DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

## CONTROLLED DOCUMENT

DMEA ~~DMA~~ Docket No. 2529

## DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

EXPLORATION PROJECT

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 Copies to USBM and USGS. One copy was retained by Region II.

To: Code 400, Rm. 3538 Date 5-15-52

To: Op. Com. Date 5-21-52

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

## DO NOT DETACH

## CONTROLLED DOCUMENT

STANDARD FORM NO. 64

# Office Memorandum • UNITED STATES GOVERNMENT

TO : Record

DATE: 400

FROM :

SUBJECT :

2/9/53

Omea 2529

Mr. Martin says be sure to route reply to Senator Mansfield thru Oper. Comm. before it goes to Mr. Mittendorf to sign.

FEB 26 1953

Hon. Mike Mansfield
United States Senate
Washington 25, D. C.

My dear Senator Mansfield:

This will acknowledge receipt of your letter of February 18, 1953, enclosing letter to you of February 10 from Mr. George W. Richardson, Attorney-at-Law, Butte, Montana, regarding an application for exploration aid (Our Docket No. DMEA 2529) submitted by the Montana Cobalt Silver Great Company and denied by Defense Minerals Exploration Administration. You had previously sent to us Mr. Richardson's letter of January 15, which expressed dissatisfaction not only because we had declined to give him a copy of our field team's report to us covering his property but also because he felt that our field team had been rude to him and his associates.

We immediately investigated the complaint of discourtesy inasmuch as the engineers and geologists who make up our field teams have established a good general reputation for civility and we know that they work hard to maintain that reputation. As the following summary will indicate, if any offense was given, it was imagined rather than intended.

The application was incomplete and did not give any program of exploration. Without waiting for further information, we sent two field team geologists to make a preliminary inspection of the property. Mr. Charles F. Scott, President of the applicant company, was told at that time that his application was unacceptable because it did not contain sufficient information, but that if careful examination of the property by our geologists suggested a feasible exploration program, they would be glad to assist him in preparing it. Little evidence of mineralization was then visible but because of the importance of cobalt to the defense program, arrangements were made for one of the geologists to make an extended study not only of the Chicken Hawk claim but of a larger area in that vicinity.

Mr. Scott was subsequently advised by letter that when our study was completed the field team might be able to assist him in finding an exploration target and planning an appropriate program. The field study lasted from June 11 to July 13, 1952. Although on the first day the field team had lunch with company officials at the company's cabin, during the remainder of the examination the geologist lived at Deer Lodge, not at the cabin as implied by Mr. Richardson. The field study in this instance was much longer and more thorough than our usual examination because of

our interest in finding any significant tonnage of minable cobalt ore. Our examination included geochemical prospecting and numerous soil samples were taken, the results of which are being described in a report now in preparation. About the middle of August both Mr. Richardson and Mr. Scott were told orally that the field team had been unable to find a suitable exploration target, and that there was no point in filing an amended application.

As you know, our field teams are composed of members of the Geological Survey and the Bureau of Mines. It is the policy of the Defense Minerals Exploration Administration that its field teams may freely discuss with the owner of a property or mining claim the details of the geology of his property but no written reports are given to individuals or companies.

The final paragraph of Mr. Richardson's letter of January 15 to you says in part:

> "We would not feel insulted if they find the Cobalt ore is not what they anticipated but we should like to know if it is worth while we plan to continue and develope the same. It is for the best interest of the State of Montana. If worthless, it would be only decent to inform us that way. We will be very grateful if you can obtain for us any true information on this."

In the technical sense, our field team did not find any "cobalt ore" on the Chicken Hawk and Cabin claims, and it is only through a misapprehension that anyone could say we anticipated finding ore. Our purpose was to determine whether there was a geologic probability of making a significant discovery, and we made no attempt to anticipate the results of our examination.

Our problem in each case is to determine whether Government assistance for an exploration program is warranted, and on September 10, 1952, we advised Mr. Scott specifically that the information available to us, although noting a small amount of cobalt-bearing arsenopyrite on his property, indicated to us that the probability of disclosing minable ore reserves of cobalt on his property was not sufficiently promising to justify Government participation in an exploration program.

In accordance with your request we are returning the correspondence which you sent to us with your two letters.

With best personal regards.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures

WSMartin/le 2/25/53

cc: Field Team, Region 2
H. W. Davis, USBM
T. P. Thayer, USGS

cc: Docket
Admn. Read. File
Code 400
Operating Com.

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

Revised

Hon. Mike Mansfield
United States Senate
Washington 25, D. C.

My dear Senator Mansfield:

This will acknowledge receipt of your letter of February 18, 1953, enclosing letter to you of February 10 from Mr. George W. Richardson, Attorney-at-Law, Butte, Montana, regarding an application for exploration aid (Our Docket No. DMEA 2529) submitted by the Montana Cobalt Silver Crest Company and denied by Defense Minerals Exploration Administration. You had previously sent to us Mr. Richardson's letter of January 15, which expressed dissatisfaction not only because we had declined to give him a copy of our field team's report to us covering his property but also because he felt that our field team had been rude to him and his associates.

We immediately investigated the complaint of discourtesy inasmuch as the engineers and geologists who make up our field teams have established a good general reputation for civility and we know that they work hard to maintain that reputation. As the following summary will indicate, if any offense was given, it was imagined rather than intended.

The ~~above~~ application was incomplete and did not give any program of exploration. Without waiting ~~to obtain~~ further information, we sent two field team geologists to make a preliminary inspection of the property. Mr. Charles W. Scott, President of the applicant company, was told at that time that his application was unacceptable because it did not contain sufficient information but that if ~~upon~~ careful examination of the property by our geologists ~~found~~ a feasible exploration program ~~could be developed~~, they would be glad to assist him in preparing ~~such a program~~ it. Little evidence of mineralization was then visible but because of the importance of cobalt to the defense program, arrangements were made for one of the geologists to make an extended study not only of the Chicken Hawk claim but of a larger area in that vicinity.

Mr. Scott was subsequently advised by letter that when ~~our~~ the study was completed ~~we~~ the Exploration might be able to assist him in finding an exploration target and planning an appropriate program. The ~~Our~~ field study ~~in that area~~ lasted from June 11 to July 13, 1952. Although on the first day the field team had lunch with company officials at the company's cabin, during the remainder of the examination ~~our~~ the geologist lived at

not at the cabin as implied by Mr Richardson.

Deer Lodge, The field study in this instance was ~~noticeably~~ much longer and more thorough than our usual examination, ~~but was justified~~ because of our interest in ~~the investigation of any domestic possibility of~~ finding a significant tonnage of minable cobalt ore. Our examination included ~~application of the recently developed techniques of~~ geochemical prospecting and numerous soil samples were taken, the results of which are being described in a report now in ~~course of~~ preparation. About the middle of August both Mr Richardson and Mr. Scott were told orally that the field team had been unable to find a suitable exploration target, and that there was no point in following the application

As you know, our field teams are composed of members of the Geological Survey and the Bureau of Mines. It ~~has long been~~ the policy of the ~~Geological Survey~~ Survey that its ~~geologists~~ field teams may freely discuss with the owner of a property or mining claim the details of the geology of his property but no written reports are given to individuals or companies until the reports are published and available to everyone. We are sure, therefore, that if either Mr. Richardson or Mr. Scott thought he had been promised a copy of the geologic report, there must have been a misunderstanding, which we ~~[illegible]~~ regret.

State Dept's Policy on this point

In any event we shall see that Mr. Richardson is provided with a copy of the Survey's report when it is published. Meantime because of some small discrepancies between statements Mr. Richardson has made in his letter to you and the information we have received from our field team, we believe it undesirable to make our intra-agency reports on this application available to anyone outside the Government.

The final paragraph of Mr. Richardson's letter of January 15 to you says in part:

> "We would not feel insulted if they find the Cobalt ore is not what they anticipated but we should like to know if it is worthwhile we plan to continue and develope the same. It is for the best interest of the State of Montana. If worthless, it would be only decent to inform us that way. We will be very grateful if you can obtain for us any true information on this."

In the technical sense, our field team did not find any "cobalt ore" on the Chicken Hawk and Cabin claims, and it is only through a misapprehension that anyone could say we anticipated finding ore. Our purpose was to determine whether there was a geologic probability of making a significant discovery, and we made no attempt to anticipate the results of our examination. Our problem in each case is to determine whether Government assistance for an exploration program is warranted, and on September 10, 1952, we advised Mr. Scott specifically that the information available to us, although noting a small amount of cobalt-bearing arsenopyrite on his property, indicated to us that the probability of disclosing minable ore reserves of cobalt ~~on his property~~ was not sufficiently promising to justify Government participation in an exploration program.

Sincerely yours,

Administrator

Enclosures

400

Mr. A. E. Weissenborn, Executive Officer
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

FEB 5 1953

Re: Docket No. DRA 2529 - Cobalt
Montana Cobalt Silver Crest Co.
Chicken Hawk and 8 Min Claims
Deer Lodge County, Montana

Dear Mr. Weissenborn:

Reference is made to our letter of February 2, 1953, to U. S. Senator Mike Mansfield, copy of which has already been sent to you under separate cover, concerning the subject application.

For your convenience, we attach copies of the Senator's letter to us, of January 28, and Mr. Richardson's letter to the Senator, of January 15. The correspondence mentioned by Mr. Richardson included copies of eight letters as follows:

| FROM | TO | DATE, 1952 |
|---|---|---|
| Mr. Scott | Mr. Mittendorf | June 12 |
| Mr. Richardson | Mr. Mittendorf | September 23 |
| Mr. Mittendorf | Mr. Richardson | October 3 |
| Mr. Richardson | Mr. Mittendorf | November 11 |
| Mr. Mittendorf | Mr. Richardson | November 21 |
| Mr. Whay | Mr. Scott | June 3 |
| Mr. Scott | Mr. Whay | June 10 |
| Mr. Mittendorf | Mr. Scott | September 10 |

Also attached are copies of the first five letters tabulated above; we believe that you already have copies of the last three.

As you will note, our letter to Senator Mansfield is only an acknowledgment; it is not an answer to his two questions, and a further reply is required from us.

The first question is definitely expressed: that is, can the Field Team's report be made available outside of the Government service. We shall probably reply by summarizing the conclusions of

the Field Team in a manner calculated to satisfy the applicant that the report itself would be neither necessary nor useful to him.

The second question is implied: what comment have we to make about Mr. Richardson's letter of January 15. We note, for example, that Messrs. Richardson and Scott chartered a plane to fly to Spokane to see Mr. Vhay. Our information is that one of the best known commercial airlines provides a regular service from Butte to Spokane, and we wonder about the necessity of chartering under such conditions. But we chiefly need, however, is Mr. Vhay's own comments on his conversations with Mr. Scott before the application was submitted, during the examination, and after the application was denied. We recognize the difficulties inherent in the relationship between our examining engineers or geologists, and those applicants whose properties have little or no merit. At the same time, we would appreciate any information or suggestions that you and the Field Team can send to help us in preparing our reply to Mr. Richardson's assertions.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

Approved:

W. H. Hodges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

cc: Docket
Field Team, Region 2
Code 400
Admn. Read. File
F. W. Davis, USBM
C. P. Thayer, USGS
Operating Committee

WSMartin/hhb
2/4/53

400

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 20 1953

February 13, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA 2529 (Cobalt)
Montana Cobalt Silver Crest Co.
Chicken Hawk and Cabin Claims
Deer Lodge Co., Montana

Dear Mr. Selfridge:

In answer to your letter of February 5, 1953, concerning the above-cited docket and certain correspondence with Mr. G. W. Richardson, I am enclosing a memorandum from J. S. Vhay regarding his relations with Mr. Scott and the examination of the property of the Montana Cobalt Silver Crest Company.

I hope this will constitute a proper answer to Mr. Richardson's letter.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc:
USBM(2)
Vhay

APPENDIX I

CONCLUSIONS FROM REPORT ON CHICKENHAWK GROUP

On the Chickenhawk group of claims of the Montana Cobalt Silver Company some sulfides occur disseminated and in small, randomly oriented veinlets in inclusions of metamorphosed volcanic rocks in the Boulder batholith. No definite vein structure could be seen. The sulfides are mostly pyrite, a little chalcopyrite, and probably some cobaltian arsenopyrite, which latter presumably accounts for the cobalt assays obtainable here. The arsenopyrite is scarce, however, having been seen only on the dump of one pit on the property. The amount of cobalt in the arsenopyrite is so low that a pure concentrate would probably not contain as much as 3 percent cobalt. It is recommended that an application for a DMEA exploration contract be denied.

Typed note attached to original:
Mr. Selfridge:
This is pertaining to whether
you wish to make it
A. E. W.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

WASHINGTON 25, D. C.
No. 157 Howard Street
Spokane 1, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 20 1953

February 13, 1953

[illegible]

To: [illegible] Weisenborn, Executive Officer
DMEA Field Team, Region V

From: [illegible] May

Subject: Letter of Mr. [illegible] Richardson dated January 15, 1953, regarding Docket No. [illegible] 2529 (Cobalt), Montana Cobalt Silver Crest Co., Deer Lodge Co., Montana

In his letter to Senator Mansfield which Mr. Selfridge has forwarded to you, Mr. Richardson has made a number of statements concerning my relations with him and Mr. Scott in connection with the examination of the Chicken Hawk claims of the Montana Cobalt Silver Crest Company. I feel that in replying to Mr. Richardson I should first summarize the course of events and the amount of work that was done on this property.

Mr. Scott's application was very incomplete and did not contain sufficient information on which to base any logical program of exploration. Nevertheless, on May 7, 1952, Mr. Roberts and I made a preliminary visit to the property. Mr. Scott was told at that time that the application he had submitted was unacceptable because it did not contain sufficient information, but that if upon careful examination of the property, it appeared that a feasible exploration program could be worked out, we would be glad to assist him in doing so. At the time of the preliminary visit little could be seen, but because of the importance of cobalt, arrangements were made for Mr. Roberts to make an extended study not only of the Chicken Hawk claims of Mr. Scott but of a larger area in the general vicinity.

On June 3 I wrote Mr. Scott stating that "when he (Mr. Roberts) completes this study, we may be able to assist you in finding a target and planning an exploration program." Mr. Roberts actually spent from the 11th of June to the 13th of July in the field making a study of the geology of the area. This is far more than is normally done in the case of a [illegible] examination for an exploration contract, and it was done because of the interest of the Geological Survey in the investigation of the cobalt possibilities of this country. During the course of the

examination the recently developed techniques of geochemical prospecting were applied and numerous soil samples were taken. The results of this work are being described in a report which is now in preparation. We therefore feel that we have given the area more than adequate attention. Incidentally, I would like to correct Mr. Richardson in one particular. Mr. Scott did invite Mr. Roberts and his assistant to make use of the facilities on the property including the cabin; but, although on the first day of our preliminary visit to the property we had lunch with officials of the Montana Cobalt Silver Crest Company at the cabin, during the five or six weeks of Mr. Roberts' examination, he and his assistant, Mr. Jensen, lived at Deer Lodge and did not avail themselves of the offer to make use of the cabin.

It is unfortunate that Mr. Richardson feels that the company had been promised a report for I am quite sure that I made no such promise. It has long been the policy of the Geological Survey that Survey geologists may freely discuss with the owner of the property or mining claim the details of the geology on his own property; but no written reports are given to individuals or companies until the reports are published and are available to everyone. I am sure therefore that if Mr. Richardson or Mr. Scott thought that they had been promised copies of the geological report, they must have misunderstood me. It is true that Mr. Scott and his associates were told during our preliminary visit to the property that if after more careful examination the property appeared to offer any reasonable possibility for the discovery of cobalt, we would be glad to assist them in working out an acceptable exploration program. This, however, is quite different from promising a report.

Also, in my letter of June 3, 1952, to Mr. Scott, I said, "When he (Mr. Roberts) completes this study, we may be able to assist you in finding a target and planning an exploration program." Once again this is an offer of assistance, but it is not a promise of a report. As a matter of fact during the course of examination, Mr. Roberts discussed his findings with Mr. Scott on several occasions. On conclusion of the examination Mr. Roberts made a date with Mr. Scott to meet him in Butte and to discuss the property. Mr. Roberts spent about five hours in Butte on the agreed date both waiting at the agreed place and trying to reach Mr. Scott by telephone but was unable to find him. However, when Mr. Scott and Mr. Richardson visited me in Spokane about the middle of August (not September as Mr. Richardson says), I recollect that I told them rather clearly that in my opinion no target for exploration could be seen and that therefore there was no point in sending in an amended application. I certainly was not knowingly "evasive".

I regret very much that Mr. Scott and Mr. Richardson feel that they were rudely treated because I did not invite them into my private office. Actually, as you know, the office that I was occupying at that time was very small and crowded and had no space to seat a couple of

visitors; otherwise, I would have invited them in to sit down. As it was, I happened to meet them in the outer office, and our discussion was very brief. As far as I can remember, our relations during the conversation were friendly, and Mr. Scott showed me some mineral specimens and asked me to identify them. This I agreed to do, and they left. On August 22, I wrote him a letter identifying the minerals. I might add that I am rather surprised at Mr. Scott's attitude in this matter if it is properly represented by Mr. Richardson's letter. I have always felt that I have tried to be friendly and helpful to him.

I have had four of his specimens assayed for cobalt, twice I have made determinations of minerals in samples he sent in and reported them to him, and his property was given a much more intensive study than is normally given during TVA examinations because, even though it did not appear favorable, we did not want to miss the slightest possibility of finding even a submarginal cobalt deposit with cobalt in as short supply as it is. Incidentally, I might state that the fact that Mr. Scott and Mr. Richardson chartered a plane and flew to Spokane to see me has little bearing on the matter. It is Mr. Richardson's privilege to charter a plane and fly to Spokane if he so desires, but, strictly speaking, it is not necessary to do this as there is good train, plane, and bus service between Butte and Spokane. As a matter of fact, I had no knowledge that they had made a trip especially to see me. They dropped into the office casually and without previous advise; as far as I knew, they happened to be in Spokane and stopped in to see me.

Mr. Richardson states in the last paragraph of his letter that his object in obtaining the report is to know whether the property is worthwhile. He states, "We would not feel insulted if they find the cobalt ore is not what they anticipated but we should like to know if it is worth while, we plan to continue and develope the same. It is for the best interest of the State of Montana. If worthless, it would be only decent to inform us that way." It seems to me that pretty nearly all essential information concerning our opinion of the property has been transmitted to Mr. Scott. I told Mr. Scott on my occasion of my first visit to the property that it did not look good, and in my letter to him of June 3, I stated, "I saw insufficient evidence of cobalt mineralization to indicate a target for an exploration program . . . therefore, I am unable . . . to suggest how you should make out an amended application." This statement, of course, was made before Mr. Roberts did his field work; we also told him that if anything was found as a result of Mr. Roberts' study that we would assist him in working out an exploration program.

