UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

June 4, 1958

DMEA
RECEIVED JUN 9 1958

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

Re: New Application (Lead-Zinc)
Clarence R. Oliphant
Copper State Mine
Meagher County, Montana

Dear Mr. Selfridge:

Enclosed are the original and two copies of an application for DMEA aid to explore for lead and zinc in Meagher County, Montana.

The applicant proposes a three-stage program of trenching, diamond drilling and shaft sinking followed by drifting at an estimated cost of $372,875.04.

As soon as the maps and leases referred to in the applicant's letter are received, we will forward them.

A field examination will be scheduled for the week of June 9, 1958.

Sincerely yours,

for A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

Enclosures

cc: USBM (2)
Prinz

maps & leases please send for doubt

May 31, 1958
Lennup, Montana
Phone Lennup No.1, Burke Store

Executive Officer of DMEA
Geological Survey
157 South Howard
Spokane, Washington

Att: Mr. W.C. Prinze

Gentlemen:

Enclosed is an application for DMEA loan.

Maps and copy of lease will follow in few days.

Yours truly,

Clarence R. Oliphant

RECEIVED
JUN 2 1958
U.S.G.S.
SPOKANE, WASH.

Form MF–103
Revised Oct. 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42–R1035.3
Approval expires June 30, 1958

APPLICATION FOR AID IN AN EXPLORATION PROJECT

PURSUANT TO DMEA ORDER I, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

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

Clarence R. Oliphant
Lennup, Montana

RECEIVED
JUN 2 1958
U. S. G. S.
SPOKANE, WASH.

APPLICANT NOT TO USE THIS BLOCK

Docket Number	DMEA-5045
Date Received	6-9-58
Government Participation %	
Region	I
Division Code	500

BUSINESS ORGANIZATION (Check one)

- Individual [ ]
- Corporation [ ]
- Partnership [X]
- Other (Specify) [ ]

State in which firm is organized

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

Name	Address	Title
Clarence R. Oliphant,	Lennup, Montana	Partner
Edward C. Hughes,	1301 Porphyry St., Butte, Montana	Partner

Mineral(s) for which you wish to explore: Lead, zinc

Estimated Cost of Project: $ 372,875.04

LOCATION OF PROPERTY

Name	County	State
Copper State	Meagher	Montana

GENERAL INSTRUCTIONS

Before filling out this application, please read DMEA Order–I, Revised, "Government Aid in Defense Exploration Projects." To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 1, existing mine workings and geology in item 2, and the proposed exploration project in item 4. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 2(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest DMEA Field Office.*

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

May 31, 1958
Dated

C. R. Oliphant
BY (Signature)

Partner
Title

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. *Applicant's Property Rights:*

(a) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all land adjacent to the proposed project area which you own or control. Describe any part of the project land or workings which should not be subject to Government lien for royalty payments. If the land consists of unpatented claims, state the book and page number for each recorded location notice, including amended locations, and the place where recorded (courthouse, recorder's office, county, and state).

(b) State all the names by which you know the property.

(c) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise. If you are not the owner, submit with this application one exact copy of the lease, contract, or other document (with address of owner) under which you control the property.

(d) Describe all liens, mortgages, or other encumbrances on the property.

2. *Physical Description:*

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

(b) State your interest, if any, in operations stated in 2*(a)*.

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

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

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

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

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

3. *Accessibility of Project:*

(a) To aid DMEA representatives who may be required to examine the property, state the name and address of the person who will meet the DMEA representative; give directions for reaching the property; and describe accessibility of the property including the mine workings.

(b) Name the shipping and supply points and places where employees reside and state the distances between them and the property.

4. *The Exploration Project:*

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

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

(c) In the event that an exploration contract with DMEA is executed, how soon will the work start and how many months will be required to complete it? State your anticipated average daily or monthly rate of progress for each type of work.

5. *Experience:*

State your operating experience and background with relation to your ability to carry out this exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of Costs:*

Furnish detailed estimates of the costs *for each item of the work proposed in 4(a)* under the headings listed below with a total for each heading and the estimated total cost of the project. Costs for any work to be performed by an independent contractor should be shown separately under category *(a)* below. Costs for any work that is not to be performed by an independent contractor should be given in detail under categories *(b)* through *(g)*.

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

(b) Personal services. For necessary supervision, engineering and geological services, and labor, include an itemized schedule of numbers, classes, rates of wages, salaries or fees, and periods of employment. State whether these technicians and employees are available.

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

(d) Operating equipment. List items of operating equipment to be used giving specifications and indicating how each item is to be acquired – i.e., rented, purchased, or provided by the applicant. If it is rented or purchased, state the estimated rental or purchase price. If it is to be furnished by the applicant, give its present fair market value.

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

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

(g) Miscellaneous. For the operating equipment listed in 6*(d)*, describe the type and estimate the cost of repairs and maintenance expected during project operations. Do not repeat initial repairs listed in 6*(e)*. Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories.

Note – No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. *(a)* State whether you are prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation stated in Sec. 7 of DMEA Order–I, Revised.

(b) Explain to what extent you propose to furnish your share of the costs by providing money, by use of equipment owned by you, or otherwise.

* * * * *

INT.-DUP. SEC., WASH., D.C. 25960

RECEIVED JUN 9 1958
DATE | INITIALS | CODE

1. APPLICANT's PROPERTY RIGHTS

Sec. 15, 16. T.11N, R.8E.

		Survey Number
a.	Mary Rose	10324
	Mammoth	10324
	Duke	10324
	Bryan	10324

b. By the above names, or Copper State
c. Lessee
d. none

2. PHYSICAL DESCRIPTION

a. The work done on these claims was befor year of 1927. There are no workings accessible at the present time. A shaft 200 feet was sunk in the early 1920's, and some drifting was done. There are no reports available on the property other than BUREAU OF MINES CIRCULAR No.7540, page 32, by Robert N. Robie. In 1957 Clarence R. Oliphant & Ed C. Hughes sank a shaft 12 feet deep which showed good mineralization. The dumps of the 200 foot shaft showed good zinc and lead ores.

b. 12 foot shaft

c. no record other than Robie states limited production in B.M. Circular No. ~~8540~~. 7540

d. There are no known ore reserves on the property other than the ore exposed by 12 foot shaft.

e. Maps enclosed. Re: to circular No. 7540.

f. 12 foot shaft shows a large structure and some commercial ore.

g. Re: Bureau of Mines circular No. 7540.

3. ACCESSIBILITY OF PROJECT

a. C.R.Oliphant, Lennyp, Montana
A good road crosses property. No accessible mine workings except 12 foot shaft.

b. White Sulphur Springs, Montana - 15 miles from property.

4. EXPLORATION PROJECT

The proposed project will be conducted in 3 stages. Re: to map.

STAGE 1, will be a complete dozing program
STAGE 2, will be diamond drilling program
STAGE 3, will be sinking shaft & driving drifts

STAGE 1

1. Bulldozing or trenching will start on S.E. end of the Mary Rose claim Survey No.10324. 600 ft long, 12 ft wide, 10 ft. deep. - 5 additional cuts will be put on the Mary Rose claim 200 ft long, 12 ft wide, 10 ft deep going Westerly from cut No.1 - an additional 1000 foot of trenching will be done if the structure warrants it, Re: to map.

2. On the Mammoth Claim Sur.No.10324, a trench will be cut 600 ft long, 12 ft wide, 10 ft. deep, beginning on the South Easterly portion of the claim - 5 other cuts 200 ft. long, 12 ft wide 10 ft. deep going Westerly. Re: to map. An additional 1000 feet of trenching will be done if structure warrants it.

3. On the Duke Claim No.10324, a trench will be cut 600 ft long, 12 ft wide, 10 ft. deep, beginning on the Easterly end of claim. 5 other cuts 200 ft long, 12 ft wide, 10 ft deep going in a Westerly direction. Re: to map. An additional 1000 feet of trenching will be done if structure warrants it.

4. On the Bryan Claim No.10324, a trench will be cut 600 ft long, 12 ft. wide, 10 ft. deep beginning on the Easterly end of the claim. 5 other cuts 200 ft long, 12 ft. wide, 10 ft. deep going in a Westerly direction. Re: to map. An additional 1000 ft of trenching will be done if structure warrants it.

b. None
c. Within 60 days after contract is OKey'd. Actual working time based on 8 hour per day. 12 months, encluding time off for winter months, closed down.

(1) Estimated 1300 lenial feet per month based on total of 10,400 feet of trenching.

Part 5

EXPERIENCE

Mine operator
Bossing for ACM, Company
Lessor
Started mining in 1936

On Part 6, see sheet "A"

a. none
b. Supervisor, $650.00 per month
YES, employees are available @ $16.00 per day
c. none
d.

D7 Bulldozer,	value	$12,500.00
DA Cat.	"	10,000.00
Compressor		3,500.00
International 4 wheel drive pickup		1,800.00
Chevrolet pickup		1,150.00
Jackhammer, steel, hose		600.00
28 ft Columbia Trailor		3,800.00

(We own the above equipment)

e. to be built - - -

1, 14X20 ft;cookhouse	2,500.00
1, 14X20 ft.bunkhouse	2,500.00

f. none, all repairs are covered in hourly cost of dozing, drilling and footage costs of shafts & tunnels.

g. Miscellaneous repairs & maintaince are covered by the hourly rate.

