MME Form 9
Rev. Mar. 59

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

OFFICIAL DOCKET FILE Contract No. 14-23-_____ Docket No. MME-6045

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [x] Closing Letter
- [x] Cost Audits 11-28-60 (4-8-60...
- [x] Termination Notice ~~or Agreement~~ Stage II not approved
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [x] Project Summary (final) 11-30-60
- [x] Work Completed Analysis (final) 11-29-60
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [x] Final Field Team Report (Tab) Oct. 1960
- [x] Operator's Final Report (Tab) 11-9-60
- [x] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. 2 : Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [x] Field Team Interim Reports
- [x] Operator's Monthly Reports with Transmittal, Narrative and Maps

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

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty Material

52625

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
11/29	Maxwell	500
12/21	Talbert	800
12/22	[illegible]	130
12/27	[illegible]	110
		220

C. M. Wagner, M. D.
General Partner
Baltimore Syndicate, Ltd.
P. O. Box 755
Heppner, Oregon

DEC 22 1960

Re: OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract 2102

Dear Dr. Wagner:

Reference is made to your terminated exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of possible production under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the periods indicated.

We appreciate your interest and participation in the OME exploration program.

Sincerely yours,

(s) George C. Selfridge

Acting Director

(242)

Copy to: Mr. T. J. Fenlon
Trustee for creditors and stockholders
of Baltimore Copper Mining Company
Napton Apartments
Butte, Montana

GLAult/a
11-29-60
cc to: Director's Reading File
Region I (2)
Docket
CA&A Division
Chron
Code 500

43683

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Mr. Johnson	11/28	[illegible]
2. Mr. Selfridge		
3. Mr. Griswold		
4.		
5.		
FROM: E. D. Talbert	11/28	

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

The Baltimore Syndicate, Ltd., a limited partnership
P. O. Box 755
Heppner, Oregon

pertaining to Exploration Project Contract No. 14-23-090-2102, OME No. 6045, including Amendment No. 1, for September 1959 to February 1960, inclusive, covering a lead-zinc-copper project at the Baltimore Mine, Jefferson County, Montana.

My review included an examination of the Monthly Reports (Forms MF-104 and MME-60) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, verification of work performed by reference to Field Office reports and correspondence, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the reasons given in the attached schedule.

The findings of this review are stated in the following summary and the attached schedule:

Total cost billed by Operator			$8,999.00
Exceptions:			
Prior to this review	$65.00		
Less: Reinstatements	5.00	$60.00	
Herewith		-0-	60.00
Total acceptable cost			$8,939.00

The contract calls for a 50 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$4,469.50
Paid to date	4,367.00
Balance due Operator	$ 102.50

Pd. to Operator 12/20/60

E. D. Talbert

E. D. Talbert, OME Auditor

November 28, 1960

Reasons for Report of Review in lieu of a final audit:

(a) a major portion ($6,450.00) of the acceptable costs covered work performed at unit rates under independent contract;
(b) a large portion ($2,550.00) of the balance of the acceptable costs was under a contract provision for contribution by the Government on the basis of fixed unit costs for work performed;
(c) the Monthly Reports were supported by documentary evidence of the acceptable actual costs under the contract; and
(d) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible further exceptions.

Exceptions prior to this review:

(a)	Operator claimed $27.00 for 22 assay determinations, whereas, @ $1.00/each, only $22.00 was allowed; difference	$ 5.00
(b)	Operator claimed $240.00 for 80 ft. of reaming, whereas drilling contractor's invoice supports only 72 ft. @ $2.50/ft., or $180.00; difference	60.00
		$ 65.00

Reinstatement:

Priced assay reports, dated November 2 and 27, 1959, from Goodall Brothers support Operator's claim of actual costs of $27.00 for 22 assays ..... $ 5.00

Acceptable costs:

