lode and placer camps and equipment which would cost more than $200 00 to replace.

An "Equipme Agreement", signed by Karl Jasper, allows F. E. Birch and Associates, (appa ntly the Tobin Creek Placer limited partnership) the use of Little Squaw equip nt and supplies "for Birch and Associates Placer operation on Tobin Creek, for th life of the Tobin Creek placer mining operation."

Paragraph 15 of e Mining Lease, the sublease of all lodes in the district from Little Squaw to Frank and Bettijeanne Birch assigned to a different entity "Chandalar Gold Mining d Milling Company", states that:

"Lessor grants Lesse free use of Lessor facilities in the district..... Lessor's heavy equipment may be used by Lessee when it is available at a rented rate of $5.00 per hour..... and an additional $5.00 per hour paid at the end of each working season to Frank Birch....."

The inventory of heavy equipment includes several D-6 and TD-18 bulldozers, carry-all, other wheeled equipment. No one else could agree on the meaning of the clause. Diesel oil, lubes, blacksmith shops, a supply of food and other perishables, trailer houses, trucks and other items; a complete placer mining outfit and a complete small underground mining outfit were included.

Two other examples involving land aquisition could cause additional problems.

1. Paragraph Two of the 1/1/70 "Amendment of Mining Lease - Mikado-Star Group, and all its predecessors, from Eskil Anderson to Little Squaw requires that all property interests acquired in the district come under the terms of the Lease. About 10 claims have been acquired or staked under other names in the Tobin Creek area, perhaps one or more for use as a mill site, apparently with the intention of avoiding inclusion of those claim titles under the general agreements. Some of those are placer claims which are operated under a separate

placer operating agreement not signed by Little Squaw and on which Little Squaw could claim an extra 10% royalty under its agreement with Birch. Titles to these claims must be included in the basic agreements with reservation to the Tobin Creek placer group of full placer mining rights as long as that operation continues.

2. Failure of Little Squaw to renew notices already prepared and to maintain property included under the leases forfeited 5 year leases with purchase options to an 80 acre and a 5 acre plot on Chandalar Lake covering the mouth area of lower Tobin Creek and the next down-lake living place. Maintenance of those sites could prevent anti-pollution activists from shutting down Tobin Creek placer operations. If the land freeze is removed those areas should be reposted immediately as they contain the best land available on the lake and adjoin the only field suitable, with very little work, for heavy commercial freighting and Hercules landings.

Further unsatisfactory lease performances are described in the recent letters of April 16 and May 15, 1971 and of October 1960 enclosed.

The object of mentioning these few examples is not to hinder operations but to make them possible by avoiding future litigation. Without revival of the earlier Sublease and Partnership agreements many of these difficulties would be eliminated! Part agreements, except for that with Little Squaw, would be void.

Without approval from the owners of the property of subleases or assignments, Little Squaw would be forced to operate itself under the two basic leases of 1970. A merger of Chandalar Gold Mining and Milling Company into Little Squaw, perhaps with agreement to mine for a season, could provide all parties with a handsome settlement and multiply the strength of Little Squaw many times. With one successful experienced placer miner in a crew Kit Birch probably could do very well on the Tobin Creek placer under your supervision.

My partners and myself know the dangers inherent in a family operation with the head of the household gone and do not consider it logical that it could succeed with Frank gone when it didn't with him there. Strong additions to the operating staff permanently at the mine would be necessary to replace him. Financial and personal liability dangers will be greatly increased without a strong character on the job. A high grade gold operation such as this cannot be conducted without theft without the presence of an expert to handle the gold who has the highest reputation for integrity. Some ore underground assays many thousand dollars a ton in high grade spots.

Conditions are present for development by one or another of America's strongest gold companies. Some of their technical mill and mining experts and equipment are available for immediate use to make the operation a success. The most success in the Chandalar can be had for all parties through the most rapid transition possible from a family to a strong well financed experienced professional operation.

Good luck and best wishes,

Eskil

Eskil Anderson

EA:ea
Enc

TO: Limited Partners, Chandalar Gold Mining & Milling Co.
FROM: Bettijeanne Birch, Executrix, Estate of Frank Birch
DATE: August 30, 1971

After Frank's death May 13, I was uncertain as to what course to follow in preserving and liquidating of the Partnership. In Spokane on May 24, at a meeting with Karl Jasper, Maynard Irving, Leonard Havlis and John Campbell, it was mutually agreed I might continue the operation for the summer with the aid of my son, a Senior mining student at the University of Alaska, and technical advice from Dean Beistline and mining advisors from the University, with Probate Court permission.

In order to keep our 2-man mine crew and mill man, we agreed to wages at the rate of $5.00 per hour for 7/10 hr. days per week. Frank had previously put the miners on a contract pay basis, but it was necessary to change this.

Using funds and credit established by Frank, we ordered a full summer's supplies and paid bills on a cash basis whenever possible.

We made shipments of gold sponge from the operation on July 9, July 19, August 3, and August 11, and also accumulated middling concentrates which we hope to ship for later sale.

Our 3-man crew had assumed returns to be more rapid and remunerative than proved to be the case, and on July 31, apparently decided the ore was not good enough to continue mining on a contingency basis and demanded a guarantee. I assured them I had no means left to give them a guarantee.

On closing down, no large quantity of product was contained in clean-up when the ball mill was emptied and washed down and tabled for sponge; bunkers were emptied at that time, sump, jig and launder all hosed down and concentrates tabled for amalgam. All men were off payroll by August 11, 1971. Mr. Ed Hoch, partner of Eskil Anderson, was present during this time, witnessed the entire operation and accompanied the last sponge to Fairbanks.

Equipment was all left stored, machinery now contains anti-freeze, water lines are pulled, equipment parked for winter blow, all trailers closed and cleaned out.

Of prime concern at present is my need to pay remaining wages, taxes and summer expenses. No return can be expected immediately from the concentrates. I will remain in Fairbanks as long as the business affairs demand, after which I shall return to Spokane.

Also of concern to me is the fact that the Mill and Mine inventory, partially Little Squaw's and partially Chandalar Gold Mining & Milling Company, is currently left untended and unguarded with access by air for anyone wishing to come in and take small but expensive items such as tools, assay equipment and household goods in the trailers, etc. This is unlikely, but a possibility.

It is now requested that I have some idea from the partners of what disposition they wish to be made of the Partnership property.

Yours very truly,

Bettijeanne Birch

Bettijeanne Birch
Executrix

Copies to:

Admiral Consolidated Mining Company
521 Columbia Building
Spokane, Washington

Metaline Mining & Leasing Company
521 Columbia Building
Spokane, Washington

Robert G. Miller
224 Illlinois
Fairbanks, Alaska 99701

James Magoffin
c/o Interior Airways
Fairbanks, Alaska 99701

L. C. Koenig
5541 North Waukesha Avenue
Chicago, Illinois 60646

Al Sakowicz
8204 West Summerdale Avenue
Chicago, Illinois 60656

George V. Harris
5340 Hunt Club Road
Racine, Wisconsin 53402

S. D. Cooper
5454 S.W Dover Loop
Portland, Oregon 97239

E. L. Sunquist M.D.
2510 Highland Drive
Eugene, Oregon 97403

Emily Schermerhorn
1623 S. Grand Blvd.
Spokane, Washington 99203

Warner Onstine
504 Columbia Building
Spokane, Washington 99204

Little Squaw Gold Mining Company
521 Columbia Building
Spokane, Washington 99204

John Havlis
c/o Leonard Havlis
2320 34th Avenue South
Seattle, Washington

HOMESTAKE MINERAL DEVELOPMENT COMPANY

OLD NATIONAL BANK BUILDING
SPOKANE, WASHINGTON 99201
TELEPHONE (509) 747-3045

May 28, 1971

Mr. Eskil Anderson
W. 924 22nd Avenue
Spokane, Washington

Dear Eskil,

I have discussed the Chief Jo tungsten prospect and the Chandalar gold mine with our office in San Francisco. As I indicated previously, Homestake will not be able to participate in work on the tungsten property at this time, but we would like to secure more information on the Chandalar gold mine, as this may be of real interest to us. I am returning the six maps on the tungsten property which you had given me and I want to thank you for bringing it to our attention. Please call me when it would be convenient to discuss the Chandalar situation further.

Very truly yours,

Donald A. Hull
District Manager

DAH:jh

Enc.

With no approval of Jim yet, I've a feeling we would like to secure more information on the Chandalar gold mine, as this may be of real interest to us. The 9 maps

May 29
Karl
If Earl is your representative and Bethjeannes as well, this could be made into an opportunity that may not come again. With some careful and delicate negotiations, Homestake, or someone else, could supply technical milling advice and equipment necessary to operate the mill properly, as well as on the job mining assistance and on the ground supervision. An immediate merger into Little Squaw of the Birch interests, to be consummated at the end of this milling season could get Little Squaw into a position where it might even be possible to negotiate a 35-65 with profit arrangement with Homestake — one which they ordinarily would not consider. A very profitable settlement for Bethjeanne and Little Squaw could be worked out now that may never be possible again. Because of the immediate increase in interest in Little Squaw which would result from a good agreement with a large company, we could negotiate our permanent royalty to bring a district wide development program into being. If it is not done now, we will not have sufficient incentive to consider any change in royalty as our Little Squaw holdings will be less. Little Squaw will probably never be able to negotiate such a deal with a second mining company except at a high price in stock for the privilege of lower royalties, at any time in the future.

Eskil

TO THE LETTERS OF THE CHEROKEE GOLD MINING & MILLING COMPANY

A meeting was held on August 25, 1971, between the principals of the Cherokee Mining District of Alaska for the purpose of planning the reorganization, the structural set-up between the various interests of the operation. The meeting was held at the request of Mr. Pekii Anderson's attorney, Mr. John Leff. Because of the untimely and tragic death of Frank Birch, it is necessary that immediate action be taken so that all who have invested in this operation shall not stand to lose their complete investment.

About 75% of the Limited Partnership interests were represented at the meeting. This group met separately and discussed a proposal from Little Squaw to acquire the remaining assets of mine and mill equipment at its book value.

Little Squaw Gold Mining Company is prepared to offer to the partners shares of its stock on the basis shown on the enclosed proposal statement. Those in attendance at the meeting were unanimous in their approval of the offer as presented.

If you approve, please sign and return one copy of the enclosed Bill of Sale as provided for your signature and upon receipt of same by this office, we will issue the number of shares indicated and these will be issued according to the rules and regulations of the Securities and Exchange Commission.

Your immediate response to this request will help to bring about a program that will be fair and equitable and hopefully profitable to all concerned.

Very truly yours,

LITTLE SQUAW GOLD MINING COMPANY

By

Karl W. Jasper, President

kwJsmv
encl

P.S. A copy of a Status Report that was presented at the meeting is enclosed for your benefit to help you understand the problems involved in this situation. This office neither admits nor denies any of the statements made in the report but it is furnished to help you see the situation as it now faces us.

To Esell

Box 1332
Fairbanks, Alaska, 99707
Sept. 2, 1971

Mr. Karl Jasper
521 Columbia Bldg.
Spokane, WA 99204

Dear Karl:

Your report to Col. Haycraft arrived yesterday, and it is my hope something can be worked out in the 60 days remaining before forfeiture.

I cannot, at this time, sign the Bill of Sale, largely due to the "no liens or incumbrances" clause. I believe Col. Haycraft is also writing this day explaining we are currently receiving Creditors Claims and their total is far in excess of anything the Estate could pay. The claims include last year's wages, only partially paid by the $15,000 note we signed in April. A Creditor's Claim against the Estate has not as yet been filed on this.

I agree that the entire matter must be resolved in order to interest any company, and will cooperate in any way with records or information. A meeting had previously been set for today at 2 PM with Ray Kohler, the CPA; Doug Colp, who is working on inventory appraisal; and myself. Mr. Colp came into the camp to do the inventory earlier this summer.

Regarding this year's work, Frank had borrowed about $20,000 in addition to the $15,000 to help pay last year's bills and and initiate operation of this season's work. Our receipt on returns from gold sponge was also used to pay operating costs, royalty, wages and taxes, and final receipts and payments have yet to be made. Our final reports from Handy and Harman are not yet in, and we are hoping to ship out to a smelter the final barrels of concentrates, now awaiting a C-46 backhaul from camp. Chris will have final map and reports on extent of work done at the Mikado Mine and we will have full production and return reports as soon as available.

Let me know what I can do to help from here; meanwhile, my time will be spent in organizing needed reports and records for all concerned.

Encl.

Yours truly,

R-II I

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

January 25, 1971

Mr. Karl W. Jasper
President
Little Squaw Gold Mining Company
521 Columbia Building
Spokane, Washington 99204

Re: CMB-5148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since March 4, 1970, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☒

Is the Assignment of Lease between Frank and Bettijeanne Birch and the Little Squaw Mining Company to the Chandalar Gold Mining and Milling Company, dated January 22, 1968, still in effect? If not, please explain. Yes ☒ No. ☐

2. Since March 4, 1970, has there been any production from the land subject to the contract? Yes ☐ No ☒

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings *(see* , has any production been transported through *of contract)*? Yes ☐ No ☒

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

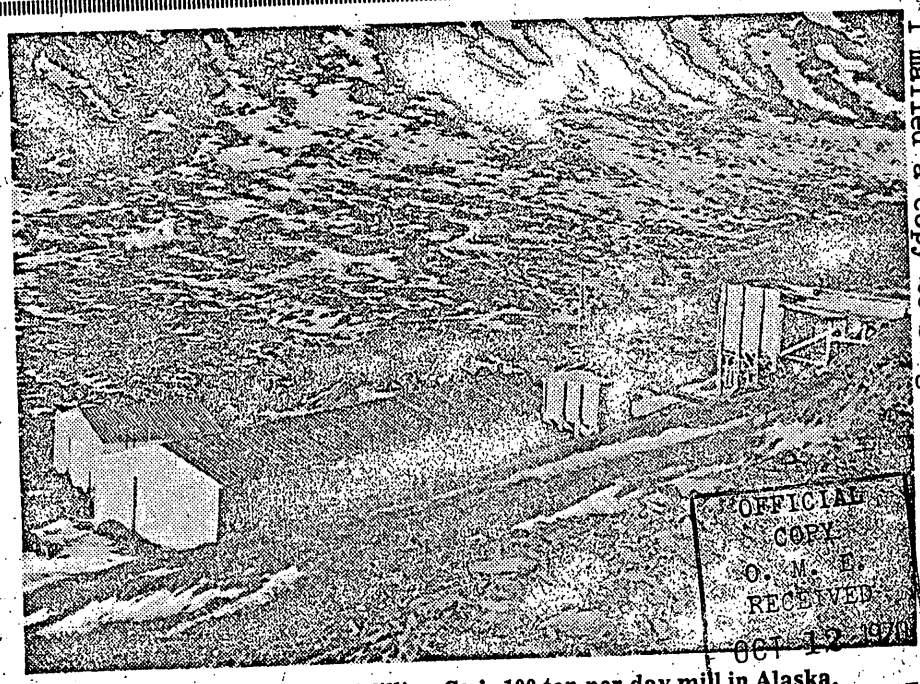
Submitted by:

Name KARL W. JASPER	*Title* PRESIDENT
Address 521 COLUMBIA BUILDING SPOKANE, WASH. 99204	*Date* 2/26/71

From Spo[illegible]e Daily Chronicle 10/8/70 October 8, [illegible]70
OME: 6148 (Gold)
Contract 2140 Little Squaw Mining Company

Northwest Mine News

I mailed a copy to Stager



Chandalar Gold Mining & Milling Co.'s 100 ton-per-day mill in Alaska.

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O. M. E.
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* * *

Little Squaw Listed

Milling Results Released

By WAFFORD CONRAD
Chronicle Mining Editor

Results of initial milling of Mikado Mine ore in northern Alaska were released today by Little Squaw Gold Mining Co. in connection with its acceptance for listing on the Spokane Stock Exchange tomorrow.

Karl W. Jasper, president of Little Squaw, said the sublessee, Chandalar Gold Mining & Milling Co., also of Spokane, milled 3,000 tons of ore averaging one-half ounce of gold per ton in August.

The ore was mined from a 400-foot long surface cut, he said, and an estimated 4,000 tons of one-ounce ore is stockpiled.

The ore in the bottom of the cut is reported to be 14 feet wide and sampling indicated a gold content of about 1.3 ounces per ton, he said.

Discovery of the surface ore has doubled the mine's ore reserves, Frank E. Birch, Spokane mining engineer and managing partner of Chandalar Gold, a limited partnership, told Jasper.

The ore cost 50 cents a ton to mine, he reported, and milling and hauling costs were about $8 a ton.

An early fall freeze forced a shutdown of the new mill in September for lack of water and the gold concentrates, frozen solid, can't be shipped until next spring's thaw, Birch reported.

The start-up of the mill Aug. 1 climaxed 11 years of prospecting, exploration and development by Little Squaw and Chandalar Gold at the property in the Chandalar Mining District 90 miles north of the Arctic Circle.

Buildings Made Here

The steel mill structures were prefabricated by Garceau Steel Structures of Spokane and shipped by rail to Vancouver, B.C., by barge to Anchorage, by rail to Fairbanks and by plane the remaining 187 miles.

All other equipment also was flown in to the property except bulldozers, which had been "walked in" from Fairbanks years ago.

Little Squaw and Metaline Mining & Leasing Co. and Admiral Consolidated Mining Co., also headed by Jasper, are among the partners in Chandalar Gold. Grandview Mines, of which Jasper is president, and Metaline M & L own nearly half of Little Squaw's issued shares.

The listing ceremony is scheduled for 10:15 a.m. tomorrow at the Exchange on the second floor of the Radio Central Building.

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

October 7, 1970

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O. M. E.
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OCT 16 1970

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gla	130
HK	120
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Mr. Karl W. Jasper
President
Little Squaw Gold Mining Company
521 Columbia Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

All of the Government's files on the OME contract referenced above have been transferred from Spokane to the OME Field Office in Menlo Park, California. The transfer was made because of a revision in the areas served by the Field Offices. I am enclosing a copy of the current regulations (Title 30) that shows the regional responsibilities of the four Field Offices.

Future OME royalty payments under this contract should be made to the U. S. Geological Survey and mailed to:

Harold K. Stager
Field Officer, Region II
Office of Minerals Exploration
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California 94025

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

cc: OME, Wash., D.C.
Dir. RF
ACG RF
MP RF
Docket

RMSmith:mkh

Enclosure

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/11/70		120
		220

AIRMAIL

Mr. Karl W. Jasper
President
Little Squaw Gold Mining Company
521 Columbia Building
Spokane, Washington 99204

MAR 11 1970

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Karl:

Thank you for the information about recent activities of the Little Squaw Gold Mining Company and plans for the future.

Thank you also for the invitation to speak at the Monday mining luncheon. I would enjoy accepting the invitation, but I have no plans at present to visit Spokane. However, if an unexpected trip does come about, I will contact you. I am sorry that I did not have an opportunity to talk with you at greater length during the AIME meeting in Denver.

Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region I w/ 3/4/70 letter, Form 63, and Birch report
Mr. Kirkemo
130

HKirkemo/gla 3-11-70

LITTLE SQUAW GOLD MINING COMPANY

521 Columbia Building
Spokane, Washington 99204

Telephone: MA 4-2501

3/4/70

Harold Kirkemo, Chief
Office of Minerals Exploration
USGS
Washington, D.C.

Dear Mr Kirkemo:

Enclosed please find two copies of report as requested by your office on January 23rd, 1970.

In reply to production questions, I am enclosing a copy of letter from Frank Birch as explanation. Nothing has been shipped or sold and we have no figure from Frank as to number of tons of development dump ore that was processed. This information should be available for you on the next report. There will be ore milled and its production shipped this year if all goes according to plan.

Very truly yours,

Karl W. Jasper, President
LITTLE SQUAW GOLD MINING CO.

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

AIRMAIL

January 23, 1970

Mr. Karl W. Jasper, President
Little Squaw Mining Company
~~309 Radio Central Building~~
~~Spokane, Washington 99204~~
521 Columbia Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to R-I w/enclosures

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MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since February 12, 1969, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [ ] No [X]

   Is the Assignment of Lease between Frank and Bettijeanne Birch and the Little Squaw Mining Company to the Chandalar Gold Mining and Milling Company, dated January 22, 1968, still in effect? If not, please explain. Yes /X/ No /__/

2. Since February 12, 1969, has there been any production from the land subject to the contract? Yes [X] No [ ]

   A. If so and it was shipped, give quantity, value, and name and address of purchaser. SEE COPY OF BIRCH REPORT ENCLOSED HEREWITH

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes [ ] No [ ]

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Karl W. Jasper Title President

Address 521 Columbia Bldg Date 3/4/70

Spokane, Washington 99204

CHANDALAR GOLD MINING AND MILLING

Report on Little Squaw Gold Mining operations for 1969

Little Squaw-Golden Eagle group:

A haul road was built to open pit above Little Squaw mine workings and stripping was initiated in the pit. The road was also extended to Little Squaw mine portal and a bench cut at the portal to facilitate mining ore above the main tunnel level.

Extensive road work was required on the Golden Eagle and Venus claims.

A gravel pit was developed and worked on #2 above discovery claim on Little Squaw Creek.

Cost of the above mentioned operations on Little Squaw-Golden Eagle group during 1969:

145 hours bulldozing @ $30/hr.	$4,350.00
200 hours loader and truck with driver @ $5/hr.	1,000.00
Total	$5,350.00

Mikado group

During the year 1969, the Mikado 200' level crosscut was cleaned of ice and re-piped. Access roads were built to surface pit, and ore zone stripped over 300' length. Development dumps were mined, hauled and milled.

Concentrates and middlings were stockpiled for re-run and cleaning up for shipment in 1970. Early freeze-up prevented the final cleaning of concentrates this year.

Fr. Chronicle
9-30-69

Alaska Mine Mill Started

Chandalar Gold Mining & Milling Co.'s new 100-ton mill in Alaska's Chandalar Mining District has gone into operation following a tune-up period, an Alaskan official reported today.

James A. Williams, director of Alaska's Division of Mines and Geology, said in answer to a Chronicle query that progress was delayed during August because of unusual blizzard conditions and deep snow.

He said that Frank Birch, Spokane mining engineer in charge of the work, had planned to mill 3,000 tons of gold ore this season before shutting down for the winter.

"The ore is coming from the Mikado lode, one of the better known gold lodes in the Chandalar district," Williams wrote.

Chandalar Gold is operating the property under a sublease from Little Squaw Gold Mining Co. of Spokane. Little Squaw is controlled by Grandview Mines, Inc., and Metaline Mining & Leasing Co. of Spokane.

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O. M. E.
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OCT 8 1969
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Re: OME-6148 (Gold)
Little Squaw Mining Co.
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

OME-6148

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The Wallace Miner

Little Squaw Mining Plans Public Offering

3/27/69

Little Squaw Mining Co. plans to file a public stock offering proposal with the Securities & Exchange Commission within the next few days, Grandview Mines stockholders learned at their annual meeting in Spokane Monday.

Karl W. Jasper, Grandview's president, said that firm owns 761,497 shares or 29 per cent of the outstanding Little Squaw stock.

Also president of Little Squaw, Jasper said it is proposed to raise $240,000 to pay off Little Squaw debts and provide $70,000 for Chandalar Gold Mining & Milling Co., sub-lessee of the Little Squaw gold properties in Alaska's Chandalar Mining District.

The $70,000 is all that is needed to complete financing of mill construction and get the mill into operation by Sept. 1, he said. This would give Little Squaw an approximate 12 per cent net profit interest in the Chandalar firm, a limited partnership, he said. Little Squaw also will receive a 20 per cent royalty "off the top," he said.

Jasper also reported considerable recent interest by representatives of large mining companies in Northeastern Washington, where Grandview has extensive property holdings.

Re: OME-6148 (Gold)
Little Squaw Mining Co.
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Grandview Reports On Spending At Chandalar

Chandalar Gold Mining & Milling Co. of Spokane spent about $225,000 on the Alaskan properties of Little Squaw Gold Mining Co. last year, Grandview Mines has reported to the Spokane Stock Exchange.

Grandview, which owns 28 per cent of Little Squaw's issued stock, said all machinery and equipment needed to get a proposed 100-ton mill into production this year are on hand at the leased properties north of Fairbanks.

More than 730,000 pounds of materials and supplies were shipped in by air freight and tractor-pulled sleds during 1968, Grandview's president, Karl W. Jasper, reported in Spokane.

Workmen set up six house trailers and erected three steel buildings, a 32x32-foot shop building at the millsite, a 10x32-foot assay laboratory and office building, and an 18x32-foot mine dry and shop building at the Mikado Mine portal, he said. The millsite was leveled to grade.

Wallace Miner
3/9/69

OFFICIAL
COPY
O. M. E.
RECEIVED
MAR 20 1969

INITIALS	CODE
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HJK	120
	220

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Cost of the above mentioned operations on Mikado group of claims during 1969::

440 hours re-opening 200' level crosscut @ $5/hr.	$2,200.00
196 hours bulldozer stripping, road-building, and plowing snow on the property @ $30/hr.	5,880.00
Total	$8,080.00

Frank E Birch

Frank E Birch

Operator-lessee

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

January 24, 1969

Mr. Karl W. Jasper, President
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

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Dear Mr. Jasper:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 15, 1968, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

   Is the Assignment of Lease between Frank and Bettijeanne Birch and the Little Squaw Mining Company to the Chandalar Gold Mining and Milling Company, dated January 22, 1968, still in effect? If not, please explain. Yes ☑ No ☐

2. Since March 15, 1968, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Karlen Jasper Title President

Address 309 Radio Central Bldg Date 2/10/69

OME

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY
U. S. Court House, Rm. 656
W. 920 Riverside Avenue
Spokane, Washington 99201
October 11, 1968

OCT 15 1968
(Disgatched)

Memorandum

To: Field Officer, Region I

From: Willard P. Puffett, Geologist

Subject: Summary Final Report
OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

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Field Final Report

INTRODUCTION

This report summarizes an OME exploration contract for ~~gold ore in~~ east-west shear zones at the Mikado and Little Squaw mines, Chandalar Mining District, Alaska. Contract work started in June 1962 and was terminated before all the originally planned work was completed due to the failure of the Operator to resume exploration in the summer of 1965. The work that was done was successful in finding extensions of the gold-bearing quartz in the shear zone at the Mikado mine and increasing the ore reserves there by 1,125 tons having an average grade of 1.18 ounces gold per ton. No certification of discovery was issued, but because the Operator failed to complete the contract, the Government has a lien on all production from the property until January 25, 1974, or until the Government's share of the exploration costs ($40,535.50) is fully repaid.

OPERATOR

Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

PROPERTY

The property consists of two groups of claims that are shown on figure 1 and are as follows:

Mikado-Star group of claims, owned by Eskil Anderson and held by the Operator under a lease dated April 29, 1959, consists of

Claim Name	U.S. Patent Number
Tobin	1024558
Little Mikado	1024558
Mikado	1024558
Star No. 1	1036359
Star No. 2	1036359
Star No. 3	1036359

Wolf, an unpatented claim recorded at Fairbanks, Alaska, in Volume 24 of Locations, page 330.

Little Squaw-Eneveloe group, owned by Chandalar Gold Mines, Inc., a Delaware corporation, leased under a Mining Lease and Option dated March 1, 1948, to Eskil Anderson who, in turn, leased to the Operator under a Mining Lease dated April 29, 1959, consists of

Claim Name	U.S. Patent Number
Bonanza	1036358
Enveloe	1036358
Golden Eagle	1036358
Venus	1085904
Jupiter	1085903
Woodchuck	1085903
Little Squaw	1022769
Big Squaw	1022769
Sine	1022769
Cosine Fraction	1022769
Crystal	1022769
Cosine	1036360
Crystal No. 2	1036361
Cosine No. 1	1088433
Cosine No. 2	1088433

Chandalar, an unpatented mining claim recorded at Fairbanks, Alaska, in Volume 29 of Locations, page 206.

A mortgage dated November 2, 1935, exists against these claims, in favor of Clara Sulzer, was recorded in the office of the United States Commissioner for the Chandalar Mining District in Volume 1 of Mortgages, page 29. On April 18, 1947, Clara Sulzer assigned the mortgage to Eskil Anderson.

The exploration on the Mikado-Star group was done on the Tobin, Little Mikado, and Mikado claims; that on the Little Squaw-Enveloe group was done on the Sine, Little Squaw, and Cosine Fraction claims.

The claims lie athwart a north-trending series of ridges that are near the headwaters of the north-flowing Little Squaw and Big Squaw Creeks, the west-flowing Tobin Creek, and the south-flowing Big Creek. Altitudes range from about 3,000 feet to about 6,200 feet, and hillslopes are steep.

The property is in the Chandalar Mining District and lies between 67°37' N. and 67°35' N., and between 148°10' W. and 148°20' W., and is about 65 miles north of the Arctic Circle. Beaver, the nearest shipping point on the Yukon River, is about 100 miles by trail south and east from the property. The air route to the property is about 190 miles from Fairbanks, Alaska.

Underground workings that existed prior to the OME contract work on the Mikado Group consisted of 500 feet of adit, 100 feet of raise to the bottom of the 100-foot shaft, and 275 feet of drifts and 450 feet of prospect crosscuts. Underground workings on the Little Squaw Group consisted of 325 feet of adit, raise, and winze. The adit is about 200 feet long and near the end of it a raise had been driven 75 feet to the surface and a winze had been sunk 60 feet. There are two short drifts at 70 and 114 feet below and east of the adit level.

Under terms of the contract the underground workings on the Mikado Group were extended 842 feet (fig. 3), but no new underground work was done on the Little Squaw Group.

GEOLOGY

The ore deposits in the Chandalar Mining District are in quartz veins in near-vertical shear zones that strike easterly across quartz-muscovite schist and schistose quartzite of Devonian or Devonian(?) age (Brosgé and Reiser, 1964, and Maddren, 1913, p. 111). Some greenstone and albite-epidote-chlorite-muscovite-schist, that might be altered diorite intrusives, form narrow bodies in the schist. The

nearest large intrusions are granitic rocks of Late Paleozoic or Mesozoic age that crop out about 12 miles west of the Mikado and Little Squaw mines (Brosgé and Reiser, 1964). Permanently frozen gravel mantles much of the bedrock.

The structure of the schist is known in only the most general way. Regional foliation strikes N. 60° W. and dips 25°-30° N. Private reports submitted with the OME application suggest that the bedding strikes north to northeasterly at a high angle to the foliation. Relatively flat thrust faults that are nearly parallel to the regional foliation have been mapped by Brosgé and Reiser (1964). A few faults of small displacement that strike north to northwest have been exposed in the trenches and underground workings on the Little Squaw group of claims.

The shear zones containing the ore bodies strike easterly to northwesterly, subparallel to the regional foliation. These zones are somewhat lenticular along strike and range from a few to as much as a hundred feet thick. Within the shear zones are quartz bodies, 4-6 feet thick in their thickest part, that are known to have a more or less connected linear extent of several thousand feet (A. G. Maddren, 1913, p. 111-115). Shearing after quartz deposition has resulted in lensing of the zones so that in some places the fractured walls of country rock lie against each other with no intervening quartz vein.

Apparently, there are four principal shear zones. The southernmost of the four zones is that on which the Mikado group of claims are located (fig. 1). North of the Mikado Group is a shear zone on which the Enveloe group of claims are located. A third zone, north of the Enveloe Group, is the one on which the Little Squaw claims are located. A fourth zone is about a mile north of the Little Squaw Group.

Maddren (1913, p. 114) describes the veins as being much crushed and recrystallized quartz. The ore is oxidized within 75 feet of the surface and gold is free for the most part. The two most abundant gold-bearing sulfides are sphalerite and arsenopyrite. There are minor amounts of galena, stibnite, pyrite, and chalcopyrite.

Some of the veins are rich in gold. Quartz from the shaft on the Mikado Group assayed $112.00 per ton. Ore from the Little Squaw assayed $60.00 per ton. A private unpublished report by E. A. Boadway listed assays as high as $237.20 across 35 inches in the Little Squaw adit and $338.48 across 11 inches from the Mikado vein. (All assay data listed in dollar values and not in ounces gold per ton.)

The thickness of the quartz veins in the shear zones ranges widely (figs. 2 and 3). The length of samples range from 5 inches to as much as 60 inches. The vein in the northwest drift of the 200 level at the Mikado mine appears to be continuous for at least 200 feet, but its maximum thickness is only 26 inches and its gold content is low. The veins on the 100 level of the Mikado mine are very discontinuous, although some contain high values in gold. The veins exposed in the trenches on the Little Squaw claims range from 12 to 48 inches thick.

It is not known if the veins persist far in depth. On the Mikado group of claims the veins have been explored from the surface to a depth of 200 feet. On the lower level the vein is thin and low in gold values, but this vein possibly is not the downward extension of that explored on the 100 level. On the Little Squaw claim the vein has been explored along a level that reaches a depth of 75 feet below the surface and a winze followed the vein 60 feet below the level. The character of the vein in the bottom of the winze is not known.

In summary, it seems that the veins on the Little Squaw and Mikado group of claims are lenticular, locally rich in gold near the surface but are thin and leaner in gold 200 feet below the surface.

HISTORY

Some underground work had been done at the Mikado and Little Squaw mines before 1909. A. G. Maddren (1913, p. 112-113) reported that the vein at the Little Mikado mine had been exposed in six surface cuts and in a shaft that was 100 feet deep. A crosscut, 209 feet below the shaft collar, had been driven 465 feet and was being continued in 1912. At the Little Squaw mine an adit had been driven 87 feet and explored the vein 35 feet below the surface. Mertie (1925, p. 261) reported that men were working at the Little Squaw mine in 1923. A. E. Boadway (private report) in 1933 reported that the 200 level crosscut on the Mikado Group was 460 feet long and 64 feet of drifts had explored the footwall of the shear zone and that a William Sulzer had acquired the property and in 1930 had extended the Mikado tunnel an additional 50 feet.

Boadway reported that there had been recorded production of $295,000 from placers in the Little Squaw area between 1906 and 1923. In its application for OME assistance the Little Squaw Mining Company reported that $1,000.00 had been hand mortared from the dump at the Mikado mine and a few tons had been milled with a makeshift mill on Little Squaw Creek by 1910. Other than this small amount, there has been practically no production from the quartz lodes.

Reports submitted with the OME application indicated that some companies had sent representatives to sample and examine the property in the 1930's, but no additional work had been done until the OME contract was started. The change in ownership of the claims to the Little Squaw Mining Company is documented in the leases listed in this report under the description of the property.

PROPOSED EXPLORATION

The Little Squaw Mining Company submitted an application for OME assistance on May 8, 1961. The program outlined in the application included the following:

Bulldozing:		
1,500 hrs with D-8 at $25/hr		$37,500.00
750 hrs with TD-18 at $21.50/hr		16,125.00
Underground work:		
Drift and crosscuts		
Mikado	1,525 ft at $70/ft	$106,750.00
Little Squaw	700 ft at $70/ft	49,000.00
Chandalar Lode	330 ft at $70/ft	23,100.00
Diamond drilling:		
Little Squaw	750 ft at $16/ft	$12,000.00
Chandalar Lode	960 ft at $16/ft	15,360.00
Star Group	1,200 ft at $16/ft	19,200.00
Total cost		$279,035.00

EXPLORATION PROJECT

An actual cost type contract was awarded the Little Squaw Mining Company on January 25, 1962. This contract stipulated that work would begin on or before July 1, 1962, and be completed within 30 months. The total allowable costs of the contract work were $167,750.00 of which the Government's share at 50 percent was to be $83,875.00. Simple interest at the annual rate of $6\frac{1}{2}$ percent accrues from the date Federal funds were made available until the period specified for payment of royalty expires.

The exploration work was divided into two stages as follows:

Stage I

A series of trenches shall be bulldozed normal to the vein strike along the Little Squaw and Mikado vein zones.

1,200 hrs with D-8 or equivalent

500 hrs with TD-18 or equivalent

Total cost including assaying - Stage I $ 41,650.00

Stage II

Crosscutting and drifting not to exceed 2,000 feet to explore areas believed favorable as a result of Stage I work.

Long hole drilling, not to exceed a total of 2,000 feet, from the walls of the drifts to test the full width of the vein zone.

Total cost of Stage II including assaying $126,000.00

Total cost of project $167,750.00

The Little Squaw Mining Company had originally requested that the contract be a unit-cost type contract, but the information they had submitted did not substantiate the requested unit costs. Approximately one-half of all DMEA contracts in Alaska had been on actual cost basis and it was believed that the Little Squaw Mining Company contract could be best administered on an actual cost basis.

Amendment No. 1, dated November 26, 1962, permitted work to be done under Stage II of the contract before the full completion of Stage I.

It became obvious during the first year the contract was in effect that there were many difficulties in accounting, auditing vouchers, and other administration problems with the actual cost type contract. Many of the problems stemmed from different interpretations of terms of the contract and many were due to the methods required for exploration in the remote part of Alaska. Consequently, an Amended Contract was prepared in April 1963, placing all work on an agreed unit cost basis. The terms of this contract as regarding total costs, interest, and time for completion were the same as the original contract. Unit costs were as follows:

Bulldozing	
D-8	$25.00 per hour
TD-18	$21.50 " "
Drifting and crosscutting	$61.00 " foot
Timbering drifts and crosscuts	$12.00 " "
Long hole drilling	$ 1.00 " "

Amendment No. 1 of the Amended Contract, dated May 12, 1963, permitted suspension of work between December 1, 1962, and June 1, 1963.

Amendment No. 2 of the Amended Contract, dated February 12, 1965, permitted suspension of the contract work between October 1, 1963, and July 1, 1965, extended the time for completion of the contract from 30 to 40 months and extended the maximum period for royalty payments from 10 to 12 years from the date of the contract. This amendment also stated that if the work did not resume before the end of the recess period or was not completed before the termination of the period fixed for completion, the contract would be terminated as follows:

> "(1) Effective October 1, 1963, if the work has not been resumed on or before July 1, 1965.
>
> (2) Effective January 25, 1966, if the work has been resumed but not completed before that date."

If the contract is terminated according to the above stipulations, "the Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, . . . shall pay to the Government the royalty provided for in the contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the contract as amended herein as if a certification of possible production has been made, such certification being hereby waived by the Operator."

The contract was terminated on January 25, 1966, in accordance with the terms of Amendment No. 2.

The number of units of work completed by the Operator and accepted by the Field Officer as conforming to the contract specifications on a fixed unit cost basis are:

Stage I

	Unit cost	Total cost
Bulldozing		
D-8	740 hrs at $25/hr	$18,500.00
TD-18	500 hrs at $21.50/hr	10,750.00
Assaying	107 at $3 each	321.00
Total - Stage I		$29,571.00

Stage II

Drifting and cross-cutting	842 ft at $61/ft	$51,362.00
Long hole drilling	241 ft at $1/ft	241.00
Assaying	99 at $3 each	297.00
Total - Stage II		$51,900.00
Total - Stages I and II		$81,471.00
Government participation at 50 percent		$40,735.50

A Report of Review of the Amended Contract was issued in May 1966. No acceptable final report was received from the Operator and he was notified on July 26, 1966, that the $200.00 withheld from the Government's contribution to the costs under the contract will be applied against the cost of preparing a Final Report and the matter was considered closed.

The chronological order of work done and approved under terms of the contract is as follows:

Month	Drifting Claimed (feet)	Drifting Approved (feet)	Crosscutting Claimed (feet)	Crosscutting Approved (feet)	Long holing Claimed (feet)	Long holing Approved (feet)	Trenching Claimed (hours)	Trenching Approved (hours)
1962								
April-Aug.							880	880
Sept.-Nov.	58	58	18	18	33	33		
1963								
May	87	87						
June	186	76	4	2				
July	142	74	4	2	208	152	100	
August	150	218	53	55	0	56	358	360
September	63.5	173.5	76.5	78.5				
Total		686.5		155.5		241		1,240

DESCRIPTION OF EXPLORATION WORK

Bulldozed Trenches

The locations of the trenches bulldozed as part of the contract are shown on figures 1 and 2. Ten trenches explored the vein zone east and west of the shaft on the Little Squaw claim and 15 trenches explored the vein zone northwest and southeast of the shaft on the Little Mikado claim. These trenches were cut through permanently frozen ground and hence several trenches were excavated concurrently. The method of trenching was to take a series of bulldozer cuts down to the permafrost with a D-8. Following this work, the TD-18 was used to skim the newly thawed material from the bottom of the trench every 2 or 3 days for nearly a month. Most of the trenches reached bedrock with this treatment. The rate of thawing is 2-3 inches per day in warm sunny weather and practically nil in cool rainy weather. Because of the methods that were required for trenching it was impracticable to complete and evaluate each trench before starting the next one.

The trenches on the Little Squaw vein zone exposed the vein for a distance of about 600 feet west of the Little Squaw shaft. Vein material was sampled in the 1W, 2W, 3W, 4W, and 5W trenches (fig. 2). Assay values ranged from 0.01 ounce to 18.47 ounces gold per ton across widths of 12 to 48 inches. No vein material was found in the trenches east of the Little Squaw shaft.

The trenches on the Mikado vein zone exposed the vein between 1,000 feet northwest and 2,400 feet southeast of the shaft. Assay values were generally quite low, many being less than 0.1 ounce gold per ton (fig. 2). However, in Trench 2E, about 500 feet east of the shaft, a sample across 8 inches assayed 15.50 ounces gold and one across 12 inches assayed 10.13 ounces gold per ton. The quartz veins exposed in these trenches are in a zone that ranges from 50 to 100 feet wide.

Drifting, Crosscutting, and Long Hole Drilling

All the underground exploration was done on the vein zone that crosses the Little Mikado claims and is shown on figure 3.

The drift on the 100 level was extended about 160 feet to the southeast and about 260 feet to a new portal site at the northwest. Crosscutting to the northeast and southwest from these new drifts explored the full width of the vein zone. The footwall of the vein zone was exposed in the 107 FW and 100 E crosscuts and in the undesignated crosscut southwest of the 101 HW crosscut. The hanging wall of the vein zone was crossed in the 101 HW crosscut. The width of the vein zone in these workings is about 65 feet. The better mineralized portion of this vein zone strikes N. 55°-60° W. and dips steeply to the north. For some unknown reason this zone was not explored by drifting northwest from the 101 HW XC. Several narrow veins or segments of veins exposed in the zone are rich in gold; some samples assayed 1.05 to 6.06 ounces gold per ton.

The drift on the 200 level explored the footwall of the vein zone for 170 feet west of the old workings and for about 180 feet southeast of the old workings. The drift to the southeast angled across the vein zone and is in part a crosscut. Long drill holes explored the width of the vein to the northeast of these drifts. A narrow vein was followed in the drift to the northwest. Assay data indicate this vein is very low in gold content (fig. 3).

An inspection of the composite plan map of the underground workings (fig. 3) shows that the drifting on the 200 level possibly is too far to the southwest to have adequately explored the vein zone. On the 100-foot level the margins of the vein zone dip steeply to the northeast. It would seem therefore, in the absence of any known faulting, that the vein zone on the 200 level would be northeast of its position on the 100 level. Even the long hole drilling

appears to have been too far southwest to have adequately tested the full width of the vein zone on the 200 level. The assay data indicate only very low values for the vein on the 200 level and it appears that the relatively rich veins on the 100 level do not extend far below that level. However, it is quite possible that the exploration on the 200 level did not adequately test the area below the veins on the 100 level.

ORE RESERVES

Ore reserves had been computed for the Mikado mine prior to the beginning of the OME contract. A Mr. Frank Birch, Engineer, calculated that there was 11,660 tons averaging between $76.00 and $98.00 per ton.