COST OF DOZING & TRENCHING - STAGE 1

10,400 lenial ft of trenching, 12 ft wide, 10 ft deep dozer cost $18.00 per hour, encludes labor, fuel, oil, repairs.

BASIS OF COST - STAGE 1

10,400 ft X 10ft X 12ft equals 44,667 divided by ~~29~~ 200 yards per day equals 231 days. 231 days X 8 hours per day equals 1,848 hours @ $18.00 per hour equals - $ 33,264.00

6. DRILLING & BLASTING ~~BLAZER~~ DOZER CUTS

On the basis of 25% of lenial ft of dozer cuts, it is estimated at least 5 ft of these dozer cuts will have to be drilled and blasted. Cost of drilling & blasting, $2.13 per lenial foot, 2600 ft X 2.13 equals $ 5,980.00

Assaying & sampling every 5 foot of dozer cuts equals 2080 samples @ $4.50 per sample, equals		9,360.00
Plus sample bags & transportation of samples		975.00
Sampler, $2.25 per hour 4140.50, plus 15.4% for S.S. Unemployment, Ins.	637.64	4,778.14
Supervisor, 11 months @ $650.00 $7150.00 Plus 15.4% for S.S. Unemployment, Ins	1001.10	8,151.00
Engineering Service, @ $50.00 per day, 2 days per week		3,300.00
		$ 32,244.14
231 days dozing -		33,264.00
Total cost, Stage 1 -		$ 65,508.14

STAGE 2

providing trenching program in Stage 1 proves successful and the Government and us feel it advisable to enter into a diamond drilling program. 10,000 feet of drilling, drill holes varing from 50 to 100 foot depth. Drilling equipment is owned by the applicant and will be done on a footage basis. Estimated time to finish drilling, 24 months.

DRILLING PROGRAM

a. 10,000 ft of AX core drilling at a cost of $6.35 per foot 63,500.00

b. Reaming, $3.00 per ft; estimated reaming 2500 ft equals - 7,500.00

c. CEMENTING, CASING & STANDBY TIME, $10.00 per hour, 2000 hours - - - - - - - - - - - - - - - - - - - 20,000.00

e. SUPERVISOR, $650.00 per month, X 24 months equals $15,600.00 - plus 15.4% Social Security, unemployment, Insurance 2422.40 - - - - - - - - - - - - 18,022.40

F. SAMPLER, $425.00 per month plus 15.4% S.S. Tax, Unemployment 11,818.80

G. Assaying, Samples taken every 5 feet, 10,000 ft divided by 5 equals 2000 samples x $4.50 equals 9,000.00

plus, transportation of samples and sample bags - - - - - 900.00

Total cost - Stage 2 $ 139,741.20

STAGE 3

If stage 1, and Stage 2 proves successful and the Government and us feel that sinking shaft and driving drift on the structure would prove our target, then the following shafting and drifting will be done.

Shaft location will be picked or approved by both the Government and the applicant, Time for this project, 24 months.

a. Shaft location Dozing a place for shaft, dozing time 24 hours @ $18.00 per hour.	$ 532.00
b. Hoist house 14X20, 2500.00 supply house 14X20 2500.00 compressor house 14X20 ft. 2500.00	7,500.00
Head frome, 35 ft	1,260.00
Decil Eleetric D13, 75kva generatlr, to be rented @ $300.00 per Month	7,200.00
Hoist, to be rented @ $65.00 per month	1,560.00
Compressor, decil powered 325 CM cu. ft. rented, $210.00 Month, 24 months	5,040.00
Shaft sinking will be done by the applicant on contract @ $110.00 perfoot, 250 feet	27,000.00
Drifting & Crosscutting will be done by the applicant @ $35.00 per foot - 1500 feet	52,500.00
Hoisting & surface tramming from drift @ $15.00 per foot - 1500 feet	22,500.00
Assaying, 350 samples @ $4.50 per sample	1,575.00
Sample bags & sample transportation	157.50
Sampler, $425.00 per month, plus 15.4% for S.S. unemployment, insurance (24 mo. basis)	11,818.80
Supervisor, $650.00 per mon (based on 24 months, plus 15.4% Social Security, Insurance, unemployment	18,022.40
MAPPING & engineering, $50.00 per day, 2 days per week 104 weeks	10,400.00

total cost, STAGE 3 $ 167,565.70

Copy

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 9 1958
DATE | INITIALS | CODE

THIS AGREEMENT, made this 31st day of May, 1957, by and between MONTANA COPPER AND ZINC COMPANY, a Montana corporation, having its principal office at Helena, Montana, First Party, and C.R.Oliphant, of Butte, Montana, Second Party.

W I T N E S S E T H

That for valuable considerations First Party grants to Second party the exclusive right and option to purchase, at the price, within the time, and upon the other terms and conditions herinafter set forth, all the right, title and interest of First Party in and to those certain mining claims, commonly called the "COPPER STATE", situated in Section 15, Township 11 North, Range 8 East, in Meagher County, Montana, described as follows;

> The DUKE, the BRYAN, the MAMMOTH, and the MARY ROSE Quartz Lode Mining Claims, patented, U.S. Survey No. 10324;
>
> Together with the appurtenances.

1. The price to be paid to First Party by Second Party in the event he shall exercise this option is the sum of Fifty Thousand Dollars ($50,000.00), payable, without interest, on or before December 31, 1966; provided, however, that if by that date Second Party shall have paid at least $25,000.00 upon said purchase price, the term of this option shall be automatically extended until December 31, 1971, subject to the terms and conditions hereinafter set forth.

2. First Party give to Second Party, during the life of this Agreement, its permission to accupy the above optioned mining property. and to mine, explore and develop the same, and to mine and extract ore therefrom, and to mill, concentrate, or otherwise treat for market ores so extracted or now on the dump, and to ship any such ores and any concentrates or other products of milling, concentration, or other treatment thereof to a smelter or smelters for sale, and to retain the proceeds thereof, subject to the payment of royalties as herein provided; and for the purposes aforesaid, to install upon said mining property such machinery, equipment, and other facilities as he may deem necessary or proper.

3. Second Party shall pay to First Party a royalty of ten percent (10%) of the net returns from all ores, concentrates, and other products of operations hereunder, which royalties shall apply as payments upon the purchase price. The terms "net returns" means the gross settlement value of the ore, concentrates, or other products, less treatment charges and deductions, railroad freight, and $4.00 per wet ton as cost of trucking to railroad shipping point.

In the event of the delivery of ore, concentrates or other products to a smelter or other purchaser solely by truck, $10.00 per wet ton shall be deducted in lieu of all transportation before computing royalties.

4. No ore, concentrates or other products shall be marketed outside the State of Montana unless and until Second Party shall notify First Party in writing of the name, address and occupation of the smelter or other purchaser to which shipment is contemplated; and there shall be deposited with any smelter or other purchaser a copy of this Agreement and such smelter or other purchaser is hereby directed to deduct the royalties herein provided for and transmit the same to First Party, c/o C.E.Pew, Helena, Montana, together with a copy of the settlement sheet.

5.0 Until the deposit of deed in escrow as herein provided, any smelter or other purchaser of ore or other products of operations hereunder is hereby directed to deduct from the returns on each shipment the royalty herein provided for and transmit the same, together with a copy of the settlement sheet, to First Party hereto,c/o C.E.Pew, 314 Fuller Avenue, Helena, Montana. After deposit of deed in escrow such royalties, with such settlement sheet, shall be transmitted to the escrow holder hereinafter named, for the credit of First Party.

6. As a condition to the continuance of this Agreement in force, except during the months of January, February, March, April, and December, and except when, outside of said excepted months, prevented by weather or roads conditions, Second Party shall beginning with the calendar month of June 1957, perform upon said mining claims at least

twenty (20) eight (8) hour man shifts of work or the equivalent thereof in working hours, or make equivalent expenditure in bulldozer and/or other machine work in exploration, development and/or mining during each calendar month during the life of this Agreement, it being agreed that one (1)hour of bulldozer work shall be equivalent to eight (8) hours of man work for the purpose of this paragraph.

7. All work shall be done in a good, minerlike manner, consistently with good mining practice; and First Party, through its officers, agents or attorneys, shall have the right to go upon said property and into the workings and mills thereon at any reasonable time for the purpose of inspection and sampling.

8. The billing of each shipment of ore, concentrates, or other products shall show that it comes from the property hereby optioned, The Montana Copper & Zinc Company, and the Copper State, or some other designation which will so identify the shipment, and shall show the name of First Party as owner.

9. Second Party shall furnish First Party with information as to the results of sampling and of drill tests.

10. Second Party shall at all times when employing men keep qualified under the Montana Workman's Compensation Act, so that all accidental injuries to employees shall be compensated under said Act.

11. Second Party shall conduct operations hereunder in such manner as not to subject First Party or any of said property to liability for debts or other liability, and shall hold First Party and said property harmless therefrom and all costs and expenses arising therefrom; it being distinctly understood that Second Party is a independent contractor and is not in any sense a partner or employee or agent of First Party.

