DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Idm-E NO. 2151

~~DMEA~~ NO. 6244

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes 6-19-62
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [ ] Project summary (final)
- [ ] Work Completed analysis (final)

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

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab) 6-5-62 (USGS)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports

- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No. _____: Maps (Use pocket folder or envelope)

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty material

17963

Government's Copy

FROM SOLICITOR
DEC 1) 1962
FOR SIGNATURE

EXPLORATION CONTRACT
R. V. LLOYD & COMPANY
OME-6244

AMENDMENT NO. 2

It is agreed this 21st day of December, 1962, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government," and R. V. Lloyd & Company, hereinafter referred to as the "Operator," that Contract No. 2151 (OME-6244), dated June 19, 1962, as amended, is further amended effective June 19, 1962, as follows:

1. In Article I(a) of the contract the date on or before which the work shall start is extended from July 9, 1962, to January 2, 1963.

2. The first paragraph of Article 14 is deleted and the following is substituted in lieu thereof as Article 10, Nondiscrimination:

"Article 10. Nondiscrimination: The provisions relating to Nondiscrimination are attached hereto as Exhibit C and by reference thereto made a part of this contract."

3. This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Field Officer, Region I,
Office of Minerals Exploration

R. V. LLOYD & COMPANY

By _____
R. V. Lloyd, Partner

By _____
Hazel V. Lloyd, Partner

Appr. Sol. Off.
Murphy
Talbert
Selfridge
Johnson

Extra Copy

EXPLORATION CONTRACT
R. V. Lloyd & Company
OMM-6244

AMENDMENT NO. 2

It is agreed this _____ day of _____, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government," and R. V. Lloyd & Company, hereinafter referred to as the "Operator," that Contract No. 2131 (OMM-6244), dated June 19, 1962, as amended, is further amended effective June 19, 1962, as follows:

1. In Article 1(a) of the contract the date on or before which the work shall start is extended from July 9, 1962, to January 2, 1963.

2. The first paragraph of Article 14 is deleted and the following is substituted in lieu thereof as Article 10, Non discrimination:

"Article 10. Nondiscrimination: The provisions relating to Nondiscrimination are attached hereto as Exhibit C and by reference thereto made a part of this contract."

3. This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Field Officer, Region I,
Office of Minerals Exploration

R. V. Lloyd & Company

By _____
R. V. Lloyd, Partner

By _____
Hazel V. Lloyd, Partner

The provisions governing performance of work under Government contracts, as set out in Section 301 of the Executive Order 10925, dated March 6, 1961 (a copy of which is attached hereto as Exhibit D and by reference hereby incorporated and made a part of this license), shall be applicable to this license.

In compliance with the Rules and Regulations (41 CFR, Section 60-1.3(a)) issued under Executive Order 10925 of March 6, 1961, the Licensee is hereby bound and agrees to include in each subcontract which it shall make with a subcontractor or supplier paragraphs (1) through (7) of Section 301 of said Executive Order, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity.

The Licensee shall require each of its subcontractors (first tier) to include in every subcontract with each of its subcontractors (second tier) the following clause: The (here identify the second-tier subcontractor by name) shall incorporate by reference in each subcontract or purchase order with a subcontractor or supplier paragraphs (1) through (6) of Section 301 of Executive Order 10925 of March 6, 1961, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity.

EXHIBIT

NONDISCRIMINATION IN EMPLOYMENT

(Section 301, Executive Order 10925, March 6, 1961, 26 FR 1977)

"In connection with the performance of work under this contract, the contractor agrees as follows:

"(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(4) The contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

"(5) The contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled in whole or in part and the contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, and such other sanctions may be imposed and remedies invoked as provided in the said Executive order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

"(7) The contractor will include the provisions of the foregoing paragraphs (1) through (6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: *Provided, however,* That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

Government's Copy

Aug 22 1962
O.M.E.

EXPLORATION CONTRACT
R. V. LLOYD & COMPANY
OME-6244

AMENDMENT NO. 1

It is agreed this 18th day of July, 1962, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government," and R. V. Lloyd & Company, hereinafter referred to as the "Operator," that Contract No. 2151 (OME-6244), dated June 19, 1962, is amended, effective June 19, 1962, as follows:

1. In Article 1(b) of the Contract the figures $64,850.00 and $32,425.00 are revised and amended to read $64,350.00 and $32,175.00, respectively.

2. Exhibit A, under Description of the Work, the first sentence of the second paragraph, page 3, is revised and amended to read as follows:

"Mine rails shall not be less than 24-pound size, air lines not less than 3 inches in diameter for the first 600 feet of drift and not less than 2 inches in diameter for the last 400 feet, and water lines not less than 1 inch in diameter."

3. Exhibit A, under Description of the Work, the third paragraph, page 3, is revised and amended to read as follows:

"Diamond drill holes may be drilled either BX or AX standard core size with a corresponding allowable cost for each core size."

4. Exhibit A, page 3, under Estimated Cost of Project, Fixed Unit Costs, the first item is revised and amended to read as follows:

"1,000 feet drifting @ $37.50/ft. $37,500.00"

and the figures on page 4 of Exhibit A for the Total Estimated Cost of Project and Government Participation are revised and amended to read $64,350.00 and $32,175.00, respectively.

RECEIVED
AUG 20 1962
U.S.G.S.
SPOKANE, WASH.

Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/11	Talbert	500
		800
7/16		120

July 16, 1962

Memorandum to the File

From: F. M. Murphy, Mining Engineer
Division of Minerals

Subject: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

JUSTIFICATION FOR AMENDMENT NO. 1

The Operator requested that the specifications for rail and air be lowered. This amendment allows lighter rail and smaller diameter pipe, with a corresponding reduction in costs. Also, the Operator advised that core recovery from AX size diamond drilling has been excellent for short holes and, therefore, requested the option to use either AX or BX drilling. This amendment grants the Operator's request.

F M Murphy

F. M. Murphy

43683

This amendment decreases the estimated total cost of the project and 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

McPhillamy 7-17
App'd. Sol. Off.

By George Turnick
Director, Office of Minerals Exploration

R. V. LLOYD & COMPANY

By R V Lloyd
R. V. Lloyd, Partner

By Hazel U. Lloyd
Hazel U. Lloyd, Partner

Murphy
Talbutt
Hummel
Selfridge
Johnson

RECEIVED
Air-Spec. del.
JUN 20 1962
U. S. G. S.
SPOKANE, WASH.

MME Form 51
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Government's Copy

JUN 29 1962
O.M.E.

EXPLORATION CONTRACT
(Short Form)

Docket No.	Commodity	Contract No.	County	State
OME -6244	Copper	14-23-090-	Custer	Idaho

2151

It is agreed JUN 19 1962 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

R. V. Lloyd & Company, a partnership composed of R. V. Lloyd and Hazel U. Lloyd,

whose mailing address is P. O. Box 238, Mackay, Idaho, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before JUL 9 1962 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 12 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $64,850.00 The Government will contribute 50 percent of the total fixed unit costs of the work performed, not in excess of $32,425.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest computed annually at the rate of 6 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: Contract of Sale and Purchase of Mining Property, dated May 10, 1960, between W. P. Barton and Margaret S. Barton, husband and wife, and Mackay Exploration Company, Sellers, and R. V. Lloyd & Co. and Robert V. Lloyd, Trustee for Florence Ellen Lloyd, Buyers.

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows: Lien or Subordination Agreements of W. P. Barton, Margaret S. Barton, Mackay Exploration Company, and Robert V. Lloyd, Trustee for Florence Ellen Lloyd.

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final monthly report). This 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, and a summary of the work performed and the unit costs thereof.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the ~~Operator's~~ gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

See Article 14

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

See Article 14

ARTICLE 10. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 12. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

The provisions governing performance of work under Government contracts, as set out in Section 301 of Executive Order 10925, dated March 6, 1961 (a copy of which is attached hereto as Exhibit B and by reference hereby incorporated and made a part of this contract), shall be applicable to this contract, and shall be included in all contracts executed by the Operator for the performance of work contemplated by this contract, and for that purpose the term "contract" shall be deemed to refer to this instrument and to contracts awarded by the Operator and the term "contractor" shall be deemed to refer to the Operator and to contractors awarded contracts by the Operator.

A new subparagraph (i) is added to Article 6 of this contract to read as follows:

"(i) Special Agreement Concerning Royalty. Notwithstanding the certification provisions of this Article 6, and with no further action required on the part of the Government, the Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, or its successor, shall pay to the Government a royalty on production, regardless of where it is produced, which is transported through any workings or any portion of any workings to the cost of which the Government has contributed, for the period described in Article 6(b)(2) above, and pursuant to the terms of Article 6(c) et seq. However, in no event shall more than one royalty be due or paid under this contract on the same production.

Executed in quintuplicate the day and year first above written.

Dalton 6/15/62
Brown 6-15
Appd. Sol. Off.
Murphy
Talbert
Selfridge
Johnson

UNITED STATES OF AMERICA

By George Turnick
Director, Office of Minerals Exploration

R. V. LLOYD & COMPANY

By R. V. Lloyd
R. V. Lloyd, Partner

By Hazel U. Lloyd
Hazel U. Lloyd, Partner

EXPLORATION CONTRACT
R. V. LLOYD & COMPANY
OME-6244

ANNEX I

The land referred to in Article 2 of the contract consists of seven (7) patented and one (1) unpatented lode mining claims, including all rights pertaining thereto, in sec. 36, T. 7 N., R. 23 E., Boise Meridian, Alder Creek mining district, Custer County, Idaho. The patent and recording data of the claims are as follows:

Patented Claims

Name of Claim	U. S. Patent No.
Sultan	1887
Sultana	1887
Eastern	1272A
Copper Bullion	1272A
Remonitization	1887
Leslie W.	1887
Pasha	1887

Unpatented Claim

Recorded in the Office of the Recorder, Custer County, Idaho:

Name of Claim	Book	Page No.	Date Recorded
Washington			10-12-59

The locations of the claims are shown colored green on the map entitled "Figure 1, 1100 Level Geologic Map, Empire Mine, Custer County, Idaho, Showing Proposed OME Exploration," attached hereto and made part hereof.

In the event the Operator acquires possession of the Atlantic claim shown on Figure 1 within the period described in Article 6(b)(2) of the contract, this claim shall be added to those listed in this contract.

The Operator has rights to possession of the claims under the terms of a "Contract of Sale and Purchase of Mining Property," dated May 10, 1960, between W. P. Barton and Margaret S. Barton, husband and wife, of Boise, Idaho, and Mackay Exploration Company, an Idaho corporation, sellers, and R. V. Lloyd & Co., and Robert V. Lloyd, Trustee for Florence Ellen Lloyd, buyers.

Lien or Subordination Agreements signed by Robert V. Lloyd as Trustee for Florence Ellen Lloyd, Mackay Exploration Company, W. P. Barton, and Margaret S. Barton, are attached hereto and made a part hereof.

EXPLORATION CONTRACT
R. V. LLOYD & COMPANY
OME-6244

EXHIBIT A

The purpose of this project is to explore for copperbearing contact metamorphic ore bodies by extending the eastern branch of the 1100 level adit of the Empire Copper Mine by drifting in a southerly direction and by diamond core and long-hole percussion drilling from the extended portion of the adit. The potential ore bodies occur in metasomatic tactite near the contact of Mackay granite with limestone of Mississippian age or within an intrusive granite porphyry.

General Provisions

All significantly mineralized areas traversed by the drift shall be sampled by cutting channels, normal to the trend of mineralization, at intervals of not more than 10 feet. Long-hole cuttings showing significant mineralization shall be recovered and sampled; each such sample shall represent not more than a 5-foot length of a long hole. Drift and long-hole samples shall be divided and one split shall be assayed for copper. The remaining split of each drift or long-hole sample shall be stored in a suitable container properly identified as to location. Diamond drill core showing significant mineralization shall be divided and one split assayed for copper; each such core sample shall represent not more than a 5-foot length of hole. The remaining split of each core sample shall be placed in a core box with the other core recovered. The core boxes shall be identified as to hole number, and markers shall be placed in the core sections to indicate the depths represented.

The stored drift and long-hole samples and the drill core shall be made available for Government inspection and possible use. With prior Government approval the Operator may dispose of the stored samples and core.

True copies of assay certificates of all samples shall be submitted with the Operator's monthly report which shall also include a map or sketch showing the work completed during the reporting period. The map or sketch should show the general geological formations and structures traversed by the drift, long holes, and diamond drill holes, and the location and assay value of the samples.

The Operator shall provide such supervisory and technical services as may be required to complete the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Government will not participate in the cost of work done at locations within 100 feet of any land not presently subject to this contract.

Description of the Work

From the face of the existing adit on the 1100 level of the Empire Copper mine, at approximately coordinates 25,100N and 26,540E as shown on Figure 1, continue the adit 600 feet on a bearing approximately S. 10° E. and from that point drive the adit an additional 400 feet on a bearing approximately S. 25° W. It is anticipated that the first 140 feet of the new adit will be in trachyte dike rock. In the adit south of the dike, 12 diamond drill stations shall be excavated and diamond core holes ranging from 100 to 200 feet in length shall be drilled from these stations to explore the east and west walls of the adit. The holes shall be inclined about 4 degrees above horizontal. The tentative location, direction, and depth of the diamond drill holes are shown on Figure 1; however, the location and direction of the holes may be changed with prior Government approval.

To the east of the adit the drill holes shall be stopped after penetrating a few feet into unmetamorphosed limestone. It is anticipated that the drill holes to the west of the adit will be in altered granite porphyries in which should be inclusions of tactite and, possibly, of marble. These holes shall be stopped about 25 feet west of any tactite-granite porphyry contact traversed.

From the adit a series of percussion drill long holes shall be drilled into either wall to further explore favorable areas. The holes shall be inclined about 4 degrees above horizontal and drilled to an estimate depth of 100 feet. Long holes shall bottom not closer than 50 feet to any other long hole or diamond drill hole.

The drift and diamond drill stations shall not be less than 6' x 8' in cross section in the clear of timber and shall be timbered as necessary, using standard drift sets of not less than 8" x 8" timber or equivalent round timber. The diamond drill stations shall be cut to an approximate depth of 15 feet from the wall of the drift. Stations for long-hole drilling shall be cut not less than 5' x 7' in cross section and to an approximate depth of 6 feet.

Mine rails shall be not less than 30-pound size, air lines not less than 4 inches in diameter, and water lines not less than 1 inch in diameter. The drift shall be ventilated, using not less than 12-inch diameter vent pipe.

Diamond drill holes shall be started not less than BX standard core size (1-5/8-inch); however, the diameter may be reduced to AX standard size with a corresponding reduction in unit cost if necessary to complete a hole in caving ground.

The Government will contribute to no more than 1,000 feet of drifting, 180 feet of crosscutting for 12 diamond drill stations, 144 feet of crosscutting for 24 long-hole percussion drill stations, 400 feet of timbering in the drift and crosscuts, 1500 feet of diamond drilling, 30 hours cementing and redrilling or reaming and casing core drill holes, 2400 feet of long-hole drilling, 180 core boxes, and 810 assays for copper.

The approximate location and extent of the drift and tentative locations and directions of the diamond drill holes are shown in red on Figure 1 referred to in Annex I.

Estimated Cost of Project

Fixed Unit Costs

1,000 feet drifting @ $38.00/ft.	$38,000.00
180 feet crosscutting for diamond drill stations @ $32.00/ft.	5,760.00

144 feet crosscutting for long-hole drill stations @ $30.00/ft.	$ 4,320.00	
400 feet timbering @ $7.50/ft.	3,000.00	
1500 feet core drilling,		
BX standard core size @ $5.65/ft.	8,475.00	
AX standard core size @ $5.20/ft.		
30 hours cementing and redrilling or reaming and casing core drill holes @ $10.00/hr.	300.00	
2,400 feet long-hole drilling @ $1.50/ft.	3,600.00	
180 cardboard core boxes @ $1.00 each	180.00	
810 assays for copper @ $1.50/assay	1,215.00	
Total Estimated Cost of Project		$64,850.00
Government Participation @ 50%		$32,425.00

MME Form 52
June, 1961

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090– 2151
Contract Date JUN 19 1962

LIEN OR SUBORDINATION AGREEMENT 1/

To the United States of America:

That certain land in the County of CUSTER, State of IDAHO,

described as follows: 2/ REFER TO ANNEX SHEET NO. 1.

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

R. V. LLOYD & COMPANY 3/

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same. 4/

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

Contract of Sale and Purchase of Mining Property between W. P. Barton and Margaret S. Barton and Mackay Exploration Company - Sellers and R. V. Lloyd & Company and Robert V. Lloyd, Trustee, for Florence Ellen Lloyd - Buyers.

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated _____, and recorded in Book_____, Page____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

RECEIVED
JUL 9 1962
U. S.
SPOKANE, WASH.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions _____ (State "None" or "See Annex No._____".)

Dated this 1st day of June, 1962.

Mackay Exploration Co (Seal)	3624 Lulora Dr (Street)	Boise Idaho (City & State)
W. P. Barton, Pres. (Seal)	Same (Street)	(City & State)
(Seal)	(Street)	(City & State)
(Seal)	(Street)	(City & State)
(Seal)	(Street)	(City & State)
(Seal)	(Street)	(City & State)

PLANT SHOULD NOT SIGN

I Margaret S. Barton (Name), certify that I am the Secretary (Title—Secretary, etc.) of the corporation named herein; that W. P. Barton (Name), who signed this agreement was then President (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

Margaret S Barton Sec'y
(Corporate Seal)

LIEN OR SUBORDINATION AGREEMENT

ANNEX SHEET NO. 1

CLAIM	ROLL NO.	PAGE NO.	LINE NO.	PATENTED OR UNPATENTED
SULTAN - Survey No. 1887	2	102	13	Patented
SULTANA - Survey No. 1887	2	102	13	Patented
EASTERN - Survey No. 1272A	2	102	15	Patented
REMONITIZATION - Survey No. 1887	2	102	11	Patented
LESLIE W. - Survey No. 1887	2	102	9	Patented
COPPER BULLION - Survey No. 1272A	2	102	15	Patented
PASHA - Survey No. 1887	2	102	11	Patented

UNPATENTED CLAIMS -- LEGAL DESCRIPTION

WASHINGTON

Beginning 400 ft. South 56° - 40 minutes East of this location monument at the South end center monument and running thence South 33° - 40 minutes West 100 ft. to the South West corner monument no. 1. Thence North 48° - 22 minutes West 700 ft. to the North West corner monument no. 2. Thence North 33° - 40 minutes East 20 ft. to the North end center monument. Thence North 33° - 40 minutes East 20 ft. to the North East corner monument no. 3 Thence South 65° - 00 Minutes East 700 ft. to the South East corner monument no. 4. Thence South 33° - 40 minutes West 200 ft. to the place of beginning.

NHB Hul Pot
MSB

GEM

~~Beginning corner no. 1 which bears North 25° - 53 minutes West 553 ft. from corner no. 2 of the patented Copper Bullion. Thence first course north 23° - 03 minutes East 675 ft. to corner no. 2 from which corner no. 2 discovery post bears South 8° - 14 minutes West 100 ft. Thence second course from corner no. 2 North 71° -26 minutes East 210 ft. to corner no. 3. Thence South 34° West 830 ft. to corner no. 1 - the place of beginning.~~

ALL CLAIMS ARE LOCATED IN THE ALDER CREEK DISTRICT, SECTION 36, TOWNSHIP 7 North RANGE 23 ~~NORTH~~ East, BOISE MERIDAN, Custer County, Idaho

Pot Hul NHB
MSB

MME Form 52
June, 1961

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 – 2151
Contract Date JUN 19 1962

LIEN OR SUBORDINATION AGREEMENT 1/

To the United States of America:

That certain land in the County of Custer, State of Idaho, described as follows: 2/ Refer to Annex sheet #1

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and R. V. Lloyd & Co 3/ hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same. 4/

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

Royalty Basis

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated_____, and recorded in Book_____, Page____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions ____ None ____ (State "None" or "See Annex No.____".)

Dated this 8 day of June, 1962.

Robert V Lloyd, Trustee FOR FLORENCE Ellen Lloyd.	(Seal)	54th & Monroe Sts (Street) Coachella Calif (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)

PLAINTIFF SHOULD NOT SIGN

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____ (Corporate Seal)

MME Form 52
June, 1961

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator R. V. Lloyd & Company
Docket No. OME – 6244
Contract No. 14-23-090–
Contract Date

LIEN OR SUBORDINATION AGREEMENT 1/

To the United States of America:

That certain land in the County of Custer, State of Idaho,

described as follows: 2/ See Annex I

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

R. V. Lloyd & Company 3/

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same. 4/

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

Contract of Sale and Purchase of Mining Property, dated May 10, 1960, between W. P. Barton and Margaret S. Barton, husband and wife, of Boise, Idaho, and Mackay Exploration Company, sellers, and R. V. Lloyd & Company and Robert V. Lloyd, Trustee for Florence Ellen Lloyd, buyers.

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated _____, and recorded in Book _____, Page ____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions _____ _____(State "None" or "See Annex No._____".)

Dated this_____day of_____, 19___.