Furthermore, during Mr. Roberts' time in the field, he consulted with the company officials and also informed them that the prospects did not look very good. As stated previously, he made a date

to meet them in Butte to discuss the results of his work, and it was not our fault if Mr. Scott failed to keep that appointment. On the occasion of Mr. Scott's and Mr. Richardson's visit to me in Spokane, I again definitely told them that the property lacked promise and that it would not in my opinion be worth-while to submit an amended application.

Lastly, the letter from the Operating Committee, in my opinion, is a very clear summary of the results of the investigation and should leave no doubt in the applicants' mind as to our opinion of the property. I really feel that little more is required as all the essentials of my report are in the Operating Committee's letter.

I regret that this misunderstanding has occurred.

cc:
TMLA(2)
USBM(2)
Vhay

400

400

FEB 16 1953

Mr. A. E. Weissenborn
Executive Officer, DMEA Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 2529 - Cobalt
Montana Cobalt Silver Crest Co.
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

Dear Mr. Weissenborn:

Reference is made to the Operating Committee's letter of February 5, 1953, regarding Mr. G. W. Richardson's letter of January 15 to United States Senator Mike Mansfield regarding the captioned docket.

Enclosed is a copy received here of Mr. Richardson's letter of February 10 to Senator Mansfield on the same subject.

We shall be very much interested in receiving your reply to the Operating Committee's letter of February 5.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

CC: DOCKET
ADMN. READ. FILE
CODE 400
FIELD TEAM, REG. II
OPERATING COMMITTEE
H. W. DAVIS, USBM
T. P. THAYER, USGS

WSMartin/ls 2/16/53

COPY

GEORGE W. RICHARDSON
Attorney-at-Law
158 W. Granite
Butte, Montana

February 10, 1953

Honorable Mike Mansfield
United States Senate
Washington 25, D. C.

Dear Senator Mansfield:

Thank you for sending on the letter of G. O. Mittendorf, Administrator, (Docket No. DMEA 2529). I note he states that this letter raises some questions and he must make a further investigation.

The point is that the investigation and examination was done on property belonging to the Montana Cobalt Silver Crest Co. and this Government agency has refused to provide us with their report and findings upon the property and this letter indicates to me that the usual attempt is being made to stall and pass the buck instead of coming out and giving a forthwith answer.

There are a number of substantial local citizens interested in this matter and we certainly do not feel that an agency like this should push them around.

Thank you for your kind consideration, I am,

Very truly yours,

George W. Richardson

GWR/bp

cc: Mr. G. O. Mittendorf
Administrator
United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

400

COPY

GEORGE W. RICHARDSON
Attorney-at-Law
158 W. Granite
Butte, Montana

February 10, 1953

2529

Honorable Mike Mansfield
United States Senate
Washington 25, D. C.

Dear Senator Mansfield:

Thank you for sending on the letter of C. O. Mittendorf, Administrator, (Docket No. DMEA 2529), I note he states that this letter raises some questions and he must make a further investigation.

The point is that the investigation and examination was done on property belonging to the Montana Cobalt Silver Crest Co. and this Government agency has refused to provide us with their report and findings upon the property and this letter indicates to me that the usual attempt is being made to stall and pass the buck instead of coming out and giving a forthwith answer.

There are a number of substantial local citizens interested in this matter and we certainly do not feel that an agency like this should push them around.

Thank you for your kind consideration, I am,

Very truly yours,

Signed: G. W. Richardson

George W. Richardson

GWR/bp

cc: Mr. C. O. Mittendorf
Administrator
United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

FEB 2 1953

Hon. Mike Mansfield
United States Senate
Washington 25, D. C.

My dear Senator Mansfield:

Immediate attention is being given to your letter of January 28, 1953, concerning the application of the Montana Cobalt Silver Crest Company for exploration assistance on the Chicken Hawk and Cabin Claims, Deer Lodge County, Montana (Docket No. DMEA 2529).

Mr. George F. Richardson's letter to you of January 15, 1953, which you also sent us, raises some questions that require further inquiries, but as soon as the results of our investigations are received we will write to you in more detail, returning your enclosures as requested.

With best personal regards.

Sincerely yours,

C. O. Mittendorf

Administrator

WSMartin/ls
2/2/53

COPY TO: DOCKET NO. DMEA 2529
Field Team, Region 2
Code 400
Admn. Read. File
H. W. Davis, USBM
T. P. Thayer, USGS

COPY

400

UNITED STATES SENATE

Committee on Foreign Relations

January 28, 1953

DMEA 2529

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

Dear Mr. Mittendorf:

I am enclosing herewith files concerning the application of the Montana Cobalt Silver Crest Company, Docket DMEA 2529.

I would appreciate it very much if you would look into this application and advise me if a report can be sent to these people as they have requested. Please return the enclosures with your reply.

Thanking you and with best personal wishes, I am

Sincerely,

Signed: MIKE MANSFIELD

400

COPY

Phone 2-3295

GEORGE W. RICHARDSON
Attorney-At-Law
158 W. Granite
Butte, Montana

January 15, 1953

Honorable Senator Mike Mansfield
Washington, D. C.

Re: Montana Cobalt Silver Crest Co.
U. S. Department of Interior
Docket DMEA 2529

Dear Mike:

Walter Wolz and Charles W. Scott, President of the Montana Cobalt Silver Crest Co. talked with Jimmy Sullivan, your Secretary, shortly after the election regarding what we feel is an improper action by the Defense Minerals Exploration Administration.

Enclosed herewith you will find correspondence with the DMEA regarding a Government Survey Team to make an exploration for the purpose of a Government loan for the development of Cobalt ore in the Dry Cotton Wood area near Butte. At the instigation of the exploration and all during the work the Geological Field Team, headed by a Mr. Vhay of the Spokane office, were making a study of the ground with the idea in mind of giving the Company and operators a recommendation on how to best approach the property for production. The management of the Company gave full cooperation and awaited the final reports which they had been promised. However, as you will note the letter of September 10, 1952, stated the application was denied by DMEA and subsequent correspondence wherein the reports of the Geological Field Team were refused to the Company on the grounds that they were confidential Government records; this was in direct opposition to what the Field Team and all parties concerned had discussed and plans were made, etc.

We feel that we are entitled to at least a copy of the report or a reasonable report and not be confined to such secretive methods.

Considerable work and effort were gone to obtaining the DMEA to show what we had and the use of our facilities, our cabin, etc., was made by their team for a period of approximately six weeks and according to the application which we had made for the loan, we indicated

we were awaiting the recommendations from the Geological Team and they had promised us a full report on their findings. Now we get the refusal of a loan and the refusal of any information which certainly handicaps the Company. It has wasted a whole year and you are undoubtedly aware that Cobalt is one of the most strategic metals. At least we feel that we have been wrongfully treated and ignored in this matter by the DMEA officials.

Mr. Scott and I chartered a plane and flew to Spokane to see him about this matter in about September of last year. I have never liked to complain of any officer but Mr. Vhay did not extend to us the courtesy of even asking us to sit down or into his private office. We talked in a hallway to an evasive, incoherent discussion by Mr. Vhay to whom we went in good faith with no reservation as being one who would give us some honest help. Mr. Scott and I both feel that we were very rudely treated aside from the fact that he was so evasive and uncooperative in giving us any information as to his findings on our own mining claim. It was shortly after this that we received notice that the loan had been disallowed and that the showing of Cobalt was insufficient.

Senator, we do not like to impose on you in this manner but for the benefit and development of our mining claim and Montana, we feel that the information contained in that report would be beneficial and helpful if we could have the same for inspection. We would not feel insulted if they find the Cobalt ore is not what they anticipated but we should like to know if it is worth while, we plan to continue and develope the same. It is for the best interest of the State of Montana. If worthless, it would be only decent to inform us that way. We will be very grateful if you can obtain for us any true information on this.

Thanking you in advance, I am,

Very truly yours,

Signed: G. W. Richardson

George W. Richardson

GWR/bp

P. S. Mike, I wish to wish you the best in having been elected our Senator and I know that you will be a good man representing the people. I was sorry that I didn't have an opportunity to express this to you personally before you went back to Washington.

COPY

402

UNITED STATES SENATE

Committee on Foreign Relations

January 28, 1953

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

Dear Mr. Mittendorf:

I am enclosing herewith files concerning the application of the Montana Cobalt Silver Crest Company, Docket DMEA 2529.

I would appreciate it very much if you would look into this application and advise me if a report can be sent to these people as they have requested. Please return the enclosures with your reply.

Thanking you and with best personal wishes, I am

Sincerely,

Signed: MIKE MANSFIELD

400

COPY

November 21, 1952

Mr. George W. Richardson
158 W. Granite
Butte, Montana

Dear Mr. Richardson:

This will acknowledge your letter dated November 11, 1952, in which you request, in addition to the map recently returned to you on your application for exploration assistance, Docket No. DMEA 2529, a copy of the geological report of the field team in Region II.

Please be advised that field team reports on exploration assistance applications are considered confidential Government records. Therefore, field team reports are not available for distribution to either the applicant or the public.

Sincerely yours,

Signed: C. O. Mittendorf

Administrator

400

COPY

November 11, 1952

United States Department of Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: Docket No. DMEA 2529 Cobalt
Montana Cobalt Silver Crest Co.
Deer Lodge County, Montana

Attention: C. O. Mittendorf
Administrator

Dear Sir:

I am in receipt of your letter of October 3, 1952, returning the map which we mailed you with our application.

Now with reference to geological report of the field team for Region 2, we hereby demand that we be given a correct copy of this report for our personal and confidential files and not for distribution.

Very truly yours,

George W. Richardson

GWR/hp

402

OCT 3 1952

Mr. George W. Richardson
158 W. Granite
Butte, Montana

Re: Docket No. DMEA 2529 Cobalt
Montana Cobalt Silver Crest Co.
Deer Lodge County, Montana

Dear Mr. Richardson:

This will acknowledge your letter dated September 23, 1952 requesting the return of the geological report, together with maps relating to your application, Docket No. DMEA-2529, Montana Cobalt Silver Crest Company.

There is enclosed the map which was submitted with your application. However, we find that the only geological report contained in the docket is that filed by the Field Team, Region II. These reports are considered confidential and are not available for distribution.

Sincerely yours,

C. O. Mitchell

Administrator

Enclosure

READams/meb
10/2/52
cc to: Adm.Reading File
Mails & Files Br.
Mr. Selfridge

COPY

400

September 23, 1952

United States Department of Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Attention: C. O. Mittendorf
Administrator

Re: Docket No. DMEA 2529 Cobalt
Montana Cobalt Silver Crest Co.
Deer Lodge County, Montana

Dear Sir:

This will acknowledge your letter of September 10, 1952, regarding the above entitled property application for a loan.

Will you kindly have a copy of the geological report together with the maps relating thereto sent to us.

Very truly yours,

George W. Richardson

GWR/bp

Administrator, DMEA Sept. 5, 1952

Iron and Ferro-Alloy Division, DMEA

Denial of application for exploration assistance in the amount of $100,000.00
Docket No. DMEA 2529 - Cobalt
Montana Cobalt Silver Crest Company
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

The denial of the subject application by this Division is based on the following information:

1. The MF-103 form submitted by the applicant contained practically no factual data and no proposed plan of exploration.

2. An examination by the Field Team indicated the property has little merit.

3. The Field Team recommends denial.

4. There is no geologic probability of finding any significant deposit of cobalt ore. Cobalt occurs associated with arsenopyrite as inclusions of a meta-andesite in the Boulder batholith. No vein structure was observed and the amount of arsenopyrite present is small. A pure concentrate of the arsenopyrite would not contain as much as 3 percent cobalt.

5. The Commodity Division of the U. S. Geological Survey recommends denial.

Signed

W. S. Martin, Acting Chief
Iron and Ferro-Alloy Division

FARutledge'lm
9/5/52

cc: Admn. Reading File
Docket
W. S. Martin
F. A. Rutledge

400

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

So. 157 Howard Street
Spokane 4, Washington

August 21, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of Interior
Washington 25, D. C.

Re: Docket No. DMEA-2529
Montana Cobalt Silver Crest Co.
Deer Lodge County, Montana (Cobalt)

Dear Mr. Johnson:

Enclosed is a memorandum on Docket No. DMEA-2529, by J. S. Vhay and W. A. Roberts, U. S. Geological Survey. A denial of the application is recommended.

Mr. Scott was told that after the examination of the property in June he would be contacted and given assistance in re-writing his application, if a target for exploration could be found. After his second visit to the property, Mr. Roberts had a date to meet Mr. Scott in Butte, Montana, to discuss the results of his examination but was unable to find Mr. Scott on the agreed date. Mr. Scott was told later in Spokane that the results of the examination did not indicate that a feasible exploration proposal could be devised.

By: Field Team, Region II

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

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

Enclosures (in quad.)

cc: USBM (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 4, Washington

August 15, 1952

Memorandum:

To: A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II

From: J. S. Vhay and W. A. Roberts, U. S. Geological Survey

Subject: Docket No. DMEA-2529. Application for Exploration Contract, Montana Cobalt Silver Crest Company, Chicken Hawk and Cabin Claims, Deer Lodge County, Montana (Cobalt)

The applicant is the Montana Cobalt Silver Crest Co., address Butte, Montana. According to G. W. Richardson, attorney, (158 W. Granite St., Butte, Montana), for this company, "articles filed April 21, 1952, Charter issued for a period of 40 years dated April 24, 1952, of the Department of Secretary of State of the State of Montana.....capitalization One Hundred Thousand shares of no par value, non-assessable common stock." Also, quoting Mr. Richardson further..."there is a conveyance by Robert E. Stephenson and wife of all his right, titles and interest in the...claims (described below) to Charles W. Scott and recorded June 25, 1952; and a deed from Charles W. Scott and Martha A. Scott, his wife, and L. F. Lamb of all of the... properties (described below) to the Montana Cobalt Silver Crest Co., dated May 1 and recorded June 25, 1952 in the...Clerk and Recorders office."

## SUMMARY

This property contains only scattered disseminations of sulfides, including some arsenopyrite carrying a low percentage of cobalt, in inclusions of meta-andesite in the Boulder batholith. No vein structure occurs here. It is recommended that the application for a DMEA contract to explore for cobalt be denied.

## EXAMINATION

Vhay and Roberts visited the property May 7 and 8 with C. W. Scott and his associates. The property was looked over and samples

taken. Mr. Scott was told that the property did not look favorable but that Roberts would return for a more extended study in June.

Roberts and J. R. Jensen mapped and studied the property in connection with a reconnaissance study of a larger area from June 11 to July 12. Roberts submitted his notes on July 13 and Vhay has added certain technical information.

## LOCATION AND ACCESSIBILITY

The property of the Montana Cobalt Silver Crest Company consists of the following claims, which are recorded in the office of the Clerk and Recorder of Deer Lodge County, Montana, in Book 23 (page shown after each name): Cabin No. 1 (p. 35), Chicken Hawk No. 1 (p. 25), Chicken Hawk No. 2 (p. 27), Chicken Hawk No. 3 (p. 29), Chicken Hawk No. 4 (p. 31), Chicken Hawk No. 5 (p. 33). The property is located in Secs. 3, 4, 9, 10, T. 5 N., R. 8 W., Montana Principal Meridian, Deer Lodge County, Montana. It lies both north and south of the north fork of Dry Cottonwood Creek, one to two miles west of the Continental Divide. According to the map of Deer Lodge County in Memoir No. 31, Montana School of Mines, it probably lies partly in Girard mining district and partly in Oro Fino mining district.

The property is accessible by a short bulldozer road taking off from an unimproved wagon road along the north fork of Dry Cottonwood Creek. This road branches from the Dry Cottonwood Creek-Brown's Gulch road at the mouth of the north fork. It is about 10 miles by dirt road to a point on the paved highway about 9 miles south of Deer Lodge.

The road up the north fork is almost impassable in rainy weather, and the property is generally inaccessible from about November to April.

## INTRODUCTION

The claims occur on moderately steep slopes both north and south of the north fork of Dry Cottonwood Creek. Those to the south of the creek are covered by a heavy growth of timber; those to the north of the creek by scattered stands of timber separated by brushy and grassy areas. There is considerable water in the north fork of Dry Cottonwood, and, at least early in the summer, a small stream flowed past the cabin on the Chicken Hawk No. 2 claim.

Outcrops are relatively scarce, except locally in areas of quartz monzonite, and all contacts on figure 1 were mapped on the basis of float and topography. The dumps of one or two old caved adits and of two smaller shafts, also caved, gave some information, as did the recently cut bulldozer trenches.

## GEOLOGY

Most of the rock in the general area is quartz monzonite of the Boulder bathalith. Scattered throughout the quartz monzonite are masses of metamorphosed Cretaceous (?) volcanic rocks and some older sedimentary rocks which are either large inclusions or roof pendants. Unconformably overlying both the quartz monzonite and the older metamorphosed rocks are rhyolite flows and some interbedded sandstone lenses of probably Tertiary age. Mineral deposits occur as disseminated grains and small veinlets in random directions in certain layers of the older volcanic rocks; no true veins were seen.

The Cretaceous (?) volcanic rocks are flows, tuffs, and breccias of andesitic to latitic composition. They have been thermally metamorphosed by the quartz monzonite and, in places, completely recrystallized so that they resemble a fine-grained dioritic rock. Included in the inclusions are some pre-andesite sedimentary rocks which have been metamorphosed to calc-silicate rocks. In mapping, the calc-silicate rocks could not be everywhere separated from the aphanitic light-colored volcanic rocks. The inclusions show random distribution and size so far as seen; the largest has a length of over 1200 feet and averages about 300 feet wide (one side is covered by the younger rhyolite). Another is about 300 by 200 feet. Smaller ones are probably hidden by the extensive soil cover in the area.

The quartz monzonite is a medium to coarse-grained rock of rather even texture. Most of it has a light-grey color but there are local masses of aplitic texture which weather to a light pinkish grey color. No attempt was made in this short study to map possible structures in the quartz monzonite.

The younger (probably Tertiary) rhyolite caps the highest hills and also occurs as small patches on the spurs and slopes almost down to the floors of the valleys. This indicates that the pre-rhyolite surface was one of considerable relief. The rhyolite occurs chiefly as flows, but some arkosic and conglomeratic sandstone lenses are interbedded with the flows.

## MINERAL DEPOSITS

Most of the roof rocks contain some pyrite. Locally, chalcopyrite or arsenopyrite occur with the pyrite.

No large vein structure was seen in this area. Veinlets not exceeding 3 inches in thickness and generally less than ½ inch in thickness of carbonate, some quartz, and sparse sulfides cut the roof rocks in many directions, however. The carbonate gangue is generally calcite but some siderite or ankerite occurs with the calcite. The principal sulfide mineral in these veinlets is pyrite. A little

chalcopyrite, and arsenopyrite, as scattered grains, has also been recognized.