12. No ore, concentrates, or other products of operations hereunder shall be removed from the property hereby optioned except for market or for treatment in transit to market; and any ore, concentrates, or other products remaining upon said optioned property at the time of the termination of this Agreement, if terminated without the completion

of the purchase herein contemplated, shall belong to First Party, but the proceeds of any such ores, concentrates or other products than in transit to market, shall, after deduction and payment to First Party of the royalty herein provided for, belong to Second Party.

13. Second Party shall pay all state and county taxes lawfully levied upon improvements and other property placed upon said optioned property by Second Party, or against his operations hereunder, or against the products of such operations, including Gross Metal Mines taxes and Net Proceeds taxes, during the life of this Agreement, all such taxes to be paid before they shall become deliquent, but Second Party shall not be required to pay taxes upon royalties paid to First Party.

14. After the payment of $5,000.00 upon the purchase price First Party will, upon the written request of Second Party and upon his payment of the excrow deposit fee, execute in due form a Grant Deed conveying the interest of First Party in said mining claims to Second Party and deposit the same, together with an executed copy of this Agreement, in the First National Bank and Trust Company if Helena, Montana, in escrow; and said Bank is instructed to hold such Deed and deliver the same to Second Party upon the full payment of the purchase price herein specified, as and when herein provided, and while this Agreement is in full force and effect; but in the event of the termination of this Agreement without the full payment of the purchase price, said Bank shall hold said Deed subject to the order of First Party.

15. Time is of the essence of this Agreement. If Second Party shall fail to keep, observe and perform the terms and conditions hereof, as and when herein provided, this Agreement shall be subject to forfeiture at the election of First Party but if First Party shall elect to declare a forfeiture hereof because of such default it shall give Second Party notice in writing of its intention so to do, specifying in such notice the grounds of such forfeiture, and if Second Party shall within thirty (30) days after the service of such notice, cure and correct all defaults of which he may then be guilty, then

this agreement shall continue in force as though such notice had not been given and as though such defaults had not occurred, but if Second Party shall fail to so cure and correct all such defaults within said period, then this Agreement shall become null and void at the expiration of said 30-day period, subject to the right of Second Party to remove property as hereinafter provided, and all payments made to First Party by Second Party of royalties or otherwise shall be retained by First Party as liquidated damages and as rental. Failure of First Party to take advantage of any particular default shall not be construed as a waiver of any other default.

16. Service of notice upon Second Party may be made by personal delivery to him, or by registered mail, in a envelope securely sealed, bearing the necessary postage, and addressed to Second Party at 1440 Evans Avemue, Butte, Montana, or to such other address as Second Party may designate in writing delivered to First Party, and deposited in the U.S.Post Office at Helena, Montana. Service by mail shall be deemed complete upon such deposit in the post office. Notice served upon Second Party as in this paragraph provided shall bink his assigns, unless a copy of an assignment, either executed as a duplicate, or certified over the signature of Second Party as a true copy, containing the address at which the assign desires notice to be sent, shall have been filed with First Party; after which notice herein provided for or permitted shall be served upon such assign.

17. in case of the termination of this Agreement in any manner without the purchase of said optioned property by Second Party as and when herein provided, Second Party shall have sixty (60) days thereafter in which to remove from said optioned property any machinery or other equipment and personal property placed thereon by him, other than buildings, mine timbering, and other similar structures. In case weather or road conditions shall render it non-feasible or unduly expensive to make such removal within said time, the time for removal shall be extended so that Second Party will have 60 days when such conditions

do not exist in which to make such removal, but in such event Second Party shall so dispose said removable property as not to interfere with another operation upon said property. Any property not removed as herein permitted shall become the property of First Party.

18. In the event payments upon said purchase price in addition to royalties shall be made prior to the deposit of said Deed in escrow, such payments shall be made to First Party, c/o C.E. Pew, 314 Fuller Avenue, Helena, Montana; but after said Deed is so deposited in escrow all such payments shall be made to said escrow holder, to the credit of First Party.

19. This Agreement may be assigned by Second Party, or subleases may be made hereunder by him; but he shall in case of assignment forthwith notify First Party in writing of the name and address of the assign. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the successors and assigns of First Party, and the heirs, personal representatives and assigns of Second Party.

IN WITNESS WHEREOF the parties hereto have executed these presents the day and year herein first written.

MONTANA COPPER AND ZINC COMPANY

By_____
Its President

First Party

Attest:

_____
Walter C. Sampson
Its Secretary

_____
Clarence R. Oliphant

Second Party

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
October 22, 1958

OFFICIAL FILE COPY
RECEIVED Oct 27 1958

DATE	INITIALS	CODE
10/27	C	220
10/31	HB	130
10/31	C	220
	~~Cly~~	~~500~~
		220

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

Re: Docket No. DMEA-5045 (Lead-Zinc)
Clarence R. Oliphant
Copper State Mine
Meagher County, Montana

Dear Mr. Selfridge:

Enclosed are three copies of a memorandum examination report on this property by William C. Prinz, Geologist, U. S. Geological Survey.

A persistent quartz-calcite vein is exposed at the property, but it is barren except in only two places where some lead-zinc mineralization is found. Since the vein has already been extensively explored, Prinz concludes that further exploration would be unsuccessful and recommends that the application be denied.

The Field Team concurs with these conclusions and recommendations.

By Field Team, Region I

A. E. Weissenborn

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

Wing G. Agnew

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures
cc: USBM(2)
USGS(SRO)
Prinz

Reviewed by
OME OPERATING COMMITTEE
10-31-58
(00869)

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 27 1958

DATE	INITIALS	CODE
10/31	[illegible]	130
		220

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

OCT 17 1958

MEMORANDUM

To: OME Field Team Region I

From: William C. Prinz, Geologist, U. S. Geological Survey

Subject: Application Examination Report, Docket No. DMEA-5045 (Lead-Zinc), Clarence R. Oliphant, Copper State Mine, Meagher County, Montana

INTRODUCTION

An application for DMEA assistance to explore the Copper State mine, Meagher County, Montana, was received June 2, 1958, from Clarence R. Oliphant and Edward C. Hughes, partners. The applicants propose to explore the property by an extensive three-stage program of (1) trenching, (2) diamond drilling, and (3) shaft sinking and drifting. Numerous arithmetical errors in the applicants' cost analysis make it impossible to given an exact figure for their estimated cost of the exploration program, but it appears to be approximately $350,000; Government participation at 50 percent would be $175,000.

The Copper State mine was examined on June 14, 1958, accompanied by Clarence R. Oliphant, one of the applicants. A plane table map of three of the four claims comprising the property was prepared.

Edward C. Hughes, the other partner, was president of the Castle Lead and Zinc Company that explored the Yellowstone mine under DMEA Contract No. Idm-E240 (Docket No. DMEA-563). This contract ended with a complete investigation and auditing of the books relative to the DMEA work because one of the company's stockholders suggested that fraud may have been involved in some of the transactions. No fraud was proved, but a disallowance of $1,066.57 was made in certain phases of the contract work.

Reviewed by
OME OPERATING COMMITTEE
10-31-58
(date)

SUMMARY AND RECOMMENDATIONS

The Copper State mine is underlain primarily by Precambrian Belt shales and argillites which are cut by a white quartz-calcite vein which may be as wide as 10 feet. In two places, this vein contains significant lead and zinc mineralization, but elsewhere it is barren. The vein has already been extensively explored and it is concluded that further exploration would probably be unsuccessful. Therefore, it is recommended that this application be denied.

ON SITE REPORT.

LOCATION AND ACCESSIBILITY

The Copper State mine is 20 miles by road northeast of White Sulphur Springs in secs. 13, 16, and 22, T. 11 N., R. 8 E., Meagher County, Montana. The property is somewhat isolated and cannot be referred to any particular organized or unorganized mining district. The mine is easily accessible by passenger car by following Montana Highway 6 easterly from White Sulphur Springs (fig. 1). Turn left (north) on Dunkel Road, which is 9.2 miles east of the intersection of Highways 89 and 6. Continue north for 5.7 miles, then turn right just south of a fence line. At 0.3 mile, turn left and continue for 1.7 miles to the mine.

Winters in the area are not particularly severe so that most phases of exploration could be carried on throughout the year.

The property lies on the southwest flanks of the Big Belt Mountains at an altitude of approximately 6,000 feet. The total relief at the property is less than 100 feet.

THE APPLICANT

Clarence R. Oliphant, Lennup, Montana, and Edward C. Hughes, 1301 Porphyry Street, Butte, Montana, are partners in the mining venture considered in this DMEA application. They have also submitted an application for DMEA assistance to explore the Black Hawk mine (Docket No. DMEA-5046) which is about 17 miles south of the Copper State. An examination report on this property was submitted on August 13, 1958, and the application was subsequently denied by the DMEA. Oliphant is a miner who, for the last 20 years, has alternately operated his own small mine or worked for The Anaconda Company. He would supervise the project work. I did not meet Mr. Hughes, but judging from information in Docket No. DMEA-563, Castle Lead and Zinc Company, and from comments by Oliphant during my examination, Hughes has little technical or operating experience and apparently would handle the financial arrangements in connection with the proposed exploration.