The ore reserves for the Little Squaw mine had been computed by a Mr. E. A. Boadway and Mr. C. W. McKee for private companies they had represented. McKee calculated that there were 2,000 tons of proven ore averaging 1.43 ounces gold per ton. Boadway calculated that there were 4,000 tons of indicated ore averaging 1.69 ounces gold per ton.

New ore reserves found at the Mikado mine as a result of the OME work were calculated by Mr. Birch to be 1,188 tons averaging $208.00 per ton. These reserves were in a block 90 feet long that extended east from the 101 HW XC (fig. 3). No reserves were computed for the lean vein exposed on the 200 level of the Mikado mine or for the veins exposed in the trenches on the Little Squaw mine.

For this report, ore reserves have been calculated for a block of ground 10 feet wide and 135 feet long that extends northwest and southeast of the 101 HW XC of the Mikado mine (fig. 3). It is assumed that the rock between the sampled veins is barren of gold. The total volume in this block, projecting it up 100 feet to the surface and down to 50 feet below the level, is 1,125 tons, using a tonnage factor of 12 cubic feet per ton. The weighted gold content is 1.18 ounces gold per ton, but because of the wide range in assay values, some parts of the ore block are much higher in gold.

No reserves are computed for the lean ore zone near the 100 E XC and 107 FW XC, nor are any reserves computed for the veins exposed in the trenches west of the Little Squaw shaft.

The total value of the reserves found as a result of the OME work listed above is:

1,125 tons at 1.18 ounce gold/ton at $35/ounce	$46,462.50

SUMMARY AND CONCLUSIONS

The completed OME work at the Mikado mine found extensions of known ore and increased the ore reserves of the mine by 1,125 tons. A northwest-trending ore zone was followed a short distance in a drift and crossed in the 101 HW XC (fig. 3). For some unknown reason there was no additional drifting on this ore zone even though about 160 feet of drift was driven west from the 101 HW XC through relatively barren ground.

The surface trenching at the Mikado mine found extensions of the veins in the shear zone to 2,400 feet southeast and 1,000 feet northwest of the shaft. The veins in the trenches range in thickness from 4 to 60 inches. Assay values are generally low, but the veins in the trenches that are 500 and 1,200 feet east and 300 feet west of the shaft ranged in gold content from 0.60 to 15.50 ounces gold per ton (fig. 2). Values in the vein appear to be erratic in distribution.

The surface trenching on the Little Squaw vein zone found some rich vein material about 60 feet west of the shaft and exposed veins as far as 500 feet west of the shaft. No veins were cut in the trenches east of the shaft. The Operator reports a weighted mean average of the vein 60 feet west of the shaft as 1.76 ounces gold per ton.

The Government has a lien on production from both the Little Squaw and the Mikado mines until January 25, 1974, or until the Government's share of the exploration ($40,535.50) is full repaid. The lien exists as the Operator failed to fulfill the terms of the contract and is not a result of a certification of discovery.

There were many difficulties and misunderstandings between the Operator and the OME representatives in the administration of this contract. The original actual cost contract was almost impossible to administer for it was difficult to determine which or what portion of the cost data submitted by the Operator could be allowed as part of the contract costs. As the mine is remote and the working season short, the supplies had to be freighted in several months before they were used. Bulldozers were used to make and repair roads in addition to the trenching specified in the contract; whether road repair by the bulldozers should have been considered an acceptable part of the exploration was debatable and debated. The unit cost contract solved many of the difficulties of vouchering for work done. However, other problems included prior Government approval for location of some of the drifting and crosscutting. Communication between the mine and officials of the Little Squaw Mining Company was sometimes delayed and hence the OME representatives had difficulty in learning of the status of the work being done from

day to day. The decisions regarding progress of the underground work had to be made at the mine and could not always be delayed pending receipt of Government approval. If the work done differed from that described in the OME contract, payment of the Government's share was not always justified. The Operator has stated that, although the Government was to participate in 50 percent of the costs of the exploration, its contribution in fact was about 25 percent of the Operator's costs.

It appears that a unit-cost type of contract is the most easily administered when the work is to be done in a remote place like the Chandalar Mining District, Alaska. If prior Government approval for any changes in the specifications is required in the contract, then problems will arise if the lines of communication between the Operator and the Government are not kept open. Experience with the Little Squaw Mining Company has demonstrated that this is not easy to do. It is recommended, therefore, that there be no OME participation in further exploration at the Little Squaw or Mikado mines at this time.

Willard P. Puffett

Willard P. Puffett

Enclosures
Distribution:
OME
USGS(SRO)
Docket
Puffett

REFERENCES CITED

Brosge, W. P., and Reiser, H. N., 1964, Geologic map and section of the Chandalar quadrangle, Alaska: U. S. Geol. Survey Misc. Geol. Inv. Map I-375.

Maddren, A. G., 1913, The Koyukuk-Chandalar region, Alaska: U. S. Geol. Survey Bull. 532, 119 p.

Mertie, J. B., Jr., 1925, Geology and gold placers of the Chandalar district in Mineral Resources of Alaska, 1923: U. S. Geol. Survey Bull. 773, p. 215-263.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/5/68		110
		220

Mr. John L. Reed
General Delivery
Sedalia, Missouri 65301

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Reed:

Your letter of June 26, 1968, to the Department of Commerce, concerning the Little Squaw Mining Company, has been referred to this office.

On February 2, 1967, we wrote you concerning the subject contract, which was terminated effective January 25, 1966. Since that date the Office of Minerals Exploration has not financed any operations at the property. Although newspaper items have reported some activity at the property, we have no information regarding the erection of a mill.

It is our understanding that the property has been leased to the Chandalar Gold Mining and Milling Company, a Washington limited partnership venture, but we do not have the address of this company. Perhaps you could obtain the address from the Little Squaw Mining Company or the Metaline Mining and Leasing Company.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME docket
OME Reading File
OME Region I w/cys incoming correspondence

FEJohnson/gla 7-5-68

FORM DIB-L-68
(3-65)

U.S. DEPARTMENT OF COMMERCE

IN REPLY REFER TO:

COMMUNICATION DATED
June 26, 1968

TO: Mr. Frank E. Johnson, Chief
Office of Minerals Exploration
Geologic Division
Department of the Interior
Washington, D. C. 20240

The attached communication from the inquirer identified below, appears to be within your province.

Inquirer has been notified of this action.

Very truly yours,

FROM: Mr. John L. Reed
General Delivery
Sedalia, Missouri

E. J. Talbert
Director
Miscellaneous Metals and
Minerals Division

OFFICIAL
COPY
O. & O. I.
RECEIVED
JUL 3 1968
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110

INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee

☐ Show address where delivered

(Additional charges required for these services)

RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED	SHOW WHERE DELIVERED *(only if requested)*
MAR	

C55—16—71548-5—F GPO

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

POSTMARK OF DELIVERING OFFICE

MAR 14 1968

REGISTRY DIV. WASH. D.C.

INSTRUCTIONS: Fill in items below and complete instructions on other side, if applicable. Moisten gummed ends, attach and hold firmly to back of article. Print on front of article RETURN RECEIPT REQUESTED.

RETURN TO

REGISTERED NO.	NAME OF SENDER U. S. Geological Survey Office of Minerals Exploration
CERTIFIED NO. 133263	STREET AND NO. OR P. O. BOX Dept. of Interior Building
INSURED NO.	CITY, STATE, AND ZIP CODE Washington, D. C. 20242

POD Form 3811 Sep. 1963

C55—16—71548-6—F

6148

Sedalia, Missouri
June 26, 1968

JUL 2 1968
MIN. METALS AND MINERALS DIV.

Department Of Commerce
Office Of Mineral Exploration
Attn. Director
Washington, D.C.

Dear Sir:

I am writing to the Office in regard to the Little Squaw and Chandalar Mining Companies of Fairbanks, Alaska.

I wrote previously to the office concerning the Little Squaw Gold Ming Co. or Little Squaw Mine, and this was in the early part of 1966, and was told of the history of the developement of the mine and the fact that the Office of Mineral Exploration had loaned the sum of $84.000 dollars to them to help pay the cost of developement of the mine.

I own a good sized block of stock in Metaline Mining and Leasing Co. of Spokane, and this firm I believe is helping Chandlar Mining Co. with the financing of further developement of the Little Squaw and perhaps Mikado Mines, and I would like to know if the office of Mineral Exploration could let me know if the office is now further involved with this venture, as would involve further financing.

I would like to know also when they expect to finish setting up the mill, which it was reported, was started in January of this year. Also would like to know if there is a target date as to when the actual milling of ore is to start.

I would like to write to the Chandalar Mining Co. but I do not have their address, if their address is available in the office I would appreciate receiving same.

I will appreciate anything done on this request, I reman;

Sincerely: John L. Reed
General Delivery
Sedalia, Missouri 65301

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

March 11, 1968

Mr. Karl W. Jasper, President
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 18 1968

INITIALS	CODE
	130
	170
	110
	220

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Please furnish a copy of the reported sublease on the property to Chandalar Gold Mining & Milling Co., for our records.

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

copy 6 3 to OME R-I

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since February 1967 , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [X] No [ ]

CONTRACTS ENCLOSED ARE SELF EXPLANATORY

2. Since February 1967 , has there been any production from the land subject to the contract? Yes [ ] No [X]

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes [ ] No [X]

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Karl W. Jasper Title President

Address 309 Radio Central Bldg. Date 3/15/68

LITTLE SQUAW MINING COMPANY

309 Radio Central Building
Spokane, Washington 99201

Telephone: MA 4-2501

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 18 1968

INITIALS	CODE
	130
	120
	110
	220

March 15, 1968

Frank E. Johnson, Chief
Office of Minerals Exploration
U.S.G.S.
Washington, D.C. 20242

Dear Sir:

Enclosed please find one copy of the Mining Lease between Little Squaw Mining Company and Frank E. and Bettijeanne Birch, dated April 7, 1967.

Also enclosed is a copy of "Authorization to Assign" and "Property Owner Approval Of Assignment" and The "Assignment of Lease Between Frank Birch and Bettijeanne Birch and the Little Squaw Mining Company To The Chandalar Gold Mining & Milling Company, A Wash ngton Limited Partnership Venture."

Production is expected to commence with the 1969 season. The mill and buildings are being shipped at this time to be taken in to the District by early May or late April.

Very truly yours,

Karl W. Jasper

LITTLE SQUAW MINING COMPANY
Karl W. Jasper, President

LITTLE SQUAW MINING COMPANY
309 Radio Central Building
Spokane, Washington 99201

Telephone: MA 4-2501

January 22,1968

AUTHORIZATION TO ASSIGN

This authorizes Frank Birch and Bettijeanne Birch, his wife, to assign a lease dated April 7, 1967 between themselves and the Little Squaw Mining Company to the Chandalar Gold Mining and Milling Company, a Washington Limited Partnership venture.

Karl W. Jasper

LITTLE SQUAW MINING COMPANY
Karl W. Jasper, President

PROPERTY OWNER APPROVAL OF ASSIGNMENT

Eskil Anderson

FOR THE OWNERS
Eskil Anderson

ASSIGNMENT OF LEASE BETWEEN FRANK BIRCH AND BETTIJEANNE BIRCH HIS WIFE AND THE LITTLE SQUAW MINING COMPANY TO THE CHANDALAR GOLD MINING AND MILLING COMPANY, ~~COMPANY~~, A WASHINGTON LIMITED PARTNERSHIP VENTURE.

Frank Birch and Bettijeanne Birch, his wife, hereby assign their lease dated April 7,1967 between themselves and the Little Squaw Mining Company, to the Chandalar Gold Mining and Milling Company, a Washington Limited Partnership venture.

Frank Birch

FRANK BIRCH

Bettijeanne Birch

BETTIJEANNE BIRCH

MINING LEASE

THIS INDENTURE made this 7th day of ~~March,~~ April 1967, between THE LITTLE SQUAW MINING COMPANY, an Alaska corporation, herein called Lessor, and FRANK E. BIRCH and Betti Jeanne BIRCH, husband and wife, herein called Lessees,

W I T N E S S E T H:

For and in consideration of the amounts to be paid Lessor by Lessees as set forth herein, and the mutual covenants and agreements herein contained, Lessor does hereby lease to Lessees and Lessees hereby rent from Lessor the following patented and unpatented mining claims;

(a) Patented Mining Claims comprising the "MIKADO GROUP", viz:

TOBIN QUARTZ CLAIM and LITTLE MIKADO, both of which are part of U. S. Patent No. 1024558, U. S. Mineral Survey No. 1745.

MIKADO, U. S. Patent No. 1024558, U. S. Mineral Survey No. 1745.

(b) Patented Mining Claims comprising the "STAR GROUP", viz:

STAR NO. 1 LODE,
STAR NO. 2 LODE,
STAR NO. 3 LODE, U. S. Patent No. 1036359, U. S. Mineral Survey No. 1996.

(c) WOLF LODE, an unpatented lode claim recorded at Fairbanks, Alaska, on May 6, 1948, by instrument No. 107925 in Volume 24 of Locations, page 330.

(d) THE ST. MARY'S GULCH MILL SITE and THE CHANDALAR FALLS MILLSITE, unpatented millsites originally located by Chandalar Gold Mines, Inc.

(e) TOBIN WEST LODE, near the head of Tobin Creek; and the EAST MIKADO, "ST. MARY'S PUP", ST. MARY'S PEAK; PEDRO; AMERO; INDICATE; and TONOPAH LODE CLAIMS, ALL situated between Upper St. Mary's Creek and Upper Big Creek.

(f) Patented Mining Claims comprising "THE BONANZA GOLD GROUP," viz:

BONANZA LODE QUARTZ MINING CLAIM,
GOLDEN EAGLE LODE QUARTZ MINING CLAIM,
ENEVELOE LODE QUARTZ MINING CLAIM,
each having an area of 20 acres, more or less, being more particularly described in U. S. Patent No. 1036358, dated the 19th day of April, 1930, and recorded in the office of the U. S. Commissioner for the Chandalar Mining District, Alaska, on the 17th day of July, 1930, in Volume 1, page 137 of Deeds.

VENUS LODE QUARTZ MINING CLAIM, having an area of 20 acres, more or less, being more particularly described in U. S. Patent No. 1085904, dated the 25th day of September, 1936, and recorded in the office of the U. S. Commissioner for the Chandalar Mining District, Alaska, on the 24th day of April, 1937, in Volume 1, page 179 of Deeds.

JUPITER LODE QUARTZ MINING CLAIM,
WOODCHUCK LODE QUARTZ MINING CLAIM, each having an area of 20 acres more or less, being more particularly described in U. S. Patent No. 1085903, dated the 25th day of September, 1936, and recorded in the office of the U. S. Commissioner for the Chandalar Mining District, on the 27th day of January, 1937, in Volume 1, page 176 of Deeds.

(g) Patented Mining Claims comprising the "LITTLE SQUAW GOLD GROUP", viz:

LITTLE SQUAW LODE QUARTZ MINING CLAIM,
BIG SQUAW LODE QUARTZ MINING CLAIM,
SINE LODE QUARTZ MINING CLAIM,
COSINE FRACTION LODE QUARTZ MINING CLAIM,
CRYSTAL LODE QUARTZ MINING CLAIM, each having an area of 20 acres, more or less, being more particularly described in U. S. Patent No. 1022769, dated the 23rd day of January, 1929, and recorded in the office of the U. S. Commissioner for the Chandalar Mining District, on the 20th day of July, 1929, in Volume 1, page 90 of Deeds.

COSINE LODE QUARTZ MINING CLAIM, having an area of 20 acres more or less, being more particularly described in U. S. Patent No. 1036360, dated the 19th day of April, 1930, and recorded in the office of the U. S. Commissioner for the Chandalar Mining District, on the 17th day of July, 1930, in Volume 1, page 141 of Deeds.

CRYSTAL NO. 2 LODE QUARTZ MINING CLAIM, having an area of 20 acres more or less, being more particularly described in U. S. Patent No. 1036361, dated the 19th day of April, 1930, and recorded in the office of the U. S. Commissioner for the Chandalar Mining District, Alaska, on the 17th day of July, 1930, in Volume 1, page 144 of Deeds.

COSINE NO. 1 LODE QUARTZ MINING CLAIM,
COSINE NO. 2 LODE QUARTZ MINING CLAIM, each having an area of 20 acres more or less, being more particularly described in U. S. Patent No. 1088433, dated the 16th day of February, 1937, and recorded in the office of the U. S. Commissioner for the Chandalar Mining District, Alaska, on the 24th day of April, 1937, in Volume 1, page 181 of Deeds.

SPRING CREEK MILLSITE, more particularly described in U. S. Patent No. 1094946, dated the 6th day of January 1938, and duly recorded in the office of the U. S. Commissioner for the Chandalar Mining District, Alaska, in Volume 1, page 186 of Deeds, on the 6th day of July, 1938.

CHANDALAR LODE CLAIM, an unpatented claim recorded at Fairbanks, Alaska, November 19, 1958, by Instrument No. 184,867, in Volume 29 of locations, page 206.

WEST CHANDALAR LODE CLAIM,
JUPITER FRACTION CLAIM, all situated at the head of Big Squaw Creek, a tributary to Squaw Lake.

(h) Unpatented PLACER MINING CLAIMS:

Upper Discovery;

Nos. 1, 2, 3, 4, 5, 6, and 7, all Below Upper Discovery;
Sunshine Association (8, and 9, Below Upper Discovery;)
Moonshine Association (10 and 11, Below Upper Discovery;)
12 and 13 Below Upper Discovery;
14 and 15 Below Upper Discovery;

(all situate at the head of Big Creek)

No. 2 Below Discovery on St. Mary's Creek, a tributary of Big Creek and,
No. 2 Above Discovery on Little Squaw Creek, a tributary to Squaw Lake.

No. 1 Above Discovery, a patented Placer Claim, on Little Squaw Creek, a tributary to Squaw Lake.

together with any interest acquired by Lessees in any additional patented or unpatented claims, whether originally staked or otherwise acquired in the Chandalar Mining District of the Fairbanks Mining and Recording District of the Fourth Judicial Division of the State of Alaska, under the following terms and conditions, to-wit:

1) Lessees to have exclusive right of investigation, exploration, development and exploitation for all minerals in or upon said leased property, together with all other rights usually had and enjoyed for mining purposes.

2) This lease to extend from the date hereof until January 1, 1972, unless sooner terminated as provided herein or unless extended by Lessees under exercise of the option to renew for any additional term of 25 years, which option shall be exercised by notice in writing given to Lessor by Lessees not less than one year prior to the expiration of the initial term thereof.

Lessees Agree:

3) To expend a minimum of Fifty Thousand Dollars ($50,000) during 1968 in preparation for and construction of a substantial and efficient mill on the premises, having a capacity of at least fifty (50) tons per day; provided that at least $25,000 of the total amount expended shall be expended by June 30, 1968.

4) To produce and mill a minimum of 3,000 tons of ore during each of the calendar years of 1969 and 1970, with a minimum of 5,000 tons each year beginning in 1971. Beginning in the year 1971, Lessee to be allowed credit against the 5,000 tons annual minimum production, for shafts, raises and drifts completed during such calendar year at the rate of 4 tons credit for each foot completed.

5) Lessee agrees that during each contract year beginning with the contract year ending on September 1, 1968 on the Mikado-Star Groups and on September 1, 1969 on the Little Squaw-Bonanza groups, it will expend on the property in direct labor and materials costs a minimum sum of ($5,000.00) Five Thousand Dollars and to the extent Lessee does not expend such sum on the property, will pay to the Lessor the difference between Five Thousand Dollars ($5,000.00) and the amount actually expended in

cash, such payment to be made within thirty (30) days after the end of the contract year. Any payments under this lease shall be made to the account of Anderson and Hoch in the Old National Bank in Spokane, Washington, or as hereinafter directed by Lessor, his heirs, executors, administrators or assigns. A statement in writing showing how much and what kind of work was done on each property must be furnished to Lessor by September 1 of each year that this work in required.

6) To furnish, in addition to the mill to be constructed, all equipment and supplies necessary for operation, with Lessees retaining title to such equipment and supplies, including the right to remove such at the termination of the Lease, and within 90 days thereafter. Any equipment and supplies not so removed to revert to Lessor, without any further interest on the part of Lessees. An accounting shall be made by Lessee or Lessee's agent to Lessor at the end of each year of the use of any or all of the Lessor's supplies as tabulated by inventory. Reimbursement shall be made to lessor in cash or in kind.

7) In the event this lease is terminated, Lessor to have the option to purchase the mill at the actual equipment and material cost f.o.b. shipping point, which option is to be exercised by written notice to Lessees, given within 90 days of effective termination date of lease and paid for from production by monthly payments, at the rate of One Dollar ($1.00) per ton of milled ore, or not less than $5,000.00 annually, on or before the end of each option year. If the mill is not so purchased by Lessor, Lessees shall either remove the mill from the premises within twelve months after the date of termination or title to the mill and all other property of Lessees' shall revert to Lessor and Lessees shall have no further interest therein.

8) To pay as rental 20 per cent (20%) of mint returns, net smelter returns, or any other receipts from all metals or minerals produced and sold from west of the present raise and shaft and above 25 feet below the

100 foot level, which area is to be mined first; and 10% of all such receipts or 20% of net profit, whichever is the greater, from all other production during the running of the lease. All Lessor obligations including owner royalties and OME payments shall be deducted and paid from Lessors receipts from 20% net mint returns on proven block and 10% of net mint returns or 20% of net profit on other productions. Lessees shall sell all metals or minerals promptly upon their extraction from the property and arrange that such mint or smelter returns be paid promptly by the smelter or mint to the account of the Lessor. Lessor may if he chooses, take his payment in gold, concentrates, or in kind.

8a) The net profit of said operations shall be the total proceeds of sale of metal, minerals and/or concentrates in each accounting period less all of the normal expenses of this operation during said accounting period.

9) To keep accurate and correct books of account showing gross receipts from the sale of ore, concentrates and bullion from the said premises and showing the amount of all costs of production. Lessees shall permit Lessor, at reasonable times, to examine Lessee's books and records relating to its operations under the terms of this lease.

10) To perform the annual assessment work required by law for each unpatented lode and placer claim held by Lessor in the Chandalar District, and maintain all property held by Lessor, and to file proof of labor not later than August 1st of each year, immediately supplying Lessor with a copy of such recorded proof of labor. If either Lessor or Lessee, assigns, or others acquiring any type of interest in the properties subject to this lease, stakes claims or acquires any type of interest in any mining property in the immediate Chandalar lode district, such claims or property shall be included under and subject to the terms of this lease.

11) To pay with their own funds promptly all taxes levied during the term of this lease on the property herein described or on any improve-

ments on or any personal property located on said property or on the product and/or proceeds from the operation of said property.

12) To perform all work in a good and miner-like fashion, obeying all laws applicable to its operations, and shall at the end of each year supply to Lessor copies of all maps, assay sheets and other reports resulting from the exploration, development and exploitation of said mining claims, together with copies of all records of production, sales, mill heads, recovery per ton, tails and other reports.

13) To incur no indebtedness for labor or materials furnished or for any other cause which might become a lien on the property, and shall post and keep posted in three conspicuous places on each group of claims, notices to the effect that Lessor will not be liable in any way for wages contracted by Lessees or for goods, merchandise or machinery furnished to Lessees in connection with the operation of said premises.

14) To indemnify and hold harmless the Lessor from all claims of all persons arising out of the operation of the premises, including claims for personal injury, death, or property damage.

15) Lessor grants Lessee free use of Lessors housing facilities in the district. In turn, Lessee agrees to maintain Lessor's facilities in the district in the condition and state of repair in which they are found, excepting in the case of wind, fire and other casualty damage not attributable to neglect on the part of the Lessee. Lessor's heavy equipment may be used by Lessee when it is available at a rented rate of $5.00 per hour paid at the end of each working season to Lessor to cover cost of repair parts and capital costs, and an additional $5.00 per hour paid at the end of each working season to Frank Birch, Chandalar, Alaska, to cover cost of freight on repair parts and cost of labor for maintenance. Lessee to furnish his own labor, fuel and lubricants for operation of said equipment.

16) To ship or cyanide promptly all sulfide concentrates, or to permit Lessor to take his percentage in kind.

Lessor agrees:

17) That the Lessees may construct roads, lay pipe lines, construct warehouses, mills, work shops and other buildings, fixtures and appurtenances, on said premises hereby leased as may be necessary for the successful conduct and operation of said mining business; provided, that such installations do not present a substantial hindrance to any reasonably foreseeable operation.

18) That so long as the Lessees faithfully perform the covenants hereunder, they shall have quiet enjoyment and possession of said property without hindrance, interference, or dispossession by Lessor.

Both parties agree:

19) Lessee may terminate this agreement at any time by giving 60 days notice in writing by registered mail to Lessor.

20) The Lessor or his representatives will be permitted to enter upon said mining claim at any time and on any and all parts thereof for the purpose of inspecting operations carried on by the Lessees, provided such rights of entry shall not hinder in any way Lessees' operations.

21) Neither this lease nor any part thereof is transferrable or assignable unless written consent is first obtained from the Lessor and owners.

22) That this lease is subject to prior leases by Eskil Anderson as Lessor to The Little Squaw Mining Company, which are in good standing, copies of which are furnished herewith, and The Little Squaw Mining Company agrees to keep such leases in good standing during the running of this lease.

23) It is agreed that time and performance are the essence of this lease and in the event of a failure of the Lessees to comply with the stipulations and conditions as set forth or to make payment or payments as herein provided within the time or times herein designated, Lessor may declare a forfeiture hereof; provided, that he shall give written notice to

Lessees of any matter or matters in default or failure hereunder and require Lessees to remedy such breach or failure hereunder within a period of sixty (60) days from the date of said notice, and upon the expiration of said 60-day period the default not having been remedied, this lease shall automatically terminate. In case of termination of this lease for any reason whatsoever, Lessees agree to yield possession of the premises within the time herein specified and to give to Lessor upon request a good and sufficient release of this lease.

24) A representative of the Lessor shall be granted all reasonable rights of access to check on Lessees' operations, including recovery, tailings, and prevention of high grading.

25) Notice given pursuant to this agreement shall be deemed complete when deposited in the United States mail with postage prepaid and addressed as follows:

Lessor: The Little Squaw Mining Company
Radio Central Building
Spokane, Washington

Lessees: Frank E. Birch and Bettijeanne Birch
42 E. 27th
Spokane, Wn

IN WITNESS WHEREOF, the parties hereto have caused this indenture to be executed the day and year first hereinabove written.

THE LITTLE SQUAW MINING COMPANY

By Karl W. Jasper, as President
LESSOR

Frank E Birch

Bettijeanne Birch
LESSEES

Eskil Anderson
OWNER

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this day personally appeared before me CARL W. JASPER and _____, to me known to be the PRESIDENT and _____, respectively, of THE LITTLE SQUAW MINING COMPANY, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 7th day of April 1967.

Ida Cof
Notary Public in and for the State of Washington, residing at Spokane

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this day personally appeared before me FRANK E. BIRCH and BETTIJEANNE BIRCH, husband and wife, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they signed and sealed the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 7th day of April 1967.

Ida Cof
Notary Public in and for the State of Washington, residing at Spokane

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this day personally appeared before me ESKIL ANDERSON , to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that he signed and sealed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 7th day of April 1967.

Ida Cof
Notary Public in and for the State of Washington, residing at Spokane

STATE OF ALASKA
Department of Natural Resources
DIVISION OF MINES AND MINERALS

No. 5-[illegible]
[illegible], Alaska 99701

Rec'd. 3/8/68

file [illegible]

CME-6148

Lore on Chandalar - The [illegible] at the Chandalar gold properties, leased from Eskil Anderson and others [illegible] Mining Company, has been subleased from Little Squaw by Chandalar [illegible] Co. The properties cover an area 7x2 miles with at least four major veins [illegible]. Two of the main systems have been developed to the point of production. It is [illegible] that estimated blocked-out ore in the Mikado vein is 1.5 million tons [illegible] $87/ton. [illegible] remain of the Little Squaw Company is divided among several interests.

original to CME-6534

Fairbanks - The directors of Rusty [illegible], Inc. are planning to construct a 50 ton/day mill on their gold-quartz property [illegible] north of Fairbanks. The mill will be constructed to handle ore from [illegible] claims [illegible] by the company and will also custom-mill ore from other small mines in the area.

Bunker Hill Mining Merger - In our [illegible] we stated that the Bunker Hill Mining Company was discussing [illegible]. It now appears that the Homestake deal [illegible] Company. Both companies [illegible] construction and mining [illegible] Alaska.

[illegible]

Eleven applications for [illegible] approved by the Division's Petroleum branch as follows:

Permit No. 68-9. [illegible] State 17595, A.P.I. No. 50-133-20084. Surface location [illegible] FSL, [illegible], T9N, R12W, S.M. Bottom hole location: 2600' FSL and [illegible], T9N, R12W, S.M. This development location is in the Middle Ground Shoal [illegible].

Permit No. 68-10. Union Oil [illegible] #G-8 Trading Bay Unit, A.P.I. No. 50-133-20085. Surface location [illegible] FSL, Sec. 29, T9N, R13W, S.M. Bottom hole location: 2300' FSL and [illegible], T9N, R13W, S.M. This development location is in the McArthur River [illegible].

Permit No. 68-11. Pan American [illegible] #1, South M.G.S. Unit, A.P.I. No. 50-133-20086. Surface location [illegible] FSL, Sec. [illegible], T8N, R13W, S.M. Bottom hole location: 660' FSL and [illegible], S.M. This development location is in the McArthur [illegible]. Pan American Petroleum Corporation has changed the well number of a previously [illegible] (A.P.I. No. 50-133-20063) to #8 South M.G.S. Unit. This [illegible].

Permit No. 68-12. [illegible] Point State 18742, A.P.I. No. 50-133-[illegible] Sec. 31, T11N, R11W, S.M. Bottom hole [illegible] T11N, R11W, S.M. This development location [illegible].

THE WALLACE MINER, WALLACE, IDAHO 83873, JANUARY 11, 1968

Karl W. Jasper Clarifies Ownership Interests In Chandalar Gold Mining Section Of Alaska

Ownership interests in Alaska's Chandalar gold mining district were clarified Tuesday by Karl W. Jasper, Spokane mining man, in response to a Spokane Chronicle query.

Jasper is president of Grandview Mines, Inc., Metaline Mining & Leasing Co. and Admiral Consolidated Mining Co.

The Grandview and Metaline firms organized Little Squaw in 1960 to explore and develop gold quartz properties in the district north of Fairbanks, Alaska. The properties were leased from Eskil Anderson, Spokane mining engineer, Ed Hoch, Fairbanks, Kenneth K. Kellner Los Angeles, and F. W. Maldeis, Worthington, Ohio, on a 5-per cent royalty basis.

The leased properties cover an area seven miles long and about two miles wide and contain at least four major vein systems, Jasper said. Free gold has been exposed in several places on each of the four zones, he added.

Two of the zones have been developed to the point of production by Little Squaw he said. Underground work at the Mikado Mine blocked out an estimated $1.5 million worth of $87-per-ton gold ore and work at the Little Squaw Mine indicated $60-per-ton gold ore, he said.

Grandview Mines now owns 20 per cent of Little Squaw's issued shares and the Metaline firm 24 per cent, he said.

Frank H. Birch, Spokane mining engineer who did most of the development work for Little Squaw, recently formed a limited partnership company (Chandalar Gold Mining & Milling Co.) and subleased the properties from Little Squaw.

Little Squaw will receive royalties of 20 per cent of mint returns on developed ore and 10 per cent of mint returns on all ores developed after the present known bodies are mined out, Jasper said.

The partnership plans to start construction this spring of a mill of at least 100 tons daily capacity and hopes to have it in production by the summer of 1969.

Metaline Mining & Leasing and Admiral Consolidated each have acquired 8 1/3 per cent interests in the partnership company and Grandview is considering ways of participating, Jasper said.

Re OME 6148 (gold)
Little Squaw Mining Co
Mikado et al, Claims
Chandelar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

February 8, 1967

Mr. Karl W. Jasper
President
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

OFFICIAL COPY
O. M. E.
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MAR 3 1967
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3/3 | 220

Dear Mr. Jasper:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **March 1966**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [ ] No [x]

2. Since **March 1966**, has there been any production from the land subject to the contract? Yes [ ] No [x]

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	NONE Tons		
Concentrates	Tons		
Other	Tons		

3. Since , has any production been transported through workings (see of contract)? Yes [ ] No [x]

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name KARL W. JASPER Title PRESIDENT

Address 309 RADIO CENTRAL BLDG. Date 2/24/67

RECEIVED
FEB 27 1967
SPOKANE, WASH.

P. O. Box 5[illegible]

[illegible] 2, 1966

[illegible]

[illegible] per Corp.

[illegible] g Co.

[illegible] principal
[illegible] were:
[illegible] P. O. Box
[illegible] Fairbanks
[illegible] an fill
[illegible] been
[illegible] removed
[illegible] (official
[illegible]

The [illegible] orted the
prod[illegible] able to
find [illegible] ing.

Best regards.

J. A. Hargis
Area Director
Area VIII Mineral Resource Office

MME FORM 6 REFEREN

REV. 2-59 OFFICE OF MINERALS EXPLORATION

	DATE	INITIALS
TO: Chief, OME	2/7/67	
1.		
Re: OME-6148 (Gold)		
2. Little Squaw Mining Company		
and		
3. DMEA-4738 (Copper)		
MacLaren River Copper Corp.		
4.		
5. D. R. MacLaren		
FROM: Field Officer, OME, Reg. I		

OFFICIAL COPY O. M. E. RECEIVED FEB 20 1967 INITIALS CODE

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions X Your information

REMARKS:

In reply to your memorandum of 2/2/67.

INT.-DUP. SEC., WASH., D.C. M56300-62

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/1		110
2/6	Kirkemo	~~120~~
		220

Memorandum

To: Field Officer, OME Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Reference is made to your letter of July 26, 1966, to Mr. J. A. Herdlick, U. S. Bureau of Mines, Juneau, Alaska, concerning production from the subject property.

If you have not received a reply from Mr. Herdlick it is suggested you make further inquiry concerning the Operator's activity during the past year.

FRANK E. JOHNSON

Frank E. Johnson

cc: Director's reading file
Division file
Economic Geology file
OME file
OME reading file
130

FEJohnson/bih 2/1/67

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/1		110
2/2/67	Kirkham	120
		220

FEB 2 1967

Mr. John L. Reed
121 West Race Street
Martinsburg, West Virginia

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Reed:

This is in reply to your letter of January 20, 1967, concerning the subject contract.

The Government entered into a contract dated January 25, 1962, with Little Squaw Mining Company to explore for gold at the Mikado-Star and Little Squaw-Eneveloe groups of claims in the Chandalar Mining District, Alaska. The total estimated cost of the proposed exploration was $167,750, of which the Government's share was $83,875. As a result of this contract the Government holds a lien on the land described in the contract and on any production therefrom until January 25, 1974. The contract was terminated effective January 25, 1966.

No Government funds have been expended on the property since September 1963, although the Operator has performed some work on its own account since then. We have no information regarding the erection of a mill on the property or of the current activity of the Operator.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's reading file
Division file
Economic Geology file
OME file
OME reading file
OME Region I w/c y incoming letr.

FEJohnson/bih 2/1/67

23263

OFFICIAL
COPY
O. M. E.
RECEIVED
JAN 31 1967
INCOMING SECTION
420
110

Martinsburg, West Virginia
January 28, 1967

Dept. Of Interior
Office Of Minerals Exploration
Washington, D.C.

6148

Dear Sirs:

I am writing to your office in regard to the Little Squaw Mining Company, located near Chandalar, Alaska, I am a stockholder in this firm and would like to know more about the operations of the co. I understand they have been receiving aid from your office on Exploration, I have not been able to get any imformation through Metaline Mining & Leasing Co. of Spokane, Wash. I have stock in Metaline Mining & Leasing Co., instead of Little Squaw as previouly stateed and they own a considerable block of shares in Little Squaw. I would like to know what progress was made by the firm in 1966, I have some literature dated Dec. 13, 1965 which states that there was a lease and erection agreement signed by Little Squaw in 1965 providing for the erection of a mill near or at the Mikado Mine of Little Squaw, and was to be completed by the end of 1966, and was to go into production in 1967.

This literature also stated that the program would depend on funds received by the firm from the office of Minerals Explorations, I would like to know if the firm received any further funds in 1966, and if so will they also receive funds for the project in 1967.

Also anything about the erection of the above mentioned mill, and any other your office may care to add that would help myself to get a better idea as to the status of this mine, as far as possible production of gold is concerned, would like to know if there is any other metal besides gold shown in the assays.

Sincerely: John L. Reed

John Lee Reed
121-West Race St., Martinsburg, West Virgini

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
P. O. Box
Juneau, Alaska

OFFICIAL COPY
C. M. E.
RECEIVED
AUG 8 1966
MAILROOM CODE
120 PK
~~110~~
120 M

Mr. [illegible]
Field Officer [illegible]
South [illegible] Howard Street
Spokane, Washington [illegible]

Re: [illegible]

Dear Mac:

The State Division of Mines and Minerals [illegible] principal officers of the MacLaren River Copper [illegible] were: Helmer Hanson, President and Warren [illegible] P. O. Box 200, Fairbanks, Alaska 99701. Mr. [illegible] Fairbanks lawyer who has wide interest in mining [illegible] fill you in on the MacLaren River operation. The company has been inactive for a number of years and therefore has been removed from our canvass of operating mines. We have no record (official or otherwise) of any recent production [illegible]

The Little Squaw Mining Company (by Sakari Anderson) reported no production--maintenance only in 1965. [illegible] to find out what is going on up there this sum[illegible]

Best [illegible]

/s/ Jerry

J. A. [illegible]
Area Direc[illegible]
Area VIII M[illegible] Office

23263

OMe (2)

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 28 1966

GEOLOGICAL SURVEY
No. 157 Howard Street
Spokane, Washington 99204
July 26, 1966

Air Mail

Mr. J. A. Herdlick
Area Director, Area VIII
Alaska Office of Mineral
Resources
U. S. Bureau of Mines
P. O. Box 2688
Juneau, Alaska 99801

Re: DMEA-4738 (Copper)
MacLaren River Copper Corporation
Kathleen-Margaret Claims
Talbeetum Mining District, Alaska
Contract Ida-R1095
and
OME-6140 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Jerry:

Two requests for information, addressed to MacLaren River Copper Corporation, Box 1292, Fairbanks, Alaska, have gone unanswered. We would like to know whether, since October 1965, there has been: (a) any change in ownership, lease or sublease of these claims; (b) any production from the land (Kathleen-Margaret Nos. 1 - 10, incl.); and (c) whether the 30-ton ore stockpile still remains?

We understand that there may be or may have been some production from Little Squaw during this season. We would like to know if this is true, and, if so, where the production came from.

If you have at hand, or can get without cost, any of the desired information, we would greatly appreciate it. Have a good summer.

Regards,

D. E. MacLaren
Field Officer, OME
Region I

DEMacLaren/mls
cc: Robert M. Chapman, Alaskan Geology Branch
OME(4)
CPP (DMEA-4738)

Director's Reading File

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120 M
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MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
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6/24/66	Kirkham	120
		220

JUN 24 1966

Memorandum

To: Chief, Branch of Budget and Finance

From: Chief, Office of Minerals Exploration

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed is a copy of a memorandum dated June 14, 1966, from the Field Officer, OME Region I, transmitting a copy of the Report of Review issued in May 1966 on the subject contract. Also enclosed is a copy of said Report of Review.

The sum of $200.00 being withheld pending receipt of an acceptable Operator's Final Report should be continued to be withheld.

FRANK E. JOHNSON

Frank E. Johnson

Enclosures

cc: Director's reading file
Division file
Economic Geology file
OME file
OME reading file
OME Region I

FEJohnson/bih 6/23/66

OME(2)

OFFICIAL COPY

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110
120K

GEOLOGICAL SURVEY
No. 157 Howard Street
Spokane, Washington 99204
June 14, 1966

Mr. Karl W. Jasper
President
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

Enclosed is a copy of a Report of Review relative to the cited contract.

As defined in Article 3(c) of the contract: "The final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, etc."

The reproduction of the 1963 Chandalar Progress Report, the ore reserve calculations, and the assay maps are acceptable for the engineering evaluations, assay data, and ore reserve sections. However, there is no geological report and the maps do not show much in the way of the geologic structure, nor do they show the last drifting or crosscutting at the Little Squaw. Although the Government did not participate in this last work, its inclusion on a geologic map would be appropriate.

The documents received have been forwarded to Washington and their acceptability as a Final Report has been discussed. Unless you wish to submit, as a supplement to the material already received, a geologic section describing the structures, the size and frequency of the ore shoots and wall rock alteration, if any, as disclosed by the trenching and underground work, accompanied by illustrative maps, the $200.00 being withheld will be applied to the Government's cost of preparing such a report.

Sincerely yours,

D. R. MacLaren
Field Officer, OME
Region I

Enclosure

DRMacLaren/mls
cc: Robert M. Chapman, Alaskan Geology Branch
OME(2)
Voucher File
Director's Reading File

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
June 9, 1966

Dispatched
JUN 10 1966

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 13 1966

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Enclosed are two copies each of the following:

1. A reproduction of the first page of a letter dated March 23, 1966, from Chief, OME, to Karl W. Jasper, to which is stapled a reproduction of the Operator's final (September 1963) MME Form 61.

2. A reproduction of a 1963 Chandalar Progress Report which was prepared to accompany a request to ARA for aid in mill construction. Herdlick sent us a copy of this which we forwarded by Reference Slip dated January 27, 1964. Stapled to this are four sheets tabulating grade and ore reserve calculations.

3. A composite map (1" = 100') showing underground work and assays of trenches in the Mikado area, a similar map at the same scale for the Little Squaw area, and an assay plan (1" = 20') of the Mikado 100 level showing in faint outline workings on the 200 level.

Assay plans of trenches in both areas and for each level in the Mikado area are in the files. Why the documents in Item 1 above are included I have no idea unless MME Form 61 is intended to show the costs incurred. Operator's Progress Reports dated July 15 and November 15, 1965, clearly indicate that no OME work has been done since September 1963.

On September 22 and 23, 1963, Arthur L. Kimball, Bureau of Mines, made an interim inspection on which he submitted a report dated October 18, 1963. An appraisal of the work completed through 1963 is given in a memorandum report dated January 31, 1964.

The three "blue back" sheets stapled to the Progress Report are reproductions of calculations made by Frank Birch in 1960 and

6/13/66
Discussed with Mike Bass
He will require supplemental
to final Operator's report
Are transmittal
to operator

MME Form 7
(2/63)

OFFICIAL FILE COPY

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6/7		110
6/7/66	Kisberno	120
6/7	Case	220
/		120M

JUN 7 1966

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed are two copies of a Report of Review covering the subject contract, prepared in accordance with the request in your memorandum of March 28, 1966.

If you concur in the facts as stated in the report, one copy should be sent to the Operator with any comments you may wish to make, and the other copy retained in your files. In your letter transmitting the Operator's copy of the report you also should call attention to the $200.00 being withheld pending receipt of an acceptable final report pursuant to Article 3(e) of the contract and advise that unless such a report is received within 30 days from the date of your letter, the $200.00 will be applied against the cost of making a final report. As evidence of your concurrence in the Report of Review, two copies of your transmittal letter to the Operator should be furnished this office. If for any reason you do not concur, the two copies of the report should be returned with your comments.