W. P. Barton	(Seal)	3624 Tulara Drive Boise, Idaho	(Street) (City &) (State)
Margaret S Barton	(Seal)	3624 Tulara Drive Boise, Idaho	(Street) (City &) (State)
_____	(Seal)	_____	(Street) (City &) (State)
_____	(Seal)	_____	(Street) (City &) (State)
_____	(Seal)	_____	(Street) (City &) (State)
_____	(Seal)	_____	(Street) (City &) (State)

THIS SHOULD NOT SIGN

I,_____(Name),certify that I am the_____(Title—Secretary, etc.) of the corporation named herein; that_____(Name), who signed this agreement was then_____(Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____
(Corporate Seal)

LIEN OR SUBORDINATION AGREEMENT

ANNEX I

Claim	Roll No.	Page No.	Line No.	Patented or Unpatented
Sultan - Survey No. 1887	2	102	13	Patented
Sultana- Survey No. 1887	2	102	13	Patented
Eastern - Survey No. 1272A	2	102	15	Patented
Remonitization - Survey No. 1887	2	102	11	Patented
Leslie W. - Survey No. 1887	2	102	9	Patented
Copper Bullion - Survey No. 1272A	2	102	15	Patented
Pasha - Survey No. 1887	2	102	11	Patented

Unpatented Claims - Legal Description

Washington

Beginning 400 ft. South 56° - 40 minutes East of this location monument at the South end center monument and running thence South 33° - 40 minutes West 100 ft. to the Southwest corner monument No. 1. Thence north 48° - 22 minutes West 700 ft. to the Northwest corner monument No. 2. Thence North 33° - 40 minutes East 20 ft. to the North end center monument. Thence North 33° - 40 minutes East 20 ft. to the Northeast corner monument No. 3. Thence South 65° - 00 minutes East 700 ft. to the Southeast corner monument No. 4. Thence South 33°-40 minutes West 200 ft. to the place of beginning.

All claims are located in the Alder Creek District, Sec. 36, T. 7 N., R. 23 E., Boise Meridian, Custer County, Idaho.

Presidential Documents

Title 3—THE PRESIDENT

Executive Order 10925

ESTABLISHING THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

WHEREAS discrimination because of race, creed, color, or national origin is contrary to the Constitutional principles and policies of the United States; and

WHEREAS it is the plain and positive obligation of the United States Government to promote and ensure equal opportunity for all qualified persons, without regard to race, creed, color, or national origin, employed or seeking employment with the Federal Government and on government contracts; and

WHEREAS it is the policy of the executive branch of the Government to encourage by positive measures equal opportunity for all qualified persons within the Government; and

WHEREAS it is in the general interest and welfare of the United States to promote its economy, security, and national defense through the most efficient and effective utilization of all available manpower; and

WHEREAS a review and analysis of existing Executive orders, practices, and government agency procedures relating to government employment and compliance with existing non-discrimination contract provisions reveal an urgent need for expansion and strengthening of efforts to promote full equality of employment opportunity; and

WHEREAS a single governmental committee should be charged with responsibility for accomplishing these objectives:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, it is ordered as follows:

PART I—ESTABLISHMENT OF THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

SECTION 101. There is hereby established the President's Committee on Equal Employment Opportunity.

SEC. 102. The Committee shall be composed as follows:

(a) The Vice President of the United States, who is hereby designated Chairman of the Committee and who shall preside at meetings of the Committee.

(b) The Secretary of Labor, who is hereby designated Vice Chairman of the Committee and who shall act as Chairman in the absence of the Chairman. The Vice Chairman shall have general supervision and direction of the work of the Committee and of the execution and implementation of the policies and purposes of this order.

(c) The Chairman of the Atomic Energy Commission, the Secretary of Commerce, the Attorney General, the Secretary of Defense, the Secretaries of the Army, Navy and Air Force, the Administrator of General Services, the Chairman of the Civil Service Commission, and the Administrator of the National Aeronautics and Space Administration. Each such member may designate an alternate to represent him in his absence.

(d) Such other members as the President may from time to time appoint.

(e) An Executive Vice Chairman, designated by the President, who shall be *ex officio* a member of the Committee. The Executive Vice Chairman shall assist the Chairman, the Vice Chairman and the Committee. Between meetings of the Committee he shall be primarily responsible for carrying out the functions of the Committee and may act for the Committee pursuant to its rules, delegations, and other directives. Final action in individual cases or classes of cases may be taken and final orders may be entered on behalf of the Committee by the Executive Vice Chairman when the Committee so authorizes.

SEC. 103. The Committee shall meet upon the call of the Chairman and at such other times as may be provided by its rules and regulations. It shall (a) consider and adopt rules and regulations to govern its proceedings; (b) provide generally for the procedures and policies to implement this order; (c) consider reports as to progress under this order; (d) consider and act, where necessary or appropriate, upon matters which may be presented to it by any of its members; and (e) make such reports to the President as he may require or the Committee shall deem appropriate. Such reports shall be made at least once annually and shall include specific references to the actions taken and results achieved by each department and agency. The Chairman may appoint sub-committees to make special studies on a continuing basis.

PART II—NONDISCRIMINATION IN GOVERNMENT EMPLOYMENT

SECTION 201. The President's Committee on Equal Employment Opportunity established by this order is directed immediately to scrutinize and study employment practices of the Government of the United States, and to consider and recommend additional affirmative steps which should be taken by executive departments and agencies to realize more fully the national policy of nondiscrimination within the executive branch of the Government.

SEC. 202. All executive departments and agencies are directed to initiate forthwith studies of current government employment practices within their responsibility. The studies shall be in such form as the Committee may prescribe and shall include statistics on current employment patterns, a review of current procedures, and the recommendation of positive measures for the elimination of any discrimination, direct or indirect, which now exists. Reports and recommendations shall be submitted to the Executive Vice Chairman of the Committee no later than sixty days from the effective date of this order, and the Committee, after considering such reports and recommedations, shall report to the President on the current situation and recommend positive measures to accomplish the objectives of this order.

SEC. 203. The policy expressed in Executive Order No. 10590 of January 18, 1955 (20 F.R. 409), with respect to the exclusion and prohibition of discrimination against any employee or applicant for employment in the Federal Government because of race, color, religion, or national origin is hereby reaffirmed.

SEC. 204. The President's Committee on Government Employment Policy, established by Executive Order No. 10590 of January 18, 1955 (20 F.R. 409), as amended by Executive Order No. 10722 of August 5, 1957 (22 F.R. 6287), is hereby abolished, and the powers, functions, and duties of that Committee are hereby transferred to, and henceforth shall be vested in, and exercised by, the President's Committee on Equal Employment Opportunity in addition to the powers conferred by this order.

PART III—OBLIGATIONS OF GOVERNMENT CONTRACTORS AND SUBCONTRACTORS

SUBPART A—CONTRACTORS' AGREEMENTS

SECTION 301. Except in contracts exempted in accordance with section 303 of this order, all government contracting agencies shall include in every government contract hereafter entered into the following provisions:

"In connection with the performance of work under this contract, the contractor agrees as follows:

"(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor,

state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(4) The contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

"(5) The contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(6) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled in whole or in part and the contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, and such other sanctions may be imposed and remedies invoked as provided in the said Executive order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

"(7) The contractor will include the provisions of the foregoing paragraphs (1) through (6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for non-compliance: *Provided, however,* that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

SEC. 302. (a) Each contractor having a contract containing the provisions prescribed in section 301 shall file, and shall cause each of its subcontractors to file, Compliance Reports with the contracting agency, which will be subject to review by the Committee upon its request. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Committee may prescribe.

(b) Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.

(c) Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor union or other representative of workers, the Compliance Report shall include such information as to the labor union's or other representative's practices and policies affecting compliance as the Committee may prescribe: *Provided,* that to the extent such information is within the exclusive possession of a labor union or other workers' representative and the labor union or representative shall refuse to furnish such information to the contractor, the contractor shall so certify to the contracting agency as part of its Compliance Report and shall set forth what efforts he has made to obtain such information.

(d) The Committee may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement in writing, signed by an authorized officer or agent of any labor union or other workers' representative with which the bidder or prospective contractor deals, together with supporting information, to the effect that the said labor union's or representative's practices and policies do not discriminate on the grounds of race, color, creed, or national origin, and that the labor union or representative either will affirmatively cooperate, within the limits of his legal and contractual authority, in the implementation of the policy and provisions of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event that the union or representative shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement.

SEC. 303. The Committee may, when it deems that special circumstances in the national interest so require, exempt a contracting agency from the requirement of including the provisions of section 301 of this order in any specific contract, subcontract, or purchase order. The Committee may, by rule or regulation, also exempt certain classes of contracts, subcontracts, or purchase orders (a) where work is to be or has been performed outside the United States and no recruitment of workers within the limits of the United States is involved; (b) for standard commercial supplies or raw materials; or (c) involving less than specified amounts of money or specified numbers of workers.

SUBPART B—LABOR UNIONS AND REPRESENTATIVES OF WORKERS

SEC. 304. The Committee shall use its best efforts, directly and through contracting agencies, contractors, state and local officials and public and private agencies, and all other available instrumentalities, to cause any labor union, recruiting agency or other representative of workers who is or may be engaged in work under government contracts to cooperate with, and to comply in the implementation of, the purposes of this order.

SEC. 305. The Committee may, to effectuate the purposes of section 304 of this order, hold hearings, public or private, with respect to the practices and policies of any such labor organization. It shall from time to time submit special reports to the President concerning discriminatory practices and policies of any such labor organization, and may recommend remedial action if, in its judgment, such action is necessary or appropriate. It may also notify any Federal, state, or local agency of its conclusions and recommendations with respect to any such labor organization which in its judgment has failed to cooperate with the Committee, contracting agencies, contractors, or subcontractors in carrying out the purposes of this order.

SUBPART C—POWERS AND DUTIES OF THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY AND OF CONTRACTING AGENCIES

SEC. 306. The Committee shall adopt such rules and regulations and issue such orders as it deems necessary and appropriate to achieve the purposes of this order, including the purposes of Part II hereof relating to discrimination in government employment.

SEC. 307. Each contracting agency shall be primarily responsible for obtaining compliance with the rules, regulations, and orders of the Committee with respect to contracts entered into by such agency or its contractors, or affecting its own employment practices. All contracting agencies shall comply with the Committee's rules in discharging their primary responsibility for securing compliance with the provisions of contracts and otherwise with the terms of this Executive order and of the rules, regulations, and orders of the Committee pursuant hereto. They are directed to cooperate with the Committee, and to furnish the Committee such information and assistance as it may require in the performance of its functions under this order. They are further directed to appoint or designate, from among the agency's personnel, compliance officers. It shall be the duty of such officers to seek compliance with the objectives of this order by conference, conciliation, mediation, or persuasion.

SEC. 308. The Committee is authorized to delegate to any officer, agency, or employee in the executive branch of the

Government any function of the Committee under this order, except the authority to promulgate rules and regulations of a general nature.

SEC. 309. (a) The Committee may itself investigate the employment practices of any government contractor or subcontractor, or initiate such investigation by the appropriate contracting agency or through the Secretary of Labor, to determine whether or not the contractual provisions specified in section 301 of this order have been violated. Such investigation shall be conducted in accordance with the procedures established by the Commitee, and the investigating agency shall report to the Committee any action taken or recommended.

(b) The Committee may receive and cause to be investigated complaints by employees or prospective employees of a government contractor or subcontractor which allege discrimination contrary to the contractual provisions specified in section 301 of this Order. The appropriate contracting agency or the Secretary of Labor, as the case may be, shall report to the Committee what action has been taken or is recommended with regard to such complaints.

SEC. 310. (a) The Committee, or any agency or officer of the United States designated by rule, regulation, or order of the Committee, may hold such hearings, public or private, as the Committee may deem advisable for compliance, enforcement, or educational purposes.

(b) The Committee may hold, or cause to be held, hearings in accordance with subsection (a) of this section prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this order, except that no order for debarment of any contractor from further government contracts shall be made without a hearing.

SEC. 311. The Committee shall encourage the furtherance of an educational program by employer, labor, civic, educational, religious, and other nongovernmental groups in order to eliminate or reduce the basic causes of discrimination in employment on the ground of race, creed, color, or national origin.

SUBPART D—SANCTIONS AND PENALTIES

SEC. 312. In accordance with such rules, regulations or orders as the Committee may issue or adopt, the Committee or the appropriate contracting agency may:

(a) Publish, or cause to be published, the names of contractors or unions which it has concluded have complied or have failed to comply with the provisions of this order or of the rules, regulations, and orders of the Committee.

(b) Recommend to the Department of Justice that, in cases where there is substantial or material violation or the threat of substantial or material violation of the contractual provisions set forth in section 301 of this order, appropriate proceedings be brought to enforce those provisions, including the enjoining, within the limitations of applicable law, of organizations, individuals or groups who prevent directly or indirectly, or seek to prevent directly or indirectly, compliance with the aforesaid provisions.

(c) Recommend to the Department of Justice that criminal proceedings be brought for the furnishing of false information to any contracting agency or to the Committee as the case may be.

(d) Terminate, or cause to be terminated, any contract, or any portion or portions thereof, for failure of the contractor or subcontractor to comply with the nondiscrimination provisions of the contract. Contracts may be terminated absolutely or continuance of contracts may be conditioned upon a program for future compliance approved by the contracting agency.

(e) Provide that any contracting agency shall refrain from entering into further contracts, or extensions or other modifications of existing contracts, with any non-complying contractor, until such contractor has satisfied the Committee that he has established and will carry out personnel and employment policies in compliance with the provisions of this order.

(f) Under rules and regulations prescribed by the committee, each contracting agency shall make reasonable efforts within a reasonable time limitation to secure compliance with the contract provisions of this order by methods of conference, conciliation, mediation, and persuasion before proceedings shall be instituted under paragraph (b) of this section, or before a contract shall be terminated in whole or in part under paragraph (d) of this section for failure of a contractor or subcontractor to comply with the contract provisions of this order.

SEC. 313. Any contracting agency taking any action authorized by this section, whether on its own motion, or as directed by the Committee, or under the Committee's rules and regulations, shall promptly notify the Committee of such action or reasons for not acting. Where the Committee itself makes a determination under this section, it shall promptly notify the appropriate contracting agency of the action recommended. The agency shall take such action and shall report the results thereof to the Committee within such time as the Committee shall provide.

SEC. 314. If the Committee shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless the bidder or prospective contractor has satisfactorily complied with the provisions of this order or submits a program for compliance acceptable to the Committee or, if the Committee so authorizes, to the contracting agency.

SEC. 315. Whenever a contracting agency terminates a contract, or whenever a contractor has been debarred from further government contracts, because of noncompliance with the contractor provisions with regard to nondiscrimination, the Committee, or the contracting agency involved, shall promptly notify the Comptroller General of the United States.

SUBPART E—CERTIFICATES OF MERIT

SEC. 316. The Committee may provide for issuance of a United States Government Certificate of Merit to employers or employee organizations which are or may hereafter be engaged in work under government contracts, if the Committee is satisfied that the personnel and employment practices of the employer, or that the personnel, training, apprenticeship, membership, grievance and representation, upgrading and other practices and policies of the employee organization, conform to the purposes and provisions of this order.

SEC. 317. Any Certificate of Merit may at any time be suspended or revoked by the Committee if the holder thereof, in the judgment of the Committee, has failed to comply with the provisions of this order.

SEC. 318. The Committee may provide for the exemption of any employer or employee organization from any requirement for furnishing information as to compliance if such employer or employee organization has been awarded a Certificate of Merit which has not been suspended or revoked.

PART IV—MISCELLANEOUS

SECTION 401. Each contracting agency (except the Department of Justice) shall defray such necessary expenses of the Committee as may be authorized by law, including section 214 of the Act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691): *Provided*, that no agency shall supply more than fifty per cent of the funds necessary to carry out the purposes of this order. The Department of Labor shall provide necessary space and facilities for the Committee. In the case of the Department of Justice, the contribution shall be limited to furnishing legal services.

SEC. 402. This order shall become effective thirty days after its execution. The General Services Administration shall take appropriate action to revise the standard Government contract forms to accord with the provisions of this order and of the rules and regulations of the Committee.

SEC. 403. Executive Order No. 10479 of August 13, 1953 (18 F.R. 4899), together with Executive Orders Nos. 10482 of August 15, 1953 (18 F.R. 4944), and 10733 of October 10, 1957 (22 F.R. 8135), amending that order, and Executive Order No. 10557 of September 3, 1954 (19 F.R. 5655), are hereby revoked, and the Government Contract Committee established by Executive Order No. 10479 is abolished. All records and property of or in the custody of the said Committee are hereby transferred to the President's Committee on Equal Employment Opportunity, which shall wind up the outstanding affairs of the Government Contract Committee.

JOHN F. KENNEDY

THE WHITE HOUSE,
March 6, 1961.

[F.R. Doc. 61-2093; Filed, Mar. 7, 1961; 10:06 a.m.] 90048

CONTRACT OF SALE

AND

PURCHASE OF MINING PROPERTY

Parties: W. P. BARTON and MARGARET S. BARTON, husband wife, of Boise, Idaho; and MACKAY EXPLORATION COMPANY, an Idaho corporation, Sellers;

R. V. LLOYD & Co., and ROBERT V. LLOYD, Trustee for Florence Ellen Lloyd, Buyers.

Date: May 10th, 1960.

The above named Sellers own certain patented lode mining claims, fractions and mill sites generally known as the Empire Mine Group; unpatented mining claims, subject to the paramount title of the United States, located in the Alder Creek mining district and being a part of the said Empire Mine Group; water rights appurtenant to said property together with the buildings and improvements thereon and machinery, equipment and personal property, all located in Custer County, Idaho, and described as follows:

Patented Mining Claims

Name of Claim	U.S. Survey No.
Buena Vista	1887
Copper Bullion	1272
Continental	1887
Eastern	1272
Hannibal	1887
Khedive	1887
Leslie W.	1887
Occidental	1887
Pasha	1887
Rio Vista	1887
Remonitization	1887
Sultan	1887
Sultana	1887
Wellington	1887

Patented Mill Sites

Name	U.S. Survey No.
Atlanta Mill Site	1272B
Pacific Mill Site	1272B

Also Tract No. 855, Section 28, Township 7 North, Range 24 E., B.M.

Unpatented Lode Mining Claims

Name of Claim	Date of Recording
Antelope	3-26-59
Clark	10-12-59
Cushing	9-1-59
Decatur	3-26-59
Evans	10-12-59
Farragut	3-26-59
Gem	10-12-59
General Lawton	10-12-59
Hamilcar	9-1-59
Mars	10-12-59
Porter	10-12-59
Triangle	7-14-54
Wainwright	3-26-59
Washington	10-12-59
Empire	2-4-60

Unpatented Mill Sites

Name of Claim	Date of Recording
Eastern	10-12-59
Oriental	10-12-59
Pasha	10-12-59
Sultan	10-12-59
Sultana	10-12-59
Wellington	10-12-59

Water Rights Appurtenant to the Above Described Property

All of the waters of White Knob Creek or Cliff Creek mentioned and described in that certain deed dated February 17, 1902, recorded June 12, 1902, in Book 1, page 221, records of the Recorder of Custer County, State of Idaho, together with the pipe line and conduit and appurtenances for the conveyance of said water, and as described in that certain decree in the U.S. District Court, in and for the District of Idaho, Eastern Division, in the case entitled The Utah Construction Company, a Corporation, plaintiff, vs. John F. Abbott, et al, as decreed to Idaho Metal Company, a Corporation, as Right No. 224, in said decree with date of priority of June 1, 1884, said decree being as follows, to-wit:

"All of the waters of White Knob Creek or Cliff Creek and tributaries above the pipe line of the Idaho Metals Company, formerly the White Knob Copper Company;"

"To be diverted from Cliff Creek or White Knob Creek through a private ditch having the point of diversion on the north fork of said creek at the location of thepresent pipe line of the Idaho Metals Company for mining and domestic purposes on the following described land to-wit:

"In and about the mining property and the mining claims owned and operated by the Idaho Metals Company, a Corporation, at or near White Knob, Custer County, Idaho."

and all buildings and improvements located upon the above described mining property.

<u>Machinery and Equipment and Personal Property</u>

1 - 1½ Ton Locomotive Mancha "Little Trammer, Type "B", Serial No. 3424, equipped with one battery box and one set of batteries, complete with Motor-Generator Set, 3 phase-60 cycles, 220/440 volt and Automatic Charging Panel.

4 - Ajax Type Mine Cars, 37½ cu.ft; 18" gauge, side dump; body size 36" wide, 56" long x 28" deep; 12" dia. roller bearing wheels, Link and Pin couplings.

1 - Ingersoll-Rand Diesel driven Air Compressor Model IKA-500 rated at 500 c.fm. together with appurtenances, valves etc.

1 - Ingersoll-Rand Wet Jackdrill Model JR 388, Serial No. 746877.

1 - Ingersoll-Rand Wet Jackdrill Model JR 388, Serial No. 746887 together with all appurtenances thereto.

1 - 1 Complete panel control board with enclosed switches for all main circuits.

1 - Blake type Jaw Crusher 10" x 16" completely equipped with V belt drive with 25 h.p. 440 volt AC motor.

1 - Rack and Pinion Ore Bin Gate complete with baffle.

1 - Belt Type Ore Feeder with heavy steel frame construction, feed control and V belt drive to individual motor.

1 - 4' x 18' Dorr Duplex Clasifier V belt driven by 5 h.p. motor.

1 - Wet Reagent Feeder V driven by individual motor.

1 - Marcy Ball mill No. 64 (6' x 4') with scoop feeder, driven by:-

1 - 150 h.p. General Electric Synchroneous Moter, speed 900 r.p.m. 125 KVA 440 volts 60 cycle. 12 V belts to ball mill counter shaft and controled by heavy duty clutch.

1 - Lot of approximately 2 tons steel grinding balls

1 - Case Trunion Bricks for ball mill trunions.

1 - Static Water Feed Tank

1 - Bank of 6 Denver Sub-A Flotation Cells 25" x 25" V Belt driven by 3 Motors.

1 - 5' x 5' Steel Conditioning Tank and Mechanism 3 V Belt driven by 5 h.p. motor.

1 - 10' x 4' Steel thickening tank with mechanism complete with control and driven by gear reduction motor.

1 - Oliver Drum Type Filter with V Belt drive to motor with reduction.