Diamond drilling	1,200 ft. @ $ 5.10	$6,120.00
Reaming	72 ft. @ $ 2.50	180.00
Mobilization & demobilization		150.00
Sub-total		6,450.00*
Core boxes	28 ea. @ $ 4.00	112.00
Assay determinations	22 ea.	27.00
Sub-total (actual costs)		6,589.00
Rehabilitation of tunnel		750.00
Diamond drill stations	2 ea. @ $200.00	400.00
Incidental allowance	1,200 ft. @ $ 1.00	1,200.00
		$8,939.00

* Actual costs invoiced by drilling contractor (F. W. Bell and Gustaf M. Carlson) were as follows:

BX core drilling	68 ft. @ $5.40	$ 367.20
AX core drilling	1,132 ft. @ 5.10	5,773.20
Sub-total		6,140.40
Reaming to BX	72 ft. @ 2.50	180.00
Mobilization and demobilization		150.00
Total		$6,470.40

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 11 1960

DATE	INITIALS	CODE
4-11	gad	VVO
4/11	GAD	800
	[illegible]	500

So. 157 Howard Street
Spokane 4, Washington
April 8, 1960

Mr. C. M. Wagner, General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (Lead-Zinc-Copper)
Baltimore Mine
Jefferson County, Montana
Contract No. 14-23-090-2102

Dear Dr. Wagner:

Analysis of the results of the recently completed Stage I diamond drilling indicates that the anticipated results did not materialize and therefore work under Stage II is not justified. In accordance with the terms of Article 9(a) of the contract, you are hereby notified that work under Stage II will not be authorized.

Your attention is called to Article 5(c) which refers to the Operator's final report. We would appreciate receiving this report as soon as possible so that we may request a final audit and close our books on this contract.

By Field Team, Region I

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

O. M. Bishop, Member
U. S. Bureau of Mines

cc: OME(3)
USBM(2)
Sample
Director's Reading File

Government's Copy

J. Lynch
Hoffman
App'd. Sol. Off.
Approved
Talbert
Selfridge

EXPLORATION CONTRACT
THE BALTIMORE SYNDICATE, LTD.
DOCKET NO. OME-6045

AMENDMENT NO. 1

It is agreed this 2d day of February, 1960, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and The Baltimore Syndicate, Ltd., hereinafter called the "Operator," that Exploration Contract No. 2102 (Docket No. OME-6045), dated July 27, 1959, is amended, effective July 27, 1959, as follows:

On page 2 of Exhibit "A," under the heading Description of the Work, Stage I, the fourth paragraph is deleted and the following substituted:

"At points approximately 170 feet and approximately 285 feet further in the tunnel than the above-cited drill station, two diamond drill holes, each about 200 feet in length, will be drilled in a southeasterly direction. The more easterly hole will be drilled approximately horizontally and the other at an angle of about minus thirty degrees. A diamond drill station will be cut to serve the more easterly hole."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

THE BALTIMORE SYNDICATE, LTD.

By C. M. Jagner Jr.

Title Gen Partner

January 26, 1960

Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract No. 2102

JUSTIFICATION FOR AMENDMENT NO. 1

Some of the diamond drilling, as shown by Zoldok in his interim inspection report of December 10, 1959, is not in accord with the contract terms. Nevertheless, the drilling meets the underlying purpose of the project and there is no reason why it should not be so considered. Hence, we have prepared Amendment No. 1 so that it may be in technical compliance with the contract terms.

W. R. Griswold

Government's copy

MME Form 50
Feb. 1959

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

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME-6045	Lead, zinc and copper	14-23-090-2102	Jefferson	Montana

It is agreed 27 JUL 1959 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

The Baltimore Syndicate, Ltd., a limited partnership, of which C. M. Wagner, M.D. is the general partner,

whose mailing address is P. O. Box 755, Heppner, Oregon, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before OCT 15 1959 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 18 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $22,930.00. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $11,465.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest computed annually at the rate of 6-3/8 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

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

None

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

Lien and Subordination Agreement executed by Trustee.

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

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

ARTICLE 4. Contribution by the Government.--(a) The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

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

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

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

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

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

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs.