THE PROPERTY

History and Production

Most of the work done at the mine was performed before 1927 and it is reported that two small shipments of sorted zinc ore were made to Salt Lake City. In 1937, the applicants sunk a shallow shaft on the Mammoth claim.

Ownership

The property considered in this application consists of four patented quartz lode claims: Duke, Bryan, Mammoth, and Mary Rose, patent survey no. 10324. The applicants control the property by a lease and option agreement granted by the Montana Copper and Zinc Company on May 31, 1957. Plate 1 shows the location of all of the claims except the Bryan, which is adjacent to and northwest of the Duke claim.

Development

The vein at the Copper State mine has been explored over a strike length of about 4,800 feet by numerous cuts, trenches, pits, and shallow shafts. The deepest shaft is the Duke shaft which is in the western third of the Duke claim (pl. 1). This shaft is reported to be 200 feet deep with 40 feet of drift at the bottom. All workings at the property are caved and inaccessible except for a 12-foot shaft in the eastern third of the Mammoth claim. There are no mine facilities or buildings at the property except for a small one-room log cabin just south of the Duke claim.

GEOLOGY

The geology of Meagher County and of the area including the Copper State mine has been described by:

Roby, R. N., 1950, Mines and mineral deposits (except fuels), Meagher County, Montana: U. S. Bureau of Mines Information Circ. 7540

The copper State mine is underlain primarily by gray shales and argillite, probably related to the Precambrian Belt series. These sediments have been moderately metamorphosed and are cut by a prominent quartz-calcite vein (pl. 1). This vein is exposed by numerous trenches and shallow pits for a strike length of about 4,800 feet. In places, it is exposed over a width of 4 feet, and the distribution of vein float in other areas indicates that the vein may be as wide as 10 feet. Except where the vein is stained red-brown to brown by iron oxides, it is white or very light gray. Although the vein has been extensively explored, ore minerals are found in only two places. In the 12-foot shaft in the eastern third of the Mammoth claim, an 8-inch wide lens of high-grade galena is exposed, and some galena is also found on the dump of the old shaft 80 feet to the east. The only other significant mineralization is found on the dump of the Duke shaft in the western third of the Duke claim. Some of the rock on this dump contains considerable sphalerite, galena, and some chalcopyrite. Some of the shallow pits a short distance to the east of this shaft contain oxidized copper minerals, pyrite, and

chalcopyrite. The vein strikes west to west-northwest and dips 90°-75° S. Five samples for assay were collected during the examination. The results of these assays are posted on plate 1 and are tabulated below.

Sample No.	Width	Ag (oz/ton)	% Pb	% Zn
893	11"	1.4	41.5	0.5
894	Grab	Tr	0.1	0.0
895	Grab	Tr	0.0	0.0
896	Grab	Tr	0.0	0.0
897	Grab	4.4	84.0	1.0

DMEA Sample No. 893 was cut across the galena-rich lens in the 12-foot shaft in the eastern third of the Mammoth claim and Sample No. 897 is a grab from the dump of this shaft. The remainder of the samples were taken from dumps of several shallow pits elsewhere in the claim group. The results of these assays confirmed the field observations. The dump material from the Duke shaft had been assayed by the Bureau of Mines (Roby, 1950). He found that the sorted ore in the bin near this shaft contained 0.01 ounce gold and 0.33 ounce silver per ton, 31 percent zinc, and 5.9 percent lead. He further found that a sample of the dump material near this shaft assayed trace of gold and 0.2 ounce silver per ton, 6.85 percent zinc, and 0.9 percent lead.

Although ore-grade material is found along the vein at two localities, extensive exploration has not uncovered other areas of significant mineralization. It appears, therefore, that further exploration would probably be unsuccessful.

APPLICANTS' PROPOSAL

The applicants propose to explore the property by an extensive three-stage program of trenching, diamond drilling, and shaft sinking, crosscutting, and drifting which would cost about $350,000. Most of their proposed work was set up without any particular regard for existing workings and would explore areas which have already been extensively explored.

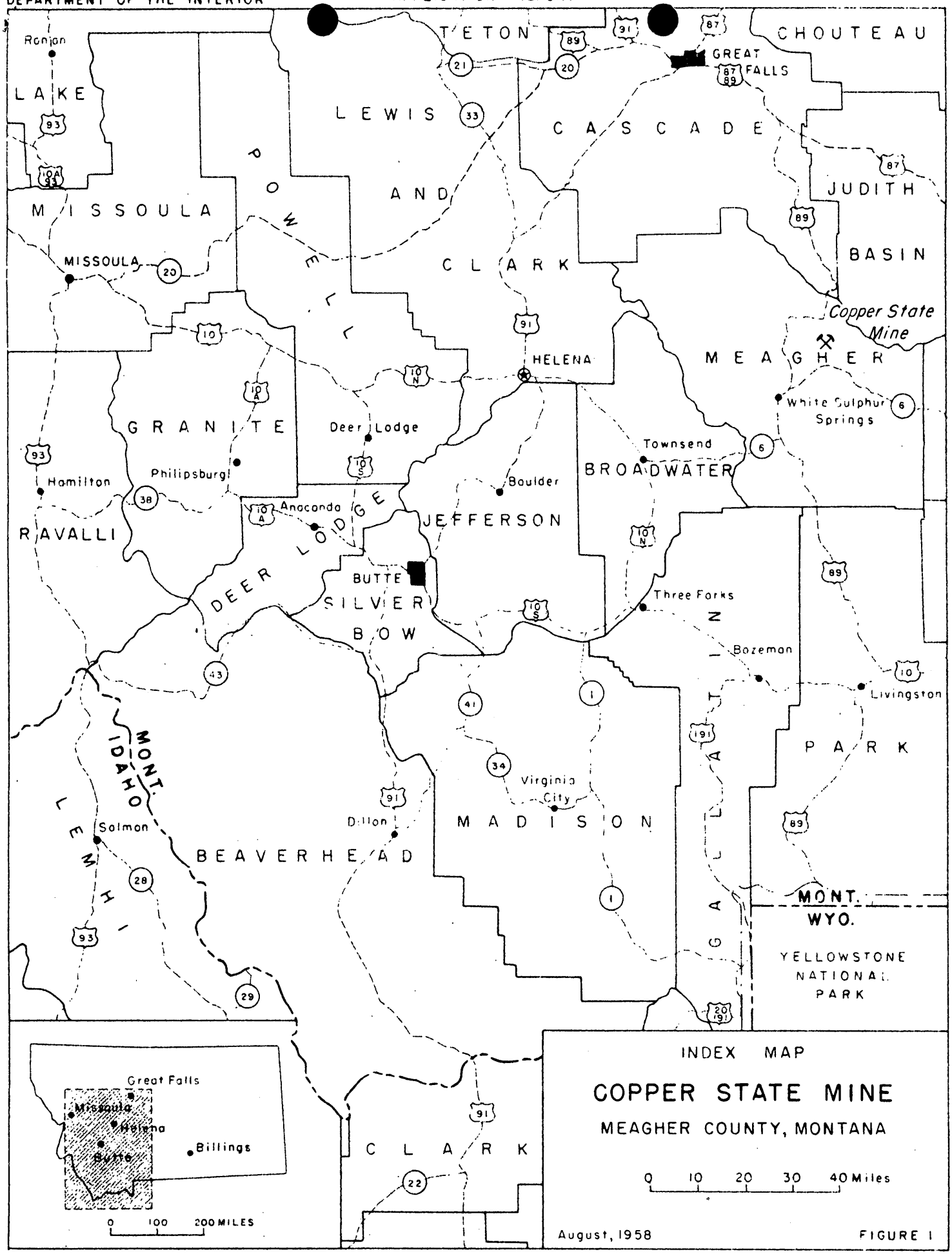
The applicants' estimated costs are not realistic and are padded with such items as a full-time supervisor and sampler, excessive assaying and consulting costs, etc. His cost analysis also contains numerous arithmetical errors.

Enclosures
Distribution:
DMEA(3)
USGM(2)
USGS(SRO)
Prinz
Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
APPLICATION REPORT

DOCKET NO. DMEA 5045



DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/22	Klingenkoid	500
8/22	Jlowd	580
8/22	Selfridge	2130
"	Adam	110
"	Hellendorf	100
		330
		500
8/22	Yopes	130
8/22	Kilson	180

AUG 22 1958

Mr. Clarence R. Oliphant
Lennup, Montana

Re: Docket No. DMEA-5045 (Lead-Zinc)
Clarence R. Oliphant
Copper State Mine
Meagher County, Montana

Dear Mr. Oliphant:

We regret that we were unable to completely process your application for exploration aid prior to June 30, 1958, the termination date for approving new contracts, as announced by the enclosed copy of a news release of June 6, 1958.

However, had the processing been completed, we would have been unable to approve a project based upon the information available to us in Washington concerning your property.

We wish to thank you for your interest in the Defense Minerals Exploration Administration program and for bringing the exploration plan to our attention.