Upon receipt of the two copies of your transmittal letter to the Operator, we shall transmit one of the copies of your letter with a copy of the Report of Review to the Branch of Budget and Finance.

FRANK E JOHNSON

Frank E. Johnson

Enclosures

cc: Director's Reading File
Division File
Economic Geology File
Branch of Budget and Finance
OME File
OME Reading File
130

FEJohnson/gla 6-7-66

23263

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

OFFICE OF THE DIRECTOR

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 6 1966

INITIALS	CODE
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Noted 130 gfu

JUN 3 1966

Memorandum

To: Chief Geologist
Through: Assistant Director

From: Chief Auditor

Subject: Internal Audit of Amended Contract 2140
Docket No. OME-6148 (Gold)
Little Squaw Mining Company
Chandalar Mining District
Fairbanks Precinct, Alaska

Enclosed are four copies of the report of our cost review of the subject contract. This review was made at the request of the Chief, Office of Minerals Exploration.

William T. McClelland

Enclosure

NOTED
JUN 3 1966
OGDEN TWETO
ASSISTANT CHIEF GEOLOGIST

OME

GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
April 1, 1966

Mr. Karl W. Jasper
President
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

According to the terms of Amendment No. 2, item 4(a)(ii), Amended Contract 2140 was terminated effective January 25, 1966.

Under the provisions of Article 5(e) your submittal of five copies of a final report (in addition to the final monthly report) is now in order. This report should include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, a summary of the work performed and the related costs.

Your early compliance with these provisions will permit the closing of our accounts under this contract and will be greatly appreciated.

Sincerely yours,

D. R. MacLaren
Field Officer, OME
Region I

DRMacLaren/mls
cc: OME
Voucher File

Director's Reading File

ME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
		110
		220

MAR 31 1966

Memorandum

To: Mr. William T. McClelland, Chief Auditor

From: Chief, Office of Minerals Exploration

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed is a copy of a memorandum dated March 28, 1966, from the Field Officer of Region I. Please prepare a Report of Review as requested by the Field Officer. $200.00 is being held in suspense account pending receipt of an acceptable Operator's Final Report.

FRANK E. JOHNSON

Frank E. Johnson

Enclosure

cc: Director's reading file
Division file
Economic Geology file
Anna Gabor - B&F - Room 5410 w/cy inc. memo
OME file
OME reading file
OME Region I
OME 120

FEJohnson/bih 3/31/66

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
March 28, 1966

OFFICIAL COPY
O. M. E.
MAR 28 1966
110
120

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Work under the subject contract was terminated effective January 25, 1966, in accordance with the terms of Amendment No. 2, Item 4(a)(ii), dated February 12, 1965.

The number of units of work completed by the Operator and accepted by the Field Officer as conforming to contract specifications on a fixed unit cost basis were:

Stage I -	Bulldozing	
	D-8	740 hours
	TD-18	500 hours
	Assaying	107 each
Stage II -	Drifting and crosscutting	842 feet
	Long hole drilling	241 feet
	Assaying	99 each

A final engineering and geological report has not yet been received and it is recommended that $200.00 be withheld from any funds due the Operator pending its receipt.

A Report of Review, in lieu of a final audit, is in order and requested. For this purpose the original copies of the final (September 1963) MME Forms 60 and 61, together with supporting documentation were forwarded to the Chief, Division of Field Operations, on November 21, 1963.

In Amendment No. 2 cited above, Article 4(d) contains a psuedo-certification.

D. R. MacLaren

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
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JUL 2 6 1966

Mr. Karl W. Jasper
President
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

Reference is made to the letter dated June 14, 1966, to you from D. R. MacLaren, Field Officer, OME Region I, concerning the acceptability of the Operator's Final Report under the subject contract.

As we have not received any response to Mr. MacLaren's letter, the $200.00 being withheld from the Government's contribution to costs under the contract will be applied against the cost of preparing a Final Report and the matter considered closed.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's reading file
Division file
Economic Geology file
OME file
OME reading file
OME Region I
130
B+F
FEJohnson/bih 7/21/66

23263

RECEIVED
JUL 22 1965
OME
SPOKANE, WASHINGTON

NARRATIVE REPORT TO JULY 15, 1965.

OME Docket No. 6148
Little Squaw Mining Co.
Amended Contract 2140

Two men arrived in the Chandalar District of Alaska on March 25 and worked on equipment and camps until April 25 when work was begun on a portal 150 feet to the north of the old Little Squaw 114 foot level tunnel portal in bulldozer trench No. 1E. This tunnel was directed to intersect the vein 50 feet due north of a point vertically below the main tunnel portal. After driving 40 feet, all in talus and bad ground, this tunnel was abandoned.

old tunnel tried this before.

A new adit was begun on the 25th of June. This portal was begun at a point 28 feet north of the 114 foot tunnel level shown in bulldozer trench No. 1E. The tunnel was directed to a point 50 feet north of a point about 110 feet vertically beneath the main Little Squaw tunnel portal. It was driven its full length in a fairly soft, approximately 10° northward dipping schist until the last round. The last round was of much harder highly silicified schist similar to that found on the edges of vein zones. Merton Attwood, who is in charge of the work, drilled into an unexploded charge while cleaning up after that round. Fortunately he was hospitalized for only a short time and expects to work again in August.

The OME appears to have chosen to depart from its avowed purpose of aiding where aid is needed in exploration for mineral deposits. In this particular case its position has been that any drifting done on the Little Squaw vein downdip from where it is known on the main level or the surface is to be considered as development work. At the same time any tunneling done to locate the Little Squaw vein before it reaches a point underneath the vein is not considered to be exploration.

Eskil Anderson

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 26 1965
INITIALS | CODE
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OME position in this case was to avoid using its help to develop a known ore body by drifting under it at a lower level and to avoid participating in the cost of prospecting for the vein and wasting funds as indicated the operator has done in its report of 7/16/65.

FEJohnson

OME FORM 6 REFERENCE SLIP
REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO	DATE	INITIALS
1. CHIEF, DIVISION OF EXPLORATION OPERATIONS		
OFFICE OF MINERALS EXPLORATION	JUL 23 1965	
2. U. S. DEPARTMENT OF THE INTERIOR		
3. WASHINGTON, D. C. 20240		
4.		
5.		
FROM Acting Field Officer Reg I		

FOR: Check items for action desired

____ Action ____ Reply for signature of ____
____ Approval ____ Investigate ____ Surname
____ Comment ____ Recommendations ____ Signature
____ Conference ____ Rewrite ____ File
____ Instructions ✓ Your information

REMARKS: OME-6148 (Gold) - Little Squaw Mining Co
Mikado et al, Claims
Chandelar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140
Forwarding July 1965 Narrative Report. Note final paragraph.

M56300-62

included with the Operator's application; the fourth sheet is a calculation of the tonnage and grade of new ore found as a result of the OME work.

There is no doubt that, at the Mikado, gold occurs in irregularly spaced flakes, nodules, and nuggets within quartz lenses and that the quartz lenses are erratically spaced within a general zonal trend. But there is also little doubt that volumes of indefinite size and shape within many of the lenses contain little, if any, gold. Therefore, assuming that Birch's arithmetic is correct, I would be inclined to make an arbitrary reduction of 25 to 30 percent in both calculated tonnage and calculated grade at least until the gold recover from an entire calculated block would be available to arrive at a more realistic correction factor to take into account overbreak and errors in sampling and assaying. However, this is not to say that Birch's estimate is actually very far off; the estimate is based upon too little information.

The files contain all the information that might be given in an acceptable Operator's Final Report, but the enclosed documents can hardly be considered as such. In view of the many letters, telephone conferences, and meetings in the OME and the Little Squaw offices that were necessary to get either Amendment No. 2 or a Termination Agreement signed, it is doubtful that this office can secure a more acceptable Final Report. It is recommended that the Operator be advised by your office that the report is not acceptable because, except for the calculation of "new" ore reserves, it does not meet the requirements of Article 5(c) of the contract, and that $200.00 currently being withheld will be applied to the cost of the Government to prepare such a report. At this point you might refer to the final sentence in the next to last paragraph, page 2, of a memorandum dated December ~~12~~ 15, 1964, from Selfridge to this office.

D. R. MacLaren

D. R. MacLaren

Enclosures

E Form 7
/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/15	Selfridge	120
		110
3/15	Cal	220
		120M

MAR 15 1966

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Referring to your memorandum of November 29, 1965, we have drafted a royalty agreement to be sent to the subject Operator. When you receive the regional copy, will you please request a final report from the Operator.

see 3/23/66 letter to Oper. + partners Folder #1 left hand side

In the meantime, will you please request a Report of Review.

(signed) FRANK E. JOHNSON

Frank E. Johnson

cc to: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Selfridge (2)

GCSelfridge/gla 3-15-66

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
November 29, 1965

OFFICIAL COPY
O. M. E.
RECEIVED
DEC 1 1965

INITIALS	CODE
	120
	120

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: OME-6148 (Gold)
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed are the original and two copies of the subject Operator's Narrative Report for the 1965 field season, and one copy of a pencil tracing I made to show work as reported, relative to this report and one submitted in July 1965, copies of which we sent you by reference slip dated July 23, 1965.

It appears that, although a tunnel at the Little Squaw was started April 25, 1965, the Little Squaw vein was not reached by the time work was discontinued in September 1965. Therefore, even though it may be considered that work was resumed by July 1, 1965, it is obvious, since no more work is planned for this year, that the work authorized at the end of the fourth paragraph of our letter of March 25, 1965, to Karl W. Jasper will not be completed by January 25, 1966, as specified in Amendment No. 2, Item 4(a)(ii).

According to our records, the Operator's last voucher was for September 1963 which was paid during December 1963 with $200.00 being withheld. It is recommended that withholding of this sum be continued until a final audit or report of review is made. It is my understanding that if it is considered that work was resumed on or before July 1, 1965, a request for an Operator's final report should not be made before January 25, 1966.

D. R. MacLaren

D. R. MacLaren

Enclosures
cc: Robert M. Chapman
Voucher File
MacLaren

Little Squaw Mining Co.

Narrative Report to Nov. 15, 1965
OME Docket No. 6148
Amended Contract 2140

Each Tunnel referred to in the July 15, 1965, report was directed to a point 50 feet south (not north) of a point vertically beneath the main Little Squaw portal. The portal described as begun 28 feet north of the 114 foot tunnel level shown in bulldozer trench No. 1E was driven south 70° W. for 82 feet. No other work except airport and roadwork was done and that was discontinued by the first of October.

The point of complete entry of the tunnel is 20 feet N. 18°W. from the 114' portal and it is 72' from that point S. 70°W. to the present face of the tunnel. A 50 to 75 foot advance in the same direction would intersect the projection of the vein on that level.

No more work is planned for this year.

Eskil Anderson

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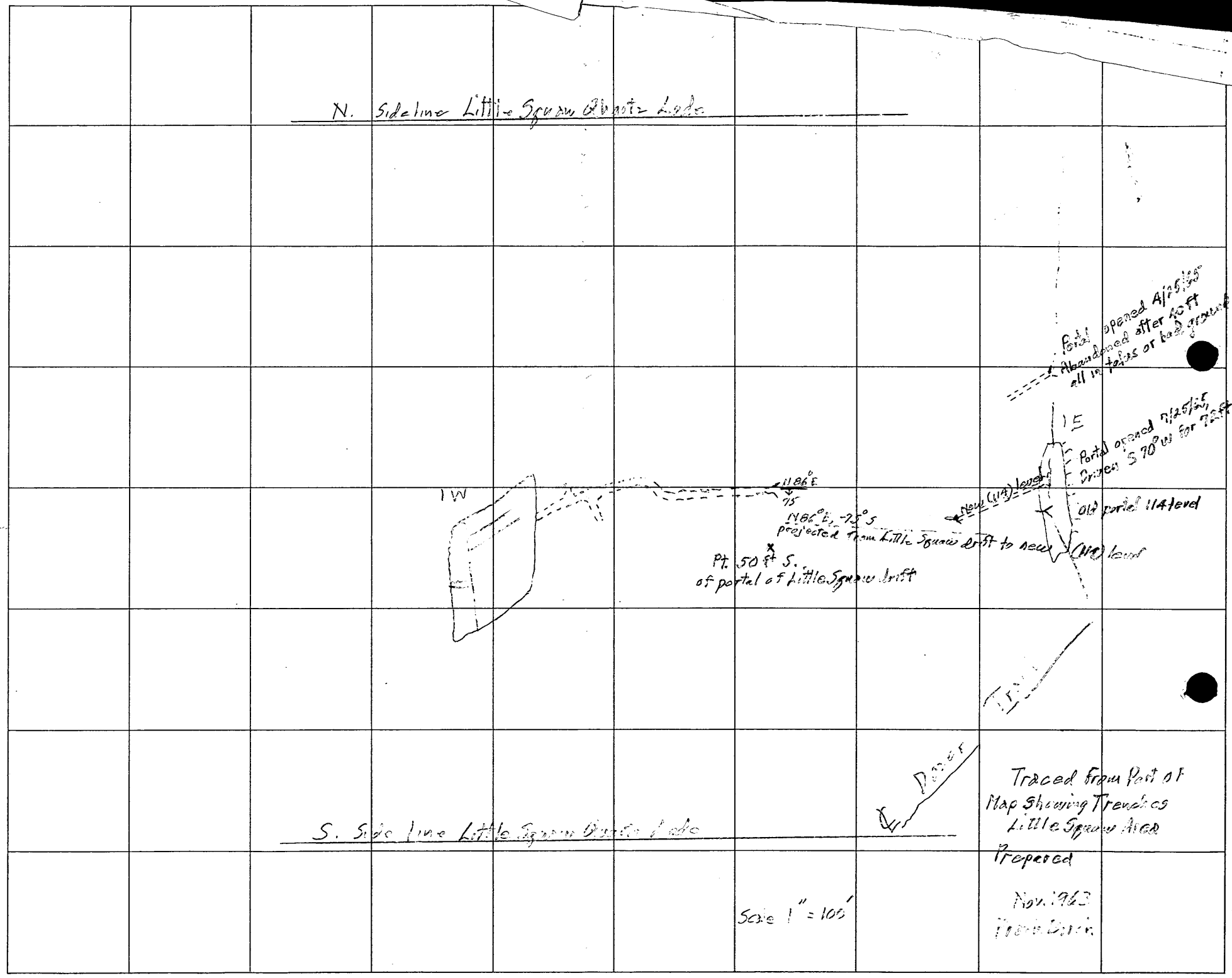
NOV 26 1965
O M E
SPOKANE, WASHINGTON



K+E ALBANENE TRACING
J. A. Gendron Co., Spokane

Ma

GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
October 11, 1965

OFFICIAL
COPY
O. M. E.
RECEIVED
OCT 13 1965
TERRITORY CODE
120 m
120

Mr. Karl W. Jasper, President
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

We would appreciate learning whether or not any OME work was done at Little Squaw mine this season and, if not, whether any such work is contemplated between now and January 25, 1966, the termination date fixed by Amendment No. 2.

Sincerely yours,

D. R. MacLaren
Field Officer, OME
Region I

cc: J. A. Herdlick

OME
MacLaren

DRMacLaren/mls

Director's Reading File

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/30	Selfridge	130
10/4	Johnson	110
		220
		120M

OCT 4 1965

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140
and
OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mines
Fairbanks District, Alaska
Contract 2173

Will you please ascertain whether or not the Little Squaw Mining Company did any work under its contract this year.

Will you please contact Robert Chapman of the U. S. Geological Survey, in Fairbanks, Alaska, and arrange for an on-site inspection of the Keystone Mine before the end of the current season. At least all new work should be measured. It would also be well to have an annual Equal Employment Opportunity report on the property.

In the August 1965 report of the Operator mention is made that the east drift is being advanced in the footwall of the vein with the vein being exposed sufficiently to observe. It would be well to determine just how representative the samples are compared to the full width of the vein for certification purposes.

(signed) FRANK E. JOHNSON

Frank E. Johnson

GCSelfridge/gla (9-30-65)
cc to: Director's Reading File
Division File
Economic Geology File
THKiilsgaard (Robert Weeks), Rm. 4240 GS Bldg.
OME Docket 6148
OME Docket 6304
Mr. Selfridge (2)
OME ~~Directors~~ Reading File

23263

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Chronicle - Wed - 8/25/65

Mining Spotlight

Firm Contracts for Alaska Mill

By WAFFORD CONRAD

Little Squaw Mining Co. of Spokane today disclosed plans for the installation of a mill at the Mikado gold mine in Alaska's Chandalar Mining District.

The firm, which started developing the Mikado in 1959, is controlled by Grandview Mines, Inc., and Metaline Mining & Leasing Co., also of Spokane.

Little Squaw, which recently negotiated a new lease with the property owners, has subleased four claims and a millsite to Frank E. Birch, Spokane mining engineer. Working for Little Squaw, he blocked out an estimated $1.5 million worth of $87-per-ton ore.

1967 Date Set

The sublease calls for Birch to erect a mill with a capacity of at least 50 tons of ore daily and to be in production by 1967. He is to produce a minimum of 3,000 tons that year and in 1968, and at least 5,000 tons yearly thereafter.

Little Squaw is to be paid 20 per cent of U.S. Mint returns from gold mined west of the present raise and shaft, and from above the 200-foot level. It will receive 12 per cent of all other production.

The original lease on the Mikado was forfeited by Little Squaw because of insufficient funds to do necessary work and meet minimum property payments, company officials said. Under its new lease, the firm must pay the owners 300,000 shares of Little Squaw stock, have a 50-ton mill in production by 1968 and pay a 5 per cent royalty.

The company is negotiating with others for the installation of a second mill at the Little Squaw Mine a few miles north of the Mikado, officials said.

"Excellent" surface showings, along with favorable results of past work, indicate considerable tonnage of high grade ore, they said. A tunnel being driven 115 feet below present workings by Merton J. Attwood, Sandpoint contractor, has just intersected the vein and Eskil Anderson, company vice president and engineer, is surveying and sampling it.

The company has leases on two other promising vein systems in the district, the Star and Bonanza, which it plans to explore later.

ME FORM 6
REV. 2-59

REFERENCE SLIP
OFFICE OF MINERALS EXPLORATION

	DATE	INITIALS
TO: Chief, OME		
1.		
2. 120	9/7/65	
3.		
4.		
5. D. R. MacLaren		
FROM: Acting Fld. Officer, Reg. I		

FOR: Check items for action desired

___ Action
___ Approval
___ Comment
___ Conference
___ Instructions
___ Reply for signature of _____
___ Investigate
___ Recommendations
___ Rewrite
X Your information
___ Surname
___ Signature
___ File

REMARKS: OME-6148 (Gold)
Little Squaw Mining Co.
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Transmittal of copy of newspaper clipping from The Chronicle dated 8/25/65 re. the above-cited contract.

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

M56300-62

Ome

Surname

3/24 - Johnson 110

Selfridge 420

100

220

3/24 Murphy 120M

No. 157 Howard Street
Spokane, Washington 99204

Mr. Karl W. Jasper, President
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

MAR 2 5 1965

Re: [illegible] (Coll)
Milado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Prospect Contract 2180

Dear Mr. Jasper:

Your letter of March 5, 1965, has been forwarded to and discussed with the Washington, D. C. Staff of OMM.

In the Little Squaw area the existing level gives definite indications of an ore body and drifting 100 feet below its exposure in the level would merely be opening this ore body for the possibility of mining.

In the Milado area the irregularity of the mineralization, indicated by erratically spaced and sized quartz lenses and the fact that east of the main ore shoot the grades become more erratic, does not indicate so strongly the downward continuity of an ore body. Consequently, in this area OMM believed that drifting westerly in the hanging-wall some 100 feet below the mineralization could be considered exploration for the purpose of determining whether the mineralization might become more consistent and stronger. Some time over a year ago during one of the several discussions in the Spokane office it was our understanding that Little Squaw wished to do this work at the Milado and we expressed the willingness of OMM to go along with it. However, it never was and is not now the intention of OMM to insist that Little Squaw do any work it does not wish to perform, provided the Government's interest is protected as it would be under any contract.

This project has been in existence for slightly over 3 years and an extension of time through the coming season is all that OMM can grant. Under Article 3(a) of the contract, it is the Operator's responsibility to carry out the work, provide the necessary equipment, facilities, etc., and to complete the work under the contract in the time specified. It is therefore suggested that Little Squaw execute proposed Amendment No. 2 and perform as much of the approved

MME FORM 6
REV. 2-5

REFERENCE SLIP
OFFICE OF MINERALS EXPLORATION

TO: Chief, Div. of Exploration Operations

1.

2. OME-6148 (Gold)
Re: Little Squaw Mining Co.
3. Mikado, et al., Claims
Chandalar Mining District
4. Fairbanks Precinct, Alaska
Amended Contract 2140
5. D R MacLaren

FROM: D. R. MacLaren, Acting Fld. Offr., Reg. I

DATE	INITIALS
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APR 14 1965	
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FOR: Check items for action desired

X Action	Reply for signature of	Surname
Approval	Investigate	Signature
Comment	Recommendations	File
Conference	Rewrite	
Instructions	Your information	

REMARKS: Transmittal of Gov't, Audit and Fiscal Section's copies of Amendment No. 2, signed by Karl W. Jasper, president of the company.

M56300-62

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

work as it can. The work in the Little Squaw area as outlined in the fourth and sixth paragraphs of our letter of February 18, 1965, is all that this office can authorize in that area.

If you do not wish to execute proposed Amendment No. 2, it is suggested that you execute the Termination Agreement which the Acting Director forwarded with his letter of November 13, 1964.

If you do not wish to execute either the amendment or the Termination Agreement, OME will have no recourse but to terminate the contract and avail itself of the provision thereunder to protect the Government's interest.

Sincerely yours,

/s/ D. R. MacLaren

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: J. A. Hardlick
OME
Voucher File
MacLaren

Director's Reading File
Resources Research Branch Chief

DRMacLaren:mls

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
March 22, 1965

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 24 1965

INITIALS	CODE
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Memorandum

To: Chief, Division of Exploration Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed is the original together with our yellow file copy and an OME white tissue for your files of a letter I have written to Karl W. Jasper, president of the company, in reply to his letter of March 5, 1965.

It is written in general accordance with your memorandum of March 15, 1965, but before mailing it, I would appreciate your concurrence, particularly with the wording of the last three paragraphs.

If this letter is satisfactory, kindly date all copies and mail the original to the Operator, keep the OME copy, and return the yellow tissue for the Field Office file.

Incidentally, the date appearing at the end of the second line, paragraph 2, of my memorandum of March 4, 1965, should be "1964" not "1963."

D. R. MacLaren

Enclosures

cc: J. A. Herdlick

Form 7
(3)

OFFICIAL FILE COPY

Date	Surname	Code
3/12	Johnson	110
	Selfridge	130
	[illegible]	100
3/15	[illegible]	200
3/16	Murphy	120M

MAR 15 1965

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Exploration Operations

Subject: OMX-6148 (Gold)
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

This is with reference to your memorandum of March 4, 1965, enclosing a copy of a letter to you of March 3, 1965, from Mr. Karl W. Jasper concerning further exploration under the subject contract.

In the early stages of the project we did not have as much information concerning the mineral occurrence, structures, etc., as we do now, so we probably authorized work which we would not do now. Also, the two areas referred to by Mr. Jasper as indicating that we are not consistent in approving work, are not entirely analogous. In the Little Squaw area, there is definite indications of an ore body, and drifting 100 feet below its exposure in the level above would merely be opening this ore body for the possibility of mining. In the Mikado area the irregularity and lower grade of the mineralization does not indicate continuity downward of an ore body. Consequently, with the little knowledge we had at that time we were willing to go along with drifting 100 feet below the mineralization to determine if it became more consistent and increased in average grade. Since we had committed ourselves to this work which the Operator had indicated it wanted to do, we were willing to go along with it. However, we do not insist that the Operator do any work that it does not wish to perform, provided the Government's interest is protected as it would be under any contract.

This project has been dragging along for three years and it appears that the Operator lacks finances to do more than a small amount of work. A further extension of time only through the coming season is all that we can grant. As set forth in Article 3(a) of the contract, it is the Operator's responsibility to carry out the work and provide the necessary equipment, facilities, etc., to complete the work under the contract in the time specified. It

23263

is suggested that the Operator execute the proposed Amendment No. 2 and perform as much of the approved work as it can within its means. Otherwise, we will have no recourse but to terminate the contract, availing ourselves of the provisions thereunder to protect the Government's interest.

George C. Selfridge

FEJohnson/bih/gla (3-12-65)
cc to: Director's Reading File
Docket
Review Committee
Mr. Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
March 4, 1965

OFFICIAL COPY
O. M. E.
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Memorandum

To: Chief, Division of Exploration Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed is a copy of a letter dated March 5, 1965, from Karl W. Jasper, president of the operating company, for reply.

The authorization for drifting at the Mikado, to which Jasper refers, goes back to page 7 of my memorandum of January 31, 1963, and the first paragraph of yours of February 20, 1964. His request for clarification as to why the Mikado drifting on the 200 level below ore exposed on the 100 level is considered exploration, but any drifting at the Little Squaw below the ore exposed in the upper tunnel is considered development presents a question I cannot answer as it involves a policy decision. The balance of his letter is essentially academic and requires no particular reply.

D. R. MacLaren

D. R. MacLaren

Enclosure

Telephone: MA 4-2501

GRANDVIEW MINES

Suite 309-312 Radio Central Bldg.
Spokane, Washington 99201

March [illegible], 1965

Mr. D.R.Maclaren, Acting Field Officer, OME
Office of Minerals Exploration
So.157 Howard Street
Spokane, Washington 99204

Re: OME 6148 (Gold)

Dear Mr. Maclaren:

This will acknowledge receipt of your letter of February 15th 1965.

Referring to your fourth paragraph you state that the government will not contribute to the cost of any new work in the Little Squaw area prior to the exposure of the Little Squaw vein and will contribute only to the cost of any drifting on the vein that is done within 250' of Trench 1-E. It is hard for us to understand the thinking behind this type of exploration. 250' on the vein is exposed within 25' to 50' of the portal would end the drifting vertically below the tunnel portal where the best chance for working on the vein exists with the OME contribution possibly nothing until the best known zone is reached and then nothing. It would seem by your insisting on our drifting 150' west from the crosscut on the 200' level of the Mikado that you would desire us to continue as far on the Little Squaw vein as it might be possible to find it. Our purpose in this venture is not to develop quartz vein material but to find mineralization in that quartz of a commercial nature.

Your letter indicates you will not help us locate the vein on the lower level and if WE find it you do not desire to help extend it for exploration purposes.

The next point is that it is hard for anyone not having been on the property to realize is that we have only one set of mining equipment. To have to complete both the Mikado and the Little Squaw footage as indicated in your letter would mean the purchase of approximately $10,000 worth of additional mining equipment to do the work on the 200' level of the Mikado. Doing the same work on the Little Squaw beyond the 250' point you claim would be development work while on the Mikado by your approval you indicate it would be exploration. We should have a clarification from you as to what is development and the other exploration.

If the OME wants to furnish us with the extra set of mining equipment that would be required to do all of this work in the coming mining season, we could complete the contract by January, 1966, otherwise it would be useless for us to sign the Amendment as it is now written.

From our office here in Spokane, we could not tell anyone how they should go about running a drift under the Washington Monument, conversely the same is true regarding our work in the Chandalar District of Alaska. Can we work out a reasonable amendment that will satisfy even those in Washington, D.C.? If you would like to discuss this further, please call.

Very truly yours,

/s/ Karl W. Jasper

Karl W. Jasper

OME

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 28 '65

INITIALS	CODE
ama	800
[illegible]	120
	126

So. 157 Howard Street
Spokane, Washington 99204
February 18, 1965

Mr. Karl W. Jasper
President
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

Enclosed are the original and four copies of a new proposed Amendment No. 2, signed by the Acting Director for the Government.

If the proposed amendment is satisfactory, please sign all five copies, retain the Operator's copy, and return the other copies to this office.

If any part of the proposed amendment is not satisfactory, return all copies unsigned to this office together with the proposed changes for consideration by OME.

During a telephone conversation on January 28, 1965, you asked in effect should the Little Squaw vein be found within 25 to 30 feet of the portal would OME then contribute to the cost of drifting from the portal to the vein. The Government will not contribute to the cost of any new work in the Little Squaw area prior to the exposure of the Little Squaw vein and will contribute only to the cost of any drifting on the vein that is done within 250 feet of Trench 1-E.

As mentioned during several telephone conversations and office conferences, should the proposed amendment be accepted, the following work will be authorized for OME participation:

Little Squaw: Drifting on the vein not to exceed 250 feet and only within 250 feet of Trench 1-E.

Mikado: 200-ft level, 150 feet westerly from the crosscut
100-ft level, 300 feet easterly from the present face

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

Enclosures

cc: Director's Reading File
Resources Research Branch Chief
Hardlick
OME
Voucher File
MacLaren

DRMacLaren:mls

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	GL	120
2/19	Murphy	120M
"	Johnson	110
"	[illegible]	100
2/19	CAC	220
		120M

February 18, 1965

Memorandum

To: The File

From: Chief, Division of Exploration Operations

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

On February 17 Mr. MacLaren called the writer to inform him that OME was committed to 250 feet of drifting along the Little Squaw vein, if found, and at the same time calling attention to our letter of February 12, 1965, where the drifting might be less than 250 feet. As the matter of further work at the Mikado is also pending, the writer reviewed all of the correspondence in the docket from November 12, 1963, at which time the Operator requested 700 feet of drifting on a new level at the Little Squaw mine. Four hundred fifty-eight feet of exploration work was also requested at the Mikado, especially to test the downward extension of ore exposed in trench 2-E.

The review showed that the Washington office proposed 250 feet of drifting westward from trench 1-E at the Little Squaw only if favorable results were first obtained by work in the upper adit and the vein was exposed in trench 1-E. Based on MacLaren's objection, the proposal was canceled and the 700 feet of drifting was okayed.

Later on, in a memorandum of December 15, 1964, the Washington views were set forth regarding work at both the Little Squaw and the Mikado. The writer also checked the distance between trench 1-E and the portal of the present adit on the Little Squaw and

found it to be in the vicinity of 200 feet rather than 250 as originally thought. After discussion with Mr. Johnson concerning the December 15, 1964,* memoranda, both to Region I, the writer telephoned Mr. MacLaren on February 18 that the 250 feet had been originally set up as starting at trench 1-E throughout the correspondence and that the OME would participate in any of the drifting that was actually done on the Little Squaw vein and was within 250 feet of trench 1-E. This stipulation was made in order to avoid having the Operator start much closer to the adit portal and doing most of the drifting right under the old ore shoot and winze, the bottom of the latter being only 60 feet above the elevation of the proposed new adit.

The writer also informed Mr. MacLaren that he should approve the work at the Mikado which had been requested and agreed upon a number of times previously but had never been officially approved in writing. The three possibilities that are to be explored by the approved work will test all of the better indications that presently exist. Mr. MacLaren will present proposed Amendment No. 2 along with the work approval in writing to the Operator.

* and February 12, 1965

George C. Selfridge

GCSelfridge/mm
cc: Director's Reading File
Docket
Mr. Selfridge

ME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/11	Murphy	120 m
	GLS	130
2/11	Johnson	110
		100
2/12	cal	220
		120 m

FEB 12 1965

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Exploration Operations

Subject: CME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed are the original and four copies of a new proposed Amendment No. 2, signed by the Acting Director for the Government. Also enclosed is an extra copy for field use.

If the proposed amendment is satisfactory to you and the Operator, all five copies should be signed by an authorized representative of the Operator. Thereafter, please distribute the copies in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

The following is in reply to the request for comments in the final paragraph of your memorandum of January 29, 1965.

In answer to Jasper's question, the Government will not contribute to the cost of any new work performed by the Operator prior to the exposure of the Little Squaw vein. Also, the Operator should be advised that when the vein is exposed, the Government will contribute to the costs of either 250 feet of drift or the distance to a point in the new adit vertically below the portal of the existing adit on the Little Squaw vein, whichever is the lesser.

George C. Selfridge (GLS)

Enclosures
FMMurphy/mm (2/11/65)
cc: Director's Reading File
Review Committee
Docket

OFFICIAL
COPY
O. M. E.
RECEIVED
FEB 9 1965

INITIALS	CODE
ama	800
[illegible]	1207
	120

The Chronicle - 2/2/65

Kerosene Frozen

Alaska Mining Camp Hit by Extreme Cold

"I never saw kerosene freeze before," said Merton J. Attwood, Sandpoint heavy equipment operator, in telling of a cold wave that rolled into the Little Squaw Mining Camp in Alaska in December.

"The kerosene lamp wouldn't light," he said. "I turned the lamp upside down and the kerosene wouldn't run out. It was frozen solid."

This was on Dec. 19 and Attwood estimated the termperature was 70 degrees below zero. His own thermometer bottomed out at 50 degrees below, but a government thermometer at near-by Lake Chandalar, at a lower elevation, registered a minimum 67 degrees.

Time to Leave

That's when he and his son, Merton Jr., 23, decided it was time to close camp and come home.

They had worked all during the 1964 field season for Little Squaw, which is controlled by Grandview Mines, Inc., and Metaline Mining and Leasing Co., both of Spokane.

They had spent most of the season doing preliminary work on a bulldozer-hydraulic placer site and establishing a camp at the Little Squaw Mine. In the fall they built a 25-mile winter freight road from Lake Chandalar to the Little Squaw camp, which is eight miles from the Mikado Mine, scene of most previous work by the Spokane firms.

Attwood, who flies his own plane, was in Spokane conferring with company officials on plans for this coming season's work. He plans to return to the camp north of the Arctic Circle early in March.

Lower Adit Planned

Plans for this year include driving a new lower adit to gain 120 feet of vertical depth below an old tunnel dug in 1909 for 200 feet along a vein of high grade gold ore, he said. The former owners failed in efforts to install a stamp mill. Parts of the mill still can be seen along an old trail to the property.

Attwood, who was raised in Fairbanks and did placer mining in the area for many years, moved to Sandpoint in 1956 and subsequently worked in the Pend Oreille Mine near Metaline Falls for several years.

Re: OME-6148 (Gold)
Little Squaw Mining Co.
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

MME FORM 6
REV. 2-

REFERENCE SLIP

OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. ~~Associate Solicitor, 6042~~		
2. F. M. Murphy, 4456		
3.		
4.		
5.		
FROM: George C. Selfridge	2/5/65	

FOR: Check items for action desired

X Action	____ Reply for signature of ____	
X Approval	____ Investigate	____ Surname
____ Comment	____ Recommendations	____ Signature
____ Conference	____ Rewrite	____ File
____ Instructions	____ Your information	

REMARKS:

FROM SOLICITOR

FEB 10 1965

FOR SIGNATURE

RECEIVED

FEB 8 1964

Division of Mineral Resources
and Genenral Legal Services

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

M56300-62

Other Amendments #2 Released

Government's Copy

AMENDED EXPLORATION CONTRACT
LITTLE SQUAW MINING COMPANY
OME-6148

AMENDMENT NO. 2

It is agreed this 29th day of April, 1964, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government" and Little Squaw Mining Company, hereinafter referred to as the "Operator," that Amended Exploration Contract No. 2140 (OME-6148), dated effective January 25, 1962, as amended, is further amended effective October 1, 1963, as follows:

1. In Exhibit A, under the heading General Conditions, the fifth paragraph is revised to read as follows:

"All mineralized veins encountered in the drifting and crosscutting shall be sampled normal to their trends, at linear intervals not greater than ten feet. In instances where the mineralization may show 'banding' or 'concentrations' in certain portions of the veins, fractional sampling shall be done. In no event shall an individual sample represent more than five feet of vein width. In addition, a representative bulk sample may be taken of each round broken in mineralized areas."

2. (a) Work under the contract shall be suspended during the period beginning October 1, 1963, and ending not later than July 31, 1964.

(b) No costs incurred by the Operator during the period of suspension shall be allowed for contribution by the Government.

(c) The Government shall not contribute to any cost of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the contract work.

Replaced with new recess ending date. [illegible]

3. (a) The time fixed in Article I of the contract for completion of the work is extended from 30 months to 48 months from the date of the contract.

(b) The maximum period for royalty payments and for the lien to secure the payment thereof provided for in the contract is extended from ten (10) to twelve (12) years from the date of the contract.

4. It is the essence of this contract that the work be resumed on or before the termination of the period herein fixed for suspension, and be completed before the termination of the period fixed for completion; and if not so resumed and completed in the manner required by the contract, the following provisions shall thereupon become effective.

(a) The contract and all obligations of the parties thereunder, except as hereinafter otherwise provided, shall be and are hereby terminated as follows:

(i) Effective October 1, 1963, if the work has not been resumed on or before July 31, 1964.

(ii) Effective January 25, 1966, if the work has been resumed but not completed on or before that date.

(b) The Government will contribute only to allowable costs incurred prior to the relevant date set forth in 4(a) above.

(c) The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, including the rendering of the final report and final account.

(d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty provided for in the contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the contract as amended herein as if a certification of possible production has been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the contract with respect to a certification of possible production, percentage royalty and liens to secure payment thereof, reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayments are hereby preserved.

(e) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the contract, except as provided for in this Amendment No. 2.

This amendment shall not be construed to increase the amount of any item designated as a maximum, the estimated total cost of the project, or the aggregate total amount which the Government may be required to contribute.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

Long
App'd. Col. Off.
Driscoll
Talbutt
Selfridge

LITTLE SQUAW MINING COMPANY

By _____

Title _____

RECEIVED MAY 4 1964 O M E SPOKANE, WASHINGTON
RECEIVED AUG 11 1964 O M E SPOKANE, WASHINGTON
RECEIVED AUG 21 1964 O M E SPOKANE, WASHINGTON
Docket copy
~~Field Office's~~ Copy

120
120M

AMENDED EXPLORATION CONTRACT
LITTLE SQUAW MINING COMPANY
OME-6148

AMENDMENT NO. 2

It is agreed this [redacted] day of [redacted], 1964, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government" and Little Squaw Mining Company, hereinafter referred to as the "Operator," that Amended Exploration Contract No. 2140 (OME-6148), dated effective January 25, 1962, as amended, is further amended effective October 1, 1963, as follows:

1. In Exhibit A, under the heading General Conditions, the fifth paragraph is revised to read as follows:

"All mineralized veins encountered in the drifting and crosscutting shall be sampled normal to their trends, at linear intervals not greater than ten feet. In instances where the mineralization may show 'banding' or 'concentrations' in certain portions of the veins, fractional sampling shall be done. In no event shall an individual sample represent more than five feet of vein width. In addition, a representative bulk sample may be taken of each round broken in mineralized areas."

2. (a) Work under the contract shall be suspended during the period beginning October 1, 1963, and ending not later than ~~[illegible]~~ July 1, 1965.

(b) No costs incurred by the Operator during the period of suspension shall be allowed for contribution by the Government.

(c) The Government shall not contribute to any cost of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the contract work.

3. (a) The time fixed in Article I of the contract for completion of the work is extended from 30 months to 48 months from the date of the contract.

(b) The maximum period for royalty payments and for the lien to secure the payment thereof provided for in the contract is extended from ten (10) to twelve (12) years from the date of the contract.

4. It is the essence of this contract that the work be resumed on or before the termination of the period herein fixed for suspension, and be completed before the termination of the period fixed for completion; and if not so resumed and completed in the manner required by the contract, the following provisions shall thereupon become effective.

(a) The contract and all obligations of the parties thereunder, except as hereinafter otherwise provided, shall be and are hereby terminated as follows:

(i) Effective October 1, 1963, if the work has not been resumed on or before ~~[illegible]~~ July 1, 1965.

(ii) Effective January 25, 1966, if the work has been resumed but not completed on or before that date.

(b) The Government will contribute only to allowable costs incurred prior to the relevant date set forth in 4(a) above.

(c) The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, including the rendering of the final report and final account.

(d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty provided for in the contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the contract as amended herein as if a certification of possible production has been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the contract with respect to a certification of possible production, percentage royalty and liens to secure payment thereof, reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayments are hereby preserved.

(e) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the contract, except as provided for in this Amendment No. 2.

This amendment shall not be construed to increase the amount of any item designated as a maximum, the estimated total cost of the project, or the aggregate total amount which the Government may be required to contribute.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of
Minerals Exploration

LITTLE SQUAW MINING COMPANY

By _____

Title _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
South 157 Howard Street
Spokane, Washington 99204
January 29, 1965

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 1 1965

INITIALS	CODE
ama	800
[illegible]	120
	120
[illegible]	
[illegible]	100

AIR MAIL

Memorandum

To : Chief, Division of Exploration Operations

From : Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

This refers to your memorandum of December 15, 1964, which arrived while I was using up some annual leave.

On December 29 I conferred with Carl Jasper and Eskil Anderson at the office of Grandview Mines and reviewed the current status of the contract, emphasizing that OME has reached the point at which some action must be taken. The various possibilities were discussed.

The only work the company wants to do now is to drift westerly from a portal site near Little Squaw trench 1-E to pick up and follow the Little Squaw vein. They did not know whether the tunnel had been started last fall. Merton Attwood, at one time in charge of surface work at the Alaska property of Bear Creek was in charge of the work at Chandalar last season. He lives at Sandpoint, Idaho, and was expected to be in Spokane the day of our meeting, at which time they would learn what had been accomplished and would let me know.

As for the standard royalty agreement, Jasper said he wished to discuss the matter with the Grandview attorneys, after which he would advise me as to its acceptability to the Company. Apparently the objection was largely a matter of misunderstanding since the contract does not spell out the Government's right to include it in an amendment. I asked them for their copy of the contract and pointed out Article 7b, and explained that the royalty agreement would make it possible to forego the action provided in the last sentence thereof.

Late in the week of January 4, I called Anderson on the telephone to ask if they could give me the status of the work at Little Squaw. He replied that Attwood had been called to Seattle due to his mother's illness and had not yet returned.

I was in the field from the 9th to the 14th of January, during which period Anderson called. Due to the usual pile-up of vouchers and other work I did not return his call until the end of last week. He did not know whether Jasper, who was out at the time, had talked to the attorneys regarding the royalty agreement but Anderson had talked with Attwood. Work last summer was limited to preparing a tunnel portal site, constructing a building, and moving equipment; the tunnel had not been started, but Attwood thinks that abundant quartz in the overburden may indicate the presence of the vein. Incidentally, Frank Birch, last year's supervisor at Little Squaw, was in the office yesterday. He described trench 1-E as exposing a ridge of broken quartz fragments which he believes is the Little Squaw vein.

On the 28th I telephoned Jasper and told him I could not put off any longer writing up some sort of a reply to your memorandum of December 15. He said they would accept the royalty agreement, and would appreciate OME help in drifting on the Little Squaw vein when they locate it. He also said that they are looking for money to support next year's work and thinks he has two groups that may be of help. For details as to work plans (if they can raise the funds), time by which work can be resumed, etc., Jasper turned the phone over to Anderson. Under the most favorable conditions, work could begin early in March, but under a less favorable spring it might not be possible until the end of May. The best guess is sometime in April. In order to be safe it was agreed that a new amendment No. 2 should be requested to authorize a recess beginning October 1, 1963, and ending not later than June 1, 1965; the amendment otherwise to be similar to the original amendment No. 2, all copies which, unsigned, are returned herewith. The proposed termination agreement is "lost" in the Company files.

July 1?