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

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

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--The Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. This provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

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

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

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

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

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

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

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

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

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

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

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

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

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

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

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

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

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

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 12. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

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

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

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

ARTICLE 14. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

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

J. Lynch

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provisions.--

Hoffman

App'd. Sol. Off.

Talbert

Selfridge

Executed in quintuplicate the day and year first above written.

BALTIMORE SYNDICATE, LTD.

By C. M. Hagner M.D.

Title General Partner

THE UNITED STATES OF AMERICA

By Frank E. Johnson

Acting Director, Office of Minerals Exploration

I, _____ (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that _____ (Name), who signed this contract on behalf of the Operator, was then _____ (Title) of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

INT.-DUP. SEC., WASH., D.C. 52370

EXPLORATION PROJECT CONTRACT
BALTIMORE SYNDICATE, LTD.
DOCKET NO. OME-6045

ANNEX I

The land referred to under Article 2 of the contract consists of five patented claims, as follows:

Baltimore	Survey No.	1540
Last Hope	" "	9689
Skipper	" "	9690
Minnie	" "	9689
Mona	" "	9689

All of the above claims are located in Jefferson County, Montana, and are shown on the attached map entitled, "Baltimore Mine, Maps of Claims". Such map is incorporated as a part of this contract.

The claims are held under an assignment of Lease and Option.

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

MAY 4 1959
O.M.E.

FOR GOVERNMENT USE ONLY
Operator –
Docket No. OME – 6045
Contract No. 14-23-090 – 2102
Contract Date 7-27-59

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Jefferson, State of Montana;

described as follows:[2] Those certain quartz lode mining claims, situated in Jefferson County, Montana, and described by name and survey number as follows:

-NAME-	-SURVEY NO.-
The BALTIMORE	1540
The SKIPPER	9690
The LAST HOPE	9689
The MINNIE	9689
The MONA	9689

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

BALTIMORE SYNDICATE, LTD.[3]

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

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

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

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

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

None

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

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

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

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

C. M. WAGNER, M.D.
Box 755
Heppner, Oregon

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

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

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

Dated this 2nd day of April, 1959.

Napton Apartments (Street)
(City &)
Butte, Montana (State)

T. J. Fenlon (Seal)
T. J. Fenlon, Trustee for creditors and stockholders of Baltimore Copper Mining Company, a dissolved Montana Corporation.

(Street)
(City &)
(State)

(Seal)

(Street)
(City &)
(State)

(Seal)

Attached hereto are certified copies of the Order of Appointment of said Trustee, his Letters of Trusteeship and the Order of the Court authorizing him to execute this Lien and Subordination Agreement.

(Street)
(City &)
(State)

(Seal)

(Street)
(City &)
(State)

(Seal)

(Street)
(City &)
(State)

(Seal)

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

_____
(Corporate Seal)

IN THE DISTRICT COURT OF THE SECOND JUDICIAL DISTRICT OF THE STATE OF MONTANA, IN AND FOR THE COUNTY OF SILVER BOW.

- - - - -

In the Matter of the Dissolution
-of-
BALTIMORE COPPER MINING COMPANY,
a Montana corporation, dissolved
by the lapse of time.

No. 49200

- - - - -

ORDER APPOINTING TRUSTEE

This matter came on regularly this day for hearing upon the Petition of T. J. Fenlon, a stockholder of BALTIMORE COPPER MINING COMPANY, a Montana Corporation dissolved by the lapse of time, for the appointment of a Trustee for the creditors and stockholders of said Corporation.

It appears from the records and files of this matter that due notice of this hearing has been given as directed by previous order of this Court and the Court hereby finds that due notice of this hearing has been given.

C. E. Pew, Esq., appeared as attorney for the Petitioner and there were no other appearances.

Evidence in support of the allegations of the Petition herein was introduced by the Petitioner from which the Court finds the facts as related in said Petition.

WHEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that said T. J. Fenlon be and he is hereby appointed Trustee for the creditors and stockholders of said dissolved Corporation and that Letters be issued to him by the Clerk of this Court upon his filing herein his Oath of Office and a good and sufficient bond in the penal sum of $500.00, the same to be approved by the Judge of this Court.

