DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

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DMA Docket No. 1958

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EXPLORATION LOAN

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To:	CODE 350 3618 ~~Lead-Zinc Br.~~	Date	8-14-51
To:	Supply Division	Date	SEP 13 1951
To:	Reports and Records	Date	SEP 14 1951
To:	130	Date	3-17-58
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FILE COPY
SURNAME:

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

Hon. Mike Mansfield, M. C.
House of Representatives
Washington 25, D. C.

FEB 1 - 1952

Re: Docket No. DMKA 1958
Needle Gun Vein

My dear Mr. Mansfield:

Your letter of January 3, 1952 addressed to Mr. Tom Lyon, DMPA, and enclosing letter received by you from Mr. H. L. Maury, Butte, Montana, has been referred to this office for review and report as requested.

The original application was filed under date of July 26, 1951 and proposed 1000 feet of drifting on the vein. In view of the location of the project, the application was given more than average consideration with a field examination made on August 12-13, and Mr. McLure, partner, informed of the denial of Government assistance by letter under date of September 14, 1951.

Exploration proposed by the application consisted of work on the Needle Gun vein which can be traced for approximately 3000 feet on the surface. This vein is situated about 3000 feet south of the Granite-Bimetallic vein and in the same body of granodiorite. The surface indications of the vein are meager and mineralization is characterized only by scattered small fragments of iron-stained granodiorite and occasional small pieces of vein quartz containing pyrite and minor amounts of lead and zinc sulfides. The surface outcrop did not indicate any of the characteristics usually associated with minable ore shoots. While the applicant stated that samples had been taken running as high as 22% zinc and 6 to 8 ounces of silver, the dumps showed only minor sulfide minerals and the location of the prior sampling was stated to be no longer accessible.

The main point presented in favor of exploration was the proximity and similarity of outcrops of the Needle Gun vein to the Granite-Bimetallic vein. Development of the latter vein indicated a zone of non-commercial oxidized ore from the surface to a depth of 300 feet. Beneath this zone was a zone of enriched oxide and sulfide ore and below this zone was the low-grade primary ore. The Granite-Bimetallic Mine was essentially a silver producer as shown by recorded mill heads of 1905 which averaged only 1.20% lead and 0.85% zinc.

The original exploration proposed 1000 feet of adit on the vein. Other means of exploration were considered such as diamond drilling and bulldozer stripping, which were rejected in the examination, and drifting and sinking to a depth of 200 feet. The lack of favorable surface indications on the Needle Gun vein requires any consideration be based on the Bimetallic vein development in depth. This indicates that to a depth of at least 300 feet, the leached zone would produce at best silver with a negligible zinc and lead content. At depths a possible zone of enrichment exists depending upon the degree of leaching, but below this zone the minor base metal content would continue.

In summary, the project appears to be exploration of a vein exhibiting very meager outcrop possibilities and with an inferred depth possibility, essentially consisting of silver production. While the position of gold-silver in assisting commercial base metal production is well recognized, it is also recognized that percentage participation of the Government in exploration is based on the possibilities of making a significant discovery of strategic mineral or minerals and eventual production thereof. The inferred amount of such minerals in this project does not appear to meet these qualifications. The application for exploration project assistance was, therefore, necessarily denied.

We trust that this review of the application of Mr. M. L. Maury and associates for exploration assistance on the Needle Gun property will clarify the various points discussed by Mr. Maury.

Sincerely yours,

C. O. Mittendorf (fw) cc 2/1/52

Acting Administrator
Defense Minerals Exploration
Administration

DEMoulds/meh
1/31/52
cc to: Adm. R. File
Docket File Copy
Mr. Moulds
Mr. McKnight
Mr. Bishop
Region II
Mr. Tom Lyon

DEFENSE MATERIALS PROCUREMENT AGENCY
WASHINGTON 25, D. C.

JAN 25 1952

DMA-1958
Application of W. R. McLure
Lowndes Maury and A. G. Shone
of Montana for Exploration
Loan - 50 percent of $40,000

Mr. C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration Administration
U. S. Department of Interior
Washington, D. C.

Dear Mr. Mittendorf:

We are sending you the file regarding the DMA docket 1958, application of W. R. McLure, Lowndes Maury and A. G. Shone for an exploration loan in order that you may prepare an appropriate reply to Mr. Lowndes Maury's letter dated December 27, 1951.

Very truly yours,

Tom Lyon

Tom Lyon
Director
Program Development Division

Enclosure

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 28 1952

251853

CONTROL NUMBER

NAME [redacted], Mike

ADDRESS [redacted] Representative
Washington, D.C.

DATED 1/3/52

RE Encl. letter received from H.L.Maury of Butte, Mont. concerning the Needlegun property. Requests a report on this matter.

FILE

PLEASE ACKNOWLEDGE WITHIN DAYS

REFER TO

1. [redacted]
2. [redacted]
3. [redacted] 1/7
4. 1/4/52

DATE

TYPE OF CORRESPONDENCE

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CORRESPONDENCE CONTROL RECORD

FWA - E 366

MANSFIELD
1ST DISTRICT, MONTANA

COMMITTEE:
FOREIGN AFFAIRS

Congress of the United States
House of Representatives
Washington, D. C.

January 3, 1952.

Dma - 1952

DMPA
RECEIVED
JAN 5 1952

Mr. Tom Lyon,
Director, Program Development Division,
DMPA,
Washington, D. C.

Dear Mr. Lyon:

I am enclosingletter I have received from H. L. Maury of Butte, Montana concerning the Needlegun property.

I would appreciate your sending me a report on this matter and would you return the enclosure with your reply.

Thanking you and with best personal wishes, I am

Sincerely yours,

Mike Mansfield

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 28 1952

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JAN 7 1952
Lead Zinc Branch

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H. L. MAURY
Attorney at Law
Butte, Montana

December 27, 1951

Mr. Tom Lyon, Director,
Program Development Division,
Defense Materials Procurement Agency,
Washington 25, D. C.

Dear Mr.Lyon:

Your interesting letter of December 19th reached me yesterday. I do not exactly get the meaning of the following language:

> "I have been delegated that authority but I never do so unless the recommendations, both from the field and the experts in Washington, recommend denial."

Mr. Volin recommended the development of the Needlegun property highly to me personally, and to some others who invested money in the proposed work. Mr. Glenn Reed said that he recommended it for a loan for development. There was another engineer, whose name escapes me, but who was in the Government service, and has now left it for private work, who I am told recommended the work highly.

I am quite familiar with the land in some cases where loans have been made. I may say that while my original profession is that of a lawyer, yet during the First World War, being influenced by the idea of either work or fight, I went to work and managed a lead-silver property which produced a large tonnage of lead and ran it at a profit of $500.00 a day as long as I operated it. Before I took it over, it had been running at a loss of approximately $300.00 a day. In the present case, if I advance further money that is needed to open up the Needle gun tunnel, I will be squeezing my co-owners in the land out of some of their interest, which if it proves to be a successful operation, will be unfair to them, and not very good for my reputation for fair dealing with my co-owners.

Mr. Glenn C. Reed said that he recommended the proposition for development and a loan. I am quite certain that Mr. Volin did not recommend the application for a denial. The reason given for the denial is that if the work were successful, it would develop a precious metal mine, and not lead and zinc. The parallel property lifted to the surface a very large tonnage of zinc, which in those days, was penalized in smelters, and rejected wherever possible. The structure on the Needlegun is either one vein 35 feet wide, or three veins in touch with each other. It is interesting to me that the Needlegun vein is in line with the "Speckled Trout" mine, which is now a chief source in the Philipsburg District of zinc and manganese; likewise silver, which is not needed. The Needlegun is in granite; the Speckled Trout in limestone.

Another reason why I do not care to advance additional money required is that until the mine is successful, and a producer, I could not deduct any outlay for operating expense from my annual income tax.

I condemn the Defense Minerals Procurement Agency, by whatever name it is called, bitterly for its delay. Much of this delay occurred in the Spokane office; some of it occurred in Washington. The application went to the Spokane office on July 26th; a certificate of the First National Bank of Butte that there was $20,000.00 on hand for this project went to the Spokane office July 27th. Had it been acted on within a week, a very large expense could have been saved by starting work in the summer weather, instead of in winter, because the letter of denial came when winter is present, at the altitude in Montana where the proposed tunnel is. If Mr. Glenn Reed was going to recommend denial, it should have been done the day after he visited the land. I do not know that he was the one who recommended it, but it was surely not Mr. Volin. Another loss from the delay was that miners' wages rose substantially during the period of delay.

Another interesting feature of this is that on a small vein between the Needlegun vein and the Granite Bi Metallic, a loan has, I am informed, been granted; it is in the same formation with both structures.

Our project is going forward under difficulty, because it is mid-winter. The ice is a serious ob struction; the road becomes filled with snow, and the machinery is being purchased on the instalment plan, instead of outright. Last week we encountered a small chunk of ore running $8.00 in gold, 5 oz. in silver. We are still in the wash, and moving very slowly, largely because of the delay in starting caused by the Department with which you are connected. Instead of a loan plan to small owners being an advantage, in our case it was an expensive decoy.

I am intimately acquainted with two other pieces of land in Montana where you have made loans; both of these in the past, when I was young enough to operate, have been offered to me for very meagre prices, and by me refused thirty years ago. The development on these two projects which has gone on since then, has not led me to change my mind about it.

I wonder if the factor of whether or not there is a good chance of a loan being repaid out of the operation deserves any consideration with your Department; I wonder if the factor that an entire new district, adjacent to a famous former producer, may be opened up which would be of such a nature that the district might produce steadily for one hundred years would be a factor in considering development with your Department. It is a fact that districts which

have produced do contain mines which remain unknown for years. Perhaps you do not know, but I call it to your attention, that in the Butte District, in the last eight months, a vein entirely unknown before, has been cut through by the Anaconda Copper Mining Company, and its present development indicates that it is the equal, in size and value, of the original Anaconda vein.

If we strike ore in the Needlegun Mine, and we expect to, if we have money enough to get it without my squeezing down my co-owners, then it would be some item to boast of by your Department if a loan be granted which enables us to do this, and if we strike it without your aid, it will confirm the idea of many people that as far as new successes in prospecting are concerned, that Department is a failure. It would be interesting to these people who doubt the value of the Department, to know whether a single ton of ore has yet been produced by the aid of that Department in Montana during the ~~10~~ eight months it has been in operation.

Cordially yours,

s/ Lowndes Maury

HLM-E

Copy to:

Senator James E. Murray
Congressman Mile Mansfield.
M. E. Volin

H. L. MAURY
ATTORNEY AT LAW
BUTTE, MONTANA

January 8, 1952.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 18 1952

DMA - 1958 (x)

Hon. Lowell Moon,
3610 Interior Building,
Washington, D. C.

Dear Mr. Moon:

At the new year, I always like to revive friendly acquaintance that I have made in the previous year. In April I had a charming visit with you, at the suggestion of the Hon. Charles A. Murray, Administrator in Senator Murray's office. I suggested that I would like to get a loan to develop eight claims with an exceptionally large vein parallel to the Granite Bi Metallic vein, which produced $36 million gross, and $20 million net. You handed me a pamphlet indicating that the Defense Minerals Administration would possibly, or probably, lend some money to match the owners of the land, to develop this ground. This pamphlet was a 'decoy', and an expensive decoy to some friends and myself up to date. I did not suspect that I was wasting ammunition on a tin duck until about the middle of October.

Of course, since the Chrome debacle of the R. F. C. in Stillwater County, with which I was acquainted, having been attorney for the Mouats, I may be charged with contributory negligence in suspecting that any development department of the Government would do anything useful for the development of strategic metals in Montana. I returned to Montana from my charmed visit with your good self, spread the pamphlet around; your two letters were answered by engineers visiting the ground; they reported favorably on the development. We put in an application for a loan of $20,000.00 to match a willingness to spend $20,000.00 by the owners of the land. This was followed the next day by a certificate of the First National Bank of Butte that $20,000.00 was on deposit for expenditure on the land by the owners.

The land is 7,200 feet high. At that height in Montana, winter begins about October 15th. Though you are connected professionally with the mining work of the United States, yet even you of course do know that it is much cheaper to work an isolated property in summer than it is in winter. The Spokane office of the Bureau of Mines reported favorably, or said they reported favorably on our application. No action was taken on it until some time in September, when winter was at hand, and then a Mr. Tom Lyon wrote us that the application was denied; that if the project was successful, it would open up a high grade metal mine, meaning silver, because that was the chief product of the parallel fissure, the Granite Bi Met.

I had been active in a mining way in Montana, - some times with success, some times with failure, for over fifty years. My impression was that Mr. Lyon was looking for a mine in Montana containing lead, zinc or copper, without any silver bi-product. So far, I think that

only one such mine has ever been discovered in Montana or Idaho, and that mine contained a high bi-product of gold with lead. It is not probable that any such mine will ever be discovered in Montana or Idaho. It reminded me of the decision by Mr. Mastin G. White, Solicitor of the Interior Department, where the Placer location was rejected as non-mineral, because it contained no Chrome, though there was an immense tonnage of chromo-hercynite running about 43% Chrome.

And by the way, when I told at lunch one day of the reason for this decision to perhaps the head mining geologist for the Anaconda Company, he told me a funny story. How some years ago an Inspector of Mines of Montana for some branch of the Government came to him for information, and asked if he had any reports on the brass mines of Montana, and confirming this story was another companion at lunch, one of the two men who learned how to separate zinc from lead in a mill.

However, I have noticed, in spite of Mr. Lyon and his search for zinc and lead when not associated with either gold or silver, some loans have been made for the development of old, long abandoned properties in Montana.

Recently Senator Murray held a hearing here of abiding interest. I listened to it all one day, and at the conclusion of it, I asked three or four people in a group, officers of the Bureau of Mines, if, since the effort had been started last April, shown in the pamphlet you gave me, a ton of lead, zinc or copper ore had been produced in Montana by the aid of any of these loans. The evasive answers of these gentlemen convinced me that my guess was probably right; that all of the money spent by them in Montana in the hope of increasing lead, zinc or copper production, had been empty of success.

Another idea struck me. Many years ago, when for me every cloud had a rainbow, I pumped out an old shaft because of the statement that a high grade deposit had been left under water. All youthful adventurers in the mining business have followed a similar course, and with the same result. The oldest treatise now read on mining is De Re Metallica, by George Agricola, 1558. In it he says that wherever one producing silver vein is found, there will always be another one found close to it. So that, rather than spend money looking for new deposits in old abandoned workings, it is better to explore a new vein of size close to, and parallel to a former heavy producer.

I have noted with interest several of the loans that have been made. During the first World War, I was then too old to fight. My oldest son was then in the Infantry. I thought I should go to work, so I took the management of a silver-lead mine, when it was running at a

loss of $300.00 a day; under my management for a good long time, it ran at a profit of $500.00 a day, and in those days, two properties on which loans are promised were offered to me for a very small price, and not bought, because they were worked out then, and nothing since in the way of development has changed my opinion of them.

I may say in closing that I have asked for a review of the application of the $20,000.00 loan of my clients, and in which I am interested as an owner; we are going ahead. The vein looks favorable, but when and if we get to the end of our money before reaching our first planned objective, we, of course, must shut down, because the persons connected with it who can advance the additional money will not do so, due to the income tax feature, that they cannot deduct the money paid in wages from their income tax unless the mine pays. They are thus subjected to a double chance instead of the single uncertainty of the early days of mining in Montana.

At a glance I saw that you were devoted to your profession, and had an active, receptive brain. My business as a lawyer has forced me to size up men, or fail in my business.

I wish that I could have seen Mr. Tom Lyon.

I understand that there is to be publicity about these loans. I wonder if I could have my name and address placed with any official who would send me a letter when the first ton of lead or zinc ores is shipped under this aid plan from any mine in Montana. ?

I am, of course, sending a copy of this letter to Mr. Tom Lyon. I probably should send one to Mr. Mastin G. White. If you know him, let him read it. He is in the same building where you are. Most of us Southerners have a sense of humor that makes us laugh when the joke is on us.

When and if you come to Butte, take lunch with me.

Cordially yours,

Lowndes Maury

LOWNDES MAURY

Copy to:
Tom Lyon
Charles A. Murray
M. E. Volin
Howard I. Young

DMA, 1958 X
315

GSA FORM 1
1-25-50

GENERAL SERVICES ADMINISTRATION

ROUTING SLIP

TO NAME	BUILDING, ROOM NUMBER. ETC.
1. Mrs. Lyons	Bldg. 7123
2. Leonard Johnson	
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FOR

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ANSWER OR ACKNOWLEDGE BEFORE _____

FROM ~~Control Center~~ eh

DATE 1-18

REMARKS

To make this file larger!

GPO—O—GSA 952556 - 152

51-3164

January 15, 1952.

Hon. James E. Murray,
United States Senator,
Washington, D. C.

DMPa

Dear Jim:

I received your letter of January 11th this morning. I was indeed glad to hear from you.

Your hearing here in Butte was highly instructive to all of the small mine owners in Montana. Last April the plan started of trying to increase the production of lead, zinc and copper in Montana. There have been some small loans granted on properties that are worked out. I would be surprised if a single ton of lead or zinc ore has been produced by reason of these small loans. They are just put out as a token, a pretense that the Administration is doing something. The delays are so long, and the red tape so necessary, that nothing happens to benefit anybody.

Peter Antonioli had an application in for a loan for months and months and months to develop his Contact Mine in Philipsburg. It even went so far as that some official in Washington telephoned him that his application had been granted, but no money showed up. It was a decoy, and while the application was pending so long, Antonioli fought his way with such capital as he had, and has opened up such a good mine that I doubt if he would take the money now if it were offered.

I do not care to name the properties where loans have been granted, nor to belittle them, but two of them were offered to me thirty years ago when I was active at Neihart, for insignificant prices. I did not want them then, though I examined them, and I would not have them now, but these small matters are just an advertising token of this Department to maintain in the Press in Montana that they are actually doing something, when in fact, they are doing nothing but drawing fancy salaries, which some of them could not make in private life, and the loans are for virtually worked out and abandoned properties, and I do not think the owners match these newspaper loans. Nobody is being fooled that is in the mining business, though, of course, many of the public who are just hopeful that the mining business will succeed, are fooled.

There is an old German text book published 400 years ago, and it is used in the mining schools yet. It is "De Re Metallica". I have lately been reading the book. It says that "Some mines are abandoned because there are Demons in them, but more are abandoned because the ore is worked out." The only chance to get a substantial increase in lead and zinc is to try some big vein not yet worked, close to, and in the same formation with a once big producer. We have such a vein one and one-half miles, in our own ground, patented, paralleling the old Granite Bi Met vein which produced $36 million gross, and had a large content of zinc, which was a penalty then.

I was recommended by Charles to a Mr. Lowell Moon, who seemed to me to be an active, intelligent, earnest man, with a good knowledge of his profession, - Mining Engineer. Mr. Moon suggested to me that a tunnel be driven on this land, then showed me a pamphlet which said that the Government would match money with the owners for development, if it was approved by their Field Surveyors. Moon immediately wrote two letters to the Field Surveyors to examine it. They were quite a long time doing it, but finally did examine, and they approved it highly, or at least they said they did. They requested us to make an application for a loan of $20,000, and they estimated that the work perhaps would cost $40,000. We made this application July 26th; followed it with a statement of the First National Bank of Butte that $20,000 was on deposit in a trust fund account for working this mine. These gentlemen kept stringing us along. They knew the mine was 7,000 feet high, and that winter would come the first of October. They rejected the application about September 15th, or later, and on the amazing ground that we would open up a high-grade mine, and that the Government was not interested in high grade mines. Of course they knew, if they knew anything of the Government's report on the Granite Bi Met that if we opened up high grade ore, we would also open up zinc and lead; we could not help it, if we got the silver and gold. There is no producing zinc or lead mine in Montana or Idaho that has not at times been sustained by its bi-product of silver and gold; they just don't find such mines.

My friends and myself were decoyed by this circular handed me by Mr. Moon, to delay our start until winter was upon us. This cost us at least $1,000 more than if we had started in the summer. We are going into the hill under the difficulties of winter. Our men live four miles from the mine; the road is mountainous, and blocked by snow frequently, which has to be bulldozed out.