Some of the layers of volcanic rock appear to contain more sulfide than adjacent layers suggesting that the permeability of the andesite layers was probably the controlling factor. It is believed that the mineralization occurred during or shortly after the emplacement of the bathelith and that the sparse disseminated sulfides are pneumatolytic in origin.

The assays (table I) show that cobalt occurs in trace or better amounts in the pyritized andesite. It occurs as cobaltian arsenopyrite. It is doubtful if a concentrate would contain over 3 percent cobalt.

Chicken Hawk No. 1

Bedrock is exposed by a caved adit at the bulldozer trench near the discovery post at the Chicken Hawk No. 1. Numerous small stringers of carbonate, quartz, and sparse pyrite and chalcopyrite, maximum thickness of one inch, cut the rocks exposed by the caved adit. These metamorphosed rocks show a bedding which strikes N. 70° E. and dips 20° SE. The veinlets strike N. 10° W. to N. 10° E., N. 80° W. to N. 60° E., and about N. 80° E., and have vertical dips plus or minus 15°. Some veinlets are also parallel to the bedding. They are short, discontinuous and some have a depth of only about two feet. There are some thin gouge and gossan seams along the bedding planes suggesting that bedding plane slippage and later sulfide mineralization has occurred.

On the dump from the caved adit the andesite is banded with pyrite. Some lenses of pyrite are as much as ¼ inch thick and 2 inches long. There are also pieces showing arsenopyrite either almost solid or in disseminated grains.

One sample of almost solid arsenopyrite was collected. One of the two other samples from here consisted of average (?) arsenopyrite-bearing material, and the other average pyrite-bearing meta-andesite. The assays of these samples are shown in table I. It should be pointed out that these samples were all taken of material on the dump of the discovery pit adit. Except for scattered small grains not positively identified, no arsenopyrite was seen in place here. Sample 52-V-4 was picked material from the dump of a caved adit about 270 feet S. 22° W. from the discovery pit. It should be noted that this material may have rolled down from the upper discovery pit dump.

Chicken Hawk No. 2

Two small areas of andesite probably almost in place were exposed by the bulldozer cuts at the Chicken Hawk No. 2. Most of the bedrock exposed by the bulldozer was subsequently covered by bulldozed material.

There was no evident trend of the sulfide minerals here. Most of the rocks contained calcite stringers less than ½ inch thick and sparse disseminated pyrite and chalcopyrite. Some of the rock fragments are copper stained and most are iron stained.

Some of the rock fragments in the bulldozed material are banded silicified (?) andesite with sparse pyrite, some chalcopyrite and a few grains of arsenopyrite (?). A pile of rock fragments up to 3 inches thick of hematite in andesite was found just above the upper dozer cut. Sample 52-V-5 was picked material showing sulfides.

Cabin Claim

An old shaft now caved and several old prospect pits now sloughed in show andesite on this claim. No direction of the mineralized rock was noted here. The dumps on these workings contain altered and somewhat recrystallized andesite. Small calcite and quartz stringers cut the rocks. Sparse pyrite, chalcopyrite and hematite occur in the altered andesite.

Little Trump Claim

At the Little Trump claim a long bulldozer cut exposes bedrock in several places. Sparse disseminated pyrite and some masses of quartz and pyrite can be found in some of the float. Sample 52-V-7 is a grab of this material.

Two exposures about 2 to 3 feet thick on the sides of an old sloughed pit are altered andesite with much hematite and specularite. The trend of these two exposures is N. 70° E. This vein-like structure is not exposed by the bulldozer cut to the southwest.

GEOCHEMISTRY

Fifty geochemical soil samples were taken to aid in determining the trend, if any, and extent of mineralized rock. The soil samples insofar as possible were from the B zone. All samples were assayed for cobalt by the Geochemical Prospecting Unit of the U. S. Geological Survey in Denver, Colorado, and the cobalt values are plotted on Figure 1.

The cobalt values in the soil samples taken in this area are very low and indicate that the cobalt content of the rocks is not appreciable above normal background.

CONCLUSIONS

On the property of the Montana Cobalt Silver Company sulfides occur disseminated and in small, randomly oriented veinlets in inclusions of thermally metamorphosed volcanic rocks in the Boulder batholith. The sulfides are mostly pyrite, a little chalcopyrite, and

probably some cobaltian arsenopyrite. The arsenopyrite is scarce, and no vein structure carrying it has been shown to date by exploration. Even if a fair sized vein carrying arsenopyrite did occur here, and it probably does not, the amount of cobalt in the arsenopyrite is so low that a pure concentrate would not contain as much as 3 percent cobalt.

## RECOMMENDATIONS

As this property does not contain a minable deposit of any metal, it is recommended that an application for a DMEA loan to explore for cobalt be denied.

J. S. Vhay

Enclosures

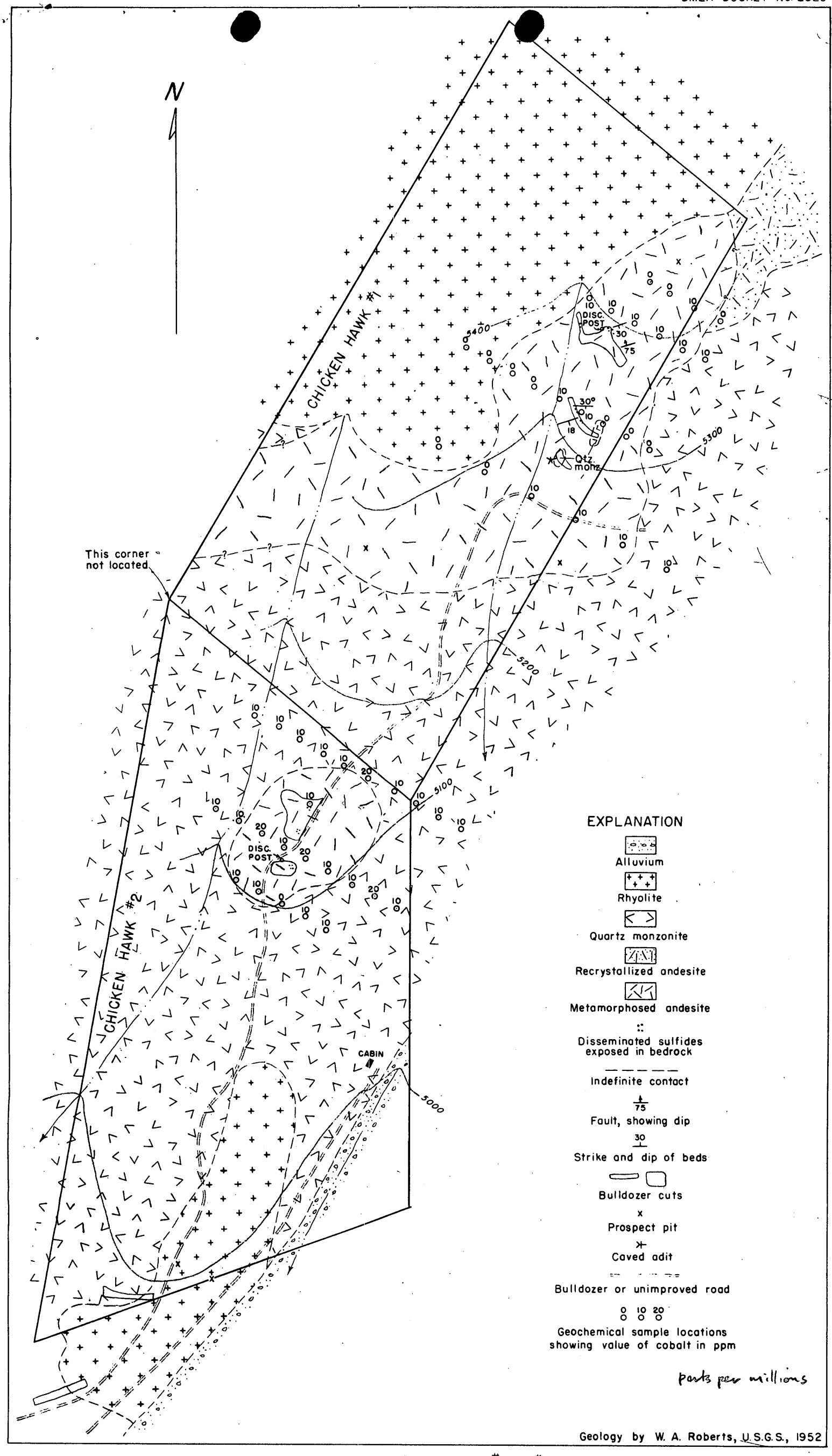
cc: DMEA
USBM
USGS(SRO)
J.S.Vhay

## TABLE I

| No. | Location and Description | /1 Co% | /2 Co% | /2 Cu% | /2 Ni% |
|---|---|---|---|---|---|
| 52-V-1 | Chicken Hawk No. 1, disc. pit dump, almost solid arsenopyrite | 1.41 | 0.900 | 0.0600 | 0.0060 |
| 52-V-2 | Chicken Hawk No. 1, disc. pit dump, average arsenopyrite type. | 0.65 | 0.550 | 0.0060 | 0.0065 |
| 52-V-3 | Chicken Hawk No. 1, disc. pit dump, average pyrite type. | 0.23 | 0.330 | 0.0800 | 0.0040 |
| 52-V-4 | Chicken Hawk No. 1, caved adit dump, picked sample containing arsenopyrite. | 0.12 | 0.150 | 0.0600 | 0.0045 |
| 52-V-5 | Chicken Hawk No. 2, trench at disc. pit, silicified and pyritized meta-andesite. | Tr. | 0.030 | 0.0500 | 0.0035 |
| 52-V-7 | Little Trump Prospect dump, grab, pyrite and quartz. | 0.09 | 0.050 | 0.2000 | 0.0035 |

/1 Analyzed by Calera Co., Blackbird Division, Cobalt, Idaho

/2 Analyzed by U.S.G.S., Geochemical Prospecting Research Group, by rapid field method using bisulfate fusion.




# GEOLOGY OF CHICKEN HAWK #1 & #2 CLAIMS
## MONTANA COBALT SILVER CREST CO.
### Deer Lodge County, Montana

0 100 200 400 600 FEET

8/5/52

Mr. Selfridge:

Possibly it is a bit too soon to write a follow-up to Weissenborn as to when Robert's report on the geology of area involved in this application will be available? If applicant does file a new application, Mr. Adams may want to give it a new number and I wonder whether this case should be closed out?

Let wait two weeks more.

ls

IN REPLY REFER TO:

G-MD-CF

400

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

August 28, 1952

Memorandum

To: George C. Selfridge, DMEA

From: D. M. Lemmon, USGS

Subject: Field Report DMEA 2529 - Cobalt
Montana Cobalt Silver Crest Co.
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

This property was examined May 7-8, 1952 by J. S. Vhay and W. A. Roberts of the Geological Survey, and was mapped June 11 to July 12 by Roberts and J. R. Jensen. The memorandum report by Vhay and Roberts, dated August 15, recommends that the application be denied, a recommendation with which I concur.

The examination included geochemical soil sampling, with 50 determinations that indicated no abnormal concentration of cobalt. Six samples of sulfides showed that the arsenopyrite contained a little cobalt, but that concentrates probably would not contain more than 3 percent.

D. M. Lemmon

DMLemmon:gt

Copies to: Dir's reading file
Branch reading file

EXPLORATION

400

JUN 13 1952

Mr. A. E. Weissenborn
Executive Officer, DMEA Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA 2529 - Cobalt
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

Dear Mr. Weissenborn:

Please refer to Mr. John S. Vhay's letter dated June 3, 1952, to Mr. Charles W. Scott, 730 North Montana Street, Butte, Montana.

We infer that the property does not warrant exploration aid based upon what is now known regarding the cobalt mineralization. However, it is suggested that further study by Mr. Roberts may disclose additional information which would point out an exploration target.

We would appreciate hearing from you regarding this tentative denial just as soon as Mr. Roberts can reach a decision. Meanwhile we shall hold the application in abeyance.

Sincerely yours,

E. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

GCSelfridge:ls 6/12/52

Copy to: Docket
Admn. Reading File
Field Team, Reg. 2
G. C. Selfridge
H. W. Davis, USBM
T. P. Thayer, USGS

COPY

Butte, Montana
158 West Granite Street
June 12, 1952

Mr. C. O. Mittendorf
Administrator DMEA
Washington, 25, D. C.

Re: Docket No. DMEA 2529-Cobalt
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

Dear Mr. Mittendorf:

In acknowledgment of your letter of May 22, 1952, with the enclosed 5 copies of the new MF-103 forms.

Mr. Vhay and Mr.Roberts from the Regional Office were here on May 7 - 8 to make the field examination of the property. However, Mr. Vhay after going over the property did not feel that he could make a definite commitment regarding a specific target for the exploration or outline an exploration program until a more thorough study of the geology of the area in which our property is located could be made.

So, in view of this fact, Mr. Vhay is sending Mr. Roberts back here the latter part of June in order to make a more comprehensive study of its occurrence and has informed us that they will be in a better position to define a target and plan an exploration program.

I deeply regret that this delay has been necessary but as soon as Mr. Roberts gives us his report we will fill out the new MF 103 forms and forward them to you as soon as possible.

Thanking you,

Very truly yours,

MONTANA COBALT SILVER CREST CO.

Pres.

400

COPY

Butte, Montana
730 North Montana St.
June 10, 1952

Mr. John S. Vhay
Cobalt Commodity Geologist
So. 157 Howard St.
Spokane, Washington

Subject: Montana Cobalt Silver Crest Co.
DMEA Application

Dear Mr. Vhay:

In reply to your letter of June 3, 1952, we also received a letter from Mr. C. O. Mittendorf, Administrator, DMEA, regarding the application. We wrote him concerning the delay regarding the amended application and in the filling out of the new MF-103 forms. We stated in our letter was making another trip here to make a further of the geology and that as soon as he had completed it we would then be able to send in the Forms.

We wish to thank you for calling our attention to the data required by the chairman of the Operating Committee, DMEA, and will surely give it our attention. We are confident that when Mr. Roberts has completed his study that we can all get together and establish a target and plan the most feasible method of carrying out an exploration program, and Mr. Vhay we wish to assure you and Mr. Roberts that we do most certainly desire whatever assistance and advice that you may be able to give us.

I wish to thank you for the report on the 4 minerals specimens I sent you but was disappointed that you and Mr. Roberts could not have made a longer stay with us so I could have taken you over the Cabin claim. Also 3-4-5 claims (as well as the Little Trump which we located this spring).

You mentioned that I did not show you where we had found "erythrite". It is associated with calcite, quartz, and limonite on the Chicken Hawk Claim No. I in the big cut (that is where the big pile of ore is and where we broke off pieces of the ore). The "erythrite" usually occurs on small bands of dark gray metal. I do not remember whether I called your attention to the breast of the cut but no doubt you noted that it is composed of blanket-like layers of the general formation. It is in between these bedding planes that the calcite, quartz, and limonite occurs. There is also a network of small perpendicular seams cutting the bedding planes.

In regard to the diabase we have used this term since 1932 for the general greenstone formation of the deposit since at that time we sent a piece of the blue-gray you and I found the dark gray metal in (I asked you if it could be linnaeite) to the Colorado Assaying Company for classification and they identified it as dense quartz diabase. More than likely they were wrong and I do not now recall that you indicated to me what the rock formation was which makes up our property so would you please set us straight on this.

Mr. Vhay, we would very much appreciate your opinion on a matter that I feel might be very essential. We want to take out a compressor and carry on some development work while we are waiting the arrival of Mr. Roberts and for him to complete the geological study. I thought it might be advisable to drive a small tunnel, starting at the bulldozer cut (where we found the linnaeite?) driving back under the big cut above. Also 2 or 3 prospect shafts on the upper and lower cut of Chicken Hawk No. 2 claim.

Please advise us if you believe that this would be of any assistance in helping you to form a clearer picture of the property.

We are going over to bulldoze our silver property in the vicinity of Virginia City the end of this week and will be through there by the end of next week and will then be able to start work on the cobalt no later than the 25th.

Awaiting your advice as to the most logical place and what type of work you think best should you deem the above plan advisable, with kindest regards to both yourself and Mr. Roberts, I remain,

Very truly yours,

C. W. Scott

COPY
2

400

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DMEA-2529

June 3, 1952

Mr. Charles W. Scott
730 North Montana Street
Butte, Montana

Subject: Montana Cobalt Silver Crest Co.
DMEA application.

Dear Mr. Scott:

On my return from my trip I found a letter from the Chairman of the Operating Committee, DMEA, and your application, referred to me for answering.

Specifically the letter says to advise you "to send in the place of organization of the company, ownership of claims and transfers, book and page number and date of recording of claims."

In general the application is very incomplete, as might be expected from G. W. Richardson's letter of transmittal in which he stated that amended applications would be submitted later giving more adequate information, which would be supplied by a Geological Examining Team. The so-called "Geological Examining Team" probably refers to a Geological Survey party, in other words Mr.Roberts and myself. As I indicated to you when we met the second afternoon, I saw insufficient evidence of cobalt mineralization to be able to indicate a target for an exploration program, which target is the important item lacking in your application. Therefore, I am unable at the present time to suggest how you should make out an amended application on the revised MF-103 forms which Washington sent to you.

Mr. Roberts will make a study of the geology of the general area in which your property lies, starting probably late in June. When he completes this study, we may be able to assist you in defining a target and planning an exploration program, if you desire this assistance and if you have not already sent in the revised form.

Incidentally, I do not recall that you showed me where you found erythrite on your property while we were there. Also, I did not see any diabase on the property. The samples you sent me marked

"erythrite" contain some pieces of erythrite on calcite. Some pieces of quartz, however, are coated with a material which is not erythrite or any other cobalt mineral. The sample marked "ilmenite" consisted mostly of sphalerite and lesser amounts of quartz, pyrite, cobaltian arsenopyrite, and garnet. I could not detect any ilmenite, although there may be some in very small amounts. The sample labelled "safflite" appears to be pyrite and quartz coated with manganese oxide, and the "spherocobaltite" looks like mostly metamorphic silicates.

Yours sincerely,

John S. Vhay
Cobalt Commodity Geologist

cc: Bureau of Mines
Frank M. Johnson
O. M. Rove

"erythrite" contain some pieces of erythrite on calcite. Some pieces of quartz, however, are coated with a material which is not erythrite or any other cobalt mineral. The sample marked "linnaeite" consisted mostly of sphalerite and lesser amounts of quartz, pyrite, cobaltian arsenopyrite, and garnet. I could not detect any linnaeite, although there may be some in very small amounts. The sample labelled "asbolite" appears to be pyrite and quartz coated with manganese oxide, and the "spherocobaltite" looks like mostly metamorphic silicates.