It is further ordered that said Trustee, upon qualifying, proceed to wind up the affairs of said Corporation and to administer the estate of said corporation, marshall and liquidate its assets in accordance with law, and in that connection take such steps and proceedings as he may deem necessary or proper, subject at all times to the orders of this Court.

Done in open Court this 5th day of November, 1957.

John B. McClernan
District Judge Presiding.

STATE PUBLISHING CO. HELENA, MONT.

C. M. WAGNER, M.D.
Box 7.3
Hoppner, Oregon

IN THE DISTRICT COURT OF THE SECOND JUDICIAL DISTRICT OF THE STATE OF MONTANA, IN AND FOR THE COUNTY OF SILVER BOW

- - -

In the Matter of the Dissolution of the BALTIMORE COPPER MINING COMPANY, a Montana Corporation, dissolved by the lapse of time.

No. 49200

- - -

LETTERS OF TRUSTEESHIP

T. J. FENLON is hereby appointed Trustee for the creditors and stockholders of BALTIMORE COPPER MINING COMPANY, a dissolved Montana Corporation.

WITNESS FRANK J. GABSE, Clerk of the District Court of the County of Silver Bow, State of Montana, with the seal thereof affixed this 5th day of November, 1957.

By Order of the Court,

(Court Seal)

FRANK J. GABSE, Clerk

By Frank J. Gabse
~~Deputy~~ Clerk

STATE OF MONTANA)
: ss.
County of Lewis and Clark)

I, T. J. FENLON, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of Montana, and that I will faithfully perform, according to law, the duties of Trustee for the creditors and stockholders of BALTIMORE COPPER MINING COMPANY, a dissolved Montana Corporation.

T J Fenlon

Subscribed and sworn to before me, the 5th day of November, 1957.

(Notarial Seal)

NOTARY PUBLIC for State of Montana,
Residing at Helena, Montana
My Commission expires Sept. 30, 1959

STATE PUBLISHING CO. HELENA, MONT.

C. M. WAGNER, M.D.
Box 735
Heppner, Oregon

IN THE DISTRICT COURT OF THE SECOND JUDICIAL DISTRICT OF THE STATE OF MONTANA, IN AND FOR THE COUNTY OF SILVER BOW.

In the Matter of the Dissolution of the BALTIMORE COPPER MINING COMPANY, a Montana corporation dissolved by the lapse of time.

No. 49200.

- - -

ORDER AUTHORIZING TRUSTEE TO EXECUTE LIEN AND SUBORDINATION AGREEMENT.

- - -

Upon reading and filing the Petition of T.J.FENLON, Trustee for the Creditors and Stockholders of Baltimore Copper Mining Company, a dissolved Montana corporation, for an order authorizing him to execute and deliver to the Office of Minerals Exploration of the Department of the Interior Lien and Subordination Agreements, MME Form 52, Jan. 1959, in connection with the application of the BALTIMORE SYNDICATE, LTD., for financial assistance in the exploration and development of the mining claims now held by said trust, consisting of

The BALTIMORE,	U.S.Survey No. 1540,
The SKIPPER,	U.S.Survey No. 9690,
The LAST HOPE,	U.S.Survey No. 9689,
The MINNIE,	U.S.Survey No. 9689,
The MONA,	U.S.Survey No. 9689,

Situated in Township 6 North, Range 4 West, in Jefferson County, Montana,

under the lease and option upon said mining claims now held by said Baltimore Syndicate, Ltd.; and upon hearing evidence in support of said petition,

It is hereby Ordered that said T.J.Fenlon, as such Trustee, be and he is hereby authorized to execute and deliver said Lien and Subordination Agreements to said Minerals Exploration Office.

Done in open Court this 2nd day of April, 1959.

John B McClernan
District Judge.

STATE PUBLISHING CO. HELENA, MONT.