A trouble, and a serious one in the development of new ore bodies in Montana is in the Revenue Department. Eleven or twelve years ago Shone and I were driving a tunnel for a fine looking vein in the Neihart district. We reported as a deduction on our income taxes the wages we were paying on this tunnel; it was disallowed. It was just as much a fair deduction in common sense as the wages we were paying our office help. We shut our tunnel down about 300 feet short of where we should have gone. It is shut down yet. I will never take the double chance, - one on not finding any ore, and the other of a Government lien on my property, and I could name to you a half dozen people who have been in the past fairly successful, who have simply quit for the same reason that we stopped.

When, and if, we run short of money because of this decoy unwittingly put out by Mr. Moon, I could supply the additional capital needed, but if we fail to get ore, and there is always that chance in mining, I cannot deduct it as a fair charge on my income tax. I do not know whether this is an Act of Congress, or an absurd regulation of the Revenue Department, but if the plan were changed, it would result in, I think, more than two new tons of zinc-lead ore being produced in Montana by private capital, and up to date since last April, with millions probably at their disposal, the DMA, or some other letters, have not helped in the production of one ton.

Mr. Howard I. Young is an able man; he is head of the Department; whether he has any actual power or not, I do not know. I am sending him a copy of this letter. I am sending a copy to Mr. Lowell Moon; also a copy to Mr. Tom Lyon, who in a tone of apology wrote me that he rejected our application because he was the official rejector; that he was designated to take the blame. Mr. Young wrote me that our application, No. 1958, was passed for review. I do not know whether the chances for a different decision on the loan are higher than on motions for re-hearing before the Supreme Court of the United States, - once one in 99, - now about one in 250.

Sincerely yours,

LOWNDES MAURY.

HLM-E

January 8, 1952.

Hon. Howell Moon,
3610 Interior Building,
Washington, D. C.

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Recently Senator Murray held a hearing here of abiding interest. I listened to it all one day, and at the conclusion of it, I asked three or four people in a group, officers of the Bureau of Mines, if, since the effort had been started last April, shown in the pamphlet you gave me, a ton of lead, zinc or copper ore had been produced in Montana by the aid of any of these loans. The evasive answers of these gentlemen convinced me that my guess was probably right; that all of the money spent by them in Montana in the hope of increasing lead, zinc or copper production, had been empty of success.

Another idea struck me. Many years ago, when for me every cloud had a rainbow, I pumped out an old shaft because of the statement that a high grade deposit had been left under water. All youthful adventurers in the mining business have followed a similar course, and with the same result. The oldest treatise now read on mining is De Re Metallica, by George Agricola, 1556. In it he says that wherever one producing silver vein is found, there will always be another one found close to it. So that, rather than spend money looking for new deposits in old abandoned workings, it is better to explore a new vein of size close to, and parallel to a former heavy producer.

I have noted with interest several of the loans that have been made. During the first World War, I was then too old to fight. My oldest son was then in the Infantry. I thought I should go to work, so I took the management of a silver-lead mine, when it was running at a

loss of $300.00 a day; under my management for a good long time, it ran at a profit of $500.00 a day, and in those days, two properties on which loans are promised were offered to me for a very small price, and not bought, because they were worked out then, and nothing since in the way of development has changed my opinion of them.

I may say in closing that I have asked for a review of the application of the $20,000.00 loan of my clients, and in which I am interested as an owner; we are going ahead. The vein looks favorable, but when and if we get to the end of our money before reaching our first planned objective, we, of course, must shut down, because the persons connected with it who can advance the additional money will not do so, due to the income tax feature, that they cannot deduct the money paid in wages from their income tax unless the mine pays. They are thus subjected to a double chance instead of the single uncertainty of the early days of mining in Montana.

At a glance I saw that you were devoted to your profession, and had an active, receptive brain. My business as a lawyer has forced me to size up men, or fail in my business.

I wish that I could have seen Mr. Tom Lyon.

I understand that there is to be publicity about these loans. I wonder if I could have my name and address placed with any official who would send me a letter when the first ton of lead or zinc ores is shipped under this aid plan from any mine in Montana.

I am, of course, sending a copy of this letter to Mr. Tom Lyon. I probably should send one to Mr. Dastin G. White. If you know him, let him read it. He is in the same building where you are. Most of us Southerners have a sense of humor that makes us laugh when the joke is on us.

When and if you come to Butte, take lunch with me.

Cordially yours,

LOWELL MOON

Copy to:
Tom Lyon
Charles A. Murray
L. L. Nolin
Howard I. Young

January 8, 1952.

Hon. Lowell Moon,
3610 Interior Building,
Washington, D. C.

RECEIVED
JAN 1 1952

Dear Mr. Moon:

At the new year, I always like to revive friendly acquaintance that I have made in the previous year. In April I had a charming visit with you, at the suggestion of the Hon. Charles A. Murray, Administrator in Senator Murray's office. I suggested that I would like to get a loan to develop eight claims with an exceptionally large vein parallel to the Granite Bi Metallic vein, which produced $36 million gross, and $20 million net. You handed me a pamphlet indicating that the Defense Minerals Administration would possibly, or probably, lend some money to match the owners of the land, to develop this ground. This pamphlet was a 'decoy', and an expensive decoy to some friends and myself up to date. I did not suspect that I was wasting ammunition on a tin duck until about the middle of October.

Of course, since the Chrome debacle of the R. F. C. in Stillwater County, with which I was acquainted, having been attorney for the Houats, I may be charged with contributory negligence in suspecting that any development department of the Government would do anything useful for the development of strategic metals in Montana. I returned to Montana from my charmed visit with your good self, spread the pamphlet around; your two letters were answered by engineers visiting the ground; they reported favorably on the development. We put in an application for a loan of $20,000.00 to match a willingness to spend $20,000.00 by the owners of the land. This was followed the next day by a certificate of the First National Bank of Butte that $20,000.00 was on deposit for expenditure on the land by the owners.

The land is 7,200 feet high. At that height in Montana, winter begins about October 15th. Though you are connected professionally with the mining work of the United States, yet even you of course do know that it is much cheaper to work an isolated property in summer than it is in winter. The Spokane office of the Bureau of Mines reported favorably, or said they reported favorably on our application. No action was taken on it until some time in September, when winter was at hand, and then a Mr. Tom Lyon wrote us that the application was denied; that if the project was successful, it would open up a high grade metal mine, meaning silver, because that was the chief product of the parallel fissure, the Granite Bi Met.

I had been active in a mining way in Montana, - some times with success, some times with failure, for over fifty years. My impression was that Mr. Lyon was looking for a mine in Montana containing lead, zinc or copper, without any silver bi-product. So far, I think that

only one such mine has ever been discovered in Montana or Idaho, and that mine contained a high bi-product of gold with lead. It is not probable that any such mine will ever be discovered in Montana or Idaho. It reminded me of the decision by Mr. Mastin G. White, Solicitor of the Interior Department, where the Placer location was rejected as non-mineral, because it contained no Chrome, though there was an immense tonnage of chromo-hercynite running about 43% Chrome.

And by the way, when I told at lunch one day of the reason for this decision to perhaps the head mining geologist for the Anaconda Company, he told me a funny story. How some years ago an Inspector of Mines of Montana for some branch of the Government came to him for information, and asked if he had any reports on the brass mines of Montana, and confirming this story was another companion at lunch, one of the two men who learned how to separate zinc from lead in a mill.

However, I have noticed, in spite of Mr. Lyon and his search for zinc and lead when not associated with either gold or silver, some loans have been made for the development of old, long abandoned properties in Montana.

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When and if you come to Butte, take lunch with me.

Cordially yours,

LOWNDES MAURY

Copy to:
Tom Lyon
Charles A. Murray
M. E. Velin
Howard I. Young

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

DATE: December 19, 1951.

FROM : Director, Program Development Division
Defense Materials Procurement Agency

SUBJECT: McLure, Maury and Shone Gold Coin and Needle Gun Claims
Granite County, Montana - DMA-1958

Attached you will find a copy of a letter from Mr. H. L. Maury to Howard I. Young, dated December 14, 1951; memorandum from T. P. Billings to Howard I. Young, dated October 16, 1951; copy of memorandum to Reports and Records Unit, dated September 14, 1951, denying loan; copy of letter to Mr. W. R. McLure, dated September 14, 1951, informing him of denial of loan; copy of letter from Lowndes Maury to Mr. Howard I. Young, dated September 18, 1951; copy of letter from Howard I. Young to H. L. Maury, dated October 2, 1951; copy of letter from Howard I. Young to H. L. Maury, dated October 1, 1951; and letter from Lowndes Maury to Howard I. Young, dated September 19, 1951, together with assay report from Lewis & Walker. There is also attached a copy of my reply to Mr. Maury's letter of December 14.

In case you care to investigate this further, would you kindly let me know of any correspondence you might have with Mr. Maury.

Tom Lyon

Tom Lyon

Attachments

Held in Howard Young's office until 2/8/53

December 19, 1951

Mr. H. L. Maury
Butte, Montana

Dear Mr. Maury:

I have just received a copy of your letter to Mr. Howard I. Young dated December 14. Inasmuch as Mr. Young is leaving today and will not return until after the Holidays, I am answering your letter.

I wish to tell you that I personally do not vote the recommendations of the Field Teams that examine properties nor the men in the Washington office who process them. Somebody has to sign letters of denial. I have been delegated that authority but I never do so unless the recommendations, both from the field and the experts in Washington, recommend denial.

When the Defense Minerals Administration was converted to the Defense Materials Procurement Agency the exploration part of the Defense Minerals Administration was left in the Department of the Interior and is now called Defense Minerals Exploration Administration. I am sending your letter together with all the data we have on your prospect to them for further consideration.

There is one thing on which you and I would probably agree and that is the present tax laws which have, in my estimation, killed off prospecting. Some changes should be made to enable a man to write off his losses and also to charge up yearly expenses against his income. If that is not done I can see that men in your position and many others will forget the idea of ever finding a mine.

Very truly yours,

TLyon:eh

cc: Mr. Young
Mr. Feiss
Mr. Douglas
Mr. Mittendorf
Mr. G. Johnson
DMPA Files

Tom Lyon, Director
Program Development Division

December 14, 1951.

Hon. Howard I. Young,
Deputy Administrator,
Defense Minerals Procurement Adm'n.,
Washington 25, D. C.

RECEIVED
DEC 17 1951

Dear Mr. Young:

I listened with abiding interest to the Senate Committee on Mining hearing here day before yesterday. Perhaps my conclusion from the testimony might be of interest to you. At the close of the hearing I asked some of the persons connected with the Bureau of Mines and with the Geologic Survey and in the lending of money to small operators for the purpose of exploration and development if there had been a ton of ore produced by reason of their efforts in Montana. From their evasive answers I concluded that no small mine owner who has received Government aid has yet produced a ton of ore, and that their efforts had been going on for eight months under the matching of funds for development work. From the number of bureaus, offices and portfolios through which these applications go, I came to the conclusion that the Federal effort to aid small mine owners was over-staffed and under-manned. By that I mean that there are too many people in Washington having a veto on applications, and too few men in the field. Some from Washington complain that they did not have enough people there to handle the work, but my conclusion was that if two-thirds of them in Washington were eliminated from the corps, and either put out of the Government service, or put to work in the field, much more would be accomplished.

The situation is somewhat like the United Nations; any one of a half dozen officials can veto any application.

The meeting was highly instructive. The Court room or hall in which it was held is quite large: all seats were taken all day long, and some were standing up. Some of us that know you wished that you had been there.

One law or Government regulation that does interfere with prospecting is an income tax regulation. I experienced that some years ago. I was driving a tunnel on a prospect to open a very promising looking lead vein. My associate and myself were paying our men about $8,000.00 a year. I put my share of these wages in as a deduction on my income tax. It was not allowed. I shut down our tunnel. I could not take the chance of a Government lien on my property, as well as the chance of not finding ore. The property has remained down ten or eleven years. It will never be opened by me as long as I have to take two chances about it.

I can name a half dozen people who were in the habit of prospecting for ore in Montana who have stopped permanently because of this

regulation. Some of these were quite lucky in their ventures before the Government regulation.

Concerning the veto power of one against a majority of other experts, there came out in the hearing the name of Mr. Tom Lyon. Mr. Tom Lyon perhaps has a record of personal vetoes equal to that of Vichinsky of the United Nations.

On April 14th I was recommended to Mr. Lowell Moon by an official in Washington to discuss a proposed Government loan for driving a tunnel on an immense vein parallel to, and in the same formation with, and some distance north of the old Granite Bi Metallic vein near Philipsburg, Montana. The Granite Bi Metallic when I was a young man, in the last century, produced $30 million gross, and $20 million net. In those days zinc was penalized; there was much zinc in the ore. In fifteen minutes Mr. Moon was convinced of the merit of the work; he forthwith wrote two letters to the Spokane and Philipsburg office of the Bureau of Mines to have the land examined. Mr. Moon handed me a printed circular that the Government would match money of the owners spent on such land. I told Mr. Moon, which was a fact, that in a small vein still north of our vein, and in the same formation, ore had been uncovered at a depth of 300 feet carrying 12 per cent. lead, about 20 per cent. zinc, and 70 ounces in silver, so that the deposits did not seem to be bounded by the Granite Bi Metallic structure. Mr. Moon thought that a favorable fact. I told him that the work contemplated would cost $20,000.00, and that I could advance my client, . R. McLure, $10,000. Two able engineers of the service within a short time visited the land, and after surveys and study, recommended that the only weakness of my client's plan was that $40,000.00 should be available, instead of $20,000.00. He picked out a valuable site for a tunnel on a good mountain road. He put in the application, with maps and recommendations of the Spokane office of the Bureau of Mines, on July 26th, and the next day we followed with a certificate of the First National Bank of Butte that $20,000.00 was on deposit to the credit of the "Needlegun Mine" to be spent by me as trustee for development of the property. The proposal was recommended highly by Mr. Volin of the Spokane office. The proposal was recommended by Mr. Glenn Reed of the Spokane office, who has spent many years in the study of the Philipsburg district.

On September 14th Mr. Tom Lyon wrote Mr. McLure:

"It is to be expected, therefore, that your project, if successful, would develop a mine which would be essentially a silver producer as was the Granite-Bimetallic mine. Because the purpose of the Government's program is to encourage exploration for ore bodies that are essentially producers of zinc, lead and other strategic metals rather than of precious metals, I regret that we are not able to approve the expenditure of public funds for your project."

Prejudice

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tom Lyon, Defense Minerals Admin. DATE: October 2, 1951

FROM : Howard I. Young, Deputy Administrator, DMPA

SUBJECT: H. L. Maury, Application No. 1958 Lead - Zinc

Attached hereto is a part of a letter I have received from Mr. H. L. Maury of Butte, Montana, which is self-explanatory. I will appreciate your writing Mr. Maury immediately regarding this application which is specifically known as application No. 1958.

Your usual prompt attention will oblige.

H. I. Y.

OCT 5 1951

COPY

September 14, 1951

Re: DMA-1958
McIlvre, Henry, and Shone
Gold Coin and Needle Gun
Claims, Granite County,
Montana
Lead, zinc
Exploration loan $39,650

Memorandum

To: Reports and Records Unit
Administrative Management Div.

From: Chief, Lead-Zinc Branch

Subject: Recommendation for denial of application submitted by W. H. McIlvre, L. Henry, A. G. Shone, for loan to explore the Gold Coin and Needle Gun Claims, Granite County, Montana

The properties involved have been examined and reported on by the field team.

The revised proposal consists of the following after preliminary preparation work:

> Drive adit 600 ft. eastward on Needle Gun vein and drive two 50 ft. crosscuts north and south.
> Sink 180 ft. winze from adit level and drift 200 ft. eastward on vein from bottom of winze.
> Total estimated cost of the project would be $39,650.

The applicant originally proposed to drive a drift 1000 ft. eastward on the vein at an estimated cost of $90,000, but after examination of the property, the field team concluded that the program outlined above would be the most practical provided that the property warranted exploration. Diamond drilling was considered and rejected because of lack of definite information on which to spot the drill holes and the nature and depth of overburden would make the cost of preparation of drill sites and spudding in to bedrock excessive.

The chief argument for this project is the similarity of surface outcrop to that of the very profitable Granite-Bimetallic vein which lies about 3,000 ft. north of the Needle Gun in the same body of granodiorite. There is a pronounced fracture zone containing only a meager showing of mineral and iron stains. In the Granite-

not stripped in RFB

350
FILE COPY
SURNAME:

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

OCT 16 1951

DMA-1958

Billings
McKnight
Bishop

Memorandum

To: Howard I. Young, Deputy Administrator DMA

From: T. P. Billings, Chief, Lead-Zinc Branch DMA

Subject: McClure, Maury and Shone Gold Coin and Needle Gun Claims Granite County, Montana DMA-1958. M. L. Maury's letters of September 18 and 19, 1951

This is to advise that I have noted the contents of these letters from Mr. Lowndes Maury respecting the application submitted by T. W. McClure, M. L. Maury and A. C. Shone for an exploration loan in the amount of $39,650 to explore the Gold Coin and Needle Gun Claims, Granite County, Montana.

I wish to clarify the situation respecting the processing of this application. The application with map and other data was received on the 14th of August, 1951. Although there was a large backlog of applications to be processed, I feel that this application was given more than average consideration and as of September 14 its denial was dispatched to Mr. T. W. McClure, Philipsburg, Montana. I am attaching hereto a copy of my letter to the Reports and Records Unit supporting our reasons for the denial, also copy of Mr. Tom Lyon's letter to the applicant, Mr. T. W. McClure, informing him of the denial. I believe that you will find these letters self-explanatory.

You have asked Mr. Lyon to write Mr. Maury immediately regarding this application but I am sure that any reply would be just a confirmation of the denial. However, you may feel that this property merits further investigation. So we will await your comments before making a reply.

APPROVED:
Tom Lyon

T. P. Billings, Chief
Lead-Zinc Branch

Tom Lyon, Director, Supply Division

Attachments

TPBILLINGS:ks
10/12/51

cc: Administrator
Deputy Administrator
Docket File DMA-1958
2 copies Mr. A. E. Weissenborn Region II
Moon
Bishop
McKnight
Billings

Bimetallic mine there was a zone of leached oxidized ore of too low grade to work which extended from the surface to a depth of 300 ft. or more locally. Beneath this zone was one of enriched oxidized and sulfide ore from which the major and richest production was obtained and which occurred for the most part from 300 to 500 ft. below the surface. Underlying this zone was the low grade primary ore.

The Granite-Bimetallic mine was essentially a silver producer, although some zinc has been obtained from the tailings. No analyses of the primary ore alone are known to be available, but a mixture of the primary and secondary ores, as recorded in the mill heads in 1905, contained only 1.20% Pb and 0.8% Zn. (see U. S. Geological Survey Prof. Paper 78, p. 224). However, the applicant is quoted by the field team report as claiming to have taken "samples" running as high as 22% zinc and 6 to 8 ounces of silver, though there is only meager showing of sulfides on the dumps. The sample locality is no longer accessible.

The original examining team on this project surmised that, analogous to Granite-Bimetallic occurrence, an ore shoot might "make" within 400 ft. of the surface, but there is no discussion of what should be expected in such an ore shoot. The principal thought underlying this recommendation is the possibility of finding a zone of secondary enrichment below a presumably leached surface shell. The field team has concluded that this proposal has some merit in the classification of a "wildcat" venture, but the recommendation is not very strong and does not discuss the merits as a lead-zinc proposal. On the basis of what is known of the zoning of the Granite-Bimetallic vein, the exploration proposed for the Needle Gun vein would investigate only the low grade oxidized zone or possibly the enriched oxidized and sulfide zones as the maximum depth developed would be only about 200 ft. The zinc content of these zones would be small due to leaching of a low zinc primary ore, and the lead, although not affected by leaching to the extent that zinc is, apparently is not a major constituent in the ores of this area as indicated by the analysis of the mixed primary and secondary ores given above. Thus, it is probable that any mine developed on this vein would be essentially a silver producer with zinc and lead as by-products.

In view of the above, it is recommended that the application be denied and that the attached letter be sent to the applicant.