One aspect bothers me. OME work, technically, will not begin until the Little Squaw vein is located. Suppose work for the Operator's account begins, say, early in May and the vein has not been found by June 1, can the work done at the Operator's expense until the vein is found be considered as resuming contract work by June 1? Also, Jasper asked, should the vein be found within 25 to 50 feet of the portal, would OME then contribute to the cost of drifting from the portal to the vein. I told him that retroactive payments were pretty hard to justify but that I would forward the request. It would seem that if the zone of broken quartz now recognized turns out to be the vein when the tunnel passes through the overburden, the OME work could properly be considered as starting at the portal. Should long-hole drilling from the tunnel face, after the latter has penetrated bedrock, locate the vein, possibly that portion of tunnelling which follows the drill hole to the vein could be so considered. However, if the tunnel is headed for some more distant point below a known outcrop with the hope of finding the vein, that part of the tunnel between the portal and the vein probably could only be considered as prospecting. Please comment for my guidance should one or another of these possibilities have to be considered in processing a future voucher.

No we order or [illegible]

D. R. MacLaren

cc: Herdlick

D. R. MacLaren

February 1, 1965

Memorandum

To: Files (Copies also in OME-6148 and OME-6338)

From: Chief, Division of Exploration Operations

Subject: OME-6324 (Silver)
Clayton Silver Mines
Clayton Mine
Custer County, Idaho
Contract 2177

In a letter of January 11, 1965, to Mr. MacLaren the subject Operator requested that Holes Nos. 1304, 1402, and 1552 be dropped and that another Hole 1501-A be drilled at Station D2 in lieu thereof, a program concurred in by Mr. MacLaren.

The writer called Mr. MacLaren to see what had been recently done at the property and to learn to what extent the Government was committed in drilling under Stage III. It seemed that the new proposed Hole 1501-A should have been drilled before moving the drill to Station D3 as the results to date suggested that no more drilling be done there or, if at all warranted, that Hole 1551 should be drilled first rather than Holes 1303 or 1401.

The writer wondered why Mr. Smith should use the long hole intercepts with the low-grade silver values as there is no point in doing so. Mr. MacLaren in his memorandum of January 25, 1965, used narrower widths with higher grades in all but one case. Using MacLaren's figures, the writer calculated that the "ore" intercepts average 7.72 ounce silver a ton across 9.4 feet. The writer further reduced three of the intercepts, thereby raising the grade of each and the over-all calculated average to 8.77 ounce silver a ton over 6.9 feet. The average of the holes as a whole is noneconomic.

The writer plotted the values on the map submitted with Mr. Smith's letter as he stated the results of the higher elevation holes suggested that the rake of the "ore" may have straightened up and therefore the purpose of the new Hole 1501-A. From prior results there could have been some question about drilling Holes 1103 and 1104 as they also appear to be too high. Apparently Mr. Smith had the drill moved before making a complete study of the drilling that had been done. The November and December vouchers had been held up in the Spokane office waiting for an amendment so they could be paid.

Mr. MacLaren told the writer that seemingly the company had a firm commitment with the independent contractor to do a minimum amount of footage. Mr. MacLaren did not know how much had been done during January. In checking through the docket, the drill had been moved in December so at least one hole had been drilled in January. Mr. MacLaren had told Mr. Smith that whatever he might do would be on his own until approved by Mr. MacLaren. It wouldn't surprise the writer to have the Operator request that additional deeper holes be drilled at Stations DX and D1 to test his theory.

To date only Hole 1051 and 1101 are ore holes and Holes 1301 and 1302 are marginal holes. The writer mentioned that he didn't think the indicated mineralization would be minable, and Mr. MacLaren stated that the company had been mining $12 ore. The writer pointed out that the ore being mined had been partly developed under a DMEA contract, but to mine the presently indicated ore would require sinking a shaft, drawing down the water table, and driving drifts and raises, all of which would be much more expensive. Apparently water is quite a problem each time there is a major earthquake on the North American continent. The drilling to date has not indicated any silver enrichment and lead values seem appreciably less. A better picture of the results of the drilling could have been obtained using a vertical section in the plane of the vein.

OME-6148 Mr. MacLaren stated that he had talked with the Little Squaw people and that they thought they had found the eastern extension of the Little Squaw vein. They wish a further recess so that they can work next summer if money is available. Mr. MacLaren stated that he had explained the facts of life to them concerning a royalty agreement and it now appears that they are willing to sign an amendment with a royalty clause in it.

OME-6338 Mr. MacLaren also stated that Bonanza Gold had executed and returned the proposed Termination Agreement.

George C. Selfridge

GCSelfridge/gla (2-1-65)
cc to: Director's Reading File
Mr. Selfridge
Dockets 6324, 6148, 6338

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
12/14	Johnson	110
	Selbrede	120
		100
		220

DEC 1 8 1964

Mr. Eskil Anderson
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99201

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Anderson:

Reference is made to your letter of November 20, 1964, and enclosures, concerning the subject contract.

We have requested Mr. MacLaren to discuss this entire matter with representatives of the Little Squaw Mining Company in an effort to reach an amicable agreement for concluding the contract.

We trust that Mr. MacLaren's discussion will be helpful in arriving at a mutually satisfactory conclusion of this contract.

Sincerely yours,

George Fumich, Jr.

Acting Director

FEJohnson/bih
12/14/64

cc to: Files
Dir. reading file
Mr. F. E. Johnson

2 Thermofax copies to R-I
12/15/64
mm

23263

Form 7
(/63)

OFFICIAL FILE COPY

Date	Surname	Code
12/14	Johnson	110
	JCJ	120
12/15	Murphy	120M
	Mohrbacher	800
		100
		120M

DEC 15 1964

AIRMAIL

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Exploration Operations

Subject: CMX-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

In his letter of November 20, 1964, to the Acting Director, Mr. Eskil Anderson stated that the Operator was preparing to start an adit at the 114-foot level below the present Little Squaw adit. Evidently, they hope to pick up the vein by driving westerly even though there is no evidence as to where the vein might be in this immediate vicinity. It is indicated that this work would be started near the location where the westerly drifting we offered to participate in would have started. As you know, the trenching in this vicinity did not find the vein.

It is our understanding from your recent discussion of the Little Squaw project with Mr. Fumich that you are in agreement with our position and the appropriate procedure to be followed in bringing this project to a satisfactory conclusion. It is suggested that you contact the Operator's local representative in an effort to come to a mutually agreeable solution.

In order to do this, we would be willing to participate in the cost of the work on the Mikado that we previously offered, that is: 150 feet of drifting westerly on the 200-foot level and extend the East drift 300 feet on the 100-foot level.

On the Little Squaw we offered to participate in the cost of 250 feet of drifting westward from trench 1-E, provided this trench exposed the vein. We also offered to participate in the cost of extending the present Little Squaw level westward to explore the block of ground with the best surface showings. The Operator apparently does not care about doing this work suggested for the present adit.

23263

If the work the Operator stated as being started at the 114-foot level near trench 1-E on the Little Squaw encountered the vein, we would be willing to participate in the cost of drifting on the vein from where it is encountered to the point under the face of the present adit but not to exceed 250 feet.

The above suggested work would require an amendment to the contract to put it into good standing. Such an amendment would necessarily incorporate the standard royalty agreement that is incorporated in all amendments to contracts under similar circumstances.

As an alternative, the Operator could sign the prepared Termination Agreement sent to it which also includes the standard royalty agreement as in all similar cases of termination when the work provided in the contract has not been completed.

We do not wish to be arbitrary, but it is our responsibility to protect the Government's interest. There are often some differences of opinion. We try to reach a mutually satisfactory agreement in such instances, but this Operator has made it very difficult because of its lack of cooperation and willingness to "play the game" by the rules from the start of this project.

We hope that this contract can be brought to a mutually satisfactory conclusion one way or another in the near future. Please give this matter your early attention.

George C. Selfridge (gla)

FEJohnson/gla (12-14-64)
cc to: Director's Reading File
Review Committee
Mr. Johnson
Docket

LITTLE SQUAW MINING COMPANY

309 Radio Central Building
Spokane, Washington 99201

Telephone: MA 4-2501

Air Mail

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 23 1964
CODE
DATE
11/23

November 20, 1964

George Fumich, Jr., Acting Director
Office of Minerals Exploration
U. S. Dept. of Interior
Washington 25, D. C.

Re: OME 6148 (gold)
Chandalar, Alaska
Amendment Contract No. 2140
Your letters of 9/21 and 11/13

Dear Mr. Fumich:

This month and next month we have two men moving in mining equipment, setting up buildings and holing in the portal on the 114 foot level below the existing tunnel at the Little Squaw Mine, as proposed in our letter to you of September 9.

We have no objections to extending the existing upper tunnel as you proposed in your letter of September 21.

If we have to pay for the work ourselves, however, we would not do it for the following reasons:

1) Two hundred feet of ice would have to be removed now, and again before mining begins if it is removed now.

2) Insufficient backs above the tunnel make it not worth the cost as the vein is already well exposed at the surface only about 60 feet above.

3) More than 150 feet of tunnel at that level is not justified by present surface exposures.

If the OME is interested enough in what can be found on that level to remove the ice fromthe tunnel and do the other extra preparatory work necessary for tunneling on that level, we will be glad to do the tunneling itself. Otherwise a small private company would not be justified in doing that work now on a tunnel that will be crawling along just under the surface.

We do not plan to get out of payment of the OME loan and will get into production as soon as possible. We also do not care to be ordered to change the terms of our original agreement because of a difference of opinion over what work should be done. The enclosed copy of a letter of May 5, 1964 which was never mailed discusses that.

Any other necessary "winding up" actions not yet completed we will do promptly upon termination of the agreement.

Yours very truly,

Eskil Anderson

ESKIL ANDERSON

2 Thermofax copies to R-I + 2 typed copies of attachment 12/15/64 mm

EA j
encl. 1" = 20' section of Little Squaw tunnel

12/1/64

file 7k8

LITTLE SQUAW MINING COMPANY

OME-6148

Amended Contract 2140, effective 1/25/62.
Expiration date 7/25/64.
Total Value $167,750, G.P. $83,875. Expended G.P. $40,735.50.
Amendment No. 1 dated 5/12/63.

Work suspended 12/1/62 to 6/1/63. Proposed amendment No. 2 extending recess and expiration period not signed by applicant.

The work under the contract was set up to explore for gold areas along the strike of the Little Squaw and Mikado vein zones by bulldozing trenches, and by crosscutting and drifting with attendant long hole drilling. It was made flexible to permit the work to be performed as deemed appropriate with the approval of the Government.

The contract set up the work to be performed in two stages. Stage I comprised trenching to determine if the Little Squaw and Mikado veins had continuity and mineralization sufficient to warrant the underground work under Stage II, in addition to the known gold occurrences along these veins.

Mikado Workings

Only one trench (1-W) of the five trenches to the west of Mikado showed anything of interest. A sample in this trench across 2 ft. assayed 3.48 oz.Au, but another sample across 2½ ft. assayed only 0.90 oz. Au. Other samples were very low grade. Apparently little or no values were found on the 100 ft. level driven westward beyond the surface trenching above this level.

Six trenches to the east of the Mikado workings indicated little or no value except in trench 2-E. Here three samples assayed 15.5 oz. Au across 8 inches, 10.13 oz. Au across 12 inches, and 7.07 oz. Au across 12 inches, the last a check on the second sample. Only one sample of interest was found in the 165 ft. of OME drifting to the east on the 100 ft. level.

On the 200 ft. level the west drift was driven 172 ft. and the east drift driven 185 ft. without finding any ore. Thus the lenses found on the 100 ft. level were not found on the 200 ft. level. Four long holes drilled into the walls on the 200 ft. level indicated nothing. So far the work on the Mikado gives little promise.

Little Squaw Workings

Of the five trenches completed to the west of the Little Squaw workings, only one (1-W) showed anything of interest. This trench showed a 35 ft. quartz segment in a block fault with the best values occurring over a width of 30 inches, and the rest of the quartz very low grade or barren. A 24 inch sample assayed 18.47 oz. Au. The rest of the samples taken at 5 ft. intervals, and from one hot spot, along the 35 ft. quartz segment, assayed from 0.38 oz. Au to 5.58 oz. Au.

Previous adits started at 70 ft. and 114 ft. below the present adit did not find the vein.

The work to date indicates gold values are irregularly distributed over very narrow widths and limited lengths in small scattered quartz lenses in vein zones which are complicated by offsetting faults. Since both mineralization and vein structure apparently lack continuity, both vertically and horizontally, there appears to be little promise of an extensive minable gold deposit on the property. However, in order to further explore the best possible areas for adding to the small mineral reserves indicated on the property, OME has offered to participate in the cost of certain additional work.

Mikado

On the Mikado vein zone, we have offered to participate in 150 ft. of drifting westerly on the 200 ft. level and extend the east drift 300 ft. on the 100 ft. level. All of this work was requested by the applicant but nothing was done as it was out of funds.

Little Squaw

On the Little Squaw vein zone we offered to participate in 250 ft. of drifting westward from trench 1-E, provided this trench exposed the vein. This work comprised part of the 700 ft. of drifting here requested by the applicant. Extension of trench 1-E failed to find the vein.

We also further offered to extend the present Little Squaw level westward to explore the block of ground with the best showings on the surface, although the Operator did not request this work.

The foregoing work approvals were in conformance with Mr. MacLaren's recommendations, but did not include all of the work he recommended. He discussed these proposals with the Operator but did not authorize the work until the default of the contract was cured.

The contract was in default because of unauthorized recess and the termination date had expired. The Operator has failed to comply with OME requirements and delayed replying to our letters. It finally has rejected a proposed amendment that would have cured the default and protected the Government's interest. It also rejected a proposed termination agreement that would have avoided taking action because of the default and still protect the Government's interest.

In its letter of November 20, 1964, the Operator states that it is preparing to start an adit at 114 ft. below the present level, although it has no evidence as to where the vein might exist at this level. It indicated that this work is to start near the location of the start of the westerly drifting we offered to participate in provided the trenching indicated the vein.

We could offer to participate in the work on the Mikado that was previously offered and in the drifting on the vein at the 114 level of the Little Squaw to the point under the face of the present adit from where the Operator encounters the Little Squaw vein by the work he states is being started near trench 1-E. This would require an amendment to put the contract in good standing. Such an amendment would necessarily incorporate the standard royalty agreement that is incorporated in all amendments to contracts under similar circumstances.

As an alternative, the Operator could sign the proposed termination agreement sent to it which also includes the standard royalty agreement as in all similar cases of termination where the work set forth in the contract has not been completed.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/12	Murphy	120
	Selfridge	130
11/12	Johnson	110
		100
		320
		120
11/12	Anderson	800

NOV 13 1964

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Exploration Operations

Subject: OMM-6148 (Gold)
Little Squaw Mining Company
Mikado, et al Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed are the original and four copies of a Termination Agreement on the subject contract signed by the Acting Director for the Government. Also enclosed is an extra copy for field use.

If the proposed termination agreement is satisfactory to you, please forward the enclosed covering letter to Mr. Anderson and all five copies of the agreement for the signature of an authorized representative of the Operator. Thereafter, please distribute the copies of the termination agreement in the usual manner.

If any part of the proposed termination agreement does not have your approval and cannot be altered within your delegated authority, the original and all copies of the agreement and the covering letter are to be returned to this office together with the proposed changes for consideration.

George C. Selfridge (gla)

Enclosures

MMerrithew/mmm (11/12/64)
cc: Director's Reading File
Review Committee
Docket

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/12	Murphy	120 M
	Lodge	140
	[illegible]	120
11/12	Johnson	110
"	[illegible]	100
11/13	Cole	220
		120 M
11/12	Fisher	800

NOV 13 1964

Mr. Eskil Andersen
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington, 99204

Re: ORE-6146 (Gold)
Little Squaw Mining Company
Mikado, et al Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Andersen:

We have not received either a reply to our letter to you of September 21, 1964, or the returned Amendment No. 2 executed on behalf of Little Squaw Mining Company, which was necessary to cure the default of the subject contract.

Under the circumstances, we feel that the contract should be terminated and are enclosing a Termination Agreement for this purpose. Prompt execution of this agreement will make it unnecessary to take remedial action for breach of contract as provided for under Article 7(b) of the contract.

Sincerely yours,

Acting Director

Enclosure

FEJohnson/bih/mm
11/12/64
cc: Director's Reading File
Region I (2)
Docket

Extra Copy

AMENDED EXPLORATION CONTRACT
LITTLE SQUAW MINING COMPANY
OMR-6146

TERMINATION AGREEMENT

It is agreed this 12th day of November, 196[illegible] between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Little Squaw Mining Company, hereinafter called the "Operator," parties to that certain Amended Exploration Contract No. 2140 (OMR-6146), dated effective January 25, 1962, hereinafter called the "Contract," that:

1. Effective October 1, 1963, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including furnishing to the Government three copies of a final report (in addition to the final monthly report) which shall include a geological and engineering evaluation of the results of the work performed under the Contract with an estimate of the ore reserves resulting from such work, complete with assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

4. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interests in the land), shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount, for the same period, and subject to the same conditions provided for in the Contract as if certification of possible production had been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the Contract with respect to a certification of possible production, percentage royalty and liens to secure payment thereof, reports (including preservation of the Operator's records), accounts, audits, and the rights to recover any overpayments are hereby preserved.

Operator requests this termination.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnock
Acting Director, Office of Minerals Exploration

LITTLE SIOUX MINING COMPANY

By _____

Title _____

DRAFT
11/2/64
FMMurphy/mm

CEF 800
~~120~~
120M

AMENDED EXPLORATION CONTRACT
~~TERMINATION AGREEMENT~~
LITTLE SQUAW MINING COMPANY
OME-6148

TERMINATION AGREEMENT

It is agreed this _____ day of _____, 1964, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Little Squaw Mining Company, hereinafter called the "Operator," ~~XXX~~ parties to that certain Amended Exploration Contract No. 2140 (OME-6148), dated effective January 25, 1962, hereinafter called the "Contract," that:

1. Effective October 1, 1963, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including furnishing to the Government three copies of a final report (in addition to the final monthly report) which shall include a geological and engineering evaluation of the results of the work performed under the Contract with an estimate of the ore reserves resulting from such work, complete with assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

~~4. All rights of the Government respecting certification of possible production, percentage royalty and liens to secure the~~

payment thereof, reports (including preservation of the Operator's records), accounts, ~~XX~~ audits, and the right to recover any overpayment are ~~XXX~~ hereby preserved.

4. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount, for the same period, and subject to the same conditions provided for in the Contract as if certification of possible production had been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the Contract with respect to a certification of possible production, percentage royalty and liens to secure payment thereof, reports (including preservation of the Operator's records), accounts, audits, and the rights to recover any overpayments are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of Minerals Exploration

LITTLE SQUAW MINING COMPANY

By _____

Title _____

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
	Lindy	220
9/21	Johnson	110
		100
9/21	Coe	220
		120 M

SEP 21 1964

Mr. Eskil Anderson
Little Squaw Mining Company
500 Radio Central Building
Spokane, Washington, 99204

Re: CME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Anderson:

A copy of your letter of September 9, 1964, to Mr. D. H. MacLaren, Acting Field Officer, CME, Region I, proposing certain work at the Little Squaw has been received.

The proposed work would be in the nature of prospecting, in part, to locate possible displaced vein segments which may or may not exist, and developing known mineralization for the purpose of mining. Currently, we would be willing to participate in the cost of extending the present adit with attendant crosscutting and long hole drilling to determine if the ore showing exposed in trench 1 W extends to depth. This exposure is the best showing on the property; and if it has no significant lateral or vertical extent, further participation by the Government in the cost of exploring the property would not be justified.

At present the contract is in default; and if the default is not cured, we have no recourse but to invoke the remedial action provided by law under Article 8(b) of the contract. To cure this default, it is suggested that proposed amendment No. 2 be signed and returned immediately to this office.

The provision under 4(d) of the proposed amendment is the standard royalty agreement in amendments granting significant time suspensions and extensions which are incorporated in all contracts as a consideration to the Government for granting such amendments. It would be required in any amendment made to the subject contract.

Sincerely yours,

George Fumich, Jr. (gfa)

Acting Director

FEJohnson/bih/mm
9/18/64
cc: Director's Reading File
Region I (2)
Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
September 14, 1964

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 16 1964

DATE	INITIALS	CODE
9/16	on leave	120
		120

Memorandum

To: Chief, Divsion of Exploration Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et a., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Karl Jasper and Eskil Anderson visited the Spokane office September 8, 1964, to discuss the future of the Little Squaw exploration. Anderson had just recently returned from the property with the information that the bulldozer attempt to locate the Little Squaw vein by extending trench 1E to the south has been unsuccessful and that an increasingly heavy talus overburden renders extension of the trench to the north impractical. The old tunnel in trench 1E is about 20 to 30 feet long and is not on the vein. Work at the airport and on all necessary roads is now completed so that "Box Cars" can land with larger cargoes and the latter no longer have to be moved to the work areas by helicopter.

Jasper and Anderson feel that now work at the Little Squaw should be pushed, in the first place because the vein is continuous except for 1 known and possibly 2 unknown but indicated offsetting cross faults, and in the second place, because the vein is much closer to the proposed mill site than is the Mikado. Therefore, if they had or could raise the necessary funds, they would extend the tunnel from trench 1E on a bearing to come under the present tunnel. During the drifting they would long hole the walls to search out the vein and when it is found, would crosscut to it, drift along the vein a total of 700 feet or more, and raise to the winze from the present level.

Their problem is financial. They say they now have the funds necessary to proceed with this program if OME will accept it. If not, they may be out of business unless they can raise the necessary additional funds, possibly by selling Grandview stock. To do this, they need SEC clearance which first requires a statement of a definite plan. Before proceeding with this, they want to know what chance there might be of OME authorizing this work under the contract. I

told Jasper and Anderson that if they would submit a written proposal, I would forward it for your consideration. The enclosed Thermo-Fax copy of Anderson's letter dated September 9, 1964, is their proposal.

The fault exposed in trench 1W indicates a shifting of the vein to the north on the east side of the fault. If the change of vein strike shown in trench 5W indicates another fault, the movement would appear to be in the same direction. It is very possible that there is a third fault with similar displacement somewhere between the present tunnel and the short one in trench 1E. From the photographs of this area which we sent you, Anderson's statement regarding heavy talus overburden north of trench 1E is supported. Further bulldozing to the north would therefore be of doubtful value as the cost to get below the talus, if at all possible, would be considerable.

If you will refer to page 8 of my memorandum of January 31, 1964, it will not be necessary to repeat here my reasons for favoring additional exploration below the present tunnel level. If the Operator's request is given favorable consideration, it could be specified that long holes up to 100 feet deep are to be drilled north and south from the trench 1E drift at 50- to 75-foot intervals and that as soon as the vein is found, a crosscut is to be driven to it following the bearing of the discovery hole. If the 825 feet of long holing at the Mikado, suggested in the January 31 memorandum, be added to the 934 feet suggested for the Little Squaw, there would be more than enough.

D. R. MacLaren

D. R. MacLaren

Enclosure

cc

OME

LITTLE SQUAW MINING COMPANY
309 Radio Central Building
Spokane, Washington 99201

Telephone: MA 4-2501

September 9, 1964

D. R. MacLaren, Acting Field Officer, OME
Region 1
S. 157 Howard Street
Spokane, Washington 99204

Re: OME 6148 (gold)
Chandalar, Alaska
Amended Contract 2140
Current and proposed work

Dear Mr. MacLaren:

Surface trenching for the extension of the Little Squaw vein in Little Squaw bulldozer cut # 1E did not expose the vein to the south of portal No. 3, the tunnel portal on the road at cut No. 1E. To the north of this portal, which is 114 feet below the main tunnel level, overburden looks deep enough to discourage any more bulldozing in that direction.

With limited financing expected to be available, the Little Squaw Company considers the most important work left undone under the OME contract to be the underground work described in the original application under Item 5(a), Page 7, Little Squaw, with some additions as a result of information obtained in the trenches to the west of the Little Squaw underground workings.

We would be glad to proceed towards the completion of the OME contract if we have OME authorization to drive 700 feet of drift on the Little Squaw vein from the portal site in Trench # 1E to the projected location of the winze at the 114 foot level and beyond following the vein to the west of the fault; authorization of 85 feet of raise from the 114 level to the winze from the upper level; and approval of the remainder of the underground contract work to be done at the Little Squaw dependent on satisfactory results.

Long hole drilling may be necessary to help the miner get on the vein.

Without assurance of OME participation in the above listed work we believe it may not be possible to finance any of it.

Yours very truly,

LITTLE SQUAW MINING COMPANY

/s/ Eskil Anderson
ESKIL ANDERSON

EA j

6148

OFFICIAL FILE COPY O. M. E RECEIVED SEP 4 1964		
DATE	INITIALS	CODE

So. 157 Howard Street
Spokane, Washington 99204
September 2, 1964

Memorandum

To: J. A. Herdlick, Area Director, Area VIII Mineral Resources Office, Juneau, Alaska

From: Acting Field Officer, OME, Region I

Subject: OME Alaska Contracts

Please extend our thanks to Kimball for the fine job he did with the trenches at Rose's property.

I understand that the drilling by Summus Gold, Inc., on Prince of Wales Island has been discontinued, but whether temporarily or permanently I will not know until Frank Duval returns to Spokane about the 19th. According to Mrs. Duval, who telephoned me yesterday, the drilling was stopped at the insistence of Summuto who is considering taking over the property and is currently carrying on an I.P. Survey.

6148

Little Squaw did not get off to an early start due to financial difficulties, and I do not know just how much OME work, if any, they may have done. In any case the contract is in default unless they sign an amendment providing for a recess during last winter and a pseudocertification. It is the latter they object to.

That leaves only Keystone Mines, Inc., which has been working right along. According to their August voucher, the following contract work has been completed:

110 ft of shaft sinking (starting 53 ft below the collar)

17.5 ft of shaft station

4 station sets

15.5 ft drifting and/or crosscutting

15.5 ft timbering drift and/or crosscut

The last inspection was made early in February 1964 by Bruce Thomas. We would appreciate it if you could have him or someone else visit the property before access becomes too difficult, in order to check

the total advance to that date and submit a brief report of conditions, outlook for the future, and so on -- in other words, make an interim inspection.

As I mentioned in my letter of June 4, 1964, we now have to make an annual report under the Equal Employment provision of the contract. I have enclosed a form for this report. Please ask whoever makes the inspection to fill out the form while he is on the property and return it. Item 10 is relative to whether or not any group has tried to intimidate the Operator either to hire or not to hire because of race, color, or creed. Filling in the data and blank spaces with pencil is O.K.

We have just received an application from Valdez Mines, Ltd., for a nickel, copper, and iron project at the Spirit Mountain property, but the application has not yet been referred to the field, however, I thought I'd alert you to the possibility.

D. R. MacLaren

Enclosure

cc: CME ✓

Director's Reading File
Resources Research Branch Chief

DRMacLaren:mls

Ore

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 24 1964

DATE	INITIALS	CODE
8/24	WD	800
8/24	FMM	120
		120

Sa. 157 Howard Street
Spokane, Washington 99204
August 21, 1964

Mr. Karl W. Jasper
President
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

Re: OMR-6148 (Gold)
Mikado, et al. Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

In your letter of August 10, 1964, with which you returned unsigned the original and four copies of a proposed Amendment No. 2 to the above-cited contract, you requested that Item 4(d) be deleted. Your request was referred to OME for consideration.

I have been advised to inform you that the provisional certification of possible production in Item 4(d) is a consideration to the Government for the recess and extension of the completion date granted in the amendment.

Enclosed for your further consideration are the original and four copies of the proposed Amendment No. 2 with the date on or before which the recess terminates changed from July 15 to July 31, 1964.

I have also been advised to inform you that, since the contract is presently in default, if the proposed Amendment No. 2 is not executed within 30 days, OME will begin the necessary action to wind up the contract.

Sincerely yours,

D. R. Maclaren
Acting Field Officer, OME
Region I

Enclosures

cc: J. A. Hardlick

DRMacLaren:ml cc: OME
Voucher file
MacLaren

Director's Reading File
Resources Research Branch Chief

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/17	Talbut	800
8/17	Oakleaf	130
"	Johnson	110
"	[illegible]	100
8/17	Cac	220
		120 M

AUG 17 1964

Memorandum

To: Acting Field Officer, Region I

From: Acting Chief, Division of Exploration Operations

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Your memorandum of August 11, 1964, with the unsigned copies of proposed Amendment No. 2 and Mr. Jasper's letter of August 10, 1964, are acknowledged.

In our memorandum of August 4, 1964, we stated that the proposed amendment was no longer valid as it appeared from the information Mr. Jasper submitted that the work would not be resumed by July 15. However, since the work was resumed, we are returning the copies of the amendment but have changed the date from July 15 to July 31, 1964.

Please inform the Operator that provisional certification of possible production in Item 4(d) is a consideration to the Government for the recess and extension of the completion date granted. Also inform the Operator since the contract is presently in default if this proposed Amendment No. 2 is not executed within 30 days, we will begin the necessary action to wind up the contract.

s/F. M. Murphy

Enclosures

FMMurphy/mm 8/17/64
cc: Director's Reading File
Review Committee
Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
August 11, 1964

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 13 1964

DATE	INITIALS	CODE
8/13		800
		1207
		120

Memorandum

To: Chief, Division of Exploration Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed are the original and four copies of Amendment No. 2 to the subject contract which the Operator has returned unsigned, and two copies of his letter of transmittal.

During the afternoon of August 4, 1964, while I was in the field, Mr. Karl W. Jasper called the Spokane office to say that OME work had been resumed "about 2 or 3 weeks ago" and that Mr. Eskil Anderson was en route to the property. At that time Mrs. Smelser suggested that he sign and return the amendment.

Your memorandum of August 4, 1964, was received yesterday and I called Jasper requesting return of the amendment. He said he was not certain of the date work was resumed due to poor communication with the property. Had the work been resumed 3 weeks before Jasper's telephone call of August 4, it would have been resumed July 14 and within the recess period. I therefore suggested that, pending clarification of the starting date, he sign the amendment.

Although I did not make a note for the files at the time, I recall discussing the terms of Item 4(d) with either Anderson or Jasper shortly after the first Amendment No. 2 was submitted. I pointed out that this was customary when the completion date was extended and that should no shipment be made, no royalty would be due. I also said that I doubted that the completion date would be extended without a pseudocertification.

No.

D. R. MacLaren

D. R. MacLaren

completion date is Jan 25, 1966 in Amend No. 2

Enclosures
cc: J. A. Herdlick

OME

LITTLE SQUAW MINING COMPANY

309 Radio Central Building
Spokane, Washington 99201

Telephone MA 4-2[illegible]

August 10, 1964

D. R. MacLaren, Acting Field Officer, OME
Office of Minerals Exploration
S. 157 Howard Street
Spokane, Washington 99204

Re: OME - 6148 (Gold)
Amended Contract 8140
Amendment No. 2

Dear Mr. MacLaren:

As I informed you by phone this morning, Mr. Anderson is en route to the Chandalar district at this time.

Mr. Merton Attwood is in the Chandalar and has been working on OME contract work. Surface trenching as outlined in the contract is the work being performed. Communications being what they are in the Chandalar it is rather difficult right at the moment to tell you exactly what is being done. When Mr. Anderson returns from there the latter part of August he will be able to give you a complete report.

After going over the proposed Amendment No. 2 again I [illegible] stand why Article 7 (a) of the original contract need be amended [illegible] reference to Certification and why we should have to waive [illegible] as provided for in the original contract. This amendment to me seems to obliterate the original and interferes with the whole OME program. I don't feel that this particular amendment is necessary and fair.

When Mr. Anderson returns we can get together and determine the nature of work completed this year under the OME part.

I appreciate your bearing with us on this matter.

You probably have seen in the newspaper articles referring to Grandview's offer in compromise settlement of its long fought tax problem.

We are now in the process of making plans for a financing program for Grandview which will affect and influence the Little Squaw Mining Company picture to a great extent.

I am returning the Amendment #2 with the hopes that you can eliminate the provision relating to Waiver of Certification (4 d).

I will be out of the city until the 20th of August and will contact you immediately upon my return.

Very truly yours,

CARL W. JASPER

[illegible]
enclls.

OFFICIAL FILE COPY

Date	Surname	Code
8/3	Selfridge	120
8/3	Murphy	120M
8/3	Talbitt	800
		130
8/3	Johnson	~~110~~
		100
8/4	cc	220
		120M

AUG 4 1964

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Exploration Operations

Subject: OMR-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

By letter dated June 11, 1964, we informed Mr. Karl W. Jasper, president of the subject company, that we would wait until August 1 to see what the company might be able to do by that time. If you have not already learned of its plans, will you please check with them and let us know what the status of the project might be.

We take it for granted that the company still retains proposed Amendment No. 2 which should be secured from it and returned to us as it is no longer valid.

George C. Selfridge (gla)

GCSelfridge/gla (8-3-64)
cc to: Director's Reading File
Docket
Review Committee
Mr. Selfridge

232-63

OFFICIAL FILE COPY

Date	Surname	Code
6/11	Selfridge	120
		500
		500
6/16	Johnson	110
		100
6/11		220
		500

JUN 1 1 1964

Mr. Karl W. Jasper
President
Little Squaw Mining Company
309 Radio Central Building
Spokane, Washington 99204

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

In reference to your letter of May 26, 1964, to Mr. MacLaren at Spokane, we shall wait until August 1 to see what the company may be able to do by that time. Thereafter, some action regarding the contract will have to be taken as it cannot remain indefinitely in its present status.

Sincerely yours,

George Fumich, Jr.

Acting Director

GCSelfridge/gla (6-11-64)
cc to: Director's Reading File
Docket
Region I (2)
Mr. Selfridge

OME(-)

OFFICIAL FILE COPY O. M. E RECEIVED JUN 1 1964		
DATE	INITIALS	CODE
6/1		500
		720
	Answered	500

So. 157 Howard Street
Spokane, Washington 99204
May 27, 1964

Mr. Karl Jesper, President
Little Squaw Mining Company
Suite 509-512 Radio Central Building
Spokane, Washington 99201

Re: OME-6148 (Gold)
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jesper:

This will acknowledge receipt of your letter of May 26, 1964, and advise you that it has been forwarded to Washington, D. C., for consideration by OME.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: J. A. Herdlick w/cy incoming
OME(2) Do.
Voucher file Do.
MacLaren Do.

Director's Reading File
Resources Research Branch Chief

DRMacLaren:mls

LITTLE SQUAW MINING COMPANY

309 Radio Central Building
Spokane, Washington 99204

Telephone: MA 4-2501

May 26, 1964

D. R. MacLaren, Acting Field Officer, OME
Office of Minerals Exploration
S. 157 Howard St.
Spokane, Washington 99204

Re: OME - 6148 (Gold)
Amended Contract 2140

Dear Mr. MacLaren:

At the present time our financial picture is uncertain and I cannot tell you what the immediate program for the Little Squaw entails. As we have told you previously a great deal depends upon the outcome of a pending Offer in Compromise proposed to the Internal Revenue Service by Grandview Mines on a tax deficiency that has been slowly paid upon for the last several years. The offer has now reached the Washington, D. C. office of IRS and should a favorable acceptance be made of it soon, then Grandview will immediately proceed with a Regulation "A" offering of its stock. A considerable amount of the anticipated $300,000 would be used to further explore and develop the lodes in the Chandler.

Therefore, I ask your indulgence to bear with us for the next 30 to 60 days that we may know what direction to steer our efforts.

Yours very truly,

LITTLE SQUAW MINING COMPANY

Karl W. Jasper

KARL W. JASPER, President

KWJ j

OFFICIAL FILE C
O. M. E.
RECEIVED JUN 8 1964

DATE	INITIALS	CODE
6-8		100
6/8		110
		120
		~~300~~
	Grauwald	500

Little Squaw Mine Ore Finds Valuable

The Chronicle 6/4/64

Metaline Mining & Leasing Co. said in its annual report today that progress of an affiliate, Little Squaw Mining Co., is "very encouraging."

Metaline at year's end held 660,784 shares or about 27 per cent of Little Squaw stock, according to the report signed by Karl W. Jasper, Spokane, president of both firms and of Grandview Mines, Inc., largest Little Squaw stockholder.

Little Squaw spent about $148,300 last year at its gold properties in Alaska's Chandalar Mining District, he said.

At the Mikado Mine, underground work added 1,188 tons of ore, valued at $208 per ton across a width of 32 inches, to previously proven ore reserves, he said.

This increased the proven value of the Mikado by $247,000 to $1,260,000, he said.

A total of 882 feet of drifting and crosscutting was done last season, he said. The new ore was found in a new tunnel driven at the 100-foot level which cut the ore zone 60 feet west of the last ore exposure in previous workings.

Eleven bulldozer trenches were completed to bedrock and four others will require another summer thaw for completion, he said.

At the Little Squaw Mine, five trenches were completed to bedrock, proving a strong quartz vein for a distance of 800 feet. Another trench, which exposed the Little Squaw vein for an additional 50 feet, showed a six-foot width of quartz carried more than $60 in gold per ton, he said.

The 4,500-foot airstrip at Lake Chandalar was graveled and improved sufficiently to permit landing of freighter planes throughout the year. A nine-mile road from the strip to the Mikado Mine was established and five miles completed with aid of $21,000 from the State of Alaska. An eight-mile haulage road connecting the mines with the millsite also was widened and improved, he said.

Exploration Continues

Additional trenching and underground exploration work will be done this year as funds become available, he said.

Negotiations are under way to option 29 patented mining claims in Alaska's White River copper-gold district, he said.

The Bunker Hill Co. has maintained the company's zinc-lead property at Metaline, Wash., he said.

The Metaline firm had a 1963 income of $22,005, of which $10,499 was from three oil wells in Nebraska and one in Colorado, he said.

MME FORM 6 REFERENCE SLIP
REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Chief, Div. of Fld. Operations	6/5/64	
2.		
3.		
4.		
5. D. R. MacLaren		
FROM: Acting Fld. Officer, Reg. I		

FOR: Check items for action desired

____ Action ____ Reply for signature of ____
____ Approval ____ Investigate ____ Surname
____ Comment ____ Recommendations ____ Signature
____ Conference ____ Rewrite ____ File
____ Instructions X Your information

REMARKS: OME-6148 (Gold)
Little Squaw Mining Co.
Mikado, et al., Claims
Fairbanks Precinct, Alaska
Amended Contract 2140

Transmittal of newspaper clipping from The Chronicle dated 6/4/64.

INT.-DUP. SEC., WASH., D.C. M56300-62

One(2)

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 6 1964
DATE INITIALS
5/6 800
~~Granted~~ 500

No. 157 Howard Street
Spokane, Washington 99204
May 4, 1964

Mr. Karl Jasper, President
Little Squaw Mining Company
Suite 309-312 Radio Central Building
Spokane, Washington 99201

Re: OME-6148 (Gold)
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

There are enclosed the original and four copies of a new proposed Amendment No. 2 to the amended contract, signed by the Acting Director for the Government. The termination date has been extended to January 25, 1966, which is the maximum to which this contract can be extended. Therefore, you should plan accordingly.

If the proposed amendment is satisfactory to you, please sign all five copies, retain the Operator's copy, and return the other copies to this office.

If the amendment is not satisfactory, please return all copies unsigned to this office with a statement of your proposed changes for consideration.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

Enclosures

cc: J. A. Herdlick
OME(2)
Voucher file
MacLaren

Director's Reading File
Resources Research Branch Chief

MLSmelser:mls

rm 7
3)

OFFICIAL FILE COPY

Date	Surname	Code
	Griswold	500
4/29	Talbitt	800
	[illegible]	130
4/29	Johnson	110
4/24	Enlesse	100
4/24	Cal	220
		500

APR 29 1964

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OMX-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed are the original and four copies of Amendment No. 2, signed by the Acting Director for the Government. Also enclosed is an extra copy for field use.

We have departed somewhat from your recommendation of April 17 in that the completion period has been extended to 48 months from the date of the contract, or January 25, 1966. It did not seem practical to extend for a lesser period of time. However, in transmitting this amendment to the Operator, please explain that this is the maximum to which the contract can be extended and that this company therefore should plan accordingly.

If the proposed amendment is satisfactory to you and the Operator, all five copies should be signed by an authorized representative of the Operator. Thereafter, please distribute the copies in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

George C. Selfridge (cfh)

Enclosures

WRGriswold/mm
4/29/64
cc: Director's Reading File
Review Committee
Docket

43683

DRAFT 4/21/64
WRGriswold/mm

~~500~~
120
~~500~~

AMENDED EXPLORATION CONTRACT
LITTLE SQUAW MINING COMPANY
OME-6148

AMENDMENT NO. 2

It is agreed this _____ day of _____, 1964, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government" and Little Squaw Mining Company, hereinafter referred to as the "Operator," that Amended Exploration Contract No. 2140 (OME-6148), dated effective January 25, 1962, as amended, is further amended effective October 1, 1963, as follows:

1. In Exhibit A, under the heading General Conditions, the fifth paragraph is revised to read as follows:

"All mineralized veins encountered in the drifting and crosscutting shall be sampled normal to their trends, at linear intervals not greater than ten feet. In instances where the mineralization may show "banding" or "concentrations" in certain portions of the veins, fractional sampling will be done. In no event shall an individual sample represent more than five feet of vein width. In addition, a representative bulk sample may be taken of each round broken in mineralized areas."

2. (a) Work under the contract shall be suspended during the period beginning October 1, 1963, and ending not later than July 1, 1964.

(b) No costs incurred by the Operator during the period of suspension shall be allowed for contribution by the Government.

(c) The Government shall not contribute to any cost of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the contract work.

3. (a) The time fixed in Article I of the contract for completion of the work is extended from 30 months to 36 months from the date of the contract.

(b) The maximum period for royalty payments and for the lien to secure the payment thereof provided for in the contract is extended from ten (10) to eleven (11) years from the date of the contract.

4. It is the essence of this contract that the work be resumed on or before the termination of the period herein fixed for suspension, and be completed before the termination of the period fixed for completion; and if not so resumed and completed in the manner required by the contract, the following provisions shall thereupon become effective.

(a) The contract and all obligations of the parties thereunder, except as hereinafter otherwise provided, shall be and are hereby terminated as follows:

(i) Effective October 1, 1963, if the work has not been resumed on or before July 1, 1964.

(ii) Effective January 25, 1965, if the work has been resumed but not completed on or before that date.

(b) The Government will contribute only to allowable costs incurred prior to the relevant date set forth in 4(a) above.

(c) The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, including the rendering of the final report and final account.

(d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty provided for in the contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the contract as amended herein as if a certification of possible production has been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the contract with respect to a certification of possible production, percentage royalty and liens to secure payment thereof, reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayments are hereby preserved.

(e) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the contract, except as provided for in this Amendment No. 2.

This amendment shall not be construed to increase the amount of any item designated as a maximum, the estimated total cost of the project, or the aggregate total amount which the Government may be required to contribute.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of Minerals Exploration

LITTLE SQUAW MINING COMPANY

By _____

Title _____

Government's Copy

AMENDED EXPLORATION CONTRACT
LITTLE SQUAW MINING COMPANY
OME-6148

AMENDMENT NO. 2

It is agreed this 26th day of February, 1964, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government" and Little Squaw Mining Company, hereinafter referred to as the "Operator," that Amended Exploration Contract No. 2140 (OME-6148), dated effective January 25, 1962, as amended, is further amended effective October 1, 1963, as follows:

1. In Exhibit A, under the heading General Conditions, the fifth paragraph is revised to read as follows:

"All mineralized veins encountered in the drifting and crosscutting shall be sampled normal to their trends, at linear intervals not greater than ten feet. In instances where the mineralization may show "banding" or concentrations in certain portions of the veins, fractional sampling will be done. In no event shall an individual sample represent more than five feet of vein width. In addition, a representative bulk sample may be taken of each round broken in mineralized areas."