C. M. WAGNER, M.D.
Box 755
Heppner, Oregon

IN THE DISTRICT COURT OF THE SECOND JUDICIAL DISTRICT OF THE STATE OF MONTANA, IN AND FOR THE COUNTY OFSILVER BOW.

- - -

In the Matter of the Dissolution of BALTIMORE COPPER MINING COMPANY, a Montana Corporation, dissolved by the lapse of time.

No. 49200

- - -

I, Frank J. Gabse, Clerk of the above entitled Court, hereby certify that the foregoing three (3) pages contain true, correct and compared copies of the Order of Appointment of T. J. Fenlon as Trustee for the creditors and stockholders of Baltimore Copper Mining Company, a dissolved Corporation, the Letters of Trusteeship issued to him, and the Order authorizing him to execute Lien and Subordination Agreement in the above entitled matter; and I further certify that said Order of Appointment, said Letters of Trusteeship and said Order authorizing him to execute such lien and subordination agreement are each still in full force and effect.

Witness my hand and the Seal of the above entitled Court this 2nd day of April, 1959.

Frank J. Gabse, Clerk

(Seal of Court)

By M McGlynn
Deputy Clerk

C. M. WAGNER, M.D.
Box 755
Heppner, Oregon

STATE PUBLISHING CO. HELENA, MONT.

EXPLORATION PROJECT CONTRACT
BALTIMORE SYNDICATE, LTD.
DOCKET NO. OME-6045

EXHIBIT "A"

The purpose of the project is to explore for ores of lead, zinc and copper by means of rehabilitation, diamond drilling, and crosscutting and drifting. The work is divided into two stages, with Stage II work to be contingent upon favorable results being obtained in Stage I. Stage I work will be done and as much of Stage II as is given prior approval by the Government.

General Conditions

Diamond drilling will be done with AX size, or larger, coring bits. All core will be properly boxed and stored and made available to the Government for examination. All core sections showing significant mineralization will be properly sampled and the samples may be assayed for lead, zinc, copper, gold and silver, as may appear desirable.

Sludge samples will be taken and, in significantly mineralized sections, where the core recovery is less than 60%, the sludges will be assayed as above, in addition to the core segments which have been recovered. No sample, either of core or sludge, will represent a hole interval greater than five feet.

All samples to be assayed will first be split and one-half made available to the Government.

All drill holes will be logged geologically and copies of the logs of completed holes, together with maps showing drill hole locations and sections, will be furnished monthly to the Government.

No drilling will be done at locations closer than 100 feet to property boundaries. The Government will not participate in the cost of incomplete holes. Casing left in drill holes at Operator's request will be for its sole account.

The location, direction, inclination and extent of all diamond drill holes will be subject to prior approval of the Government.

Diamond drill stations will not be less than seven feet in length and not less than 5x7 feet in cross section.

Crosscuts and drifts will be of a minimum dimension of five by seven feet in the clear of timber and will be timbered as necessary, using standard drift sets of not less than 8" by 8" timber, or equivalent round timber. All significantly mineralized areas encountered in the drifting and crosscutting shall be sampled normal to their trends at linear intervals of not greater than ten feet. Samples shall be split and assayed as indicated above for diamond drilling, with the splits being made available to the Government. Sample locations and assay results shall be accurately shown on the monthly progress maps submitted to the Government.

No drifting or crosscutting will be done at distances less than 100 feet from property boundaries.

Description of the Work

Stage I

All of the Hope Tunnel will be rehabilitated and timbered as necessary for proper support, together with the repair of approximately 800 feet of track and the installation of air and water lines to the breast of the tunnel. Necessary water lines will also be installed from an adjacent stream to the tunnel portal.

The existing compressor house will be repaired.

Within the Hope Tunnel, at a point approximately 600 feet from the portal, a drill station will be cut and three drill holes, approximately 200 feet in length each, will be drilled southerly as indicated on the attached map entitled, "Baltimore Mine, Map of Claims". Two of such holes will be drilled approximately horizontally and the third (center) hole will be drilled at an angle of about minus thirty degrees.