Yours sincerely,

John S. Vhay
Cobalt Commodity Geologist

cc: Bureau of Mines
Frank E. Johnson
O. N. Rove

400

MAY 2 2 1952

Mr. Charles W. Scott, President
Montana Cobalt Silver Great Co.
153 West Granite Street
Butte, Montana

Re: Docket No. DMEA 2525 - Cobalt
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

Dear Mr. Scott:

Your application for assistance in exploring the above noted claims has been reviewed by the Iron and Ferro-Alloy Division of the Defense Minerals Exploration Administration and has been referred to Mr. A. E. Weissenborn, Executive Officer, Region II, South 157 Howard Street, Spokane 8, Washington, for a field examination.

We are enclosing 5 copies of the new MF-103, which gives a clearer picture of how applications for assistance should be completed. We would appreciate it if you would send us an amended application following the new MF-103, after you have contacted the field team.

The Regional Office will contact you at an early date in regard to the examination of your property. Any aid which you can give the members of the field team in the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures

TLChapman:lm
5/20/52

cc: Admn. Reading File
Docket
H. W. Davis, USBM
T. P. Thayer, USGS
Field Team Reg. II
O. O. Selfridge
T. L. Chapman
Operating Committee

402

Mr. A. R. Weissenborn
Executive Officer, Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA 252-X - Cobalt
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

Dear Mr. Weissenborn:

Your memorandum of May 8 at hand pertaining to the application of the Montana Silver Crest Company for exploration assistance. As you note, the application is very incomplete.

When the field team visits the property and instructs the applicant how to present the necessary information, please advise him to send in the place of organization of the company, ownership of claims and transfers, book and page number and date of the recording of claims.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

W. H. Hedges

Member, Bureau of Mines

S. M. Lemmon

Member, Geological Survey

TLChapman'lm
5/20/52

cc: Admn. Reading File
Docket
H. W. Davis, USBM
T. P. Thayer, USGS
Field Team Reg. II
G. C. Selfridge
T. L. Chapman
Operating Committee

IN REPLY REFER TO:
G-MD-DML

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

400

May 16, 1952

Memorandum

To: George C. Selfridge, DMEA

From: D. M. Lemmon, U.S.G.S.

Subject: Exploration application $100,000 DMEA 2529 - Cobalt
Montana Cobalt Silver Crest Co.
150 W. Granite Street
Butte, Montana

This application contains none of the fundamental information required. Normally, it should be rejected or held for adequate information from the applicant. However, the Field Team proposes to inspect the property and prepare a new application if warranted.

Therefore, I suggest for the record that the docket be referred to the Field Team for examination. It might be a good idea to inform the applicant of the inadequacy of his application when he is told about the Field referral.

DMLemmon:gt

Copy retained 400

FILE COPY
SURNAME:

Martin
Pretzy
Hoffman
Selfridge
Fitzhugh

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

FEB 26 1953

Hon. Mike Mansfield
United States Senate
Washington 25, D. C.

My dear Senator Mansfield:

This will acknowledge receipt of your letter of February 18, 1953, enclosing letter to you of February 10 from Mr. George W. Richardson, Attorney-at-Law, Butte, Montana, regarding an application for exploration aid (Our Docket No. DMRA 2529) submitted by the Montana Cobalt Silver Great Company and denied by Defense Minerals Exploration Administration. You had previously sent to us Mr. Richardson's letter of January 15, which expressed dissatisfaction not only because we had declined to give him a copy of our field team's report to us covering his property but also because he felt that our field team had been rude to him and his associates.

We immediately investigated the complaint of discourtesy inasmuch as the engineers and geologists who make up our field teams have established a good general reputation for civility and we know that they work hard to maintain that reputation. As the following summary will indicate, if any offense was given, it was imagined rather than intended.

The application was incomplete and did not give any program of exploration. Without waiting for further information, we sent two field team geologists to make a preliminary inspection of the property. Mr. Charles W. Scott, President of the applicant company, was told at that time that his application was unacceptable because it did not contain sufficient information, but that if careful examination of the property by our geologists suggested a feasible exploration program, they would be glad to assist him in preparing it. Little evidence of mineralization was then visible but because of the importance of cobalt to the defense program, arrangements were made for one of the geologists to make an extended study not only of the Chicken Hawk claim but of a larger area in that vicinity.

Mr. Scott was subsequently advised by letter that when our study was completed the field team might be able to assist him in finding an exploration target and planning an appropriate program. The field study lasted from June 11 to July 13, 1952. Although on the first day the field team had lunch with company officials at the company's cabin, during the remainder of the examination the geologist lived at Deer Lodge, not at the cabin as implied by Mr. Richardson. The field study in this instance was much longer and more thorough than our usual examination because of

our interest in finding any significant tonnage of minable cobalt ore. Our examination included geochemical prospecting and numerous soil samples were taken, the results of which are being described in a report now in preparation. About the middle of August both Mr. Richardson and Mr. Scott were told orally that the field team had been unable to find a suitable exploration target, and that there was no point in filing an amended application.

As you know, our field teams are composed of members of the Geological Survey and the Bureau of Mines. It is the policy of the Defense Minerals Exploration Administration that its field teams may freely discuss with the owner of a property or mining claim the details of the geology of his property but no written reports are given to individuals or companies.

The final paragraph of Mr. Richardson's letter of January 15 to you says in part:

> "We would not feel insulted if they find the Cobalt ore is not what they anticipated but we should like to know if it is worth while we plan to continue and develope the same. It is for the best interest of the State of Montana. If worthless, it would be only decent to inform us that way. We will be very grateful if you can obtain for us any true information on this."

In the technical sense, our field team did not find any "cobalt ore" on the Chicken Hawk and Cabin claims, and it is only through a misapprehension that anyone could say we anticipated finding ore. Our purpose was to determine whether there was a geologic probability of making a significant discovery, and we made no attempt to anticipate the results of our examination.

Our problem in each case is to determine whether Government assistance for an exploration program is warranted, and on September 10, 1952, we advised Mr. Scott specifically that the information available to us, although noting a small amount of cobalt-bearing arsenopyrite on his property, indicated to us that the probability of disclosing minable ore reserves of cobalt on his property was not sufficiently promising to justify Government participation in an exploration program.

In accordance with your request we are returning the correspondence which you sent to us with your two letters.

With best personal regards.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

2/26/53

Enclosures

WSMartin/ls 2/25/53

cc: Field Team, Region 2
H. W. Davis, USBM
T. P. Thayer, USGS

cc: Docket
Admn. Read. File
Code 400
Operating Com.

EXANDER WILEY, WIS., CHAIRMAN
MITH, N. J. WALTER F. GEOR
NLOOPER, IOWA THEODORE FRANCIS GREEN, R. I.
OBEY, N. H. J. W. FULBRIGHT, ARK.
. TAFT, OHIO JOHN J. SPARKMAN, ALA.
M LANGER, N. DAK. GUY M. GILLETTE, IOWA
ER FERGUSON, MICH. HUBERT H. HUMPHREY, MINN.
WILLIAM F. KNOWLAND, CALIF. MIKE MANSFIELD, MONT.

FRANCIS O. WILCOX, CHIEF OF STAFF
JULIUS N. CAHN, COUNSEL

# United States Senate

COMMITTEE ON FOREIGN RELATIONS

402

February 18, 1953

SCL 2/25/53

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 19 1953

C. O. Mittendorf, Administrator
Defense Minerals Administration
Department of the Interior
Washington 25, D. C.

Dear Mr. Mittendorf:

With regard to your letter of February 2, concerning the application of the Montana Cobalt Silver Crest Company for exploration assistance on the Chicken Hawk and Cabin Claims, Deer Lodge County, Montana (Docket No. DMEA 2529), I am enclosing the latest communication I have received from Mr. George W. Richardson. Please return the enclosed letter with your report on this matter.

Thanking you and with best personal wishes, I am

Sincerely yours,

Mike Mansfield

Enclosure

Copy of enclosure made for Docket

C O P Y

GEORGE W. RICHARDSON
Attorney-at-Law
158 W. Granite
Butte, Montana

February 10, 1953

Honorable Mike Mansfield
United States Senate
Washington 25, D. C.

Dear Senator Mansfield:

Thank you for sending on the letter of C. O. Mittendorf, Administrator, (Docket No. DMEA 2529), I note he states that this letter raises some questions and he must make a further investigation.

The point is that the investigation and examination was done on property belonging to the Montana Cobalt Silver Crest Co. and this Government agency has refused to provide us with their report and findings upon the property and this letter indicates to me that the usual attempt is being made to stall and pass the buck instead of coming out and giving a forthwith answer.

There are a number of substantial local citizens interested in this matter and we certainly do not feel that an agency like this should push them around.

Thank you for your kind consideration, I am,

Very truly yours,

Signed: G. W. Richardson

George W. Richardson

GWR/bp

cc: Mr. C. O. Mittendorf
Administrator
United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Docket

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 20 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

February 13, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA 2529 (Cobalt)
Montana Cobalt Silver Crest Co.
Chicken Hawk and Cabin Claims
Deer Lodge Co., Montana

Dear Mr. Selfridge:

In answer to your letter of February 5, 1953, concerning the above-cited docket and certain correspondence with Mr. G. W. Richardson, I am enclosing a memorandum from J. S. Vhay regarding his relations with Mr. Scott and the examination of the property of the Montana Cobalt Silver Crest Company.

I hope this will constitute a proper answer to Mr. Richardson's letter.

Sincerely yours,

Alan B. Kildegaard
for
A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc:
USBM(2)
Vhay

APPENDIX I

CONCLUSIONS FROM REPORT ON CHICKENHAWK GROUP

On the Chickenhawk group of claims of the Montana Cobalt Silver Company some sulfides occur disseminated and in small, randomly oriented veinlets in inclusions of metamorphosed volcanic rocks in the Boulder batholith. No definite vein structure could be seen. The sulfides are mostly pyrite, a little chalcopyrite, and probably some cobaltian arsenopyrite, which latter presumably accounts for the cobalt assays obtainable here. The arsenopyrite is scarce, however, having been seen only on the dump of one pit on the property. The amount of cobalt in the arsenopyrite is so low that a pure concentrate would probably not contain as much as 3 percent cobalt. It is recommended that an application for a DMEA exploration contract be denied.

Mr. Selfridge: This is sent along for whatever use you wish to make of it.

A.E.W.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 20 1953

February 13, 1953

MEMORANDUM

To: A. E. Weissenborn, Executive Officer
DMEA Field Team, Region II

From: J. S. Vhay

Subject: Letter of Mr. D. W. Richardson dated January 15, 1953, regarding Docket No. DMEA 2529 (Cobalt), Montana Cobalt Silver Crest Co., Deer Lodge Co., Montana

In his letter to Senator Mansfield which Mr. Selfridge has forwarded to you, Mr. Richardson has made a number of statements concerning my relations with him and Mr. Scott in connection with the examination of the Chicken Hawk claims of the Montana Cobalt Silver Crest Company. I feel that in replying to Mr. Richardson I should first summarize the course of events and the amount of work that was done on this property.

Mr. Scott's application was very incomplete and did not contain sufficient information on which to base any logical program of exploration. Nevertheless, on May 7, 1952, Mr. Roberts and I made a preliminary visit to the property. Mr. Scott was told at that time that the application he had submitted was inacceptable because it did not contain sufficient information, but that if upon careful examination of the property, it appeared that a feasible exploration program could be worked out, we would be glad to assist him in doing so. At the time of the preliminary visit little could be seen, but because of the importance of cobalt, arrangements were made for Mr. Roberts to make an extended study not only of the Chicken Hawk claims of Mr. Scott but of a larger area in the general vicinity.

On June 3 I wrote Mr. Scott stating that "when he (Mr. Roberts) completes this study, we may be able to assist you in finding a target and planning an exploration program." Mr. Roberts actually spent from the 11th of June to the 13th of July in the field making a study of the geology of the area. This is far more than is normally done in the case of a DMEA examination for an exploration contract, and it was done because of the interest of the Geological Survey in the investigation of the cobalt possibilities of this country. During the course of the

examination the recently developed techniques of geochemical prospecting were applied and numerous soil samples were taken. The results of this work are being described in a report which is now in preparation. We therefore feel that we have given the area more than adequate attention. Incidentally, I would like to correct Mr. Richardson in one particular. Mr. Scott did invite Mr. Roberts and his assistant to make use of the facilities on the property including the cabin; but, although on the first day of our preliminary visit to the property we had lunch with officials of the Montana Cobalt Silver Crest Company at the cabin, during the five or six weeks of Mr. Roberts' examination, he and his assistant, Mr. Jensen, lived at Deer Lodge and did not avail themselves of the offer to make use of the cabin.

It is unfortunate that Mr. Richardson feels that the company had been promised a report for I am quite sure that I made no such promise. It has long been the policy of the Geological Survey that Survey geologists may freely discuss with the owner of the property or mining claim the details of the geology on his own property; but no written reports are given to individuals or companies until the reports are published and are available to everyone. I am sure therefore that if Mr. Richardson or Mr. Scott thought that they had been promised copies of the geological report, they must have misunderstood me. It is true that Mr. Scott and his associates were told during our preliminary visit to the property that if after more careful examination the property appeared to offer any reasonable possibility for the discovery of cobalt, we would be glad to assist them in working out an acceptable exploration program. This, however, is quite different from promising a report.

Also, in my letter of June 3, 1952, to Mr. Scott, I said, "When he (Mr. Roberts) completes this study, we may be able to assist you in finding a target and planning an exploration program." Once again this is an offer of assistance, but it is not a promise of a report. As a matter of fact during the course of examination, Mr. Roberts discussed his findings with Mr. Scott on several occasions. On conclusion of the examination Mr. Roberts made a date with Mr. Scott to meet him in Butte and to discuss the property. Mr. Roberts spent about five hours in Butte on the agreed date both waiting at the agreed place and trying to reach Mr. Scott by telephone but was unable to find him. However, when Mr. Scott and Mr. Richardson visited me in Spokane about the middle of August (not September as Mr. Richardson says), I recollect that I told them rather clearly that in my opinion no target for exploration could be seen and that therefore there was no point in sending in an amended application. I certainly was not knowingly "evasive".

I regret very much that Mr. Scott and Mr. Richardson feel that they were rudely treated because I did not invite them into my private office. Actually, as you know, the office that I was occupying at that time was very small and crowded and had no space to seat a couple of

visitors; otherwise, I would have invited them in to sit down. As it was, I happened to meet them in the outer office, and our discussion was very brief. As far as I can remember, our relations during the conversation were friendly, and Mr. Scott showed me some mineral specimens and asked me to identify them. This I agreed to do, and they left. On August 22, I wrote him a letter identifying the minerals. I might add that I am rather surprised at Mr. Scott's attitude in this matter if it is properly represented by Mr. Richardson's letter. I have always felt that I have tried to be friendly and helpful to him.

I have had four of his specimens assayed for cobalt, twice I have made determinations of minerals in samples he sent in and reported them to him, and his property was given a much more intensive study than is normally given during DMEA examinations because, even though it did not appear favorable, we did not want to miss the slightest possibility of finding even a submarginal cobalt deposit with cobalt in as short supply as it is. Incidentally, I might state that the fact that Mr. Scott and Mr. Richardson chartered a plane and flew to Spokane to see me has little bearing on the matter. It is Mr. Richardson's privilege to charter a plane and fly to Spokane if he so desires, but, strictly speaking, it is not necessary to do this as there is good train, plane, and bus service between Butte and Spokane. As a matter of fact, I had no knowledge that they had made a trip especially to see me. They dropped into the office casually and without previous advise; as far as I knew, they happened to be in Spokane and stopped in to see me.

Mr. Richardson states in the last paragraph of his letter that his object in obtaining the report is to know whether the property is worthwhile. He states, "We would not feel insulted if they find the cobalt ore is not what they anticipated but we should like to know if it is worth while, we plan to continue and develope the same. It is for the best interest of the State of Montana. If worthless, it would be only decent to inform us that way." It seems to me that pretty nearly all essential information concerning our opinion of the property has been transmitted to Mr. Scott. I told Mr. Scott on my occasion of my first visit to the property that it did not look good, and in my letter to him of June 3, I stated, "I saw insufficient evidence of cobalt mineralization to indicate a target for an exploration program . . . therefore, I am unable . . . to suggest how you should make out an amended application." This statement, of course, was made before Mr. Roberts did his field work; we also told him that if anything was found as a result of Mr. Roberts' study that we would assist him in working out an exploration program.

Furthermore, during Mr. Roberts' time in the field, he consulted with the company officials and also informed them that the prospects did not look very good. As stated previously, he made a date

to meet them in Butte to discuss the results of his work, and it was not our fault if Mr. Scott failed to keep that appointment. On the occasion of Mr. Scott's and Mr. Richardson's visit to me in Spokane, I again definitely told them that the property lacked promise and that it would not in my opinion be worth-while to submit an amended application.

Lastly, the letter from the Operating Committee, in my opinion, is a very clear summary of the results of the investigation and should leave no doubt in the applicants' mind as to our opinion of the property. I really feel that little more is required as all the essentials of my report are in the Operating Committee's letter.

I regret that this misunderstanding has occurred.

cc:
IMEA(2)
USBM(2)
Vhay

FILE COPY
SURNAME:

Martin

400

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

FEB 1 6 1953

BW.

Mr. A. H. Weissenborn
Executive Officer, DMEA Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 2529 - Cobalt
Montana Cobalt Silver Crest Co.
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

Dear Mr. Weissenborn:

Reference is made to the Operating Committee's letter of February 5, 1953, regarding Mr. G. W. Richardson's letter of January 15 to United States Senator Mike Mansfield regarding the captioned docket.

Enclosed is a copy received here of Mr. Richardson's letter of February 10 to Senator Mansfield on the same subject.

We shall be very much interested in receiving your reply to the Operating Committee's letter of February 5.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

J.H.
2-16-53

Enclosure

CC: DOCKET
ADMN. READ. FILE
CODE 400
FIELD TEAM, REG. II
OPERATING COMMITTEE
H. W. DAVIS, USBM
T. P. THAYER, USGS

WSMartin/ls 2/16/53

Mr. M:
Docket is in Ferro-Alloy Div.
Do you want it?
All recent correspondence concerns the release of the field report.
fw

Merton

GEORGE W. RICHARDSON
ATTORNEY-AT-LAW
158 W. GRANITE
BUTTE, MONTANA
PHONE 2-3295

Docket

February 10, 1953

Honorable Mike Mansfield
United States Senate
Washington, 25, D. C.

COPY

Montana Cobalt Silver Crest Co.
Chas. W. Scott, Pres.

Dear Senator Mansfield:

Thank you for sending on the letter of C. O. Mittendorf, Administrator, (Docket No. DMEA 2529), I note he states that this letter raises some questions and he must make a further investigation.

The point is that the investigation and examination was done on property belonging to the Montana Cobalt Silver Crest Co. and this Government agency has refused to provide us with their report and findings upon the property and this letter indicates to me that the usual attempt is being made to stall and pass the buck instead of coming out and giving a forthwith answer.

There are a number of substantial local citizens interested in this matter and we certainly do not feel that an agency like this should push them around.