Returned herewith are:

5 copies of Form NL-103 with transmittal memorandum and 1 attached map
1 copy of Form NF-100
1 copy of memorandum dated Aug. 9, 1951, from McNabb and Thurston to DMA field team region II
4 copies of memorandum dated Aug. 21, 1951 from Berg to Volin
5 copies of memorandum dated August 27, 1951 from Lund to Volin
4 copies of memorandum dated August 28, 1951 from DMA field team to Chief, Lead-Zinc Branch
6 copies of Form NF-200

/s/ W. L. Billings
W. L. Billings, Chief
Lead-Zinc Branch

Approved:

Tom Iron /s/
Director, Supply Division

COPY

COPY

September 14, 1951

Mr. W. E. McLure

Philipsburg, Montana

Dear Mr. McLure:

The Defense Minerals Administration has reviewed the application submitted by you and your partners, to explore the Gold Coin and Needle Gun claims in Granite County, Montana.

Study of the data which we have indicates that the Needle Gun vein probably is of the same type and at best may have a metal content similar to the Granite-Bimetallic vein. The exploration project which you propose probably would investigate the leached and enriched oxidized and sulfide zones of the vein from which any zinc usually has been thoroughly leached. The unoxidized ore at depth can be expected to have only a low percentage of zinc or lead. It is to be expected, therefore, that your project, if successful, would develop a mine which would be essentially a silver producer as was the Granite-Bimetallic mine. Because the purpose of the Government's program is to encourage exploration for ore bodies that are essentially producers of zinc, lead and other strategic metals rather than of precious metals, I regret that we are not able to approve the expenditure of public funds for your project.

We wish to thank you for bringing the property to our attention.

Very truly yours,

s/ Tom Lyon

s/ TOM LYON, Director
Supply Division

EJLyon:cmp

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

OCT 16 1951

DMA-1958

Memorandum

To: Howard I. Young, Deputy Administrator DMPA

From: T. P. Billings, Chief, Lead-Zinc Branch DMA

Subject: McLure, Maury and Shone Gold Coin and Needle Gun Claims Granite County, Montana DMA-1958. H. L. Maury's letters of September 18 and 19, 1951

This is to advise that I have noted the contents of these letters from Mr. Lowndes Maury respecting the application submitted by W. R. McLure, H. L. Maury and A. C. Shone for an exploration loan in the amount of $39,650 to explore the Gold Coin and Needle Gun Claims, Granite County, Montana.

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You have asked Mr. Lyon to write Mr. Maury immediately regarding this application but I am sure that any reply would be just a confirmation of the denial. However, you may feel that this property merits further investigation. So we will await your comments before making a reply.

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Lead-Zinc Branch

Attachments

APPROVED:

Tom Lyon
Tom Lyon, Director Supply Division

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

OCT 16 1951

DMA-1958

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Lead-Zinc Branch

Attachments

APPROVED: Tom Lyon

Tom Lyon, Director, Supply Division

G
O
P
Y

September 14, 1951

Re: DMA-1958
McLure, Maury, and Shone
Gold Coin and Needle Gun
Claims, Granite County,
Montana
Lead, zinc
Exploration loan $39,650

Memorandum

To: Reports and Records Unit
Administrative Management Div.

From: Chief, Lead-Zinc Branch

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The Granite-Bimetallic mine was essentially a silver producer, although some zinc has been obtained from the tailings. No analyses of the primary ore alone are known to be available, but a mixture of the primary and secondary ores, as recorded in the mill heads in 1905, contained only 1.20% Pb and 0.85% Zn. (see U. S. Geological Survey Prof. Paper 78, p. 204). However, the applicant is quoted by the field team report as claiming to have taken "samples" running as high as 22% zinc and 6 to 8 ounces of silver, though there is only meager showing of sulfides on the dumps. The sample locality is no longer accessible.

The original examining team on this project surmised that, analogous to Granite-Bimetallic occurrence, an ore shoot might "make" within 400 ft. of the surface, but there is no discussion of what should be expected in such an ore shoot. The principal thought underlying this recommendation is the possibility of finding a zone of secondary enrichment below a presumably leached surface shell. The field team has concluded that this proposal has some merit in the classification of a "wildcat" venture, but the recommendation is not very strong and does not discuss the merits as a lead-zinc proposal. On the vasis of what is known of the zoning of the Granite-Bimetallic vein, the exploration proposed for the Needle Gun vein would investigate only the low grade oxidized zone or possibly the enriched oxidized and sulfide zones as the maximum backs developed would be only about 200 ft. The zinc content of these zones would be small due to leaching of a low zinc primary ore, and the lead, although not affected by leaching to the extent that zinc is, apparently is not a major constituent in the ores of this area as indicated by the analysis of the mixed primary and secondary ores given above. Thus, it is probable that any mine developed on this vein would be essentially a silver producer with zinc and lead as by-products.

In view of the above, it is recommended that the application be denied and that the attached letter be sent to the applicant.

Returned herewith are:

5 copies of Form MF-103 with transmittal memorandum and 1 attached map
1 copy of Form MF_100
1 copy of memorandum dated Aug. 9, 1951, from McNabb and Thurston to DMA field team region II
4 copies of memorandum dated Aug. 21, 1951 from Read to Volin
5 copies of memorandum dated August 27, 1951 from Read to Volin
4 copies of memorandum dated August 28, 1951 from DMA field team to Chief, Lead-Zinc Branch
6 copies of Form MF_200

/s/ T. P. Billings

T. P. Billings, Chief
Lead-Zinc Branch

Approved:

Tom Lyon /s/
Director, Supply Division

C
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September 14, 1951

Mr. W. R. McLure

Philipsburg, Montana

Dear Mr. McLure:

The Defense Minerals Administration has reviewed the application submitted by you and your partners, to explore the Gold Coin and Needle Gun claims in Granite County, Montana.

Study of the data which we have indicates that the Needle Gun vein probably is of the same type and at best may have a metal content similar to the Granite-Bimetallic vein. The exploration project which you propose probably would investigate the leached and enriched oxidized and sulfide zones of the vein from which any zinc usually has been thoroughly leached. The unoxidized ore at depth can be expected to have only a low percentage of zinc or lead. It is to be expected, therefore, that your project, if successful, would develop a mine which would be essentially a silver producer as was the Granite-Bimetallic mine. Because the purpose of the Government's program is to encourage exploration for ore bodies that are essentially producers of zinc, lead and other strategic metals rather than of precious metals, I regret that we are not able to approve the expenditure of public funds for your project.

We wish to thank you for bringing the property to our attention.

Very truly yours,

s/ Tom Lyon

t/ TOM LYON, Director
Supply Division

EJLyon: emp

C
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H. L. MAURY
Butte, Montana

September 18, 1951

Mr. Howard I. Young
Deputy Administrator
Defense Minerals Procurement Adm'n.
Washington 25, D. C.

My dear Friend:

* * * * * *

While in Washington last Spring Mr. Lowell Moon discussed with me the plan that the Government would lend money to match the money of owners in exploring good prospects. Three of us decided that we would apply for such a loan to drive a tunnel on a large vein paralleling the old Granite BiMet vein in Granite County. The old Bi Met vein produced more than $35 million gross, and more than $20 million net. Three of us own eight claims there. We put in an application on July 26th to the Spokane office to lend us $20,000.00 on the statement that we would put up $20,000 to drive a tunnel on this land. The next day we forwarded a certificate of the First National Bank of Butte that our $20,000 was in the Bank on a trust agreement to work the Needlegun-Gold Coin claims of the group. There have been two examinations by local engineers of high standing on behalf of the Government. The recommend the loan highly, and that there is a good mining chance to make a big mine of it, but everything seems to be delayed; nothing seems to move.

I have all the necessary machinery held for me by owner. Weather now is perfect, but the land is 7,000 feet high. While there is a fine road to the land from Philipsburg, yet you know what weather conditionsare in Montana in such altitude, and that we should get started right now, or we cannot start at all until next May, though of course if we get our machinery set, and keep the road open, we can work all winter.

It would certainly be a charming incident in our thirty years' friendship if you would get some speedy action on this application.

The official number of the application is 1958.

Sincerely yours,
/s/ LOWNDES MAURY

October 2, 1951

Mr. H. L. Maury
Butte, Montana

Dear Mr. Maury:

I was very happy, indeed, to have your kind letter of the 18th and appreciate the statements contained therein.

The matter of exploration loans is being handled by the Department of the Interior, and as I wrote you a few days ago you should be hearing from them soon.

With kindest regards, I am

Very truly yours,

Howard I. Young
Deputy Administrator

Att.
cc: Mr. Tom Lyon 3612 - Interior - OMA -
Administrator's files
264424

OCT 1 - 1951

Mr. M. L. Maury
Attorney at Law
Butte, Montana

Dear Mr. Maury:

In reply to your letter of September 19, I am checking on the possibility of reexamination of Docket 1958 of Defense Minerals Administration. You should hear from our staff shortly on this subject.

Sincerely yours,

[illegible]
Deputy Administrator
Defense Materials [illegible]

Howard I. Young
Deputy Administrator

JWFEISS/af
9/28/51
248417 (Incoming letter sent to Tom Lyon)
Copy to: Mr. Larson
Mr. Young
Files
Mr. Lyon
Mr. Feiss

General Services Administration
Bureau of Federal Supply

ROUTING SLIP

NAME	DESTINATION
Tom Lyon	

FOR

- [x] ACTION
- [ ] APPROVAL
- [ ] AS REQUESTED
- [ ] FILING
- [ ] PREPARE REPLY FOR SIGNATURE OF:
- [ ] FULL REPORT
- [ ] INITIALS
- [ ] NOTE & RETURN
- [ ] PREVIOUS PAPERS
- [ ] YOUR INFORMATION
- [ ] READ & DESTROY
- [ ] RECOMMENDATION
- [ ] SEE ME
- [ ] SIGNATURE

REMARKS OR ATTACHMENTS

This was the item we discussed by phone

FROM B.W.F.

DATE SEP 2 1951

FORM TS 1190 Rev. - July 22, 1949 106087

Young - DMPA

H. L. MAURY
ATTORNEY AT LAW
BUTTE, MONTANA

September 19, 1951.

Hon. Howard I. Young,
Deputy Administrator,
Defense Minerals Procurement Adm'n.,
Washington 25, D. C.

My dear Mr. Young:

Yesterday I wrote you about D. M. A. 1958. To-day Mr. W. R. McLure, who is the chief owner in the property, sent me a letter from Mr. Tom Lyon, Director of Supply Division, the tenor of which is that we would probably open up a high grade silver mine like the Granite Bi Metallic mine of a parallel vein, and that we would not open up a lead or zinc mine.

The Granite Bi Metallic Mine opened up a vast deal of zinc, which 50 to 70 years ago was a detriment, rather than an advantage in the ore. In an adjacent claim to the Gold Coin, the Josephine claim, a tunnel has been driven, and very high grade zinc and lead values appear in the ore, though the vein was very small.

We cannot see why the possible, and highly probable, high grade silver ores in the vein which we propose to work would militate against a Government loan, if the ores also contained a very high percentage of zinc and lead, which the Government is anxious to procure.

If you can see your way clear to do so, I wish that you would cause a re-examination. I enclose you copy of assay certificate of ore from the adjoining claim, and about parallel to the ground we expect to explore, and at a depth of not more than 300 feet below the surface.

Cordially yours,

Lowndes Maury

HLM-E

Enc.

7 SEP 25 '51
RECEIVED
SEP 24 4 50 AM '51
G.S.A.
OFFICE OF ADMINISTRATOR

GENERAL SERVICES ADM
COMM. & RECORDS BR.
STATION I
SEP 25 3 48 AM '51
RECEIVED

SEP 25 '51

1205 N. Division St.
Spokane 2, Wash.

August 10, 1951

MEMORANDUM

To: Tom Lyon, Director, Supply Division, Defense Minerals Administration, Washington 25, D. C.

From: DMA Field Team, Region II

Subject: Gold Coin, Needle Gun and adjoining lead-zinc claims, Granite County, Mont.

Herewith in connection with an application for an exploration project on the subject property:

Form MF-103 (3 copies)
Attached claim map (1 copy)
Attached bank statement and declaration of trust (1 copy)
Report to DMA Field Team, Region II, on Gold Coin and Needle Gun claims (4 copies)

The subject claims, owned by William McLure and associates, are located about 4-1/2 miles by road from Philipsburg, Mont. The Gold Coin and Needle Gun claims cover 3,000 feet of the strike length of a vein with a surface expression similar to that of the nearby Granite-Bimetallic vein, famous in the Philipsburg district for lead-silver production from it. It is inferred from this similarity that exploration of the Gold Coin and Needle Gun claims may find one or more ore shoots.

The report by John S. McNabb, Bureau of Mines, and Ralph H. Thurston, Geological Survey, attached to the application, is the result of a casual examination performed in June 1951. The report recommends bulldozer trenching and diamond drilling whereas the applicants wish to follow the vein by driving an adit.

An examining engineer is scheduled to visit the property in the immediate future and reconcile these views. One copy of the application for an exploration project is being retained for his purpose. This copy along with his report, a completed form MF-100, and a contract if it seems warranted, will follow up this transmittal.

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

M.E.Volin(USBM)

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

JOHN S. ROACH

EDWARD ROACH

LEWIS & WALKER

ASSAYERS AND CHEMISTS

SHIPPERS' REPRESENTATIVES

Drawer 1980

Phone 3982

108 North Wyoming Street
BUTTE, MONTANA

Date June 5, 1951

Mr. H. L. Maury

Your Sample Assayed as Follows:

	OZS. PER TON	OZS. PER TON	VALUE PER TON AT $35 PER OZ.	%	%	%	%	%	%	%
	SILVER	GOLD	GOLD $ Cts.	COPPER	LEAD	ZINC	SILICA	IRON	MANGANESE	
Josephine-Granite County	71.70	0.10	3.50		14.70	21.40				

Charges $

Respectfully Submitted

Lewis & Walker

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

SEP 14 1951

G.E.C.

Memorandum

Re: DMA-1958
McLure, Maury, and Shone
Gold Coin and Needle Gun
Claims, Granite County,
Montana
Lead, zinc
Exploration loan $39,650

To: Reports and Records Unit
Administrative Management Div.

From: Chief, Lead-Zinc Branch

Subject: Recommendation for denial of application submitted by W. R. McLure, L. Maury, A. G. Shone, for loan to explore the Gold Coin and Needle Gun Claims, Granite County, Montana

The properties involved have been examined and reported on by the field team.

The revised proposal consists of the following after preliminary preparation work:

Drive adit 600 ft. eastward on Needle Gun vein and drive two 50 ft. crosscuts north and south.
Sink 100 ft. winze from adit level and drift 200 ft. eastward on vein from bottom of winze.
Total estimated cost of the project would be $39,650.

The applicant originally proposed to drive a drift 1000 ft. eastward on the vein at an estimated cost of $40,000, but after examination of the property, the field team concluded thst the program outlined above would be the most practical provided that the property warranted exploration. Diamond drilling was considered and rejected because of lack of definite information on which to spot the drill holes and the nature and depth of overburden would make the cost of preparation of drill sites and spudding in to bedrock excessive.

The chief argument for this project is the similarity of surface outcrop to that of the very profitable Granite-Bimetallic vein which lies about 3,000 ft. north of the Needle Gun in the same body of granodiorite. There is a pronounced fracture zone containing only a meager showing of mineral and iron stains. In the Granite-

Bimetallic mine there was a zone of leached oxidized ore of too low grade to work which extended from the surface to a depth of 300 ft. or more locally. Beneath this zone was one of enriched oxidized and sulfide ore from which the major and richest production was obtained and which occurred for the most part from 300 to 800 ft. below the surface. Underlying this zone was the low grade primary ore.

The Granite-Bimetallic mine was essentially a silver producer, although some zinc has been obtained from the tailings. No anlayses of the primary ore alone are known to be available, but a mixture of the primary and secondary ores, as recorded in the mill heads in 1905, contained only 1.20% Pb and 0.85% Zn. (see U. S. Geological Survey Prof. Paper 78, p. 204). However, the applicant is quoted by the field team report as claiming to have taken "samples" running as high as 22% zinc and 6 to 8 ounces of silver, though there is only meager showing of sulfides on the dumps. The sample locality is no longer accessible.

The original examining team on this project surmised that, analogous to Granite-Bimetallic occurrence, an ore shoot might "make" within 400 ft. of the surface, but there is no discussion of what should be expected in such an ore shoot. The principal thought underlying this recommendation is the possibility of finding a zone of secondary enrichment below a presumably leached surface shell. The field team has concluded that this proposal has some merit in the classification of a "wildcat" venture, but the recommendation is not very strong and does not discuss the merits as a lead-zinc proposal. On the basis of what is known of the zoning of the Granite-Bimetallic vein, the exploration proposed for the Needle Gun vein would investigate only the low grade oxidized zone or possibly the enriched oxidized and sulfide zones as the maximum backs developed would be only about 200 ft. The zinc content of these zones would be small due to leaching of a low zinc primary ore, and the lead, although not affected by leaching to the extent that zinc is, apparently is not a major constituent in the ores of this area as indicated by the analysis of the mixed primary and secondary ores given above. Thus, it is probable that any mine developed on this vein would be essentially a silver producer with zinc and lead as by-products.

In view of the above, it is recommended that the application be denied and that the attached letter be sent to the applicant.

Returned herewith are:

5 copies of Form MF-103 with transmittal memorandum and 1 attached map.
1 copy of Form MF-100
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4 copies of memorandum dated August 28, 1951 from DMA field team to Chief, Lead-Zinc Branch
6 copies of Form MF-200.

T. P. Billings, Chief
Lead-Zinc Branch

Approved:

Director, Supply Division

FILE COPY
SURNAME:

350

Lyons (ETW)
McKnight
Brabson
Bellingham

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

SEP 14 1951

Memorandum

Re: DMA-1958
McLure, Maury, and Shone
Gold Coin and Needle Gun Claims, Granite County, Montana
Lead, zinc
Exploration loan $39,650

To: Reports and Records Unit
Administrative Management Div.

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6 copies of Form MF-200.

T. P. Billings, Chief
Lead-Zinc Branch

Approved:

Tom Lyon

Director, Supply Division

EJLyons:emp G 9-11-51
Copies to: A. E. Weissenborn Region II (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
O. Bishop
Directors r. files 4214 GSA
Br. r. files 4214 GSA
Administrators r. file
DMA docket files

FILE COPY 350
SURNAME:

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

SEP 14 1951

Lyons (E.T.M.)
McKnight
Bishop
Pettengill

Re: DMA-1958

a, E.P.

Mr. W. R. McLure

Philipsburg, Montana

Dear Mr. McLure:

The Defense Minerals Administration has reviewed the application submitted by you and your partners, to explore the Gold Coin and Needle Gun claims in Granite County, Montana.

Study of the data which we have indicates that the Needle Gun vein probably is of the same type and at best may have a metal content similar to the Granite-Bimetallic vein. The exploration project which you propose probably would investigate the leached and enriched oxidized and sulfide zones of the vein from which any zinc usually has been thoroughly leached. The unoxidized ore at depth can be expected to have only a low percentage of zinc or lead. It is to be expected, therefore, that your project, if successful, would develop a mine which would be essentially a silver producer as was the Granite-Bimetallic mine. Because the purpose of the Government's program is to encourage exploration for ore bodies that are essentially producers of zinc, lead and other strategic metals rather than of precious metals, I regret that we are not able to approve the expenditure of public funds for your project.

We wish to thank you for bringing the property to our attention.

Very truly yours,

Tom Lyon

JF 9/14

Tom Lyon, Director
Supply Division

EJLyons:emp
G 9-11-51
Copies to: A. E. Weissenborn Region II (2)
Chief, Lead-Zinc Br.
E. T.McKnight 4204 GSA
O. Bishop
Directors r. files 4214 GSA
Br. r. files 4214 GSA
Administrators r. file
DMA docket files

Denied
Sept. 13
To MacFarlane
to Billings then
to Records

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1201 N. Division St.
Spokane 2, Wash.

OFFICIAL FILE COPY

September 10, 1951

To	Init.	Date
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MEMORANDUM

To: Chief, Lead-Zinc Commodity Division, Defense Minerals Administration, Washington 25, D. C.

Through L. F. Strobel

From: DMA Field Team, Region II

Subject: Addition to docket material, DMA 1958, Gold Coin-Needle Gun claims, Granite County, Mont.

Wm. R. McCance

A copy of a letter dated August 30, 1951, addressed to M. E. Volin, from H. L. Maury concerning the subject application is forwarded herewith for consideration by the Commodity Committee.