At a point approximately 200 feet further in the tunnel from the above-cited drill station, a second drill station will be cut. From such location, two diamond drill

holes, each approximately 200 feet in length, will be drilled southerly. The more easterly hole will be drilled approximately horizontally, the other at an angle of about minus thirty degrees. Holes also shown on referenced map.

From the breast of the Hope Tunnel a diamond drill hole will be drilled, approximately 200 feet in length, at an angle of about minus thirty degrees, as indicated on the map.

Not more than 1200 feet of diamond drilling may be done under Stage I.

Stage II

Approximately 400 feet of crosscutting and drifting will be done, at locations given prior approval by the Government, to explore ore occurrences indicated by the diamond drilling.

Estimated Costs of the Project

Stage I

Actual Costs

Category (1) Independent Contracts

Diamond Drilling

Mobilization and Demobilization	$ 150.00	
1200 ft. @ $5.10/ft.	6,120.00	
Reaming and casing; cementing and redrilling, 300 ft. @ $3.00/ft.	900.00	$7,170.00

Category (3) Operating materials and Supplies

None except:

40 wooden core boxes @ $4.00 each	160.00

Category (7) Miscellaneous

None except:

Assaying 200 determinations @ $1.00 each	$ 200.00

Fixed Unit Costs

Rehabilitation of Hope Tunnel	750.00 1/
Repair of existing compressor house	150.00 1/
Incidental allowance for each ft. of drilling completed, 1200 feet @ $1.00/ft.	1,200.00
Diamond drill stations, two @ $200.00 each	400.00

(These "Fixed Unit Costs" include all costs of Stage I whatsoever other than those specifically estimated above under "Actual Costs".)