Thank you for your kind consideration, I am,

Very truly yours,

George W. Richardson

GWR/bp

cc: Mr. C. O. Mittendorf
Administrator
United States Department of the Interior
Defense Minerals Exploration Administration
Washington, 25, D. C.

GEORGE W. RICHARDSON
ATTORNEY-AT-LAW
BUTTE, MONTANA

BUTTE
FEB 10
7 00PM
1953
MONT.

Mr. C. O. Mittendorf
Administrator
United States Department of the Interior
Defense Minerals Exploration Administration

WASHINGTON, 25, D. C. 4624

FILE COPY
SURNAME:

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

Martin
Selfridge
Mittendorf

SW.

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

FEB 5 1953

Re: Docket No. DMEA 2529 - Cobalt
Montana Cobalt Silver Crest Co.
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

Dear Mr. Weissenborn:

Reference is made to our letter of February 2, 1953, to U. S. Senator Mike Mansfield, copy of which has already been sent to you under separate cover, concerning the subject application.

For your convenience, we attach copies of the Senator's letter to us, of January 28, and Mr. Richardson's letter to the Senator, of January 15. The correspondence mentioned by Mr. Richardson included copies of eight letters as follows:

| FROM | TO | DATE, 1952 |
|---|---|---|
| Mr. Scott | Mr. Mittendorf | June 12 |
| Mr. Richardson | Mr. Mittendorf | September 23 |
| Mr. Mittendorf | Mr. Richardson | October 3 |
| Mr. Richardson | Mr. Mittendorf | November 11 |
| Mr. Mittendorf | Mr. Richardson | November 21 |
| Mr. Vhay | Mr. Scott | June 3 |
| Mr. Scott | Mr. Vhay | June 10 |
| Mr. Mittendorf | Mr. Scott | September 10 |

Also attached are copies of the first five letters tabulated above; we believe that you already have copies of the last three.

As you will note, our letter to Senator Mansfield is only an acknowledgment & it is not an answer to his two questions, and a further reply is required from us.

The first question is definitely expressed: that is, can the Field Team's report be made available outside of the Government service. We shall probably reply by summarizing the conclusions of

FILE COPY
SURNAME:

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

the Field Team in a manner calculated to satisfy the applicant that the report itself would be neither necessary nor useful to him.

The second question is implied: what comment have we to make about Mr. Richardson's letter of January 15. We note, for example, that Messrs. Richardson and Scott chartered a plane to fly to Spokane to see Mr. Vhay. Our information is that one of the best known commercial airlines provides a regular service from Butte to Spokane, and we wonder about the necessity of chartering under such conditions. What we chiefly need, however, is Mr. Vhay's own comments on his conversations with Mr. Scott before the application was submitted, during the examination, and after the application was denied. We recognize the difficulties inherent in the relationship between our examining engineers or geologists, and those applicants whose properties have little or no merit. At the same time, we would appreciate any information or suggestions that you and the Field Team can send to help us in preparing our reply to Mr. Richardson's assertions.

Sincerely yours,

George C. Selfridge (JHB)

Chairman, Operating Committee

Enclosures

Approved:

H. H. Hedges (JHB)

Member, Bureau of Mines

A. R. Kinkel, Jr. (JHB)

Member, Geological Survey

cc: Docket
Field Team, Region 2
Code 400
Admn. Read. File
H. W. Davis, USBM
T. P. Thayer, USGS
Operating Committee

WSMartin/hhb
2/4/53

FILE COPY
SURNAME:

Martin

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

FEB 2 1953

Hon. Mike Mansfield
United States Senate
Washington 25, D. C.

My dear Senator Mansfield:

Immediate attention is being given to your letter of January 28, 1953, concerning the application of the Montana Cobalt Silver Crest Company for exploration assistance on the Chicken Hawk and Cabin Claims, Deer Lodge County, Montana (Docket No. DMEA 2529).

Mr. George W. Richardson's letter to you of January 15, 1953, which you also sent us, raises some questions that require further inquiries, but as soon as the results of our investigations are received we will write to you in more detail, returning your enclosures as requested.

With best personal regards.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

WSMartin/ls
2/2/53

COPY TO: DOCKET NO. DMEA 2529
Field Team, Region 2
Code 400
Admn. Read. File
H. W. Davis, USBM
T. P. Thayer, USGS

S.H.
2-2-53

* Note *: ~~Sen. Mansfield's incoming ltr. & material for return to him, sent to Code 400 with their copies of this ltr. on 2-2-53.~~ S.H.

DOCKET

ALEXANDER WILEY, WIS., CHAIRMAN
H. ALEXANDER SMITH, N. J.
BOURKE B. HICKENLOOPER, IOWA
CHARLES W. TOBEY, N. H.
ROBERT A. TAFT, OHIO
WILLIAM LANGER, N. DAK.
HOMER FERGUSON, MICH.
WILLIAM F. KNOWLAND, CALIF.
WALTER F. GEORGE, GA.
THEODORE FRANCIS GREEN, R. I.
J. W. FULBRIGHT, ARK.
JOHN J. SPARKMAN, ALA.
GUY M. GILLETTE, IOWA
HUBERT H. HUMPHREY, MINN.
MIKE MANSFIELD, MONT.

FRANCIS O. WILCOX, CHIEF OF STAFF
JULIUS N. CAHN, COUNSEL

# United States Senate

COMMITTEE ON FOREIGN RELATIONS

January 28, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 29 1953

WSM
1/30/53

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

Dear Mr. Mittendorf:

I am enclosing herewith files concerning the application of the Montana Cobalt Silver Crest Company, Docket DMEA 2529.

I would appreciate it very much if you would look into this application and advise me if a report can be sent to these people as they have requested. Please return the enclosures with your reply.

Thanking you and with best personal wishes, I am

Sincerely,

Mike Mansfield

Copies of all enclosures made for docket.

Docket

COPY

Phone 2-3295

GEORGE F. RICHARDSON
Attorney-At-Law
159 W. Granite
Butte, Montana

January 15, 1953

Honorable Senator Mike Mansfield
Washington, D. C.

Re: Montana Cobalt Silver Crest Co.
U. S. Department of Interior
Docket IMSA 2529

Dear Mike:

Walter Volz and Charles W. Scott, President of the Montana Cobalt Silver Crest Co. talked with Jimmy Sullivan, your Secretary, shortly after the election regarding what we feel is an improper action by the Defense Minerals Exploration Administration.

Enclosed herewith you will find correspondence with the DMEA regarding a Government Survey Team to make an exploration for the purpose of a Government loan for the development of Cobalt ore in the Dry Cotton Wood area near Butte. At the instigation of the exploration and all during the work the Geological Field Team, headed by a Mr. Vhay of the Spokane office, were making a study of the ground with the idea in mind of giving the Company and operators a recommendation on how to best approach the property for production. The management of the Company gave full cooperation and awaited the final reports which they had been promised. However, as you will note the letter of September 10, 1952, stated the application was denied by DMEA and subsequent correspondence wherein the reports of the Geological Field Team were refused to the Company on the grounds that they were confidential Government records; this was in direct opposition to what the Field Team and all parties concerned had discussed and plans were made, etc.

We feel that we are entitled to at least a copy of the report or a reasonable report and not be confined to such secretive methods.

Considerable work and effort were gone to obtaining the DMEA to show what we had and the use of our facilities, our cabin, etc., was made by their team for a period of approximately six weeks and according to the application which we had made for the loan, we indicated

we were awaiting the recommendations from the Geological Team and they had promised us a full report on their findings. Now we get the refusal of a loan and the refusal of any information which certainly handicaps the Company. It has wasted a whole year and you are undoubtedly aware that Cobalt is one of the most strategic metals. At least we feel that we have been wrongfully treated and ignored in this matter by the RFC officials.

Mr. Scott and I chartered a plane and flew to Spokane to see him about this matter in about September of last year. I have never liked to complain of any officer but Mr. Vhay did not extend to us the courtesy of even asking us to sit down or into his private office. We talked in a hallway to an evasive, incoherent discussion by Mr. Vhay to whom we went in good faith with no reservation as being one who would give us some honest help. Mr. Scott and I both feel that we were very rudely treated aside from the fact that he was so evasive and uncooperative in giving us any information as to his findings on our own mining claim. It was shortly after this that we received notice that the loan had been disallowed and that the showing of Cobalt was insufficient.

Senator, we do not like to impose on you in this manner but for the benefit and development of our mining claim and Montana, we feel that the information contained in that report would be beneficial and helpful if we could have the same for inspection. We would not feel insulted if they find the Cobalt ore is not what they anticipated but we should like to know if it is worth while, we plan to continue and develope the same. It is for the best interest of the State of Montana. If worthless, it would be only decent to inform us that way. We will be very grateful if you can obtain for us any true information on this.

Thanking you in advance, I am,

Very truly yours,

Signed: G. W. Richardson

George W. Richardson

GWR/bp

P. S. Mike, I wish to wish you the best in having been elected our Senator and I know that you will be a good man representing the people. I was sorry that I didn't have an opportunity to express this to you personally before you went back to Washington.

FILE COPY
SURNAME:

200

Adams

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

NOV 21 1952

Mr. George W. Richardson
158 W. Granite
Butte, Montana

Dear Mr. Richardson:

This will acknowledge your letter dated November 11, 1952, in which you request, in addition to the map recently returned to you on your application for exploration assistance, Docket No. DMEA 2529, a copy of the geological report of the field team in Region II.

Please be advised that field team reports on exploration assistance applications are considered confidential Government records. Therefore, field team reports are not available for distribution to either the applicant or the public.

Sincerely yours,

S.H.
11-21-52

Signed

Administrator

READams/meb
11-20-52
cc to: Adm.Reading File
Mails & Files Br.

PHONE 2-3295

GEORGE W. RICHARDSON
ATTORNEY-AT-LAW
158 W. GRANITE
BUTTE, MONTANA

November 11, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 18 1952

United States Department of Interior
Defense Minerals Exploration Administration
Washington, 25, D. C.

Re: Docket No. DMEA 2529 Cobalt
Montana Cobalt Silver Crest Co.
Deer Lodge County, Montana

Attention: C. O. Mittendorf
Administrator

Dear Sir:

I am in receipt of your letter of October 3, 1952, returning the map which we mailed you with our application.

Now with reference to geological report of the field team for Region 2, we hereby demand that we be given a correct copy of this report for our personal and confidental files and not for distribution.

Very truly yours,

George W. Richardson

GWR/hp

FILE COPY
SURNAME:

200

Adams

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

OCT 3 1952

Mr. George W. Richardson
158 W. Granite
Butte, Montana

Re: Docket No. DMEA 2529 Cobalt
Montana Cobalt Silver Crest Co.
Deer Lodge County, Montana

Dear Mr. Richardson:

This will acknowledge your letter dated September 23, 1952 requesting the return of the geological report, together with maps relating to your application, Docket No. DMEA-2529, Montana Cobalt Silver Crest Company.

There is enclosed the map which was submitted with your application. However, we find that the only geological report contained in the docket is that filed by the Field Team, Region II. These reports are considered confidential and are not available for distribution.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

J.H. 10-3-52

Enclosure

READams/meb
10/2/52
cc to: Adm.Reading File
Mails & Files Br.
Mr. Selfridge

PHONE 2-3295

GEORGE W. RICHARDSON
ATTORNEY-AT-LAW
158 W. GRANITE
BUTTE, MONTANA

September 23, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1952

United States Department of Interior
Defense Minerals Exploration Administration
Washington, 25, D. C.

Attention: C. O. Mittendorf
Administrator

Re: Docket No. DMEA 2529 Cobalt
Montana Cobalt Silver Crest Co.
Deer Lodge County, Montana

Dear Sir:

This will acknowledge your letter of September 10, 1952, regarding the above entitled property application for a loan.

Will you kindly have a copy of the geological report together with the maps relating thereto sent to us.

Very truly yours,

George W. Richardson

GWR/bp

FILE COPY 400
SURNAME:

Rutledge
Martin
Davis
McKnight for Thayer
Hedges
R. Johnson

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

SEP 10 1952

Mr. Charles W. Scott
730 North Montana Street
Butte, Montana

Re: Docket No. DMEA 2529 - Cobalt
Montana Cobalt Silver Crest Co.
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

Dear Mr. Scott:

Your application for exploration assistance and other reports concerning the Montana Cobalt Silver Crest Company's property available to us in Washington have been carefully reviewed.

This information, although noting a small amount of cobalt-bearing arsenopyrite on your property, indicates to us that the probability of disclosing minable ore reserves of cobalt on your property is not sufficiently promising to justify Government participation in an exploration program. We regret, therefore, to inform you that your application is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing this property to our attention.

Sincerely yours,

C. O. Mittendorf (for) FH 9-10-52

Administrator

FARutledge:lm
9/5/52

cc: Admn. Reading File
Docket
H. W. Davis, USBM
T. P. Thayer, USGS
Field Team Reg. II
Operating Committee
W. S. Martin
F. A. Rutledge

STANDARD FORM NO. 64



# Office Memorandum • UNITED STATES GOVERNMENT

TO : Administrator, DMEA

DATE: Sept. 5, 1952

FROM : Iron and Ferro-Alloy Division, DMEA

SUBJECT: Denial of application for exploration assistance in the amount of $100,000.00
Docket No. DMEA 2529 - Cobalt
Montana Cobalt Silver Crest Company
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

The denial of the subject application by this Division is based on the following information:

1. The MF-103 form submitted by the applicant contained practically no factual data and no proposed plan of exploration.

2. An examination by the Field Team indicated the property has little merit.

3. The Field Team recommends denial.

4. There is no geologic probability of finding any significant deposit of cobalt ore. Cobalt occurs associated with arsenopyrite as inclusions of a meta-andesite in the Boulder batholith. No vein structure was observed and the amount of arsenopyrite present is small. A pure concentrate of the arsenopyrite would not contain as much as 3 percent cobalt.

5. The Commodity Division of the U. S. Geological Survey recommends denial.

W S Martin

W. S. Martin, Acting Chief
Iron and Ferro-Alloy Division

FILE COPY 400
SURNAME:

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

Administrator, DMEA

Sept. 5, 1952

Rutledge
Martin
Davis
McKnight for Thayer

Iron and Ferro-Alloy Division, DMEA

Denial of application for exploration assistance in the amount of $100,000.00
Docket No. DMEA 2529 - Cobalt
Montana Cobalt Silver Crest Company
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

The denial of the subject application by this Division is based on the following information:

1. The MF-103 form submitted by the applicant contained practically no factual data and no proposed plan of exploration.

2. An examination by the Field Team indicated the property has little merit.

3. The Field Team recommends denial.

4. There is no geologic probability of finding any significant deposit of cobalt ore. Cobalt occurs associated with arsenopyrite as inclusions of a meta-andesite in the Boulder batholith. No vein structure was observed and the amount of arsenopyrite present is small. A pure concentrate of the arsenopyrite would not contain as much as 3 percent cobalt.

5. The Commodity Division of the U. S. Geological Survey recommends denial.

Signed

W. S. Martin, Acting Chief
Iron and Ferro-Alloy Division

FARutledge'lm
9/5/52

cc: Admn. Reading File
Docket
W. S. Martin
F. A. Rutledge

IN REPLY REFER TO:

G-MD-CF

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

August 28, 1952

Memorandum

To: George C. Selfridge, DMEA

From: D. M. Lemmon, USGS

Subject: Field Report DMEA 2529 - Cobalt
Montana Cobalt Silver Crest Co.
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

This property was examined May 7-8, 1952 by J. S. Vhay and W. A. Roberts of the Geological Survey, and was mapped June 11 to July 12 by Roberts and J. R. Jensen. The memorandum report by Vhay and Roberts, dated August 15, recommends that the application be denied, a recommendation with which I concur.

The examination included geochemical soil sampling, with 50 determinations that indicated no abnormal concentration of cobalt. Six samples of sulfides showed that the arsenopyrite contained a little cobalt, but that concentrates probably would not contain more than 3 percent.

D. M. Lemmon

D. M. Lemmon

Copy retained 400

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

# REFERENCE SLIP

DATE 8-26-52

REFERRED TO:

1. ~~Mrs. Berger Room 4624~~
2. ~~[illegible]~~
3. Code 400
4. ____

FOR:

| | |
|---|---|
| ____ Action | ____ Recommendation |
| ____ Approval | ____ Record |
| ____ Comment | of ____ |
| ____ Conference | ____ Referring |
| ____ Consideration | to ____ |
| ____ Filing | ____ Reply for signa- |
| ____ Instructions | ture of ____ |
| ____ Investigation | ____ Rewriting |
| ____ Initials | ____ Signature |
| ____ Mailing | ____ Suggestions |
| ____ Previous correspondence | ____ Your information |

REMARKS: ____

Agenda 8/29

Check (X) before the items needing attention.

Frank E. Johnson

Adams [illegible]

*Initials of sender.*

GPO 16—63815-1

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

So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

August 21, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of Interior
Washington 25, D. C.

Re: Docket No. DMEA-2529
Montana Cobalt Silver Crest Co.
Deer Lodge County, Montana (Cobalt)

Dear Mr. Johnson:

Enclosed is a memorandum on Docket No. DMEA-2529, by J. S. Vhay and W. A. Roberts, U. S. Geological Survey. A denial of the application is recommended.

Mr. Scott was told that after the examination of the property in June he would be contacted and given assistance in re-writing his application, if a target for exploration could be found. After his second visit to the property, Mr. Roberts had a date to meet Mr. Scott in Butte, Montana, to discuss the results of his examination but was unable to find Mr. Scott on the agreed date. Mr. Scott was told later in Spokane that the results of the examination did not indicate that a feasible exploration proposal could be devised.

By: Field Team, Region II

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

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

Enclosures (in quad.)

cc: USBM (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Reviewed by
DMEA OPERATING COMMITTEE
8-29-52
(date)

So. 157 Howard Street
Spokane 4, Washington

August 15, 1952

Memorandum:

To: A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II

From: J. S. Vhay and W. A. Roberts, U. S. Geological Survey

Subject: Docket No. DMEA-2529. Application for Exploration Contract, Montana Cobalt Silver Crest Company, Chicken Hawk and Cabin Claims, Deer Lodge County, Montana (Cobalt)

The applicant is the Montana Cobalt Silver Crest Co., address Butte, Montana. According to G. W. Richardson, attorney, (158 W. Granite St., Butte, Montana), for this company, "articles filed April 21, 1952, Charter issued for a period of 40 years dated April 24, 1952, of the Department of Secretary of State of the State of Montana.....capitalization One Hundred Thousand shares of no par value, non-assessable common stock." Also, quoting Mr. Richardson further..."there is a conveyance by Robert E. Stephenson and wife of all his right, titles and interest in the...claims (described below) to Charles W. Scott and recorded June 25, 1952; and a deed from Charles W. Scott and Martha A. Scott, his wife, and L. F. Lamb of all of the... properties (described below) to the Montana Cobalt Silver Crest Co., dated May 1 and recorded June 25, 1952 in the...Clerk and Recorders office."