By Field Team, Region II

A. E. Weissenborn

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

M. E. Volin

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

Enclosure

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 17 1951

SEP 18 1951

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1201 N. Division St.
Spokane 2, Wash.

September 10, 1951

MEMORANDUM

To: Chief, Lead-Zinc Commodity Division, Defense Minerals Administration, Washington 25, D. C.

Through L. F. Strobel

From: DMA Field Team, Region II

Subject: Addition to docket material, DMA 1958, Gold Coin-Needle Gun claims, Granite County, Mont.

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By Field Team, Region II

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

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

Enclosure

1201 N. Division St.
Spokane 2, Wash.

September 10, 1951

MEMORANDUM

To: Chief, Lead-Zinc Commodity Division, Defense Minerals Administration, Washington 25, D. C.

Through L. F. Strobel

From: DMA Field Team, Region II

Subject: Addition to docket material, DMA 1958, Gold Coin-Needle Gun claims, Granite County, Mont.

A copy of a letter dated August 30, 1951, addressed to N. E. Volin, from H. L. Maury concerning the subject application is forwarded herewith for consideration by the Commodity Committee.

By Field Team, Region II

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

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

Enclosure

cc: L. F. Strobel ✓

C
O
PY

H. L. MAURY
Attorney at Law
Butte, Montana

August 30, 1951

Mr. M. E. Volin
1201 North Division Street
Spokane 2, Washington.

Re: DMA 1958
GOLD COIN-NEEDLEGUN CLAIMS,
GRANITE COUNTY, MONT.

Dear Mr. Volin:

Your letter of August 28th reached me this morning.

I appreciate that our change of approach after Mr. McLure's talk with Mr. Reed on the land, and after both talked with me, was probably a wise change and was necessary.

Since Mr. Reed was there, some 300 feet further from our proposed portal, manganese has been found left there by ancient working which could not have been more than 10 feet deep.

I am glad that you called for the claim map showing all of the claims that have been patented around the Gold Coin and Needlegun claims. There is a very large area of land with good looking veins that have never been prospected by any work deeper than 20 feet. This particular tunnel which reached a depth of 20 feet is ahead of us on the vein, and in it is found rock going 3-3/4 per cent. zinc, 5. oz. silver. I expect there are eight strong looking veins parallel the Gold Coin-Needlegun vein and north of the old Granite Bi-Metallic that have never been explored at all with any substantial workings to depth. I appreciate that it was probably necessary for this to be termed a "wildcat" venture; however, it might not be any "wilder" than to drill an offset well close to, and in the same formation with a heavily producing oil well. The value to the industry of the United States for zinc and lead is very high if this adventure succeeds because of the large area of mining land, with unexplored large veins in it that would be immediately proven if our tunnel proves a success. The particular increase in value of our land would be small compared to the value to the Defense Minerals Administration of proving this area. I myself own in a large vein between the Needlegun and the Gold Coin vein and the Granite. This vein is on the Manhassett, but the Manhassett vein does not look as good on the surface to me as the Needlegun-Gold Coin veins.

It is more probable that large and permanent deposits of zinc and lead will be opened up in un-worked territory than that they will be found in mines of previous production. Of course there is chance of failure in all mining operations. I took a similar chance to this myself on my own initiative thirty years ago; drove a tunnel 200 feet into a completely unproductive area; it resulted in a production of over three million tons of lead, copper, silver ore by the purchaser from me and my partner. It was a 'wildcat", but one which was easily domesticated.

Cordially yours,

HLM-E

Lowndes Maury (Signed)

C
O
PY

H. L. MAURY
Attorney at Law
Butte, Montana

August 30, 1951

Mr. M. E. Volin
1201 North Division Street
Spokane 2, Washington.

Re: DMA 1958
GOLD COIN-NEEDLEGUN CLAIMS,
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Since Mr. Reed was there, some 300 feet further from our proposed portal, manganese has been found left there by ancient working which could not have been more than 10 feet deep.

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It is more probable that large and permanent deposits of zinc and lead will be opened up in un-worked territory than that they will be found in mines of previous production. Of course there is chance of failure in all mining operations. I took a similar chance to this myself on my own initiative thirty years ago; drove a tunnel 200 feet into a completely unproductive area; it resulted in a production of over three million tons of lead, copper, silver ore by the purchaser from me and my partner. It was a 'wildcat", but one which was easily domesticated.

Cordially yours,

HLM-E

Lowndes Maury (Signed)

C
O
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H. L. MAURY
Attorney at Law
Butte, Montana

August 30, 1951

Mr. M. E. Volin
1201 North Division Street
Spokane 2, Washington.

Re: DMA 1958
GOLD COIN-NEEDLEGUN CLAIMS,
GRANITE COUNTY, MONT.

Dear Mr. Volin:

Your letter of August 28th reached me this morning.

I appreciate that our change of approach after Mr. McLure's talk with Mr. Reed on the land, and after both talked with me, was probably a wise change and was necessary.

Since Mr. Reed was there, some 300 feet further from our proposed portal, manganese has been found left there by ancient working which could not have been more than 10 feet deep.

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1201 N. Division St.
Spokane 2, Wash.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 2 8 1951

August 28, 1951

MEMORANDUM

To: Chief, Lead-Zinc Commodity Division, Defense Minerals Administration, Washington 25, D. C.

Through: L. F. Strobel

From: DMA Field Team, Region II

Subject: Gold Coin, Needle Gun and adjoining lead-zinc claims, Granite County, Mont., DMA Docket 1958.

Three completed copies of Form MF-103 in connection with an application for an exploration project on the subject property were sent to your office with a supporting memorandum dated August 10, 1951. The memorandum was accompanied by a report to the Field Team, Region II, on the Gold Coin and Needle Gun claims by John S. McNabb, USBM, and Ralph H. Thurston, USGS. Subsequently, the Field Team has been informed by letter from Mr. H. L. Maury, one of the applicants, that docket number DMA 1958 has been assigned to this application.

The additional data listed below are sent herewith:

Form MF-100, 4 copies
Form MF-103, 1 copy (retained until this time for the purpose of the Field Team)
Memorandum dated August 21, 1951, by Glenn C. Reed, USBM, on the subject application, 5 copies
Supplemental memorandum dated August 27, 1951, by Glenn C. Reed, USBM, on the subject application, 5 copies
Exploration project contract, Form MF-200, 6 copies

The casual report by McNabb and Thurston, made in advance of the application for an exploratory loan, recommended bulldozer trenching followed by diamond drilling on the Gold Coin-Needle Gun vein. Inasmuch as the applicants wished to follow the vein by driving an adit, a second examination was made to reconcile the two methods of exploration. The results of the second examination are given in the memoranda by Reed.

Mr. Reed observes that the surface expression of the Gold Coin-Needle Gun vein is meager and that evidence of mineralization is characterized only by scattered small fragments of iron-stained granodiorite and occasional small pieces of vein quartz containing pyrite

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August 28, 1951

with minor galena and sphalerite in some places. In other words, there is no surface indication of the location of an ore shoot and exploration of the structure would have to be classified in the category of a "wildcat" venture.

The principal argument in favor of the exploration is the geologic similarity and proximity of the Gold Coin-Needle Gun vein to the formerly very productive Granite-Bimetallic mine. This mine had a relatively large production of rich silver ore, and sufficient zinc was found associated with the silver to require separation and to pose a mining problem in that certain higher zinc portions of the veins were reputed to have been left in place. Some time after the mine closed down the zincky tailings were shipped to the Tacoma smelter.

McNabb and Thurston infer that the Gold Coin-Needle Gun vein has a continuity comparable to the Granite-Bimetallic structure. Although not mentioned in their memorandum they probably had in mind the possibility of finding a zone of secondary enrichment such as found in the Granite-Bimetallic about 400 feet below the surface. The proposed exploration would approach the presumed position of the enriched horizon.

Reed's memorandum argues that the bulldozing-diamond drilling exploratory method would not be as good as driving an adit as proposed by the applicants. His supplemental memo gives a reasonable program of exploration comprising 500 to 700 feet of drifting, up to 100 feet of crosscutting, and 100 to 200 feet of winzing.

The Field Team concludes that the proposal has some merit in the classification of a "wildcat" venture.

By Field Team, Region II

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

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

Enclosures

1201 N. Division St.
Spokane 2, Wash.

August 28, 1951

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

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

Enclosures

cc: L. F. Strobel

Bureau
"Warm"

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1201 N. Division St.
August 27, 1951

MEMORANDUM

To: M. E. Volin

From: Glenn C. Reed

Subject: Needle Gun application - supplemental memo

Additional facts concerning the subject application are presented herewith for your information.

After completing the brief inspection outlined in a prior memorandum I interviewed Maury at Butte and advised him that, in my opinion, exploration either by core drilling or power trenching was not feasible.

Maury's first proposal embraced about 1,000 feet of drifting along the Needle Gun vein structure. I suggested that this probably should be modified to include crosscutting and winzing, to which Maury agreed.

A reasonable program of wildcat exploration would consist of the following elements:

1. Drifting 500 to 700 feet.
2. Crosscutting from above drift at two locations, 50 feet each, total crosscutting 100 feet.
3. Geologic appraisal.
4. Winzing 100 to 200 feet; location of winze contingent upon foregoing geologic appraisal.

Footage of the above program should be balanced to come within the total expenditure of $40,000.

Attached to this memorandum is a set of Form MF-100 which Maury prepared at my suggestion. You will recall that his original application consisted only of Form MF-103. Consequently, the Form MF-100 should be forwarded to Washington with the balance of the docket material.

Glenn C. Reed

1201 N. Division St.
August 27, 1951

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Glenn C. Reed

1321 N. Division St.
August 27, 1951

MEMORANDUM

To: F. X. Volin

From: Glenn C. Reed

Subject: Needle Gun application - supplemental memo

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1201 N. Division St.
Spokane 2, Wash.
August 21, 1951

MEMORANDUM

To: M. E. Volin

From: Glenn C. Reed

Subject: Needle Gun exploration application, Granite County, Mont.

A brief inspection of the Gold Coin and Needle Gun claims was made on Sunday, August 12; on August 13 the Needle Gun claim was revisited and inspected in company with Wm. R. McLure, applicant.

The principal objective of the inspection was to determine a feasible exploration method applicable to the property. A recommendation report submitted by Thurston (U.S.G.S.) and McNabb (U.S.B.M.) implied that a step program consisting of bulldozer trenching followed by core drilling would constitute a satisfactory approach. This opinion is not shared because of the following reasons:

1. Heavy overburden consisting of massive granitic boulders cover the greater part of the claims. Although this overburden could be removed by bulldozing assisted by blasting, progress would be slow and costs inordinately high.

2. Costs of drill site preparation and spudding in to bedrock would be extreme because of overburden character.

3. Structural information concerning the vein is totally lacking. The selection of drill sites along the presumed structure could, in no way, be based on geologic inference. Detailed geologic mapping would be of questionable benefit as nothing is exposed along the course of the vein except a few shallow, caved cuts and two short adit portals, also caved. Wildcat drilling occasionally is warranted provided a reasonable justification can be made. In this instance, however, the only justification appears to be the applicant's impression that the vein may be analogus to the productive Granite-Bimetallic vein lying about 3,000 feet to the north.

The surface expression of the Gold Coin-Needle Gun structure is meager. It is characterized chiefly by scattered small fragments of iron-stained granodiorite and occasional small pieces of vein quartz containing scattered pyrite. The caved adit dumps marking the course of the lode near the east limit of the Needle Gun claim contain vein quartz. A few small crystals of galena, sphalerite, and pyrite were noticed in some of the quartz.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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MEMORANDUM August 21, 1951
Subject: Needle Gun exploration application

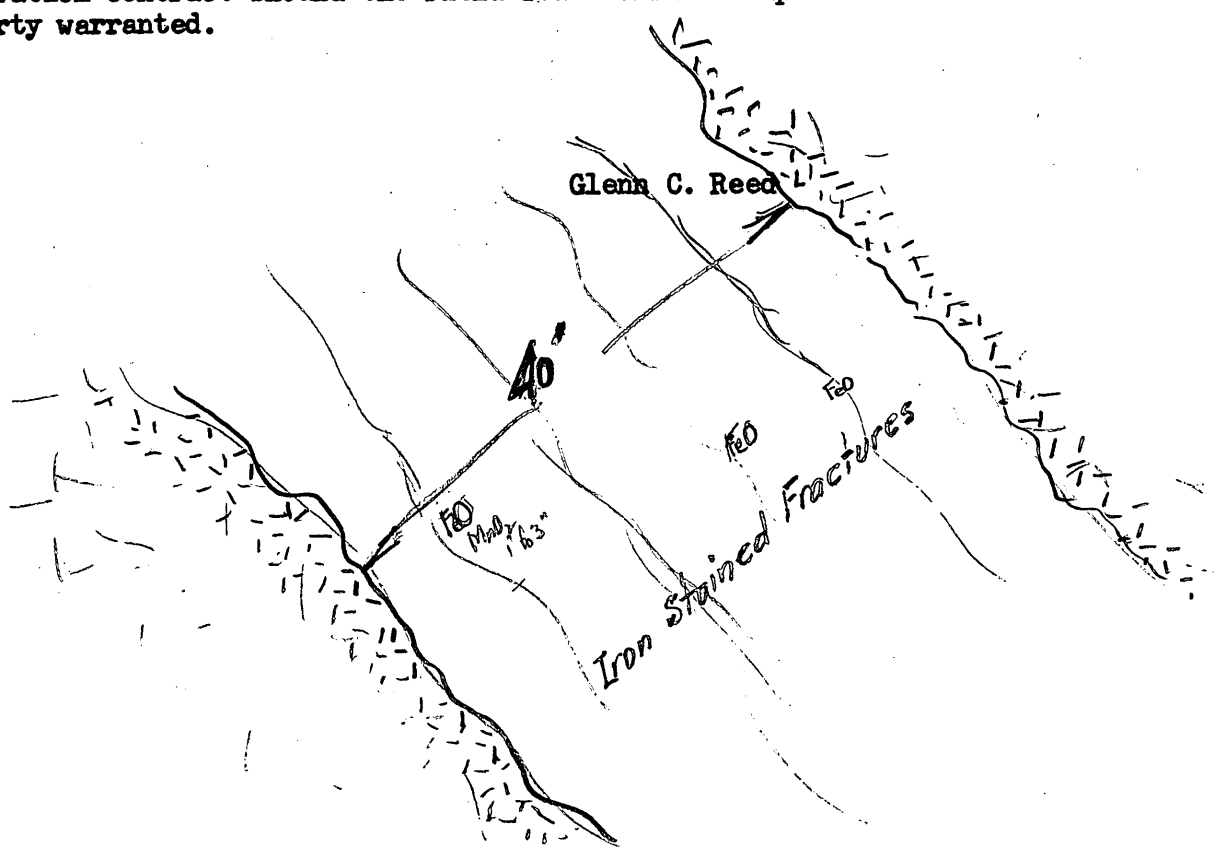
The lode apparently is exposed in a road cut near the west limit of the Needle Gun claim. It is marked at this point by several weak, iron-stained fractures over a width of about 40 feet. Individually, these fractures together with staining range in width from 1 to 3 inches. The adjacent wall rock is not visibly altered.

If the Field Team considers wildcat exploration appropriate in this instance, the structure can only be investigated at reasonable cost by underground methods. A satisfactory adit site can be developed just below the road cut. However, maximum backs developed by 700 feet of drifting from this approach will not amount to more than 110 feet.

An exploration project should include occasional crosscutting of the lode together with at least 100 feet of winzing.

The principal thought underlying Thurston's recommendation is the possibility of finding a zone of secondary enrichment below a presumably leached surface shell. This is based on Emmon's interpretation of an extremely rich zone of secondary enrichment lying about 400 feet below the surface on the Granite-Bimetallic vein (U.S.G.S. Prof. Paper No. 78). The proposed exploration may approach the presumed position of the horizon of enrichment.

Adequate information is at hand to permit preparation of an exploration contract should the Field Team consider exploration of the property warranted.



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Adequate information is at hand to permit preparation of an exploration contract should the Field Team consider exploration of the property warranted.

Glenn C. Read

August 14, 1951

Mr. William R. Mc Clure
Phillipsburg, Montana

Subject: Exploration Loan
Re: Gold Coin, Needle Gun, etc.

Dear Mr. Mc Clure:

This will acknowledge receipt of your application dated July 26, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMA- 1958 and referred to the Lead-Zinc Branch.

Kindly refer to DMA- 1958 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams

Robert E. Adams, Chief
Reports and Records Unit

2463

AUG 14 1951

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1205 N. Division St.
Spokane 2, Wash.

August 10, 1951

DMA 1958

Mr. Landon F. Strobel
Executive Secretary
Defense Minerals Administration
Washington 25, D. C.

Re: Gold Coin, Needle Gun and adjoining claims, Granite County, Mont.

Dear Mr. Strobel:

Enclosed is an application for an exploration project along with supporting papers on the subject property.

Additional Field Team information on this application will be forwarded as soon as an examination can be made.

Sincerely yours,

M. E. Volin
Member, DMA Field Team
Region II

Enclosure

cc: U.S.G.S., Spokane

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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1205 N. Division St.
Spokane 2, Wash.

August 10, 1951

MEMORANDUM

To: Tom Lyon, Director, Supply Division, Defense Minera
Administration, Washington 25, D. C.

From: DMA Field Team, Region II

Subject: Gold Coin, Needle Gun and adjoining lead-zinc claims, Granite County, Mont.

Herewith in connection with an application for an exploration project on the subject property:

Form MF-103 (3 copies)
Attached claim map (2 copy)
Attached bank statement and declaration of trust (1 copy)
Report to DMA Field Team, Region II, on Gold Coin and Needle Gun claims (4 copies)

The subject claims, owned by William Metzro and associates, are located about 4-1/2 miles by road from Philipsburg, Mont. The Gold Coin and Needle Gun claims cover 3,000 feet of the strike length of a vein with a surface expression similar to that of the nearby Granite-Bimetallic vein, famous in the Philipsburg district for lead-silver production from it. It is inferred from this similarity that exploration of the Gold Coin and Needle Gun claims may find ore or more ore shoots.

The report by John G. Fabbi, Bureau of Mines, and Ralph H. Thurston, Geological Survey, attached to the application, is the result of a casual examination performed in June 1951. The report recommends bulldozer trenching and diamond drilling whereas the applicants wish to follow the vein by driving an adit.

An examining engineer is scheduled to visit the property in the immediate future and reconcile these views. One copy of the application for an exploration project is being retained for his purpose. This copy along with his report, a completed form MF-100, and a contract if it seems warranted, will follow up this transmittal.

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

M.E.Volin(USBM)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
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DEPARTMENT OF THE INTERIOR
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The subject claims, owned by William McLure and associates, are located about 4-1/2 miles by road from Philipsburg, Mont. The Gold Coin and Needle Gun claims cover 3,000 feet of the strike length of a vein with a surface expression similar to that of the nearby Granite-Bimetallic vein, famous in the Philipsburg district for lead-silver production from it. It is inferred from this similarity that exploration of the Gold Coin and Needle Gun claims may find one or more ore shoots.

The report by John S. McNabb, Bureau of Mines, and Ralph H. Thurston, Geological Survey, attached to the application, is the result of a casual examination performed in June 1951. The report recommends bulldozer trenching and diamond drilling whereas the applicants wish to follow the vein by driving an adit.

An examining engineer is scheduled to visit the property in the immediate future and reconcile these views. One copy of the application for an exploration project is being retained for his purpose. This copy along with his report, a completed form MF-100, and a contract if it seems warranted, will follow up this transmittal.

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

M.E.Volin(USBM)

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

1205 N. Division St.
Spokane 2, Wash.

August 10, 1951

MEMORANDUM

To: Tom Lyon, Director, Supply Division, Defense Minerals Administration, Washington 25, D. C.

From: DMA Field Team, Region II

Subject: Gold Coin, Needle Gun and adjoining lead-zinc claims, Granite County, Mont.