Total Estimated Costs, Stage I	$10,030.00

Stage II

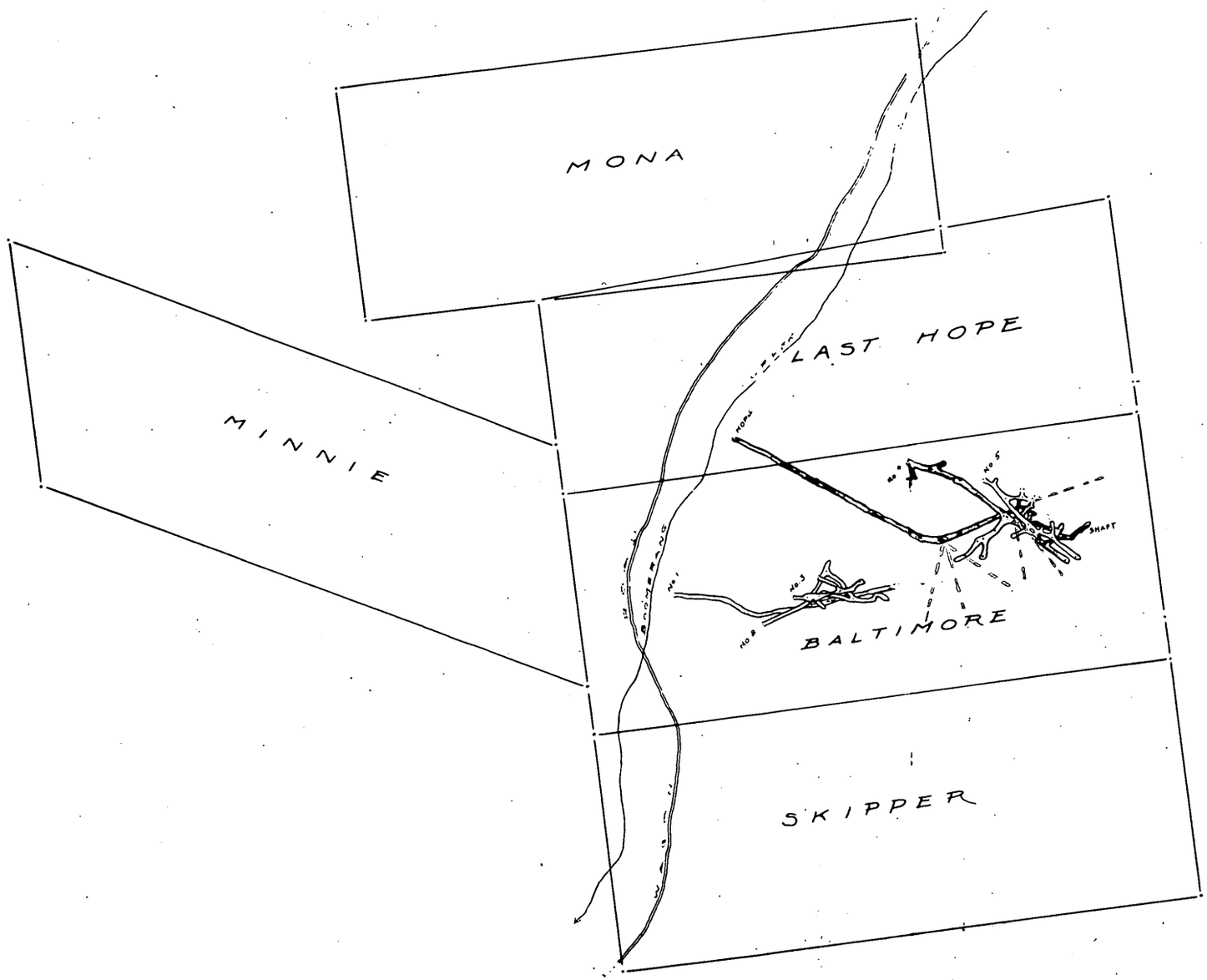
Fixed Unit Costs

Crosscutting and drifting, 400 ft. @ $30.00/ft.	$12,000.00
Timbering of crosscuts and drifts, 100 ft. @ $7.00/ft.	700.00
Assaying, 200 determinations @ $1.00 each	200.00
Total Estimated Costs of Stage II	$12,900.00

1/ The completed work constitutes the unit.

Total Estimated Costs of Stage I	$10,030.00
Total Estimated Cost of Project	$22,930.00
Government Participation, 50%	$11,465.00

T.6N., R.4W.
SECTION 7



BALTIMORE MINE

MAP OF CLAIMS

OME 6045 Title 7

400 SCALE

PHONE
6401

Vivian Bros., Inc.

DIAMOND CORE DRILLING CONTRACTORS

OFFICE AND SHOP
209 WEST CAMERON
KELLOGG, IDAHO

MAILING ADDRESS
P. O. BOX 780
KELLOGG, IDAHO

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 20 1959

DATE	INITIALS	CODE

July 11, 1959

Baltimore Syndicate
C. M. Wagner, M.D.
P. O. Box 625
Heppner, Oregon

Dear Sir:

The following is a quotation for drilling underground at the Baltimore Mine near Boulder, Montana.

0' to 250' AX size core	$7.15 per ft.
250' to 500' AX size core	$7.65 per ft.
Placing cement and drilling out cement	$8.00 per hr. plus cost of cement
Waiting for cement to set when during regular shift hours	$6.00 per hr.
Reaming for AX size casing (Including placing casing in hole and removing casing from hole)	60% AX coring price
Cutting room for drill stations	$16.75 per hr.
Core boxes (25' capacity)	$ 4.00 each
Mobilization to property and Demobilization	$225.00

Yours truly,

Vivian Bros. Inc.

H. H. Vivian, President

RECEIVED
JUL 16 1959
U. S. G. S.
SPOKANE, WASH.

Transmitted by AEWeissenborn memo 7/16/59

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

OFFICIAL FILE COPY O. M. E. RECEIVED JUL 15 1959		
DATE	INITIALS	CODE
7-15	gad	220
7-15	G	500

July 13, 1959

Air Mail

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team Region I

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

We received this morning from Mr. Wagner, General Partner of Baltimore Syndicate, Ltd., the necessary material to complete his application--financial statement, copies of bids from three different companies, and Certificate of Limited Partnership. We are enclosing two copies of each, retaining the third copy for our files.