1 - 2" Diaphragm pump driven with V belts to motor.

1 - Vacuum pump and motor drive.

1 - 30" x 36" Muller mounted on steel beams with V belt drive to motor.

1 - Set mill platform scales.

1 - 18' Beam traveling Crane with cross travel and heavy duty blocks.

The Sellers hereby sell and the Buyers hereby purchase all of the above described real and personal property upon the following agreed terms and conditions:

1. The purchase price for all of the above described property is TWO HUNDRED TWENTY THOUSAND DOLLARS ($220,000) of which TWENTY THOUSAND DOLLARS ($20,000) is the purchase price for the above described machinery, equipment and personal property. It is agreed that the purchase price shall be paid

in the following manner: $10,000 has heretofore been paid by the Buyers receipt of which is acknowledged. An additional $30,000 shall be paid upon the execution of this agreement receipt of which is acknowledged by the Sellers. $20,000 of such $40,000 down payment is agreed to be the purchase price for the above described equipment, machinery and personal property and upon payment of such amount Sellers agree to execute and deliver to Buyer R. V. Lloyd & Co. a good and sufficient Bill of Sale for all of said equpment, machinery and personal property transferring to said Buyer the title thereto. The remaining $20,000 of the down payment shall apply upon the $200,000 purchase price for the above described patented and unpatented mining claims, water rights and appurtenances thereto. The unpaid balance of the purchase price for said mining claims and appurtenances shall be paid in quarterly payments of FORTY FIVE HUNDRED DOLLARS ($4,500), quarterly payments to be made January 5th, April 5th, July 5th and October 5th, the first quarterly payment to be due and payable January 5, 1961. In other words, beginning with the year 1961 Buyers shall pay Sellers $4,500 on January 5th; $4,500 on April 5th; $4,500 on July 5th and $4,500 on October 5th of each and every succeeding year until the entire purchase price has been paid. No interest is payable upon the unpaid balance of such purchase price if such payments are timely made as above provided.

Such payments shall be made to W. P. Barton, or his order, at 4212 Franklin Road, Boise, Idaho, or to W. P. Barton or order at any other address which he may later specify to the Buyers in writing.

2. Upon payment of the purchase price Sellers covenant and promise that they will thereupon execute and deliver to Buyers a good and sufficent Deed conveying to Buyers title to all of the above described real property, and appurt-

enances thereto, and an abstract of title covering all of the above described real property.

3. Upon the execution of this contract, the Buyers may take possession of said mining property and may thereafter possess and use the same, may prospect, mine, remove and sell the minerals and metals therefrom subject to the performance of this contract and the payment of the purchase price as hereinabove provided, it being agreed however that, until the purchase price is fully paid, Buyers will maintain the property and improvements thereon and thereunto appertaining in good repair, and in the performance of development or mining work thereon will maintain the tunnels and workings in good working and operating condition, consistent with good mining practices employed in said district. Buyers promise and covenant that they will maintain the title to all of the above described patented claims free from lien or encumbrances until the purchase price is paid, will maintain the water rights and all other rights appurtenant to said property free and clear of encumbrances and will do or cause to be done the necessary annual assessment work upon each and all of the above described unpatented mining claims and will, prior to the expiration of the assessment year file at the office of the recorder of Custer County, Idaho, affidavits for each of said claims furnishing proof thereof to Sellers. The obligation to perform the assessment work on such unpatented claims shall begin with the assessment year ending 1961.

4. Sellers have certain fire insurance in effect upon the buildings and improvements located upon this property which expires October 18, 1960. Such insurance is transferred

to Buyers without obligation but Buyers agree to maintain fire insurance on such buildings and improvements for the reasonable value of same with loss payable clauses to the parties as their interests appear, but in event of fire, if Buyer elects to rebuild such buildings or improvements into a condition comparable to that existing before the fire, the insurance proceeds may be used by Buyers for such purpose but such election must be promptly made by the Buyers following such fire loss.

5. The Buyers agree to pay any and all taxes, assessments or charges levied upon or against all of the above described real and personal property for the year 1960 and subsequent years, as well as the taxes assessed against the above described real property for the last half of 1959 which are payable in June 1960. Sellers shall be responsible for the payment of all taxes upon or against the above described personal property for the year 1959 and prior years and for all taxes and assessments upon or against the above described real property for years prior to 1959 and for the first half of 1959 taxes thereon.

6. In the possession, use, and mining operations of Buyers upon the above described property, it is agreed that Buyers are in no way the partner, agent, agents or employees of theSellers but will be independently responsible for their operations thereon and will save Sellers harmless from any and all responsibility for labor or material claims, and damages and claims of every nature arising out of or caused by the operations or acts of theBuyers. Whenever Buyers carry on mining operations upon the above described property or any part thereof they shall post the statement required of employers under Sections 44-501 and 44-502, Idaho Code, relating to notices for the protection of mechanics and will otherwise conform to and abide by all of the laws and valid

regulations of state or federal governmental units applicable to such operations.

7. Time is agreed to be of the essence of this contract. Should Buyers default in the payment of any installment required to be made upon the purchase price for this property or violate or be in default under any other provision or condition herein contained, this contract and all right, title and interest of Buyers herein shall be subject to forfeiture. Before such forfeiture is effective, Sellers shall give the Buyers written notice of any claimed default or violation. This notice shall be personally delivered or may be given by mail. If personally delivered said notice may be given to Mr. Robert V. Lloyd or the manager in charge of the above described property or to any other individual designated for such purpose by Mr. R. V. Lloyd. If the notice is given by mail, it shall be given by registered mail sent to Mr. R. V. Lloyd, P. O. Box 128, Coachella, California or to any other address which R. V. Lloyd may hereinafter furnish Sellers in writing. In such event, should Sellers fail to completely perform, rectify and remedy the default or violation specified in said notice within 60 days after said notice is given then and thereupon, at the option of Sellers, this contract shall be terminated and all rights herein forfeited, including all payments theretofore made by the Buyers which shall be considered as reasonable rental for said property. Sellers may elect to enforce this contract according to its terms or to exercise any other right or remedy arising from this contract. In any action brought by either party to enforce this contract or to declare a forfeiture thereof, or to enforce any right or remedy growing out of said contract, the losing party shall pay all costs

thereof, including a reasonable attorneys fee to the prevailing party.

8. The waiver of strict performance of any condition or provision herein contained by either party shall not constitute a waiver or presumption of waiver of strict performance of any other term or condition herein contained.

9. This contract shall benefit and bind the heirs, executors and administrators of each of the individuals herein named and shall benefit and bind the successors and assigns of any corporate party herein named.

IN WITNESS WHEREOF, said parties have hereunto set their hands and affixed their seals this 10th day of May, 1960.

H. P. Barton

Margaret S Barton

MACKAY EXPLORATION COMPANY,
a corporation

By H. P. Barton
President

ATTEST:

Margaret S Barton
Secretary

Sellers

Robert V. Lloyd
Trustee for Florence Ellen Lloyd

R. V. LLOYD & CO.

By R. V. Lloyd
a partner
Buyers

STATE OF IDAHO)
) ss
County of Ada)

On this _____ day of May, 1960, before me, a Notary Public in and for said county and state, personally appeared W. P. BARTON and MARGARET S. BARTON, husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my offidal seal the day and year first above written.

Notary Public for Idaho
Residing at: _____

STATE OF IDAHO)
) ss
County of Ada)

On this _____ day of May, 1960, before me, a Notary Public in and for said county and state, personally appeared W. P. BARTON known to me to be the President of MACKAY EXPIRATION COMPANY, known to me to be the corporation that executed the foregoing instrument and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public for Idaho
Residing at: Boise Idaho

STATE OF CALIFORNIA
COUNTY OF
Riverside } SS.

On this 16th day of May, 1960, 19....., before me, Stanley G. Ottman, a Notary Public in and for said County and State, personally appeared R. V. Lloyd, known to me, to be one of the partners of the partnership that executed the within instrument, and acknowledged to me that such partnership executed the same.

WITNESS my hand and official seal.

(Seal) Notary Public in and for said County and State.

NOTARY PUBLIC
In and for the County of Riverside State of California
STANLEY G. OTTMAN
My Commission Expires April 15, 1964

My Commission Expires

M.S. 168 (G.S.) Ack. Partnership (Photo Form) 9-18-59 3,500

STATE OF CALIFORNIA)
) ss
County of Riverside)

On this 13th day of May, 1960, before me, a Notary Public in and for said county and state, personally appeared ROBERT V. LLOYD, Trustee for Florence Ellen Floyd, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public for California
Residing at:

My Commission Expires April 15, 1964

STATE OF CALIFORNIA)
) ss
County of_____)

On this_____day of May, 1960, before me, a Notary Public in and for said county and state, personally appeared _____ known to me to be the_____ of R. V. LLOYD & CO., the corporation that executed the foregoing instrument and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public for California
Residing at:

P. O. BOX
238

Empire Copper Mine

R. V. Lloyd and Co.
MACKAY, IDAHO

PHONE
3353

June 9, 1962

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 11 1962

DATE	INITIALS	CODE
6/11	FMM	500

U. S. Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

RE: OME - 6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho

ATTENTION: For Handling by Mr. Murphy

Gentlemen:

As per our telephone conversation of June 8, 1962 in connection with the application for financial aid in exploring reference mine, we are enclosing the following additional documents as requested.

1. One photo-copy of the legal instrument showing the R. V. Lloyd & Company's right to possession of the claims listed on Pages 7 and 7A of the application.
2. Five copies of the Lien or Subordination Agreement excuted by persons retaining an interest in the claims.
3. Five signed copies of the Lien or Subordination Agreement between R. V. Lloyd & Company and Robert V. Lloyd, Trustee, for Florence Ellen Lloyd were mailed to you from Coachella, California on June 8, 1962; and the necessary legal description of the claims, which is Annex Sheet No. 1, are enclosed. (Please attach these to the Subordination Agreement.)
4. Five copies of a statement showing that the additional claims as requested in your letter of May 17, 1962, are in possession of the R. V. Lloyd & Company. This statement has been numbered page 7A of the original application.

We trust that these documents will complete the necessary information for you to finalize the completion of the loan contract.

If additional information is needed at this time, please call us and we will do everything we can to expedite what ever is needed.

Sincerely yours,

R. V. LLOYD & COMPANY

By R. E. Chambers
R. E. Chambers,
General Superintendent

REC:el
Enclosures (4)

The following claims are in possession of the R. V. Lloyd & Company and are to be added to those claims listed on Page 7 of the application:

Claim	Roll No.	Page No.	Line No.	Patented or Unpatented
REMONITIZATION - Survey #1887	2	102	11	Patented
LESLIE W. - Survey #1887	2	102	9	Patented
COPPER BULLION - Survey #1272A	2	102	15	Patented
PASHA - Survey #1887	2	102	11	Patented

UNPATENTED CLAIMS -- LEGAL DESCRIPTION

WASHINGTON

Beginning 400 ft. South 56° - 40 minutes East of this location monument at the South end center monument and running thence South 33° - 40 minutes West 100 ft. to the South West corner monument no. 1. Thence North 48° - 22 minutes West 700 ft. to the North West corner monument no. 2. Thence North 33° - 40 minutes East 20 ft. to the North end center monument. Thence North 33° - 40 minutes East 20 ft. to the North East corner monument no. 3. Thence South 65° - 00 Minutes East 700 ft. to the South East corner monument no. 4. Thence South 33° - 40 minutes West 200 ft. to the place of beginning.

GEM

Beginning corner no. 1 which bears North 25° - 53 minutes West 553 ft. from corner no. 2 of the patented Copper Bullion. Thence first course north 23° - 03 minutes East 675 ft. to corner no. 2 from which corner no. 2 discovery post bears South 8° - 14 minutes West 100 ft. Thence second course from corner no. 2 North 71° - 26 minutes East 210 ft. to corner no. 3. Thence South 34° West 830 ft. to corner no. 1 - the place of beginning.

ALL CLAIMS ARE LOCATED IN THE ALDER CREEK DISTRICT, SECTION 36, TOWNSHIP 7, RANGE 23 NORTH, BOISE MERIDAN.

The following claims are in possession of the R. V. Lloyd & Company and are to be added to those claims listed on Page 7 of the application:

Claim	Roll No.	Page No.	Line No.	Patented or Unpatented
REMONITIZATION - Survey #1887	2	102	11	Patented
LESLIE W. - Survey #1887	2	102	9	Patented
COPPER BULLION - Survey #1272A	2	102	15	Patented
PASHA - Survey #1887	2	102	11	Patented

UNPATENTED CLAIMS -- LEGAL DESCRIPTION

WASHINGTON

Beginning 400 ft. South 56° - 40 minutes East of this location monument at the South end center monument and running thence South 33° - 40 minutes West 100 ft. to the South West corner monument no. 1. Thence North 48° - 22 minutes West 700 ft. to the North West corner monument no. 2. Thence North 33° - 40 minutes East 20 ft. to the North end center monument. Thence North 33° - 40 minutes East 20 ft. to the North East corner monument no. 3. Thence South 65° - 00 Minutes East 700 ft. to the South East corner monument no. 4. Thence South 33° - 40 minutes West 200 ft. to the place of beginning.

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ALL CLAIMS ARE LOCATED IN THE ALDER CREEK DISTRICT, SECTION 36, TOWNSHIP 7, RANGE 23 NORTH, BOISE MERIDAN.

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ALL CLAIMS ARE LOCATED IN THE ALDER CREEK DISTRICT, SECTION 36, TOWNSHIP 7, RANGE 23 NORTH, BOISE MERIDAN.

P. O. BOX
238

Empire Copper Mine

R. V. Lloyd and Co.
MACKAY, IDAHO

PHONE
3353

OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 7 1962

April 25, 1962

United States
Department of the Interior
Office of Minerals Exploration
Spokane, Washington

Gentlemen:

Enclosed herewith is the Application of Financial Assistance in Minerals Exploration for exploration in the Empire Copper Mine, Custer County, Idaho, together with supporting evidence of the need of the loan.

The amount of the loan requested herewith is $ 88,163.40.

Very truly yours,

R. V. LLOYD & COMPANY

By R V Lloyd
R. V. Lloyd, Partner

RVL:el

Enclosure

RECEIVED
APR 30 1962
U. S. G. S.
SPOKANE, WASH.

RECEIVED

APR 30 1962

U S G. S.
SPOKANE, WASH.

MME Form 40
Dec. 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Budget Bureau No. 42-R1368
Approval expires Dec. 31, 1963

O.M.E.

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85–701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

R. V. LLOYD & COMPANY
P. O. Box 238
Mackay, Idaho

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6244

DATE RECEIVED: 5-7-62

REGION: I

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL [ ]
- CORPORATION [ ]
- PARTNERSHIP [X]
- OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED:

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
R. V. Lloyd	P. O. Box 128 Coachella, California	Partner
Hazel U. Lloyd	P. O. Box 128 Coachella, California	Partner

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Copper

ESTIMATED COST OF PROJECT: $ 176,326.80

PROPERTY NAME	LOCATION COUNTY	STATE
Empire Copper Mine	Custer	Mackay, Idaho

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit ~~three~~ four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior, Washington 25, D. C., or with the nearest OME Field Office.*

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

April 25, 1962
DATED

R V Lloyd
BY *(Signature)* R. V. LLOYD

Partner
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C. 50399

P. O. BOX
238

Empire Copper Mine
R. V. Lloyd and Co.
MACKAY, IDAHO

PHONE
3353

April 25, 1962

APPLICATION FOR FINANCIAL ASSISTANCE

IN MINERALS EXPLORATION

By

The Empire Copper Mine
R. V. Lloyd & Company
Mackay, Idaho

CONTENTS

SUMMARY

ITEM 1. FINANCIAL ELIGIBILITY

ITEM 2. RIGHTS TO THE LAND

ITEM 3. ACCESSIBILITY OF THE PROPERTY

ITEM 4. PHYSICAL DESCRIPTION

ITEM 5. EXPLORATION WORK

ITEM 6. EXPERIENCE

ITEM 7. ESTIMATE OF COSTS

ITEM 8. AMOUNT OF O.M.E. LOAN REQUESTED

BIBLIOGRAPHY

ILLUSTRATIONS

Figure 1. Composite Longitudinal Section of the Empire Mine . .

Figure 2. Composite Plan of some of the Upper Levels and the Proposed Exploration Work . . . . . .

NOTE The Index Map, Claim Map and Maps of all levels except the 1100 level used in the preparation of this application were those prepared by Farwell and Full, U. S. Geological Survey Open File Report of 1944 . . . . . .

SUMMARY

The Empire Mine has produced 57,531,000 pounds of copper from 806,550 tons of crude ore. The mine has been divided into two ore zones about equal in size by a large trachyte dike. Most of the early production was from the zone to the south. This zone was mined from a glory hole at the surface down to the 800 level. The more recent mining has been in the north ore zone and this has been penetrated on successive 100 foot levels to the 1100 level and again on the 1600 level. The north zone has been mined over a length of approximately 1000 feet and the south zone slightly more than this on some of the upper workings.

The ore zones occur as irregular pods totally contained within tactite masses or on the contact between the tactite and marble. Geologic inference strongly suggests that the ore zones will extend to lower depths so long as the tactite persists. Because of the favorable extension of the ore on the lower levels of the north ore zone, it would seem highly probable that similar extensions would be encountered on these levels south of the large dike.

The Empire Copper Mine proposes a 720 foot drift at the 1100 foot level and a 700 foot drift on the 900 foot level to explore for this inferred extension of the south ore zone. A 500 + or - 5' foot raise for the purpose of ventilation and service would also be required. To further delineate the ore in the tactite zones, approximately 1025 feet of diamond drilling and 2400 feet of long hole drilling is proposed. Evidence recommending this exploration is compelling.

ITEM 1. FINANCIAL ELIGIBILITY:

a. Pages 3 and 5 of this application are copies of letters written to two different banking institutions to obtain a loan to explore the Empire Mine. Pages 4 and 6 are letters of refusal from these two institutions.

b. The Empire Copper Mine will furnish its' share of the exploration work in cash, services, operating materials, supplies and equipment.

R. V. LLOYD & COMPANY
CONTRACTORS
P. O. BOX 128 EXpress 8-3971
COACHELLA, CALIFORNIA

February 1, 1962

First National Bank
Coachella, California

Gentlemen:

As you are aware we have a mine and milling operation in Custer County, Idaho, mining and concentrating copper ore.

In order that we may further develop the ore necessary to keep the mill in operation over the next ten year period a systematic exploration program based upon geologic information is being initiated.

To carry out this program of orderly exploration it is necessary that we borrow $150,000.00 over the next fifteen months in order that we may complete 1,420' of 7' drift, 500' of raise, 2,400' of long hole drilling, and 1,025' of core drilling togeather with the necessary engineering and geological studies.

In order to carry this program to completion we will use an additional $150,000.00 which we have.

It will be appreciated if we may be given favorable consideration for this loan of $150,000.00 to be repaid with interest over a ten year period.

Very truly yours,

R. V. LLOYD AND COMPANY

By Hazel U. Lloyd
Hazel U. Lloyd, Partner

THE FIRST NATIONAL BANK
IN COACHELLA

COACHELLA, CALIF.

February 13, 1962.

R. V. Lloyd and Company,
Coachella, California.

Gentlemen:

Your loan application for $150,000.00 to be used in the exploration of your mining property, has been considered by our loan committee.

We regret we are unable to accommodate you in this matter as it is not the policy of this bank to grant credit over a ten year period.

Very truly yours,

Stanley G. Ottman
Vice President and Cashier.

P. O. BOX
238

Empire Copper Mine

R. V. Lloyd and Co.
MACKAY, IDAHO

PHONE
3353

February 2, 1962

Idaho First National Bank
Mackay, Idaho

ATTENTION: Mr. Bert Hoidal, Manager

Gentlemen:

As you are aware we have a mine and milling operation here at Mackay, mining and concentrating copper ore.

In order that we may further develop the ore necessary to keep the mill in operation over the next ten year period a systematic exploration program based upon geologic information is being initiated.

To carry out this program of orderly exploration it is necessary that we borrow $150,000.00 over the next fifteen months in order that we may complete 1,420' of 7' drift, 500' of raise, 2,400' of long hole drilling, and 1,025' of core drilling together with the necessary engineering and geological studies.

In order to carry this program to completion we shall use an additional $150,000.00 which we have.

It will be appreciated if we may be given favorable consideration for this loan of $150,000.00 to be repaid with interest over a ten year period.

Very truly yours,

R. V. LLOYD & COMPANY

By Signed by R. V. Lloyd
R. V. Lloyd, Partner

MACKAY OFFICE

The Idaho First National Bank

ESTABLISHED 1867

MACKAY, IDAHO

February 23, 1962

Empire Copper Mine
R. V. Lloyd & Company
P. O. Box 238,
Mackay, Idaho

ATTENTION; R. V. Lloyd, Partner

Dear Sir:

I have your application for a loan of $150,000 to explore your mining property under the exploration program you are planning to initiate.

After due and careful consideration, I am forced to turn down this application as I would not be able to grant you such a loan, considering the time involved and the size of the loan.

I want to thank you for the consideration and am sorry that we are unable to grant you this loan.

Sincerely yours,

Bert A. Hoidal

Bert A. Hoidal
Manager

ITEM 2. APPLICANTS RIGHTS TO LAND

a. The Empire Copper Mine owned by R. V. Lloyd, trustee, for Florence Ellen Lloyd and R. V. Lloyd & Company and leased and operated by ? R. V. Lloyd & Company has the rights to this property by virtue of ownership of all patented claims and current assessment of all unpatented claims. (Encumberances.)

? William P. Barton

all claims listed in proposed contract are patented.