2. (a) Work under the contract shall be suspended during the period beginning October 1, 1963, and ending not later than ~~May 1~~, 1964.
July 1

(b) No costs incurred by the Operator during the period of suspension shall be allowed for contribution by the Government.

(c) The Government shall not contribute to any cost of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the contract work.

3. (a) The time fixed in Article I of the contract for completion of the work is extended from 30 months to 36 months from the date of the contract.

(b) The maximum period for royalty payments and for the lien to secure the payment thereof provided for in the contract is extended from ten (10) to eleven (11) years from the date of the contract.

4. It is the essence of this contract that the work be resumed on or before the termination of the period herein fixed for suspension, and be completed before the termination of the period fixed for completion; and if not so resumed and completed in the manner required by the contract, the following provisions shall thereupon become effective.

(a) The contract and all obligations of the parties thereunder, except as hereinafter otherwise provided, shall be and are hereby terminated as follows:

(i) Effective October 1, 1963, if the work has not been resumed on or before ~~May 1, 1964.~~ July 1, 1964

(ii) Effective January 25, 1965, if the work has been resumed but not completed on or before that date.

(b) The Government will contribute only to allowable costs incurred prior to the relevant date set forth in 4(a) above.

(c) The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, including the rendering of the final report and final account.

(d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty provided for in the contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the contract as amended herein as if a certification of possible production has been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the contract with respect to a certification of possible production, percentage royalty and liens to secure payment thereof, reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayments are hereby preserved.

Purpose? Justification?

(e) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the contract, except as provided for in this Amendment No. 2.

This amendment shall not be construed to increase the amount of any item designated as a maximum, the estimated total cost of the project, or the aggregate total amount which the Government may be required to contribute.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of
Minerals Exploration

Long
Appl. Sol. Off.
Murphy
Hansel
Talbot
Selfridge
Johnson

LITTLE SQUAW MINING COMPANY

By _____

Title _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
April 17, 1964

OFFICIAL FILE COPY
RECEIVED
DATE
4/20 800
Grandview 120
4-20 500
4/20 100

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

At a conference in the Spokane office April 14, 1964, plans for the 1964 season were discussed with Karl Jasper, president of the subject company, and Eskil Anderson, Engineer-Geologist. Possible work that OME might authorize was outlined as follows:

Little Squaw: Before starting a tunnel to explore the Little Squaw vein, the vein itself must be located at the altitude of the tunnel site probably near Trench 1E. Permafrost may require most and possibly all of the 1964 season for the trenching which would make it the 1965 or even the 1966 season before the drift could be completed. No other trenching in this area would mean much unless values can be shown to continue downward.

Mikado: If the 100 level drift east to Trench 2E should disclose another ore zone, the value of the property would be enhanced. Also, if the 200 level drift west below the known ore shows that this zone is minable to the 200 level, the value of the property would be enhanced. Without this encouragement further trenching alone would not prove much except possibly that gold-bearing quartz lenses occur over considerable zone length.

Although they did not go into detail, Jasper and Anderson believe that their financial problem is partly solved and they expect that the income tax decision relative to Grandview will be settled within 30 to 60 days. If settled in Grandview's favor, this would somewhat augment their financial resources.

It is their present plan to have a crew on the property early in May to start repairing and overhauling the dozing and other equipment and get in supplies, etc. At first only surface work will be done, principally at the airport and on the roads cleaning up the debris

that is found every spring. Based on past experience, Anderson estimates that it will be early in July before the thaw will permit resumption of trenching at either the Mikado or Little Squaw groups.

At the Mikado he would like to deepen Trenches 6, 7, 8, 9, and 10E. (See maps accompanying September 1963 Narrative Report.) Apparently, during the last season these trenches were only put down deep enough to indicate a zone of shearing with the exception of Trench 7E which partially exposed in the north wall a quartz lens or vein. McKee's map which accompanied the application shows a sample of the dump at a pit No. 6 on the Mikado Claim that ran $135.00 gold per ton. Overlaying his map on the Operator's map this would be in the vicinity of Trench 8E possibly a little north of the north side. Trench 7E would attempt to expose the quartz lens indicated on the north side more fully.

At the Little Squaw trenching would be done along a line extending Trench 1E, first to the south and if no sign of a vein can be found, trenching would then be done to the north. It is possible that there may be a fault, similar to the one exposed in Trench 1W, offsetting the vein to the north. He also talked about possibly putting in a trench between the portal of the Little Squaw tunnel and Trench 1E. This might be a good idea if, because of the steep talus slopes and heavy overburden, the vein cannot be found near Trench 1E. He also talked about doing additional work at the Little Squaw in Trenches 2, 3, 4, and possibly 5E, pointing out that this was authorized in the first Work Authorization dated February 27, 1962. Only if additional funds should become available during the season could any underground work be done at either the Mikado or Little Squaw.

An amendment providing for a recess to end on or before July 1 and extending the termination date to December 31, 1964, is recommended. If the amendment is accepted by the Operator, a new Work Authorization would be issued providing for bulldozing Trench 1E only at the Little Squaw and Trenches 6, 7, 8, 9, and 10E at the Mikado as well as the drifting proposed in my memorandum of January 31, 1964.

D. R. MacLaren

D. R. MacLaren

LITTLE SQUAW MINING COMPANY
309 Radio Central Building
Spokane, Washington 99201

Telephone MA 4-2001

OFFICIAL FILE COPY
O. M. E.
RECEIVED 1964
DATE | CODE
3/31 | 800
120
Received | 500

March 24, 1964

Mr. D. R. MacLaren
Acting Field Officer, OME
Region 1
South 157 Howard St.
Spokane, Washington 99201

Re: OME - 6148
Chandalar, Alaska
Amended Contract 6140

Dear Mr. MacLaren:

In anticipation of settlement of an Internal Revenue Service claim against one of the participating companies, financing of this year's work has been temporarily suspended.

Because of that we have not answered your letter sooner or signed Amendment No. 2 which accompanied your letter.

We are not sure that we will be able to resume work by May 1 or that work could be completed by January 25, 1965 if we did as we do not know that a work authorization is granted for completion of the Little Squaw tunneling independent of from trenching. Trenching at that elevation would not be effective before July. If frost is encountered before bedrock, tunneling would be delayed too long for completion by January 25 as tunneling there would require preparation which includes shipment of a mining outfit from the States.

As soon as we can make definite commitments we will let you know.

Yours very truly,

KARL W. JASPER, President
LITTLE SQUAW MINING COMPANY

MME FORM 6 REFERENCE SLIP
REV. 2- OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Chief, Div. of Fld. Operations	3/25/64	
Re: OME-6148 (Gold)		
2. Little Squaw Mining Co.		
Mikado, et al., Claims		
3. Chandalar Mining District		
Fairbanks Precinct, Alaska		
4. Amended Contract 2140		
D. R. MacLaren		
5. D. R. MacLaren		
FROM: Acting Fld. Officer, Reg. I		

FOR: Check items for action desired

X Action ____ Reply for signature of ____
____ Approval ____ Investigate ____ Surname
____ Comment ____ Recommendations ____ Signature
____ Conference ____ Rewrite ____ File
____ Instructions ____ Your information

REMARKS: We are returning the proposed Amendment No. 2 unsigned by the subject Operator together with two Thermo-Fax copies of a self-explanatory letter.

INT.-DUP. SEC., WASH., D.C. M56300-62

OFFICIAL FILE COPY

Date	Surname	Code
	Dwamd	500
3/24	Talbot	800
	Selfridge	120
3/25	[illegible]	110
	[illegible]	100
3/25	cal	220
		500

MAR 2 5 1964

Roy E. Larson
ernal Revenue Agent
ice of the District Director
ternal Revenue Service
S. Treasury Department
ixth and Lenora Building
Seattle, Washington, 98121

Re: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Larson:

We have yours of March 13 addressed to our Spokane office concerning the referenced project. However, the work being done under our program has not advanced far enough to make any ore evaluation. Actually, we do not make evaluations of the type you have in mind, especially in cases such as this where the many variables of location, climate, accessibility, etc. could create distortions of normal operative expectancy.

Sincerely yours,

George Fumich, Jr.

Acting Director

WRGriswold/mm (3/24/64)
cc: Director's Reading File
Region I
Docket

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
March 16, 1964

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 18 1964

DATE	INITIALS	CODE
3/18		800
3/18		110
		120
		500
3-23		

Air Mail

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed are two Thermo-fax copies of a letter dated March 13, 1964, from Roy E. Larson, Internal Revenue Agent, Seattle, Washington, and my reply.

Mr. Larson visited the Spokane office March 11, 1964, to attempt to arrive at a reasonable value of Little Squaw stock held by Grandview Mines. As the stock is not now marketed and as there is no production from the Chandalar claims, he is trying to arrive at some estimate of the potential value of the property that would indicate a reasonable value for the stock.

I produced the files, maps, and sections for him, using the data to answer his questions. I told him that as far as the existence of a $1,000,000.00 ore body is concerned, that is a statement made by the company in their OME application but that if 10 different engineers or geologists were asked to make an estimate based on present surface and underground exposures, there would probably be 10 different answers. In support of this statement I pointed out the fact that at the Mikado the gold occurred in quartz lenses of limited to unknown horizontal extent and unknown vertical extent and that at the Little Squaw it occurred in a narrow vein within a short lateral extent to a depth yet to be determined. I next pointed out the erratic assays of adjacent samples or of several samples taken within a small area and emphasized that whereas one man might feel justified in applying the weighted average value of several assays to the tonnage represented by an entire block of ground, another might feel that, due to low or no value in the ground between the quartz lenses, he would be justified in reducing the tonnage by

one-third or one-half. I then summarized by saying that on the basis of the limited factual data available neither estimate could be proven right or wrong and that as far as OME was concerned, the project work completed to date was simply not enough to permit an ore reserve estimate that would have any real value.

Also emphazied was the fact that the property was inside the arctic circle which created a problem in logistics which added considerably to the cost of exploration and that during the winter, freezing of water necessary for mining and milling could add to the cost of those operations as it might result in periods of curtailment or cessation of one or both, during which labor costs would continue. Finally, that we did not have enough information at present to estimate what these costs might be, and that until we knew more about the extent and grade of ore, I could not even estimate the size and therefore the cost of any mill that might be required.

Before leaving the office, Larson said he could see the problem of my giving an estimate of the value of the property and asked, should he write a letter requesting it, would I outline briefly what I had told him, so that he would have something in his files to support his report. I replied that I would forward any such letter to your office for reply.

D. R. MacLaren

D. R. MacLaren

Enclosures

Ome (2)

U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE

DISTRICT DIRECTOR
SIXTH AND LENORA BUILDING
SEATTLE, WASHINGTON 98121

March 13, 1964

IN REPLY REFER TO
421:06:REI

Office of Minerals Exploration
S 157 Howard
Spokane, Washington

Sirs:

This office is seeking to determine the value of a taxpayer's substantial shareholdings in the Little Squaw Mining Company. Inasmuch as the company's stock is not now marketed, nor is the company in a production status, a determination of the value of the shareholdings is principally a matter of evaluating the potentialities of the company's property at Chandalar, Alaska.

In view of the fact that the Office of Minerals Exploration has extended a loan of some $87,000.00 to the Little Squaw Mining Company for development of the above property and is familiar with it through its engineering studies, it is believed that your office would be of service in our determination.

It would be appreciated, therefore, if you advised this office, in general terms, of your findings in respect to the prospects of the Little Squaw Mining Company insofar as the Chandalar properties are concerned. Inasmuch as the company is reported to have discovered a $1,000,000.00 gold ore body, information would be appreciated in respect to transportation and production expenses involved in the exploitation of this discovery which would minimize its value. In other words, what value ore body would be necessary to make its exploitation economically feasible.

Very truly yours,

ROY E. LARSON
Internal Revenue Agent

[illegible]

RECEIVED
MAR 16 1964
O.M.E.
[illegible]

OMC (2)

So. 157 Howard Street
Spokane, Washington 99204
March 16, 1964

Your reference:
421:06:RRL

Mr. Roy E. Larson
Internal Revenue Agent
Office of the District Director
Internal Revenue Service
U. S. Treasury Department
Sixth and Lenore Building
Seattle, Washington 98121

Re: OME 6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Larson:

Your letter of March 13, 1964, relative to the value of the Chandalar properties of the Little Squaw Mining Company has been forwarded to the Office of Minerals Exploration in Washington, D. C., for reply.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: OME(2)
Voucher file
MacLaren

Director's Reading File
Resources Research Branch Chief

DRMacLaren:mls

MME Form
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/16	GCS	120
"	[illegible]	~~110~~
"	[illegible]	100
3/17	[illegible]	800
	[illegible]	500

March 16, 1964

Memorandum

To: The File

From: Chief, Division of Field Operations

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Mr. McLaren called the writer today seeking advice as to what he should do concerning a letter he had received from the Internal Revenue Service in Seattle. Previously he had been visited by an IRS man checking upon a request from Grandview Mines to obtain a tax credit on the stock it held in the Little Squaw Mining Company. Mr. McLaren had showed the maps and had explained the project and ore occurrences to the IRS visitor. One statement that he made to him was that one could ask ten people for their opinions on the ore reserves and that ten different answers would be received. Apparently the visitor left telling Mr. McLaren that he was going to write a letter setting forth information concerning the potential of the property which they would like to have in order to be able to assess the Grandview request.

The writer suggested that the letter be forwarded to Washington and that the sender be notified that he was doing so. If necessary, the matter might be discussed here in Washington with some of the IRS representatives as has been done heretofore.

George C. Selfridge

GCSelfridge/gla (3-16-64)
cc to: Director's Reading File
Docket
Mr. Selfridge

23263

OMO (1)

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 9 1964

DATE	INITIALS	CODE
3/9	[illegible]	800
		120
	Answered	500

So. 157 Howard Street
Spokane, Washington 99204
March 6, 1964

Mr. Karl Jasper, President
Little Squaw Mining Company
Suite 309-312 Radio Central Building
Spokane, Washington 99201

Re: OME-6148 (Gold)
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2148

Dear Mr. Jasper:

There are enclosed the original and four copies of a proposed Amendment No. 2 to the amended contract, signed by the Acting Director for the Government.

If the proposed amendment is satisfactory to you, please sign all five copies, retain the Operator's copy, and return the other copies to this office.

If the amendment is not satisfactory, please return all copies unsigned to this office with a statement of your proposed changes for consideration.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

Enclosures

cc: J. A. Hardlick
OME(2)
Voucher file
MacLaren

Director's Reading File
Resources Research Branch Chief

MLSmeleer:mls

OFFICE OF MINERALS EXPLORATION
MME FORM DEPARTMENT OF THE INTERIOR X
(2/63) WASHINGTON, D. C., 20240
14X0108 S&E x
Office of Minerals Exploration

OFFICIAL FILE COPY

Date	Surname	Code
3/5	Murphy	500
	[illegible]	500
3/5	Talbitt	300
	GCS	130
3/5	Johnson	110
	[illegible]	100
3/5	Coe	220
		500

MAR 5 1964

TO: D. R. MACLAREN, ACTING FIELD OFFICER
OFFICE OF MINERALS EXPLORATION, REGION I
SOUTH 157 HOWARD STREET
SPOKANE, WASHINGTON, 99204

RE YOUR MEMO 3/2/64, OME-6148, LITTLE SQUAW MINING COMPANY,

ITEM 4(a) CAN BE AMENDED IF WARRANTED.

George C. Selfridge (gla)

GEORGE C. SELFRIDGE, CHIEF
DIVISION OF FIELD OPERATIONS

FMMurphy/mm
3/5/64
cc: Director's Reading File
Review Committee
Docket

1 1

F. M. Murphy, Mining Engineer KK 343-5423 March 5, 1964 10:25 a.m.

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
March 2, 1964

Air Mail

OFFICIAL FILE COPY
C. M. E
RECEIVED MAR 4 1964

DATE	INITIALS	CODE
3/4		800
		120
	Greswold	500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

The ultimate paragraph of your February 26th memorandum says that the completion date can be extended if necessary beyond January 1965 if the results of next summer's work warrant it. Anderson telephoned the office February 28 and was so advised.

Proposed Amendment No. 2, Item 4(a), automatically terminates the contract (i) effective October 1, 1963, if work has not been resumed by May 1, 1964, and (ii) effective January 25, 1965, if the work has been resumed but not completed on or before that date.

Conceivably, weather conditions or a late spring thaw could delay resumption of work beyond May 1, 1964, and even more conceivably, although work might be resumed before May 1, it might not be possible to complete it by January 25, 1965.

So I can be sure that there will be no misunderstanding when I present the proposed amendment to the Operator, kindly advise me by teletype whether Item 4(a) is or is not subject to future amendment.

D. R. MacLaren

D. R. MacLaren

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/26	Murphy	500
	[illegible]	500
2/26	Nealy Valbur	800
	[illegible]	130
2/26	Johnson	110
	[illegible]	100
2/26	[illegible]	220
		500

FEB 26 1964

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: CMC-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

In accordance with our memorandum of February 20, 1964, enclosed are the original and four copies of Amendment No. 2, signed by the Acting Director for the Government. Also enclosed is an extra copy for field use.

If the proposed amendment is satisfactory to you and the Operator, all five copies should be signed by an authorized representative of the Operator. Thereafter, please distribute the copies in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

George C. Selfridge (y(a))

Enclosures

HMerrithew/mm (2/26/64)
cc: Director's Reading File
Review Committee
Docket

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/25	Murphy	500
2/25	[illegible]	500
2/25	Albert	800
	[illegible]	130
2/25	[illegible]	110
2	[illegible]	100
2/26	[illegible]	220
		500

AIRMAIL

FEB 26 1964

noted

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska

With reference to your teletype of February 24, please disregard the recommendations made in the second paragraph of our memorandum of February 20, 1964, and permit the Operator to do the work in the Little Squaw area requested in the third paragraph of its letter of November 12, 1963, with the reservations mentioned on Page 7 of your memorandum of January 31, 1964, regarding Trench 1-E.

With regard to the completion date of January 15, 1965, that should take care of the work next summer and can be extended if the results obtained indicate that additional time is warranted.

FMMurphy/mm (2/25/64)
cc: Director's Reading File
Review Committee
Docket

George C. Sumrige (gs)

23263

FEB 24 4 42 PM '64
GSA-SECTION 3
COMMUNICATIONS

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 25 1964

DATE		
2/29	[illegible]	800
		120
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MR. GEORGE C SELFRIDGE CHIEF DIV OF F/ELD OPERATIONS

OFFICE OF MINERALS EXPLORATION WASHINGTON DC

REUR MEMO FEB 20, 1964 OME-6148(GOLD), LITTLE ~~SYEUW~~ SQAUW MINING COMPANY AMENDED CONTRACT ~~2147~~ 2140, RECOMMENDED COMPLETION DATE JULY 15, 1965. RESERVATIONS REGARDING CHANGES AT LITTLE SQAUW EXPRESSED UNDER DRIFTING AND LONG HOLE DRILLING PAGES 8 & 9 OF MY JANUARY 31 MEMORANDUM.

D R MACLAREN ACT FIELD OFFICER REGION 1

2140

~~OMB 296828 &984 30ME-64XXXOME-6148 21~~

BJR 1312U

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DRAFT 2/14/64
FMMurphy/mm

AMENDED EXPLORATION CONTRACT
LITTLE SQUAW MINING COMPANY
OME-6148

AMENDMENT No. 2

It is agreed this _____ day of _____, 1964, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government" and Little Squaw Mining Company, hereinafter referred to as the "Operator," that Amended Exploration Contract No. 2140 (OME-6148), dated effective January 25, 1962, as amended, is further amended effective October 1, 1963, as follows:

1. In Exhibit A, under General Conditions, the following is added at the end of the fifth paragraph.

"In addition, a representative bulk sample ~~shall~~ may be taken of each round broken in mineralized areas."

2. (a) Work under the contract shall be suspended during the period beginning October 1, 1963, and ending not later than May 1, 1964.

(b) No costs incurred by the Operator during the period of suspension shall be allowed for contribution by the Government.

(c) The Government shall not contribute to any cost of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the contract work.

3. ~~Effective January 25, 1962~~:

(a) The time fixed in Article I of the contract for completion of the work is extended from 30 months to 36 months.

(b) The maximum period for royalty payments and for the lien to secure the payment thereof provided for in the contract is extended from ten (10) to eleven (11) years.

4. It is the essence of this contract that the work be resumed on or before the termination of the period herein fixed for suspension, and be completed before the termination of the period fixed for completion; and if not so resumed and completed in the manner required by the contract, the following provisions shall thereupon become effective.

(a) The contract and all obligations of the parties thereunder, except as hereinafter otherwise provided, shall be and are hereby terminated as follows:

(i) Effective October 1, 1963, if the work has not been resumed on or before May 1, 1964.

(ii) Effective January 25, 1965, if the work has been resumed but not completed on or before that date.

(b) The Government will contribute only to allowable costs incurred prior to the relevant date set forth in 4(a) above.

(c) The Operator shall promptly perform all winding-up settlement actions provided for in the contract, including the rendering of the final report and final account.

~~XX~~ (d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain

its interest in the land), shall pay to the Government the royalty provided for in the contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the contract as amended herein as if a certification of possible production has been made, such certification being hereby waived by the Operator, In addition, all rights of the Government provided for in the contract with respect to a certification of possible production, percentage royalty and liens to secure payment thereof, reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayments are hereby preserved.

(e) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the contract, except as provided for in this Amendment No. 2.

This amendment shall not be construed to increase the amount of any item designated as a maximum, the estimated total cost of the project, or the aggregate total amount which the Government may be required to contribute.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of Minerals Exploration

LITTLE SQUAW MINING COMPANY

By _____

Title _____

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/17	Murphy	500
2/17	Talbot	800
	GCL	130
2/17	Johnson	110
"	Frank	100
2/20	Cole	220
		500

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

With reference to your memorandum of January 31, we concur in your recommendations for the Mikado area; namely, drifting 150 feet westerly on the 200 level and extending the east drift on the 100 level.

With regard to the Little Squaw area, only Trench 1 W of the five trenches to the west of the Little Squaw workings showed anything of mining interest. Therefore, we recommend that the present Little Squaw level be extended westward to explore this block and then continued westward only if the area traversed indicates the possibility of favorable ground ahead. With regard to the proposed drift from Trench 1 E, we would agree to drifting about 250 feet westward from this point only if favorable results are first obtained by the upper tunnel work, and the vein is exposed in the trench.

We concur in your recommendations regarding the long-hole drilling from the Mikado and Little Squaw drifts, also the possible use of bulk sampling.

We will prepare an amendment to the contract allowing a recess period, extending the completion date to January 15, 1965, and also a provision for bulk sampling. The amendment will also contain a provisional royalty agreement.

FMMurphy/mm (2/17/64)
cc: Director's Reading File
Review Committee
Docket

P. S.
We agree with your recommendations except as to the changes indicated above on the Little Squaw mine. If you have any strong reservations with respect to these changes please let us know promptly.

23263

OME

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
January 31, 1964

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 5 1964

DATE	INITIALS	CODE
2/5		800
		120
		500
2/6		110
		100

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

This is relative to your memorandum of January 9, 1964. I agree that the results of the work completed to date have not improved the over-all status of the potential of the Mikado and Little Squaw ore zones. However, insufficient work has been done to detract greatly from the potential. ?

The relative amount of time spent on airport enlargement and road work as compared with the amount of trenching is not as unreasonable as it may appear. In various communications from the Operator, Boadway, and Kevin Malone of the Bureau of Mines, mention is made of the difficulty in bringing in supplies, the distance from the airport to the campsite and of the latter from the two work areas. The airstrip was enlarged so that C-46 and C-82 freighter planes can land, making possible larger cargoes and as a consequence reducing the number of trips and the total cost. Therefore, although not a part of the OME contract, this work all tends to facilitate the contract work. However, work on a road to a mill site at this stage seems to benefit no one. I might mention here that January 21 I received a telephone call from Herdlick who had just been asked by Area Redevelopment Administration to appraise a new application for a loan to build a mill. He will advise ARA that until more exploration has been successfully carried out, a mill is not justified. Two days later Herdlick sent me a Thermo-Fax copy of Anderson's letter and progress report to ARA. Typed copies were sent on to you.

Malone's inspection report of October 5, 1962, recounts the climatic and other problems encountered during that season's work and the necessarily slow "thaw and scrape" dozing process. The total number

of dozer hours reported for both seasons, D-8 and TD-18 combined, is 1,330 (only 1,240 acceptable under contract terms) resulting in the completion of 20 out of 25 trenches started. Little Squaw Trenches 1-W and 2-W are the only ones in this area which show any significant gold content although the main vein is also exposed in Trenches 3-W, 4-W, and probably 5-W. In Trench 3-W there is 1 foot of quartz on the north wall that assayed 0.34 ounce gold, but the average across the full width of the vein is only 0.09 ounce gold. In the Mikado area only Trenches 2-E, 5-E, road cut above 5-E, and 1-W show any significant values. The logs of the trenches which accompanied the September 1963 narrative and voucher indicate that at some places two or more samples were taken adjacently across veins. These have been combined in the attached Tabulation of Significant Trench Sampling Data. In summary, in the Mikado area, of 33 quartz exposures in 15 trenches and 4 in road cuts, only 6 contain significant amounts of gold. None of these exposures appear to project to adjacent trenches. In the Little Squaw area, of 7 quartz exposures (excluding veinlets shown in Trenches 3-W and 5-W) in 10 trenches, only 2 could be called significant in gold content, 1 on the main vein east of the fault; west of the fault the main vein apparently is continuous from Trench 1-W through 5-W, but the assay values are all insignificant.

The over-all picture suggested by the trenching so far completed suggests that in the Mikado area there are lenses of quartz erratically sized and spaced in a zone up to 300 feet wide and 3,000 feet long and that the values in any given lens are very erratic in location and amount. The value of channel sampling in the trenches can therefore be quite misleading. Bulk sampling of each exposure would be costly and the value of the unsampled parts of lenses between trenches would still be an unknown quantity. In the Little Squaw area there appears to be more continuity to the main vein. A parallel vein exposed in Trench 2-W is of doubtful importance as it was not found in the trenches farther west. Also, the main vein has not been exposed east of the tunnel portal. If, as McKee suggests, the 2 old adits near Trench 1-E are respectively 26 and 50 feet north of the vein (McKee, Report of Examination of Lake Properties in the Chandalar Area, Alaska, 1938, p. 4), Trench 1-E has not been extended far enough to the south.

Results of the drifting and long hole drilling on the 100 and 200 levels at the Mikado appear to be no more encouraging than those of the trenching. During 1962 the 200 west drift was driven along the FW vein for 58 feet. Within this distance 13 samples, presumably cut across the vein, indicate a width ranging from 1 to 1.5 feet and averaging $4.78 per ton. The unweighted average of the Operator's values is $4.95 per ton. During 1963 the drift was extended an additional 124 feet within which distance 27 samples indicated a width

from 0.4 to 2.2 feet averaging 1.3 feet. The weighted average of the samples indicates a grade of 0.10 ounce gold worth $3.50 per ton. The arithmetical average of the Operator's values for these samples is $3.29 per ton.

Trench 1-W is just beyond the face of this drift. Samples 88, 89, and 92 indicate an average width of 3.75 feet and an average grade of 0.31 ounce gold per ton over a length of 25 feet (Tabulation of Significant Trench Sampling Data). Sample 15 (not shown on map, see trench logs), the best from Trench 2-W and which may or may not be on the same vein, is 52 to 54 feet N. of the footwall. It assayed 0.28 ounce gold over a width of 2 feet.

Of the long holes, 201-W may not be deep enough to reach the downward extension of quartz cut on the 100 level drift west, however, the final 20 feet of this hole averages 0.04 ounce gold; 202-W is definitely not long enough; but 203-W should have cut the quartz disclosed in Trench 1-W (Samples 90 and 91). Assays of the long hole samples are not startling, the best being 0.08 ounce gold at 78-82 feet in Hole 201-W.

The 200 drift east was started in 1963 and for 10 feet or so followed a weak mineralized hanging wall shear zone. At this point the shear is said to have turned toward the northeast and the drift was turned southeasterly to cross to the footwall vein. This also was a shear zone with no appreciable sign of quartz mineralization. A section which accompanied the September-November 1962 voucher indicates that the hanging wall vein or veins in this immediate area are dying out about 25 to 30 feet above the 200 level. The 200 E. drift appears to confirm this and indeed to indicate that the quartz on the footwall side may also not reach the level in this area.

The adit portion of the 100 level either missed the 5-foot long quartz lens exposed in Trench 1-W (Samples 90 and 91) or the lens extends to a depth less than 30 feet. Near its junction with the old workings the adit cut across three lenses of very good grade quartz. However, these were cut by the old inclined "crosscut" southwest of and near the end of the old workings and therefore do not materially add to the known reserve. Crosscut 101 cut 2 more 1- to 2-foot wide lenses of ore grade quartz. Starting at about Station 105, the 100 level was driven 165 feet easterly and encountered a quartz lens at 135 feet which continued to the face. Four samples indicate that the lens has an average grade of 0.53 ounce gold over a sample width of 2.0 feet; excluding a 1-foot sample assaying 3.78 ounces, the grade of the lens would be only 0.06. Crosscut 107 cut a quartz lens 2 feet wide containing 0.07 ounce gold. Neither of these last mentioned lenses can with certainty be projected to anything found in Trench 1-E, almost directly above

the larger lens. At 65° dip as indicated on the latest map of the Mikado workings the lens in the 107 crosscut would crop out south of the indicated location of the footwall.

The over-all picture presented by the underground work at the Mikado tends to support that presented by the trenches. In the hanging wall area, there appear to be a series of erratically spaced and sized quartz lenses. In the area of the old workings the grades are in general consistently good, but east of that area they become erratic. There is little, if any, evidence that the near hanging wall lenses or lens swarms extend to the 200 level east of the crosscut. Drifting west in this zone has not been done on the 200 level. In the footwall area there is a quartz vein apparently continuous over a length of about 250 feet averaging a little better than 0.01 ounce gold per ? ton but containing a few separated spots of much higher grade material. East of the crosscut the footwall vein too appears not to reach the 200 level. Above the 200 level the footwall vein has been indicated in inclined "crosscuts" on Sections B and C which accompanied the application, but no samples are indicated.

The Mikado reserve estimate which accompanies the application is believed to be high. It is based on bulk samples from quartz lenses encountered during the 100 level drifting, "crosscutting," and shafting, but apparently the grade is applied to the entire volume of the calculated block. This is not believed to be proper as the vertical extent of the individual lenses has not been established and there is undoubtedly a considerable tonnage of low-grade nonore material within the block limits. Thus, either the calculated tonnage or the grade applied to that tonnage must be reduced. As there are considerable variations in the detailed data, particularly with respect to location and size of the quartz lenses, between that presented with the application and that shown on the latest level map, 10 days to 2 weeks of detailed geologic mapping of the levels, "crosscuts," and trenches should be done before a more accurate reserve calculation could be made. Even then, the question of vertical extent of the lenses, the frequency of their occurrence above the 100 level and between the 100 and 200 levels would not be answered. Quite possibly the actual tonnage available at the grades previously determined by bulk sampling would not be more than half the presently calculated amount, even making allowance for the addition of the two lenses in the 101 crosscut.

Boadway's longitudinal section on which he shows his Little Squaw reserve calculation shows only the widths of samples in inches and the grades in dollars per ton for samples taken on the level. He did not use any surface samples and was unable to enter the winze for sampling and shows only one sample in the raise. McKee, about 7 years later, resampled the level, and took 9 samples from the

surface and 22 samples from the winze. He was not able to enter the raise. I have checked the computations of each with the following results:

Boadway:

Boadway's designation	Boadway's results (tons)	My results (tons)
Assured Ore Block	700	560
Probable Ore Block	1,000	900
Indicated Ore Block	2,300	1,870
Total	4,000	3,330

The average sample width of 48.8 inches or 4 feet was used in my tonnage calculation. Possibly, errors in plotting or paper shrinkage accounts for part of the difference. My grade computation showed a value of $33.78 compared to Boadway's $33.80.

McKee:

McKee's designation	McKee's results (tons)	My results (tons)
Above adit level	1,300	1,100
20 feet below adit	686	600
Total	1,986	1,700

The average width of surface and tunnel samples, which is 2 feet, was used in my tonnage calculation. Also, I broke up into triangles and parallelograms McKee's irregular ore outline above the level so here too part of the difference may be due to paper shrinkage and errors in plotting or scaling. The grade was determined by considering 5 surface samples shown on McKee's section and 27 of the 29 samples shown on the north side of his level plan. No correction was made for high assays. The combined samples comprising No. 29 should be $61.68 which I used rather than $62.84 which McKee shows on his section. The two easternmost samples were not included as they are shown as having been taken east of the portal. In determining the lengths of sample influence, errors in plotting and scaling may have further contributed to the difference between my results and McKee's.

McKee's designation (weighted average)	McKee's results Width (inches)	McKee's results Value	My results Width (inches)	My results Value
Surface samples	30.00	$54.01	30.00	$54.28
Adit level samples	20.16	$54.20	21.83	$48.13
Surface and adit level	25.08	$50.15	25.92	$51.69

Winze sampling is described by McKee on page 6 of his 1938 report which accompanied the application, but the only assay record is that shown on a cross section through the winze from which Sample 38 mentioned in the text is missing. McKee points out that the values of the winze samples are erratic and average below ore grade but accounts for this by stating that the winze is on a section of vein in which an adjacent level sample (No. 33) is nil. The winze does indicate that the vein continues to be strong and to contain gold values for a distance of 50 feet below the level.

At this point two quotes might be of interest, one by J. B. Mertie, Jr., from U. S. Geological Survey Bulletin 773*, Geology and gold placers of the Chandalar district, Alaska: A. H. Brooks, et al. (1925); the other by McKee from his 1938 report cited above.

Mertie says on page 262:

> "Some of the gold quartz is very high grade, but it should not be expected that all the vein will be of this character. The gold probably occurs in rich ore shoots, and in the exploitation of such a mine due allowance must be made for much unprofitable mining and for dead work in prospecting the vein for ore shoots. The ore shoots may average $40 to $50 in gold to the ton, but the quartz veins as a whole are much leaner."

McKee says beginning with the ultimate paragraph on page 1 of Summary and Conclusions:

> " . . . the general impression was obtained that the ore sections of the quartz veins are lenticular and development costs between shoots will be high . . . Information obtained during this examination . . . lead to the conclusion that the area has some intriguing prospecting possibilities . . . The high grade nature of the ore and the economy of tunnel mining leads to the conclusion that profitable operations, commensurate with the risk involved may be expected in the Chandalar area."

*Chapter (e)

The work completed to date confirms the predictions of Mertie and McKee that the ore occurs in rich, lenticular shoots and that considerable high cost deadwork is necessary to explore the veins in order to find the shoots. For profitable production from the lodes a mill of some sort is a necessity, but more ore similar in grade to that previously "blocked" in the Mikado and Little Squaw areas must be found to justify the cost of a mill of any sort. With these points in mind, careful consideration of the factual data presented by the Operator leads to the conclusion that the best chance to find additional ore in these two areas is to do the following work:

Mikado Area

Drifting: From the 200 level crosscut drift 150 feet westerly in the hanging wall zone to explore the downward extension of the "lens swarm" found on the 100 level.

The vein in Trench 1-E identified by Samples 110 and 163 (see table) when projected at 70° to the 100 level is almost directly in line with the lens exposed in the drift face. It is possible that the intervening ground may contain other lenses of ore grade. Extend the 100 level east drift 300 feet on a bearing of S. 65° E.

Long hole drilling: At 50-foot intervals beginning at the present faces drill long holes 25 feet into the north wall and 50 feet into the south wall to search for additional significant quartz lenses; the total drilling recommended is 825 feet.

Sampling: Because the gold occurs from small blebs to fair sized flakes and is not evenly distributed the value of channel sampling is questionable. If possible, with equipment on hand, bulk sampling would probably give more reliable data as to the value of the ore shoots. If the Operator does not have the necessary equipment for crushing and splitting bulk samples, channel sampling should continue to be acceptable. In the case of the long holes, the small area of the hole makes the sampling results of even more questionable value. The main value of the long holes lies in the size of any potentially gold-bearing quartz lens that may be found.

Little Squaw Area

Trenching: None of the trenches east of the present portal has located the Little Squaw vein. As the Operator has expressed a desire to start 700 feet of drifting at or near Trench 1-E, and assuming McKee's estimate that the vein is 50 feet south of the easternmost old adit, this trench should be extended southerly up to 30 feet and to a depth necessary to be sure the Little Squaw vein extends this far east. Only after this has been established should drifting at this altitude be started. Trenches 2-E, 3-E, and 4-E, if McKee is correct, are way too far north. Their continuance might

indicate a parallel vein of which there is little evidence to date but otherwise will serve no particular purpose other than prospecting trenches. The Operator's reason for using the TD-18 in these trenches is that the slopes are too steep for the heavier D-8. This caused him to exceed the TD-18 hours allowed under the contract. However, the trench map shows the center line of a road passing through Trench 1-E from which it should be possible with safety to cut into the uphill side in order to extend the trench southerly.

Drifting: Backs at the face of the present drift are about 60 to 70 feet and will increase as the work progresses westerly. The drift follows an unbroken 2-foot (McKee) to 4-foot (Broadway) wide quartz vein (in contrast to the lenses at the Mikado) for some 200 feet east of the fault and Trenches 1-W through 4-W indicate that west of the fault the vein 2 feet wide continues unbroken for some 450 feet. In Trench 5-W as in 1-W east of the fault, the vein is widening and turning southwesterly possibly indicating that another offsetting fault is being approached. Thus, except for the one known fault offset the Little Squaw vein has been traced for a continuous length of some 650 feet. It is therefore reasonable to expect that the vein will continue to Trench 1-E about 250 feet from the tunnel portal.

If the underground work starts at the face of the present tunnel, the first 50 feet or so will be a crosscut either following the drag ore in the fault or will be slightly less if driven due south to the vein west of the fault. The remaining 650 feet would follow the vein to some point about 30 feet west of Trench 5-W. Also, drifting will be away from the best known mineralization under trenches that have yielded lower values than those over the tunnel.

If the underground work is started near Trench 1-E, assuming that this trench locates the vein, it will be following a presumably continuous vein for about 350 feet to the fault projected to the new level. As you point out, part of the drift, about 130 feet as nearly as I can determine, will be approximately 114 feet below the present level; the remaining 120 feet will be in new ground under increasing backs and will be driven toward known ore. Allowing 350 feet here and 50 feet for crosscutting at the fault, there will remain 300 feet for drifting beyond the fault which will explore to within 25 feet of Trench 3-W.

My only objection to drifting on the present level is that the values indicated in the trenches are low and the backs developed will be less than those that would be developed by the Operator's proposed level. However, as stated above the accuracy of channel or chip samples in these veins and lenses is questionable. My preference for drifting on the lower level is that the east limit of the ore zone may be established and that it will also be established whether or not the know ore extends to the depth of this tunnel. If it does, and the values west of the fault improve with depth,

the value of this vein will be sufficiently enhanced to warrant what might be considered development of the known ore. Since the vertical extent of the known ore is not known, this work could also be considered exploration as is the proposed 200 level west drift at the Mikado.

Long hole drilling: The only indication in the trenches that there may be parallel veins is a 24-inch wide quartz showing in Trench 2-W, 70 feet north of the main vein, and quartz veinlets in Trenches 3-W and 5-W, 80 feet and 60 feet respectively south of the main vein, and in Trench 5-W a small quartz vein about 10 feet north of the main vein. Long hole footage already used plus that recommended for the Mikado area leaves only 934 feet which is not enough to drill for possible lenslike bodies as much as 60 to 80 feet away if the holes are spaced at 50-foot intervals. The winze section shows small offshoots from the main vein that are not too intriguing and would be found in any case during mining operations. It is therefore recommended that holes be drilled north and south from the drift from stations under Trenches 2-W through 5-W, and each hole to cut the structures above mentioned, the total drilling not to exceed 600 feet. If any significant structure is found, the remaining 334 feet will be available for further drilling.

In order to do as much drifting as possible in the most promising area, no footage has been reserved for crosscutting.

It is believed that the above recommendations will prove conclusively whether the explored areas of the Mikado and Little Squaw structures are worth further consideration and whether construction of a mill of any size is justified. However, it is doubtful that all the work can be completed by July 15, 1964, as required by the contract. This is particularly true of the Little Squaw if it is decided to extend Trench 1-E southerly to locate the main vein. The ground here is a northeasterly facing slope and requires longer time to thaw than the southwesterly slope at the Mikado.

Authorized work	Completed to date	Completed 1963	Recommended 1964	Total used and recommended
Drift and crosscut 2,000 ft	842 ft	879 ft*	1,150 ft	1,992 ft
Long hole drilling 2,000 ft	241 ft	208 ft	1,425 ft	1,666 ft
Dozing:				
TD-18 - 500 hrs	500 hrs	210 hrs	0 hrs	500 hrs
D-8 - 1,200 hrs	740 hrs	150 hrs	85± hrs	825± hrs

*Includes 113 ft driven on company account.

If the above recommendations are approved, it is also recommended that the time to complete the contract be extended 12 months to July 15, 1965, as requested in the Operator's letter of November 12, 1963.

D. R. MacLaren

Enclosure

Distribution:
J. A. Herdlick w/cy incoming memo from Chief, Div. of Fld. Operations 1/9/64
MacLaren
Voucher file

Director's Reading File
Resources Research Branch Chief

DRMacLaren:mls

Tabulation of Significant Trench Sampling Data

Area	Trench No.	Sample locations from trench logs (feet)	(from)	Sample No.	Width (feet)	Assay Oz. Au	Average grade	Total width (feet)	Effective length	Vein exposed average Width	Grade
Little Squaw	1-W	5	W. end	137	1.5	0.38					
				138	3.5	0.03	0.135	5.0	7.5		
		10	"	135	1.5	2.12					
				136	3.5	0.23	0.797	5.0	5.0		
		15	"	132	2.0	1.60					
				133	5.0	0.12	0.543	7.0	5.0		
				134	in schist wallrock - not included						
		20	"	127	1.5	3.30					
				128	3.0	0.02	1.113	4.5	5.0		
		25	"	125	2.0	1.65					
				126	4.0	0.02	0.563	6.0	4.0		
		28	"	123	2.0	18.47					
				124	4.0	0.89	6.750	6.0	4.0		
		33	"	129	1.5	2.29					
				130	1.5	8.87					
				131	3.0	0.01	2.795	6.0	4.5	5.64	1.64
	2-W	75	N. of Main Vein	142	2.0	1.00	1.000	2.0	-	2.00	1.00
Mikado	2-E	58-59	N. of FW	110	0.7	15.50					
		25	W. of #110	163	0.5	1.15	9.521	0.6	25.0	0.60	9.52
		63-64	N. of FW	111	1.0	10.13					
		Check of #111		112	1.0	7.07	8.600	1.0	-	1.0	8.60
	Road Cut	0-3	S. of HW	120	3.0	0.32					
	Above 5-E	3-5	S. of HW	119	2.0	0.85	0.532	5.0	-	5.0	0.53
	5-E	3-8	N. of FW	96	5.0	0.60	0.60	5.0	-	5.0	0.60

Area	Trench No.	Sample locations from trench logs (feet)	(from)	Sample No.	Width (feet)	Assay Oz. Au	Average grade	Total width (feet)	Effective length	Vein exposed average Width	Grade
Mikado (Cont'd)	1-W	47-50	N. of FW	90	3.0	0.10					
		48-50	N. of FW	91	2.0	3.48	1.452	2.5	5.0	2.5	1.45
		3.5-6	N. of FW	92	2.5	0.90	0.90	2.5			
			E. end of same)	88	2.0	0.04					
			vein)	89	5.0	0.02	0.02	5.0	25.0	3.75	0.31

Ome (2)

COPY OF A COPY

COPY OF A COPY

December 18, 1963

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~~10~~
~~440~~
~~800~~
~~120~~
~~Mapping 500~~

Tom Bichsel, Field Coordinator
Area Redevelopment Administration
Box 1451
Juneau, Alaska

Dear Tom:

A 1963 Little Squaw progress report and maps are enclosed for Mr. Herdlick and his staff. In addition to completion of a great amount of dead work on roads and airports which had to be done before a mill goes into operation we have about a quarter of a million dollars more in reserves at the Mikado and an indicated substantial increase in reserves at the Little Squaw vein which will not be positively proven until a drift is driven below the present tunnel next year.