SUMMARY

This property contains only scattered disseminations of sulfides, including some arsenopyrite carrying a low percentage of cobalt, in inclusions of meta-andesite in the Boulder batholith. No vein structure occurs here. It is recommended that the application for a DMEA contract to explore for cobalt be denied.

EXAMINATION

Vhay and Roberts visited the property May 7 and 8 with C. W. Scott and his associates. The property was looked over and samples

taken. Mr. Scott was told that the property did not look favorable but that Roberts would return for a more extended study in June.

Roberts and J. R. Jensen mapped and studied the property in connection with a reconnaissance study of a larger area from June 11 to July 12. Roberts submitted his notes on July 13 and Vhay has added certain technical information.

## LOCATION AND ACCESSIBILITY

The property of the Montana Cobalt Silver Crest Company consists of the following claims, which are recorded in the office of the Clerk and Recorder of Deer Lodge County, Montana, in Book 23 (page shown after each name): Cabin No. 1 (p. 35), Chicken Hawk No. 1 (p. 25), Chicken Hawk No. 2 (p. 27), Chicken Hawk No. 3 (p. 29), Chicken Hawk No. 4 (p. 31), Chicken Hawk No. 5 (p. 33). The property is located in Secs. 3, 4, 9, 10, T. 5 N., R. 8 W., Montana Principal Meridian, Deer Lodge County, Montana. It lies both north and south of the north fork of Dry Cottonwood Creek, one to two miles west of the Continental Divide. According to the map of Deer Lodge County in Memoir No. 31, Montana School of Mines, it probably lies partly in Girard mining district and partly in Oro Fino mining district.

The property is accessible by a short bulldozer road taking off from an unimproved wagon road along the north fork of Dry Cottonwood Creek. This road branches from the Dry Cottonwood Creek-Brown's Gulch road at the mouth of the north fork. It is about 10 miles by dirt road to a point on the paved highway about 9 miles south of Deer Lodge.

The road up the north fork is almost impassable in rainy weather, and the property is generally inaccessible from about November to April.

## INTRODUCTION

The claims occur on moderately steep slopes both north and south of the north fork of Dry Cottonwood Creek. Those to the south of the creek are covered by a heavy growth of timber; those to the north of the creek by scattered stands of timber separated by brushy and grassy areas. There is considerable water in the north fork of Dry Cottonwood, and, at least early in the summer, a small stream flowed past the cabin on the Chicken Hawk No. 2 claim.

Outcrops are relatively scarce, except locally in areas of quartz monzonite, and all contacts on figure 1 were mapped on the basis of float and topography. The dumps of one or two old caved adits and of two smaller shafts, also caved, gave some information, as did the recently cut bulldozer trenches.

## GEOLOGY

Most of the rock in the general area is quartz monzonite of the Boulder batholith. Scattered throughout the quartz monzonite are masses of metamorphosed Cretaceous (?) volcanic rocks and some older sedimentary rocks which are either large inclusions or roof pendants. Unconformably overlying both the quartz monzonite and the older metamorphosed rocks are rhyolite flows and some interbedded sandstone lenses of probably Tertiary age. Mineral deposits occur as disseminated grains and small veinlets in random directions in certain layers of the older volcanic rocks; no true veins were seen.

The Cretaceous (?) volcanic rocks are flows, tuffs, and breccias of andesitic to latitic composition. They have been thermally metamorphosed by the quartz monzonite and, in places, completely recrystallized so that they resemble a fine-grained dioritic rock. Included in the inclusions are some pre-andesite sedimentary rocks which have been metamorphosed to calc-silicate rocks. In mapping, the calc-silicate rocks could not be everywhere separated from the aphanitic light-colored volcanic rocks. The inclusions show random distribution and size so far as seen; the largest has a length of over 1200 feet and averages about 300 feet wide (one side is covered by the younger rhyolite). Another is about 300 by 200 feet. Smaller ones are probably hidden by the extensive soil cover in the area.

The quartz monzonite is a medium to coarse-grained rock of rather even texture. Most of it has a light-grey color but there are local masses of aplitic texture which weather to a light pinkish grey color. No attempt was made in this short study to map possible structures in the quartz monzonite.

The younger (probably Tertiary) rhyolite caps the highest hills and also occurs as small patches on the spurs and slopes almost down to the floors of the valleys. This indicates that the pre-rhyolite surface was one of considerable relief. The rhyolite occurs chiefly as flows, but some arkosic and conglomeratic sandstone lenses are interbedded with the flows.

## MINERAL DEPOSITS

Most of the roof rocks contain some pyrite. Locally, chalcopyrite or arsenopyrite occur with the pyrite.

No large vein structure was seen in this area. Veinlets not exceeding 3 inches in thickness and generally less than ½ inch in thickness of carbonate, some quartz, and sparse sulfides cut the roof rocks in many directions, however. The carbonate gangue is generally calcite but some siderite or ankerite occurs with the calcite. The principal sulfide mineral in these veinlets is pyrite. A little

chalcopyrite, and arsenopyrite, as scattered grains, has also been recognized.

Some of the layers of volcanic rock appear to contain more sulfide than adjacent layers suggesting that the permeability of the andesite layers was probably the controlling factor. It is believed that the mineralization occurred during or shortly after the emplacement of the batholith and that the sparse disseminated sulfides are pneumatolytic in origin.

The assays (table I) show that cobalt occurs in trace or better amounts in the pyritized andesite. It occurs as cobaltian arsenopyrite. It is doubtful if a concentrate would contain over 3 percent cobalt.

Chicken Hawk No. 1

Bedrock is exposed by a caved adit at the bulldozer trench near the discovery post at the Chicken Hawk No. 1. Numerous small stringers of carbonate, quartz, and sparse pyrite and chalcopyrite, maximum thickness of one inch, cut the rocks exposed by the caved adit. These metamorphosed rocks show a bedding which strikes N. 70° E. and dips 20° SE. The veinlets strike N. 10° W. to N. 10° E., N. 80° W. to N. 60° E., and about N. 80° E., and have vertical dips plus or minus 15°. Some veinlets are also parallel to the bedding. They are short, discontinuous and some have a depth of only about two feet. There are some thin gouge and gossan seams along the bedding planes suggesting that bedding plane slippage and later sulfide mineralization has occurred.

On the dump from the caved adit the andesite is banded with pyrite. Some lenses of pyrite are as much as ¼ inch thick and 2 inches long. There are also pieces showing arsenopyrite either almost solid or in disseminated grains.

One sample of almost solid arsenopyrite was collected. One of the two other samples from here consisted of average (?) arsenopyrite-bearing material, and the other average pyrite-bearing meta-andesite. The assays of these samples are shown in table I. It should be pointed out that these samples were all taken of material on the dump of the discovery pit adit. Except for scattered small grains not positively identified, no arsenopyrite was seen in place here. Sample 52-V-4 was picked material from the dump of a caved adit about 270 feet S. 22° W. from the discovery pit. It should be noted that this material may have rolled down from the upper discovery pit dump.

Chicken Hawk No. 2

Two small areas of andesite probably almost in place were exposed by the bulldozer cuts at the Chicken Hawk No. 2. Most of the bedrock exposed by the bulldozer was subsequently covered by bulldozed material.

There was no evident trend of the sulfide minerals here. Most of the rocks contained calcite stringers less than ½ inch thick and sparse disseminated pyrite and chalcopyrite. Some of the rock fragments are copper stained and most are iron stained.

Some of the rock fragments in the bulldozed material are banded silicified (?) andesite with sparse pyrite, some chalcopyrite and a few grains of arsenopyrite (?). A pile of rock fragments up to 3 inches thick of hematite in andesite was found just above the upper dozer cut. Sample 52-V-5 was picked material showing sulfides.

Cabin Claim

An old shaft now caved and several old prospect pits now sloughed in show andesite on this claim. No direction of the mineralized rock was noted here. The dumps on these workings contain altered and somewhat recrystallized andesite. Small calcite and quartz stringers cut the rocks. Sparse pyrite, chalcopyrite and hematite occur in the altered andesite.

Little Trump Claim

At the Little Trump claim a long bulldozer cut exposes bedrock in several places. Sparse disseminated pyrite and some masses of quartz and pyrite can be found in some of the float. Sample 52-V-7 is a grab of this material.

Two exposures about 2 to 3 feet thick on the sides of an old sloughed pit are altered andesite with much hematite and specularite. The trend of these two exposures is N. 70° E. This vein-like structure is not exposed by the bulldozer cut to the southwest.

## GEOCHEMISTRY

Fifty geochemical soil samples were taken to aid in determining the trend, if any, and extent of mineralized rock. The soil samples insofar as possible were from the B zone. All samples were assayed for cobalt by the Geochemical Prospecting Unit of the U. S. Geological Survey in Denver, Colorado, and the cobalt values are plotted on Figure 1.

The cobalt values in the soil samples taken in this area are very low and indicate that the cobalt content of the rocks is not appreciable above normal background.

## CONCLUSIONS

On the property of the Montana Cobalt Silver Company sulfides occur disseminated and in small, randomly oriented veinlets in inclusions of thermally metamorphosed volcanic rocks in the Boulder batholith. The sulfides are mostly pyrite, a little chalcopyrite, and

probably some cobaltian arsenopyrite. The arsenopyrite is scarce, and no vein structure carrying it has been shown to date by exploration. Even if a fair sized vein carrying arsenopyrite did occur here, and it probably does not, the amount of cobalt in the arsenopyrite is so low that a pure concentrate would not contain as much as 3 percent cobalt.

## RECOMMENDATIONS

As this property does not contain a minable deposit of any metal, it is recommended that an application for a DMEA loan to explore for cobalt be denied.

J. S. Vhay

Enclosures

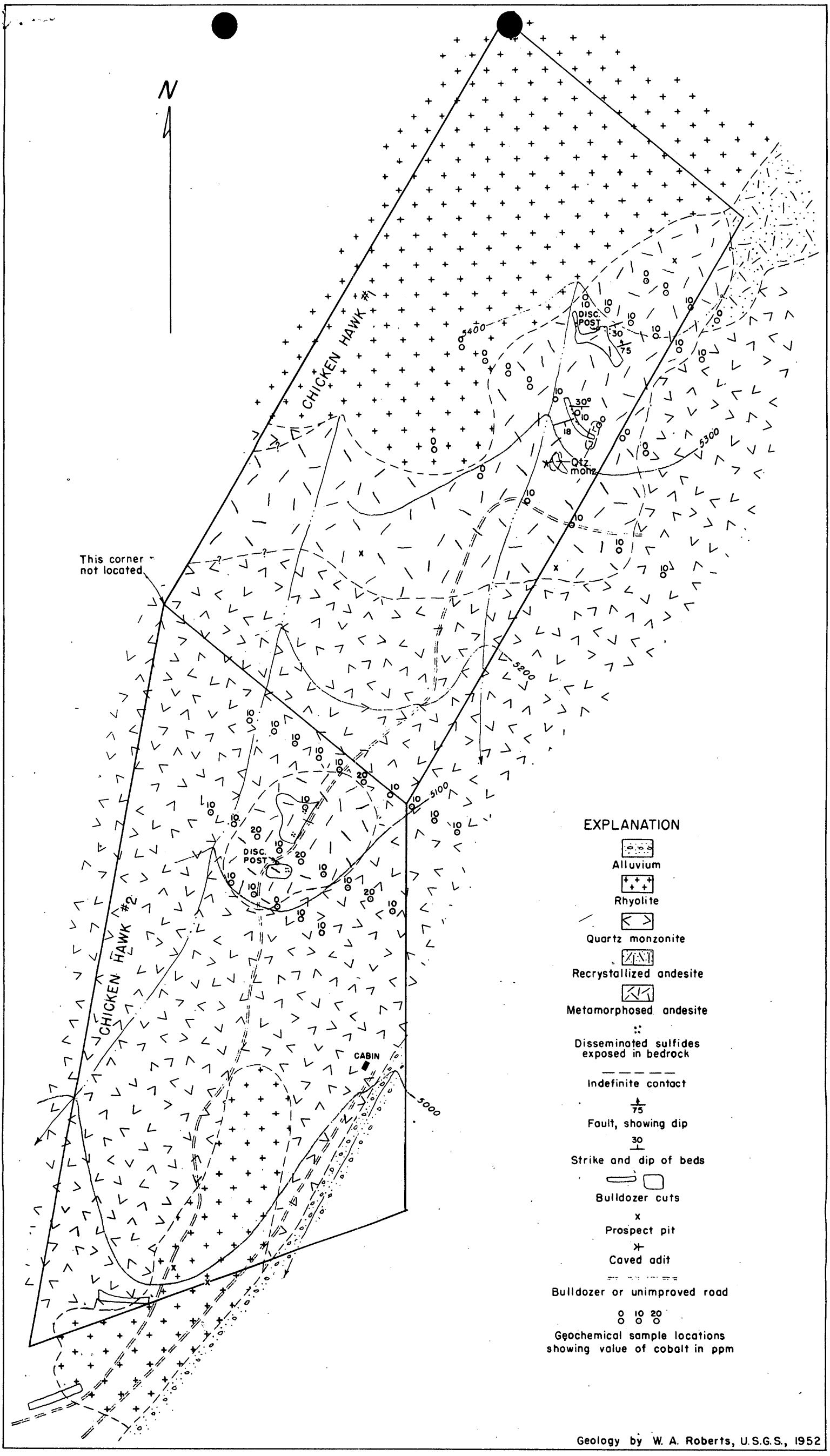
cc: DMEA
USBM
USGS(SRO)
J.S.Vhay

TABLE I

| No. | Location and Description | /1 Co% | /2 Co% | /2 Cu% | /2 Ni% |
|---|---|---|---|---|---|
| 52-V-1 | Chicken Hawk No. 1, disc. pit dump, almost solid arsenopyrite | 1.41 | 0.900 | 0.0600 | 0.0060 |
| 52-V-2 | Chicken Hawk No. 1, disc. pit dump, average arsenopyrite type. | 0.65 | 0.550 | 0.0080 | 0.0065 |
| 52-V-3 | Chicken Hawk No. 1, disc. pit dump, average pyrite type. | 0.23 | 0.330 | 0.0800 | 0.0040 |
| 52-V-4 | Chicken Hawk No. 1, caved adit dump, picked sample containing arsenopyrite. | 0.12 | 0.150 | 0.0600 | 0.0045 |
| 52-V-5 | Chicken Hawk No. 2, trench at disc. pit, silicified and pyritized meta-andesite. | Tr. | 0.090 | 0.0500 | 0.0035 |
| 52-V-7 | Little Trump Prospect dump, grab, pyrite and quartz. | 0.09 | 0.050 | 0.2000 | 0.0035 |

/1 Analyzed by Calera Co., Blackbird Division, Cobalt, Idaho

/2 Analyzed by U.S.G.S., Geochemical Prospecting Research Group, by rapid field method using bisulfate fusion.




# GEOLOGY OF CHICKEN HAWK #1 & #2 CLAIMS
## MONTANA COBALT SILVER CREST CO.
### Deer Lodge County, Montana

0 100 200 400 600 FEET

FILE COPY
SURNAME:

Selfridge.

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

JUN 16 1952

Mr. A. E. Weissenborn
Executive Officer, DMEA Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA 2529 - Cobalt
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

Dear Mr. Weissenborn:

Please refer to Mr. John S. Vhay's letter dated June 3, 1952, to Mr. Charles W. Scott, 730 North Montana Street, Butte, Montana.

We infer that the property does not warrant exploration aid based upon what is now known regarding the cobalt mineralization. However, it is suggested that further study by Mr. Roberts may disclose additional information which would point out an exploration target.

We would appreciate hearing from you regarding this tentative denial just as soon as Mr. Roberts can reach a decision. Meanwhile we shall hold the application in abeyance.

Sincerely yours,

E. O. Mittendorf (fw)

Acting Administrator
Defense Minerals Exploration
Administration

GCSelfridge:ls 6/12/52

Copy to: Docket
Admn. Reading File
Field Team, Reg. 2
G. C. Selfridge
H. W. Davis, USBM
T. P. Thayer, USGS

BUTTE, MONTANA
158 WEST GRANITE ST.
JUNE 12, 1952

Mr. C. O. Mittendorf
Administrator DMEA
Washington, 25, D. C.

Re: Docket NO.DMEA 2529X - Cobalt
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

Dear Mr. Mittendord:

In acknowledgement of your letter of May 22, 1952 with the enclosed 5 copies of the new MF-103 Forms.

Mr. Vhay and Mr. Roberts from the Regional Office were here on May 7 - 8 to make the field examination of the property. However, Mr. Vhay after going over the property did not feel that he could make a definite commitment regarding a specific target for exploration or outline an exploration program until a more thorough study of the geology of the area in which our property is located could be made.

So, in view of this fact, Mr. Vhay is sending Mr. Roberts back here the latter part of June in order to make a more comprehensive study of its occurence and has informed us that they will then be in a better position to define a target and plan an exploration program.

I deeply regret that this delay has been necessary but as soon as Mr. Roberts gives us his report we will fill out the new MF 103 forms and forward them to you as soon as possible.

Thanking you,

Very truly yours,

MONTANA COBALT SILVER CREST CO.

Chas. W. Sutt Pres.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 16 1952

DOCKET

COPY

Butte, Montana
730 North Montana St.
June 10, 1952

Mr. John S. Vhay
Cobalt Commodity Geologist
So. 157 Howard St.
Spokane, Washington

Subject: Montana Cobalt Silver Crest Co.
DMEA Application

Dear Mr. Vhay:

In reply to your letter of June 3, 1952, we also received a letter from Mr. C. O. Mittendorf, Administrator, DMEA, regarding the application. We wrote him concerning the delay regarding the amended application and in the filling out of the new MF-103 forms. We stated in our letter was making another trip here to make a further of the geology and that as soon as he had completed it we would then be able to send in the Forms.

We wish to thank you for calling our attention to the data required by the chairman of the Operating Committee, DMEA, and will surely give it our attention. We are confident that when Mr. Roberts has completed his study that we can all get together and establish a target and plan the most feasible method of carrying out an exploration program, and Mr. Vhay we wish to assure you and Mr. Roberts that we do most certainly desire whatever assistance and advice that you may be able to give us.

I wish to thank you for the report on the 4 minerals specimens I sent you but was disappointed that you and Mr. Roberts could not have made a longer stay with us so I could have taken you over the Cabin claim. Also 3-4-5 claims (as well as the Little Trump which we located this spring).

You mentioned that I did not show you where we had found "erythrite". It is associated with calcite, quartz, and limonite on the Chicken Hawk Claim No. I in the big cut (that is where the big pile of ore is and where we broke off pieces of the ore). The "erythrite" usually occurs on small bands of dark gray metal. I do not remember whether I called your attention to the breast of the cut but no doubt you noted that it is composed of blanket-like layers of the general formation. It is in between these bedding planes that the calcite, quartz, and limonite occurs. There is also a network of small perpendicular seams cutting the bedding planes.