Herewith in connection with an application for an exploration project on the subject property:

Form MF-103 (3 copies)
Attached claim map (1 copy)
Attached bank statement and declaration of trust (1 copy)
Report to DMA Field Team, Region II, on Gold Coin and Needle Gun claims (4 copies)

The subject claims, owned by William McLure and associates, are located about 4-1/2 miles by road from Philipsburg, Mont. The Gold Coin and Needle Gun claims cover 3,000 feet of the strike length of a vein with a surface expression similar to that of the nearby Granite-Bimetallic vein, famous in the Philipsburg district for lead-silver production from it. It is inferred from this similarity that exploration of the Gold Coin and Needle Gun claims may find one or more ore shoots.

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

M.E.Volin(USBM)

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

1205 N. Division St.
Spokane 2, Wash.

August 10, 1951

Mr. Landon F. Strobel
Executive Secretary
Defense Minerals Administration
Washington 25, D. C.

Re: Gold Coin, Needle Gun and adjoining claims, Granite County, Mont.

Dear Mr. Strobel:

Enclosed is an application for an exploration project along with supporting papers on the subject property.

Additional Field Team information on this application will be forwarded as soon as an examination can be made.

Sincerely yours,

M. E. Volin
Member, DMA Field Team
Region II

Enclosure

cc: U.S.G.S., Spokane

1205 N. Division St.
Spokane 2, Wash.

August 10, 1951

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Region II

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1205 N. Division
Spokane 2, Wash.

August 9, 1951

MEMORANDUM

To: DMA Field Team, Region II

From: John S. McNabb, U.S.B.M., and Ralph H. Thurston, U.S.G.S.

Subject: Examination of the Gold Coin and Needle Gun claims

The subject properties are owned by William McLure and associates. The Gold Coin and Needle Gun claims are located in secs. 28 and 29, T. 7 N., R. 13 W., Montana principal meridian, in the Flint Creek mining district, Granite County, Montana. A graded road 4-1/2 miles long connects the claims to the town of Philipsburg.

The claims are situated within and near the western margin of the Philipsburg granodiorite batholith and are about 3,000 feet north of the productive portion of the Granite-Bimetallic mine, famous for silver-zinc-copper production with a reported value in excess of 25 million dollars.

The Gold Coin and Needle Gun claims are located along the strike and cover 3,000 feet of a vein with a surface expression similar to the Granite-Bimetallic. Mineralization is characterized by epithermal quartz containing sulfides. Although high-grade sulfides were not found on the various dumps, Mr. McLure claims to have taken samples assaying as high as 22 percent zinc and 6 to 8 ounces silver. From similarity to the Granite-Bimetallic, both with respect to vein matter and wall rocks, it is inferred that there is a possibility of the existence of one or more ore shoots along the strike within the end lines of the Gold Coin and Needle Gun claims. The Granite-Bimetallic geology indicates that ore should "make" within 400 feet from the surface and that diamond drilling to that depth might be successful in finding an ore shoot. It is difficult to accurately evaluate this property on the basis of the scanty information available.

Diamond drilling from the surface and bulldozer trenching along the strike of the vein may be a satisfactory combination for exploring the ore possibilities. It would be advisable to precede any drilling program with bulldozer trenching. Not less than four drill sites, selected after detailed sampling and mapping of the vein, with one or more holes drilled

from each of the sites, should give adequate intersections at intervals along the strike. The eventual number of holes would, of course, depend upon information obtained from the preceding holes. Considering the thin soil cover and rugged topography, preparation of the drill sites would entail a considerable amount of bulldozing and probably some blasting. Coupled with prospective hole depths up to 600 feet, these factors would make the minimum program rather costly.

In conclusion, the Gold Coin and Needle Gun claims, covering a main vein and several minor veins similar in character to the productive Granite-Bimetallic vein, offer a good starting point for investigation of a relatively unexplored area. Such investigation seems warranted.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1205 N. Division
Spokane 2, Wash.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 14 1951

August 9, 1951

MEMORANDUM

To: DMA Field Team, Region II

From: John S. McNabb, U.S.B.M., and Ralph H. Thurston, U.S.G.S.

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Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMA 1948

Date received 9-3-51

NEEDLEGUN - GOLD COIN MINE
Granite County, Montana.

Wm. McLure, et al
Philipsburg
Montana

Name and address of applicant

Date AUGUST 17, 1951.

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products? None yet. Expect zinc, lead, manganese.
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits. Shallow tunnel, zinc 3-3/4 per cent.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity. No.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point. 4-1/2 miles.
   (*b*) Mining district. Philipsburg, Montana.
   (*c*) Township, Section, Range. Sec. 28-29, Tp. 4 N. R. 13 W.
   (*d*) County, State. Granite County, Montana.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated. No.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee. Wm. R. McLure, Lowndes Maury, A. G. Shone.
   - ☐ Contractor.
5. Number of years in production None.

   If not in production or operation, estimated date when production will begin 6 months.
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project. McLure practical miner 40 years.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation. None.
   (*b*) State briefly the known history and production of adjoining and neighboring properties. /35 million dollars.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations. Granite Mining Dist/ None.

16—63792-2

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
Wm. R. McLure,	Boss	0	5,000.	0	0	0	0
Lowndes Maury	Trustee	0	100,000	0	0	0	0
A. G. Shone	Part owner	0	20,000	0	0	0	0
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable) Vast					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads. Good graded road 4 1/2 miles to Philipsburg.

14. Water:

State source and quantity of water available for operations and whether sufficient for all seasons of year. Ample.

15. Power:

State amount of power used, rate per hour, and source thereof. Expect to use 310 cu. ft. compressor.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period. None.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation. None.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

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

THE NEEDLE COW MINING partnership. (Name of company)

By Lowndes Maury (Signature of authorized official)

July 17, 1951. (Date)

Partner (Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

MF-200
(June 1951)

Docket No. DMA 1996
Commodity Pb-Zn

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this ..... day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] W. R. McLure, Philipsburg, Montana, Lowndes Maury, Butte, Montana, and A. G. Shone, Butte, Montana

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Montana, County of Granite described as follows: [3] the Gold Coin and Needle Gun patented claims (pat. nos. 2878 and 2960) in secs. 28 and 29, T. 7 N., R. 13 W., M.P.M.

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: .....

(*b*) ~~That he is sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached.~~

3. *Exploration project.* The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] lead and zinc; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] eleven operating months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $19,825.00, which is 50 percent of the agreed estimated total cost of this project, $39,650.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ----------

By ----------

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

NEEDLE GUN PROSPECT
Granite County, Montana

DNA Docket 1958

Exploration Contract

EXHIBIT "A"

Exploration of the Needle Gun claim, patent No. 2960, Philipsburg mining district, Granite County, Montana, consists of the driving of underground workings to examine and evaluate a presumed mineralized vein structure at depth. The project's 4 related stages shall include mobilization and site preparation, drifting and crosscutting on the adit level, winzing, and subsequent drifting on the winze level.

The location of the crosscuts and the winze to be sunk below the adit level shall be subject to the Field Team's approval.

Inasmuch as winter access conditions to the property are severe, the Operator may, at his discretion and with the Field Team's approval, elect to recess the project from December to April.

Exploration project

Stage I - first month

Mobilization, access, and site preparation.

Stage II - second to seventh month, inclusive.

A. Drift eastward 600 feet on Needle Gun vein structure.

B. Crosscut from above adit 50 feet north and 50 feet south.

Stage III - eighth to ninth month, inclusive.

A. Cut winze station.

B. Sink winze (7 ft. x 9 ft. cross-section) 100 feet below adit level on Needle Gun vein structure.

Stage IV - tenth to eleventh month, inclusive

A. Drift eastward 200 feet on Needle Gun vein structure from bottom of winze.

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

Estimated cost of project

1.	A. Mobilization, access, and site preparation	$ 300.00
	B. Drifting and crosscutting, 700 feet at $28/ft.	19,600.00
	C. Winzing, 100 feet at $60/ft. (cost of station cutting included)	6,000.00
	D. Drifting on winze level, 200 feet at $30/ft.	6,000.00
2.	Equipment to be purchased	5,800.00
3.	Sampling, engineering, geologic and accounting services	1,500.00
4.	Additional facilities	450.00
	Total	$39,650.00

Per foot costs are to include labor, supervision, transportation, and all operating costs.

Additional facilities

1.	Construct 16 ft. x 24 ft. frame shed (combined shop, dry, and compressor house)	$ 375.00
2.	Build 7 ft. x 18 ft. explosive magazine	75.00
	Total	$ 450.00

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Operator's equipment to be rented to project

1 Compressor, 310 cu. ft. gasoline driven portable compressor and receiver.

1 Drifter, complete with column

1 Stoper, complete

3 Mine cars, 14 cu. ft.

Above equipment to be rented in aggregate to project at a rate of $250/mo.

Equipment to be purchased

1 Jackhammer	$ 365.
1 Sump pump (air driven)	460.
1 Air hoist, single drum, 1000# rope pull	800.
1 Exhaust fan with gasoline drive	350.
800 feet fan bag, 12 inch	800.
1 - 1-1/2 ton dump truck	2,525.
Miscellaneous tools	500.
Total	$5,800.

EXHIBIT "A" Continued

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Schedule of labor

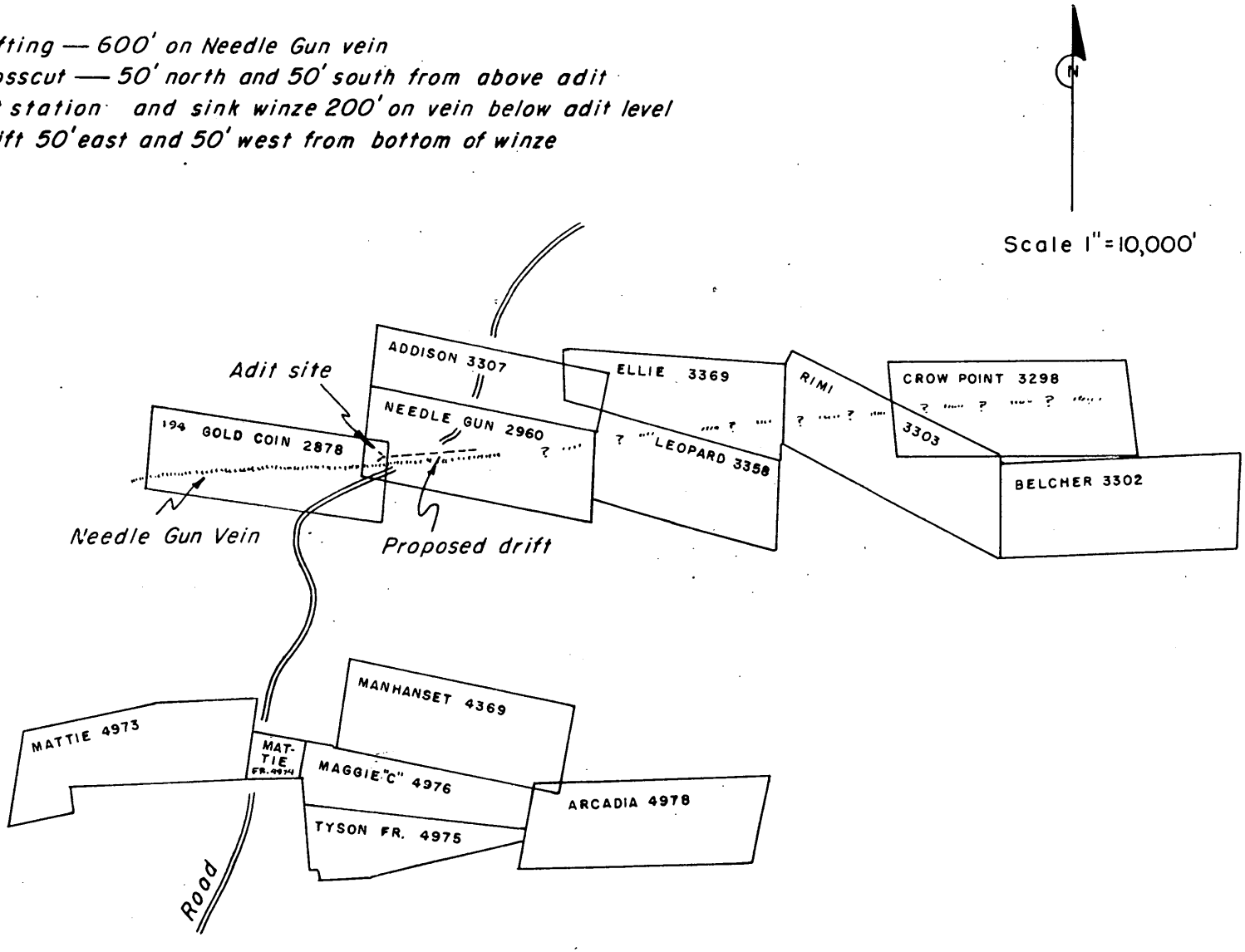
Classification	Rate per 8-hr. shift
Surface labor	$12.30
Miners, drifting/crosscutting	12.30
Miners, winze	16.15
Hoisting engineer	14.94
Truck driver	12.30
	Rate per month
Miner, pusher	$400.00

Rehabilitation and repairs

None

EXHIBIT "A" continued

1. *Drifting — 600' on Needle Gun vein*
2. *Crosscut — 50' north and 50' south from above adit*
3. *Cut station and sink winze 200' on vein below adit level*
4. *Drift 50' east and 50' west from bottom of winze*



Gold Coin, Needle Gun and adjacent claims, Granite County, Montan.

MF-200
(June 1951)

Docket No. DMA [illegible]
Commodity Pb-Zn

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] W. R. McLure, Philipsburg, Montana, Lowndes Maury, Butte, Montana, and A. C. Shone, Butte, Montana

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Montana, County of Granite described as follows: [3] the Gold Coin and Needle Gun patented claims (pat. nos. 2978 and 2960) in secs. 28 and 29, T. 7 N., R. 13 W., M.P.M.

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: _____

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

3. *Exploration project.* The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] lead and zinc; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] eleven operating months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $19,125.00, which is 50 percent of the agreed estimated total cost of this project, $38,250.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ----------

By ----------

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

NEEDLE GUN PROSPECT
Granite County, Montana

D&A Docket 195-

Exploration Contract

EXHIBIT "A"

Exploration of the Needle Gun claim, patent No. 2960, Philipsburg mining district, Granite County, Montana, consists of the driving of underground workings to examine and evaluate a presumed mineralized vein structure at depth. The project's 4 related stages shall include mobilization and site preparation, drifting and crosscutting on the adit level, winsing, and subsequent drifting on the winse level.

The location of the crosscuts and the winse to be sunk below the adit level shall be subject to the Field Team's approval.

Inasmuch as winter access conditions to the property are severe, the Operator may, at his discretion and with the Field Team's approval, elect to recess the project from December to April.

Exploration project

Stage I - first month

Mobilization, access, and site preparation.

Stage II - second to seventh month, inclusive.

A. Drift eastward 600 feet on Needle Gun vein structure.

B. Crosscut from above adit 50 feet north and 50 feet south.

Stage III - eighth to ninth month, inclusive.

A. Cut winse station.

B. Sink winse (7 ft. x 9 ft. cross-section) 100 feet below adit level on Needle Gun vein structure.

Stage IV - tenth to eleventh month, inclusive

A. Drift eastward 200 feet on Needle Gun vein structure from bottom of winse.

NEEDLE GUN PROSPECT
Granite County, Montana DNA Docket 1958

Exploration Contract

Estimated cost of project

1.	A. Mobilization, access, and site preparation	$ 300.00
	B. Drifting and crosscutting, 700 feet at $28/ft.	19,600.00
	C. Winzing, 100 feet at $60/ft. (cost of station cutting included)	6,000.00
	D. Drifting on winze level, 200 feet at $30/ft.	6,000.00
2.	Equipment to be purchased	5,800.00
3.	Sampling, engineering, geologic and accounting services	1,500.00
4.	Additional facilities	450.00
	Total	$39,650.00

Per foot costs are to include labor, supervision, transportation, and all operating costs.

Additional facilities

1.	Construct 16 ft. x 24 ft. frame shed (combined shop, dry, and compressor house)	$ 375.00
2.	Build 7 ft. x 18 ft. explosive magazine	75.00
	Total	$ 450.00

EXHIBIT "A" continued

MIDDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Operator's equipment to be rented to project

1 Compressor, 310 cu. ft. gasoline driven portable compressor and receiver.

1 Drifter, complete with column

1 Stoper, complete

3 Mine cars, 14 cu. ft.

Above equipment to be rented in aggregate to project at a rate of $250/mo.

Equipment to be purchased

1 Jackhammer	$ 365.
1 Sump pump (air driven)	460.
1 Air hoist, single drum, 1000# rope pull	800.
1 Exhaust fan with gasoline drive	350.
800 feet fan bag, 12 inch	800.
1 - 1-1/2 ton dump truck	2,525.
Miscellaneous tools	500.
Total	$5,800.

EXHIBIT "A" Continued

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Schedule of labor

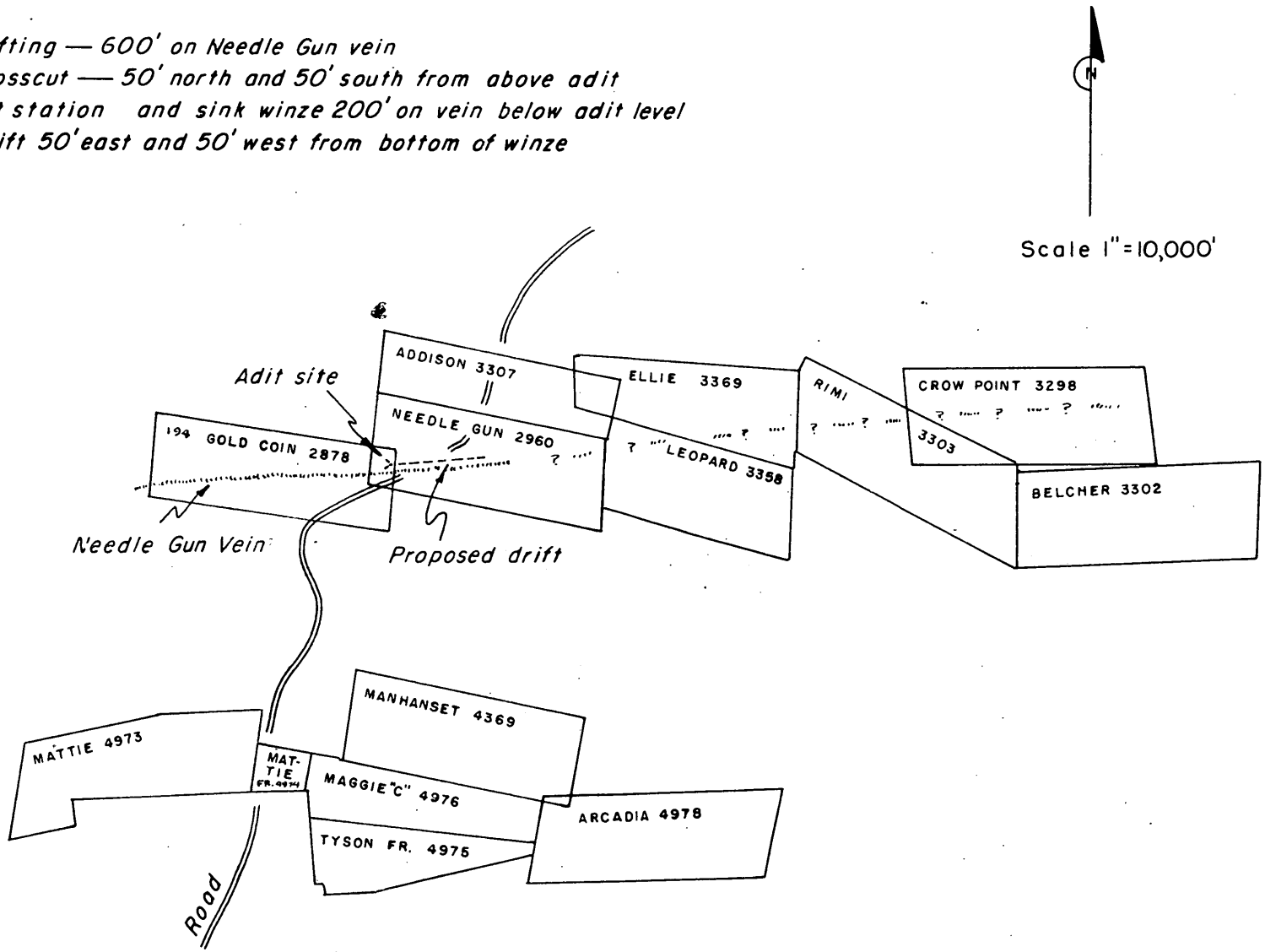
Classification	Rate per 8-hr. shift
Surface labor	$12.30
Miners, drifting/crosscutting	12.30
Miners, winze	16.15
Hoisting engineer	14.94
Truck driver	12.30
	Rate per month
Miner, pusher	$400.00

Rehabilitation and repairs

None

EXHIBIT "A" continued

1. *Drifting — 600' on Needle Gun vein*
2. *Crosscut — 50' north and 50' south from above adit*
3. *Cut station and sink winze 200' on vein below adit level*
4. *Drift 50' east and 50' west from bottom of winze*



Gold Coin, Needle Gun and adjacent claims, Granite County, Montan.