Sincerely yours,

G. D. Hellendorf (for)

Administrator

Enclosure

WPK/dl 8-22-58
cc to: Docket
Admr. R. File
Oper. Comm.
FT. REG. I
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

8623

AXXXXXXX-130K

AXXXXXXX-131K

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SPOKANE WASH 8-15-50 1515U

MR. GEORGE C. SELFRIDGE, CHAIRMAN OPERATING COMMITTEE

DMEA

DEPT OF INTERIOR WASHN 25 DC

FIELD TEAM WILL RECOMMEND DENIAL OF ALL APPLICATIONS LISTED IN YOUR TELETYPE AUGUST 15 HOWEVER DENIAL OF HOWARD BANKS APPLICATION (DMEA 5030) IS RECOMMENDED WITHOUT PREJUDICE SHOULD PROGRAM BE EXTENDED PENDING EXAMINATION OF OLD WORKINGS NOT ACCESSIBLE BY JULY 1 BUT SINCE OPENED.

A. E. WEISSENBORN, EXECUTIVE OFFICER

DMEA FIELD TEAM REGION L

15 5030 1

VA 1517U

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

AUG 15 1958

Department of Interior

DMEA - Base Metals Division
1[illegible](01)
Revolving Fund, Defense
Production Act, Interior,
(Transfer to Office of Secy.)

T E L E T Y P E

TO: Mr. [illegible], EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION 1
SOUTH 157 MONROE STREET
SPOKANE 4, WASHINGTON

IT IS OUR UNDERSTANDING THAT YOUR OFFICE IS PREPARING REPORTS COVERING THE FOLLOWING BASE METAL APPLICATIONS:

DMEA 4987 TIDAL BAYS MINING, INC.

DMEA 5002 WILLIAM ALBERT HALL

~~DMEA 5014 WALTER LEWIS MINING CO.~~ Report rec'd.

DMEA 5030 HOWARD L. LAKE

DMEA 5045 CLARENCE R. [illegible]

DMEA 5047 CHEMICAL CONCRETE CO.

DMEA 5049 MILLER AND JACK HICKS

PLEASE ADVISE US BY TELETYPE AS TO WHICH OF THE ABOVE YOU WILL HAVE REPORTS FOR.

George C. Selfridge
CHAIRMAN, OPERATING COMMITTEE

WMO/dl 8-15-58
cc to: Dockets (7) Chron.
Admr. R. File Conf. to Reg 1
Oper. Comm.

FOR FILE COPY
DMEA
RECEIVED AUG 5 1958

DATE	INITIALS	CODE
8/5/58	W.g.	225
		500

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

August 4, 1958

Re: DMEA 5054; Lead-Zinc
$373,000
Clarence R. Oliphant
Copper State Mine
Meagher County,
Montana

~~Memorandum~~

To: W. R. Griswold, DMEA

From: O. M. Bishop, USBM

Subject: Comments on application dated May 31 and received Washington June 9, 1958.

Mr. Oliphant has submitted an application for DMEA assistance in a $373,000 project that includes surface examination, core drilling and shaft-sinking. There are no maps or narration of the geologic setting or description of the project. According to the letter of transmittal the missing geologic data were to be forwarded within a few days.

I recommend a letter of inquiry be sent to Mr. Oliphant so that work on the application may be continued.

O. M. Bishop
O. M. Bishop

Copy to: Division of Minerals
H. M. Callaway
Mr. Kiisgaard
Mr. Lamb
Files

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 16 1958

DATE	INITIALS	CODE
6/16	C	220
~~6/17~~	~~Kby~~	~~500~~

IN REPLY REFER TO:

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

June 13, 1958
Re: DMEA 5045
Clarence R. Oliphant
Copper State Mine
Meagher County, Montana
$372,875.04 - Lead-zinc

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application

The applicant requests assistance in exploring, by bulldozing, diamond drilling, shaft sinking, and drifting, a zone on which, judging by the applicant's work program, much work by the applicant and his equipment is warranted.

According to the U. S. Bureau of Mines Information Circular 7540 by Robert N. Roby, the vein consisting mostly of quartz and calcite occupies a steeply dipping fissure in thin-bedded Belt shales. It can be traced for 2,000 feet and is reported to be 2 to 14 feet wide where exposed in the underground workings. Two small shipments of sorted zinc ore were made to a custom mill in Salt Lake City.

An examination has been scheduled and referral is a matter of record only.

N. E. Nelson

N. E. Nelson

Official

EXTRA COPY
D
RECEIVED 9 1958
DATE CODE
6/9 C 220
500

So. 157 Howard Street
Spokane 4, Washington

June 5, 1958

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

Re: New Application(Manganese-Lead-Silver)
Clarence R. Oliphant
Blackhawk Mine
Meagher County, Montana
and
New Application (Lead-Zinc)
Clarence R. Oliphant
Copper State Mine
Meagher County, Montana

5045

Dear Mr. Selfridge:

Enclosed is a copy of a lease dated May 22, 1958, between Russell Manger and Clarence R. Oliphant, and three prints of a claim map of the Blackhawk mine.

Also enclosed is a copy of an agreement dated May 31, 1957, between Montana Copper and Zinc Company and C. R. Oliphant with three prints of a claim map of the Copper State mine.

Sincerely yours,

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

Enclosures

cc: USBM (4)

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

June 9, 1958

Mr. Clarence R. Oliphant
Lennup, Montana

Subject: DMEA-5045

Dear Mr. Oliphant:

Your application for exploration assistance, dated May 31, 1958 submitted to our office at Spokane, Washington has been assigned Docket Number DMEA-5045 and referred to the Base Metals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to: Region I.

EXTRA COPY
DMEA
RECEIVED JUN 16 1958
DATE | INITIALS | CODE

June 13, 1958
Re: DMEA 5045
Clarence R. Oliphant
Copper State Mine
Meagher County, Montana
$372,875.04 - Lead-zinc

Memorandum

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An examination has been scheduled and referral is a matter of record only.

N. E. Nelson

N. E. Nelson

Copy to: DMEA (3)
O. M. Bishop, 3617
Docket file
Chron. file
Director's reading
Branch reading

NENelson:pbb
G-MD: 6/13/58

FILE COPY
DMEA
RECEIVED JUN 16 1958
MAIL & RECORDS

June 13, 1958
Re: DMEA 5045
Clarence R. Oliphant
Copper State Mine
Meagher County, Montana
$372,875.04 - Lead-zinc

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application

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N. E. Nelson

N. E. Nelson

Copy to: DMEA (3)
O. M. Bishop, 3617
Docket file
Chron. file
Director's reading
Branch reading

NENelson:pbb
G-MD: 6/13/58

June 13, 1958
Re: DMEA 5045
Clarence R. Oliphant
Copper State Mine
Meagher County, Montana
$372,875.04 - Lead-zinc

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application

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An examination has been scheduled and referral is a matter of record only.

N. E. Nelson

N. E. Nelson

Copy to: DMEA (3)
O. M. Bishop, 3617
Docket file
Chron. file
Director's reading
Branch reading

NENelson:pbb
G-MD: 6/13/58

EXTRA COPY
DMEA
RECEIVED JUN 9 1958
DATE | CODE

So. 157 Howard Street
Spokane 4, Washington

June 4, 1958

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

Re: New Application (Lead-Zinc)
Clarence R. Oliphant
Copper State Mine
Meagher County, Montana

Dear Mr. Selfridge:

Enclosed are the original and two copies of an application for DMEA aid to explore for lead and zinc in Meagher County, Montana.

The applicant proposes a three-stage program of trenching, diamond drilling and shaft sinking followed by drifting at an estimated cost of $372,875.04.

As soon as the maps and leases referred to in the applicant's letter are received, we will forward them.

A field examination will be scheduled for the week of June 9, 1958.

Sincerely yours,

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

Enclosures

cc: USBM (2)
Prinz

EX LIBRARY
RECEIVED 1939
DATE CODE

May 31, 1958
Lennup, Montana
Phone Lennup No.1, Burke Store

Executive Officer of DMEA
Geological Survey
157 South Howard
Spokane, Washington

Att: Mr. W.C. Prinze

Gentlemen:

Enclosed is an application for DMEA loan.

Maps and copy of lease will follow in few days.

Yours truly,

Clarence R. Oliphant

RECEIVED
JUN 2 1958
U.S.G.S.
SPOKANE WASH

Form MF-103
Revised Oct. 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1035.3
Approval expires June 30, 1958

APPLICATION FOR AID IN AN EXPLORATION PROJECT

PURSUANT TO DMEA ORDER I, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

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

Clarence R. Oliphant
Lennup, Montana

RECEIVED
JUN 2 1958
U. S. G. S.
SPOKANE, WASH

APPLICANT NOT TO USE THIS BLOCK

Docket Number	DMEA-5045
Date Received	6-4-58
Government Participation %	
Region	I
Division Code	500

BUSINESS ORGANIZATION (Check one)

- Individual [ ]
- Corporation [ ]
- Partnership [X]
- Other (Specify) [ ]

State in which firm is organized

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

Name	Address	Title
Clarence R. Oliphant,	Lennup, Montana	Partner
Edward C. Hughes,	1301 Porphyry St., Butte, Montana	Partner

Mineral(s) for which you wish to explore: Lead, zinc

Estimated Cost of Project: $ 372,875.04

LOCATION OF PROPERTY

Name	County	State
Copper State	Meagher	Montana

GENERAL INSTRUCTIONS

Before filling out this application, please read DMEA Order-I, Revised, "Government Aid in Defense Exploration Projects." To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 1, existing mine workings and geology in item 2, and the proposed exploration project in item 4. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 2(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals,* of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest DMEA Field Office.*

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

May 31, 1958
Dated

C. R. Oliphant
BY (Signature)

Partner
Title

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. *Applicant's Property Rights:*

(a) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all land adjacent to the proposed project area which you own or control. Describe any part of the project land or workings which should not be subject to Government lien for royalty payments. If the land consists of unpatented claims, state the book and page number for each recorded location notice, including amended locations, and the place where recorded (courthouse, recorder's office, county, and state).