Checked with Thor Kiilsgaard, inserted by Tamson

b. The Empire Mine is in Section 36, Township 7 North, Range 23 ~~North~~ East, Boise Meridian (Fig. 1). This property is comprised of 17 claims (Fig. 2). Only those listed below will be subject to Government royalty and liens. Records in the Custer County Courthouse, Challis, Idaho list the claims as follows:

Claim	Book No.	Page No.	Line No.
Sultan - 1887))--- Sultana - 1887)	Roll 2	102	13
Eastern - 1272A	Roll 2	102	15

If favorable consideration is given this application , we will forward the lien or subordination agreement at once.

ITEM 3. ACCESSIBILITY OF THE PROPERTY

a. The Empire Copper Mine, chief producer of the Alder Creek Mining District, is situated in the White Knob Range. It is approximately seven miles southwest of Mackay, Custer County, Idaho. Mackay is the terminus of a branch of the Union Pacific Railroad and is also accessible from the north or south by U. S. Highway 93-A. The 1100 level is easily accessible by conventional vehicle. The mill, change house and surface plant are at this level and the other levels are accessible through it.

b. OME representatives who may examine the Empire Mine will be met by one of the mine representatives at Mackay, Idaho.

ITEM 4. PHYSICAL DESCRIPTION

The Empire Mine was first operated in 1884 and all production above the 1100 level may be found in the latest U. S. Geological Survey Open Report. Reports from the mining of the 1100 level indicate that this portion of the mine has yielded approximately 1,900,500 pounds of copper. Several million pounds of lead have been produced from adjacent lead-zinc deposits.

The workings of the Empire Mine are distributed along a north trending zone approximately 3500 feet in length and 400 feet wide. The vertical extent of penetration has been through levels about 100 feet apart from the glory hole at the surface to the 1100 level and then again at the 1600 level. The large ore zones near the southern end of the property were mined in the early days and much of the information concerning these ore zones is no longer available. The workings of the mine have been divided into a northern zone and southern zone by a large porphyritic granodiorite (trachyte) dike. The deeper levels to the north were discontinued when contact was made with this dike. Ten major levels now exist although those above the 700 level are not readily accessible. The production of recent years including that by the present management has been through the 1100 level in the north ore zone. The deepest penetration of the south zone was the 800 level.

Much of the mining done in recent years was by leasors who mined the easiest way possible without regard for exploration or development work until each minable zone became exhausted. This method of mining also resulted in many stopes having been stripped of the high grade or "shipping" ore with no record kept of possible mill ore.

A 150-ton mill was erected at the 1100 level in early 1961 and ore for the mill has been supplied from the lower grade ore left by the leasors in the stopes between the 1000 and 1100 levels. In recent months an exploration program was initiated to determine the reserves of millable ore above the 1100 level with the first target areas on the 1100 level to help provide the immediate needs of the mill. As a result of this exploration program in an area already exploited of the high grade ore it became apparent that a long range program of exploration to open up new ore zones was necessary to prolong the life of the mine. The logical place for this new exploration is the south ore zone from the 1100 level. This zone has barely been penetrated below the 700 level although the greater proportion of the early day production was from this south zone on the upper levels.

Predicting ore reserves with any degree of accuracy is very difficult because of the irregularity of the ore pods. Leasors have repeatedly found substantial pods of high grade ore within a few yards of lean pillars that were left by their predecessors. An excellent stope on the 1100 level does not project to the 1000 level although a parallel pod extents from the 800 to the 1100 level without diminishing in size or grade. Geologic inferrence strongly suggests that there are many thousands of tons of ore still unexplored in both ore zones and still other thousands of tons that require further development. A systematic exploration program based upon geologic information is being initiated.

In Summary, possible and probable ore reserves above the 1100 are in the order of several tens of thousands of tons. The south ore zone between the 700 level and the 1100 level could contain ore reserves sufficient to sustain the mine for many years.

Farwell and Full as well as other geologists have described this property as an extensive zone of contact metamorphism in limestone adjacent to a granite stock. Within a marginal facies of granite porphyry lie irregular masses of tactite. The ore bodies are pipe-like bodies which lie along the contact between the tactite and marble or entirely within the tactite. The copper ores are composed of chalcopyrite, pyrite and pyrrhotite in granular garnet, diopside and calcite. Magnetite, fluorite, sphalerite, molybdenite and scheelite also occur less abundantly. The copper ores have been deeply oxidized and the principal supergene mineral is chrysocolla. The apparent potential of this contact metamorphic zone certainly merits exploration.

ITEM 5. EXPLORATION WORK

a. The main proposed exploration work is a 720 foot drift from the present face of the 1100 level and a 700 foot drift from the face of the dike on the 900 level in a southerly direction through the center of the contact metamorphic zone in a manner to intersect the projected tactite zones. These drifts will be driven through 80 to 90 feet of porphyritic granodiorite dike at the outset and should intersect the first probable ore zone at approximately 250 feet.

b. Further, it is proposed that a raise for the purpose of ventilation and service shall be run from the 1100 level to the 700 foot through the 900 foot level, a point 24,430 N and 25,665 E on the new 1100 level to a point 24,450 N and 26,400 E on the 700 level. Location of this may need revision when the exact nature of the ground is known.

too drifty?

c. In addition to the above, it is proposed that 2400 feet of long hole drilling and 1025 feet of diamond drilling be done to delineate possible ore zones within the tactite zones encountered. This footage is estimated from projected zones and may need to be revised when the geology exposed by the proposed drifting has been studied.

d. If an OME contract is executed, work on the project will start immediately. Working 2 shifts the drifting will progress at the rate of 5 feet per day. It is estimated that about one fourth of the drift will require timbering. The work should be accomplished in 300 working days after the signing of the contract.

too little

2½ ?

ITEM 6. EXPERIENCE

a. R. V. Lloyd and Company, a Co-Partnership, formed in 1938 as General Engineering Contractors performing all types of general engineering contracting work, specializing in under ground construction consisting of installation of water lines, sewers, tunnels, irrigation lines and canals, pumping plants and related work.

Since 1948 installed hundreds of miles of pipe lines for the U. S. Bureau of Reclamation, the Metropolitan Water District, United Waters Conservation District, Utres of Phoenix, Arizona, Riverside, California, Fontana, California, San Bernadino, California and others.

In addition, from 1945 to 1948 mined coal at Russellville, Arkansas.

How? instrument.

In 1960, acquired the Empire Copper Mine at Mackay, Idaho and operated by leasors during that year.

Starting in early 1961 until present have operated all phases of the mine including the exploration, development, drifting, tunneling, mining and milling. All this operation being carried on on the 1100 level north of dike.

b. The mine superintendent, Mr. Jim Salyer, has had 21 years mining experience as mucker, hardrock miner, and supervisor. He was shifter in the Blackbird Mine at Cobalt, Idaho for 8 years. He was in charge of driving drifts and cross cuts for Eureka Corporation on their Deer Creek property near Salmon.

He was selected to take candidate for supervisors course given by American Smelters and Refinerys at their Northwest Offices in Wallace, Idaho and later was shifter at their Page Mine.

c. Mr. W. P. Barnes, who is working part time to help with the geology and engineering, is a graduate geological engineer (B. S., University of Idaho) with 5 years as mining geologist and chief geologist for the Calera Mining Company at Cobalt, Idaho and 5 years of part time work in geology and mining engineering.

OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 7 1962

ITEM 7. ESTIMATE OF COSTS

	RATE		COST/ FOOT	TOTAL
DRIFTING - 1420 TOTAL FOOTAGE				
Costs based on 2 shifts per day with a total of 5 feet of drift per day. This includes timbering. It is estimated that 25% of the drift will require timber. Extreme distance of the waste haul is the reason for the low daily footage of drift.				
a. PERSONAL SERVICES FOR DRIFTING				
Personnel				
Miners (4)	2.30		14.75	
Geologist) Part	4.00		.80	
Engineer) Time				
Repair Man - Mine	2.30		3.68	
Repair Man - Shop	3.25		2.40	
Supervision - 1 Part Time	4.00		2.25	
Payroll Tax	7.25%		1.73	
Comp. Insurance	7 %		1.67	
		Sub-Total	27.28	27.28
b. MATERIALS & SUPPLIES FOR DRIFTING				
Rails	12.10	Per 100	2.90	
Spikes	25.00	Per Keg	.09	
Splice Plates	20.00	Per 100	.20	
Ties	70.00	Per M	.42	
Timber, Lagging)	70.00	Per M	3.75	
Wedges)				
Bits	12.00	each	.30	
Steel	1.30	#	.60	
Powder	20.00	Per 100	4.00	
Fuse	15.00	Per 1000)	2.00	
Caps	34.75	Per 1000)		
Elec. Caps	16.00	Per 100)		
Hand tool		)	.75	
First Aid Material		)		
Pipe 2" Air	.60	ft.	.60	
Pipe 1" Water	.30	ft.	.30 OK	
Hose, Air 1"	.97	ft.	.75	
		Sub-Total	~~16.66~~	16.66
c. EQUIPMENT RENTAL & FUEL				
See Pages 5 and 5A of Item No. 7			25.30	25.30
d. GENERAL SUPERVISION				
General Supt.)			1.75	1.75
Bookkeeper)				
			Total	$ 70.99

$1.07 (see Molybdenum Corp DMR-4568)

← separate item

← Nipper, Timberhelper, etc

$10.37

38.00

	RATE		COST/ FOOT	Total
RAISE - 500 TOTAL FOOTAGE				
Costs based on 2 shifts per day with a total of 5 feet of raise per day.				
a. PERSONAL SERVICES FOR RAISE				
Personnel				
5 Miners	2.30		14.75	
Geologist } Part	4.00		.80	
Engineer } Time				
Repair Man - Shop-Part Time	3.25		1.55	
Supervisor - Part time	4.00		1.80	
Payroll Tax	7.25%		1.37	
Insurance	7 %		1.32	
		Sub-Total	21.59	21.59
b. OPERATING MATERIAL & SUPPLIES - RAISE				
Ladders	10.00	each	2.00	
Powder	20.00	Per 100 #	4.00	
Caps	34.75	Per 1000 }	2.00	
Fuse	15.00	Per 1000 }		
Bits	12.00	each	.30	
Steel	1.30	#	.60	
Hand tool }			1.50	
First Aid Material }				
Hose, 1" Air	.97	ft.	.25	
Air Line 2"	.60	ft.	.60	
Water Line 1"	.30	ft.	.30	
Assays 40 ea.	4.00		.32	
		Sub-Total	11.87	11.87
c. EQUIPMENT RENTAL & FUEL				
See Pages 5 and 5A of Item No. 7			28.85	28.85
d. GENERAL SUPERVISION				
General Supt. }			1.25	1.25
Bookkeeper }				
			Total	$ 63.56

	RATE	COST/ FOOT	TOTAL
LONG-HOLE DRILLING - 2400 TOTAL FOOTAGE			
Costs based on 2 shifts per day with a total of ~~35~~ 70 feet per shift.			
a. PERSONAL SERVICES FOR LONG-HOLE DRILLING			
Personnel			
Drillers - 2 per shift	2.30 per hr.	1.50	
Mechanic (Shop) Part time- -sharpens bits, repair drill	3.25 per hr.	.20	
Geologist	4.00	.10	
Supervision	4.00	.20	
Payroll Taxes	7.25%	.15	
Insurance	7 %	.14	
	Sub-Total	2.29	2.29
b. OPERATING MATERIALS & SUPPLIES			
Hose	.97 ft.	.15	
Pipe	.55 ft.	.20	
Steel	1.35 #	.35	
Bits	22.00 ea.	.40	
Assays 2.00 ea.	4.00 ea.	.35	
	Sub-Total	1.45	1.45
c. EQUIPMENT RENTAL & FUEL			
See Pages 5 and 5A of Item No. 7		3.29	3.29
d. GENERAL SUPERVISION			
General Supt. / Bookkeeper		.45	.45
		Total	? $ 7.48

	RATE		COST /FOOT	TOTAL
DIAMOND DRILLING - 1025 TOTAL FOOTAGE				Bits?
Costs based on 2 shifts per day with a total of 14.5 feet per shift.				
a. PERSONAL SERVICES FOR DIAMOND DRILLING				
Personnel				
Driller	2.45		7.60	
Driller Helper	2.30			
Mechanic (Shop)	3.25		.60	
Geologist	4.00		.40	
Supervision - Part Time	4.00		.30	
Payroll Taxes	7.25%		.65	
Insurance	7 %		.62	
		Sub-Total	10.17	10.17
b. OPERATING MATERIALS & SUPPLIES				
Hose	.97		.40	
Pipe	.60		.25	
Core Barrel	25.00	ft.	1.25	
Drill Rod	2.30	ft.	.80	
Bits	48.00	ea.	3.35	
Assays 50 ea.	4.00		.20	
		Sub-Total	6.25	6.25
c. EQUIPMENT RENTAL & FUEL				
See Pages 5 and 5A of Item No. 7.			6.99	6.99
d. GENERAL SUPERVISION				
General Supt.			1.75	1.75
Bookkeeper				
			Total	$ 25.16

WOW! and -

ESTIMATE OF COSTS - GENERAL OPERATING EQUIPMENT

EQUIPMENT	OWNERSHIP	VALUE	LENGTH OF USE - MONTHS	NO. SHIFTS	Per Shift OWNERSHIP RENTAL-Mo.	Per Shift FUEL, OIL & PARTS - Mo.	SHIFT COST		TOTAL MONTHLY COST	TOTAL COST
1 each Compressor - Diesel 600	R.V. Lloyd&Co.	$8000.00	14 Months	2	$ 133.00	$ 395.00	$ 528.00		$ 1056.00	$ 14,784.00
1 each Compressor - Electric 850	R. V. Lloyd &Co.	$15000.00	14 Months	2	$ 225.00	$ 280.00	$ 505.00		$ 1010.00	$ 14,140.00
1 each Blower Fan with Elec. Motor	R.V. Lloyd &Co.	$ 350.00	14 Months	2	$ 5.83	$ 2.00	$ 7.83		$ 15.66	$ 219.24
1100' Blower Pipe 12" (@.30 ft.)	R. V. Lloyd &Co.	$ 330.00	14 Months	2	$ 5.50	$ ----	$ 5.50		$ 11.00	$ 154.00
2 each Air Hoist	R. V. Lloyd &Co.	$ 1000.00	14 Months	2	$ 16.67	$ 8.50	$ 25.17		$ 50.34	$ 704.76
3 each Pumps - Air Driven, Water	R. V. Lloyd &Co.	$ 900.00	14 Months	2	$ 15.00	$ 9.00	$ 24.00		$ 48.00	$ 672.00
2 each Trucks - Pickup ½ ton	R. V. Lloyd &Co.	$ 1600.00	14 Months	2	$ 26.67	$ 51.20	$ 77.87		$ 155.74	$ 2,180.36
1 each Miner Lite Set w/Generator	R. V. Lloyd &Co.	$ 1100.00	14 Months	2	$ 18.33	$ 20.00	$ 38.33		$ 76.66	$ 1,073.24
? ~~1 each Tractor - D-8 Cat.~~	R. V. Lloyd &Co.	~~$24000.00~~	6 Months	1	~~$ 400.00~~	~~$ 625.00~~	~~$1025.00~~		$ 1025.00	$ ~~6,150.00~~
1 each Truck - 1½ Ton	R. V. Lloyd &Co.	$ 1600.00	14 Months	1	$ 26.67	$ 54.00	$ 80.67		$ 80.67	$ 1,129.38
1 each Truck & Arc Welder	R. V. Lloyd &Co.	$ 2500.00	14 Months	1	$ 41.67	$ 110.00	$ 151.67		$ 151.67	$ 2,123.38
		32,380 / 60 months = $540/mth.			$ 51.43	$929.70		Totals	$ 3680.74	$ 43,330.36

54% of Rental to Drifting.....$23,398.40
16% of Rental to Raise.....$ 6,932.86
15% of Rental to Long Hole.....$ 6,499.55
15% of Rental to Diamond Drilling.....$ 6,499.55
Total.....$43,330.36

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O. M. E
RECEIVED MAY 8 1962

why? charges on page 5.

ESTIMATE OF COSTS - DRIFT [redacted]

EQUIPMENT	OWNERSHIP	VALUE	LENGTH OF USE - Months	No. Shifts	Per Shift OWNERSHIP RENTAL * Mo.	Per Shift ~~Fuel, Oil~~ Parts - Mo.	Shift Cost		TOTAL MONTHLY COST	TOTAL COST
1 each Trammer - Electric	R. V. Lloyd & Co.	$ 3500.00	14 Mo.	2	$ 58.33	$ 30.00	$ 88.33		$ 176.66	$ 2,473.24
6 each Mine Cars	R. V. Lloyd & Co.	$ 3000.00	14 Mo.	2	$ 50.00	$ 5.00	$ 55.00		$ 110.00	$ 1,540.00
1 each Mucking Machine	R. V. Lloyd & Co.	$ 2500.00	14 Mo.	2	$ 41.67	$ 65.00	$ 106.67		$ 213.34	$ 2,986.76
3 each Rock Drills	R. V. Lloyd & Co.	$ 2500.00	14 Mo.	2	$ 41.67	$ 20.00	$ 61.67		$ 123.34	$ 1,726.76
2 each Generator & Charger - tram bat.	R. V. Lloyd & Co.	$ 1000.00	14 Mo.	2	$ 16.67	$ 35.00	$ 51.67		$ 103.34	$ 1,446.74
1 each Trammer Bat. (Extra Sets	R. V. Lloyd & Co.	$ 950.00	14 Mo.	2	$ 15.83	$ 30.00	$ 45.83		$ 91.66	$ 1,283.24
1 each Chain Saw	R. V. Lloyd & Co.	$ 200.00	14 Mo.	2	$ 3.33	$ 18.00	$ 21.33		$ 42.66	$ 597.24
1 each Blasting Machine	R. V. Lloyd & Co.	$ 75.00	14 Mo.	2	$ 1.25	$ ---	$ 1.25		$ 2.50	$ 35.00
1 each Bit Sharpner	R. V. Lloyd & Co.	$ 700.00	14 Mo.	2	$ 11.67	$ 4.00	$ 15.67		$ 31.34	$ 438.76
		$12,075.00				only grease & spare parts		Total	$ 894.84	$12,527.74

$12,075.00 / 60 = 201.29/month

ESTIMATE OF COSTS - RAISE

1 each Slusher	R. V. Lloyd & Co.	$ 650.00	14 Mo.	2	$ 21.66	$ 5.00	$ 26.66		$ 53.32	$ 746.48
1 each Mucking Machine	R. V. Lloyd & Co.	$ 2500.00	14 Mo.	2	$ 41.67	$ 65.00	$ 106.67		$ 213.34	$ 2,986.76
1 each Trammer - Electric	R. V. Lloyd & Co.	$ 3500.00	14 Mo.	2	$ 58.33	$ 30.00	$ 88.33		$ 176.66	$ 2,473.24
1 each Trammer Bat. (Extra Set)	R. V. Lloyd & Co.	$ 950.00	14 Mo.	2	$ 15.83	$ 30.00	$ 45.83		$ 91.66	$ 1,283.24
								Total	$ 534.98	$ 7,489.72

ESTIMATE OF COSTS - LONG HOLE DRILLING

1 each Drifter	R. V. Lloyd & Co.	$ 600.00	14 Mo.	2	$ 20.00	$ 30.00	$ 50.00		$ 100.00	$ 1,400.00

ESTIMATE OF COSTS - DIAMOND CORE DRILLING

1 each Core Drill	R. V. Lloyd & Co.	$ 750.00	14 Mo.	[redacted] 1	$ 12.50	$ 35.00 ?	$ 47.50		$ 47.50	$ 665.00
								Totals of Page	$ 1,577.32	$22,082.46

NICHOLS DRILLING COMPANY, Inc.

111 E. 39TH STREET P. O. BOX 2057 BOISE, IDAHO
PHONE 344-7946

CONTRACT DRILLING and GROUTING

OFFICIAL FILE COPY
APRIL 21, 1962
RECEIVED MAY 7 1962
DATE INITIALS CODE

R. V. LLOYD CO.
P. O. BOX 238
MACKAY, IDAHO

ATTENTION: MR. BOB CHAMBERS

GENTLEMEN:

THE FOLLOWING IS OUR PROPOSAL FOR DRILLING APPROXIMATELY 1,025 LINEAL FEET OF EXPLORATORY CORE HOLE IN CONNECTION WITH YOUR PROPOSED DEVELOPMENT PROGRAM AT YOUR MINE NEAR MACKAY, IDAHO.

ITEM No.	DESCRIPTION	QUANTITY	UNIT PRICE	AMOUNT
1	MOBILIZATION	LS		$ 350.
2.	DRILLING BX CORE HOLES 0-200 LF DEPTH	1,025 LF	8.60	8,815.
3.	DRILLING BX CORE HOLES OVER 200 LF DEPTH	LF	9.40	
4.	DRILLING NX CORE HOLES 0 - 200 LF DEPTH	LF	9.25	
5.	DRILLING NX CORE HOLES OVER 200 LF DEPTH	LF	10.00	
6.	REAMING AND CASING HOLES	LF	2.65	
7.	CEMENTING AND RE-DRILLING HOLES	HR	12.00	
8.	STANDBY TIME	HR	11.00	
9.	DEMOBILIZATION	LS		220.
				$ 9,385.

YOU WILL SUPPLY THE FOLLOWING TO OUR DRILL AT NO COST TO US.

1. CEMENT FOR CEMENTING HOLES
2. AIR - 100 PSI @ 350 CFM
3. WATER - 100 PSI @ 20 GPM

THANK YOU FOR THE HOSPITALITY SHOWN OUR MR. DEL THOMPSON DURING HIS VISIT TO YOUR MINE.

VERY TRULY YOURS,

NICHOLS DRILLING COMPANY, INC.