In regard to the diabase we have used this term since 1932 for the general greenstone formation of the deposit since at that time we sent a piece of the blue-gray you and I found the dark gray metal in (I asked you if it could be linnaeite) to the Colorado Assaying Company for classification and they identified it as dense quartz diabase. More than likely they were wrong and I do not now recall that you indicated to me what the rock formation was which makes up our property so would you please set us straight on this.

Mr. Vhay, we would very much appreciate your opinion on a matter that I feel might be very essential. We want to take out a compressor and carry on some development work while we are waiting the arrival of Mr. Roberts and for him to complete the geological study. I thought it might be advisable to drive a small tunnel, starting at the bulldozer cut (where we found the linnaeite?) driving back under the big cut above. Also 2 or 3 prospect shafts on the upper and lower cut of Chicken Hawk No. 2 claim.

Please advise us if you believe that this would be of any assistance in helping you to form a clearer picture of the property.

We are going over to bulldoze our silver property in the vicinity of Virginia City the end of this week and will be through there by the end of next week and will then be able to start work on the Cobalt no later than the 25th.

Awaiting your advice as to the most logical place and what type of work you think best should you deem the above plan advisable, with kindest regards to both yourself and Mr. Roberts, I remain,

Very truly yours,

C. W. Scott

COPY
2

Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 9 1952

June 3, 1952

Given 2529

Mr. Charles W. Scott
730 North Montana Street
Butte, Montana

Subject: Montana Cobalt Silver Crest Co.
DMEA application.

Dear Mr. Scott:

On my return from my trip I found a letter from the Chairman of the Operating Committee, DMEA, and your application, referred to me for answering.

Specifically the letter says to advise you "to send in the place of organization of the company, ownership of claims and transfers, book and page number and date of recording of claims."

In general the application is very incomplete, as might be expected from G. W. Richardson's letter of transmittal in which he stated that amended applications would be submitted later giving more adequate information, which would be supplied by a Geological Examining Team. The so-called "Geological Examining Team" probably refers to a Geological Survey party, in other words Mr. Roberts and myself. As I indicated to you when we met the second afternoon, I saw insufficient evidence of cobalt mineralization to be able to indicate a target for an exploration program, which target is the important item lacking in your application. Therefore, I am unable at the present time to suggest how you should make out an amended application on the revised MF-103 forms which Washington sent to you.

Mr. Roberts will make a study of the geology of the general area in which your property lies, starting probably late in June. When he completes this study, we may be able to assist you in defining a target and planning an exploration program, if you desire this assistance and if you have not already sent in the revised form.

Incidentally, I do not recall that you showed me where you found erythrite on your property while we were there. Also, I did not see any diabase on the property. The samples you sent me marked

"erythrite" contain some pieces of erythrite on calcite. Some pieces of quartz, however, are coated with a material which is not erythrite or any other cobalt mineral. The sample marked "linnaeite" consisted mostly of sphalerite and lesser amounts of quartz, pyrite, cobaltian arsenopyrite, and garnet. I could not detect any linnaeite, although there may be some in very small amounts. The sample labelled "asbolite" appears to be pyrite and quartz coated with manganese oxide, and the "spherocobaltite" looks like mostly metamorphic silicates.

Yours sincerely,

John S. Vhay
Cobalt Commodity Geologist

cc: Bureau of Mines
Frank E. Johnson ✓
O. H. Rove

FILE COPY 400
SURNAME:

Chapman
Selfridge
Zimmerman

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

MAY 22 1952

Mr. Charles W. Scott, President
Montana Cobalt Silver Crest Co.
158 West Granite Street
Butte, Montana

Re: Docket No. DMEA 2529X - Cobalt
Chicken Hawk and Cabin Claims
Beer Lodge County, Montana

Dear Mr. Scott:

Your application for assistance in exploring the above noted claims has been reviewed by the Iron and Ferro-Alloy Division of the Defense Minerals Exploration Administration and has been referred to Mr. A. H. Weissenborn, Executive Officer, Region II, South 157 Howard Street, Spokane 8, Washington, for a field examination.

We are enclosing 5 copies of the new MF-103, which gives a clearer picture of how applications for assistance should be completed. We would appreciate it if you would send us an amended application following the new MF-103, after you have contacted the field team.

The Regional Office will contact you at an early date in regard to the examination of your property. Any aid which you can give the members of the field team in the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf (for) CC 5/22

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures

TLChapman'lm
5/20/52

cc: Admn. Reading File
Docket
H. W. Davis, USBM
T. P. Thayer, USGS
Field Team Reg. II
G. C. Selfridge
T. L. Chapman
Operating Committee

400

FILE COPY
SURNAME:

Chapman
Selfridge

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

MAY 22 1952

Mr. A. E. Weissenborn
Executive Officer, Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA 2589X - Cobalt
Chicken Hawk and Cabin Claims
Deer Lodge County, Montana

Dear Mr. Weissenborn:

Your memorandum of May 8 at hand pertaining to the application of the Montana Silver Crest Company for exploration assistance. As you note, the application is very incomplete.

When the field team visits the property and instructs the applicant how to present the necessary information, please advise him to send in the place of organization of the company, ownership of claims and transfers, book and page number and date of the recording of claims.

Sincerely yours,

(signed) FRANK E. JOHNSON (HB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

5/22

Approved:

J. H. Hedges (HB)
Member, Bureau of Mines

D. M. Lemmon (HB)
Member, Geological Survey

TLChapman'lm
5/20/52

cc: Admn. Reading File
Docket
H. W. Davis, USBM
T. P. Thayer, USGS
Field Team Reg. II
G. C. Selfridge
T. L. Chapman
Operating Committee

G-MD-DML

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D.C.

May 16, 1952

Memorandum

To: George C. Selfridge, DMEA

From: D. M. Lemmon, U.S.G.S.

Subject: Exploration application $100,000 DMEA 2529 - Cobalt
Montana Cobalt Silver Crest Co.
158 W. Granite Street
Butte, Montana

This application contains none of the fundamental information required. Normally, it should be rejected or held for adequate information from the applicant. However, the Field Team proposes to inspect the property and prepare a new application if warranted.

Therefore, I suggest for the record that the docket be referred to the Field Team for examination. It might be a good idea to inform the applicant of the inadequacy of his application when he is told about the Field referral.

D. M. Lemmon

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 16 1952

Copy retained 400

EXPLORATION

Subject: DMEA-2529
Re: Exploration Loan
Quartz Lode Mining Claims
May 15, 1952

Mr. Chas. W. Scott, President
Montana Cobalt Silver Crest Co.
158 West Granite Street
Butte, Montana

My dear Mr. Scott:

This will acknowledge receipt of your application dated April 21, 1952 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2529 and referred to the Iron and Ferro-Alloys Division.

Kindly refer to DMEA-2529 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Administrative Officer

7862

DMEA-2529

OFFICE OF THE ADMINISTRATOR

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 15 1952

So. 157 Howard Street
Spokane 4, Washington

May 8, 1952

Memorandum

To: Chairman, Operating Committee, DMEA

From: A. E. Weissenborn, Exec. Officer, DMEA Field Team, Region II

Subject: Application of Montana Cobalt Silver Crest Co., Butte, Montana, Cobalt.

Enclosed are three copies of an application from the Montana Cobalt Silver Crest Co., of 158 W. Granite Street, Butte, Montana. The application is very incomplete but is forwarded at the company's request. A Geological Survey crew under J. S. Vhay is scheduled to visit the property in the near future as part of the Survey's investigation of cobalt deposits, and if the property has any merit the party will attempt to instruct the applicant in how to present the necessary information that will be necessary for filing his application.

A. E. Weissenborn
A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures

cc: USBM, Spokane
J. S. Vhay

DMEA-2529

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

So. 157 Howard Street
Spokane 4, Washington

May 8, 1952

Memorandum

To: Chairman, Operating Committee, DMEA

From: A. E. Weissenborn, Exec. Officer, DMEA Field Team, Region II

Subject: Application of Montana Cobalt Silver Crest Co., Butte, Montana, Cobalt.

Enclosed are three copies of an application from the Montana Cobalt Silver Crest Co., of 158 W. Granite Street, Butte, Montana. The application is very incomplete but is forwarded at the company's request. A Geological Survey crew under J. S. Vhay is scheduled to visit the property in the near future as part of the Survey's investigation of cobalt deposits, and if the property has any merit the party will attempt to instruct the applicant in how to present the necessary information that will be necessary for filing his application.

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures

cc: USBM, Spokane
J. S. Vhay

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

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

*Not To Be Filled in by Applicant*

Docket No. DMEA-2529
Metal or Mineral
Date Received 5-15-52
Amount $
Participation (Government %)

MONTANA COBALT SILVER CHIEF CO.
156 West Granite Street
Butte, Montana

Name and address of applicant

Date April 21, 1952

If you have already filed MF-100, give date filed ——, type of assistance requested exploration,

DMA Docket Number (if available)

## INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

MAY 16 1952

1. (*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*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

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

   NOTE: (1) 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 (*c*) 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.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

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

## 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.

HORSEFLY COPPER CREEK CO., a corporation (Name of company) By Chas W Scott (Signature of authorized official)

April 21, 1958 (Date) President (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—64067-2

(Form 103 continued)

Question 1

(a) None (see "C")

(b) Owner (Transfer in process, deeds being executed)(persons interest in company hold title)

(c) Property consists of six (6) standard Quartz Lode Mining claims located on the U.S.F.S. Reserve, in Sections 4 and 9, Township 5 North Range 8 West. M.P.M., duly filed and recorded in Anaconda, County Recorders office of Deer Lodge County, Montana.

Exploration work will be and on Chicken Hawk Claims Nos. 1, 2 and 3, unless the Bureau of Mines Geological Survey Team, recommends the exploration work also be done on the balance of the claims, Chicken Hawk Nos. 4 and 5 and the Cabin Claim No. 1, all of which carry Cobalt ore.

Question 2.

(a) Minerals expected to be found: Principally Cobalt, with promising indications of Lead, Silver, Copper, Zinc, Arsenic, Manganese, Tin and Nickel as by-products.

(b) Geological features of property: The principal geological feature of the properties is a quartz diabzse sill that covers the entire property. This sill has been extensively fractured by granite upthrusts and foldings. These fractured zones have produced extensive stockwork. Most of these veinlets have one breccia wall which is a conglomerate of shistose, diabase and volcanics. Most of the ore occurs on the breccia wall or in the immediate diabase walls that have sufficient porosity to receive the magmas. The principal gangue material is calcium, quartz and limonite, the

latter showing considerable bismuth. Most all of the croppings are heavily stained with iron. The principal basement rocks are metamorphosed basic igneous rocks, dark gray, green to almost black. Polished sections show that most of these rocks are flecked with arsenopyrite. We have had numerous assays made but do not feel that they are sufficiently accurate for a true assay map. The highest test for Cobalt was 3.23% and the lowest showed 0.029%, the latter was a split from a 500 pound sample crushed and ground at the School of Mines here. It was taken across the entire sill and consisted entirely of sill rock. None of the vein material was included. The higher assay was well mineralized with arsenopyrite.

(Map of the area enclosed herewith- We do not wish to have the map returned)

(Page 4 Form 103 continued)

Question 3.

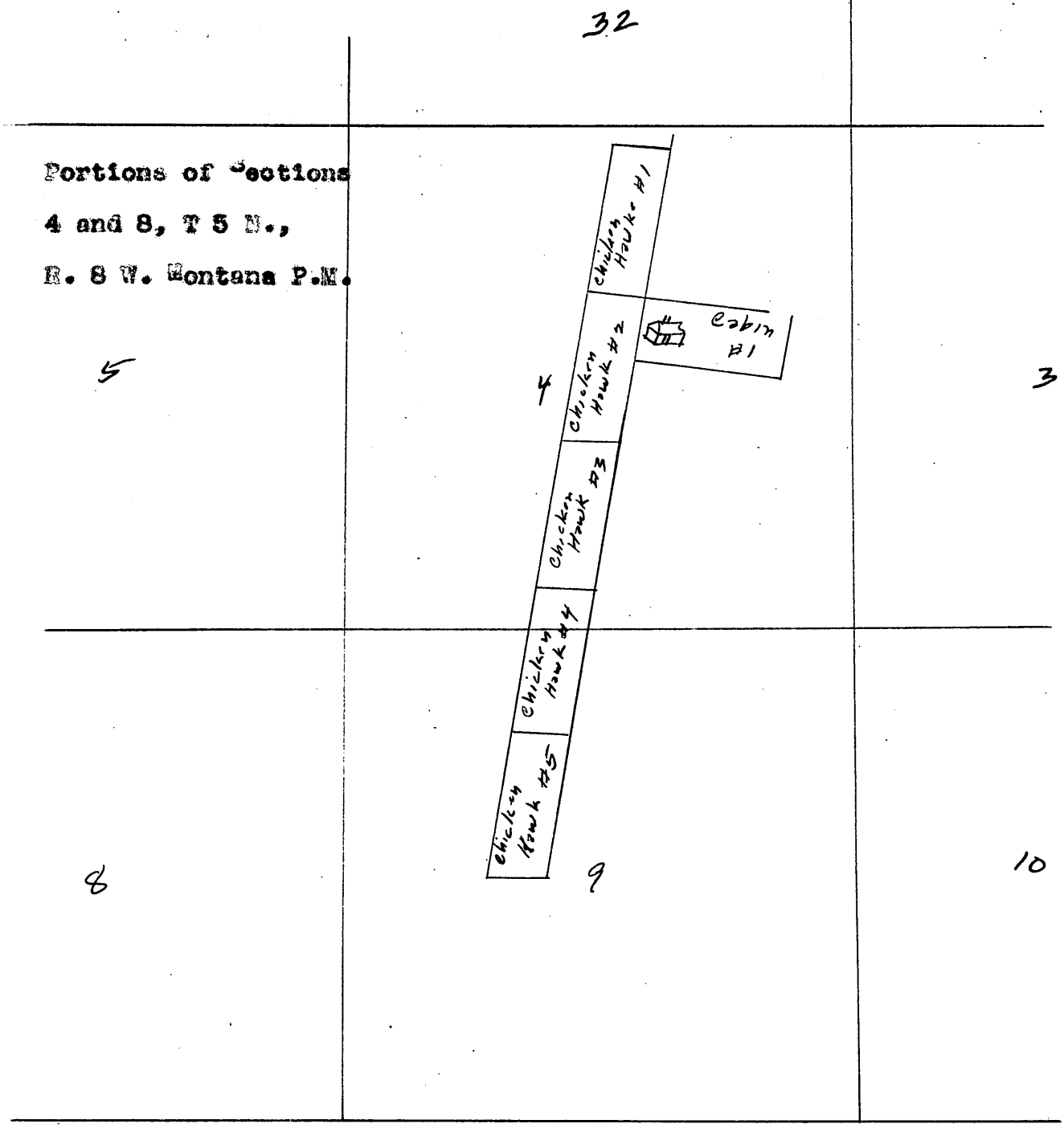
(a) Proposed work- At the present time we cannot answer this question until we have been fully advised by the Geological examining team as to the most logical procedure to follow in development of the property- whether by tunnel, shaft, open pit and stripping in conjunction with diamond drilling. The topography of the property would lend itself to any of the above mentioned methods.

(b) We cannot answer the time required to commence the project until we have received recommendation of how extensive an operation the Geological examining team will make.

(Page 5 Form 103 continued)

Question 4.

Enclosed herewith a map in detail of surface.
(in addition to rough sketch below)



(Page 6 Form 103 Continued)

Question 5.

One well constructed log cabin 16feet x 20 feet on which some minor repairs will have to be made.

Question 6 Detailed list of additional facilities.

This cannot be answered at present until after we know what recommendation the Geological examining team will make regarding extensiveness of operations.

Question 7 Operating equipment.

This cannot be answered at present until the Geological examining team has made their recommendation as to the type of development. Equipment will be secured to suit that program.

Question 8. Schedule of labor.

This cannot be answered at present until the Geological examining team has made their recommendation as to the type of development.

Question 9. Cost of material & supplies.

This cannot be answered at present until the Geological examining team has made their recommendation as to the type of development.

Question 10.

(a) Investement, $10,000.00 with a reserve of $9,000.0 0.

(b) The above investment is sufficient to pay part of the cost of the project, on a $100,000.00 program, with the Government participating up to 90%

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

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

*Not To Be Filled in by Applicant*

Docket No. DMEA-2529
Metal or Mineral
Date Received 5-15-52
Amount $
Participation (Government %)

MONTANA COBALT SILVER CREST CO.
158 West Granite Street
Butte, Montana

Name and address of applicant

Date April 21, 1952

If you have already filed MF-100, give date filed --, type of assistance requested exploration,

DMA Docket Number (if available)

## INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*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*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

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

   NOTE: (1) 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 (*c*) 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.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

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

## 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.

MONTANA COBALT SILVER CREST CO. a corporation
(Name of company)

By Chas W. Scott
(Signature of authorized official)

April 21, 1952
(Date)

President
(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—64067-2

(Form 106 continued)

Question 1

(a) None (see "C")

(b) Owner (Transfer in process, deeds being executed)(persons interest in company hold title)

(c) Property consists of six (6) standard Quartz Lode Mining claims located on the U.S.F.S. Reserve, in Sections 4 and 9, Township 5 North Range 8 West. M.P.M., duly filed and recorded in Anaconda, County Recorders office of Deer Lodge County, Montana.

Exploration work will be ~~and~~ on Chicken Hawk Claims Nos. 1, 2 and 3, unless the Bureau of Mines Geological Survey Team, recommends the exploration work also be done on the balance of the claims, Chicken Hawk Nos. 4 and 5 and the Cabin Claim No. 1, all of which carry Cobalt ore.

Question 2.

(a) Minerals expected to be found: Principally Cobalt, with promising indications of Lead, Silver, Copper, Zinc, Arsenic, Manganese, Tin and Nickel as by-products.

(b) Geological features of property: The principal geological feature of the properties is a quartz diabzse sill that covers the entire property. This sill has been extensively fractured by granite upthrusts and foldings. These fractured zones have produced extensive stockwork. Most of these veinlets have one breccia wall which is a conglomerate of shistose, diabase and volcanics. Most of the ore occurs on the breccia wall or in the immediate diabase walls that have sufficient porosity to receive the magmas. The principal gang material is calcium, quartz and limonite, the

latter showing considerable bismuth. Most all of the croppings are heavily stained with inron. The principal basement rocks are metamorphosed basic igneous rocks, dark gray, green to almost black. Polished sections show that most of these rocks are flecked with arsenopyrite. We have had numerous assays made but do not feet that they are sufficiently accurate for a true assay map. The highest test for Cobalt was 3.23% and the lowest showed 0.029%, the latter was a split from a 500 pound sample crushed and ground at the School of Mines here. It was taken across the entire sill and consisted entirely of sill rock. None of the vein material was included. The higher assay was well mineralized with arsenopyrite.