(b) State all the names by which you know the property.

(c) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise. If you are not the owner, submit with this application one exact copy of the lease, contract, or other document (with address of owner) under which you control the property.

(d) Describe all liens, mortgages, or other encumbrances on the property.

2. *Physical Description:*

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

(b) State your interest, if any, in operations stated in 2*(a)*.

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

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

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

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

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

3. *Accessibility of Project:*

(a) To aid DMEA representatives who may be required to examine the property, state the name and address of the person who will meet the DMEA representative; give directions for reaching the property; and describe accessibility of the property including the mine workings.

(b) Name the shipping and supply points and places where employees reside and state the distances between them and the property.

4. *The Exploration Project:*

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

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

(c) In the event that an exploration contract with DMEA is executed, how soon will the work start and how many months will be required to complete it? State your anticipated average daily or monthly rate of progress for each type of work.

5. *Experience:*

State your operating experience and background with relation to your ability to carry out this exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of Costs:*

Furnish detailed estimates of the costs *for each item of the work proposed in 4(a)* under the headings listed below with a total for each heading and the estimated total cost of the project. Costs for any work to be performed by an independent contractor should be shown separately under category *(a)* below. Costs for any work that is not to be performed by an independent contractor should be given in detail under categories *(b)* through *(g)*.

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

(b) Personal services. For necessary supervision, engineering and geological services, and labor, include an itemized schedule of numbers, classes, rates of wages, salaries or fees, and periods of employment. State whether these technicians and employees are available.

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

(d) Operating equipment. List items of operating equipment to be used giving specifications and indicating how each item is to be acquired – i.e., rented, purchased, or provided by the applicant. If it is rented or purchased, state the estimated rental or purchase price. If it is to be furnished by the applicant, give its present fair market value.

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

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

(g) Miscellaneous. For the operating equipment listed in 6*(d)*, describe the type and estimate the cost of repairs and maintenance expected during project operations. Do not repeat initial repairs listed in 6*(e)*. Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories.

Note – No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. *(a)* State whether you are prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation stated in Sec. 7 of DMEA Order–I, Revised.

(b) Explain to what extent you propose to furnish your share of the costs by providing money, by use of equipment owned by you, or otherwise.

* * * * *

INT.–DUP. SEC., WASH., D.C. 25960

EXTRA COPY
D.M.&G.
RECEIVED AUG 8 1958
DATE | CODE

1. APPLICANT's PROPERTY RIGHTS

Sec. 15, 16. T.11N, R.8E.

		Survey Number
a.	Mary Rose	10324
	Mammoth	10324
	Duke	10324
	Bryan	10324

b. By the above names, or Copper State
c. Lessee
d. none

2. PHYSICAL DESCRIPTION

a. The work done on these claims was befor year of 1927. There are no workings accessible at the present time. A shaft 200 feet was sunk in the early 1920's, and some drifting was done. There are no reports available on the property other than BUREAU OF MINES CIRCULAR No.7540, page 32, by Robert N. Robie. In 1957 Clarence R. Oliphant & Ed C. Hughes sank a shaft 12 feet deep which showed good mineralization. The dumps of the 200 foot shaft showed good zinc and lead ores.

b. 12 foot shaft

c. no record other than Robie states limited production in B.M. Circular No. ~~8540~~. 7540

d. There are no known ore reserves on the property other than the ore exposed by 12 foot shaft.

e. Maps enclosed. Re: to circular No. 7540.

f. 12 foot shaft shows a large structure and some commercial ore.

g. Re: Bureau of Mines circular No. 7540.

3. ACCESSIBILITY OF PROJECT

a. C.R.Oliphant, Lennyp, Montana
A good road crosses property. No accessible mine workings except 12 foot shaft.

b. White Sulphur Springs, Montana - 15 miles from property.

4. EXPLORATION PROJECT

The proposed project will be conducted in 3 stages. Re: to map.

STAGE 1, will be a complete dozing program
STAGE 2, will be diamond drilling program
STAGE 3, will be sinking shaft & driving drifts

STAGE 1

1. Bulldozing or trenching will start on S.E. end of the Mary Rose claim Survey No.10324. 600 ft long, 12 ft wide, 10 ft. deep. - 5 additional cuts will be put on the Mary Rose claim 200 ft long, 12 ft wide, 10 ft deep going Westerly from cut No.1 - an additional 1000 foot of trenching will be done if the structure warrants it, Re: to map.

2. On the Mammoth Claim Sur.No.10324, a trench will be cut 600 ft long, 12 ft wide, 10 ft. deep, beginning on the South Easterly portion of the claim - 5 other cuts 200 ft. long, 12 ft wide 10 ft. deep going Westerly. Re: to map. An additional 1000 feet of trenching will be done if structure warrants it.

3. On the Duke Claim No.10324, a trench will be cut 600 ft long, 12 ft wide, 10 ft. deep, eginning on the Easterly end of claim. 5 other cuts 200 ft long, 12 ft wide, 10 ft deep going in a Westerly direction. Re: to map. An additional 1000 feet of trenching will be done if structure warrants it.

4. On the Bryan Claim No.10324, a trench will be cut 600 ft long, 12 ft. wide, 10 ft. deep beginning on the Easterly end of the claim. 5 other cuts 200 ft long, 12 ft. wide, 10 ft. deep going in a Westerly direction. Re: to map. An additional 1000 ft of trenching will be done if structure warrants it.

b. None

c. Within 60 days after contract is OKey'd. Actual working time based on 8 hour per day. 12 months, encluding time off for winter months, closed down.

(1) Estimated 1300 lenial feet per month based on total of 10,400 feet of trenching.

Part 5

EXPERIENCE

Mine operator
Bossing for ACM, Company
Lessor
Started mining in 1936

On Part 6, see sheet "A"

a. none

b. Supervisor, $650.00 per month
YES, employees are available @ $16.00 per day

c. none

d.

D7 Bulldozer,	value	$12,500.00
DA Cat.	"	10,000.00
Compressor		3,500.00
International 4 wheel drive pickup		1,800.00
Chevrolet pickup		1,150.00
Jackhammer, steel, hose		600.00
28 ft Columbia Trailor		3,800.00

(We own the above equipment)

e. to be built - -

1, 14X20 ft;cookhouse	2,500.00
1, 14X20 ft.bunkhouse	2,500.00

f. none, all repairs are covered in hourly cost of dozing, drilling and footage costs of shafts & tunnels.

g. Miscellaneous repairs & maintaince are covered by the hourly rate.

COST OF DOZING & TRENCHING - STAGE 1

10,400 lenial ft of trenching, 12 ft wide, 10 ft deep dozer cost $18.00 per hour, encludes labor, fuel, oil, repairs.

BASIS OF COST - STAGE 1

10,400 ft X 10ft X 12ft equals 44,667 divided by ~~23~~ 200 yards per day equals 231 days. 231 days X 8 hours per day equals 1,848 hours @ $18.00 per hour equals - $ 33,264.00

6. DRILLING & BLASTING ~~BLKZKK~~ DOZER CUTS

On the basis of 25% of lenial ft of dozer cuts, it is estimated at least 5 ft of these dozer cuts will have to be drilled and blasted. Cost of drilling & blasting, $2.13 per lenial foot, 2600 ft X 2.13 equals $ 5,980.00

Assaying & sampling every 5 foot of dozer cuts equals 2080 samples @ $4.50 per sample, equals		9,360.00
Plus sample bags & transportation of samples		975.00
Sampler, $2.25 per hour 4140.50, plus 15.4% for S.S. Unemployment, Ins. 637.64		4,778.14
Supervisor, 11 months @ $650.00 $7150.00 Plus 15.4% for S.S. Unemployment, Ins 1001.10		8,151.00
Engineering Service, @ $50.00 per day, 2 days per week		3,300.00
	$	32,244.14
231 days dozing -		33,264.00
Total cost, Stage 1 -	$	65,508.14

STAGE 2

providing trenching program in Stage 1 proves successful and the Government and us feel it advisable to enter into a diamond drilling program. 10,000 feet of drilling, drill holes varing from 50 to 100 foot depth. Drilling equipment is owned by the applicant and will be done on a footage basis. Estimated time to finish drilling, 24 months.