Alvin P. Nichols

ALVIN P. NICHOLS
PRESIDENT

APN/SJB

ITEM 8. AMOUNT OF O.M.E. LOAN REQUESTED.

1. 1420 ft. of Drift @ $ 70.99 (Item 7, Page 1)	=	$ 100,805.80
2. 500 ft. of Raise @ $ 63.56 (Item 7, Page 2)	=	31,780.00
3. 2400 ft. of Long Hole @ $ 7.48 (Item 7, Page 3)	=	17,952.00
4. 1025 ft. of Diamond Drilling (Core) @ $ 25.16 (Item 7, Page 4).....	=	25,789.00
Total		$ 176,326.80

50% Participation by O.M.E.	=	$ 88,163.40	
50% Participation by R. V. Lloyd & Company.....	=	$ 88,163.40	
Total			$ 176,326.80

AMOUNT OF O.M.E. LOAN REQUESTED. . . . . $ 88,163.40

1. Identify Agency of Addressee
2. Void Previously Used Block
3. Write Clearly
4. Send Surplus Envelopes to Supply Room for Reissue

OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM		NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM	
	STOP		STOP
	STOP		STOP
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	STOP		STOP

Use other side first

INSTRUCTIONS FOR USE

U. S. Government Messenger Envelope

Standard Form No. 65 Rev. (1957)

Promulgated by Bureau of the Budget Circular A-33 (Rev.)

NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM		NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL ADDRESS, AND ROOM
Property Control Section ~~Geological Survey~~	STOP	~~[illegible]~~ ~~5209~~
[illegible]	STOP	~~Local Staff Bldg.~~
[illegible]	STOP	Minerals Application 3 copies Rm. 4459
~~Joe Lockston~~	STOP	
~~SMALL~~	STOP	
F. Osborne, Management Office Bldg. I	STOP	
Gordon Lith Geology	STOP	
~~BRANCH OF BUDGET & FINANCE~~ ~~U. S. GEOLOGICAL SURVEY~~ ~~WASHINGTON 25, D.C.~~	STOP	
~~Thelma Scruggs~~ ~~Rm. 5209 GSA~~	STOP	
~~Mrs. Gates~~ ~~3218 GS Bldg.~~	STOP	

AIR MAIL

Use other side

Use STOP only when messenger service between Government buildings in Washington, D. C., is re
system is used. Your mail room has STOP information.

6244

Agency: OME

Container: B436 — Stack 11, Shelf 3, Pos 4

Location: DMEA Room

Applicant: R.V. Lloyd & Co.

Status: Contract Granted

Property: Empire Copper Mine

Contract: IDM-E2151

Site:

Year: 1962

Commodity: Copper

More:

State: ID

County: CUSTER

Section: 36

Other:

Township: 7

Dir: N

Other:

Range: 23

Dir: E

Other:

Meridian: Boise

Mining District:

Latitude:

Longitude:

MRDS/MILS/MAS:

Location: 5 miles west of the town of Mackay, ID. TRS data from Ref. Drawer.

Notes:

Names

Barcodes

Documents

Links

Pull File

Accesses

Print

Image

Close

Press <Enter> to Save and Close this form

Docket	Barcode	Location	Container	
6244	152509	1-Folder	B436	Stack 11, Shelf 3, Pos 4

Press <Esc> to Close this form

Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
1/22/69	Kirkemo	120
		110
		220

AIRMAIL

Mr. Eugene L. Trope
1901 Avenue of the Stars - Suite 1451
Century City
Los Angeles, California 90067

JAN 22 1969

Dear Mr. Trope:

Enclosed is a copy of the following material you requested on December 17, 1968, and for which you remitted $7.00:

1. "Contract of Sale and Purchase of Mining Property" between W. P. and Margaret S. Barton, and Mackay Exploration Company, sellers, and R. V. Lloyd & Co., buyers, May 10, 1960. (11 pages)

2. Map entitled, "Longitudinal Section, Empire Copper Mine," scale: 1" = 100'.

3. Map entitled, "Composite Plan, Empire Copper Mine," scale: 1" = 100'.

4. Copy of Exploration Contract (OME-6244) R. V. Lloyd & Co., 15 pages, and 1 map (2 sheets).

We hope that the delay in transmitting these has not inconvenienced you.

Sincerely yours,

FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Economic Geology File
File OME-6244
OME Reading File
OME Region I w/cy 12/17/68 letter
Mr. Kirkemo

HKirkemo/gla 1-22-69

(See Bureau of Federal Supply, Circular No. B—69)

PURCHASE ORDER

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

This number must appear on all PACKAGES and PAPERS relating to this order.

Order No. 22974

Point of Issue: Washington, D. C. 20242

Date: January 16, 1969

Requisition No.: 9300 105 69

ALLOTMENT

Appropriation Symbol and Title: 9 [illegible]

To SELLER

COOPER THREE, INC.
1139 19th Street, N.W.
Washington, D. C. 20036

Consignee and Destination — SHIP TO

US Geological Survey
18th & C Sts., NW (Interior Mg Bldg.)
Room 4450
Washington, D. C. 20242

Invitation No.	Contract No.	Time for Delivery	Discount Terms
	GS-00S-DACA 31-69-0001	3 days ARO	NET-30 days

F. O. B. Point	Ship via	Government B/L No.
Destination		

ITEM No.	ARTICLES OR SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
					ESTIMATED
	(one each of two maps - Photostats)				
1.	GSS 6911 and K 2751 Black & White map to be same size	2	Ea.	6.00	$12.00
	See attached sheet for Terms and Conditions				
	CC: W. Jennings Rm 4235 GS				

Account Emp. _____ Deliver to _____

I certify that the articles and/or services have been received by me and that same have been inspected and accepted, except as otherwise noted.

Signature _____

Date Goods or services received _____

TOTAL $12.00

Signature:
Name:
Title:

DELIVERY COPY

9-1134

☆U. S. GOVERNMENT PRINTING OFFICE: 1968 —286-719

OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY

TO: Budget & Finance

FROM: Office of Minerals Exploration

- ABSTRACT OF REMITTANCES -

Date	Amount	Bank, City and State	Name of Remitter	Docket & Contract Numbers	Purpose
12/20/68	$7.00	Security Pacific Natl Bk. L. A. Calif.	Trope & Trope	OME 6244 E-2151	Duplicating

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

12/19/68
Date Prepared

Catherine Curtis
Person Preparing Abstract

Date Received

Person Receiving Remittance

LAW OFFICES

Trope and Trope

EUGENE L. TROPE
SORRELL TROPE

STEPHEN R. LANDAU

1901 AVENUE OF THE STARS - SUITE 1451
CENTURY CITY
Los Angeles, California 90067

CRestview 7-0834
TRemont 9-2726

OFFICIAL COPY
O. M. E.
RECEIVED
DEC 19 1968
INITIALS CODE
130
120
110
220

December 17, 1968

Frank E. Johnson, Chief
Office of Minerals Exploration
United States Department of Interior
Geological Survey
Washington, D. C. 20242

Re: R. V. Lloyd and Empire Mine (Custer County, Idaho)

Dear Mr. Johnson:

I have your communication of December 5, 1968 relative to certain documents which we have requested.

Therefore, pursuant to your information, we are herewith enclosing our check in the sum of $7.00 to cover charges for duplicating and mailing of the following material:

1. "Contract of Sale and Purchase of Mining Property" between W. P. and Margaret S. Barton, and Mackay Exploration Company, sellers, and R. V. Lloyd & Co. buyers, May 10, 1960.

2. "Longitudinal Section, Empire Copper Mine", scale: 1" = 100'.

3. "Composite Plan, Empire Copper Mine", scale: 1" = 100'.

In addition thereto, we would appreciate the cost of obtaining a copy of the contract prepared for this project by Mr. R. V. Lloyd. It appears that he has either mislaid or lost his copy and a xerox copy would be of great help to us.

Your cooperation is appreciated.

Very truly yours,

TROPE AND TROPE

Eugene L. Trope

Eugene L. Trope

ELT:lr
Enclosure

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
12/5/68	Kirkemo	120
		110
		220
		120

AIRMAIL

Mr. Eugene L. Trope
1901 Avenue of the Stars - Suite 1451
Century City
Los Angeles, California 90067

DEC 5 1968

Dear Mr. Trope:

This is in reply to your letter of November 19, 1968, to Mr. Thor H. Kiilsgaard, requesting copies of documents pertaining to the Empire Copper property submitted by Mr. R. V. Lloyd, and enclosing a letter from Mr. Lloyd granting permission for you to examine these documents.

Copies of a list of claims and of a map entitled, "1100 Level Geologic Map, Empire Mine, Custer County, Idaho," scale: 1" = 100', are enclosed as extra copies were available.

Copies of the following material can be furnished at a cost of $7.00 to cover charges for duplicating and mailing:

1. "Contract of Sale and Purchase of Mining Property" between W. P. and Margaret S. Barton, and Mackay Exploration Company, sellers, and R. V. Lloyd & Co., buyers, May 10, 1960. 11 pages.

2. "Longitudinal Section, Empire Copper Mine", scale: 1" = 100'

3. "Composite Plan, Empire Copper Mine", scale: 1" = 100'

Upon receipt of a check or U. S. Money Order payable to the U. S. Geological Survey in the amount above stated, the material will be duplicated and mailed to you.

Other material in the file include bids from contractors, cost estimates, letters to banks and the banks' replies, and a proposed exploration program. The applicable data from this material were incorporated in the contract prepared for this project. We suggest that you refer to Mr. Lloyd's copy of the contract if any of these now out-of-date data are of interest to you.

Sincerely yours,

FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME file 6244
OME Reading File
OME Region I w/cys incoming letrs
Mr. Kirkemo

HKirkemo/gla 12-5-68

Enclosures

Kirkland

After speaking to
[illegible] Thos. Ellis,
and [illegible] and
see if they had
received requests for the
[illegible] Troops for the
[illegible] in
the Mexican service.

Then [illegible]
[illegible] Thos. Ellis.

Truly
[illegible]

P.S. See my letter to
Troops of 7.18.1868,
(OME-6744)

LAW OFFICES

Trope and Trope

1901 AVENUE OF THE STARS - SUITE 1451
CENTURY CITY
Los Angeles, California 90067

EUGENE L. TROPE
SORRELL TROPE

STEPHEN R. LANDAU

CRestview 7-0834
TRemont 9-2726

November 19, 1968

Thor H. Kiilsgaard
Bureau of Mines
Washington, D. C.

Re: Empire Copper Properties

Dear Mr. Kiilsgaard:

Enclosed you will please find an authorization signed by R. V. Lloyd, which permits me to examine all documents that are on file regarding Empire Copper properties. Would it be possible for me to obtain copies of that file and we should be more than happy to pay the copy charge so that we could review the documents in the convenience of our offices.

Your cooperation is appreciated.

Very truly yours,

TROPE AND TROPE

Eugene L. Trope

Eugene L. Trope

ELT:fm
enc.

November 15, 1968

Bureau of Mines
Washington, D. C.

In re: Empire Copper Properties (Mackay, Idaho)

Gentlemen:

I, R. V. Lloyd, of 53900 Monroe, Coachella, California, hereby grant permission to Eugene L. Trope to examine all documents that I may have heretofore filed relative to Empire Copper properties with the Bureau of Mines.

Some years ago I filed certain documents, copies of which I can no longer locate, but it was in reference to a request for funds for exploration.

Any cooperation that you can render to Mr. Trope would be appreciated as he has my full consent and authority to review the entire file.

Very truly yours,

R. V. Lloyd

request received in Spokane office Oct. 25. Complete set of maps and copy of text sent Oct. 28. MacLaren reported by phone 11/1/68

October 18, 1968

Mr. Eugene L. Trope
1901 Avenue of the Stars
Suite 1451
Los Angeles, California 90067

Dear Mr. Trope:

The cost of reproducing a set of the Geological Survey maps (45 of them) of the Empire mine, Custer County, Idaho, amounts to $27.62. The maps are at our Spokane office, 656 U. S. Court House, West 920 Riverside Avenue, Spokane, Washington 99201. If you want a set of the maps you should write to our Spokane office. Upon receipt of your letter, they will take the maps to a commercial reproduction office, have them reproduced, and have the cost billed to you. A copy of a report by R. W. Farwell and R. F. Full on the Empire mine will accompany the reproduced maps.

Our records show receipt in 1955 of a Defense Minerals Exploration Administration (DMEA) exploration application (Docket DMEA-3864) on the mine from the Idaho Alta Metals Corp.

In the early 1960's, an exploration application on the property was received in Office of Minerals Exploration (OME) from the R. V. Lloyd Company. The application was assigned Docket No. OME-6644. An exploration contract was prepared for the applicant but the work never started and the contract eventually was rescinded. Information on this application and contract should be obtainable from the applicant. Our office would release the applicant's information on presentation of written approval from the applicant and the owner of the mine. 6244

There is considerable published information on the mine. Included are: (1) U. S. Geological Survey Professional Paper 97, Geology and Ore Deposits of the Mackay Region, Idaho, by Joseph Umpleby, 1917. (2) War Minerals Reports 68 and 267, by U. S. Bureau of Mines, 1943. (3) Idaho Bureau of Mines and Geology Pamphlet 33, 1930. These reports should be available at public libraries or by writing Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 20401. I do not know what they would cost.

Another source of information on the Empire mine is Dr. George Williams, University of Idaho, College of Mines, Moscow, Idaho. The College of Mines has used the Empire mine as a summer field camp site for a number of years. They have surveyed most of the accessible mine workings and may have maps that could be released.

Sincerely yours,

Thor H. Kiilsgaard, Chief
Branch of Resources Research

THKiilsgaard:jeh 10/18/68

cc: Director's reading
Economic Geology
BRR chron
BRR files

Copy to: Frank E. Johnson
Willard Puffett

Jb - OME - 6244

October 18, 1968

Mr. Eugene L. Trope
1901 Avenue of the Stars
Suite 1451
Los Angeles, California 90067

Dear Mr. Trope:

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Our records show receipt in 1955 of a Defense Minerals Exploration Administration (DMEA) exploration application (Docket DMEA-3864) on the mine from the Idaho Alta Metals Corp.

In the early 1960's, an exploration application on the property was received in Office of Minerals Exploration (OME) from the R. V. Floyd Company. The application was assigned Docket No. OME-~~6644~~ 6244. An exploration contract was prepared for the applicant but the work never started and the contract eventually was rescinded. Information on this application and contract should be obtainable from the applicant. Our office would release the applicant's information on presentation of written approval from the applicant and the owner of the mine.

There is considerable published information on the mine. Included are: (1) U. S. Geological Survey Professional Paper 97, Geology and Ore Deposits of the Mackay Region, Idaho, by Joseph Umpleby, 1917. (2) War Minerals Reports 68 and 267, by U. S. Bureau of Mines, 1943. (3) Idaho Bureau of Mines and Geology Pamphlet 33, 1930. These reports should be available at public libraries or by writing Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 20401. I do not know what they would cost.

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Sincerely yours,

Thor H. Killsgaard

Thor H. Killsgaard, Chief
Branch of Resources Research

Copy to: Frank E. Johnson
Willard Puffett

OME

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 17 1963

DATE	INIT	
6/17		800
~~6/17~~	~~Murphy~~	~~500~~
		520

So. 157 Howard Street
Spokane 4, Washington
June 13, 1963

Mr. L. Kenneth Wilson
Consulting Geologist
400 Montgomery Street
San Francisco 4, California

Re: OME-6244 (Copper)
R. V. Lloyd and Company
Empire Copper Mine
Custer County, Idaho
Contract 2151 (Rescinded)

Dear Mr. Wilson:

I was out of town when your letter arrived or you would have received a reply at an earlier date.

The only information relative to an OME project that is available to the public is:

Name of Operator
Location - State and County
Mineral commodity
Total estimated cost
Amount of Government participation

As you are already aware of all but the last two items, I can only say the total estimated cost of this project was $64,850, of which the Government's participation was 50 percent or $32,425.

As work under the OME contract was never started, the most up-to-date information we have is what R. V. Lloyd and Company included in their application. As they have presented the property to S. A. Tanner, they should be able to give you a copy of their application and the contract.

I am sorry I cannot be of more assistance to you, but I am sure that you can appreciate the feeling of OME that all information in our files has, in one way or another, been received in confidence from an operator. He, of course, is free to give that information to anyone he chooses.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME

DRMACLaren:nls
cc: OME W/cy incoming
Reading copies to: Nolan, McKelvey

L. KENNETH WILSON
600 MONTGOMERY STREET
SAN FRANCISCO 4
EXbrook 2-4313

June 3, 1963

Office of Minerals Exploration
U.S. Department of the Interior
South 157 Howard Street
Spokane 4, Washington

EMPIRE MINE
Mackay, Idaho

Gentlemen:

The Empire Mine in the Alder Creek District of Idaho has been presented by the E. V. Lloyd Company to Mr. S. A. Tanner of Apple Valley (near Victorville, California) and as a mining geologist I have been asked by Mr. Tanner, and by Mr. Jack Kinman of the Lloyd Company, to examine the records of the mine, and to give an opinion on the potential of the property.

Mr. Kinman tells me that exploration funds were arranged with OME in the last year or two and this letter, therefore, is to inquire into the type of data that could be made available to the owner through your office, or to me with the owner's approval of course. I have been unable to locate any information later than the 1943 open file by Farwell and Full.

I will appreciate having your advice.

Very truly yours,

L. Kenneth Wilson

LKW:pc

RECEIVED
Via Air Mail
JUN 4 1963
U.S.G.S.
SPOKANE, WASH.

4/12 of Murphy

320

800
~~500~~

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee

☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

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

R Lloyd & Co

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

By R Lloyd 6244

DATE DELIVERED

APR 8 1963

ADDRESS WHERE DELIVERED *(only if requested in item #1)*

C55—16—71548-4 GPO

DMA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/27	Murphy	500
	[illegible]	500
	Long	140
4/1	[illegible]	800
	Selfridge	120
4/1	Allison	110
4-2	Fumich	100
		220

APR 2 1963

REGISTERED MAIL
RETURN RECEIPT REQUESTED

NOTICE OF RESCISSION OF OME EXPLORATION CONTRACT

To: R. V. Lloyd and Company
P. O. Box 128
Coachella, California

INTERIOR DEPT.
MAR 28 1963
SOLICITOR

Operator Under Exploration
Contract 2151, dated June 19, 1962
Docket OME-6244 (Copper)

The United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereby rescinds the subject contract, as of the date thereof, on the following grounds:

You have failed to commence the work specified in the contract. You have further failed to answer our repeated letters on this subject.

The United States of America repudiates and denies any liability under the contract and will make no contribution to cost incurred thereunder.

Dated this 2nd day of April, 1963.

THE UNITED STATES OF AMERICA

By George Fumich, Jr.
Director, Office of Minerals Exploration

FMMurphy/mm
3/27/63
cc: R. E. Chambers, Gen. Supt., R. V. Lloyd Co., Box 238, Mackay, Idaho
Associate Solicitor, Rm. 6042
Region I (2)
CA&A Division
Fiscal Section
Director's Reading File
Review Committee
Docket
Code 500

RECEIVED
MAR 28 1963
ASSOC. SOLICITOR
MINERAL RESOURCES

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
March 22, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 25 1963

DATE	INITIALS	CODE
3/25	[illegible]	800
	~~[illegible]~~	500
~~3/26~~	~~[illegible]~~	~~300~~

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6244 (Copper)
R. V. Lloyd and Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Our letter of February 19, 1963, to the subject Contractor was sent "Registered Mail--Return Receipt Requested." The receipt was returned signed, "R. V. Lloyd and Co. by Eileen Lemmon(?), Bkkpr." No reply has been received.

Proposed Amendment No. 2, mailed to the Contractor December 28, 1962, was not returned, and our follow-up letter of January 18, 1963, has not been answered.

In view of the Contractor's apparent loss of interest, it is recommended that the contract be rescinded.

D. R. MacLaren

D. R. MacLaren

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 21 1963

DATE	INITIALS	CODE
2/21	WD	~~800~~
		~~120~~
	Issued	500
2/21	Murphy	500

800
500
120

So. 157 Howard Street
Spokane 4, Washington
February 19, 1963

Registered Mail
Return Receipt Requested

Mr. R. E. Chambers, General Superintendent
R. V. Lloyd and Company
Mackay, Idaho

Re: OME-6244 (Copper)
R. V. Lloyd and Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Dear Mr. Chambers:

On December 28, 1962, we sent you the original and four copies of a proposed Amendment No. 2 to extend the starting date of the referenced contract from July 9, 1962, to January 2, 1963.

We also wrote you on January 18, 1963, advising you that we cannot hold an inactive contract open indefinitely and calling your attention to the fact that this contract has been in default since July 9, 1962.

As yet, we have not received a reply to either letter. If we do not hear from you within thirty days from the date of this letter, we will have no alternative to recommending that the contract be cancelled.

Sincerely yours,

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

DRMacLaren:my

cc: OME
Reading copies to:
Nelson
McKelvey

OFFICIAL FILE COPY
C. M. E.
RECEIVED
DATE
1/21 Neal 800
120
1/28 Gravelle 500
Murphy 500

No. 157 Howard Street
Spokane 4, Washington
January 18, 1963

Mr. R. E. Chambers, General Superintendent
R. V. Lloyd and Company
Mackay, Idaho

Re: CME-6244 (Copper)
R. V. Lloyd and Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Dear Mr. Chambers:

On December 28, 1962, we sent you the original and four copies of a proposed Amendment No. 2 to extend the starting date of the referenced contract from July 9, 1962, to January 2, 1963.

If the terms and conditions of the amendment are satisfactory, please sign all 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 with a statement of your proposed changes for consideration.

We cannot hold an inactive contract open indefinitely, and this one has been in default since July 9, 1962. Therefore, your prompt reply will be appreciated.