Total estimated costs of our proposed exploration and development program for 1964 are shown on the enclosed itemization and amount to $192,500. $53,000 of this would be recoverable from the OME and from refundable items. The total necessary cash required is $139,500. This work includes 1000 feet of underground work at the Little Squaw Mine, 1000 feet at the Mikado Mine, 1600 hours of bulldozer work, some stockpiling of ore, erection of two 100-ton ore bins and other necessary work. The underground work and bulldozer trenching would complete the OME loan project. These expenditures are ours and have nothing to do with mill costs. They are close to what we spent in 1963.

W. L. Ziegler and L. A. Grant, mill designers from the Coeur d'Alenes, have made additional mill tests on ores from the Mikado and the Little Squaw. They have determined that suitable mill using flotation rather than cyanidation can be built for approximately $250,000. This combined with the exploration and development program would total approximately $450,000 to be spent in 1964 which could bring the properties into production with a very good small mill of between 50 and 100 tons a day capacity. About 20,000 tons of ore with a value of $1,500,000 is certain and could be mined and milled with millheads of about $75 a ton. Most of it is ready for immediate mining.

During mining and continued exploration we expect that substantial quantities of high grade ore will be found so that after this small beginning a much larger production can be prepared for, if justified, without any great outlay of risk capital. Diamond drilling eventually will be required to outline larger tonnages of lower grade ore if a larger mill appears justified or a price rise takes place.

In answer to Lee Fryer's letter of September 30 we can only tell him that all new mines are in exploration stages of development of first and constitute some risk until they are in production. We have taken care of the great part of the risk financing already ourselves. To attempt to outline development plans for five years ahead would be ridiculous as development plans are basically determined by the results of the latest work done and vary with discoveries resulting from that work.

MMF FORM 6 REFERENCE SLIP
REV. 2-59 OFFICE OF MINERALS EXPLORAT

	DATE	INITIALS
TO: Chief, Div. of Fld. Operations		
1.	1/27/64	
2.		
3.		
4.		
5. D. R. MacLaren	1/29	
FROM: Acting Fld. Officer, Reg. I		

OFFICIAL FILE COPY
RECEIVED
DATE

FOR: Check items for action desired

____ Action ____ Reply for signature of
____ Approval ____ Investigate
____ Comment ____ Recommendations
____ Conference ____ Rewrite
____ Instructions X Your information

Surname
Signature
File

REMARKS: OME-6148 (Gold)
Little Squaw Mining Co.
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Herdlick sent us these. Thought that you would find it interesting.

INT.-DUP. SEC., WASH., D.C. M56300-62

We are now planning construction of a small mill beginning as soon as finances are available from any source. We have already submitted to the ARA enough detail to choke a civilian loan agency. If funds are available from the ARA we are interested in a simple loan repayable with interest. We would not afford a partnership with the government.

If a loan is available which will guarantee prompt payment for essential mill purchases, freight, and construction costs as they come due, we would feel justified in going ahead without other mill financing. We expect to purchase as much of the mill second hand at as low a price as possible as we have found suitable mills already available here. Our estimate of $211,250 for total costs for the mill is low but could not be more detailed when most costs will be a result of bargaining with various owners.

If the ARA is in business to provide loans on some reasonably workable basis we would be glad to have one. If an endless maze of further indeterminate deliberations by others not familiar with the situation or the business is necessary it will be necessary for us to go elsewhere for financing as we cannot afford to delay construction any longer.

Best regards, and a Merry Christmas.

Yours very truly,

ESKIL ANDERSON

ea/j
encls.
CC - Senator Ernest Gruening
J. A. Herdlick

COPY OF A COPY

COPY OF A COPY

December 18, 1963

Tom Bichsel, Field Coordinator
Area Redevelopment Administration
Box 1451
Juneau, Alaska

Dear Tom:

A 1963 Little Squaw progress report and maps are enclosed for Mr. Herdlick and his staff. In addition to completion of a great amount of dead work on roads and airports which had to be done before a mill goes into operation we have about a quarter of a million dollars more in reserves at the Mikado and an indicated substantial increase in reserves at the Little Squaw vein which will not be positively proven until a drift is driven below the present tunnel next year.

Total estimated costs of our proposed exploration and development program for 1964 are shown on the enclosed itemization and amount to $192.500. $53,000 of this would be recoverable from the OME and from refundable items. The total necessary cash required is $139,500. This work includes 1000 feet of underground work at the Little Squaw Mine, 1000 feet at the Mikado Mine, 1600 hours of bulldozer work, some stockpiling of ore, erection of two 100-ton ore bins and other necessary work. The underground work and bulldozer trenching would complete the OME loan project. These expenditures are ours and have nothing to do with mill costs. They are close to what we spent in 1963.

W. L. Ziegler and L. A. Grant, mill designers from the Coeur d'Alenes, have made additional mill tests on ores from the Mikado and the Little Squaw. They have determined that suitable mill using flotation rather than cyanidation can be built for approximately $250,000. This combined with the exploration and development program would total approximately $450,000 to be spent in 1964 which could bring the properties into production with a very good small mill of between 50 and 100 tons a day capacity. About 20,000 tons of ore with a value of $1,500,000 is certain and could be mined and milled with millheads of about $75 a ton. Most of it is ready for immediate mining.

During mining and continued exploration we expect that substantial quantities of high grade ore will be found so that after this small beginning a much larger production can be prepared for, if justified, without any great outlay of risk capital. Diamond drilling eventually will be required to outline larger tonnages of lower grade ore if a larger mill appears justified or a price rise takes place.

In answer to Lee Fryer's letter of September 30 we can only tell him that all new mines are in exploration stages of development of first and constitute some risk until they are in production. We have taken care of the great part of the risk financing already ourselves. To attempt to outline development plans for five years ahead would be ridiculous as development plans are basically determined by the results of the latest work done and vary with discoveries resulting from that work.

We are now planning construction of a small mill beginning as soon as finances are available from any source. We have already submitted to the ARA enough detail to choke a civilian loan agency. If funds are available from the ARA we are interested in a simple loan repayable with interest. We would not afford a partnership with the government.

If a loan is available which will guarantee prompt payment for essential mill purchases, freight, and construction costs as they come due, we would feel justified in going ahead without other mill financing. We expect to purchase as much of the mill second hand at as low a price as possible as we have found suitable mills already available here. Our estimate of $211,250 for total costs for the mill is low but could not be more detailed when most costs will be a result of bargaining with various owners.

If the ARA is in business to provide loans on some reasonably workable basis we would be glad to have one. If an endless maze of further indeterminate deliberations by others not familiar with the situation or the business is necessary it will be necessary for us to go elsewhere for financing as we cannot afford to delay construction any longer.

Best regards, and a Merry Christmas.

Yours very truly,

ESKIL ANDERSON

ea/j
encls.
CC - Senator Ernest Gruening
J. A. Herdlick

OFFICIAL FILE COPY

Date	Surname	Code
	JTS	130
1/6	Murphy	500
1/6	Talbot	800
1/8	Johnson	110
"	Frank	100
1/8	Cal	220
		500

AIRMAIL

JAN 9 1964

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Contract 2140

Reference is made to your memoranda of April 15, August 29, and November 21, 1963, in which you:

1. point out the erroneous impression received relative to the length of the trenching season,

2. suggest that perhaps we should go along with what work the company does this season and in the late fall or early winter when we get the sample results and maps decide as far as OME is concerned whether to continue at the Mikado next season or if the assays do not justify the work done this year, turn that section off and proceed with the Little Squaw area, and

3. suggest certain amendments to the contract and work proposed at the property.

A review was made of the docket with special emphasis given to the work and results obtained during the 1963 season. This review indicates that a good deal of bulldozer work was done aside of the trenching and that the over-all status of the potential of the two ore zones has not been enhanced.

During the 1962 season trenching was confined to only one month--August. During this season, 590 hours of D-8 time and 290 hours of TD-18 time were charged against the contract. Freighting was done in April, maintenance in May and June, road work in July, and road work in September. Underground on the 200 level west in the Mikado, only 53 feet of drift and 23 feet of crosscut were driven as indicated in the text of the September-November 1962 voucher

submitted January 25, 1963. However, Form 61 of the voucher shows 58 feet of drifting and 18 of crosscutting. From the map, it appears that 5 feet of crosscutting was done at the face in order to drill a long hole.

In the 1963 season the crew moved in inApril, no bulldozing was done during May or June as the bulldozers were being used to prepare an airfield and roads. Only 100 hours of bulldozer trenching was done during July and 350 hours during August. Of these, 40 were with the TD-18 in July and 260 in August. During the 1962 season all of the trenches at both the Mikado and the Little Squaw were at least started with the exception of Nos. 7, 8, 9, and 10 on the east end of the Mikado shear zone. Although all of the trenches on the east side of the Little Squaw workings were started in 1962, none reached bedrock during the 1963 season.

Of the five trenches completed to the west of the Little Squaw workings, only one, 1W, showed anything of mining interest. This trench developed a quartz segment approximately 35 feet in length in a fault block. A study of the assays shows that the best values occur over an average width of 30 inches and that the rest of the quartz is low grade or practically barren. Samples were taken on 5-foot centers until a very hot spot was reached at 28 feet. What might have been shown at 30 feet is problematical. Twenty-four inches of this sample at 28 feet assayed 18.47 ounces of gold. As the better sections of the remainder of the samples range from 0.38 to 5.58 ounces of gold, it is questionable whether one should use the high sample in its entirety. Usually, very high odd samples are thrown out or devaluated.

The Operator has requested authorization to drive a level from the east 114 feet below the present Little Squaw mine workings to explore the downward extension of the high-grade ore shown on the present level. Previously adits were started at 70 and 114 feet below the elevation of the present adit without finding the vein. It is thought that they were too far to the north. The November 1963 map of the Little Squaw area makes note that there are 2,000 tons of proven ore averaging 1.43 ounces of gold according to McKee, and 4,000 tons of indicated ore averaging 1.69 ounces of gold as determined by Boadway. The widths are not given. Of Boadway's estimate 3,300 tons are assigned to a 90-foot area 100 feet in depth below the ore shoot indicated by the present adit. In his report he states that the values chiefly occur in a 1-foot band on the footwall. He used a 4-foot width. A 90-X 100-foot block 1 foot thick would amount to 720 tons. West of the ore shoot there is a 50-foot winze and 90 feet of adit exhibiting low-grade vein material cut off near the face by a fault. Movement was thought to be to the south. The Little Squaw map suggests minimum movement.

The reserve of the quartz vein segment exposed in Trench 1W, if extending to a depth of 50 feet, would amount to 840 tons across a full 6-foot width. Judging from the way the quartz lenses occur in the two mine workings, it would seem more feasible to extend the present Little Squaw level westward to explore this block than to start a new level from 400 to 500 feet to the east which would be largely development of the ore reserves previously mentioned rather than exploration. Backs would be available as there is a 75-foot raise to the surface near the end of the adit. Much of the proposed lower adit could well be in barren material. A little surface work might be done to advantage in Trench 2W on the 24-inch quartz vein assaying 1 ounce gold. Sample 169 in Trench 5W should be 165.

Trenching to the west of the Mikado workings showed values of interest only in 1W. There, one sample across 24 inches assayed 3.48 ounces gold and another across 30 inches assayed 0.90 ounces gold. The remainder of the samples taken in this trench were very low grade. Although the 100 level was driven westward beyond the values indicated on the surface to portal out, seemingly nothing was found on that level. The values indicated on the surface are almost directly under the present face of the 200 level west.

The trenching to the east of the Mikado workings indicated little or nothing except in Trench 2E where three samples, Nos. 110, 111, and 112, assayed 15.5 ounces gold over 8 inches, 10.13 ounces gold over 12 inches, and 7.07 ounces gold over 12 inches, respectively, the last a check sample of the second. The Operator now wishes to extend the 100 level east at least 300 feet to come in under these assays. Detail of Trench 2E is shown on the October 1963 assay plan, scale 1 inch equals 20 feet, and there one can note that the surface is approximately 150 feet higher than the level. Here again, it would seem that an exploratory shallow winze might be warranted to learn something about the attitude and nature of the quartz veins in this trench before extending the 100 level east. At the present time there is a quartz lens showing in the eastern end of the 100 level. Of the four samples taken of this lens, only one had any real value.

The assay map previously mentioned shows a number of quartz lenses of ore grade immediately above and to the west of the 200 level crosscut that came in under them. The drifting to the west crosscut the ore lenses in part, seemingly leaving them in the north wall where they were picked up again in the northerly-trending crosscut off of station 101. It would be interesting to know if these quartz lenses are parallel in strike and dip to the shear zone. The eastern lens at station 105 also appears headed into the south wall.

The Applicant indicated an ore reserve in this area of 11,600 tons assaying $76.000, or 2.17 ounces gold, over a 10-foot thickness. I calculated the tonnage of the 50-, 10-, and 20-foot lenses shown on the map for a 100-foot heighth. It amounted to 632, 80, and 112 or 824 tons in all. The remaining quartz lenses might furnish 2 to 3 times as much tonnage. Dilution will be a problem. If one were to mine the two veins shown in the 101 crosscut north with 5 feet of low grade or barren material in between, the average value would be about $41.65 a ton. Profit would be slim.

Only one sample of interest was found in the 165 feet of OME drifting to the east on the 100 level.

In summation, the 100 level indicates approximately a 200-foot length which contains a number of quartz pods or lenses of ore grade.

Under the OME contract the 200 level west drift has been driven approximately 172 feet and the east drift about 185 feet without finding any ore. Seemingly, little or none was found on this level by the work preceding that under the contract. Thus, the lenses of ore that were exposed on the 100 level were not found on the 200 level. Four long holes drilled into the walls on this level indicated nothing. Thus, the work done to date underground at the Mikado gives little promise that a mill will ever be warranted.

In summation, bulldozing done under the contract at a cost of approximately $29,250 has shown only a short segment of ore grade material at the Little Squaw and one area of interest at the west end of the Mikado workings and one about 250 feet ahead of the face of the 200 level east. Underground expenditures covering approximately 690 feet of drifting and 156 feet of crosscutting have amounted to a little more than $50,000. Only work on the 100 level west of the Mikado resulted in adding a limited tonnage to the previously estimated ore reserves.

We would appreciate having any comments you may wish to make on this summary. Do you have any information as to the average depth the trenches were cut?

George C. Selfridge

P.S. The assay map on the 100 level shows the south-trending crosscut off of station 107 with a quartz vein approximately 6 feet back from the face. Figure 1 of Arthur L. Kimball's report of October 18, 1963, shows a quartz vein at the same distance from the face. However, Kimball's crosscut is longer than that shown

P.S. (continued)

by the Operator. How many feet of crosscutting was done in this crosscut?

GCSelfridge/gla (1/3/64)
cc to: Director's Reading File
Review Committee
Docket
Mr. Selfridge

See Dal

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
November 21, 1963

OFFICIAL FILE COPY
C. M. E
RECEIVED NOV 26 1963

DATE	INITIALS	CODE
11/26	407	500
		120
	Murphy	500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed are two Thermo-Fax copies each of two self-explanatory letters dated November 12, 1963, from Frank E. Birch, engineer-supervisor of the subject project.

see Talbert's Note 12/3/63 on proposed Amendment

All TD-18 dozing allowed by the contract has been done, but there remain unused 460 hours of D-8 dozing. If 78 hours of D-8 dozing at $25.00 per hour are transferred to TD-18 dozing, at $21.50 per hour, 90.7 hours would be available. It is therefore recommend that the contract be amended to allow:

1,122 hours D-8 Bulldozing at $25.00/hr	$28,050.00
590 hours TD-18 Bulldozing at $21.50/hr	12,685.00
	$40,735.00

? ← out.

This results in a reduction of $15.00 in dozing costs and reduces the total cost of the project correspondingly.

It is also recommended that the requested recess and the extension of time for completion of the project be approved. ✓? OK

In view of the justification presented in Kimball's Interim Inspection Report of October 18, 1963, as well as that in Birch's letter, both of which clarified the propriety of the work, the 110 feet of drift and 2 feet of crosscut which was not accepted in the Operator's June voucher will be accepted in the voucher for September.

The requested work authorizations for next year were discussed briefly with Birch. The Little Squaw portal would be in the vicinity of trench 3 as close to the vein as possible. (See maps with

Ome (2)

LITTLE SQUAW MINING COMPANY

309 Radio Central Building
Spokane, Washington 99201

Telephone: MA 4-2501

EXTRA COPY
O. M. E.
RECEIVED NOV 26 1963
DATE | CODE

November 12, 1963

Mr. D. R. MacLaren
Acting Field Officer, OME
Region I
Spokane, Washington

Re: OME - 6148 (gold)
Mikado, et al Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. MacLaren:

With reference to your letter to Mr. Jasper dated August 29, 1963, requesting written justification for work done in June: The Mikado 200 E drift followed an erratic, non-mineralized and difficult to distinguish hangingwall. When this structure turned toward the north the drift was continued in a straight line diagonally along the shear because the footwall lay straight ahead, and in other exposures this had been a mineralized and well defined structure. In addition to escaping the meanderings of the hangingwall, drifting along the footwall would present considerable advantage as a position for drilling and further prospecting the shear zone. Considering the irregularity of the hangingwall structure as shown underground and in our surface trenching, I believe we reached the point of our present face on the footwall with at least no more drifting than it would have required attempting to follow the hanging. No strike of any one structure in any one opening at the Mikado can be accurately and confidently projected over any distance, although the general trend of the major structure appears to be continuous. The hangingwall was reached with 50' of drill hole from the footwall drift. A 60' longhole from a counterpart drift on the hangingwall would not have reached the footwall, due to the required inclination of the hole and the general dip of the involved structure.

This 110' of drifting and 2' of crosscutting was essential to the exploration program and all work was done on the structure being explored.

At this same time we would like you to consider approval of 90 hours TD-18 time claimed during August trenching that was in excess of the total TD-18 time allotted under this contract. We would like to have these 90 hours approved and deducted from the 1200 hours of D-8 time allowed us under this contract. This extra TD-18 time was used in trenches 6 through 10 East at the Mikado; this is on an extremely steep mountainside immediately below St. Mary's pass, where use of the more cumbersome D-8 would have been a definite and unwarranted hazard.

No! FMM

Sincerely,

Frank E. Birch

FRANK E. BIRCH

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
	GCS	130
10/10	Johnson	110
	[illegible]	100
10/10	Cae	220
		500

OCT 1 0 1963

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Reference is made to your memorandum of October 2, 1963, and draft enclosure, and personal* note to me.

We have reviewed the entire matter and believe it best that no letter be sent; therefore, we are returning the draft of the one you prepared. This decision was reached after studying the pros and cons of the matter. Sometime an opportunity may present itself whereby orally you can point out to the interested parties some of the things you mention.

George C. Selfridge

(pl)

Enclosure
GCSelfridge/mm
10/10/63
cc: Director's Reading File
Review Committee
✓Docket
G. C. Selfridge

*confidential file

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
October 2, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 4 1963
DATE | INITIALS | CODE
120
800
500

Air Mail

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed is a copy of a letter dated September 11, 1963, from Eskil Anderson to Frank Birch and two copies of the latter's reply dated September 27, 1963. In connection with these two letters please refer to my memorandum to you and my letter to Karl Jasper, both dated August 29, 1963. This correspondence should be self-explanatory but unfortunately certain inaccuracies of statement in Anderson's letter to Birch and certain inconsistencies in Birch's reply require further comment.

After his return from Alaska, Anderson called at the office on September 10 to ask what sort of justification for driving from the hanging wall to the footwall was needed. I told him that the July 2 Work Authorization permitted drifting easterly on the 200 level with OME aid but left it up to Birch to decide whether the hanging wall or the footwall should be followed. I then asked him if the hanging wall was so unpromising that it was followed for only 10 feet and then a crosscut to the footwall was considered better exploration, why was not the east drifting started on the footwall? At the time I was willing to accept the idea that Birch probably had a good reason for his procedure and said that if he would submit a written justification, the work could be approved. Anderson replied that a quartz vein in the hanging-wall drift might have pinched out rather abruptly after the work started, that the segment of the footwall opposite the hanging-wall drift could be explored by long hole drilling and that the crosscut would not only give a good look at the intervening ground while getting access to the footwall vein but also would obviate drifting on that part of the footwall vein that could be explored by long hole drilling. Because he seemed uncertain about the quartz vein in the hanging-wall drift,

Plate 1 enclosed & filed in folder #2

I simply said that a written statement of that sort from Birch should be satisfactory. Nothing was said about long hole drilling "at about 50 foot intervals for all the drifting except where cross-cut or bulldozer cuts suffice already" as Anderson tells Birch. Long hole drilling is included in the Work Authorization. Regarding Anderson's statement of September 11 to Birch that " . . . so far they have paid a total of $2000 this year. . ." I have checked the Monthly Transactions and find the following payments were made:

February	$ 649.70
May	2,772.56
June	2,653.50
Total	$ 6,075.76

or three times the figure given to Birch.

After the Anderson letter	$ 5,953.00	was paid
bringing the total for this year alone to	$12,028.76	

This does not include a payment of $9,454.24 which was paid during December 1962, or $11,307.00 which was approved in the Operator's August voucher.

The reason that I am making a point of this misstatement is that Anderson has on several occasions complained to me in our office, that the Government has not contributed to its share of the contract costs and that what it has contributed is of hardly any help to Little Squaw. Yesterday during a general conversation with one of the Survey geologists he was asked how the Alaska work was going and replied in effect that the company had this year spent $150,000, that the Government was supposed to contribute a little less than one-half but so far had only contributed about $7,000. With Karl Jasper, a Trustee, and his close associate Ned Barnes, president of the Northwest Mining Association, similar misstatements if carelessly made "about town" can do OME no good. I do not know that such statements are being made or, if so, what can be done about it, but I believe you should be aware of the possible misrepresentation of the facts.

Returning to the subject at hand, Birch's letter to Anderson appears to me to be a good justification for his not starting the 200 level drift east on the hanging wall. Also, it contains statements that are contradictory to some made in his June 1963 Narrative Report. In the latter, he says in the second paragraph: "The 200 Level East drift was advanced diagonally across the shear zone," whereas in his September 27 letter he says: ". . . the 200 E drift followed erratic, non-mineralized and difficult to distinguish hangingwall until this structure swung back to the north. The drift was ~~con~~

continued in a straight line diagonally along the shear . . ." The map showing the 200 Level East End which accompanied the June Narrative indicates that the shear continues into the drift wall at a constant bearing of S. 55° E. and that the drift actually turned slightly more southeasterly at that point. The remainder of Birch's letter does not merit comment.

From the small sketches accompanying the June and July vouchers, I have attempted to put the new work on a tracing of plate 1 which accompanied the examination report. Apparently, the 200 drift east started on the hanging-wall vein, but as shown on Birch's sketch the footwall(?) vein could be projected westerly with minor swings to connect with either the hanging-wall or the footwall veins near the main adit crosscut. However, it is shown as dipping 75° southerly, whereas the footwall vein, where the dip is indicated on company maps is 85° northerly. Possibly, the southerly dip is a plotting error on Birch's part.

Assuming that the enclosed sketch is reasonably accurate and that the structure cut by the diagonal crosscut is the footwall vein, there is an unexplored gap of 260 feet between the adit crosscut and the southerly end of the diagonal crosscut. The westernmost 160 feet of the gap could be explored by long hole drilling from the hanging-wall drift and the balance by long hole drilling from the diagonal crosscut. Therefore, it appears that possibly approval could be given for the diagonal crosscutting providing the Operator drills 4 long holes on approximately 50-foot centers from the hanging-wall drift and diagonal crosscut through the footwall vein.

I shall await further word from you before approving the crosscut. As the drift on the footwall is good exploration and because I had not heard from you regarding my August 29 memorandum, I approved the drifting east from the end of the crosscut in the Operator's August Voucher.

D. R. MacLaren

D. R. MacLaren

Enclosures

Sept. 11, 1963

Dear Frank:

MacLaren wants written justification from you for angling over with the drift to the footwall on the 200. He seemed satisfied with the explanation that there was no quartz where you were and you were merely angling over to see if the strong footwall sheet was there. He wants long hole drilling to one or both walls at about 50 feet intervals for all the drifting, except where cross cut or bulldozer cuts suffice. already.

He seems perfectly willing to give authorization for the additional drifting you are doing and intend to do this fall upon receipt of a written request from you giving the reasons. He claims they won't make any more payments until assays come in - so far they have paid a total of about $2,000 ? this year on the contract and intend to pay for some June or July work.

There will be no money coming from the Department of Aviation this year. They had already told us there was no possibility of getting any for past work. Johnson wants us to work through the legislature for next spring.

I hope you have had good luck. Everything that can be completed on the road and airport this fall and on bulldozer cuts and drifting that might show more ore will contribute to our ability to continue in operations next year if Odlum drops out. ?

F.M.M.

Sincerely,

ESKIL

RECEIVED
SEP 30 1963
WASH.

September voucher.) The vein in the upper workings was offset by a fault so 30 to 40 feet of crosscut would be required when the fault is encountered. Possibly, another 10 to 20 feet of crosscut might be required to get on the vein after the drift is portaled in. The trenches indicate that this is a stronger, more regular and narrower zone than that at the Mikado. Based on an average of 15 feet of crosscuts at intervals of 100 feet, 5 crosscuts would require 75 feet. Authorization of 700 feet of drift and crosscut of which not more than 200 feet is authorized for crosscutting would explore the Little Squaw vein to a point between 120 and 150 feet beyond the fault. The drift would be portaled near trench 1E. By limiting the crosscutting Birch can crosscut wherever he considers it to be advisable but still not have a blanket authorization as OME participation will be limited to 200 feet.

O.K. JMM

O.K. JMM

At the Mikado, about 300 feet of drift on the 100 level will put the face under trench 2E. Backs increase easterly. Authorization of 458 feet of crosscutting and drifting, of which not more than 158 feet is authorized for crosscutting, would permit exploration of the area in which the best trench grades were found and, while Birch can crosscut wherever he considers it advisable, OME participation in crosscutting will be controlled.

Unless you have strong objections, I will write a work authorization along these lines.

D R MacLaren

D. R. MacLaren

Enclosures

Ome (2)

LITTLE SQUAW MINING COMPANY

309 Radio Central Building
Spokane, Washington 99201

Telephone: MA 4-2501

EXTRA COPY
RECEIVED NOV 26 1963
DATE | | CODE

November 12, 1963

Mr. D. R. MacLaren
Acting Field Officer, OME
Region I
Spokane, Washington

RE: OME 6148 (gold)
Mikado ~~et al Claims~~
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. MacLaren:

We would like to give notice of suspension of our exploration work at the Mikado and Little Squaw Mine for the winter season. Work stopped October 1, 1963 and will begin on or before May 1, 1964.

We would also like to request a 12 month extension of our present OME contract completion date from July, 1964 to July, 1965. We believe this would allow sufficient time to complete all contracted bulldozer trenching in the late summer of 1964, and the contracted underground work during the summer of 1964 and winter 1964-5.

As a result of 1963 trenching at the Little Squaw Mine and previous underground developments, we would like a work authorization for 700' of drifting and crosscutting at the Little Squaw Mine on a level 1'4' below the present mine workings, to explore the downward extension at this level of highgrade ore and strong quartz lode exposed by the trenching and the old #1 adit. We would like this authorization to include authorization to crosscut at any point in the course of drifting at which crosscutting appears necessary to locate or explore the Little Squaw vein seen in the upper exposures.

Development? Do we have all prospect samples?

At the Mikado Mine we would like authorization for 458' of exploration work eastward on the 100' level which would include drifting and whatever crosscutting is deemed necessary at the time of drifting to prospect the shear zone and the downward extension of ore exposed in trench 2 East.

Sincerely,

FRANK E. BIRCH

B/j

Chand[illegible]r, Alaska
Sept. 27th, 1963

Little Squaw Mining Co.
309 Radio Central Bldg.
Spokane, Washington 99201

Dear Eskil:

With regard to "justification" for our work done on the 200 level at the Mikado, the 200E drift followed erratic, non-mineralized and difficult to distiguish hangingwall until this structure apparently swung back to the north. The drift was continued in a straight line diagonally along the shear because the footwall lay ahead, and in other exposures this had been a mineralized and well defined structure, and would present considerable advantage as a location for drilling or any other exploration of the shear zone. When [illegible] and falling ground was encountered the miners swung more sharply toward the footwall in an effort to [illegible] the drive to [illegible] pending [illegible] the [illegible] continued eastward along this structure until all available rock bolts [illegible] were used. It was still too early in the season to portal [illegible] the 200 level, so drifting was continued along the footwall in [illegible] 200W heading. Considering the irregularity of the hangingwall [illegible] shown underground and in our surface trenching I believe [illegible] point of our present face on the footwall with at [illegible] drifting than it would have required attempting to follow [illegible] hanging. No strike of any one structure in any one opening at the Mikado can be accurately and confidently projected over any distance, although the general trend of the major structure appears to be continuous. It has been my outspoken intention since quitting the 200W heading in 1960 to continue this drift in a straight line diagonally along the shear to its intersection with the footwall, and then follow this advantageous position. I have at no time intimated that we would attempt to follow the hangingwall in the 200E heading, and I made no such intimation in my letter to you dated June 22nd. It would be quite a stunt to reach the footwall of a 50' shear dipping 70-80° with a 60' longhole inclined at 25-30° drilled from the hangingwall. And though I don't want to get into any extended bickering over semantics, I feel that anyone that would call our 200E drift a x-cut doesn't know his beads from his tails.

In closing I'd like to point out that we made 382' of progress this season using two miners and an indescribable amount of hard work, and had we waited for Work Authorization to fulfill Contractual obligations our costs would have been nearly the same, our progress would amount to about 500', and we would have had a pleasant, lazy summer sitting on our duffs theorizing as though we were on Civil Service.

Sincerely,

Frank Birch

RECEIVED
SEP 30 1963
U.S. [illegible]

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/8	Murphy	500
9/30	Selfridge	500
10/1	Talbert	800
		130
10/1	Johnson	110
	Hermell	100
10/1	Cole	220
		500

OCT 1 1963

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

The subject contract is one supervised by Mr. Griswold, who has been ill since August 30. In reviewing his dockets, we note your memorandum of August 29 has not been answered.

We concur with your comments in the second paragraph of your memorandum, which you have amplified in your letter of August 30 to the Operator. If the Operator can justify the diagonal drifting within the structure zone to your satisfaction, the costs of this work should be approved because your July 2 work authorization allowed drifting easterly and the contract does not specify the position of the drift within the structure zone. In any case, you can authorize continuing the easterly drifting from the present face.

George C. Selfridge (gla)

FMMurphy/mm
9/30/63
cc: Director's Reading File
Review Committee
Docket

43683

[illegible], Alaska

Little Squaw Mining
309 Radio Central [illegible]
Spokane 4, Washington

[illegible] Sept. 13th, 1963

Dear Hank & [illegible]

Still real busy [illegible] bookkeeping. Enclosed is August payroll [illegible] have made a good check and they earned every [illegible] with timber, rock bolts and lighting [illegible] in spite of production for any one heading [illegible] the sublevel the 30th. Make pretty good [illegible] effort. We drained towards the hanging [illegible] stoping stick that shows in the 100 sublevel [illegible] that raise and under about 40' of [illegible] drift on the level. Beneath the ra[illegible] now in very about a thousand ground [illegible] get back into something solid [illegible] our work authorization as soon as we are [illegible] turned beautiful the end of August [illegible] weather. There was really miserable [illegible] with us for about a week and it loosen[illegible] a club to keep anyone working outside [illegible] though everything is well finish its pretty [illegible] miners are looking pretty well beat [illegible] will be able to keep up the pace through [illegible] nine or eight miles a day now [illegible] drilling and rock bolts and taking care [illegible] in the drift and incidental odds [illegible] we will have another 300' this month [illegible] have about 900' of drift east of the [illegible] of the shaft. We got the ditch [illegible] to Tobin Creek [illegible] truck [illegible]

[illegible]

MME FORM 6
REV. 2-59

REFERENCE SLIP

OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Chief, Div. of Fld. Operations	9/23/63	
2.		
3.		
4. D. R. MacLaren		
5. D. R. MacLaren		
FROM: Acting Fld. Officer, Region I		

FOR: Check items for action desired

____ Action
____ Approval
____ Comment
____ Conference
____ Instructions
____ Reply for signature of _____
____ Investigate
____ Recommendations
____ Rewrite
X Your information
____ Surname
____ Signature
____ File

REMARKS: OME-6148 (Gold)
Little Squaw Mining Co.
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Transmittal of Thermofax copy of letter 9/13 delivered to this office by Eskil Anderson.

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

M56300-62

Chandalar, Alaska

Little Squaw
Spokane (cont.)

Finished mapping the Mikado and Little Squaw cuts. We have four more down the east side from St Maries Pass, thats Mikado 7, 8, 9, & 10. East. #7 runs along the strike on the hangingwall at the base of the scarp, and got some well mineralized qtz, but no free visible. The rest need quite a bit more thaw. On the Little Squaw we got the upper cuts, all the west cuts, down and completed. We did some more work in the ones below the road, but are still in frozen overburden, its very deep. We got the radio and all the antennas hooked up and had an expert out here twice running it. Got samples out on the back-haul. All we have now are swift samples from the Mikado, I'll try to get them to the lake for this small plane. We are on the Alaska Communications round robin, and receive them pretty well, but haven't had any luck getting anything out. Nobody seems to be gett ng through from this area for the past few days they do have been listening. However, when we set the radio up the technician got through to them loud and clear, but that was a cloudy day. If you crop up with any thing you think we might want to hear you can probably get through.

My mother came in last Saturday, and it sure has perked things up in our house. I got a caribou the morning I left Eskil at Chandalar Lake, and Kit got one (his first) that afternoon. I was at the Mikado an d the women spotted this one near camp, so Kit took the 30-06 and nailed him in the back of the head. I understand it was a real riot, the kids and women cleaning and packing the thing back down the mountain to camp. Halvor and Cliff took a day off and went fishing on Squaw Lake a couple days ago, came back in the evening with 18# of greyling, (12 fish, and they are pretty nice fish).

If I don't get all the OK stuff out with this mail I'll have everything for August in next week for certain. Then about all I'll have left is flagging the Little Squaw route, surveying the new work at the Mikado, and get my home winterized and then I'll try to catch up on the last six weeks account books. Picked up a little streak of qtz, showing a small amount of free gold, in place on the Indicate, but it didn't thaw enough to follow it anywhere. We took one of the CB radios to the Mikado and got excellent reception between their camp and here on Big Creek. The lake still comes in good here, but we can't get any signals through to them down there. I'm going to take the littlelight plane thats down there now to the Mikado, it will be safer there for the winter and if the road closes before we leave it will give them communications. We can bring something else in for the radio at the lake next spring. We couldn't get any reception between camp and the Little Squaw mine, but I didn't get down to Mellows,--it might work there.

That pretty well covers the situation here to date.

Sincerely,

Bill

LITTLE SQUAW MINING COMPANY

WORK REPORT

August, 1963

August 1st: D-8 #2 & #3--Chandalar Road. TD-18-- Trenching: Mikado 3W-- 10 hrs. Miners: drill & blast, muck, lay track at 100 Level portal, contract.

2nd: #2 & #3--Chandalar Road. TD-18: Mikado 4W--10 hrs. Miners advance from portal east.

3rd: #2&3--Chandalar Road. TD-18, Mikado 5W--10 hrs. Miners advance 100 adit east.

4th: #2&3--Chandalar Road, TD-18: Mikado 4E-5hrs, 5E-5hrs. Miners advance 100 adit east from portal.

5th: #2&3--Chandalar Road. TD-18: Mikado 6E-5hrs., Little Squaw 2E-5 hrs. Miners advance 100 Adit eastward.

6th: #2&3--Chandalar Road. TD-18: L.S. 3E-5hrs, 4E-5hrs. Miners Miners advance, enlarge, and timber 100 Adit portal.

7th: #2&3--Chandalar Road. TD-18: L.S. 4E-5hrs, 1E-5hrs. Miners enlarge and timber Mikado 100 Adit portal.

8th: #2&3--Chandalar Road. TD-18: L.S. 2E-5hrs, 3W-5hrs. Miners advance Mikado 100 adit level eastward.

9th: #2&3--Chandalar Road. TD-18: L.S. 3W-5hrs., 5W-5hrs. Miners advance 100 adit east.

10th: #2&3--Chandalar Road. TD-18: L.S. 4E-10hrs. Miners advance east.

11th: #2&3--Chandalar Road. TD-18: L.S. 5E-10hrs. Miners advance east.

12th: #2&3--Chandalar Road. TD-18: Little Squaw Trenches-- 4E-1hr., 3E-1hr, 2E-1hr, 1E-1hrs, 1W-1hr, 3W-1hr, 4W-1hr, 5W-1hr. Miners advance 100 adit eastward.

13th: #2&3--Chandalar Road. Miners advance 100 adit east. Jacobsen off.

14th: #2&3- Chandalar Road. Miners x-cut from 100 adit's towards footwall. Jacobsen off.

15th: #2&3--Chandalar Road. TD-18: L.S. 1E-4hrs, 2W-1hr, 3W-1hr, 4W-1hr, 5W-1hr, 2E-1hr, & 3E-1hr. Miners advance footwall x-cut.

16th: #2&3--Chandalar Road. TD-18: Mikado Trenches 3W-10hrs. Miners advance south in 100 ftwl. x-cut.

17th: #2&3--Chandalar Road. TD-18: Mikado 4W-5hrs, 5W-5hrs. Miners advance Mikado footwall crosscut.

18th: #2&3--Chandalar Road. TD-18: Mikado 5E-5hrs, 6E-5hrs. Miners advance ftwl. x-cut.

19th: #2--Chandalar Road. #3--Mikado Trench 5E-5hrs, 4W-5hrs. TD-18--repairs. Miners finished x-cut into footwall.

20th: #2--Chandalar Road. #3--repairs. Miners advance adit east.

21st: #2--Chandalar Road. #3--Mikado Trench 4E-5hrs, 3W-5hrs. Miners advance 100 adit eastward. Jacobsen 2 hrs. extra overtime repairing D-8 frame and Jeep spring.

22nd: #2--Chandalar Road. #3--Mikado 3E-10hrs. Miners advance adit.

23rd: #2--Chandalar Road. #3--Little Squaw road. TD-18: Mikado 6E-10hrs. Miners advance 100 adit.

24th: #2--Chandalar Road. #3--as needed to improve Little Squaw road. TD-18: Mikado 7E-10hrs. Miners advance in 100 adit.

25th: #2--Chandalar Road. #3--Little Squaw Road. TD-18: Mikado 8E-10 hrs. Miners advance Mikado 100 adit east.

Little Squaw Mining Compa[illegible]
August, 1963, Work Report
(Continued).

Aug. 26th: #2--Chandalar Road. #3 Little Squaw Trenches 1W-5hrs, 4W-3hrs, 5W-2hrs. TD-18; Mikado [illegible]-10hrs. Miners advance east.

27th: #2--Chandalar Road. #3-L.S. [illegible]-5hrs, [illegible]-5hrs. TD-18--Mikado 7E-10hrs. Miners advance adit east. Interior's Beech Debonair landed on Big Creek strip and [illegible] on Chandalar strip, both famous firsts.

28th: #2--Chandalar Road. #3-L.S. [illegible]-hrs. TD-18--Mikado [illegible]-10hrs. Miners advance [illegible] adit. Twin Beech (Interior's) shuttling freight from Chandalar to Big Creek [illegible] trips, another "first" for the Big Creek airstrip.

29th: #2-- Chandalar Road. #3-L.S. [illegible]-hrs. TD-18--Mikado [illegible]-10hrs. Miners advance [illegible] adit level east. Twin Beech-last shuttle.

30th: #2-- Chandalar Road. #3-L.S. [illegible]-hrs. [illegible]-3hrs, 4E-4hrs. TD-18: Mikado [illegible]-hrs, [illegible]-hrs, [illegible]-hrs, [illegible]-2hrs. Miners hole 100 adit into 100 sublevel. Interior's Debonair back at Big Creek with radio technician [illegible].

31st: #2--Chandalar Road. #3-L.S. [illegible]-hrs. TD-18--Mikado [illegible] 7E-2hrs, [illegible]-4hrs, [illegible]-hrs. Miners [illegible] day, rockbolting old 100 sublevel, laying track in [illegible].

Chandalar, Alaska

Little Squaw Mining Co.
309 Radio Central Bldg.
Spokane, Washington 99204

Sept. 16th, 1963

Enclosed is the OME August application. I hope to get the other bookkeeping caught up by the end of this week. That short, thawed ground in the east end of the Mikado 100 won't stand. We have it bolted and screened, but are just now out of screen. Its far enough now for us to x-cut, as per our OME Work Authorization dated May 13th 1963. WW are right on the hangingwall, have a strong showing of well mineralized quartz, but no free gold visible, about 160' East of the shaft. WW'll x-cut to the footwall here, and if we have time continue east with timber, I believe we have enough left for a few sets. I don't believe the ground is at all heavy, but its very short, and will have to be pretty well lagged up. Please be sure that the checks get right out, because we'll need them on the mail that gets here the 28th of this month. It looks as though we'll pull out of here October 1st. I'll have the plane bring a load of diesel in so it will pay both ways.

So long,

Frank

Sc. 157 Howard Street
Spokane, Washington 99204
September 11, 1963

OFFICIAL FILE COPY
RECEIVED SEP 16 1963
DATE
9/17 Received 800 500

Air Mail

Mr. J. A. Hardlick
Acting Area Director, Area VIII
Mineral Resource Office
U. S. Bureau of Mines
P. O. Box 2688
Juneau, Alaska

Re: CMX-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Jerry:

Eskil Anderson has just returned from Alaska and says that the crew will stay on the property as long as weather and money permit.

By September 20 the trenching crew will probably leave the trenches to do more road work at lower altitude, but the mine crew will still be at the Mikado.

There has been no essential change in the means of access except that the road from the airport has been considerably extended. Eskil suggests that Kimball telephone Andy Anderson at Betels -- he is usually home after 8:00 p.m. He flies in supplies for the company and usually knows what is going on at the mine.

Sincerely yours,

D. R. Maclaren
Acting Field Officer, CMX
Region I

DRMaclaren:mlk
cc: CMX(2)
Reading copies to:
Nolan
Killaghanré

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
August 29, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 3 1963

DATE		CODE
8/4		800
AUG 30 1963		120
(Dispatched)		
		500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed are copies of a self-explanatory letter to Karl Jasper, president of the operating company, upon which I would appreciate your comments. The original and two copies of the June and July vouchers which are the subject of the enclosed letter were mailed to the Fiscal Section August 28 and should by now be available to you for reference.