DRILLING PROGRAM ~~XXXXXXXXXXXXXXXXXXXXXXXXXX~~

a. 10,000 ft of AX core drilling at a cost of $6.35 per foot 63,500.00

b. Reaming, $3.00 per ft. estimated reaming 2500 ft equals - 7,500.00

c. CEMENTING, CASING & STANDBY TIME, $10.00 per hour, 2000 hours - - - - - - - - - - - - - - - - - - - 20,000.00

e. SUPERVISOR, $650.00 per month, X 24 months equals $15,600.00 - plus 15.4% Social Security, unemployment, Insurance 2422.40 - - - - - - - - - - - - 18,022.40

F. SAMPLER, $425.00 per month plus 15.4% S.S. Tax, Unemployment 11,818.80

g. Essaying, Samples taken every 5 feet, 10,000 ft divided by 5 equals 2000 samples x $4.50 equals 9,000.00

plus, transportation of samples and sample bags - - - - - 900.00

Total cost - Stage 2 $ 139,741.20

STAGE 3

If stage 1, and Stage 2 proves successful and the Government and us feel that sinking shaft and driving drift on the structure would prove our target, then the following shafting and drifting will be done.

Shaft location will be picked or approved by both the Government and the applicant, Time for this project, 24 months.

a. Shaft location
Dozing a place for shaft, dozing time 24 hours @ $18.00 per hour. $ 532.00

b. Hoist house 14X20, 2500.00
supply house 14X20 2500.00
compressor house 14X20 ft. 2500.00 — 7,500.00

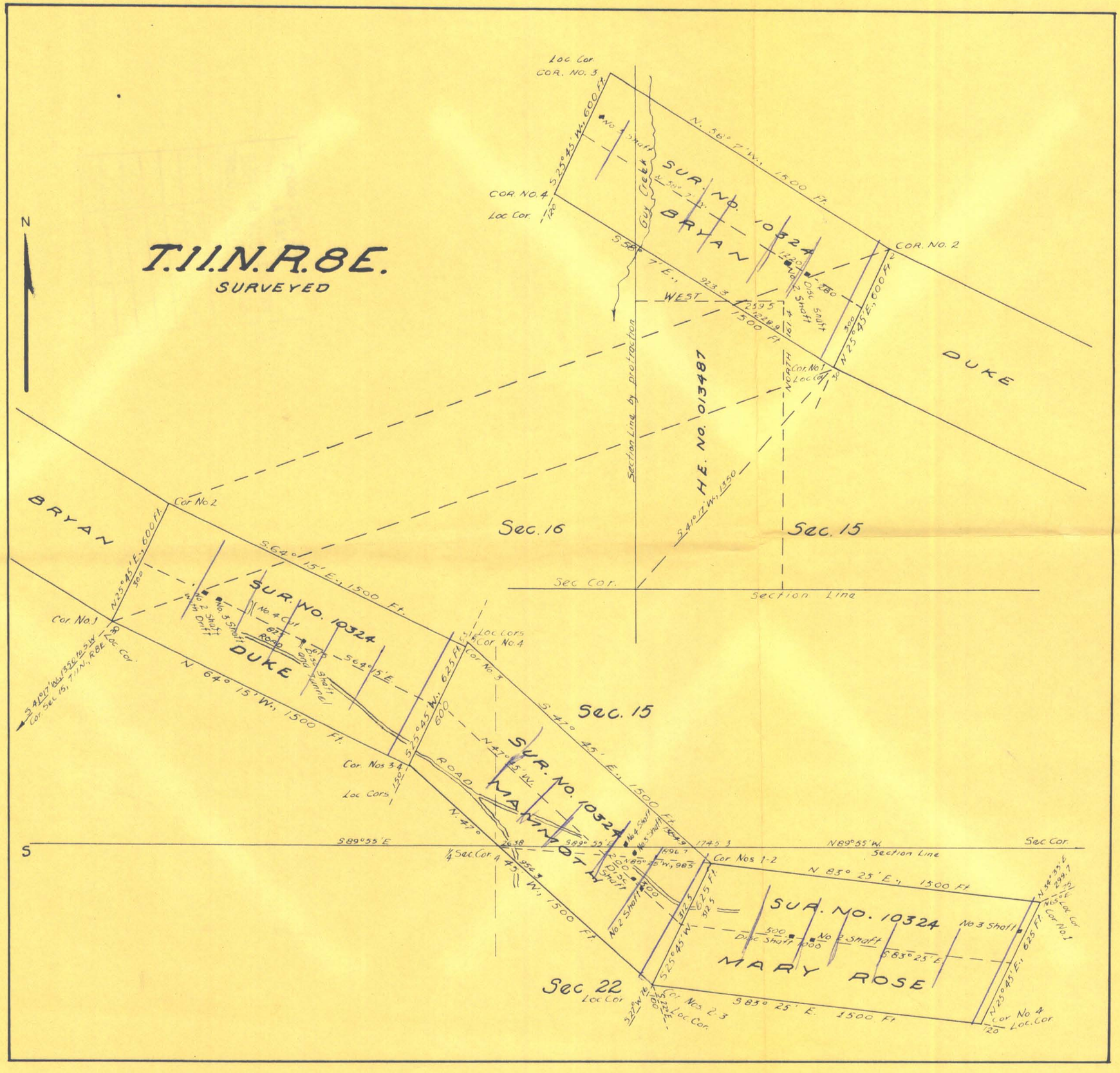
Head frome, 35 ft	1,260.00
Decil Electric D13, 75kva generatir, to be rented @ $300.00 per Month	7,200.00
Hoist, to be rented @ $65.00 per month	1,560.00
Compressor, decil powered 325 CM cu. ft. rented, $210.00 Month, 24 months	5,040.00
Shaft sinking will be done by the applicant on contract @ $110.00 perfoot, 250 feet	27,000.00
Drifting & Crosscutting will be done by the applicant @ $35.00 per foot - 1500 feet	52,500.00
Hoisting & surface tramming from drift @ $15.00 per foot - 1500 feet	22,500.00
Assaying, 350 samples @ $4.50 per sample	1,575.00
Sample bags & sample transportation	157.50
Sampler, $425.00 per month, plus 15.4% for S.S. unemployment, insurance (24 mo. basis)	11,818.80
Supervisor, $650.00 per mon (based on 24 months, plus 15.4% Social Security, Insurance, unemployment	18,022.40
MAPPING & engineering, $50.00 per day, 2 days per week 104 weeks	10,400.00

total cost, STAGE 3 $ 167,565.70

Claims Located Bryan January 25th, 1913
Duke " 1st "
Mammoth " " "
Mary Rose " 25th "
Mineral Survey No. 10324

CLAIM MAP OF BRYAN, DUKE, MAMMOTH AND MARY ROSE LODES

Scale = 1" = 400'



Dozer cut —

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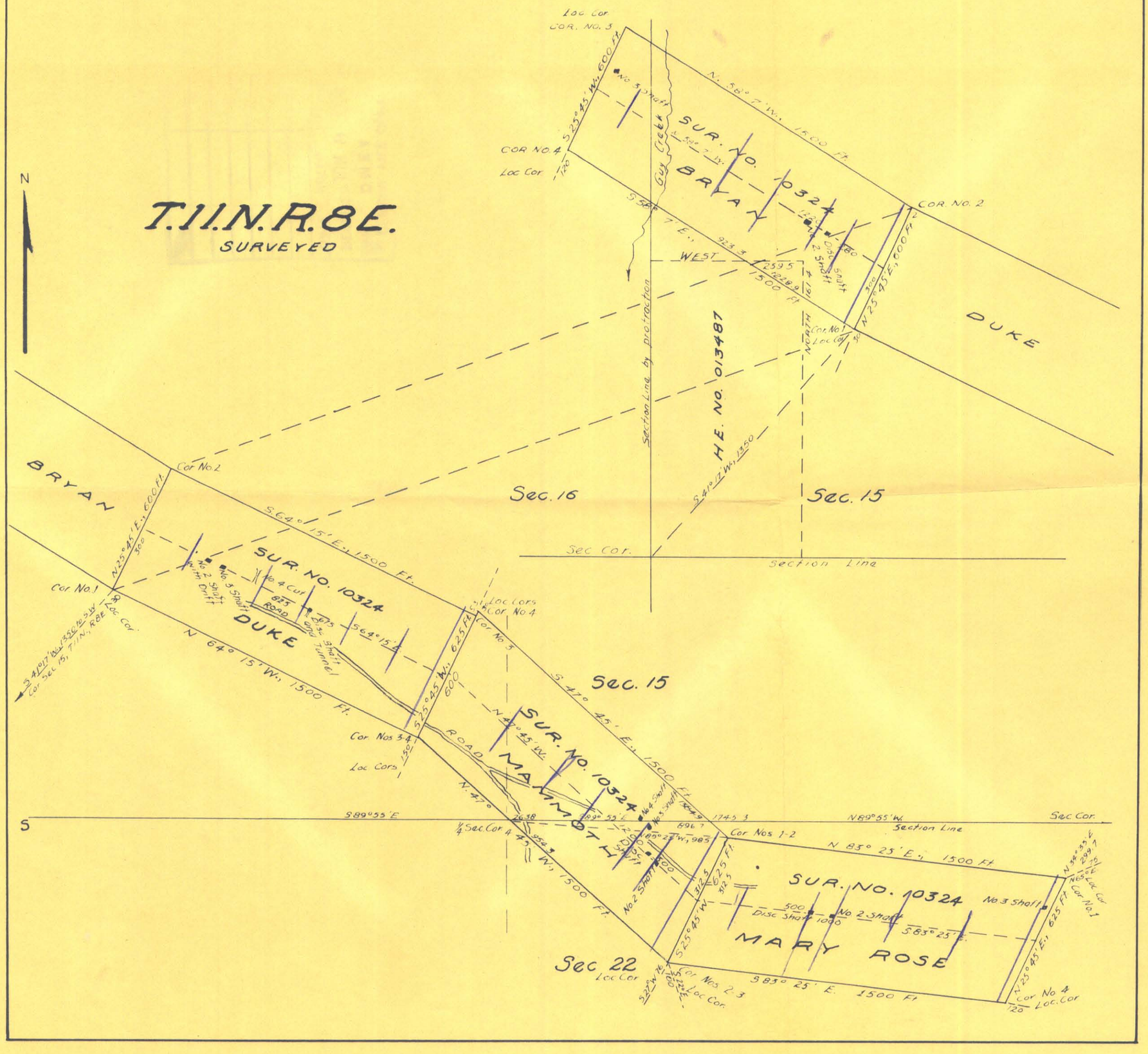