Sincerely yours,

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

DRMacLaren:ny

cc: CME
Reading copies to:
Nolan
McKelvey

OFFICIAL FILE COPY

Date	Surname	Code
1/11	Murphy	500
	[illegible]	500
1/11	Talbot	800
	Selfridge	120
1/11	[illegible]	110
1/11	[illegible]	100
		500

January 10, 1963

Memorandum to File

From: F. M. Murphy, Mining Engineer, Div. of Minerals

Subject: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Mr. Jack N. Kinnian and Mr. Herman Singer (Associate of J. Kinnian) visited the Division of Minerals office January 10, 1963, at noon hour. Mr. Kinnian said he was representing Mr. LLoyd in a possible sale of the property to eastern buyers, and asked if the contract could be assigned to the buyers and if so the proper procedure to follow.

The undersigned said that we would not object to an assignment to qualified buyers, and would supply copies of our form for such action.

Mr. Kinnian stated that work had been started before the date fixed in Amendment No. 2.

F M Murphy

F. M. Murphy

Pollock: Winters

43683

So. 157 Howard Street
Spokane 4, Washington

December 28, 1962

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 2 1963

DATE		AMOUNT
1/9	Lee	800
	~~Greenwald~~	500
1/7	Murphy	500

Mr. R. E. Chambers,
General Superintendent
R. V. Lloyd and Company
Mackay, Idaho

Re: OME-6244 (Copper)
R. V. Lloyd and Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Dear Mr. Chambers:

In accordance with our discussion of November 11, 1962, and your letter of November 20, 1962, we are enclosing the original and four copies of a proposed Amendment No. 2.

If the amendment is satisfactory, please sign all 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 with a statement of your proposed changes for consideration.

Sincerely yours

Enclosures

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

cc: OME
File

OFFICIAL FILE COPY

Date	Surname	Code
12/20	Murphy	500
	Leonard	500
12/21	Talbert	800
		130
12/21	Johnson	110
		100
12/26	Cal	220
		500

DEC 2 1 1962

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

With reference to Mr. Chambers' letter of November 20, 1962, and your memorandum of November 30, enclosed are the original and four copies of a proposed Amendment No. 2 to the subject contract, which has been prepared for your signature. An extra copy of the amendment is also enclosed for your use.

If the amendment meets with your approval, please sign all copies and present to the Operator for signature.

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 (gla)

Enclosures

GLAult/a
12-20-62
cc to: Director's Reading File
Review Committee
Docket

43683

Sent to legal 12/5/62

DRAFT 12/5/62
FMMurphy/mm

EXPLORATION CONTRACT
R. V. LLOYD & COMPANY
OME-6244

AMENDMENT NO. 2

It is agreed this _____ day of _____, 1962, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government," and R. V. Lloyd & Company, hereinafter referred to as the "Operator," that Contract No. 2151 (OME-6244), dated June 19, 1962, as amended, is further amended effective June 19, 1962, as follows:

1. In Article I(a) of the contract the date on or before which the work shall start is extended from July 9, 1962, to January 2, 1963.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

THE UNITED STATES OF AMERICA

By _____
Acting Field Officer, Region I,
Office of Minerals Exploration

R. V. LLOYD & COMPANY

By _____
R. V. Lloyd, Partner

By _____
Hazel V. Lloyd, Partner

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

So. 157 Howard Street
Spokane 4, Washington
November 30, 1962

ORIGINAL FILE COPY
O. M. E
RECEIVED DEC 3 1962

DATE	INITIALS	
12/3	[illegible]	800
		120
	Irwin	500
	Murphy	500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6244 (Copper)
R. V. Lloyd and Co.
Empire Copper Mine
Custer County, Idaho
Contract 2151

Enclosed are two copies of a self-explanatory letter dated November 20, 1962, from R. E. Chambers, general superintendent for the subject operator.

As the operator is requesting a six-month postponement of the starting date, and in view of the second paragraph of your letter of October 3, 1960, OME-6090, Copper Camp Company, this request is being forwarded to you for your consideration.

D. R. MacLaren

D. R. MacLaren

Enclosures

Empire Copper Mine
R. V. Lloyd and Co.
MACKAY, IDAHO

November 20, 1962

Mr. D. R. MacLaren
Department of the Interior
Office of Minerals Exploration
South 157 Howard Street
Spokane 4, Washington

Dear Mr. MacLaren:

The [illegible] here, I came down with the flu and have been [illegible] week. This is the reason for the [illegible] enclosed letter to you. I am very sorry for the [illegible]

Very truly yours,

R. V. LLOYD & COMPANY

R. E. Chambers,
General Superintendent

REC:wl

Enclosure

RECEIVED
NOV 26 1962

[illegible] Co.

MERCUR, IDAHO

November 20, 1962

United States
Department of the Interior
Office of Minerals Exploration
South 157 Howard Street
Spokane 4, Washington

Re: OMX-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

ATTENTION: Mr. R. R. McLaren, Acting Field Officer

Gentlemen:

Reference is made to your letters of September 5, 1962, September [illegible] 1962, October 30, 1962, as well as to your visit of November 11, 1962 [illegible] regard to commencing work on the above referenced contract.

As I outlined to you on November 11, 1962, shortly after we completed the signing of the contract, two mining firms indicated an interest in the mine; their interest being the purchasing of the same. Both firms during our negotiations indicated it would be their preference if they made a purchase that they start the exploration work as set forth under the OMX contract.

However, negotiations from both of these firms have broken off, and we desire that an amendment to the contract be issued showing the starting date as January 2, 1963.

If permission is granted to delay the starting date of this contract until January 2, 1963, completion time will be as indicated under the original contract. This stepped-up time will be accomplished by an additional shift each day plus a small amount of overtime work which we believe will complete the contract on schedule.

Your early issuance of this amendment will be greatly appreciated.

Very truly yours,

R. V. LLOYD & COMPANY

R. E. Chambers,
General Superintendent

[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

So. 157 Howard Street
Spokane 4, Washington
November 20, 1962

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 23 1962

DATE	INITIALS	
11/26	[illegible]	800
	[illegible]	500
~~11/26~~	~~Murphy~~	~~300~~
		6244

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

November 11, 1962, I called on R. E. Chambers, General Superintendent for the operating company, at Mackay, Idaho. I explained to him that we could not keep the contract open indefinitely and asked him please to set a date on or before which work would be started. Chambers said the delay was caused by the fact that R. V. Lloyd & Company had two possible prospects to whom they were considering selling the property and, if the buyers wished, assigning them the OME contract. The deals had both been pending until very recently, and now Lloyd & Company will proceed with the contract. Chambers promised to write me a letter to that effect November 12 or 13. As I understood him, he will request an amendment extending the starting date to on or before January 15, 1963, but hopes to start very close to the 1st of January.

The original intent of the company was to work two shifts a day. They now intend to put on three shifts when they start the OME work and to push it as fast as they can. For that reason he will not request an extension of time to complete the contract. I told him that if he was reasonably certain that the contract work could be completed within the 12 months there would be no need to extend the completion date at this time.

D. R. MacLaren

D. R. MacLaren

So. 157 Howard Street
Spokane 4, Washington
October 30, 1962

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV. 2 1962

DATE	INITIALS	
11/2	[illegible]	800
	Gretwell	500
11/5	Murphy	500

Mr. R. E. Chambers
General Superintendent
R. V. Lloyd & Company
P. O. Box 238
Mackay, Idaho

Re: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Dear Mr. Chambers:

Please refer to our letters of September 5 and September 27, 1962, relative to amending the cited contract with respect to the starting date.

I will be in the vicinity of Mackay Sunday, November 11, 1962, and would like to call on you that day to discuss the question of starting contract work. I realize that the mine may not be operating on Sunday, but unfortunately prior commitments that must be met on an extended trip leave me only that day to be in Mackay. If you will not be at the mine, will you please advise me where I can meet you. I will be starting my trip before the mail arrives on Tuesday, November 6, and would greatly appreciate a reply by return mail.

Sincerely yours,

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

DRMacLaren:my
cc: OME
Reading copies to:
Nolan
McKelvey

OFFICIAL FILE COPY O. M. E RECEIVED OCT 1 1962		
DATE	INITIALS	CODE
10/1	Jma	800
10/3	Maxwell	500
~~10/8~~	~~Murphy~~	

So. 157 Howard Street
Spokane 4, Washington
September 27, 1962

Mr. R. E. Chambers
General Superintendent
R. V. Lloyd & Company
P. O. Box 238
Mackay, Idaho

Re: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Dear Mr. Chambers:

Your letter of August 14, 1962, notified us that it was impossible to start any work on the referenced contract on July 9, 1962. Our reply dated September 5, 1962, asked you to advise us of the date on or before which work under the contract would be started so that we could prepare an appropriate amendment.

The contract as executed has been in default since July 9, 1962, and until it is amended to change the starting date, payment on any vouchers submitted may be held up. In order to assure avoidance of any delay in processing vouchers, an early reply stating the date on or before which work will be or has been started will be appreciated.

Sincerely yours,

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

DRMacLaren:my
cc: OME
Reading copies to:
Nolan
McKelvey

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 7 1962

DATE	INITIALS	C
9/7	[illegible]	[illegible]
"	Forwarded	500
9/10	Murphy	

So. 157 Howard Street
Spokane 4, Washington
September 5, 1962

Mr. R. E. Chambers
General Superintendent
R. V. Lloyd & Company
P. O. Box 238
Mackay, Idaho

Re: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Dear Mr. Chambers:

Your letter of August 14, 1962, has gone unanswered for so long because I have been out of the office since August 12.

Will you please advise me of the date on or before which work under the OME contract will be started so we can prepare an appropriate amendment.

Sincerely yours,

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

DRMacLaren:my
cc: OME
Reading copies to:
Nolan
McKelvey

Empire Copper Mine
R. V. Lloyd and Co.
MACKAY, IDAHO

OFFICIAL FILE COPY
RECEIVED AUG 20 1962

DATE	INITIALS	CODE
8/20		800
8/21		500
8/22	Murphy	500

August 14, 1962

United States
Department of the Interior
Office of Minerals Exploration
So. 157 Howard Street
~~Spokane 1, Washington~~

Re: ~~Contract (Company)~~
R. V. Lloyd & Company
~~Empire Copper Mine~~
Custer County, Idaho
Contract 2151

Gentlemen:

In lieu of MME forms No. 60 and No. 61 - Operator's Monthly Voucher and Operator's Progress Report - we are substituting this short narrative report.

Due to circumstances beyond our control it was impossible to start any work on the referenced contract on July 9, 1962 as was anticipated. No progress was made during the month of July, 1962.

Work will be commenced during August, and standard forms will be used in future monthly reports.

Very truly yours,

R. V. LLOYD & COMPANY

By R. E. Chambers

mdmcl

CANCEL FILE COPY

So. 157 Howard Street
Spokane 4, Washington

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 27 1962

July 25, 1962

7/27 Grainer 500
7/31 Murphy 500

Mr. R. V. Lloyd
R. V. Lloyd and Company
P. O. Box 238
Mackay, Idaho

Re: OMF-62h4 (Copper)
R. V. Lloyd and Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Dear Mr. Lloyd:

Enclosed are the original and four copies of a proposed Amendment No. 1 (two pages) to the referenced contract, signed by the Director for the Government.

This amendment is in accordance with your oral request made in the Spokane office when you signed the contract. If the amendment is satisfactory please sign all 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 with a statement of your proposed changes for consideration.

Sincerely

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

Enclosures

cc: OME ✓

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/18/62	Murphy	500
	Murphy	500
7/18	Talbot	800
7/18	[illegible]	130
"	Johnson	110
7/18	[illegible]	100
7/18	CAC	220
		500

JUL 18 1962

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract No. 2151

In accordance with our telephone conversation on June 27 and the recommendations in your memorandum of June 28, 1962, enclosed are the original and four copies of a proposed Amendment No. 1 (two pages) to the subject contract, signed by the Director for the Government. Also enclosed is an extra copy for field office use.

If the proposed amendment is satisfactory to you and the Operator, all five copies should be signed by the Operator. The Operator should retain its copy, you should retain the Field Office's copy, and the Government's, Audit's, and Fiscal Section's copies should be returned to this office.

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, including the extra copy, are to be returned to this office together with the proposed changes for consideration.

George C. Selfridge

(FMB)

Enclosures

FMMurphy/gla
7-18-62
cc to: Director's Reading File
Review Committee
Docket

43683

DRAFT
7/16/62
FMMurphy/gla

EXPLORATION CONTRACT
R. V. LLOYD & COMPANY
OME-6244

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1962, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government," and R. V. Lloyd & Company, hereinafter referred to as the "Operator," that Contract No. 2151 (OME-6244), dated June 19, 1962, is amended, effective June 19, 1962, as follows:

1. In Article 1(b) of the contract the figures $64,850.00 and $32,425.00 are revised to read $64,350.00 and $32,175.00, respectively.

2. In Exhibit A, under Description of the Work, the first sentence of Paragraph 5 is deleted and replaced as follows:

Mine rails shall not be less than 24-pound size, air lines not less than 3 inches in diameter for the first 600 feet of drift and not less than 2 inches in diameter for the last 400 feet, and water lines not less than 1 inch in diameter.

3. In Exhibit A, under Description of the Work, Paragraph 6 is deleted and replaced as follows:

Diamond drill holes may be drilled either BX or AX core size with a corresponding allowable cost for each core size.

4. In Exhibit A, under Estimated Cost of Project, Fixed Unit Costs, the first item is deleted and replaced as follows:

1,000 feet drifting @ $37.50/ft. $37,500.00

and the figures for the Total Estimated Cost of Project and Government Participation are revised to read $64,350.00 and $32,175.00, respectively.

This amendment decreases the estimated total cost of the project and 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_____
Director, Office of Minerals Exploration

R. V. LLOYD & COMPANY

By_____
R. V. Lloyd, Partner

By_____
Hazel U. Lloyd, Partner

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		120
		500
	Brewer	
7/16	Fallert	800
		200
		110
		100
7/16	Coe	225
		500

July 16, 1962

Memorandum

To: The Files

From: Chief, Division of Field Operations

Subject: OME-6136 (Lead-Zinc-Silver)
Commonwealth Silver, Inc.
Commonwealth Mine
Kootenai County, Idaho
Contract 2133
and
OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

On July 12, 1962, the writer telephoned Mr. MacLaren to explain the procedure concerning the publicizing of copper contracts. In discussing the Lloyd contract, the writer brought up the question of the payment of royalties on current production. Mr. MacLaren informed the writer that the Company understood the situation and that payment of royalties on all production had been previously agreed to.

Mr. MacLaren informed the writer that the Federal Company had taken over the exploration at the Commonwealth mine and had apparently drilled Hole No. 1 not in keeping with the terms of the contract. Hole No. 1 cut the vein approximately 110 ft. vertically below the 200-foot level instead of some 300 feet below. The writer agreed with Mr. MacLaren that OME should not pay for Hole #1.

George C. Selfridge

GCSelfridge/hb (7/16/62)
cc to: Docket OME-6136
Docket OME-6244
Director's Reading File
CA&A Division
Mr. Dakan
G.C.Selfridge

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
July 9, 1962

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 11 1962

DATE	INITIALS	CODE
7/11	Murphy	500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Attached are the original and two copies of Lien or Subordination Agreement, MME Form 52, to be attached to the Government, Audit, and Fiscal Section copies of the subject contract.

Sent

Sent 800

attached to contract

D R MacLaren
D. R. MacLaren

Attachments

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
June 28, 1962

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 3 1962
DATE | INITIALS | CODE
~~120~~
500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: Amendment request
OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

On page 3, Exhibit A of the subject contract, the second paragraph states in part, "Mine rails shall be not less than 30-pound size, air lines not less than 4 inches in diameter. . .," and the third paragraph states in part, "Diamond drill holes shall be started not less than BX standard core size (1-5/8 inch); . . ."

Before signing the contract, Mr. Lloyd voiced reluctance at the minima set for the respective sizes of rail, pipe, and initial diamond drill holes and requested that the contract be amended to provide that:

1. Mine rails shall be not less than 24-pound size.
2. The first 600 feet of air lines be not less than 3 inches in diameter and the final 400 feet not less than 2 inches in diameter.

} see calculations below.

3. Diamond drill holes shall be started not less than AX standard core size (1-1/8 inch).

Three-inch air line is installed almost to the heading from which OME work will start, and by installing a receiver tank Mr. Lloyd believes that if 3-inch line is used for the first 600 feet of the OME drifting a second receiver tank and 2-inch line for the remaining 200 feet will supply ample air.

The company has diamond drilled many holes entirely with AX coring bits, getting about 95 percent core recovery. It is believed that AX size will be successful in most of the OME holes, but that possibly some of the deeper holes should be started with BX coring bits. Provision for drilling holes of each size should therefore remain in the allowable cost section of Exhibit A.

I concur with Mr. Lloyd's request and recommend that it be approved.

D R MacLaren
D. R. MacLaren

So. 157 Howard Street
Spokane 4, Washington
June 27, 1962

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 29 1962
DATE | INITIALS
7/2 | 8.00

Mr. R. V. Lloyd
R. V. Lloyd and Company
P. O. Box 238
Mackay, Idaho

Re: OME-6244 (Copper)
R. V. Lloyd and Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Dear Mr. Lloyd:

We are enclosing a 3-month supply of Operator's Monthly Voucher and Progress Report, MME Forms 60 and 61. The original and four copies of the completed report forms, as well as the narrative, maps, assays, and all technical data, should be submitted for each month in which costs have been incurred under the contract. However, in the event that you do not wish to submit a voucher for any month, the narrative report for the work done for that month is required. Delay in processing can be avoided if reports are submitted promptly to this office.

Also enclosed are three copies of Standard Form 38, entitled "Notice to Labor Unions or Other Organizations of Workers--Nondiscrimination in Employment." In accordance with Executive Order 10925, which is Exhibit B of your contract, you should complete one copy and send it to any labor union that may be involved in your OME contract work and should post one or more copies in conspicuous places available to employees or applicants for employment.

In addition, there is enclosed a poster which should be exhibited in a conspicuous place available to both employees and applicants for employment.

Sincerely yours,

D. R. MacLaren
Acting Field Officer
Region I

DRMacLaren:my
Enclosures
Reading copies to:
Nolan
Hobbs
Guild
cc: OME

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
June 27, 1962

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 29 1962

DATE	INITIALS	CODE
6/29	Cac	210 500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho
Contract 2151

Enclosed are the Government's, Audit's, and Fiscal Section's copies of the subject contract, which was signed by the Operator June 27, 1962, in the Spokane office.

The deletions and corrections in the annex attached to the subordination agreement signed by Barton for Mackay Exploration Company were initialed by the Lloyds when they signed the contract. The agreements were then taken by Mr. Chambers, who will have them initialed by Barton. As soon as they are returned, copies will be forwarded to be included with the enclosed contracts. Chambers was told that no vouchers will be approved for payment until the agreements have been received.

The subordination agreements requested in Mr. Griswold's letter of June 14, 1962, have been signed by the Bartons and are attached to the contracts.

D. R. MacLaren

D. R. MacLaren

Enclosures

OME-6244

4" pipe	$1.456/ft × 1000	—	$1456.00
3" "	.92 ft × 600'	=	552.00
2"	.45/ft × 400	=	180.00
	diff		$732.00
	50%	—	~~$368.~~

1000' ⇒ or. ~~$0.36/ft~~ less than contract

Rail

10¢ per 100 lb. diff between 24# and 30# rail

666 yds × 30# = 19,999#

666 yds × 24# = 15,999

diff 4,000#

@ 10¢/100 $400

plus diff fish plate 2000'

diff Pipe $ 732

track $ 400

$1132.00

Salvage 50% $561.00

or. say $.50/ft.

RECEIVED
JUN 27 5 54 PM '62
GSA-REGION 3
TCS
COMMUNICATIONS

MME

XXDXXXXXB134K

YWB113-WAF SP 25 I-MME

SPOKANE WASH 6-27-62 1326U

MR. GEORGE FUMICH, JR.

DIRECTOR OFFICE OF MINERALS EXPLORATION, US DEPT OF THE INTERIOR, WASHINGTON DC

RE OME-6244 (COPPER) R. V. LLOYD & COMPANY, EMPIRE COPPER MINE, CUSTER COUNTY, IDAHO; CONTRACT 2151 EXECUTED JUNE 27 IN SPOKANE OFFICE.

D. R. MACLAREN

ACTING FIELD OFFICER, REGION ONE

OME-6244 2151 27

BJR 1327U

application rec'd 5/7/62
contract approved 6/19/62
contract executed 6/27/62

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 28 1962

DATE		CODE
6/25	D	200
6/26		100
"		100
		+20
6/29		500

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/27	Selfridge	120
		500
		110
		100
		500

June 27, 1962

Memorandum

To: The File

From: Chief, Division of Field Operations

Subject: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho

Mr. MacLaren telephoned today to inform the writer that Messrs. Lloyd and Chambers were in his office and had some questions concerning the contract. They informed Mr. MacLaren that (1) their drifts averaged 6 by 7 while the contract calls for 6 by 8, (2) they used 24-pound rail while the contract calls for 30-pound, (3) that they planned on using 2-inch pipe while the contract calls for 4, and (4) that core recovery of the diamond drilling they had done averaged better than 95 percent for AX core. The contract calls that all holes should be started with BX bits. They wished this to be optional, either AX or BX, depending upon length of hole, etc. The writer informed Mr. MacLaren that the rail, pipe, and bit size would have to be handled by an amendment and that there would probably be a small reduction in over-all costs to allow for the rail and pipe. Mr. MacLaren will write us concerning the entire matter.