While I can sympathize with Birch's problems that frequently arise at a moment's notice requiring changes in Work Authorizations, his difficulty in finding time to write up justifications for requested changes, erratic mail facilities and so on, I do not believe the turning of the 200 level east drift from the hanging wall and driving it diagonally across the structure zone to the footwall should be approved without some justification by the Operator.

This raises another point on which I would appreciate your comments. If the diagonal crosscut cannot be justified, can drifting easterly on the footwall vein from the crosscut be authorized? I would be inclined to write a Work Authorization approving the work here as it is as good exploration as was authorized in the July 2 Work Authorization.

Jasper told me that a large shipment -- I believe he said 2,000 pounds -- of samples was just made to the University of Alaska for assay. While I can understand the desirability costwise of making these large shipments, the lack of up-to-date assays complicates making any appraisal relative to authorizing additional work. Perhaps we should go along with what work the company does this season and in the late fall or early winter when we get the sample

results and maps decide as far as OME is concerned whether to continue at the Mikado next season or if the assays do not justify the work done this year, turn that section off and proceed with the Little Squaw area.

D. R. MacLaren

Enclosures

cc: J. A. Herdlick

One (2)

EXTRA COPY
O. M. E
RECEIVED SEP 3 1963
DATE | INITIALS | CODE
AUG 30 1963
(Dispatched)

So. 157 Howard Street
Spokane, Washington 99204
August 29, 1963

Mr. Karl Jasper, President
Little Squaw Mining Company
Suite 309-312 Radio Central Building
Spokane 4, Washington

Re: OSR-6140 (Gold)
Nimmo, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

This refers to our telephone conversations of August 27 and 29, 1963, in which you requested a written summary of claims for Government reimbursement made in your June and July vouchers which could not be approved and the reasons therefor.

Work Authorization dated May 13, 1963, was prepared in accordance with the request set forth in Earl Anderson's letter of April 10, 1963. This authorized drifting 300 feet easterly and 150 feet westerly on the 100 level.

Upon receipt of copies of Frank Birch's letter of June 22, 1963, to Mr. Anderson, in which justification was given for temporarily stopping work on the 100 level and moving to the 200 level, Work Authorization, dated July 2, 1963, was prepared.

Approved OSR projects are set up as contractual obligations and therefore I do not have the authority to write "blanket" work authorizations. However, I attempted to give the company as much leeway as possible by not specifying which faces should be advanced. Obviously, with a contract price for drifting and crosscutting at $61.00 per foot and long hole drilling at $1.00 per foot, the most economical method of underground exploration is to drift along one wall and drill long holes to the other and possibly following up any encouraging drill holes by one or more crosscuts. Mr. Birch's June 22 letter clearly indicates that this approach to the 200 level work was his intention, and accordingly, Item 2 of the July 2 Work Authorization provides: "Extend the drift easterly not more than 100 feet, etc." Item 4 sets forth the conditions under which crosscutting would be considered.

The June Narrative states: "The 200 Level East drift was advanced diagonally across the shear zone to the footwall, etc." The sketch accompanying this voucher indicates that the drift Mr. Birch chose to extend easterly was on the hanging-wall structure which it left after an advance of 10 feet being continued from that point as a crosscut. Only 10 feet of the 200 Level East advance claimed in the June voucher, and none claimed in July, can be approved for payment at this time. Had the drift continued along the hanging wall, the face at 100 feet, assuming the structure held to the strike indicated on the map, would have been about 30 feet from the footwall. Thus, by Birch's original plan as set forth in the June 2 Work Authorization the contract cost of looking at the footwall where the diagonal intersected it would have been in the order of:

100 ft drifting	- $9,100.00
35 ft long hole drilling -	35.00
	$9,135.00

As the work was carried out, the contract cost of looking at the same part of the footwall would be 120 feet diagonal drive -- $10,920.00 -- or an increase in contract cost of $1,785.00.

As we agreed in our telephone conversations, Mr. Birch may have encountered conditions that would justify Government approval of this departure from the provisions of the Work Authorization. However, until we have a written justification for the change, I do not have the authority to approve Government participation in what, as of this moment, appears to be $1,785.00 of unnecessarily excessive costs. It is quite possible that the deletion of some or all of the drifting, crosscutting, and long hole drilling claimed in June and July can be reinstated upon written reasonable justification.

Sincerely yours,

D. H. MacLaren
Acting Field Officer, OME
Region I

cc: J. A. Hardlick
OME(2)
Voucher file
MacLaren
Reading copies to:
Nolan
Kiilsgaard
DHMacLaren:mls

OME (2)

So. 157 Howard Street
Spokane, Washington 99204
August 23, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 26 1963

DATE	INITIALS	CODE
8/26	[illegible]	500
	[illegible]	200

Air Mail

Mr. J. A. Nerdlick
Acting Area Director, Area VIII
Mineral Resources Office
U. S. Bureau of Mines
P. O. Box 2688
Juneau, Alaska

Dear Jerry:

Please have interim inspections made of OME-6148 (Little Squaw) and OME-6216 (Richard Rowe) when possible.

The enclosed will bring you up-to-date on the status of the Keystone application. Also, we have just received an application from Dan Creek Ventures, Inc., which is undergoing preliminary processing. The property is a placer known as the Dan Creek Placer Claims situated in the McCarthy Recording Precinct. I'll send you the complete dope when and if a field referral is made but thought you might appreciate the "alert" on it.

Do nothing further for the present with respect to OME-6273 (Fairview Mining Association, A. T. Van Dalsen).

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

Enclosure

cc: OME(2)

Reading copies to:
Malan
Killagnard

DMacLaren:mlo

OFFICE OF MINERALS EXPLORATION
DEPARTMENT OF THE INTERIOR
WASHINGTON, D. C. 20240

DMEA FORM 1
(12-56)
IAMD108, SAS, OME, INTERIOR

X

X

OFFICIAL FILE COPY

Date	Surname	Code

D. R. MACLAREN, ACTING FIELD OFFICER
OFFICE OF MINERALS EXPLORATION, REGION I
SOUTH 157 HOWARD STREET
SPOKANE, WASHINGTON 99204

REFERENCE AUGUST 21 ALASKA INSPECTIONS BY ALL MEANS REQUEST

REGULACK TO INSPECT LITTLE SQUAW AND RICHARD ROSE AND ANY OTHER

YOU MIGHT CONSIDER ADVISABLE BUT DO NOT INCLUDE FAIRBIRN.

W. R. GRISWOLD, ACTING CHIEF
DIVISION OF FIELD OPERATIONS

WRGRISWOLD/mm
cc: Director's Reading File
Review Committee
Docket 6271
" 6216
" 6148 Little Squaw

W. R. Griswold, Chief
Division of Minerals

Re 7-1820
Ext. 3434

August 23, 1968 3:35 p.m.

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
August 21, 1963

8/23

Air Mail

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: Interim inspections and application examinations in Alaska

Enclosed are two copies each of a letter dated August 13, 1963, from J. A. Herdlick and an interim inspection report on the Red Devil project (OMM-6721) dated August 8, 1963, by Ray Maloney, Project Leader, Area VIII, Mineral Resources Office, U. S. Bureau of Mines, Juneau, Alaska.

It appears that neither Lyman, Manager, nor Norton, Geologist, agree with the proposed location of a surface drill hole which they estimate will be 1,000 feet deep, rather than 500 feet as mentioned in the Director's letter of June 27, 1963, to G. L. Holbrooke. Maloney also does not "think much of the idea" and in effect recommends that any additional surface or underground work is done, it should be carried out to the west of or down river from, the present exploration, and indicates that Lyman would prefer this location.

Please advise by teletype if I should request Herdlick to attempt to make the Little Squaw and Richard Rowe inspections and possible application examinations; I am not sure of the fund situation.

D. R. MacLaren

Enclosures

cc: J. A. Herdlick

Area VIII

August 13, 1963

Mr. R. E. Shakeen
Acting Field Officer
Gil Region I
Room 137 Second Street
Spokane 4, Washington

Dear Shac:

Attached is Ray Blicky's conversation report on the Red Devil project. The report was delayed by a series of urgent tasks that developed subsequent to Ray's visit - sorry it is so late.

We have had no information on activities at either the Little Spokane (Chandler) or the Richard Burn (Okanogan River) projects. Do you still want these examined? Bruce Thomas expects to be in the vicinity of the Burn project this fall so this examination would entail no special problem. The Chandler trip, however, requires considerable time and travel which would be difficult to arrange at present. We expect to have an engineer available about September 15th but this is rather late for the Chandler trip.

Please let us know if the above mentioned examinations are necessary this fall.

Best regards.

Sincerely yours,

J. A. Hamilton
Acting Area Director, Area VIII
Mineral Resources Office

Enclosure

RECEIVED
AUG 15 1963

Chandalar, Alaska

Little Squaw Mining Co,
309 Radio Central Bldg.
Spokane 4, Washington

July 26th, 1963

Dear Karl & Eskil:

Had to lay off the skinner John Lonergan. Have to fly him and his gear to the lake to get the plane tomorrow. Weathers been too foul to get down there for a week now. I'll take him and the mail down in the morning. There's a dandy 20 knot head wind blowing up the creek for take-off, but I won't be able to get back in with it on my tail. Its been here for 4 days now, so should quit soon. I'll take Cliff off the mechanicing and have him work the cuts with the 18. Erling and Halvor have just started down form the Mikado with the road. It looks like another week or ten days and we will be finished with the cuts over there, then we'll have to take all the cats and go over to the Little Squaw and spend a week getting the cuts down there. We got a little time in on the cuts below the Little Squaw, got them down to frost again. They look better the deeper we get, but it doesn't work having one machine over there and the others on the other side of the mountain. We are moving the miners up to the 100 Level portal site now. Have 4 60' longholes in from the 200, won't have the samples out until next weeks mail. I have the June drifting mapped and all I need is the assay results on the samples I sent in a couple weeks ago, and I'll have those OME forms in to you. The assays are the only holdup on getting those forms completed. I expect to have the July work mapped next week, its already sampled but I won't have a chance to get that bunch out until next weeks mail, unless the wind quits blowing before eight in the morning, and seeing as how its midnite now that doesn't seem too likely. If we have the money and its still as urgent as ever to get the road finished to the lake let me know if you can find and ship up those two highly qualified catskinners I mentioned last week. I'll wait until I hear from you before doing anything rash. I could go into town about the first week in August and get a couple men, but I'd have to pay the same rate the rest of the crew is getting and use some persuasion to get anyone really worth having in Fairbanks. As it is if we go along as we are we can let the overhaul on #1 go, it will cost us money if we do it, but we can't use the cat anymore without it. We will be able to get all the cuts down and use up the money we have coming from the state for the road, but its quite likely that the road wont be finished by freezeup without the extra men. Of course there is no way of being sure it would be finished anyway, and it won't do us any good for next springs freighting if it is finished if we aren't up here to keep it open all winter (which we wont be), so I suppose that the most economical thing to do would be to do what we can with the crew on hand. If things go real well it will be finished and if they don't it won't. Let me know what you want by return mail. Haven't had time to pack up the radio yet, and might have quite a time finding something to pack it in. Maybe the otherone will come in a good box. The cardboard carton this one was in was in pretty sad shape by the time it got to Chandalar. I suppose the best thing would be to build a crate.

So long,

Frank Birch

RECEIVED
JUL 29 1963

FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION 7/25/63

TO: Chief, Div. of Field Operations	DATE	INITIALS
1.		
2.		
3.		
4. D.R. MacLaren		
5. D. R. MacLaren		

FROM: Acting Field Officer, Region I

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 31 1963

DATE	INITIALS	CODE
7/31		~~[illegible]~~
		120
		500

FOR: Check items for action desired

____ Action ____ Reply for signature of ____
____ Approval ____ Investigate ____ Surname
____ Comment ____ Recommendations ____ Signature
____ Conference ____ Rewrite ____ File
____ Instructions X Your information

REMARKS: OME-6148 (Gold)
Little Squaw Mining Co.
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Left at office by Eskil Anderson.

INT.-DUP. SEC., WASH., D.C. M56300-62

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
	Selfridge	120
7/2	calcd	220
		500

JUL 2 1963

Memorandum

To: Acting Field Officer, Region I

From: Chief, Contract Administration and Audit Division (Signed) E. B. Talbert

Subject: OME-6277 (Molybdenum)
Congdon and Carey, Ltd.
Coca Claims
Little Falls Prospect
Boise County, Idaho
Contract 2162

and

OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Your June 26 memorandum on the subject of processing vouchers asks one question each in regard to the subject contracts. The answer in each instance is "Yes".

The total amount claimed by an Operator on a MME Form 60 voucher may not be increased, but adjustments between items and categories may and should be indicated, as circumstances require, by appropriate remarks in the "For Government Use" space of the corresponding MME Form 61. Likewise, erroneous or missing figures on the MME Form 61 should be corrected or inserted in the "For Government Use" column in order that the totals will be in agreement with the Operator's claimed "Totals to Date" on the MME Form 60 or your "Approved Costs to Date", whichever is the lesser.

EDTalbert/mm
7/2/63
cc: Director's Reading File
CA&A Division (2)
✓Docket 6148
Docket 6277

436

One (3)
1/2 on here 500
Tp Talbert 800
Selfridge 120
~~110~~
~~100~~
cc 220
500

So. 157 Howard Street
Spokane 4, Washington

Air Mail

JUL 2 1963

Mr. Earl Jasper, President
Little Squaw Mining Company
Suite 309-312 Radio Central Building
Spokane 4, Washington

Re: Work Authorization
GME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Dear Mr. Jasper:

Because of the climatic problem as well as that of continuing with the slumber on the 100 level, authorization is hereby given to do the following work on the 200 level, Mikado mine:

1. Extend the drift westerly not more than 100 feet beyond the face at the end of 1962, and to drill long holes up to 60 feet deep into each wall as expedient, however, the distance between adjacent long holes shall be between 40 and 60 feet.

2. Extend the drift easterly not more than 100 feet beyond the face at the end of 1962, and to drill long holes as specified in (1) above.

3. Should the quartz in the west drift pinch out and no free gold be visible in the face before the drift has been advanced 100 feet, the footage remaining may be used in the east drift.

4. Authorization for crosscutting from either or both drifts will be considered only after the logs and assays of samples from the long holes are available to GME.

This authorization is given with the understanding that work on the 100 level will be resumed as soon as thawing permits the establishment of a portal site and that the Government will contribute to the cost of only that portion of drift west from the shaft specified in the Work Authorization dated May 13, 1963.

Sincerely yours,

D. H. MacLaren
Acting Field Officer, GME
Region I

Reading copies to:
Nolan
McKelvey
MacLaren
DHMacLaren:mls
cc: GME(5)
Voucher file

Docket copy

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
June 28, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 1 1963

DATE	INITIALS	CC
7/1	[illegible]	800
	[illegible]	120
	[illegible]	500

Air Mail

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Amended Contract 2140

Enclosed are two copies of a letter dated June 22, 1963, to Eskil Anderson of the Little Squaw Mining Company in which Frank Birch sets forth certain problems that have been encountered on the Mikado 100 level resulting in an operational necessity to go down to the 200 level. Also enclosed are two Thermofax copies of a note from Anderson which accompanied the copies of Birch's letter.

I telephoned Anderson to learn why the 100-level drifting had to be done with a slusher when trammers, muck cars, rail, etc., were on the property. At present the only means of access to the 100 level is through a raise from the 200 level. The shaft from the surface is full of ice and therefore they will be unable to get the trammer and cars to the 100 level until the portal Birch mentions is started and the adit drift is connected. Based on the average rate of advance, the 100 level has been pushed about 120 feet. Birch had hoped to be able to push it about 150 feet with the slusher but the swing in the hanging wall makes this impossible.

Portaling in may be possible during the first half of July if thawing continues at the present rate. In the mean time, the company is once again faced with the problem of climate necessitating a change in work plans in order to keep the miners busy. Anderson has assured me that the company prefers to complete the 100 level drifting first and will return to that work as soon as possible. Also, as soon as possible after opening the 100 level, long holes will be run into the drift walls to locate the quartz showing on the surface.

In Region III there were many projects where drifting 100 feet below an existing level was accepted. This was especially true in the Boulder Tungsten District and was not uncommonly so elsewhere. However, I have noticed that in Region I the policy seems to have been to extend the distance below an existing level to 150 feet or more. For that reason, I am enclosing a Work Authorization to permit drifting on the 200 level so that if you believe it should not be sent out you can stop it. If you do concur, kindly date and mail it and make the usual distribution.

It is beginning to look as though the gold-bearing quartz occurs as lenslike bodies irregularly spaced within the shear zone, but of course this has not yet been definitely established. However, in view of this probability, I believe that exploration should be done on both the 100 and the 200 levels until the picture is clarified.

D. R. MacLaren

Enclosures

6/26/63

(The State requires another
level entry at the Mikado)

If you can figure out a way to adapt the approved drifting and drilling footages to the necessities of the situation in which the miners find themselves it would be a great help to us. They won't be able to get to most of the approved footage until late in the year and we are apt to find ourselves broke by that time. The 150 feet from the surface to the W. 100 level, and about 150 feets each way on the raise would give them some freedom when work has to be done any way.

By ESKIL ANDERSON

UNION PACIFIC RAILROAD
Road of the Domeliners and Streamliners

Chandler, Alaska

June 29th, 1948

We figured $25/hr. for the dozer when we were figuring the cost of the strip, and $30 for the scraper. At that rate we would have $5,100 on the lower section and $12,165 on the upper section, and expect to spend about $2,400 more to get it in passable shape. Most of the [illegible] that the 1961 newspaper clipping said was firm and usable had to be stripped out so we could put in dry gravel, it was just a thin veneer of gravel on the muck, and couldn't be drained--it wouldn't even hold up the pickup.

We have pretty good road to and a bridge across Robin Creek, and will try to get some kind of a trail broken through to timber line before we move up-country. The hillsides in the timber may not be thawed deep enough yet to work, in which case we'd have to get everything from the mouth and down to the bridge later in the season. We have to have about $5,000 in State money [illegible] for road work.

Wien's rates were less than Mosley's and Interior's because Wien hauled in a C-46, their boxcar wasn't available. Then when they knew Mosley was taking in our freight they put the screws on him to drop us and haul some stuff to Umiat for them, which he did, and if Magoffin hadn't unloaded a C-82 he had ready to take some fuel on a haul to the Arctic slope and taken in our last three trips we wouldn't have made it. Our freighting can be improved, and the big last minute rush of extra supplies made it exceptionally costly this spring-- we were late starting to move them. With a little advance notice we can have the weights on the loads figured and put the total amount up for bid, or try a different outfit on the lot until we find someone we are best satisfied with. It should get better each season.

So long,

Frank

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
June 26, 1963

Memorandum

To: Chief, Contract Administration and Audit Division

From: Acting Field Officer, Region I

Subject: Processing vouchers

1. Sorry for the goof in increasing the "Approved Costs to Date", OME-6277 (Molybdenum), Condon and Carey, Ltd. I believe you called me once before on this. I was confused by the driller's voucher for "BX hole - 57 ft. at $8.15", which is less than the contract price for BX, and the obvious fact that the Operator has computed his "Cost to Date" for drilling at the AX rate. Had the "Approved Cost to Date" for some other item been such that the "Total to Date" came out equal to or less than the Operator's "Total to Date", would I have been correct?

2. In the May voucher for OME-6148, Little Squaw, the Operator showed on his MME Form 61 only "Units to Date" for crosscutting and percussion drilling, omitting the "Cost to Date" for both items. Thus, his "Total to Date" was only $29,929 on this form although it was shown correctly as $31,060 on the MME Form 60. In this case, it was a simple matter to telephone him and have him prepare the MME Form 61 correctly. However, in a case such as this, would it be proper to show the missing figures in the Government Use Section, the total of which would then conform to that on MME Form 61 or should the voucher be returned to the Operator for correction?

D. R. MacLaren

OFFICIAL FILE COPY

RECEIVED

DATE		
7/2		800
		120
		500

Manos — Put in Lillehammer Docket 6148

Northwest Mine News

Mining Spotlight

Firm to Get Aid on Alaska Mine

By WALFORD CONRAD

Federal Resources Corp. of Salt Lake City has agreed to help Grandview Mines, Inc., and Metaline Mining & Leasing Co. of Spokane in development of their Alaskan gold properties.

Karl W. Jasper, president of the Spokane firm, said today an agreement has been signed under which Federal Resources will provide financial aid on a step-by-step basis.

The amount to be contributed will depend upon results of the $180,000 worth of work planned this year, he said.

Nine men are working now, he said. Most of them are engaged in constructing an airport on the shore of Lake Chandalar, 250 miles north of Fairbanks, and a nine-mile access road from the airport to the properties, with state aid.

A two-man crew is doing additional underground drifting on the Mikado Vein, he said, and extensive bulldozer trenching of vein systems is planned.

The Spokane firm undertook the Alaskan project in 1978 through a subsidiary, Little Squaw Mining Co. Equipment and supplies have been flown in each spring, with the cargo-carrying planes landing on the frozen lake before its ice thaws.

Underground work at the Mikado in 1979 indicated more than $1 million worth of ore which Kinsell Andersen, Spokane mining engineer, estimated would average about $75 per ton. Expenditures last year totaled $57,000.

Federal's interest in the venture stemmed from a talk Jasper had this spring with Floyd B. Odlum, millionaire chairman of the board, at his Indio, Calif., ranch.

* * *

FEDERAL RESOURCES CORP. has been expanding and diversifying its mining interests steadily in the last few years. It is developing the Conjecture silver mine near the southern end of Idaho's Lake Pend Oreille and has been testing the Commonwealth silver property near the head of Hayden Lake.

It has just announced plans to build a 250-ton silver concentrating mill at Bellevue, Idaho, to process ore from the Silver Star-Queens property which it controls.

Most of Federal's $8.5 million net income in 1979 was from uranium mining and milling. Its Rhodes uranium mine in Utah is operated by Hecla Mining Co. of Wallace, Idaho.

OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 15 1963

DATE	INITIALS	CODE
	Stanwood	500

So. 157 Howard Street
Spokane 4, Washington
May 13, 1963

Mr. Karl Jasper, President
Little Squaw Mining Company
Suite 309-312 Radio Central Building
Spokane 4, Washington

Re: Work Authorization
[illegible]-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Contract 2140 (Amended)

Dear Mr. Jasper:

Although it is admittedly difficult to construct a longitudinal section at a scale of 1 inch equals 20 feet, basing the surface profile on a contour map at a scale of 1 inch equals 1,600 feet with a 100-foot contour interval, that is all we have with which to work. From the latter source, it appears that the backs east of the winze will increase about 30 feet for each 100 feet of drift and to the west will decrease about the same amount.

If the ore does not go down to the 200 level, there would seem to be little, if any, possibility for a mine on a single vein that would support a 100- to 200-ton mill. The work already done on the 200 level shows erratic gold occurrence. Section "C", which accompanied the original September-November voucher, suggests that there are two hanging wall zones and one on the footwall and that both hanging wall zones are splitting up and possibly pinching out above the 200 level. It is quite possible that drifting and crosscutting on the 100 level, where the hanging wall vein is strong, may give valuable information that will guide additional work on the 200 level to a more successful end.

Therefore, approval is given for the following underground work on the Mikado hanging wall vein on the 100 level:

1. Drift easterly along the vein not more than 300 feet, and drive two horizontal crosscuts southerly to the footwall vein, one to start at the end of the 300-foot drift, the other at 150 feet from the starting point of this authorized drifting. Because of the relatively shallow backs, both crosscuts shall be driven horizontally. The Government will not participate in inclined or "raise" crosscuts.

2. Drift westerly along the vein not more than 150 feet and crosscut horizontally southerly to the footwall vein from the end of the drift. As nearly as can be determined, backs at this face will be only 50 to 55 feet, a more than reasonable minimum to be considered as exploration. Additional drifting westerly, if desired, cannot be changed against the contract.

Your attention is directed to Exhibit "A", General Conditions and Description of the Work, in the amended contract, regarding drifting, sampling, and long-hole specifications.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, CMH
Region I

DRMacLaren:ny

cc:(3)
Docket
MacLaren

LITTLE SQUAW MINING COMPANY
Suite 309-312 Radio Central Building
Spokane 4, Washington

May 2, 1963

Received 500

Mr. D. R. MacLaren
Acting Field Officer, OME
Region1
U. S. Dept. of Interior
S. 157 Howard St.
Spokane 4, Wash.

Re: OME - 6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Contract 2140

Dear Mr. MacLaren:

Enclosed please find the signed copies as requested by you of Amendment No. 1 to the Amended Contract, giving formal approval to the winter recess of the Little Squaw project.

As per our conversation on the telephone this morning my understanding is that if it is necessary we will be able to get an extension of the contract beyond 1964 if we have not completed the work during the time remaining.

Very truly yours,

Karl W. Jasper

KARL W. JASPER, President
LITTLE SQUAW MINING COMPANY

kwj j
encls

MME FORM 6
REV. 2-59

REFERENCE SLIP

OFFICE OF MINERALS EXPLORATION

TO:

	DATE	INITIALS
1. Chief, Divn. of Field Operations	5/3/63	
2.		
3.		
4.		
5. DR MacLaren		
FROM: D. R. MacLaren, Act. Fld. Offr. Region I		

FOR: Check items for action desired

X Action
___ Approval
___ Comment
___ Conference
___ Instructions
___ Reply for signature of
___ Investigate
___ Recommendations
___ Rewrite
___ Your information
___ Surname
___ Signature
___ File

REMARKS: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Contract 2140 (Amended)

Government, Audit, and Fiscal Section copies of signed Amendment No. 1 to subject contract.

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

M56300-62

OFFICIAL FILE COPY

Date	Surname	Code
4/23	Fuson	100
	On leave	120
	Fuson	500
4/23	Talbot	800
"	Johnson	100
4/23	Cole	220
		550

APR 23 1963

AIRMAIL

Memorandum

To: Acting Field Officer, Region I

From: ACTING Chief, Division of Field Operations

Subject: GME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Contract 2140

Reference is made to your memorandum of April 15, 1963, relating to the Operator's request of April 10 to do underground work at the Mikado.

Your understanding of the first paragraph in Exhibit A of the Amended Contract concerning your authority is correct. The contract was purposely made flexible so that we could better meet the unique conditions in the area. It was also realized that you were in a better position to interpret the conditions and problems, but might want to refer any questionable situation to this office for consideration.

We have reviewed the matter, therefore, and while willing to go along with the underground work at the Mikado, we question the work being done on the 100-foot level for two reasons, (1) the backs seem limited, and (2) if the ore does not go down to the 200-foot level, there would seem to be no possibility for a mine that would support a 100-ton mill or better. It seems to us that 600 feet of drifting and crosscutting with attendant long hole drilling on the 200-foot level of the Mikado mine would be a better plan.

Admittedly, you are in a better vantage point to check and weigh all aspects of the matter but we believe that you should know our feelings and then exercise your own best judgment. Please advise as to your decision.

W. R. Griswold (gla)

GCSelfridge/GFumich,Jr./gla (4-19-63)
4-23-63
cc to: Director's Reading File
Review Committee
Mr. Selfridge
Docket

43683

OFFICE OF MINERALS EXPLORATION
DEPARTMENT OF THE INTERIOR
WASHINGTON 25, D. C.

IMEA FORM 7
(12-56)WA

X

IAMB108 BAR
Office of Minerals Exploration

OFFICIAL FILE COPY

Date	Surname	Code
	LJKomel	500
		800
		130
		110
		100
		220
		500

TO: D. R. MACLAREN, ACTING FIELD OFFICER
OFFICE OF MINERALS EXPLORATION, REGION I
SOUTH 157 HOWARD STREET
SPOKANE 4, WASHINGTON

RE YOUR MEMO APRIL 15, OME-6148, LITTLE SQUAW MINING COMPANY, YOU ARE AUTHORIZED TO EXERCISE YOUR BEST JUDGEMENT IN THIS MATTER.

GEORGE C. SELFRIDGE, CHIEF
DIVISION OF FIELD OPERATIONS

WRGriswold/mm
4/18/63
cc: Director's Reading File
Review Committee
Docket

not sent

W. R. Griswold, Chief
Division of Minerals

RE 7-1820
Ext. 5423

April 18, 1963 3:00

Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
4/17	Talbert	800
	Brown	500
	GCS	130
4/17	Johnson	110
4/17	Frank	100
4/17	Cal	220

APR 17 1963

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Contract 2140

Enclosed are the subject Operator's original MME Forms 60 and 61, together with attachments, for "July & Sept. 1962" and "Sept.-Nov. 1962 inclusive". These were submitted to this office with your February 27 memorandum.

Inasmuch as the Amended Exploration Contract has been executed, payment on a fixed unit cost basis for each unit of work performed now appears appropriate. Accordingly, it is suggested that, after indicating in the "For Government Use" columns of the MME Forms 61 the approved units of work and the approved costs to date, you certify, approve, and submit to the Department's Fiscal Section for payment the original and usual two copies of each of the MME Forms 60 and 61, together with attachments.

According to the Contract Administration and Audit Division, the following approvals and payments appear to be in order:

Stage I:	Trenching, TD-18 290 hrs. @ $21.50	$ 6,235.00
	Trenching, D-8 590 hrs. @ 25.00	14,750.00
	Total	20,985.00
	Govt. contribution @ 50%	10,492.50
	Paid to date	10,103.94
	Balance payable	$ 388.56
Stage II:	Drifting, 58 ft. @ $61.00	$ 3,538.00
	Crosscutting, 18 ft. @ $61.00	1,098.00
	Longhole drilling, 33 ft. @ $1.00	33.00
	Total	4,669.00
	Govt. contribution @ 50%	2,334.50
	Paid to date	-0-
	Balance payable	$ 2,334.50

Enclosures

George C. Selfridge (glu)

cc: Docket
Director's Reading File
CA & A Division
Fiscal Section
Mr. Talbert
Review Committee

Talbert/ama
4-17-63

43683

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 18 1963

4/18	4/17	800
	Granted	500

So. 157 Howard Street
Spokane 4, Washington
April 16, 1963

Mr. Karl W. Jasper, President
Little Squaw Mining Company
Suite 309-312 Radio Central Building
Spokane 4, Washington

Re: OME-6148 (Gold)
Little Squaw Mining Company
Nikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Contract 2140

Dear Mr. Jasper:

There are enclosed the original and four copies of a proposed Amendment No. 1 to the amended contract giving formal approval to the winter recess of the Little Squaw project. All copies of the amendment have been signed by the Director of OME for the Government.

If the proposed amendment is satisfactory to you, please sign all five copies, retain the Operator's copy, and return the other copies to this office.

If the amendment is not satisfactory, please return all copies unsigned to this office with a statement of your proposed changes for consideration.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

Enclosures

DRMacLaren:my

cc: OME
Reading copies to:
Nolan
McKelvey

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
April 15, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED APR 17 1963

DATE		CODE
4/17		800
		120
		500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6148 (Gold)
Little Squaw Mining Company
Mikado, et al., Claims
Chandalar Mining District
Fairbanks Precinct, Alaska
Contract 2140 (Amended)

The enclosed letter dated April 10, 1963, from Eskil Anderson is self-explanatory. Because of the necessity to accomplish as much exploration as economically as possible in each season under difficult conditions due to climate and location, it is recommended that his request be approved.

Your letter of January 25, 1962, with which you forwarded the original contract contains, starting with the last paragraph of the first page, these statements: "You will note that the project has been set up in two stages; this is along the line of the Applicant's letter received by you December 11 which stated, 'This trenching would also serve as a guide for much of the proposed underground work.' We are in complete accord with the opinion of Mr. Anderson's financial backers (intimated if not expressed directly) that piddling around with underground work in the immediate vicinity of the couple of small ore lenses presently known is not apt to produce a company-size operation.

"Let's first get the Stage I work done; then, with proper maps showing trench locations and assay results, an appraisal can be made to determine if Stage II work is warranted and where and how it should be done."

At the time I was in full accord with this concept. But, also at that time, I did not fully realize the extremely short period of time that surface trenching could be carried out because of the permafrost. Until I talked to Frank Birch this winter, I had no concept of how hard and "dozer-resistant" a completely frozen soil mantle could be. On the basis of last year's experience, which Frank Birch has assured me is normal, thawing is not sufficiently deep to bulldoze economically until late July or early August, and it ceases to be effective between the 1st and 15th of September. Exploration underground can usually be started between the 15th and the end of April and continued until the end of October or early November.

I have reviewed the file from the application to the transmittal of the proposed contract, as the history of changes in thought during the processing period had, for me, become obscured by the subsequent fiscal difficulties. The application proposed to explore on four reportedly favorable vein zones, but it appeared that two, the Mikado and the Little Squaw zones, offered the best chance of a successful project on the basis of available information.

Referring to the application, the final paragraph on attached page 6 states: "As in all proposed exploration suggested here, the entire program should be considered to be flexible and dependent on related information developed at the surface or in other parts of the mine." Item 5(c) states, at the top of attached page 9: "Bulldozer stripping is only feasible during July, August, and in part of September because of permafrost conditions. The underground work on the Little Squaw should be done after the stripping. At the Mikado stripping beforehand is not essential but it will be better if it is done before underground work is resumed."

In his memorandum report to Herdlick, dated September 8, 1961, Kevin Malone presents little more than a summary of the Applicant's proposal and reports by Boadway, McKee, and Birch, and concludes with, "I recommend that OME participation in the exploration of these deposits be approved."

It is certainly unfortunate that neither the application nor the reports of Boadway, McKee, Birch, and Malone emphasized the short time available for economically trenching the surface and the necessity to overlap surface and some underground work in order to get the most information possible during a season at the most economical cost.

In your memorandum of October 9, 1961, you say: "It is our thought that, if any dozing at all is allowed, it should provide only for trenching a few hundred feet ahead of the terminal points of proposed drifting." This thought, when discussed with the Applicant, caused him considerable concern lest the over-all program, which he believes is necessary to prove or disprove the existence of sufficient ore to warrant a 100- to 150-ton per day mill, be so reduced in scope as to leave still undetermined this question.

His letter addressed to the Field Office dated October 9, 1961, was intended to emphasize the need for more extensive exploration of the vein zones by surface bulldozing. As the question involved was limited to the amount of bulldozing that would be considered, so was the content of his letter largely limited. Again, the relative shortness of the period in which bulldozing could be done economically was, unfortunately, not stressed. In his concern to have more extensive surface work included, he gave the impression that it could be completed, or nearly so, in one season. The letter includes the following: "The generally shallow overburden and known continuity of the mineralized shear zones . . . are ideally suited to bulldozer stripping on a large scale. There is no other method of indicating the probable

potential of the district and of the Mikado, Little Squaw . . . zones as quickly and cheaply as by a thorough summer bulldozer stripping program. . . . The bulldozer equipment has not been available for summer use before or stripping would have been the first step in our program of exploration." Considering the purpose of this letter, I do not see a contradiction of the statement in the application that: "The underground work on the Little Squaw should be done after the stripping. At the Mikado stripping beforehand is not essential . . ., etc."

In my memorandum of October 27, 1961, with which the above-cited letter was forwarded, I pointed out that: "Unless sufficient tonnage and grade can be indicated to justify construction of a 100- to 150-ton mill, there will never be much production from this property. The underground work will form a basis on which to estimate vertical continuation of ore zones. The purpose of the trenching along a strike length of possibly 3,400 feet is to determine the lateral continuity of the ore. . . . his proposed trenching apparently is considered by Malone of the Bureau of Mines to be sound exploration in this case. However, if OME is unwilling to consider the entire trenching proposal, the applicant will accept a program including limited trenching . . ."

In his undated letter addressed to you, copy received at Spokane Field Office December 11, 1961, Anderson sets forth the ideas of persons interested in helping finance the applicant's share of the program costs. They finally decided not to support the venture. However, in the letter emphasis is on their belief that as much surface bulldozing as possible should be done during the period June through September, and Anderson states that they believe this would determine more about the potential of the district at less expense than any other work. This certainly implies, as you remarked in your memorandum forwarding the contract, that they believe the surface work should be completed before any underground work is started. The reason for including this paragraph in a letter, of which the main purpose was to present an attempted cost breakdown, was to emphasize again the desirability of doing more than the limited amount of trenching which you had suggested. The implication that trenching could be carried out during the entire period June through September is as unfortunate as it is apparently erroneous. The period during which thawing of the upper foot or so of the permafrost permits economic bulldozing is more nearly 60 to 70 days than it is to the 120 days implied in this letter. If a crew of reliable men could be found to accept a 60-day job, the cost of hauling in the crew and supplies in relation to the amount of trenching that could be completed would be prohibitive. Thus the operator is compelled by economics resulting from the isolation of the property and climatic conditions to do some exploration underground before the surface exploration can be resumed, let alone completed.

So much for a review of the background. The request for authorization to start drifting on the Mikado 100 level, as proposed in the application, and to continue this work if necessary even after surface trenching is started in late July or early August is reasonable and an economic

geologically?

necessity. In the other 49 states, where it would be feasible to complete the same amount of trenching within one to two months, where supplies and labor could be brought in more readily and at less expense, and where the working season is longer, it would be expedient to insist that all trenching be completed before underground work could be started. In this case, however, such insistence would force a genuine hardship on the Operator.

As I understand the first paragraph in Exhibit A of the Amended Contract, I have the authority to authorize the work requested. However, as there have been changes in thought during and after the processing of the original contract, there may be an element of policy involved. For this reason, I will await your reply before issuing an appropriate work authorization.

Also enclosed is a set of trench maps, 20 and 40 scale, on which the sample assays have been recorded, gold followed by silver. These maps without the assays accompanied the April-September voucher. The assays are not much, but the samples were mostly taken within a foot or so of the surface. They do indicate gold-bearing structures as shown on a claim-trench map accompanying my memorandum of October 19, 1962.

D. R. MacLaren

D. R. MacLaren

Enclosures

"ALBANENE" NO. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

Trench 1E. Mikado

1" = 20'

N

#21 - 1' yellow stained junk with 3" qtz 0.36 0.08

#22 - 1' Gouge & qtz along F.W. of fault 145°-55°N 0.02 nil

#23 - 4' gouge & qtz 0.02 nil

#24 3' gouge & qtz 0.02 nil

#25 3' gouge + qtz 0.14 0.16

#26 2' Qtz. 0.08 tr.

#27 - 5' gouge with little qtz. tr. nil

F.W.

"ALBANENE" No. 185M KAECO, N.Y.
REG. U.S. PAT. OFF.

Trench 2E. Mikado

N

1" = 20'

#28 - 4' Qtz, some gouge 0.02 0.18

#29 - 2' qtz. abundant Arsp. 0.02 nil.

#30-31 - 5' frozen overburden with some qtz. & bedrock in place. #30 - 0.02 0.14
#31 - 0.02 0.48

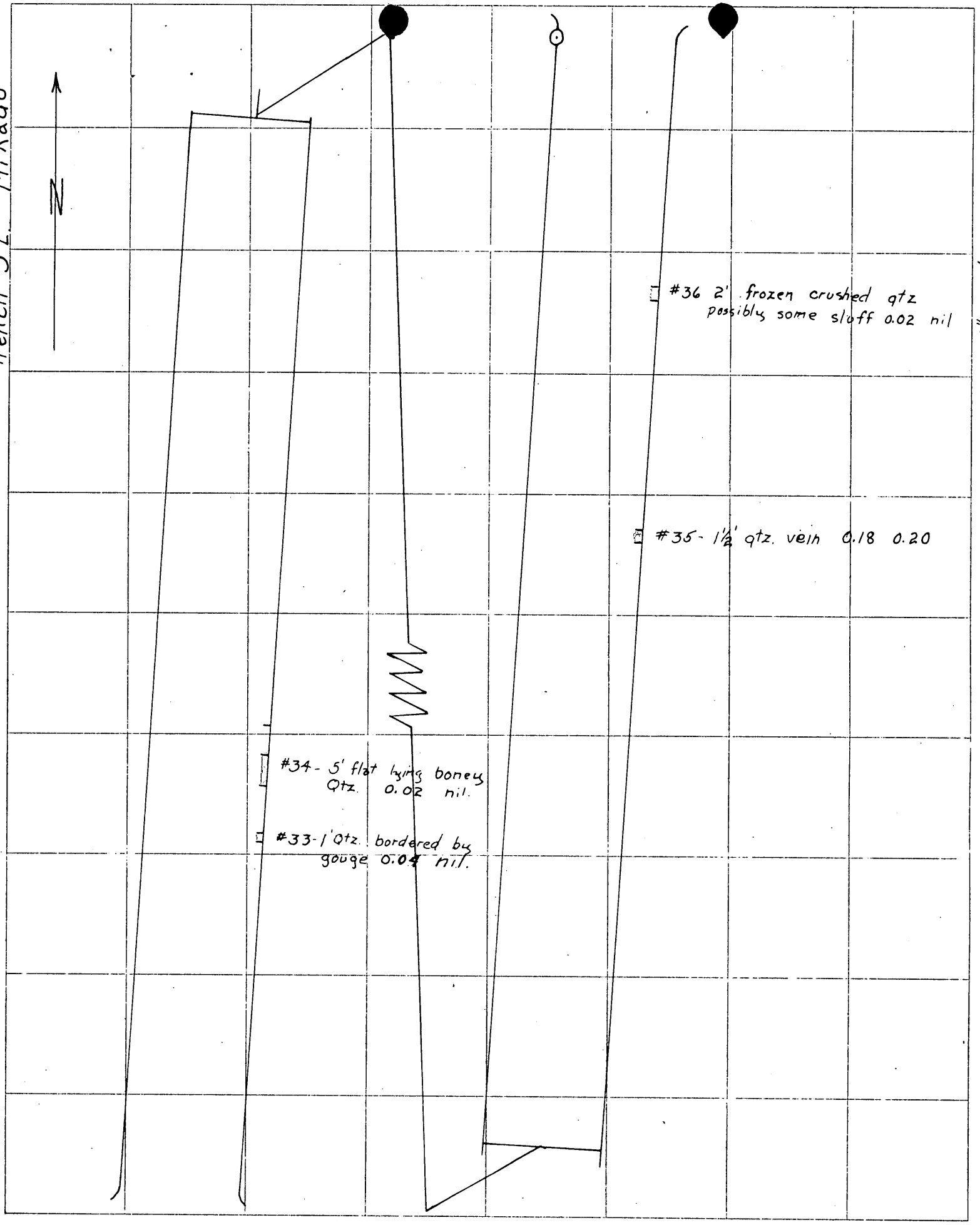
Frozen

K.W.