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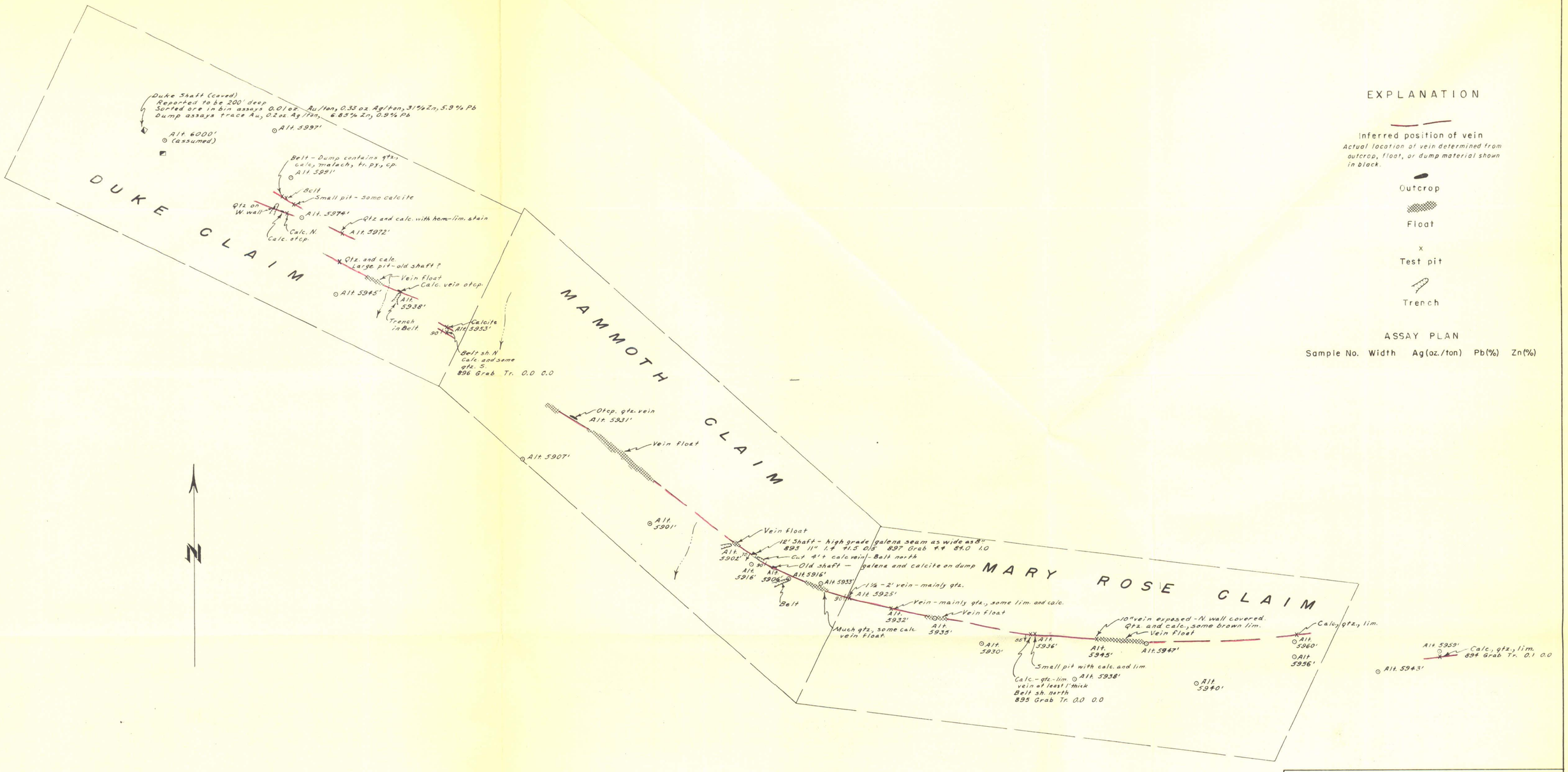

Plane table survey by W. C. Prinz, USGS, June 1958.
Claims from map submitted with application.

GEOLOGIC MAP

COPPER STATE MINE

MEAGHER COUNTY, MONTANA

200 0 200 400 Feet

August 1958

PLATE I

Claims Located Bryan January 25th, 1913
Duke " 1st, "
Mammoth " " "
Mary Rose " 25th "
Mineral Survey No. 10324

CLAIM MAP OF BRYAN, DUKE, MAMMOTH AND MARY ROSE LODES

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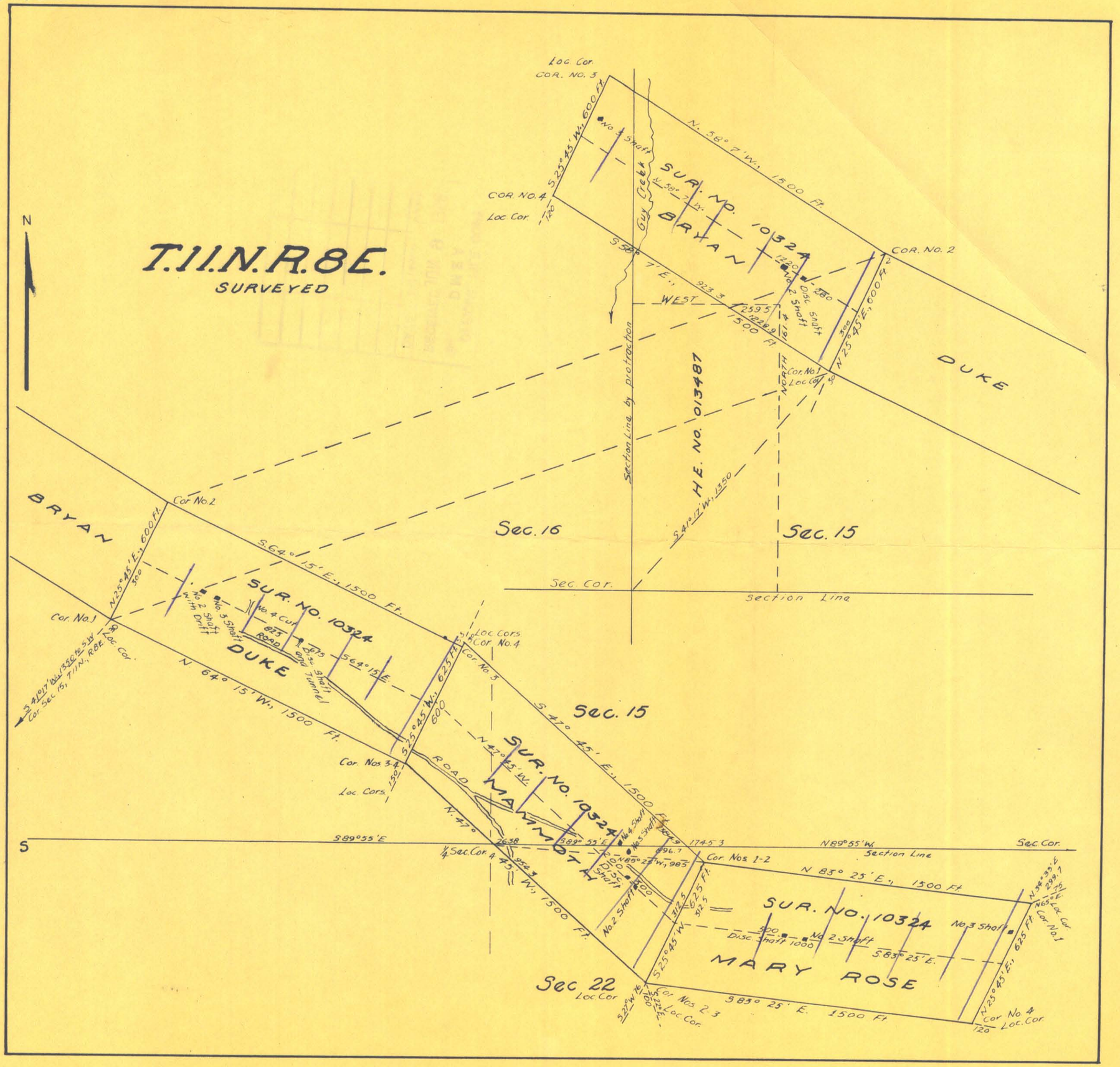

Dozer Cut —