George C. Selfridge

GCSelfridge/hb (6/27/62)
cc to: Docket OME-6244
Director's Reading File
G. C. Selfridge

43683

ME Form
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/19	Murphy	500
	[illegible]	500
6/19	Talbot	800
6/19	[illegible]	130
"	Johnson	110
6-19	Ferrell	100
6/19	[illegible]	220
		500

JUN 19 1962

AIRMAIL--SPECIAL DELIVERY

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho

Enclosed are the original and four copies of a proposed exploration contract with R. V. Lloyd & Company, signed by the Director for the Government. The contract consists of MME Form 51 (Short Form) as revised, Annex I (two pages), two Lien or Subordination Agreements, Exhibit A (four pages), Exhibit B, and one map. Also enclosed for your use is an "Extra Copy for Field Office," MME Form 51 as revised, Annex I, Exhibit A, and a copy of Mr. Kiilsgaard's report on the Empire Copper Mine, which was used in preparing the contract.

In a letter, dated June 14, 1962, to Mr. Chambers, a third Lien or Subordination Agreement was requested. A copy of this letter was forwarded to you. With regard to the subordination agreement signed by Barton for Mackay Exploration Company, in the attached annex the Gem claim should be crossed out and in the last sentence the township and range should be changed to conform with Annex I of the proposed contract; and "Custer County, Idaho" should be added at the end of the sentence.

As mentioned in our letter to Mr. Chambers, will you kindly call him at Mackay, Idaho, telephone number 3353, and he will then call the Lloyds and arrange for them to go to Spokane. Judging from our telephone call to Mackay, Mr. Chambers plans to accompany them.

After attachment of the third subordination agreement, please insert the starting date in the contract and have Mr. and Mrs. Lloyd sign the original and four copies. Thereafter, kindly distribute the copies in the usual manner.

The Applicant should be advised that the 6 percent interest in Article 1(c) of the contract accrues from the dates on which the individual payments are made by the Government and like the principal is repayable from royalty on production.

Page 2.-un

43683

In a telephone conversation on June 8, Mr. R. E. Chambers, the Applicant's general superintendent, was advised that if the data requested in our letter of May 17, 1962, was not submitted within a few days we could not complete the processing of the proposed contract by June 30. Mr. Chambers explained that he had been waiting for bids on the core drilling. He was requested to forward the other data and that we could use drilling bids submitted with other applications from Idaho. Therefore, in this proposed contract we used the same unit costs as those in Contract 2149 (OME-6231) Nye Metals, Inc., as they appeared applicable. However, if you and the Applicant believe these unit costs too low for drilling tactite rock, we could later amend the contract if sufficient justification, including drill bids, was submitted. In any case, the Applicant should sign the proposed contract as drafted.

If the execution of the subordination agreement by Mr. and Mrs. Barton is delayed, the Applicants may sign the proposed contract and start the work at their own risk. However, the Government will not contribute to any costs until this instrument is submitted.

The changes to the subordination agreement, referred to in the second paragraph of page one of this memorandum, should be initialed by the signers. This could be done at a later date, Mr. Lloyd to take the copies, have them initialed, and returned to you under the same provision as stated in the paragraph immediately above.

Enclosures

George C. Selfridge

(643)

FMMurphy/gla
6-19-62
cc to: Director's Reading File
Review Committee
Docket

P. S. Contract must be signed before June 30 as copper not eligible for assistance after that date.

OFFICIAL FILE COPY

Date	Surname	Code
6/14	Murphy	500
		~~500~~
6/14	Selfridge	220
"	On leave	110
6/14	Frank	100
6/14	Coe	220
		500

AIRMAIL

JUN 14 1962

Mr. R. E. Chambers
General Superintendent
R. V. Lloyd & Company
P. O. Box 238
Mackay, Idaho

Re: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho

Dear Mr. Chambers:

The Lien or Subordination Agreements forwarded by you and Mr. Lloyd have been received. However, the agreements you forwarded were only executed by W. P. Barton as president of Mackay Exploration Company. Since the contract to sell the claims was also signed by W. P. Barton and Margaret S. Barton as individuals, we require a subordination agreement executed by them. Enclosed are the forms for the purpose. An extra copy is furnished for your files.

As mentioned by Mr. Murphy in his telephone conversation with you, the proposed exploration contract must be executed on or before June 30, 1962. We anticipate that the copies will be in our field office by June 21, 1962. Mr. D. R. MacLaren, Acting Field Officer, Region I, South 157 Howard Street, Spokane 4, Washington, will advise you either by telegram or telephone as soon as he receives the copies.

To expedite the final processing of this contract, Mr. and Mrs. Lloyd should call at our Spokane office to sign the proposed contract. The above-requested subordination agreement should be submitted to Mr. MacLaren, either by hand at that time or by prior mail.

Sincerely yours,

W. R. Griswold (gla)

W. R. Griswold, Chief
Division of Minerals

Enclosures

FMMurphy/gla 6-14-62
cc to: Director's Reading File
Region I (2)
Docket

43683

Extra Copy

FOR GOVERNMENT USE ONLY
Operator [illegible]
Docket No. OME – [illegible]
Contract No. 14-23-090 –
Contract Date

MME Form 52
June, 1961

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

LIEN OR SUBORDINATION AGREEMENT 1/

To the United States of America:

That certain land in the County of [illegible], State of [illegible],

described as follows: 2/ [illegible]

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

[illegible] 3/

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same. 4/

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

[illegible]

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated_____, and recorded in Book_____, Page____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions _____ _____(State "None" or "See Annex No._____".)

Dated this_____day of_____, 19____.

APPLICANT SHOULD NOT SIGN

_____	(Seal)	_____	(Street) (City & State)
_____	(Seal)	_____	(Street) (City & State)
_____	(Seal)	_____	(Street) (City & State)
_____	(Seal)	_____	(Street) (City & State)
_____	(Seal)	_____	(Street) (City & State)
_____	(Seal)	_____	(Street) (City & State)

I,_____(Name),certify that I am the_____(Title—Secretary, etc.) of the corporation named herein; that_____(Name), who signed this agreement was then_____(Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____
(Corporate Seal)

INT.-DUP. SEC., WASH., D.C.
95181

LIEN OR SUBORDINATION AGREEMENT

ANNEX I

Claim	Roll No.	Page No.	Line No.	Patented or Unpatented
Sultan - Survey No. 1887	2	102	13	Patented
Sultana - Survey No. 1887	2	102	13	Patented
Eastern - Survey No. 1272A	2	102	15	Patented
Remonitization - Survey No. 1887	2	102	11	Patented
Leslie W. - Survey No. 1887	2	102	9	Patented
Copper Bullion - Survey No. 1272A	2	102	15	Patented
Pasha - Survey No. 1887	2	102	11	Patented

Unpatented Claims - Legal Description

Washington

Beginning 400 ft. South 56° - 40 minutes East of this location monument at the South end center monument and running thence South 33° - 40 minutes West 100 ft. to the Southwest corner monument No. 1. Thence north 48° - 22 minutes West 700 ft. to the Northwest corner monument No. 2. Thence North 33° - 40 minutes East 20 ft. to the North end center monument. Thence North 33° - 40 minutes East 20 ft. to the Northeast corner monument No. 3. Thence South 65° - 00 minutes East 700 ft. to the Southeast corner monument No. 4. Thence South 33°-40 minutes West 200 ft. to the place of beginning.

All claims are located in the Alder Creek District, Sec. 36, T. 7 N., R. 23 E., Boise Meridian, Custer County, Idaho.

R. V. LLOYD & COMPANY

CONTRACTORS

P. O. BOX 128 EXpress 8-3971
COACHELLA, CALIFORNIA

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 9 1962

DATE		
		500
June 8,	1962	

United States
Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

Attention: Mr. Murphy

Re: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho

Dear Mr. Murphy:

Attached please find five (5) copies of the Lien Subordination as requested per your telephone conversation with our Mr. R. E. Chambers of Mackay, Idaho.

Also attached ones signed by Barton Fauth

Township & Range in Annex I wrong

Very truly yours,

R. V. LLOYD AND COMPANY

By R V Lloyd
R. V. Lloyd

Re: OMB-6244

(1) Annex I, 2nd page, 4th line, insert after "period":
"described in article 6 (b) (2)"

(2) Exh A, last page, 1st line, insert:
"30 hours of cementing and redrilling or reaming and casing drill holes,"

Talbert 6/12/64

airmail to OCb has incomplete T. and incorrect meanings.
are Jalant members meeting dates?
all prodecedures notified for compliance?

STATES
F THE INTERIOR
ORATION ADMINISTRATION
ON 25, D. C.

DRAFT
6/7/62
FMMurphy/gla

MME Form 51
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXPLORATION CONTRACT
(Short Form)

Copy for the docket (draft)

Docket No.	Commodity	Contract No.	County	State
OME-6244	Copper	14-23-090-	Custer	Idaho

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

R. V. Lloyd & Company, a partnership composed of R. V. Lloyd and Hazel U. Lloyd,

whose mailing address is P. O. Box 128, Coachella, California, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 12 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $ ~~66,530.00~~ 64,850 The Government will contribute 50 percent of the total fixed unit costs of the work performed, not in excess of $ ~~33,265.00~~ 32,425.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest computed annually at the rate of _____ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

?

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

?

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final monthly report). This 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, and a summary of the work performed and the unit costs thereof.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

See Article 14

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

See Article 14.

ARTICLE 10. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 12. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

[illegible]

[illegible] contract, [illegible] March 6, 1941 [illegible] by reference hereby incorporated [illegible] shall be applicable to this [illegible] contracts executed by the [illegible] pursuant to and [illegible] by this contract, and [illegible] consent to refer to this instrument [illegible] and the terms [illegible] contractor and to contractors [illegible]

[illegible] contract to read as follows:

"(1) [illegible] the certification [illegible] further action required [illegible] as principal if the [illegible] operator is not the [illegible] a royalty [illegible] which is transported [illegible] to the cost of [illegible] described in [illegible] of Article 2(c) [illegible] royalty be due or paid [illegible]

Executed in [illegible] the day and year first above written.

UNITED [illegible]

By _____
Director, [illegible] of Minerals
Conservation

R. V. LLOYD & COMPANY
~~[illegible]~~

By _____
R. V. Lloyd, Partner

~~By~~ _____
Hazel U. Lloyd, Partner

DRAFT
6/12/62
FMMurphy/gla

EXPLORATION CONTRACT
R. V. LLOYD & COMPANY
OME-6244

ANNEX I

The land referred to in Article 2 of the contract consists of seven (7) patented and one (1) unpatented lode mining claims, including all rights pertaining thereto, in sec. 36, T. 7 N., R. 23 E., Boise Meridian, Alder Creek mining district, Custer County, Idaho. The numbers of the patented claims are as follows:

Patented Claims

Name of Claim	U. S. Patent No.
Sultan	1887
Sultana	1887
Eastern	1272A
Copper Bullion	1272A
Remonitization	1887
Leslie W.	1887
Pasha	1887

Unpatented Claim

Recorded in the Office of the Recorder, Custer County, Idaho:

Name of Claim	Book	Page No.	Date Recorded
Washington			10-12-59

The locations of the claims are shown colored green on the map entitled "Figure 1, 1100 Level Geologic Map, Empire Mine, Custer County,

Idaho, Showing Proposed OME Exploration," attached hereto and made part hereof.

In the event the Operator acquires possession of the Atlantic claim shown on Figure 1 within the period of the contract, this claim shall be added to those listed in this contract.

The Operator has rights to possession of the claims under the terms of a "Contract of Sale and Purchase of Mining Property," dated May 10, 1960, between W. P. Barton and Margaret S. Barton, husband and wife, of Boise, Idaho, and Mackay Exploration Company, an Idaho corporation, sellers; and R. V. Lloyd & Co., and Robert V. Lloyd, Trustee for Florence Ellen Lloyd, buyers.

A Lien or Subordination Agreement signed by Robert V. Lloyd as Trustee for Florence Ellen Lloyd, and one signed by W. P. Barton for the sellers are attached hereto and made part hereof.

DRAFT
6/7/62
FMMurphy/gla

EXPLORATION CONTRACT
R. V. LLOYD ~~AND~~ COMPANY
OME-6244

EXHIBIT A

The purpose of this project is to explore for copper-bearing contact metamorphic ore bodies by extending the eastern branch of the 1100 level adit in a southerly direction and by diamond core and long-hole percussion drilling from the extended portion of the adit. The potential ore bodies occur in metasomic tactite near the contact of Mackay granite with limestone of Mississippian age or within an intrusive granite porphyry.

General Provisions

All significantly mineralized areas traversed by the drift shall be sampled by cutting channels, normal to the trend of mineralization, at intervals of not more than 10 feet. Long-hole cuttings showing significant mineralization shall be recovered and sampled; each such sample shall represent not more than a 5-foot length of a long hole. Drift and long-hole samples shall be divided and one split shall be assayed for copper. The remaining ~~split~~ of each drift or long-hole sample shall be stored in a suitable container properly identified as to location. Diamond drill core showing significant mineralization shall be ~~divided~~ and one split assayed for copper; each such core sample shall represent not more than a 5-foot length of hole. The remaining split of each core sample shall be placed in a core box with the other core recovered. The core boxes shall be identified as to hole number, and markers

shall be placed in the core sections to indicate the depths represented.

The stored drift and long-hole samples and the drill core shall be made available for Government inspection and possible use. With prior Government approval the Operator may dispose of the stored samples and core.

True copies of assay certificates of all samples shall be submitted with the Operator's monthly report which shall also include a map or sketch showing the work completed during the reporting period. The map or sketch should show the general geological formations and structures traversed by the drift, long holes, and diamond drill holes, and the location and assay value of the samples.

The Operator shall provide such supervisory and technical services as may be required to complete the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Government will not participate in the cost of work done at locations nearer than ~~200~~ 100 feet to the exterior boundary of the land presently subject to this contract ~~any property not described in Annex I~~.

Description of the Work

From the face of the existing adit on the ~~M~~ 1100 level of the Empire Copper Mine, at approximately coordinates ~~2510N~~ 25100N and 26,540E as shown on Figure 1, continue the adit 600 feet on a bearing approximately S. 10° E. and from that point drive the adit an additional 400 feet on a bearing approximately S. 25° W. It is anticipated that the first 140 feet of the new adit will be in trachyte dike rock. In the adit south of the dike, 12 diamond drill stations shall be excavated and diamond core holes ranging from 100 to 200 feet in length shall be drilled from these stations to explore the east and west walls of the adit. [redacted] The holes shall be inclined about 4 degrees above horizontal. The tentative location, direction, and depth of the diamond drill holes are shown on Figure 1 however, [redacted], the location and direction of the [redacted] holes may be changed with prior Government approval.

To the east of the adit the drill holes shall be stopped when they have penetrated a few feet into unmetamorphosed limestone. It is anticipated that the drill holes to the west of the adit will be in altered granite porphyries in which should be inclusions of tactite and, possibly, of marble. These holes shall be stopped about 25 feet west of any tactite-granite porphyry contact traversed.

From the adit a series of percussion drill long holes shall be drilled into either wall to further explore favorable areas. The holes shall be inclined about 4 degrees above horizontal and drilled to an estimated depth of 100 feet. A long hole shall bottom not be drilled closer than 50 feet to any other long hole or diamond drill hole.

The drift and diamond drill stations shall not be less than 6' x 8' in cross section in the clear of timber and shall be timbered as necessary, using standard drift sets of not less than 8" x 8" timber or equivalent round timber. The diamond drill stations shall be cut to an approximate depth of 15 feet from the wall of the drift. Stations for long-hole drilling shall be cut not less than 5' x 7' in cross section and to an approximate depth of 6 feet.

Mine rails shall be not less than 30-pound size, air lines not less than 4 inches in diameter, and water lines not less than 1 inch in diameter. The drift shall be ventilated, using not less than 12-inch diameter vent pipe.

Diamond drill holes shall be started not less than BX standard core size (1-5/8-inch); however, the diameter may be reduced to AX standard size if necessary to complete a hole in caving ground with a corresponding reduction in unit cost.

The Government will contribute to no more than 1,000 feet of drifting, 180 feet of crosscutting for 12 diamond drill stations, 144 feet of crosscutting for 24 long-hole percussion drill stations, 400 feet of timbering in the drift and crosscuts,

~~1800~~ 1500 feet of diamond drilling, 30 hours cementing and redrilling or reaming and casing core drill holes, 2400 feet of long-hole drilling, 180 core boxes, and 800 assays for copper.

The approximate location and extent of the drift and tentative locations and directions of the diamond drill holes are shown in red on Figure I referred to in Annex I.

Estimated Cost of Project

Fixed Unit Costs

1,000 feet drifting @ $30.00/ft.	$30,000.00
180 feet crosscutting for diamond drill stations @ $32.00/ft.	5,760.00
144 feet crosscutting for long-hole drill stations @ $30.00/ft.	4,320.00
400 feet timbering @ $7.50/ft.	3,000.00
~~1,800~~ 1500 feet core drilling,	
BX standard core size @ $5.65/ft.	~~10,170.00~~ 8475.00
AX standard core size @ $5.20/ft.	
30 hours cementing and redrilling or reaming and casing core drill holes @ $10.00/hr.	300.00
2,400 feet long-hole drilling @ $1.50/ft.	3,600.00
180 cardboard core boxes @ $1.00 each	180.00
~~800~~ 810 assays for copper @ $1.50/assay	~~1,200.00~~ 1215.00
Total Estimated Cost of Project	~~$66,530.00~~ [illegible]
Government Participation @ 50%	~~$33,265.00~~ [illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
June 6, 1962

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 8 1962

DATE	INITIALS	CODE
		120
6/8	Murphy	500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho

I agree with the recommendation of Thor Kiilsgaard that exploration should be confined to extending the 1100 level southerly and further exploring the tactite zone by percussion and core drill holes and recommend that any program he presents be approved.

The applicant, in a letter dated May 22, 1962, expressed a desire that his application be processed in accordance with the changes and limitations outlined in the Director's letter of May 17, 1962.

low for drifting this type of rock

I do not know the amount of drifting and drilling that Kiilsgaard may recommend, but as a working guide I have prepared cost estimates based on 1,500 feet of drifting and 375 feet of timbering. Percussion drilling at about $1.00/foot and diamond drilling based on the lowest bid submitted by the applicant are recommended. Drill bids have not been received here, but the applicant may have sent them to your office.

Because of the long haulage involved, I have assumed an average advance of 4 feet per shift. Apparently all operating equipment is owned by the applicant. It is assumed that 1,100 feet of 12" blower pipe is already installed, and the cost is amortized over a 5-year period; an additional 1,450 feet of ventube will have to be bought and is included in item 3--Operating Materials and Supplies. The applicant lists as owned six mine cars valued at $3,000.00. I doubt that the cars are worth $500.00 each unless they are new, which, of course, they may be; the applicant's stated value is used.

Drifting

4 ft./shift, 2 shifts/day, 22 days/mo. = 176 ft./mo.--rentals, depreciation, etc., based on an assumed 1,500 feet of drift--time required, 8.52--say 9 months.

1. Independent contracts None

Recommendations

2. Labor

4 miners at $20.20/shift	$80.80
2 helper-trammers at $20.20/shift	40.40
1 mechanic-timber framer at $20.20/shift	20.20
1 supervisor-engineer-geologist at $750.00/mo.	34.09
	$175.49
FICA and other insurance, 14.25%	25.01
	$200.50
at 10 ft./day	$20.05

3. Operating Materials and Supplies (per 5-ft. round)

Powder, 50 lbs. at $25.00/100 lbs.	$12.50
Caps, 18 at $0.035 ea.	.63
Fuse, 144 ft. at $0.02/ft.	2.88
Air pipe w/fittings at $1.00/ft. (less 50%--no salvage)	2.50
Air hose w/fittings, 1", 150 ft. at $0.75/ft.	.38
Water pipe w/fittings at $1.00/ft. (less 50%--no salvage)	1.12
Water hose w/fittings, 1", 150 ft. at $0.50/ft.	.25
Diesel oil, 40 gal. at $0.188/gal.	7.52
Oil and grease, 5% of fuel	.38
Ventube, 12", 1,450 ft. at $85/100 (less 50%--no salvage)	2.12
Rail, 20#, plus fishplates, spikes, bolts, etc., at $1.00/ft. (less 50%--no salvage)	2.50
Ties, 3-3/4 at $0.40	1.50

3. Operating Materials and Supplies (per 5-ft. round)(cont.)

Steel, 1 steel replaced/300 ft. at $16.00--95 ft./round	$ 5.07		
Bits, 1 bit replaced/300 ft. at $20.00--95 ft./round	6.33		
Repair parts at $0.50/ft.	2.50		
Total per 5-ft. round	$ 48.18	or	$ 9.63/ft.

4. Operating Equipment

Owned by Operator	Value	Depreciation allowance/mo.
1 Diesel compressor 600	$8,000	$133.34
1 blower w/elec. motor	350	5.83
1,100 ft. ventube	330	5.50
1 pickup truck, $1\frac{1}{2}$ T.	1,600	26.67
1 Miner Lite set w/generator	1,100	18.34
1 electric trammer	3,500	58.33
6 mine cars	3,000	50.00
1 mucking machine	2,500	41.67
1 generator and charger, trammer	1,000	16.67
1 extra trammer battery	950	15.83
1 chain saw	200	3.33
1 bit sharpener	700	11.67
1 truck & arc welder	2,500	41.67
		$428.85/mo.

owing paid from

for 9 mos. $3,859.65

at 1,500 ft. $ 2.573-- say $ 2.57/ft.

5. Rehabilitation and Repairs — None

6. New Buildings — None

7. Miscellaneous

150 assays for copper at $1.50 ea. — $225.00

timbering — Cost for drifting — $ 32.25/ft. how?