MF-200
(June 1951)

Docket No. DMA 1958
Commodity Pb-Zn

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this ..... day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] W. R. McLure, Philipsburg, Montana, Lowndes Maury, Butte, Montana, and A. G. Shone, Butte, Montana

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Montana, County of Granite described as follows: [3] the Gold Coin and Needle Gun patented claims (pat. nos. 2273 and 2960) in secs. 28 and 29, T. 7 N., R. 13 W., M.P.M.

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: .....

(*b*) ~~That he is sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached.~~

3. *Exploration project.* The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] lead and zinc; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] eleven operating months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $19,825.00, which is 50 percent of the agreed estimated total cost of this project, $39,650.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ----------

By ----------

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

NEEDLE GUN PROSPECT
Granite County, Montana — DNA Docket 195?

Exploration Contract

EXHIBIT "A"

Exploration of the Needle Gun claim, patent No. 2960, Philipsburg mining district, Granite County, Montana, consists of the driving of underground workings to examine and evaluate a presumed mineralized vein structure at depth. The project's 4 related stages shall include mobilization and site preparation, drifting and crosscutting on the adit level, winzing, and subsequent drifting on the winze level.

The location of the crosscuts and the winze to be sunk below the adit level shall be subject to the Field Team's approval.

Inasmuch as winter access conditions to the property are severe, the Operator may, at his discretion and with the Field Team's approval, elect to recess the project from December to April.

Exploration project

Stage I - first month

Mobilization, access, and site preparation.

Stage II - second to seventh month, inclusive.

A. Drift eastward 600 feet on Needle Gun vein structure.

B. Crosscut from above adit 50 feet north and 50 feet south.

Stage III - eighth to ninth month, inclusive.

A. Cut winze station.

B. Sink winze (7 ft. x 9 ft. cross-section) 100 feet below adit level on Needle Gun vein structure.

Stage IV - tenth to eleventh month, inclusive

A. Drift eastward 200 feet on Needle Gun vein structure from bottom of winze.

NARROW GUN PROSPECT
Granite County, Montana DMA Docket 1958

Exploration Contract

Estimated cost of project

1.	A. Mobilization, access, and site preparation	$ 300.00
	B. Drifting and crosscutting, 700 feet at $28/ft.	19,600.00
	C. Winzing, 100 feet at $60/ft. (cost of station cutting included)	6,000.00
	D. Drifting on winze level, 200 feet at $30/ft.	6,000.00
2.	Equipment to be purchased	5,800.00
3.	Sampling, engineering, geologic and accounting services	1,500.00
4.	Additional facilities	450.00
	Total	$39,650.00

Per foot costs are to include labor, supervision, transportation, and all operating costs.

Additional facilities

1.	Construct 16 ft. x 24 ft. frame shed (combined shop, dry, and compressor house)	$ 375.00
2.	Build 7 ft. x 18 ft. explosive magazine	75.00
	Total	$ 450.00

EXHIBIT "A" continued

NEEDLE GUN PROSPECT — IRA Docket 1958
Granite County, Montana

Exploration Contract

EXHIBIT "A"

Operator's equipment to be rented to project

1 Compressor, 310 cu. ft. gasoline driven portable compressor and receiver.

1 Drifter, complete with column

1 Stoper, complete

3 Mine cars, 14 cu. ft.

Above equipment to be rented in aggregate to project at a rate of $250/mo.

Equipment to be purchased

1 Jackhammer	$ 365.
1 Sump pump (air driven)	460.
1 Air hoist, single drum, 1000# rope pull	800.
1 Exhaust fan with gasoline drive	350.
800 feet fan bag, 12 inch	800.
1 - 1-1/2 ton dump truck	2,525.
Miscellaneous tools	500.
Total	$5,800.

EXHIBIT "A" Continued

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1956

Exploration Contract

EXHIBIT "A"

Schedule of labor

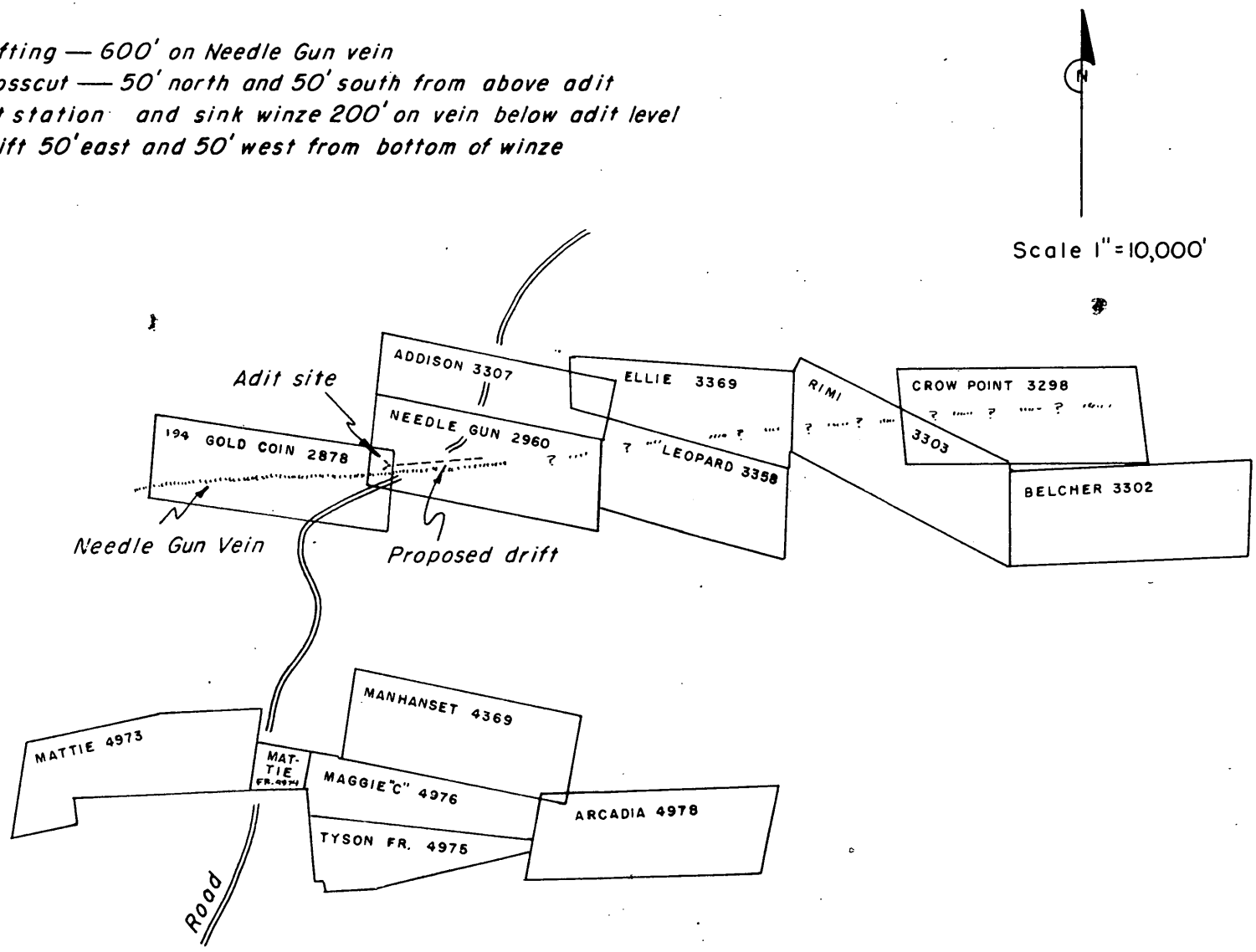
Classification	Rate per 8-hr. shift
Surface labor	$12.30
Miners, drifting/crosscutting	12.30
Miners, winze	16.15
Hoisting engineer	14.94
Truck driver	12.30
	Rate per month
Miner, pusher	$400.00

Rehabilitation and repairs

None

EXHIBIT "A" continued

1. *Drifting — 600' on Needle Gun vein*
2. *Crosscut — 50' north and 50' south from above adit*
3. *Cut station and sink winze 200' on vein below adit level*
4. *Drift 50' east and 50' west from bottom of winze*



Gold Coin, Needle Gun and adjacent claims, Granite County, Montan.

MF 200
(June 1951)

Docket No. DMA 1958
Commodity Pb-Zn

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] W. R. McLure, Philipsburg, Montana, Lowndes Maury, Butte, Montana, and A. G. Shone, Butte, Montana

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Montana, County of Granite described as follows: [3] the Gold Coin and Needle Gun patented claims (pat. nos. 2878 and 2960) in secs. 28 and 29, T. 7 N., R. 13 W., M.P.M.

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: _____

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

3. *Exploration project.* The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] lead and zinc; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] eleven operating months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $19,825.00, which is 50 percent of the agreed estimated total cost of this project, $39,650.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ---

By ---

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

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Exploration of the Needle Gun claim, patent No. 2960, Philipsburg mining district, Granite County, Montana, consists of the driving of underground workings to examine and evaluate a presumed mineralized vein structure at depth. The project's 4 related stages shall include mobilization and site preparation, drifting and crosscutting on the adit level, winzing, and subsequent drifting on the winze level.

The location of the crosscuts and the winze to be sunk below the adit level shall be subject to the Field Team's approval.

Inasmuch as winter access conditions to the property are severe, the Operator may, at his discretion and with the Field Team's approval, elect to recess the project from December to April.

Exploration project

Stage I - first month

Mobilization, access, and site preparation.

Stage II - second to seventh month, inclusive.

A. Drift eastward 600 feet on Needle Gun vein structure.

B. Crosscut from above adit 50 feet north and 50 feet south.

Stage III - eighth to ninth month, inclusive.

A. Cut winze station.

B. Sink winze (7 ft. x 9 ft. cross-section) 100 feet below adit level on Needle Gun vein structure.

Stage IV - tenth to eleventh month, inclusive

A. Drift eastward 200 feet on Needle Gun vein structure from bottom of winze.

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

Estimated cost of project

1.	A. Mobilization, access, and site preparation	$ 300.00
	B. Drifting and crosscutting, 700 feet at $28/ft.	19,600.00
	C. Winzing, 100 feet at $60/ft. (cost of station cutting included)	6,000.00
	D. Drifting on winze level, 200 feet at $30/ft.	6,000.00
2.	Equipment to be purchased	5,800.00
3.	Sampling, engineering, geologic and accounting services	1,500.00
4.	Additional facilities	450.00
	Total	$39,650.00

Per foot costs are to include labor, supervision, transportation, and all operating costs.

Additional facilities

1.	Construct 16 ft. x 24 ft. frame shed (combined shop, dry, and compressor house)	$ 375.00
2.	Build 7 ft. x 18 ft. explosive magazine	75.00
	Total	$ 450.00

EXHIBIT "A" continued

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Operator's equipment to be rented to project

1 Compressor, 310 cu. ft. gasoline driven portable compressor and receiver.

1 Drifter, complete with column

1 Stoper, complete

3 Mine cars, 14 cu. ft.

Above equipment to be rented in aggregate to project at a rate of $250/mo.

Equipment to be purchased

1 Jackhammer	$ 365.
1 Sump pump (air driven)	460.
1 Air hoist, single drum, 1000# rope pull	800.
1 Exhaust fan with gasoline drive	350.
800 feet fan bag, 12 inch	800.
1 - 1-1/2 ton dump truck	2,525.
Miscellaneous tools	500.
Total	$5,800.

EXHIBIT "A" Continued

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Schedule of labor

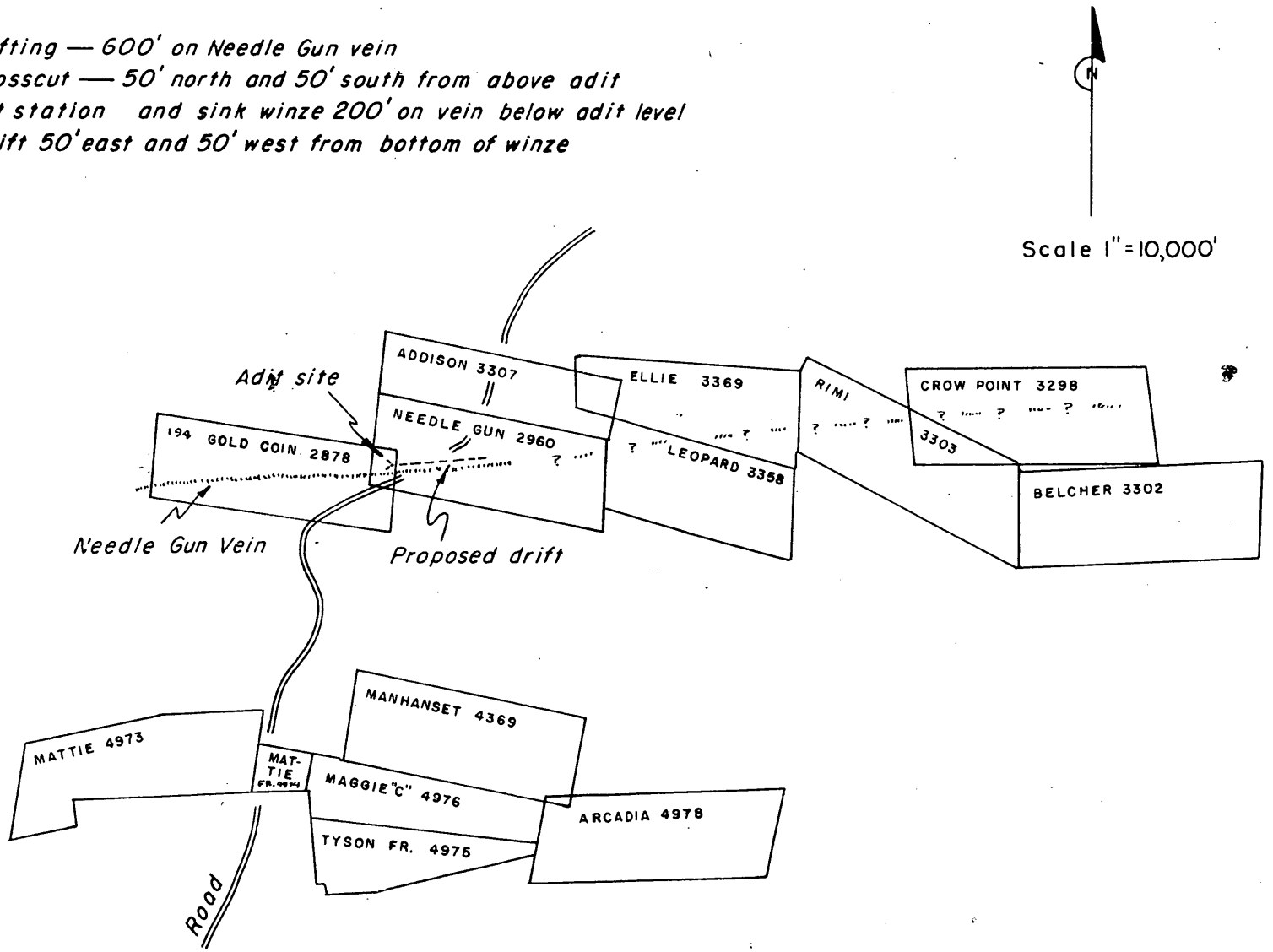
Classification	Rate per 8-hr. shift
Surface labor	$12.30
Miners, drifting/crosscutting	12.30
Miners, winze	16.15
Hoisting engineer	14.94
Truck driver	12.30
	Rate per month
Miner, pusher	$400.00

Rehabilitation and repairs

None

EXHIBIT "A" continued

1. *Drifting — 600' on Needle Gun vein*
2. *Crosscut — 50' north and 50' south from above adit*
3. *Cut station and sink winze 200' on vein below adit level*
4. *Drift 50' east and 50' west from bottom of winze*



Gold Coin, Needle Gun and adjacent claims, Granite County, Montan.

MF-200
(June 1951)

Docket No. DMA 1958
Commodity Pb-Zn

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] W. R. McLure, Philipsburg, Montana, Lowndes Maury, Butte, Montana, and A. G. Shone, Butte, Montana

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Montana, County of Granite described as follows: [3] the Gold Coin and Needle Gun patented claims (pat. nos. 2878 and 2960) in secs. 28 and 29, T. 7 N., R. 13 W., M.P.M.

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: _____

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3. *Exploration project.* The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] lead and zinc; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] eleven operating months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

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[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

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12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

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14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

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16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ----------

By ----------

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

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Exploration of the Needle Gun claim, patent No. 2960, Philipsburg mining district, Granite County, Montana, consists of the driving of underground workings to examine and evaluate a presumed mineralized vein structure at depth. The project's 4 related stages shall include mobilization and site preparation, drifting and crosscutting on the adit level, winzing, and subsequent drifting on the winze level.

The location of the crosscuts and the winze to be sunk below the adit level shall be subject to the Field Team's approval.

Inasmuch as winter access conditions to the property are severe, the Operator may, at his discretion and with the Field Team's approval, elect to recess the project from December to April.

Exploration project

Stage I - first month

Mobilization, access, and site preparation.

Stage II - second to seventh month, inclusive.

A. Drift eastward 600 feet on Needle Gun vein structure.

B. Crosscut from above adit 50 feet north and 50 feet south.

Stage III - eighth to ninth month, inclusive.

A. Cut winze station.

B. Sink winze (7 ft. x 9 ft. cross-section) 100 feet below adit level on Needle Gun vein structure.

Stage IV - tenth to eleventh month, inclusive

A. Drift eastward 200 feet on Needle Gun vein structure from bottom of winze.

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

Estimated cost of project

1.	A. Mobilization, access, and site preparation	$ 300.00
	B. Drifting and crosscutting, 700 feet at $28/ft.	19,600.00
	C. Winzing, 100 feet at $60/ft. (cost of station cutting included)	6,000.00
	D. Drifting on winze level, 200 feet at $30/ft.	6,000.00
2.	Equipment to be purchased	5,800.00
3.	Sampling, engineering, geologic and accounting services	1,500.00
4.	Additional facilities	450.00
	Total	$39,650.00

Per foot costs are to include labor, supervision, transportation, and all operating costs.

Additional facilities

1.	Construct 16 ft. x 24 ft. frame shed (combined shop, dry, and compressor house)	$ 375.00
2.	Build 7 ft. x 18 ft. explosive magazine	75.00
	Total	$ 450.00

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Operator's equipment to be rented to project

1 Compressor, 310 cu. ft. gasoline driven portable compressor and receiver.

1 Drifter, complete with column

1 Stoper, complete

3 Mine cars, 14 cu. ft.

Above equipment to be rented in aggregate to project at a rate of $250/mo.

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1 Jackhammer	$ 365.
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1 - 1-1/2 ton dump truck	2,525.
Miscellaneous tools	500.
Total	$5,800.