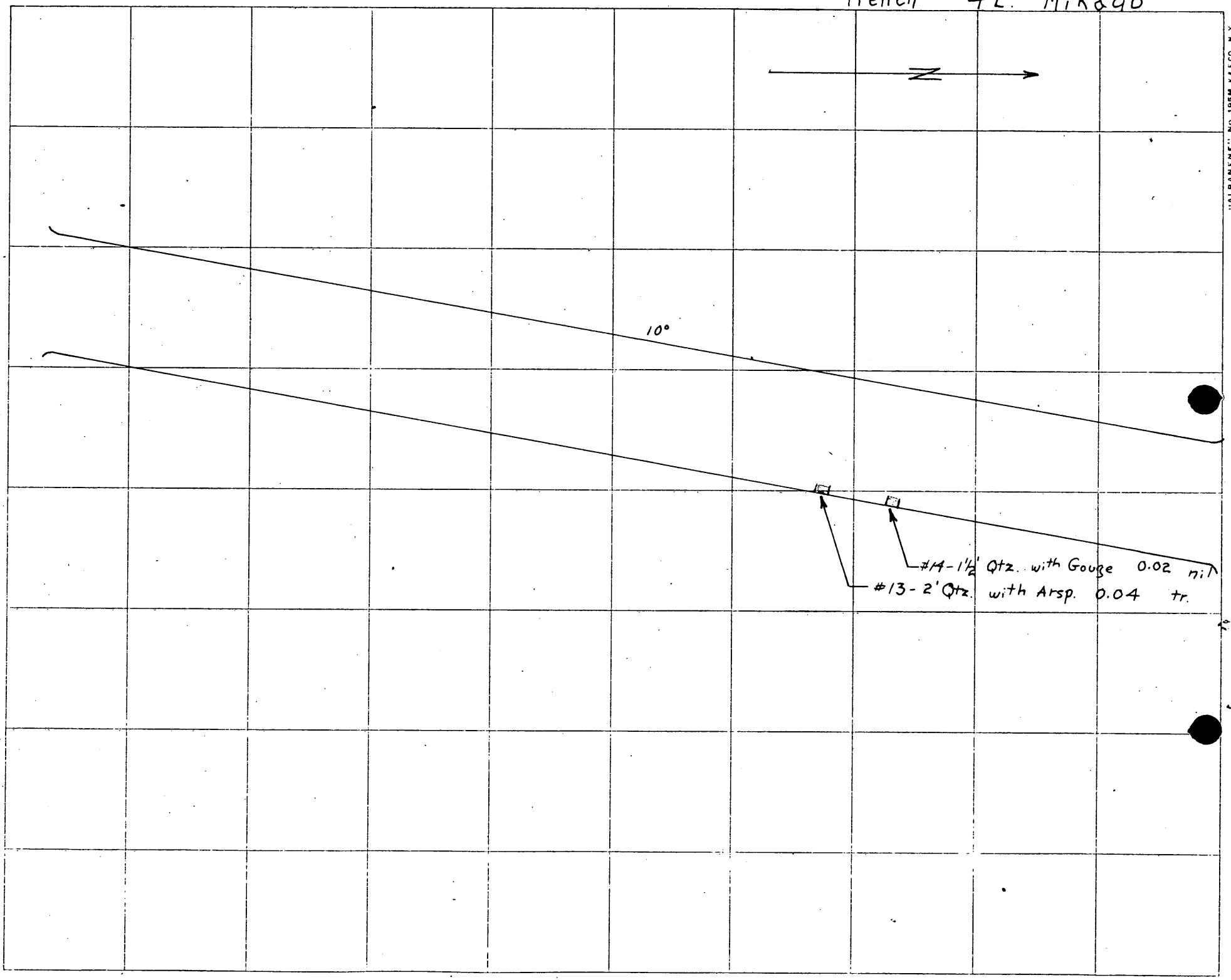
#32 - 1' qtz. with Arsp. 0.04 nil.

"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

Trench 3E Mi Kado



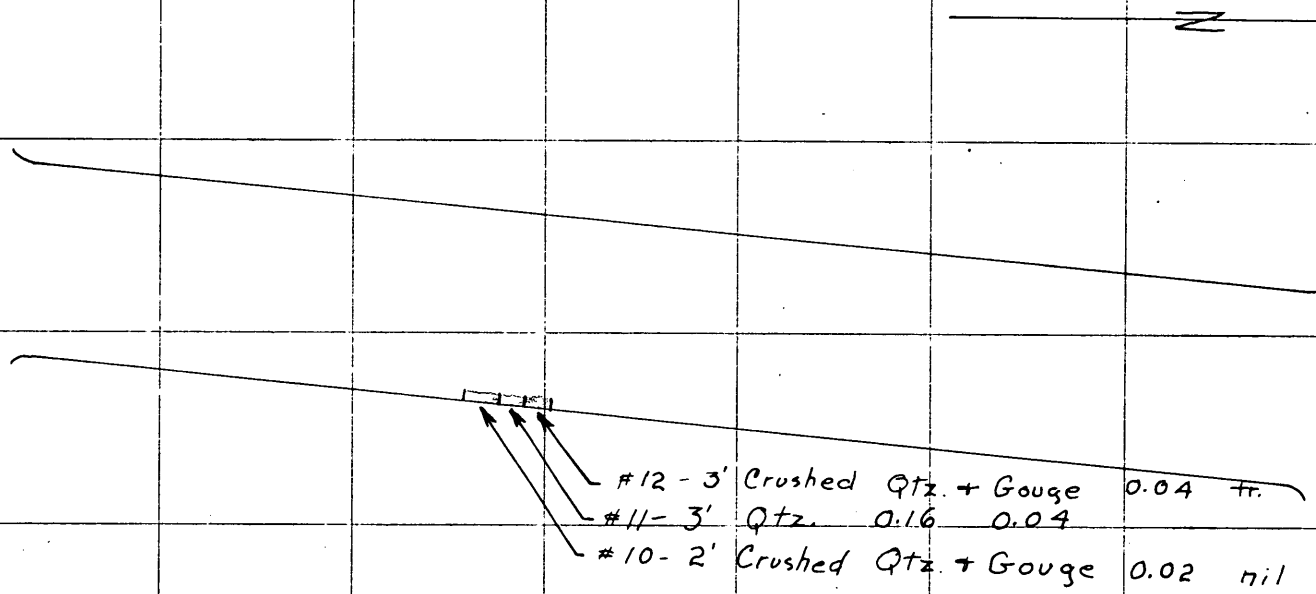
Trench 4E. Mikado



1" = 20'

"ALBANENE" NO. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

Trench 5 E Mikado

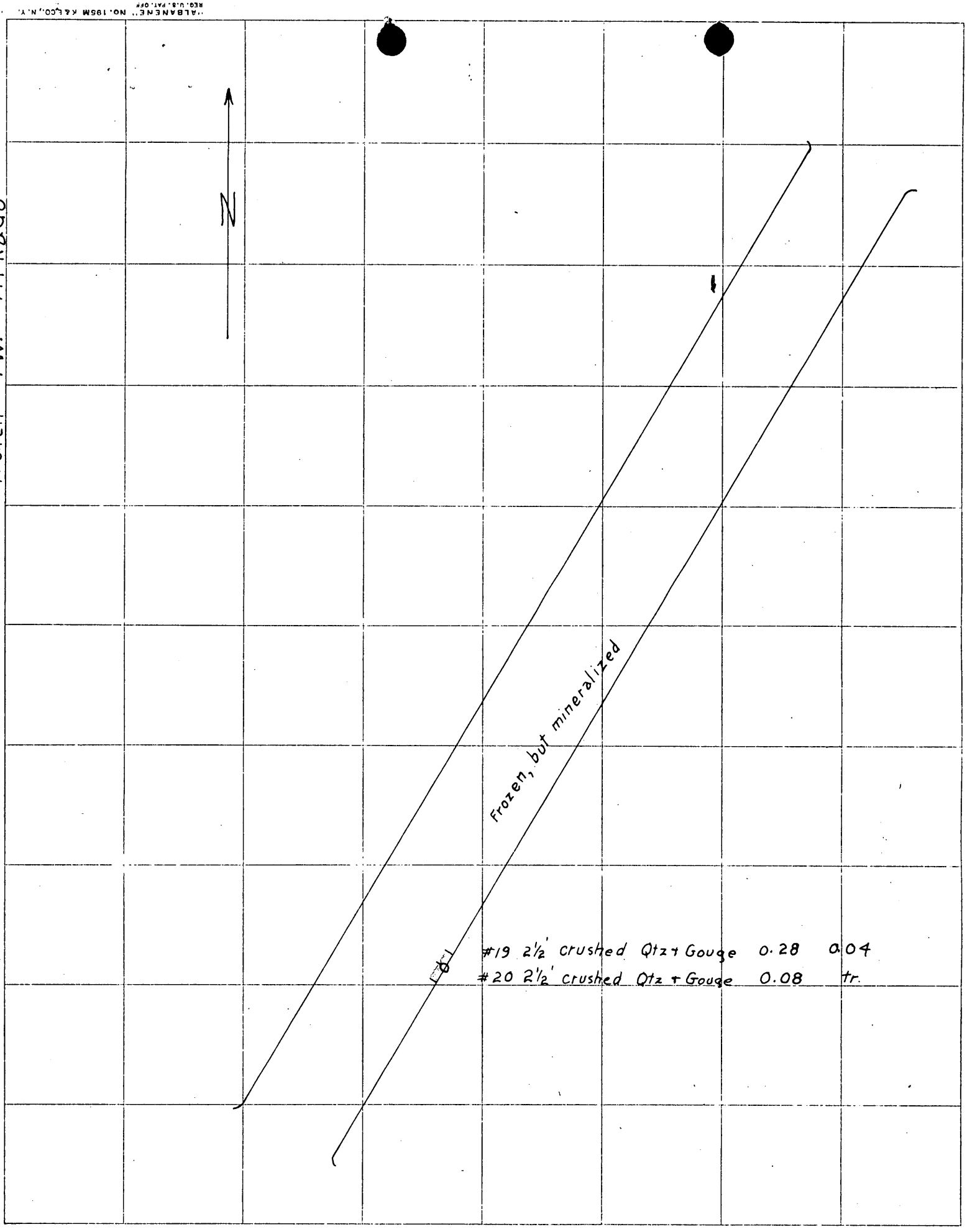


1" = 20'

"ALBANENE" NO. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

Trench 1W. Mikado

1" = 20'



"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

Trench 2W. Mikado

N

Road ℄

1" = 20'

#15 2' Crushed Qtz, abundant Arsp. 0.28 0.04

F.W.

#16 3' flat lying Qtz. Schist + Gouge Re. later

#17 2' Qtz, some Gouge 0.02 nil

#18 1½' Crushed Qtz, some Arsp. 0.02 nil

F.W.

"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

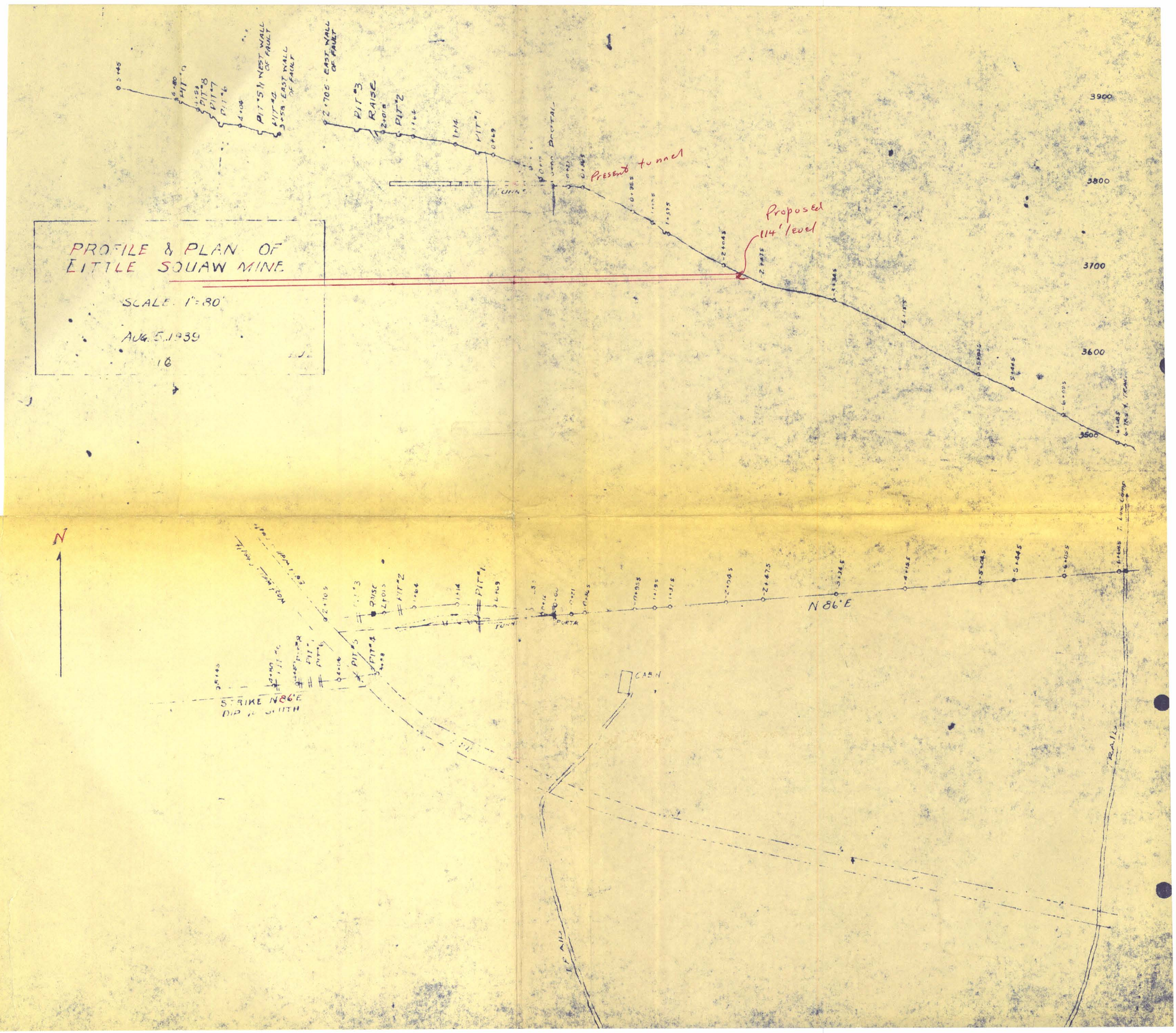
Trench 4W. Mikado

N

1" = 40'

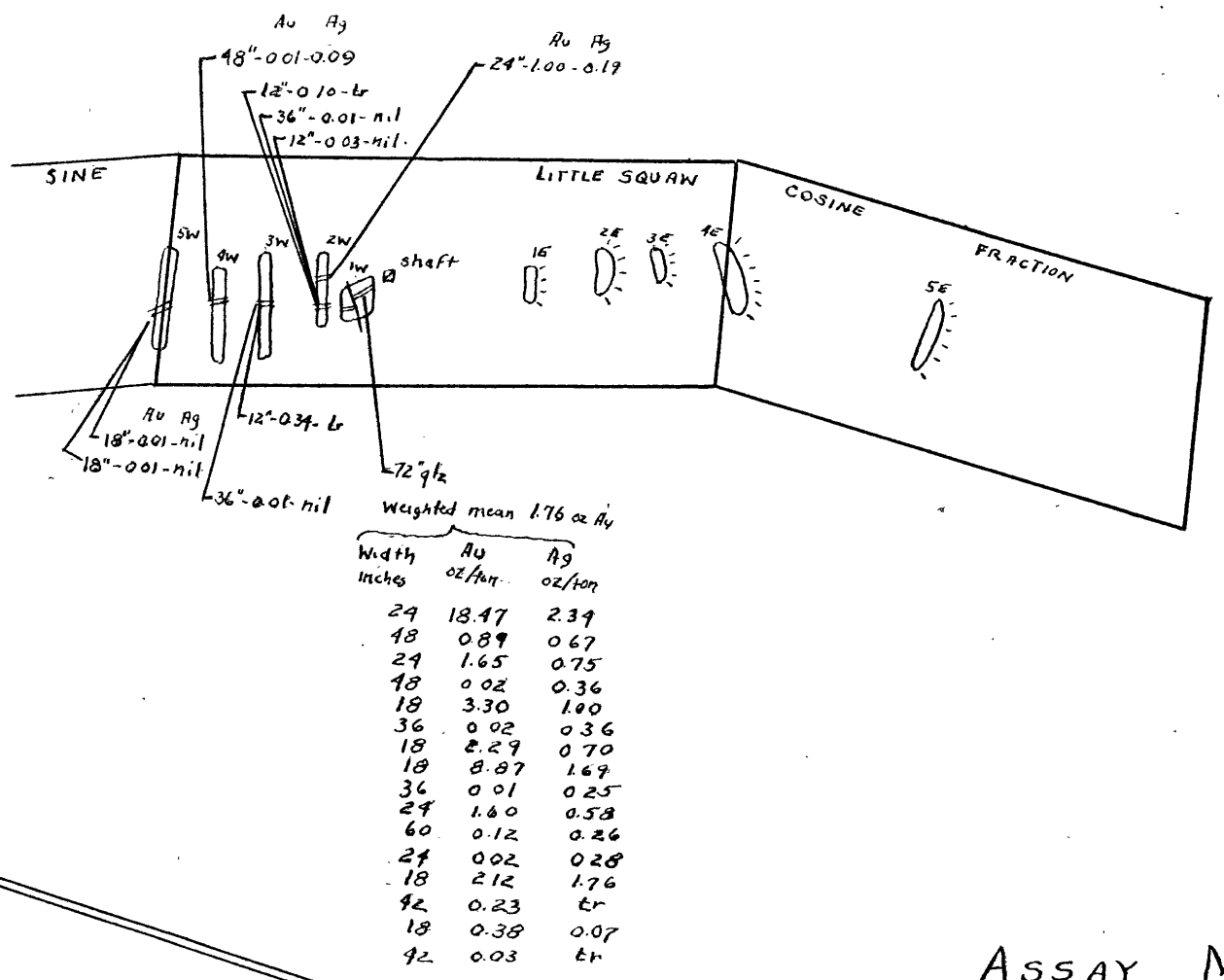
#37 - 2' qtz. 0.04 0.14

#38 - 1½' qtz. tr. nil


PROFILE & PLAN OF
LITTLE SQUAW MINE
SCALE 1"=80'
AUG. 5. 1939
N
Present tunnel
Proposed
114' level
3900
3800
3700
3600
3500
PIT #5 WEST WALL OF FAULT
PIT #4 EAST WALL OF FAULT
EAST WALL OF FAULT
PIT #3
RAISE
PIT #2
PIT #1
N 86° E
STRIKE N86°E
CABIN
RAILS

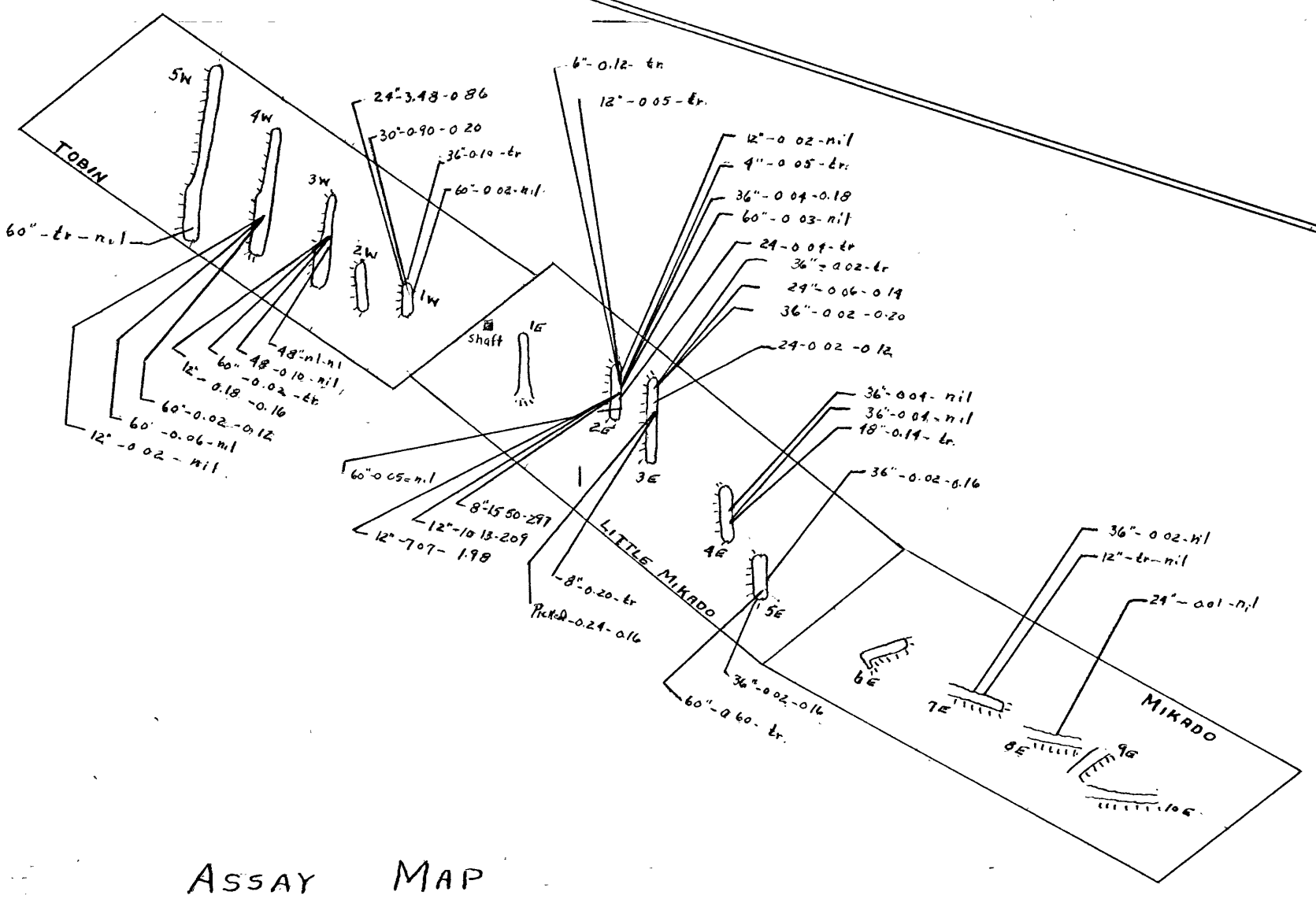
U S. GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OME 6148 (GOLD)
CONTRACT 2140



Width inches	Au oz/ton	Ag oz/ton
24	18.47	2.34
48	0.89	0.67
24	1.65	0.75
48	0.02	0.36
18	3.30	1.00
36	0.02	0.36
18	2.29	0.70
18	8.87	1.69
36	0.01	0.25
24	1.60	0.58
60	0.12	0.26
24	0.02	0.28
18	2.12	1.76
42	0.23	tr
18	0.38	0.07
42	0.03	tr

ASSAY MAP
TRENCHES ON LITTLE SQUAW VEIN ZONE



ASSAY MAP
TRENCHES ON MIKADO VEIN ZONE

LITTLE SQUAW MINING COMPANY

Chandalar Mining District, Fairbanks Precinct, Alaska

500 0 500 1,000 1,500 FEET

Figure 2

U.S. Geological Survey
Office of Minerals Exploration

OME 6148 (Gold)
Contract 2140

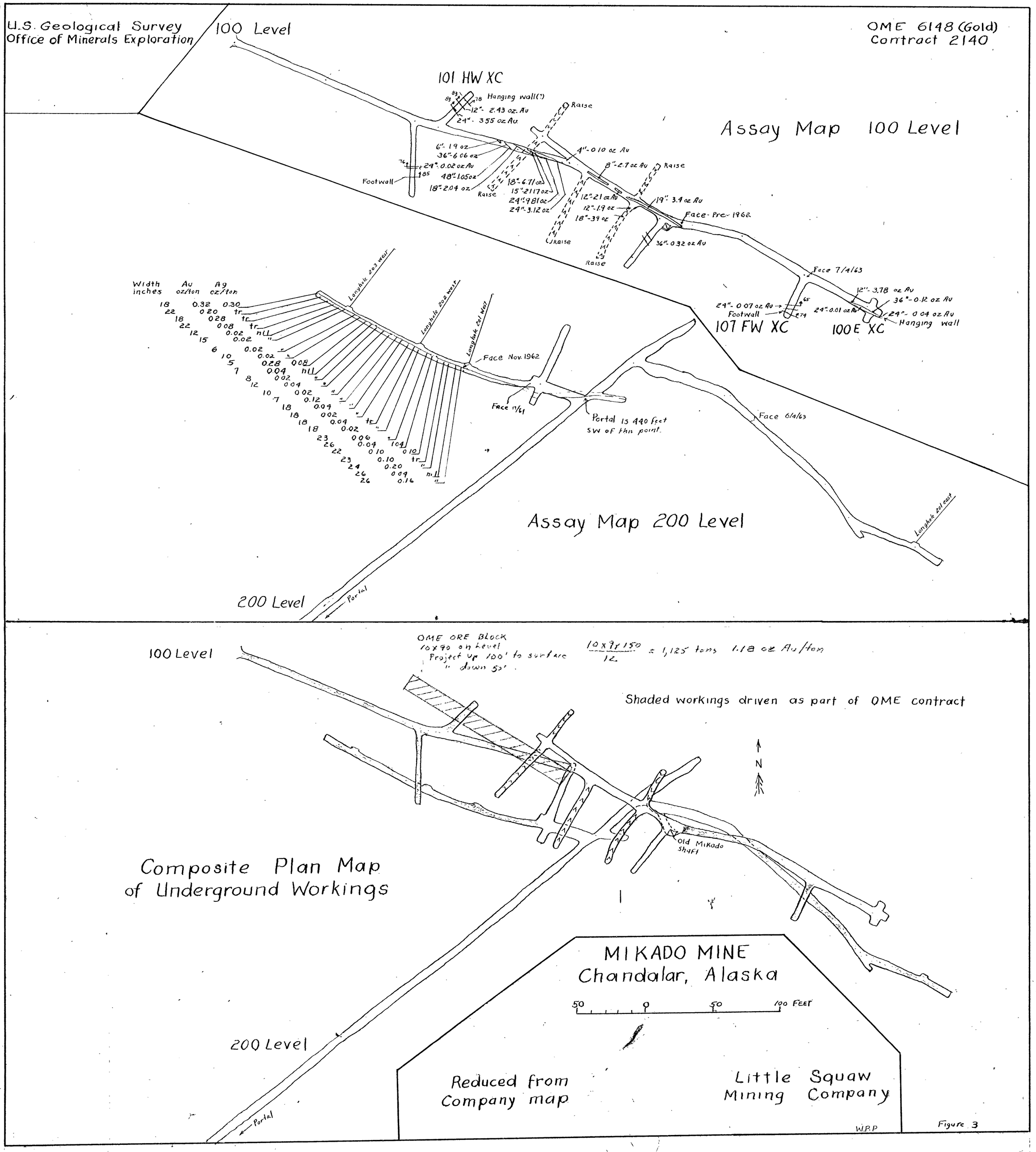
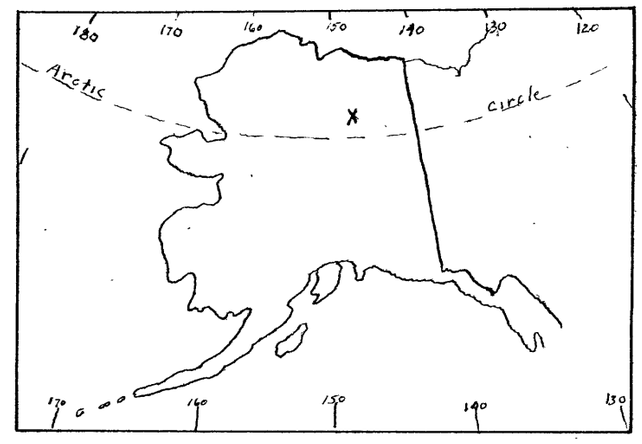


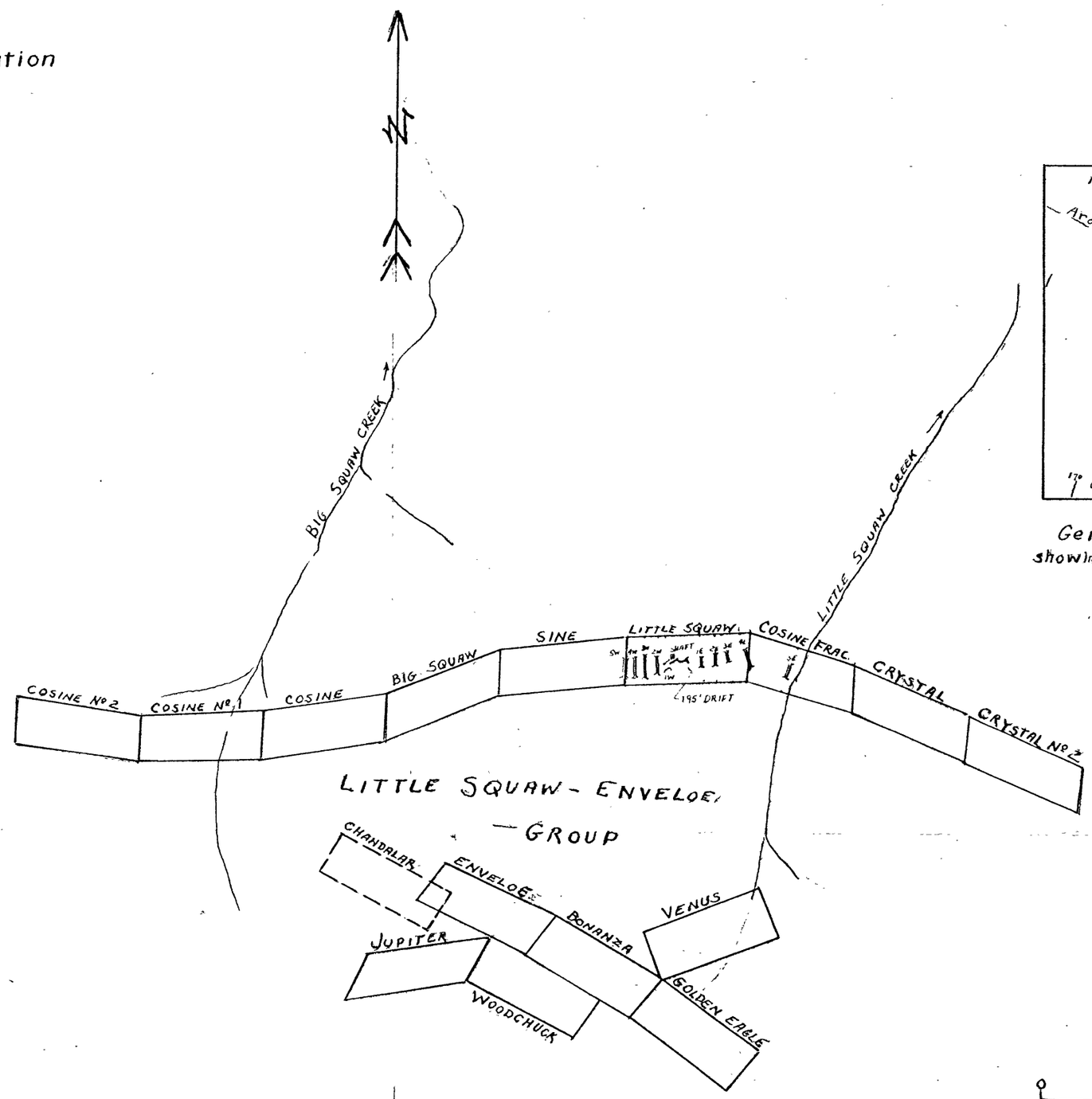
Figure 3

U.S. Geological Survey
Office of Minerals Exploration

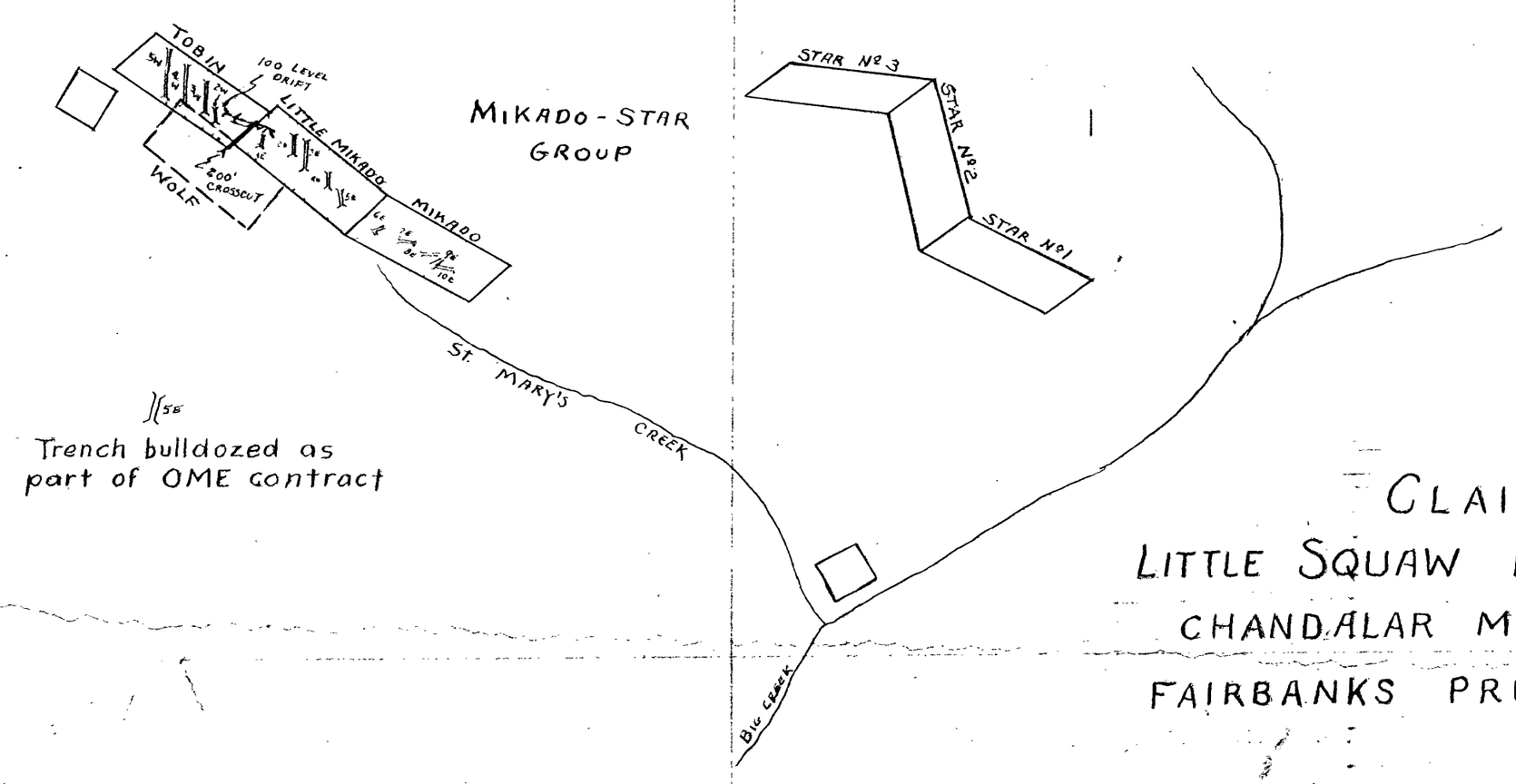
OME 6148 (Gold)
Contract 2140



Generalized outline map of Alaska showing location of Chandalar Mining District (X)



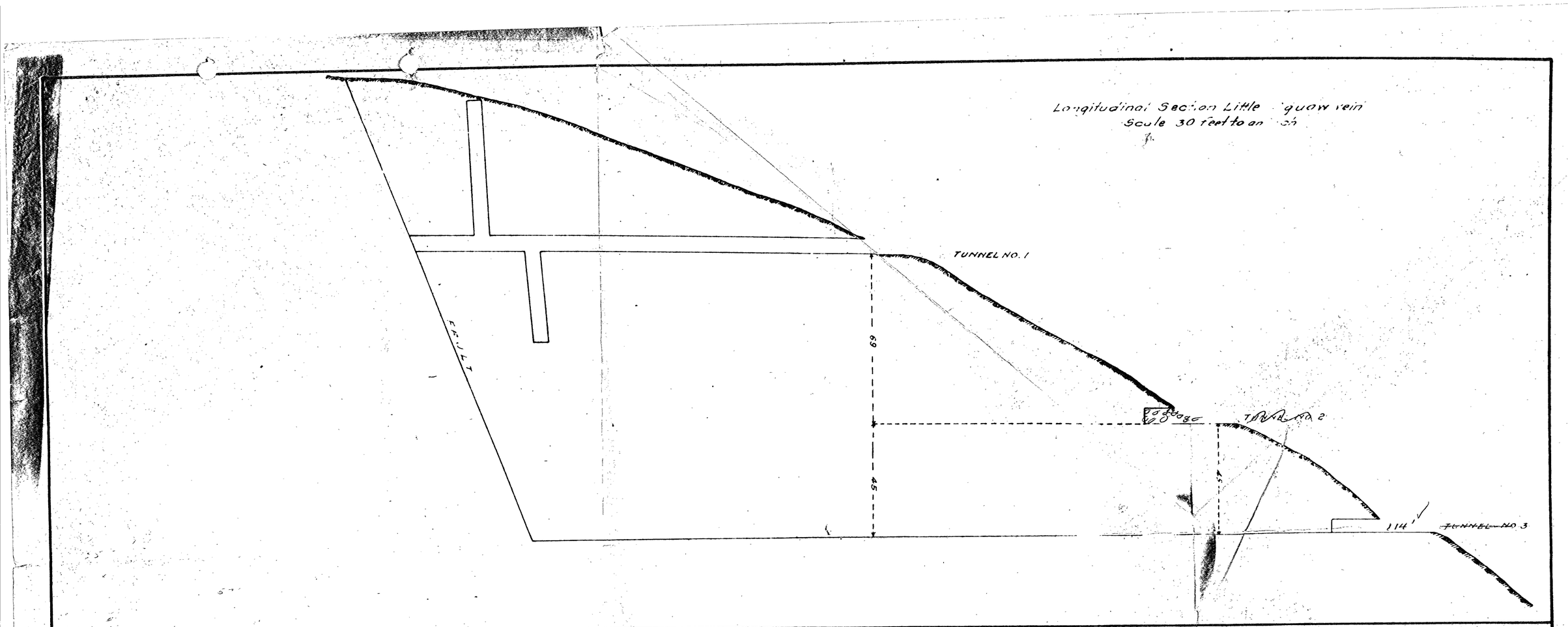
0 1600 3200 FEET

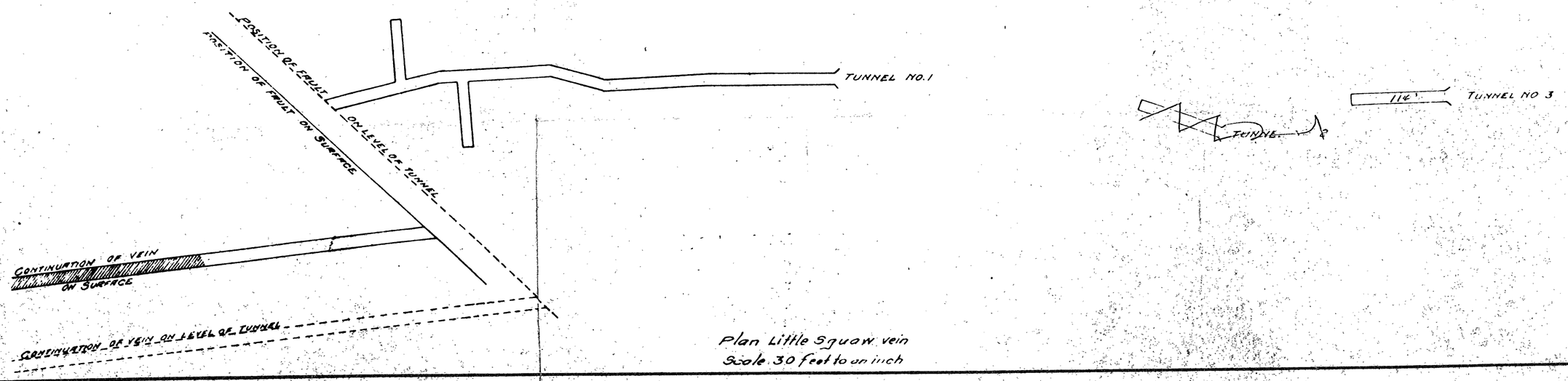


Trench bulldozed as part of OME contract

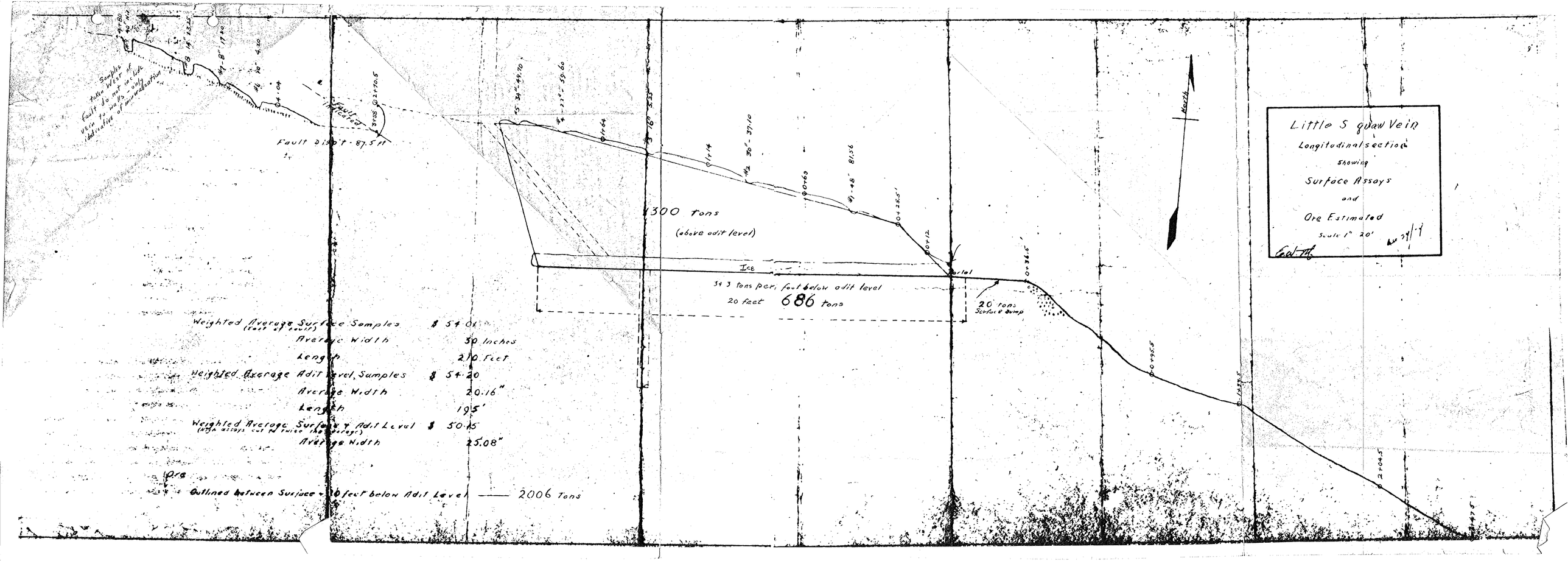
CLAIM MAP
LITTLE SQUAW MINING COMPANY
CHANDALAR MINING DISTRICT
FAIRBANKS PRECINCT, ALASKA

Figure 1





Plan Little Squaw vein
Scale 30 feet to an inch


Little Sqaw Vein
Longitudinal section
showing
Surface Assays
and
Ore Estimated
Scale 1" 20'
North
Samples taken West of fault do not include vein to walls only indicative of mineralization
Fault Located
Fault Disp't - 87.5 ft
1300 tons
(above adit level)
Ice
343 tons per foot below adit level
20 feet 686 tons
20 tons Surface Dump
Weighted Average Surface Samples (east of fault) $ 54.01
Average Width 30 inches
Length 210 feet
Weighted Average Adit Level, Samples $ 54.20
Average Width 20.16"
Length 195'
Weighted Average Surface & Adit Level (high assays cut to twice the average) $ 50.15
Average Width 25.08"
Ore
Outlined between Surface & 20 feet below Adit Level —— 2006 Tons