Timbering

It is estimated that 25 percent of the assumed 1,500 feet of drift will require timbering--375 feet will require 75 standard drift sets. One shift will stud, block, and lag 3 sets, or 15 feet. At 30 feet per day, time require will be 12.5, say 13 days, or .6 month.

1. Independent Contracts — None

2. Labor and Supervision

4 miners at $20.20/shift	$ 80.80
1 trammer at $20.20/shift	20.20
2 helpers at $20.00/shift	40.00 ?
1 mechanic-timber framer at $20.20/shift	20.20
½ supervisor-engineer-geologist at $750.00/mo.	17.05
	$178.25
FICA and other insurance at 14.25%	25.40
	$203.65

at 30 ft./shift $ 6.788 -- say $ 6.79/ft.

3. Operating Materials and Supplies

150 posts, 10"x10"x7' =	8,745 bf.
75 caps, 10"x10"x6'6" =	4,058 bf.
150 collar braces, 4"x6"x4'2" =	1,245 bf.
1200 lagging, 2"x12"x5' =	12,000 bf.
	26,058 bf.
at $70/M,	$1,823.36
Plus 10% for blocks, wedges, etc.	182.34
	$2,005.70

at 375 ft. of timber $ 5.348 -- say $ 5.35/ft.

4. Operating Equipment

Owned by Operator	Value	Depreciation allowance/mo.
1 Diesel compressor 600	$8,000	$133.34
1 pickup truck, 1½ T,	1,600	26.67 ?
1 Miner Lite set w/generator	1,100	18.34
1 chain saw	200	3.33
		$181.68
	for 0.6 mo.	$109.01

at 375 ft. of timber $ 0.29/ft.

5, 6, and 7. None

Cost for drift timbering $ 12.43/ft. ?

D. R. MacLaren

Distribution:
OME(3)
Docket
MacLaren

Mr Seefurge has seen

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

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O. M. E.
RECEIVED JUN 5 1962
DATE
6/5 Received 500
6/5 Murphy 500

To: OME Review Committee

From: T. H. Kiilsgaard, U. S. Geological Survey

Subject: OME-6244, Field report on application for exploration assistance submitted by R. V. Lloyd and Co., Custer County, Idaho.

RECOMMENDATIONS

It is recommended that R. V. Lloyd and Co. be granted an OME contract to explore for deposits of copper ore at the Empire mine, Custer County, Idaho; the exploration work to be done on/or from the 1100 level of the mine.

INTRODUCTION

The Empire copper mine, sometimes called the White Knob mine, is in the Alder Creek mining district, Custer County, Idaho, about 5 miles west of the town of Mackay. The mine has been operated intermittantly since the 1880's; the period of most intense mining activity extending from about 1904 to 1930. At one time, the mine was the largest copper producer in Idaho. Most of the ore has been mined by lessees, who have robbed the deposit of the higher-grade and more accessible ore shoots, leaving behind a hodge-podge of rambling mine workings and lower grade ore, much of which cannot now be recovered.

The geology of the deposit and much information on mining is described by Umpleby in U. S. Geological Survey Prof. Paper 97. During World War II a resumption of mining activity led to another study by the U. S. Geol. Survey, the results of which were released in 1944, in an Open File report and in two folios of maps and geologic sections, all by F. W. Farwell and R. P. Full. Accompanying this study was a diamond drilling program from the 1000 level by the U. S. Bureau of Mines. This work is described in U. S. Bureau of Mines War Mineral Reports No.'s 68 and 267. An indicated 23,000 tons of ore averaging 2.67 percent copper was estimated from the study and the drilling program.

ON SITE REPORT & RECOM. (USGS)

Kiilsgaard's Map Figure 1, in envelope
A150 - Negative (½ size) used for contract.

In 1955, the Idaho Alta Metal Corp. submitted an application to DMEA (Docket No. DMEA-3864) to explore the Empire mine by driving an adit on the 1100 level to intersect the ore outlined by the Bureau of Mines drilling. The late Mr. E. G. Bowen, representing the applicant, called at my office to discuss this proposed work and I tried to discourage him from doing the work by pointing out that about 2200 feet of adit would be needed to develop the 100 feet of "backs", and that indicated ore reserves did not justify the cost of the proposed work. Mr. Bowen, however, was not to be dissuaded and subsequently drove the adit. A Field Team report by J. S. Vhay recommended approval of the Idaho Alta project, but a DMEA contract never was negotiated. The Idaho Alta Corp. drove the 1100 adit approximately 2000 feet to the projected ore body and mined some ore during 1957 and 1958, following which the corporation went broke. Following a short period when the mine was worked by lessees, the property came under control of R. V. Lloyd and Co. Under management of that company the 1100 level was extended, a 150 ton floatation mill was constructed at the portal of the 1100 level, and ore shoots were stoped from the 1100 to and above the 1000 level.

During the summer of 1961, I visited the Empire mine to update the mapping of Farwell and Full. Parts of their Open File Report and of my work are to be included in a U. S. Geological Survey bulletin now being prepared on the geology of the Mackay quadrangle. I had free access to the mine and to the files of the Lloyd Company. I discussed various targets that warranted exploration with mine officials, but at that time neither Mr. Lloyd or members of his staff expressed any interest in an OME project, or in long range exploration of the type now proposed.

APPLICANT

Mr. R. V. Lloyd is the principal party of the applicant corporation. He is a rather elderly man who has made a fortune as a general contractor but who has limited mining experience. For operations at the mine he relies entirely on Mr. Jim Salyer, a very able miner who formerly was a shift boss at the Calera mine at Cobalt, Idaho. For technical advice he has engaged part-time help of Mr. W. P. Barnes, formerly geologist at the Calera mine, but, who in 1961, was working at the AEC plant at Arco, Idaho.

The mining operation was said to be making a slight profit in 1961, but only enough to allow a very limited amount of needed mine development and exploration. Presumably the mine is still producing and income from this operation plus Mr. Lloyd's other income should be adequate to pay the operator's share of the proposed OME exploration. Mr. Barnes and Mr. Salyer are capable of directing the proposed work.

PROPERTY

The applicant proposes that the Sultan, Sultana, and Eastern patented claims be subject to terms of the proposed OME contract. The proposed work, however, very likely will extend beyond the southern limits of these claims and most certainly would benefit ore bodies that might exist in these southern areas. To give adequate protection to proposed government expenditures it is recommended that the following claims also be subjected to terms of the proposed contract: Atlantic 1272 A, Remonitization, and Leslie W. No work is proposed at the northern end of the 1100 level, but, there is ore being mined from that area and there are targets there that warrant exploration. Therefore, to insure a better chance of the government being repaid for exploration expenses and to cover northern areas that may be explored by amendment it is recommended that the Copper Bullion, Washington, and Pasha claims also be made subject to terms of the contract.

HISTORY AND PRODUCTION

The high lights of mine history are included in the introductory section. More historical information is contained in the referenced publications.

Farwell and Full state that from 1901 to 1942 a total of 765,087 tons of ore were produced from the mine, from which were recovered 55,630,493 pounds of copper. To attain the total production of 57,531,000 pounds of copper, reported in the application, necessitates a production of 1,909,557 pounds of copper since 1942, almost all of which has come from ore mined from the 1100 level. This recent production is of interest because it signifies that more copper has been produced from ore bodies indicated by the Bureau-Survey exploration program than these ore bodies had been expected to contain. It indicates that milling of lower grade ores has increased the tonnage of ore reserves and suggests that larger tonnages may be mined from the lower levels than was mined from upper, higher-grade stopes.

GEOLOGY

Detailed descriptions of the geology are contained in the reference publications. Briefly, the mine area is underlain by thick-bedded, cherty limestone of Mississippian age. These rocks have been folded into a broad rather complex northwest-trending anticline. Along the southwest limb of the anticline, the rocks have been intruded by granitic rocks, the Mackay granite ~~of~~ which underlies the high ridge west of the mine. The granite-limestone contact within the mine area is not sharp but is masked by a third rock type, a granite porphyry. Along the

granite-limestone contacts and within the granite porphyry are bodies of contact metasomatic tactite, within which occurs the ore bodies. Crossing the granitic rocks, the limestone, and the tactite is a broad northeast-trending, southeast-dipping zone of faulting along which are countless dikes, some of which are post-mineral in age. One of the more prominent of these dikes, the Big Trachyte dike, cuts through the ore on several mine levels and has been used to distinguish the northern from the southern ore bodies. This dike must be penetrated by the proposed OME work before the exploration targets can be reached.

The ore bodies are controlled by the intersection of the northeast-trending faults and the masses of tactite. In plan view, the ore bodies are arccuate around the northeast side of the granitic rocks, at or near the limestone contact. The ore bodies are steeply-plunging, irregular, pipe-like bodies that are discontinuous both in strike and dip (see Farwell and Full's Folios 1 & 2, particularly Plates 2, 4, 6, and 45). The larger and more productive of the ore bodies were at the southern end of the mine, above the 700 level, and it is the downward projection of these that are to be explored by the proposed program. Sulfide ore minerals are found along the northeast-trending faults especially at the granitic side of the tactite masses. It appears that ore mineralization moved along the faults from the intrusive mass until it encountered the highly shattered and permeable tactite, which formed a suitable host rock for development of ore bodies. This interpretation of ore control is mentioned here because on it is based the entire proposed exploration program, which is, in effect, to search an unknown area for the intersection of projected mineralized faults and masses of tactite.

Near the surface, the ore was highly oxidized. Much high-grade chrysocolla, assaying 7 percent copper or more, was mined. Below the 800 level most of the ore has been sulfides, chiefly chalcopyrite, although some oxidized copper ore was mined on the 1100 level. Zonal changes in the ore also are noted with increased depth. The ore contains increased amounts of zinc. Veinlets of almost pure sphalerite 2 to 4 inches in thickness were noted in the southeast ore body on the 1100 level. Samples of ore assayed up to 2 percent zinc. Also noted in increased amounts was molybdenite. I estimated that ore from the 57 stope above the 1100 level might assay from 0.1 to 0.2 per cent MoS_2, and I recommended to Mr. Lloyd that he have the ore carefully sampled for molybdenum to determine if a molybdenite concentrate could be recovered at the mill. I do not know if this was done. There are significant amounts of scheelite in some of the ore shoots. For example, during World War II, there were 2 carloads of copper-tungsten ore shipped from a sub-level stope, below the 1000 level, one carload of which is reported by Farwell and Full to have assayed 2.08 percent WO_3, 2.45 percent copper, 1.35 ozs. silver per ton and 0.105 oz. gold per ton. I "lamped" all of the working faces last summer and found scheelite present everywhere, some of it in concentrations that warranted recovery. No scheelite concentrate, however, was produced at the mill.

MINING AND MILLING

Ore mined during the summer of 1961 consisted entirely of chalcopyrite, spalerite, and trace amounts of galena in a gangue of pyrrhotite, pyrite, and various silicates chief of which were garnet and diopside. Cut-off grade for mill heads was 1.80 percent copper and ore was averaging somewhere between that figure and 2 or 2.25 percent copper. A total of about 150 tons of ore per day was being mined from 3 stopes above the 1100 level, at the northern end of the mine. Miners were hard pressed to keep the mill in ore and no regular mining method or blasting cycle was used in the stopes. Ore was shot from the walls or back and slushed to draw points, leaving the stopes open and untimbered. Fortunately, the ground stands well. Some stopes on upper levels ~~that~~ are as much as 40 feet wide, 100 feet long, and 50 or more from sill to back are still open even though they were mined 40 or more years ago.

On the 1100 level, ore is picked up either by mucking machine, from the 57 stope draw hole, or drawn from the 58 chute and hauled by a battery-powered motor to the ore bin at the portal, from there it is fed directly to the mill. Electrical energy for the mine and mill is supplied through a power line connected to the main Idaho Power Company network. Water for the mill is supplied from nearby Cliff Creek, by ditch.

Ventilation in the stoped areas is excellent. On warm summer days there was almost gale-like down draft through the raises from overlying levels that were accessible from the surface, However, at the face of the southern drift on the 1100 level, the one to be extended by the proposed exploration, there was very poor ventilation. I notice the applicant intends to supply air to this face through a 12-inch fan line, and this should be adequate for exploration purposes.

PROPOSED EXPLORATION

The applicant has proposed:

1) 720 feet of drift on the 1100 level
2) 700 feet of drift on the 900 level
3) 500 feet of raise from the 1100 to 900 level
4) 1025 feet of diamond drilling
5) 2400 feet of long-hole drilling

Estimated cost of the work totals $176,326.80.

I recommend modifying the applicants proposal to include only drifting and drilling on the 1100 level. The large ore bodies south of the Big Trachyte dike were mined from open pits and through a maze of workings above the 700 level, all of which have long been inaccessible. It is the projection of these ore bodies for which the applicant is searching and if they are found on the 1100 level any additional work above the 1100

level would be chiefly development. If the ore bodies should not continue to the 1100 level, the life of the mine could be quite limited for there is not adequate target area above the 900 level to warrant expenditure of funds needed to develop ore that might occur in that area.

There are good reasons for expecting the Southern ore bodies to extend to the 1100 level. The northern and smaller ore shoots have continued to the 1100 level and below to the 1600 level (see Plates 23, 36, and 39). Data on the 1600 level is lacking as the level has long been inaccessible because of bad air. Unofficial reports are that considerable low-grade 1 to 1.5 percent copper ore was found on the 1600 level. Geologically, the southern tactite bodies also should extend downward and should be intersected by faults of the northeast-trending pattern, notably the No.'s 8. 9, 10, 12, and 13 faults. At these fault-tactite intersections there could be ore shoots.

It therefore is recommended that the southern drift on the 1100 level be driven S 10° E for 600 feet, and then turned and driven 400 feet on a S 25° W bearing. This course will not vary much from that proposed by the applicant, but it should be in a better location to intersect the projected bodies of tactite. At appropriate intervals I have proposed diamond drill holes, most of which are 100 to 150 feet long, and all of which should be drilled nearly horizontal. Sites for these holes and the bearing ~~of the drift~~ could and should be changed depending on findings. The length to which the applicant can long-hole by percussion drilling also will affect location and spacing of the diamond drill holes. In this respect, it is assumed the long holes will not exceed 100 feet in length. The important factor is to probe the target area at least on 100 foot centers for the plunging ore bodies, which should extend into or near the areas shown on my map.

To the east the drill holes should encounter limestone and they should be stopped when drilling has extended a few feet into the unmetamorphosed limestone. Metamorphism should extend only a few feet from the granite-porphyry-limestone contact. Drill holes to the west should be in altered granite porphyries in which should be inclusions of tactite and, possibly, of marble. Holes should not extend more than 25 feet west of a tactite-granite porphyry contact as there is little chance for ore away from the tactite host rock. Tactite found near faults may be expected to trend northeast; however, away from faults it probably will trend northwest. Therefore, if tactite is found by drilling, some distance from the cross-cut, at least 2 holes should be drilled into the tactite to determine the trend before a crosscut is turned toward it.

One disadvantage to my proposed drift is that it will cross the Big Trachyte dike at an acute angle, and the dike may present mining problems which the operator might try and alleviate by crossing as quickly as possible, as he has proposed. If his course through the dike is followed, the drift should be turned southerly as soon as it is through the dike, for the chances are that tactite masses will be west of the course proposed by the applicant.

The modified program I have suggested would include:

1) 1000 feet of drifting
2) 1800 feet of diamond drilling
3) 2400 feet of long-hole drilling
4) Crosscuts for switching?

EXPLORATION COSTS

I made no study of mine costs and am not qualified to judge the costs as estimated by the applicant. I also doubt if much additional cost data can be obtained from the applicant as I suspect he does not maintain detailed accounts.

The drift will need to be timbered through the Big Trachyte dike, an estimated distance of 140 feet. Beyond the dike there might also be a need for timber through some of the faults, an estimated total length of 100 feet. The tactite and the silicated limestone is hard ground to drill and blast, and it is a long tram to the 1100 dump. Except for these factors, exploration costs should compare generally with those currently being incurred in other exploration projects in the western states.

CONCLUSIONS

1. The applicant, although not an experienced mining operator is making an earnest effort to work the Empire copper mine. He has invested large sums of his own money in this venture, has procured capable supervisors for the work, and has equipped the mine adequately for the proposed program.

2. The proposed work is geologically warranted. There is good reason to expect the target areas to contain mineable ore bodies.

3. If expected amounts of ore is found, the mine should be able to maintain production for many years, and could be developed into a substantial producer as there are other target areas that also warrant exploration.

4. The proposed work will be of definite economic aid to the Mackay area. Almost entirely a mining community, Mackay has deteriorated during recent years as the many small mines in that part of Idaho have shut down. It was a depressed area during the summer of 1961 and the town people were closely watching the Lloyd operations, hoping he would be successful and that local economic conditions consequently would be improved.

P. O. BOX
238

Empire Copper Mine

R. V. Lloyd and Co.
MACKAY, IDAHO

PHONE
3353

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 23 1962

DATE	INITIALS	CODE
5/24	[illegible]	500
5/24	Murphy	

May 22, 1962

United States
Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

RE: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho

Gentlemen:

Reference is made to your letter of May 17, 1962 in regard to application on reference loan.

We are desireous that you continue processing our loan application and we will forward the requested additional data as soon as it is available to us.

Very truly yours,

R. V. LLOYD & COMPANY

R. E. Chambers

R. E. Chambers

REC:el

CC: Mr. D. R. MacLaren
Acting Field Officer
Region I. Office of
Minerals Exploration
South 157 Howard St.
Spokane 4, Washington

4 hours difference in time
Telephoned June 9 - no answer

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
5/15	FMurphy	500
	[illegible]	500
5/15	Tallyd	800
5/16	[illegible]	130
"	Johnson	110
5/16	Fernall	100
5/17	CRC	220
		500

MAY 17 1962

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho

The subject application is referred to Region I for review and recommendations.

In accordance with your note of May 3, 1962, we have consulted Thor Kiilsgaard, USGS, with regard to the subject property. His opinion is that the southern area of the mine warrants some exploration work, but not in the manner proposed by the Applicant. He suggested that the work be confined to continuing the 1100 level only, and then further explore the adjacent tactite zone by percussion and core drill holes.

Mr. Kiilsgaard will submit his recommendations and make the necessary maps for the proposed program.

Attached are copies of the Director's letter of today which is self-explanatory.

George C. Selfridge

(246)

FMMurphy/gla
5-15-62
cc to: Director's Reading File
Review Committee
Docket

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
5/16	Murphy	500
	Fursich	500
5/16	Talbert	800
5/16	Selfridge	130
"	Johnson	110
5/16	Fennell	100
		220
		500

MAY 17 1962

AIRMAIL

R. V. Lloyd & Company
P. O. Box 238
Mackay, Idaho

Re: OME-6244 (Copper)
R. V. Lloyd & Company
Empire Copper Mine
Custer County, Idaho

Gentlemen:

The subject application for financial aid in exploring the Empire Copper Mine has been reviewed by the Division of Minerals of the Office of Minerals Exploration and referred to Mr. D. R. MacLaren, Acting Field Officer, Region I, Office of Minerals Exploration, South 157 Howard Street, Spokane 4, Washington.

To expedite the processing of your application, will you kindly submit the following additional information to our Washington, D. C., office:

1. Copies of bids from two additional independent contractors for the proposed diamond drilling.

2. The legal instrument or instruments showing the R. V. Lloyd & Company's rights to possession of the Empire Copper Mine claims.

3. Five copies of a Lien or Subordination Agreement executed by any person or company who may have retained an interest in the claims. Enclosed are two sets of the form for this purpose. The extra copy in each set may be retained by the signer.

Pat No's from Mineral Land Data

4. A written statement that the Atlantic 1272A, Demonitization 1887, Leslie W 1887, Copper Bullion 1272A, Washington, and Pasha claims are added to Sultan, Sultana, and Eastern claims listed in the application.

The subject application proposes exploration on the 900 and 1100 levels, with connecting raises. We cannot agree to this proposal as, in part, it could be considered development work. However,

43683

we would consider a project confined to the 1100 level to explore the area south of the present face on that level. From this new drift, the adjacent favorable tactite zone could be explored by percussion and core drill holes; also, a few short exploratory raises could be run from the drift.

This proposed drift would explore the south area for a longer distance than proposed in the application; therefore, in our opinion it would benefit the claims listed in Item 4--hence, our request for their inclusion. You need not submit a new map showing the location of the additional claims. However, please list the claim recording data and advise whether or not the claim is patented. Also, advise if the Sultan, Sultana, and Eastern claims are patented.

Apart from the above, we have sufficient data on the Empire Copper Mine, and a field examination will not be required. However, the Regional Office will notify you in case other information concerning the application is needed.

We note that the estimated unit cost figures submitted with the subject application are based on average advances per shift that are about 50 percent lower than is considered normal for such exploration work; also, that the costs include some equipment that would not be required. In our estimates we do not use rental figures on operator-owned equipment. We use a depreciation factor over a 60 month period; however, we do allow for current repairs of equipment. Therefore, in the event an exploration contract might be granted, the allowable unit costs would be considerably lower than the estimates submitted.

In the event you wish us to continue processing your application in accordance with the above-mentioned program, please advise this office by return mail and forward the requested additional data as soon as possible, because copper contracts may not be offered after July 1, 1962. Kindly forward a copy of your reply and requested data to Mr. MacLaren.

Sincerely yours,

George Fumich, Jr. (ph)

Director

Enclosures

FMMurphy/gla/ama 5-16-62

cc to: Director's Reading File
Docket
Region I (2)

May 7, 1962

R. V. Lloyd & Company
P. O. Box 238
Mackay, Idaho

Subject: OME - 6244

Gentlemen:

Your application for exploration assistance, dated April 25, 1962 submitted to our office at Spokane, Washington has been assigned Docket Number OME-6244.

Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Allen S. Dakan, Chief
Division of Administrative
Management

Copy to: Region I