EXHIBIT "A" Continued

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Schedule of labor

Classification	Rate per 8-hr. shift
Surface labor	$12.30
Miners, drifting/crosscutting	12.30
Miners, winze	16.15
Hoisting engineer	14.94
Truck driver	12.30
	Rate per month
Miner, pusher	$400.00

Rehabilitation and repairs

None

EXHIBIT "A" continued

1. *Drifting — 600' on Needle Gun vein*
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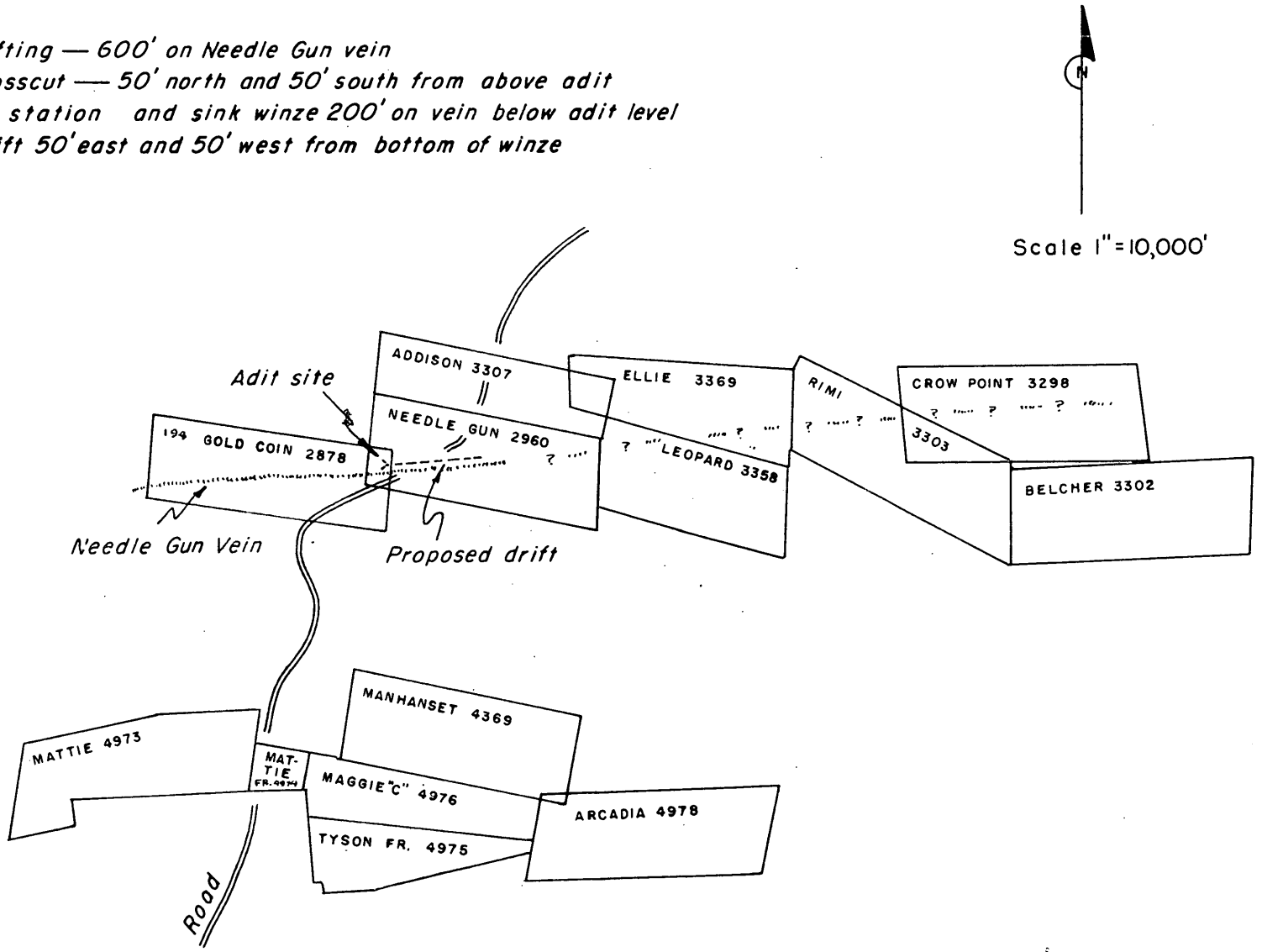
3. *Cut station and sink winze 200' on vein below adit level*
4. *Drift 50' east and 50' west from bottom of winze*



Gold Coin, Needle Gun and adjacent claims, Granite County, Montan.

MF-200
(June 1951)

Docket No. DMA 1958
Commodity Pb-Zn

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] W. R. McLure, Philipsburg, Montana, Lowndes Maury, Butte, Montana, and A. G. Shone, Butte, Montana

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with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: _____

(*b*) ~~That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:~~

3. *Exploration project.* The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] lead and zinc; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] eleven operating months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $19,825.00, which is 50 percent of the agreed estimated total cost of this project, $39,650.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ----------

By ----------

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

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Exploration of the Needle Gun claim, patent No. 2960, Philipsburg mining district, Granite County, Montana, consists of the driving of underground workings to examine and evaluate a presumed mineralized vein structure at depth. The project's 4 related stages shall include mobilization and site preparation, drifting and crosscutting on the adit level, winsing, and subsequent drifting on the winse level.

The location of the crosscuts and the winse to be sunk below the adit level shall be subject to the Field Team's approval.

Inasmuch as winter access conditions to the property are severe, the Operator may, at his discretion and with the Field Team's approval, elect to recess the project from December to April.

Exploration project

Stage I - first month

Mobilization, access, and site preparation.

Stage II - second to seventh month, inclusive.

A. Drift eastward 600 feet on Needle Gun vein structure.

B. Crosscut from above adit 50 feet north and 50 feet south.

Stage III - eighth to ninth month, inclusive.

A. Cut winse station.

B. Sink winse (7 ft. x 9 ft. cross-section) 100 feet below adit level on Needle Gun vein structure.

Stage IV - tenth to eleventh month, inclusive

A. Drift eastward 200 feet on Needle Gun vein structure from bottom of winse.

WEEDLE GUN PROSPECT
Granite County, Montana

DEA Docket 1958

Exploration Contract

Estimated cost of project

1.	A. Mobilization, access, and site preparation	$ 300.00
	B. Drifting and crosscutting, 700 feet at $28/ft.	19,600.00
	C. Winzing, 100 feet at $60/ft. (cost of station cutting included)	6,000.00
	D. Drifting on winze level, 200 feet at $30/ft.	6,000.00
2.	Equipment to be purchased	5,800.00
3.	Sampling, engineering, geologic and accounting services	1,500.00
4.	Additional facilities	450.00
	Total	$39,650.00

Per foot costs are to include labor, supervision, transportation, and all operating costs.

Additional facilities

1.	Construct 16 ft. x 24 ft. frame shed (combined shop, dry, and compressor house)	$ 375.00
2.	Build 7 ft. x 18 ft. explosive magazine	75.00
	Total	$ 450.00

NEEDLE GUN PROSPECT — BMA Docket 1758
Granite County, Montana

Exploration Contract

EXHIBIT "A"

Operator's equipment to be rented to project

1 Compressor, 310 cu. ft. gasoline driven portable compressor and receiver.

1 Drifter, complete with column

1 Stoper, complete

3 Mine cars, 14 cu. ft.

Above equipment to be rented in aggregate to project at a rate of $250/mo.

Equipment to be purchased

1 Jackhammer	$ 365.
1 Sump pump (air driven)	460.
1 Air hoist, single drum, 1000# rope pull	800.
1 Exhaust fan with gasoline drive	350.
800 feet fan bag, 12 inch	800.
1 - 1-1/2 ton dump truck	2,525.
Miscellaneous tools	500.
Total	$5,800.

EXHIBIT "A" Continued

NEEDLE GUN PROSPECT
Granite County, Montana

DMA Docket 1958

Exploration Contract

EXHIBIT "A"

Schedule of labor

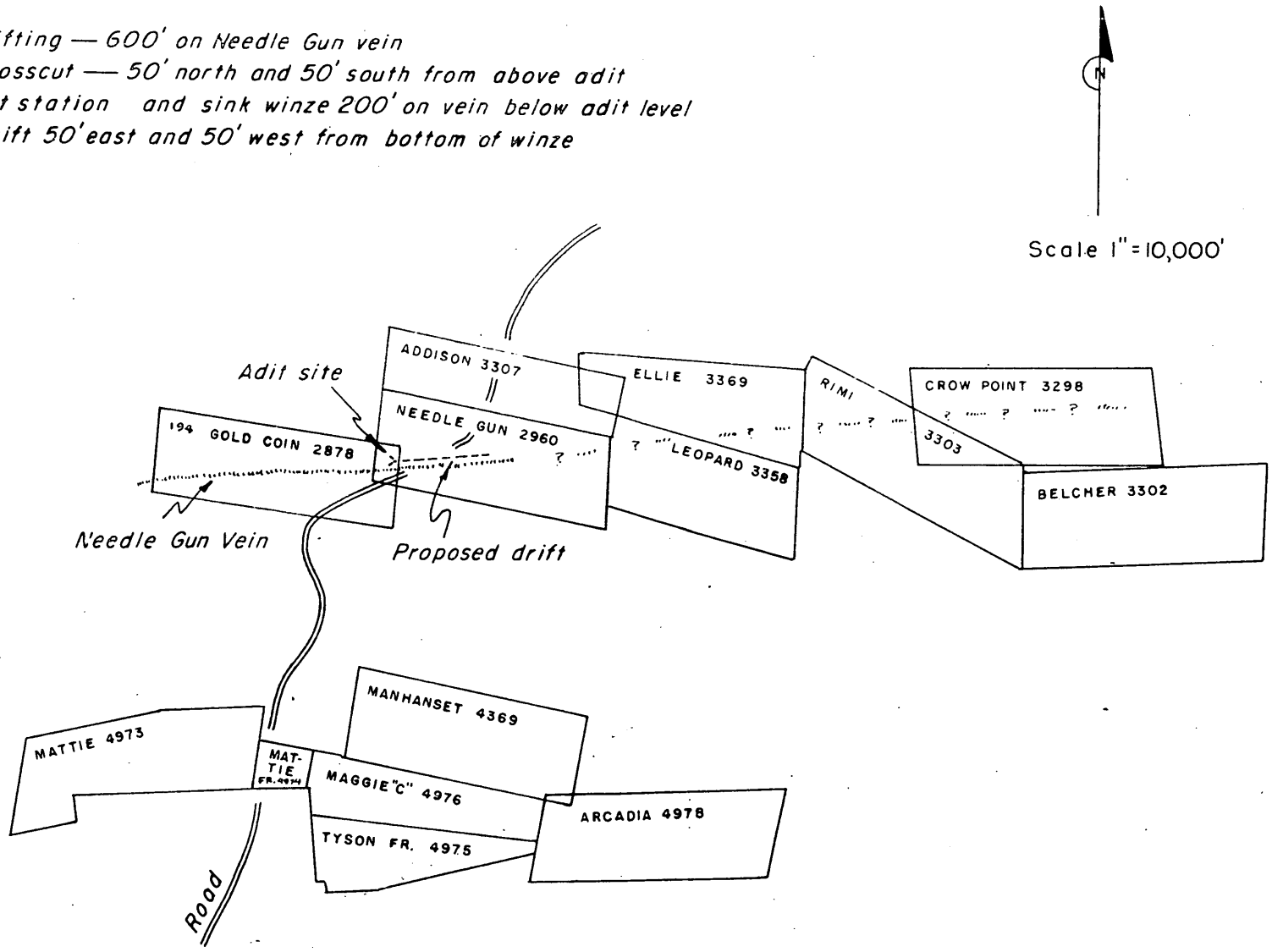
Classification	Rate per 8-hr. shift
Surface labor	$12.30
Miners, drifting/crosscutting	12.30
Miners, winze	16.15
Hoisting engineer	14.94
Truck driver	12.30
	Rate per month
Miner, pusher	$400.00

Rehabilitation and repairs

None

EXHIBIT "A" continued

1. Drifting — 600' on Needle Gun vein
2. Crosscut — 50' north and 50' south from above adit
3. Cut station and sink winze 200' on vein below adit level
4. Drift 50' east and 50' west from bottom of winze



Gold Coin, Needle Gun and adjacent claims, Granite County, Montan.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1958

Date received 8-14-51

Participation

WILLIAM R. McLURE,
Philipsburg, Montana,
LOWNDES MAURY,
Butte, Montana.
A. G. SHONE,
Butte, Montana.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 14 1951

Name and address of applicant

Date JULY 26, 1951.

FILL IN THIS BLOCK

Date of application JULY 26, 1951.

Estimated cost $40,000.00

Mineral or metal Lead and zinc.

Percentage of Government participation $20,000.00

Location of mine 2-1/2 miles East of the City of Philipsburg, Montana.

Date of filing MF-100

DMA Docket Number, if available 1958

INSTRUCTIONS

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

THE APPLICANT

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

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

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

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

16—64067-1

AUG 14 1951

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

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

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

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

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

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

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

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

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

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

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

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

THE EXPLORATION

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

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

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

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

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

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

CERTIFICATION

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

Fullerton Mining, G. G. Shore, Lowndes Maury owners — By _____
(Name of company) (Signature of authorized official)

July 25 1951 _____
(Date) (Title)

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

*Same as footnote on page 1.

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

STATEMENT IN ANSWER TO QUESTIONS SUBMITTED.

1. Partnership.

2. William R. McLure, Philipsburg, Montana.
Lowndes Maury, Butte, Montana.
A. G. Shone, Butte, Montana.

3.

4. 35 years practical mining experience from assayer to manager.

5. Owners.

6. None.

7.

8. New partnership. Assets $20,000. No liabilities.

9. $20,000.00. Yes.

10. (a) Gold Coin, Survey No. 2878; Needle Gun, Survey No. 2960. Both patented.
(b) Gold Coin, Survey No. 2878; Needle Gun, Survey No. 2960. Both patented.

11. Gold Coin and Needle Gun.

12. Situated in Sections 28 and 29, Township 7 North, Range 13 West, 2-1/2 miles East of the City of Philipsburg, Montana.

13. Plenty of water for mining operations. Power used would be gas.

14. None.

15. Ship to smelter, probably A. S. & R., East Helena, Montana.

16. No development has been done on the claims, but an examination has been made by the Bureau of Mines, and is available in their files.

17. None.

18. Lead and zinc deposits.

19. Refer to Bureau of Mines report.

20. Lead and zinc fissure veins.

21. Drive a drift 1,000 feet East along vein. One year.

22. Refer to Bureau of Mines report.

23.

Six miners at $13.50 per shift. 200 shifts----------	$20,250.00
Two ~~supervisors~~, ~~[illegible]~~----------	3,000.00
Equipment,----------	8,000.00
Road,----------	2,000.00
Supplies,----------	6,750.00
T o t a l,----------	$40,000.00

L.M.

William R. McLure, A G Shone, Lowndes Maury
O w n e r s.
By Lowndes Maury

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

Gentlemen:

THIS IS TO CERTIFY that as of this August 1st, 1951, there is on deposit in this Bank in a fund known as "NEEDLEGUN MINE", Lowndes Maury, Trustee, the sum of $20,000.00, subject to a Declaration of Trust filed with this Bank by Lowndes Maury, a duplicate original of said Declaration of Trust being hereunto annexed.

Lowndes Maury has been a respected customer of this Bank for more than forty years.

Dated at Butte, Montana, August 1st, 1951.

FIRST NATIONAL BANK OF BUTTE,

By: J. R. Hegmann
Asst Cashier

DECLARATION OF TRUST.

I, LOWNDES MAURY, of 806 West Silver Street, Butte, Montana, hereby declare a Trust as follows:

There has been contributed to the said Trust the sum of Twenty Thousand ($20,000) Dollars, in a trust account, as follows: "HERDEGUN MINE", Lowndes Maury, Trustee, in the First National Bank of Butte, Montana.

These funds are contributed for deeds to certain interests in the "HERDEGUN", and seven other patented mining claims in Granite County, Montana, but also the said fund is to be used solely by the said trustee in the development of one or more of the mining claims described in the said deeds.

There is an expectation that the Defense Minerals Administration of the United States will match this amount of Twenty Thousand ($20,000) Dollars with a loan for the development of the said land, and all of the said money so received, if any is received, shall be used in the development of the said land.

In the event of my death, or disability, I appoint A. G. Shone in my stead to carry out the terms of this trust. In the event of the death or disability of both myself and A. G. Shone, I appoint Thomas G. Colton Trustee to carry out the terms of this Trust, and I hereby give authorization and notice to the First National Bank of Butte, where the said Trust funds are on deposit, that the said Trust funds are deposited in the name of the "HERDEGUN MINE", and that any funds deposited in the name of the "HERDEGUN MINE" are trust funds, subject to this declaration of trust, and that the said funds are subject, as long as I am trustee, to the individual check of the "HERDEGUN MINE", by Lowndes Maury, Trustee. In the event of my death or disability, and A. G. Shone is surviving, such funds are subject to the individual check of the "HERDEGUN MINE", by A. G. Shone, Trustee, and in the event of the death or disability of both A. G. Shone and myself, such funds are subject

to the individual check of the "Needlegun Mine" by Thomas C. Colton, of Billings, Montana, Trustee, and the said Bank, the custodian of the said funds, shall act accordingly on presentation of this declaration of trust.

IN WITNESS WHEREOF, I have hereunto set my hand this 31st day of July, 1951.

Lowndes Maury

STATE OF MONTANA,)
: ss.
COUNTY OF SILVER BOW,)

On this 31st day of July, 1951, before me, L. B. ESSELSTYN, a Notary Public for the State of Montana, personally appeared LOWNDES MAURY, to me known to be the person described in, and whose name if subscribed to the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year in this certificate above written.

L. B. Esselstyn
Notary Public for the State of Montana, residing at Butte. My commission expires September 27, 1951.

(NOTARIAL SEAL)

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1958

Date received 8-14-51

Participation

WILLIAM R. McLURE,
Philipsburg, Montana,
LOWNDES MAURY,
Butte, Montana.
A. G. SHONE,
Butte, Montana.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 14 1951

Name and address of applicant

Date JULY 26, 1951.

FILL IN THIS BLOCK

Date of application JULY 26, 1951.

Estimated cost $40,000.00

Mineral or metal Lead and zinc.

Percentage of Government participation $20,000.00

Location of mine 2-1/2 miles East of the City of Philipsburg, Montana.

Date of filing MF-100

DMA Docket Number, if available 1958

INSTRUCTIONS

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

THE APPLICANT

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

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

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

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

16—64067-1

THE PROPERTY

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

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

*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
*17. Production:
    (*a*) If mine is in production, furnish the following information:

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

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

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

THE REQUIREMENTS AND COSTS

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

CERTIFICATION

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

Walkaway Mines, A.B. Shone Saunders Mauzy
(Name of company) By (Signature of authorized official)

July 25 1951 Owners
(Date) (Title)

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

*Same as footnote on page 1.

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

STATEMENT IN ANSWER TO QUESTIONS SUBMITTED.

1. Partnership.

2. William R. McLure, Philipsburg, Montana.
Lowndes Maury, Butte, Montana.
A. G. Shone, Butte, Montana.

3.

4. 35 years practical mining experience from assayer to manager.

5. Owners.

6. None.

7.

8. New partnership. Assets $20,000. No liabilities.

9. $20,000.00. Yes.

10. (a) Gold Coin, Survey No. 2878; Needle Gun, Survey No. 2960. Both patented.
(b) Gold Coin, Survey No. 2878; Needle Gun, Survey No. 2960. Both patented.

11. Gold Coin and Needle Gun.

12. Situated in Sections 28 and 29, Township 7 North, Range 13 West, 2-1/2 miles East of the City of Philipsburg, Montana.

13. Plenty of water for mining operations. Power used would be gas.

14. None.

15. Ship to smelter, probably A. S. & R., East Helena, Montana.

16. No development has been done on the claims, but an examination has been made by the Bureau of Mines, and is available in their files.

17. None.

18. Lead and zinc deposits.

19. Refer to Bureau of Mines report.

20. Lead and zinc fissure veins.

21. Drive a drift 1,000 feet East along vein. One year.

22. Refer to Bureau of Mines report.

23. Six miners at $13.50 per shift. 200 shifts---------- $20,250.00
(R.M.) Two ~~supervisors~~, ~~foreman~~---------- 3,000.00
Equipment,---------- 8,000.00
Road,---------- 2,000.00
Supplies,---------- 6,750.00
T o t a l,---------- $40,000.00

William R. McLure A G Shone Lowndes Maury
Owners.
By Lowndes Maury

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. .....

Date received .....

Participation .....

WILLIAM R. McLURE,
Philipsburg, Montana,
LOUNDES MAURY,
Butte, Montana.
A. G. SHONE,
Butte, Montana.

Name and address of applicant

Date JULY 26, 1951.

FILL IN THIS BLOCK

Date of application JULY 26, 1951.

Estimated cost $40,000.00

Mineral or metal Lead and zinc.