(Map of the area enclosed herewith- We do not wish to have the map returned)

Question 3.

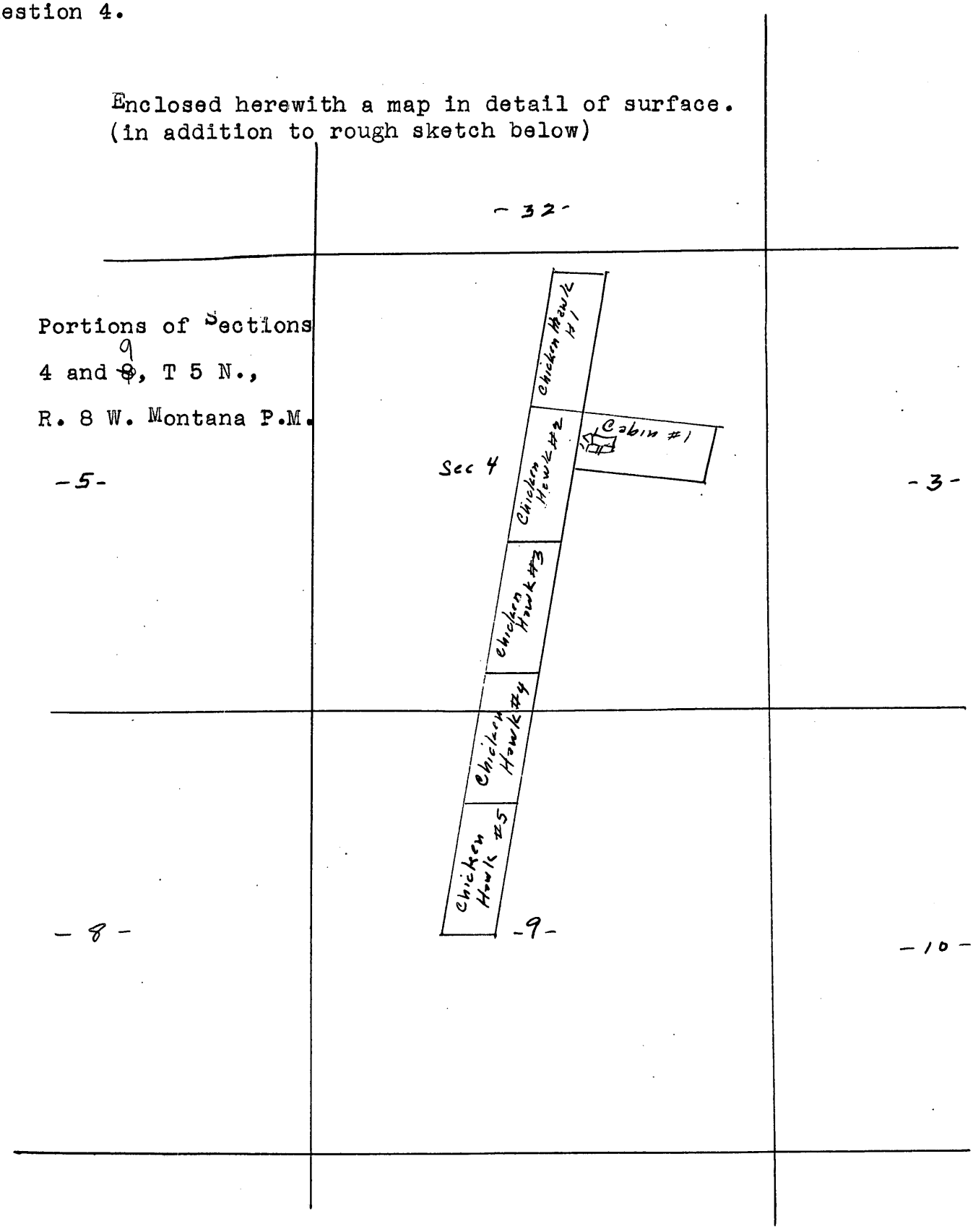
(a) Proposed work- At the present time we cannot answer this question until we have been fully advised by the Geological examining team as to the most logical procedure to follow in development of the property- whether by tunnel, shaft, open pit and stripping in conjunction with diamond drilling. The topography of the property would lend itself to any of the above mentioned methods.

(b) We cannot answer the time required to commence the project until we have received recommendation of how extensive an operation the Geological examining team will make.

(Page 5 Form 103 continued)

Question 4.

Enclosed herewith a map in detail of surface.
(in addition to rough sketch below)



(Page 6 Form 103 Continued)

Question 5.

One well constructed log cabin 16feet x 20 feet on which some minor repairs will have to be made.

Question 6 Detailed list of additional facilities.

This cannot be answered at present until after we know what recommendation the Geological examining team will make regarding extensiveness of operations.

Question 7 Operating equipment.

This cannot be answered at present until the Geological examining team has made their recommendation as to the type of development. Equipment will be secured to suit that program.

Question 8. Schedule of labor.

This cannot be answered at present until the Geological examining team has made their recommendation as to the type of development.

Question 9. Cost of material & supplies.

This cannot be answered at present until the Geological examining team has made their recommendation as to the type of development.

Question 10.

(a) Investement, $10,000.00 with a reserve of $9,000.0 0.

(b) The above investment is sufficient to pay part of the cost of the project, on a $100,000.00 program, with the Government participating up to 90%

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. DMEA-2529

Date received 5-15-52

Montana Cobalt Silver Creek Co
158 W. Granite St.
Butte, Montana

Name and address of applicant

Date May 2, 1952

## 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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 15 1952

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?
   (*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.
   (*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.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
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.
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.
   (*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.

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) |
|---|---|---|---|---|---|---|---|
| Charles W. Scott<br>730 N. Montana St.<br>Butte, Montana | President | - | | 25,000 | 0 | - | - |
| L. F. Lamb<br>314 West Copper St.<br>Butte, Montana | Vice-President | - | | 25,000 | 0 | - | - |
| Geo. W. Richardson<br>158 W. Granite St<br>Butte, Montana | Secretary | | | 3,000 | 0 | - | - |
| Hugh Fleming<br>Butte, Montana | | | | 25,000 | 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 | 100,000 ~~$ shares~~ | $ | $ ~~No Par~~ * | ~~79,500~~ | Articles filed 4-21/1952 |
| Preferred stock | $ 0 | $ | $ 0 | 0 | |

*Indicate period covered.

*By-laws provide stock shall not be sold for less than $2.00 per share.

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.

Question 1. Materials produced.

(a) Chief mine, mill or smelter products- - -None.

(b) Byproducts- - - -None.

Question 2. Property- consists of Quartz Lode Mining claims. The extent of workings consist of standard location holes with two years of annual representation work on this group of claims.

(a) Linear feet of shafts- - - Seventy feet.

(b) Linear feet of drifts and crosscuts.- - - None.

(c) Linear feet of tunnels or adits. - - - Fifteen feet.

(d) Linear feet other mine openings.- - Forty feet of cuts and a number of prespecting trenches also small holes. There is no flooding or water problem in any of the workings.

Question 3. Operations.

(a) Nearest town and shipping point. The properties are located Nine miles north east of Race Track, Montana.

(b) Mining District- Champion Unoragnized.

(c) Township 5 North, Range 8 West, Sections 4 and 9.

(d) Deer Lodge County, Montana.

Question 4. Operation.

(a) The mine is not in operation, however, a program of stripping with a bulldozer on Chicken Hawk No. 1, 2 and 3 is being done for the purposes of opening up sill and stockwork to assist the Bureau of Mines Geological Survey Team when they

examine the property. This work is being done by the owners.

Question 5. Production. The Mines have never been in production. We hope that if granted a development loan that we will be able to start production as soon as the development program is completed.

Question 6. Experience of Operators.

(a) Applicant - THE MONTANA COBALT SILVER CREST CO.

(b) Management- Mr. Charles W. Scott, who will be in charge of mine management has had forty-five years of mining experience, which includes gem, hard-rock, placer, coal and mica mining.

B. L. Calvert, business man of Butte, Montana, of long standing in mining, real estate and insurance.

George W. Richardson, Attorney, presently City of Butte Attorney.

Walter W. Wolz, long established accountant and business man of Butte, Montana.

Frank L. Lamb of Butte, Montana, has mined in Butte and vicinity for a number of years.

Hugh Fleming, of Butte and Wise River, Montana, owns and operates saw mill at Wise River, Montana, has many years of experience in logging and use of heavy equipment in mountainous areas.

Question 7. History:

(a) Previous exploration- None other than above stated.

(b) Adjoining properties- There are no known adjoining properties but there a number of neighboring properties, as shown on accompanying may. The Champion Mine is 3/4 mile Northwest from this property and on the same strike with the leads of this property. The Champion Mine was operated in the early Seventies to some time in the middle Nineties, it was a large silver producer and one time the camp had some 5,000 inhabitants. The mine was operated through a shaft but on account of flooding was forced to shut down, as at that time the pumps were inadequate to handle the water. The Champion Mine was again operated in 1918 to 1922 by the Butte Jardine Co. who drove a 4,000 foot tunnel under the old shaft which drained the old workings, they found large bodies of high grade ore surrounding the shaft which they attempted to remove but only succeeded in caving the shaft as well as 1,100 feet of the tunnel.

The Emery Mine is five mines distant and was also a fairly large producer of lead, silver and zinc. We do not have available the number of years it was in operation as there havee been several lessees, it is reported there are plans to work the dumps this year.

The Snow-Bird was a small time silver producer that only operated three or four years.

(Question 7-b continued)

The Banker operated for about ten years and produced considerable silver but as they operated through a shaft they were eventually flooded out by water.

The Cashier was operated by two partners whose sole interest was to mine only sufficient ore for whiskey and another grubstake. Tho "pockety" it produced considerable rich silver for nearly twenty years, until the partners died. Inexperienced leasors have also lost this mine.

The Princess and Black Prince have both produced a little silver but they are not a poor man's proposition.

(c) Reports- None have ever been made.

Question 8 (see schedule on form)

Question 9 (See schedule on form)

Question 10 No production to this date- exploratory.

Question 11. Rate of Production-average- This question does not apply to this property as it has never been in production.

Question 12. Ore or Mineral Reserves- Sufficient development and exploration work has not as yet been done to make a report on the mineral deposits. (See also detailed map enclosed with the Form MF 103 enclosed herewith)

Question 13. Access Roads:

At present there is one access road to the mine, but this road is intersected two and one half miles from the mine by Browns Gulch Road from Butte, also by Ridge Road from Champion and Dry Cottonwood road. All three of these roads intersect the main Butte, Anaconda and Deer Lodge Highway. Shipping point is Race Track a distance of 9 miles.

Supply and residence points: Butte Twenty-two miles, Anaconda twenty miles and Deer Lodge twenty-one miles.

Question 14. Water Supply:

There are two small creeks, Cabin and Deer Creek that carry about fifty inches of water each. Neither one ever dries up. Cabin Creek cuts through the west end of Cabin Claim and rises in springs at present camp site. It is sufficient for all camp needs. Deer Creek rises on Chicken Hawk No. 1 and will furnish sufficient water for all mining purposes for which Chicken Hawk Claims No. 1- 2- 3 the year round.

There is also Dry Cottonwood Creek which cuts directly through the south end of Chicken Hawk No. 3 and carries seven or eight hundred inches of water all during the year.

There is also about twenty-five acres of good level land which would be ideal for a mill site.

Question 15. Power:

There is no power line to the property, but the main Deer Lodge Valley Power Line runs about four miles distant, also the natural gas line is available at the same distance.

Question 16. Labor:

No men have been amployed up to the present time.

Question 17. Equipment, etc.

No equipment other than hand tools for carrying on prospecting. and One sixteen by fourteen foot cabin which needs some minor repairs.

Question 18. No particular conditions or circumstances.

(*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) | | | | | |

(*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.

14. Water Supply:

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

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

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.

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.

Montana Cobalt Silver Crest Co (Name of company)

By [signature] (Signature of authorized official)

May 2, 1952 (Date)

Secretary (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

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. DMEA-2529

Date received 5-15-52

Montana Cobalt Silver Crest Co
158 W. Granite St.
Butte, Montana

Name and address of applicant

Date May 2, 1952

## 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.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 15 1952

## 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?
   (*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.
   (*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.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
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.
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.
   (*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.

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) |
|---|---|---|---|---|---|---|---|
| Charles W. Scott<br>730 N. Montana St<br>Butte, Montana | President | - | | 25,000 | 0 | - | - |
| L. F. Lamb<br>314 West Copper St.<br>Butte, Montana | Vice-President | - | | 25,000 | 0 | - | - |
| Geo. W. Richardson<br>158 W. Granite St<br>Butte, Montana | Secretary | | | 3,000 | 0 | - | - |
| Hugh Fleming<br>Butte, Montana | | | | 25,000 | 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 | 100,000 ~~$~~ shares | $ | $ No Par * | 79,500 | Articles filed 4-21/1952 |
| Preferred stock | $ 0 | $ | $ 0 | 0 | |

*Indicate period covered.

*By-laws provide stock shall not be sold for less than $2.00 per share.

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.

Question 1. Materials produced.

(a) Chief mine, mill or smelter products- - -None.

(b) Byproducts- - - -None.

Question 2.Property- consists of Quartz Lode Mining claims. The extent of workings consist of standard location holes with two years of annual representation work on this group of claims.

(a) Linear feet of shafts- - - Seventy feet.

(b) Linear feet of drifts and crosscuts.- - - None.

(c) Linear feet of tunnels or adits. - - - Fifteen feet.

(d) Linear feet other mine openings.- - Forty feet of cuts and a number of prespecting trenches also small holes. There is no flooding or water problem in any of the workings.

Question 3. Operations.

(a) Nearest town and shipping point. The properties are located Nine miles north east of Race Track, Montana.

(b)Mining District- Champion Unoragnized.

(c) Township 5 North, Range 8 West, Sections 4 and 9.

(d) Deer Lodge County, Montana.

Question 4. Operation.

(a) The mine is not in operation, however, a program of stripping with a bulldozer on Chicken Hawk No. 1, 2 and 3 is being done for the purposes of opening up sill and stockwork to assist the Bureau of Mines Geological Survey Team when they

examine the property. This work is being done by the owners.

Question 5. Production. The Mines have never been in production. We hope that if granted a development loan that we will be able to start production as soon as the development program is completed.

Question 6. Experience of Operators.

(a) Applicant - THE MONTANA COBALT SILVER CREST CO.

(b) Management- Mr. Charles W. Scott, who will be in charge of mine management has had forty-five years of mining experience, which includes gem, hard-rock, placer, coal and mica mining.

B. L. Calvert, business man of Butte, Montana, of long standing in mining, real estate and insurance.

George W. Richardson, Attorney, presently City of Butte Attorney.

Walter W. Wolz, long established accountant and business man of Butte, Montana.

Frank L. Lamb of Butte, Montana, has mined in Butte and vicinity for a number of years.

Hugh Fleming, of Butte and Wise River, Montana, owns and operates saw mill at Wise River, Montana, has many years of experience in logging and use of heavy equipment in mountainous areas.

Question 7. History:

(a) Previous exploration- None other than above stated.

(b) Adjoining properties- There are no known adjoining properties but there a number of neighboring properties, as shown on accompanying may. The Champion Mine is 3/4 mile Northwest from this property and on the same strike with the leads of this property. The Champion Mine was operated in the early Seventies to some time in the middle Nineties, it was a large silver producer and one time the camp had some 5,000 inhabitants. The mine was operated through a shaft but on account of flooding was forced to shut down, as at that time the pumps were inadequate to handle the water. The Champion Mine was again operated in 1918 to 1922 by the Butte Jardine Co. who drove a 4,000 foot tunnel under the old shaft which drained the old workings, they found large bodies of high grade ore surrounding the shaft which they attempted to remove but only succeeded in caving the shaft as well as 1,100 feet of the tunnel.

The Emery Mine is five miles distant and was also a fairly large producer of lead, silver and zinc. We do not have available the number of years it was in operation as there have been several lessees, it is reported there are plans to work the dumps this year.

The Snow-Bird was a small time silver producer that only operated three or four years.

(Question 7-b continued)

The Banker operated for about ten years and produced considerable silver but as they operated through a shaft they were eventually flooded out by water.

The Cashier was operated by two partners whose sole interest was to mine only sufficient ore for whiskey and another grubstake. Tho "pockety" it produced considerable rich silver for nearly twenty years, until the partners died. Inexperienced leasors have also lost this mine.

The Princess and Black Prince have both produced a little silver but they are not a poor man's proposition.

(c) Reports- None have ever been made.

Question 8 (see schedule on form)

Question 9 (See schedule on form)

Question 10 No production to this date- exploratory.

Question 11. Rate of Production-average- This question does not apply to this property as it has never been in production.

Question 12. Ore or Mineral Reserves- Sufficient development and exploration work has not as yet been done to make a report on the mineral deposits. (See also detailed map enclosed with the Form MF 103 enclosed herewith)

Question 13. Access Roads:

At present there is one access road to the mine, but this road is intersected two and one half miles from the mine by Browns Gulch Road from Butte, also by Ridge Road from Champion and Dry Cottonwood road. All three of these roads intersect the main Butte, Anaconda and Deer Lodge Highway. Shipping point is Race Track a distance of 9 miles.

Supply and residence points: Butte Twenty-two miles, Anaconda twenty miles and Deer Lodge twenty-one miles.

Question 14. Water Supply:

There are two small creeks, Cabin and Deer Creek that carry about fifty inches of water each. Neither one ever dries up. Cabin Creek cuts through the west end of Cabin Claim and rises in springs at present camp site. It is sufficient for all camp needs. Deer Creek rises on Chicken Hawk No. 1 and will furnish sufficient water for all mining purposes for which Chicken Hawk Claims No. 1- 2- 3 the year round.

There is also Dry Cottonwood Creek which cuts directly through the south end of Chicken Hawk No. 3 and carries seven or eight hundred inches of water all during the year.

There is also about twenty-five acres of good level land which would be ideal for a mill site.

Question 15. Power:

There is no power line to the property, but the main Deer Lodge Valley Power Line runs about four miles distant, also the natural gas line is available at the same distance.

Question 16. Labor:

No men have been amployed up to the present time.

Question 17. Equipment, etc.

No equipment other than hand tools for carrying on prospecting. and One sixteen by fourteen foot cabin which needs some minor repairs.

Question 18. No particular conditions or circumstances.

(*b*) If deposit is other than place

(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) | | | | | |

(*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.

14. Water Supply:

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

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

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.

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.

Comstock Cobalt Silver Mines Co
(Name of company)

By G. W. Robinson
(Signature of authorized official)

May 2, 1952
(Date)

Secretary
(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

Bureau of Public Roads

By messenger