Percentage of Government participation $20,000.00

Location of mine 2-1/2 miles East of the City of Philipsburg, Montana.

Date of filing MF-100 .....

DMA Docket Number, if available .....

INSTRUCTIONS

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

THE APPLICANT

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

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

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

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

THE PROPERTY

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

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

*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
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    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
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24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

Kelbank Mines, A. Gehrke, Lounds Maury owners — (Name of company) By _____ (Signature of authorized official)

July 25 1951 — (Date) _____ (Title)

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

*Same as footnote on page 1.

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

STATEMENT IN ANSWER TO QUESTIONS SUBMITTED.

1. Partnership.

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   Lowndes Maury, Butte, Montana.
   A. G. Shone, Butte, Montana.

3.

4. 35 years practical mining experience from assayer to manager.

5. Owners.

6. None.

7.

8. New partnership. Assets $20,000. No liabilities.

9. $20,000.00. Yes.

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14. None.

15. Ship to smelter, probably A. S. & R., East Helena, Montana.

16. No development has been done on the claims, but an examination has been made by the Bureau of Mines, and is available in their files.

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18. Lead and zinc deposits.

19. Refer to Bureau of Mines report.

20. Lead and zinc fissure veins.

21. Drive a drift 1,000 feet East along vein. One year.

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23. L.M.

Six miners at $13.50 per shift. 200 shifts----------	$20,250.00
Two ~~supervisors~~, ~~partners~~----------	3,000.00
Equipment,----------	8,000.00
Road,----------	2,000.00
Supplies,----------	6,750.00
T o t a l,----------	$40,000.00

William R. McLure Agthone Lowndes Maury
O w n e r s.
By Lowndes Maury

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1958

Date received 8. 14. 51

Participation

WILLIAM R. McLURE,
Philipsburg, Montana,
LOUNDES MAURY,
Butte, Montana.
A. G. SHONE,
Butte, Montana.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 14 1951

Name and address of applicant

Date JULY 26, 1951.

FILL IN THIS BLOCK

Date of application JULY 26, 1951.

Estimated cost $40,000.00

Mineral or metal Lead and zinc.

Percentage of Government participation $20,000.00

Location of mine 2-1/2 miles East of the City of Philipsburg, Montana.

Date of filing MF-100

DMA Docket Number, if available 1958

INSTRUCTIONS

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

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*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
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16—64067-1

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CERTIFICATION

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

William P. Mauer, A. G. Shore, Lowndes Mauer, owners
(Name of company)

By _____
(Signature of authorized official)

July 25 1951
(Date)

_____
(Title)

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

*Same as footnote on page 1.

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Lowndes Maury, Butte, Montana.
A. G. Shone, Butte, Montana.

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T o t a l,---------- $40,000.00

William R. McLure A. G. Shone Lowndes Maury
Owners.
By Lowndes Maury

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1958

Date received

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 28 1951

WILLIAM B. McLUND,
Philipsburg, Montana,
LOUIS MARY,
Butte, Montana.
A. C. [illegible],
Butte, Montana.

Name and address of applicant

Date JULY 26, 1951.

FILL IN THIS BLOCK

Date of application JULY 26, 1951.

Estimated cost $40,000.00

Mineral or metal Lead and zinc.

Percentage of Government participation $20,000.00

Location of mine 2-1/2 miles East of the City of Philipsburg, Montana.

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

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Fellows P. Weiss, A. G. Shore, Lowndes Mowry, owners
(~~Name of company~~) By _____
(Signature of authorized official)

July 25th 1951
(Date) (Title)

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

*Same as footnote on page 1.

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

STATEMENT IN ANSWER TO QUESTIONS SUBMITTED.

1. Partnership.

2. William R. McLure, Philipsburg, Montana.
Lowndes Maury, Butte, Montana.
A. G. Shone, Butte, Montana.

3.

4. 35 years practical mining experience from assayer to manager.

5. Owners.

6. None.

7.

8. New partnership. Assets $20,000. No liabilities.

9. $20,000.00. Yes.

10. (a) Gold Coin, Survey No. 2878; Needle Gun, Survey No. 2960. Both patented.
(b) Gold Coin, Survey No. 2878; Needle Gun, Survey No. 2960. Both patented.

11. Gold Coin and Needle Gun.

12. Situated in Sections 28 and 29, Township 7 North, Range 13 West, 2-1/2 miles East of the City of Philipsburg, Montana.

13. Plenty of water for mining operations. Power used would be gas.

14. None.

15. Ship to smelter, probably A. S. & R., East Helena, Montana.

16. No development has been done on the claims, but an examination has been made by the Bureau of Mines, and is available in their files.

17. None.

18. Lead and zinc deposits.

19. Refer to Bureau of Mines report.

20. Lead and zinc fissure veins.

21. Drive a drift 1,000 feet East along vein. One year.

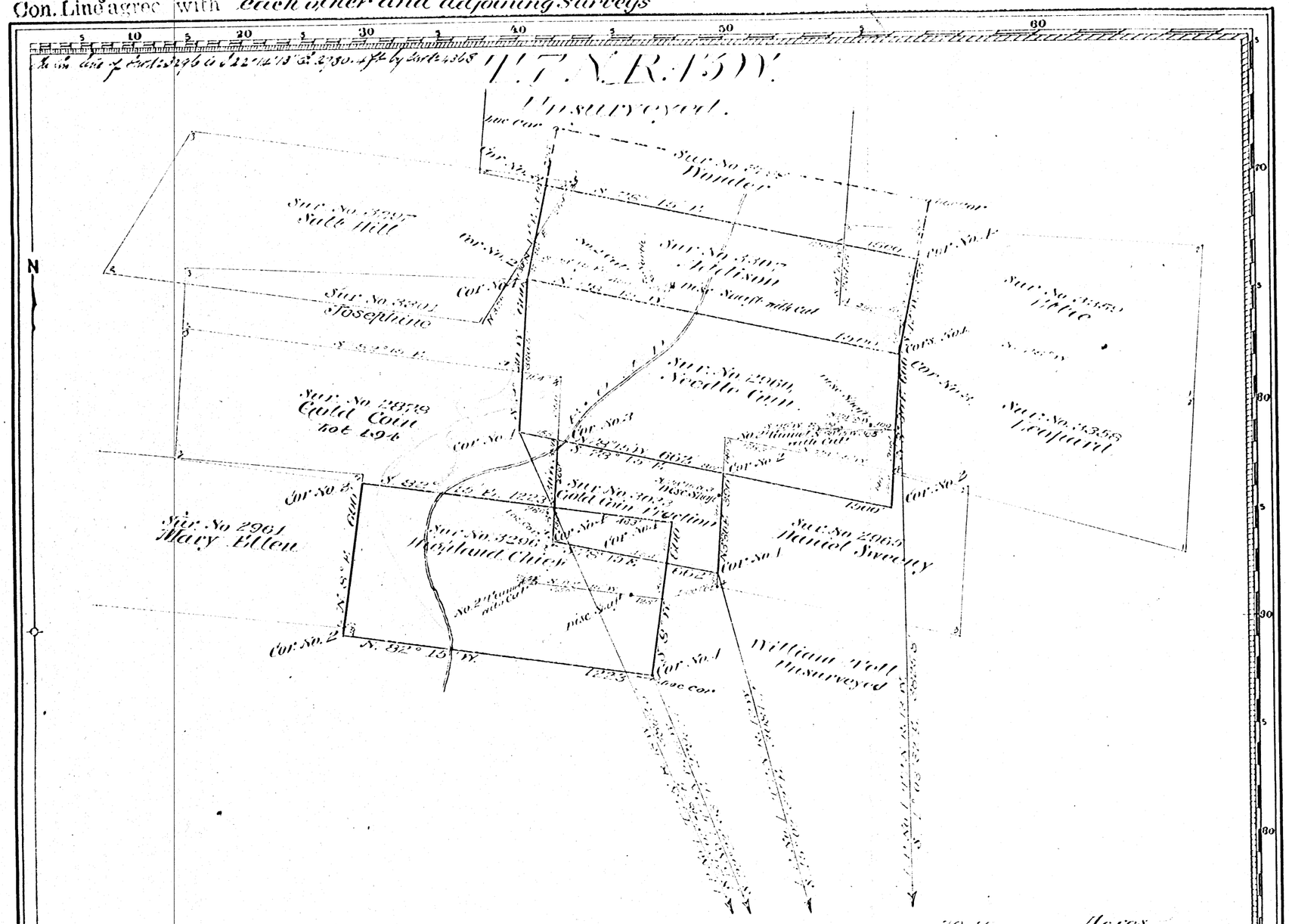
22. Refer to Bureau of Mines report.

23. Six miners at $13.50 per shift. 200 shifts---------- $20,250.00
L.M. Two ~~supervisors~~, foreman---------- 3,000.00
Equipment,---------- 8,000.00
Road,---------- 3,000.00
Supplies,---------- 6,750.00
Total,---------- $40,000.00

William R. McLure, A. G. Shone, Lowndes Maury
Owners.
By Lowndes Maury

(4-675)

Con. Lines agree with each other and adjoining surveys



Area of Sur. No. 2960	20.46	Acres
" in conflict with Sur. No. 28778, not claimed	.20	
" " " " 2965, claimed	2.17	
Net area of Sur. No. 2960, "		18.11
Area of Sur. No. 3033	3.87	
" in conflict with Sur. No. 3296, not claimed	1.53	
Net area of Sur. No. 3033, claimed		1.34
Area of Sur. No. 3296 claimed		10.85
" in conflict with Sur. No. 3033, claimed	1.53	
Area of Sur. No. 3307	12.91	
" in conflict with Sur. No. 3297, not claimed	.20	
Net area of Sur. No. 3307, claimed		12.71
Area of Sur. No. 3307, in conflict with Sur. No. 3358, claimed	.03	
" " " " " " 3358 "	1.56	
Total area of Survey claimed		53.49

M. E. No. 2459 A

PAT. No. 20338

Claims located: Needle Gun, May 8th, 1885; Gold Coin Fraction, Sept. 1st, 1890; Highland Chief, Sept. 13th "; Adelison, June 16th "

Mineral Survey Nos. 2960, 3033, 3296 and 3307

L.O.T. No.

Helena Land District.

PLAT

OF THE CLAIM OF

Charles Clark

KNOWN AS THE

Needle Gun, Gold Coin Fraction, Highland Chief and Adelison Lodes

IN Flint Creek MINING DISTRICT, Deer Lodge COUNTY, Montana

Containing an Area of 53.49 Acres.

Scale of 400 feet to the inch.

Variation 21° to 22° 30'.

SURVEYED Dec. 16th, 1890 to Feb. 4th 1891 BY Thomas H. Butler, U.S. Deputy Mineral Surveyor.

The Original Field Notes of the Survey of the Mining Claim of Charles Clark known as the Needle Gun, Gold Coin Fraction Highland Chief & Adelison Lodes from which this plat has been made under my direction have been examined and approved, and are on file in this Office; and I hereby certify that they furnish such an accurate description of said Mining Claim as will, if incorporated into a patent, serve fully to identify the premises, and that such reference is made therein to natural objects or permanent monuments as will perpetuate and fix the locus thereof.

I further certify that Five Hundred Dollars worth of labor has been expended or improvements made upon said Mining Claim by claimant or his grantors, and that said improvements consist of four dis. shafts two tunnels and improvements valued at $1,500.00 that the location of said improvements is correctly shown upon this plat, and that no portion of said labor or improvements has been included in the estimate of expenditures upon any other claim.

And I further certify that this is a correct plat of said Mining Claim made in conformity with said original field notes of the survey thereof, and the same is hereby approved.

U.S. Surveyor General's Office, Helena, Montana, April 18th, 1891.

C. O. Bates, U.S. Surveyor General for Montana

2960 · 3033 · 3296 · 3307

Index Plat

Index Sheet

Compared: 496 / 65, 64

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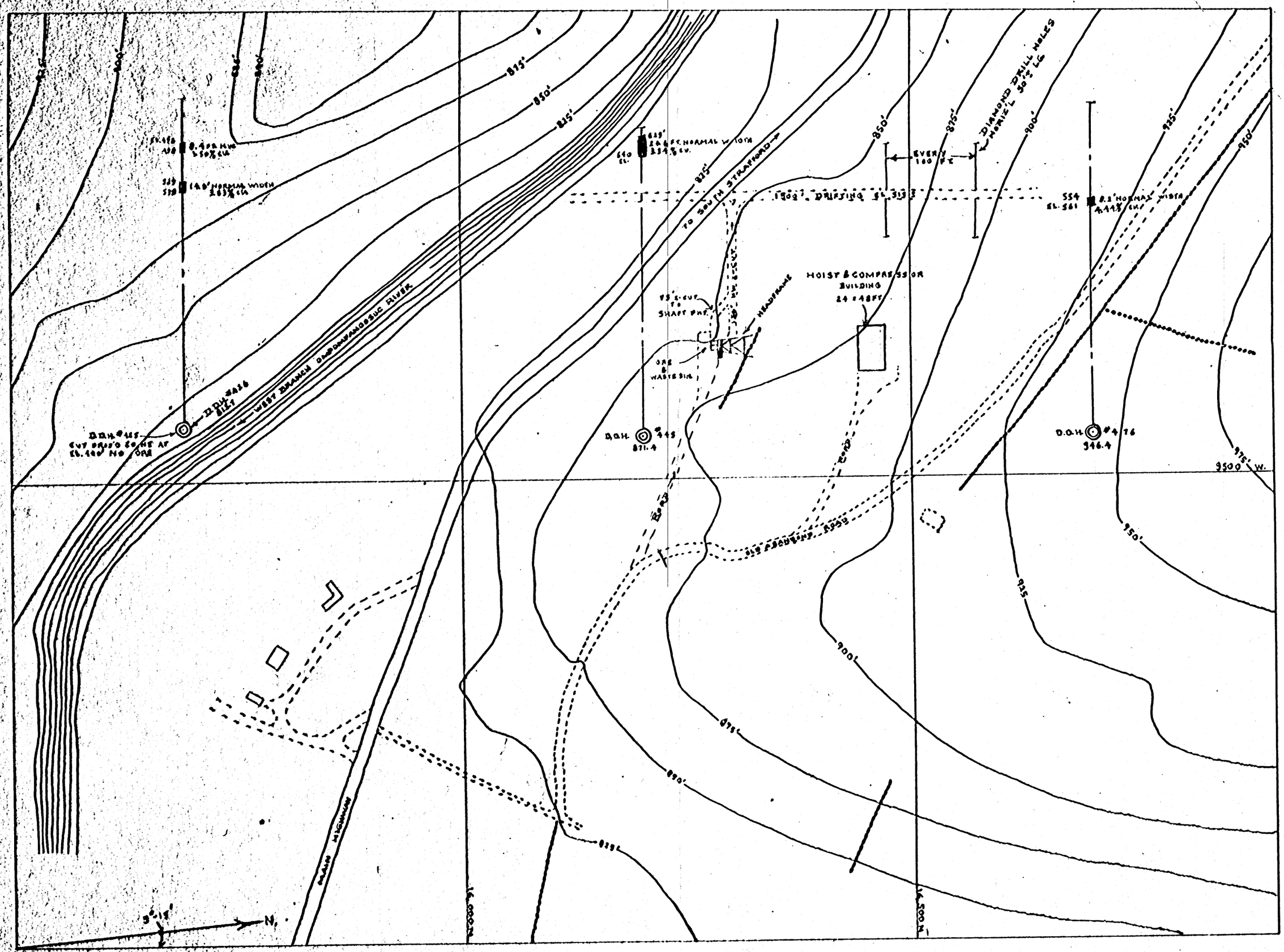


PLAN SHOWING

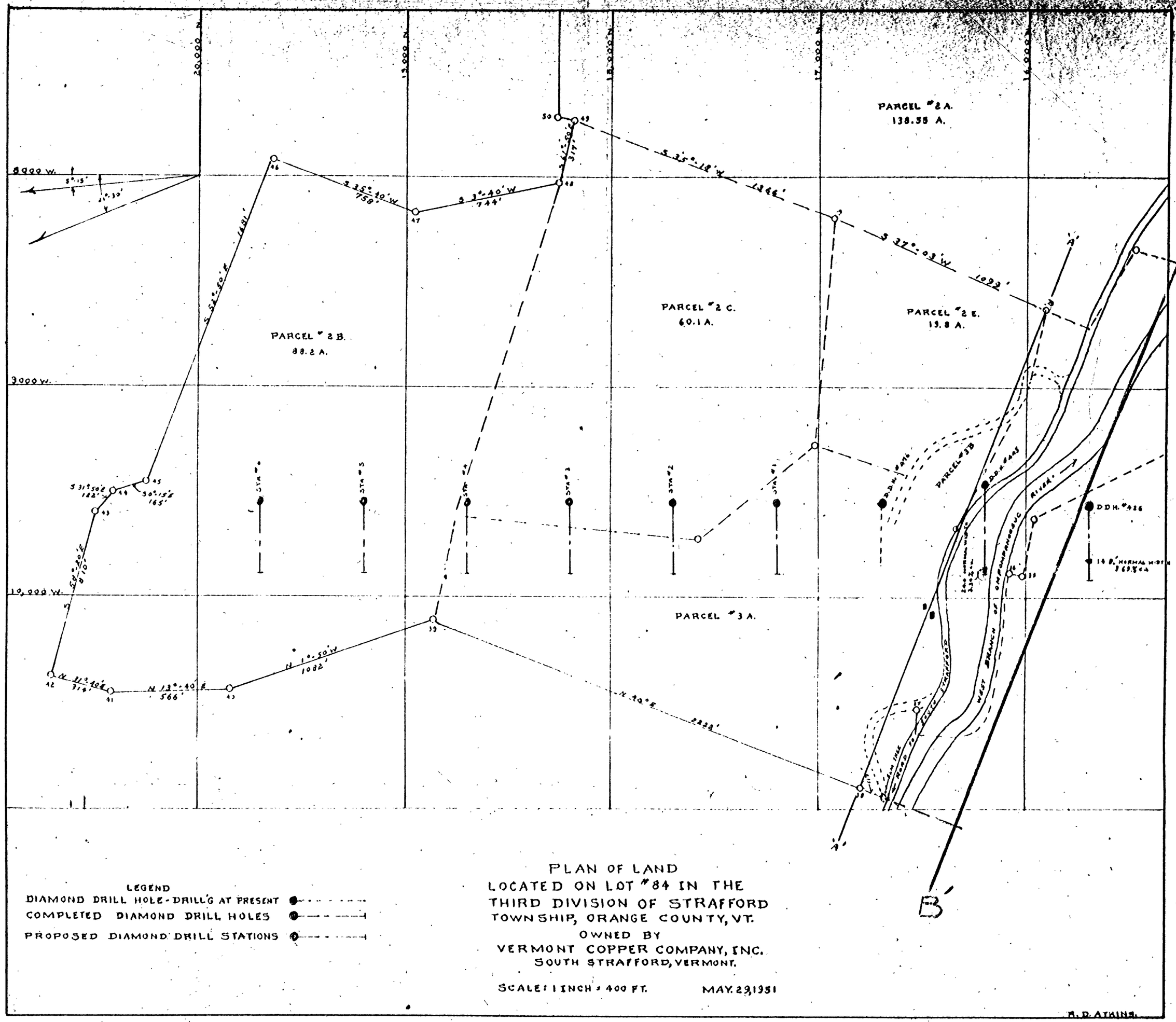
PROPOSED SHAFT & UNDERGROUND LAYOUT

SCALE: 1" = 100' AUG. 3, 1951

— SURFACE CONSTRUCTION

-·- UNDERGROUND EXPLORATION

VERMONT COPPER COMPANY, INC.
SOUTH STRAFFORD, VERMONT



LEGEND

DIAMOND DRILL HOLE - DRILL'G AT PRESENT

COMPLETED DIAMOND DRILL HOLES

PROPOSED DIAMOND DRILL STATIONS

PLAN OF LAND
LOCATED ON LOT #84 IN THE
THIRD DIVISION OF STRAFFORD
TOWNSHIP, ORANGE COUNTY, VT.
OWNED BY
VERMONT COPPER COMPANY, INC.
SOUTH STRAFFORD, VERMONT.

SCALE: 1 INCH = 400 FT. MAY. 23, 1951

R. D. ATKINS.