A. E. Weissenborn

A. E. Weissenborn

Enclosures
as above in duplicate

OFFICIAL FILE COPY O. M. E. RECEIVED JUL 15 1959		
DATE	INITIALS	CODE
7-15	gad	VVO
		VOO

July 10, 1959

Mr. A. E. Weissenborn, Executive Officer, OME
Field Team, Region I
United States Dept. of the Interior
S. 157 Howard St.
Spokane 4, Washington

RE: Docket No. OME-6045 (Cu.Pb.Zn.)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

Dear Mr. Weissenborn:

Enclosed please find three sets of enclosures. First is the Financial Statement for the Baltimore Syndicate, three copies. Second, are three copies of the Articles of Partnership which define the relationship between the limited partners and general partners. Third, are three different estimates of core drilling from three different companies.

I am sorry for the delay, but it took longer to get the estimates than usual. I trust the enclosures are satisfactory and we will be expecting to hear from you regarding this application.

Very truly yours,

C M Wagner MD

C. M. Wagner, M. D.
General Partner
Baltimore Syndicate, Ltd.

CMW:mlh

Enclosure

P.S. There are two more potential limited partners with funds which will be available as necessary after the work is started.

RECEIVED
JUL 13 1959
U. S. G. S.
SPOKANE, WASH.

R. S. McClintock DIAMOND DRILL COMPANY

CONTRACTING • DIAMOND DRILLS AND SUPPLIES • DIAMOND BITS

PHONE TE 8-3588

POST OFFICE BOX 66
W. 418 2ND AVENUE
SPOKANE 10, WASH.

July 8, 1959

C. M. Wagner, M. D.
103 Gale Street
Heppner, Oregon

Dear Dr. Wagner:

We understand that you desire tentative quotations on approximately 1,500 feet of diamond drilling in the Hope Tunnel near Boulder, Montana for the purpose of arranging necessary financing, upon completion of which we would be willing to inspect your property and give you a firm quotation for your consideration.

We propose to furnish personnel, drill, casing, rods, core barrels, diamond bits and shells and all accessories necessary to perform this work for the following prices per foot:

Size	Depth	Price
AX	0' - 250'	$ 5.25 per foot
AX	250' - 500'	$ 5.75 per foot

It is understood that you will firnish air and water to the drill site.

Contractor agrees to mobilize and demobilize his equipment for the lump sum of $750.00.

In the event of delays not attributable to fault of contractor or breakdown of his equipment, contractor shall expect to be reimbursed for his continuing costs at the rate of $8.00 per hour.

In the event loose or caving material, water courses or any conditions are encountered which tend to make drilling impractical without the use of casing or cement, an additional charge of $4.00 per foot for reaming casing and $4.00 per foot for placing and drilling cement will be made.

Our employees will be covered by Workman's Compensation to comply with the State Act and the job will be covered by public liability insurance in the amounts of $100,000.00 and $300,000.00, and property damage in the amount of $100,000.00.

Very truly yours,

R. S. McCLINTOCK COMPANY

Peter J. Wanderer

PJW:erb

(Original)

Jefferson City, Mont.
July 8, 1959

Baltimore Syndicate Ltd.
c/o G. M. Wagner, M.D.
P.O. Box 625
Heppner, Oregon

Gentlemen:

I hereby submit my bid for the core drill exploration of your Baltimore property, Jefferson County, Montana. As a basis for this bid it is understood that approximately 1500 feet are contemplated from sites located within the lower, or creek level adit; all core is to be saved, labeled and stored in adequate core boxes.

As the exact location of the holes has not been determined it is impossible to figure the cost of cutting drill stations (making room to handle the drill rods, etc.). Such work will be done at the cost of labor and materials.

1. Drilling BX (1 and 5/8" core) $5.40/ft.
2. Drilling AX (1 and 3/16" core) 5.10/ft.
3. Drilling EX (7/8" core) 4.90/ft.

   Note: This size is recommended only in case of the necessity to case off caving ground. It is expected that the bulk of the drilling will be completed in the AX size for purposes of better core recovery.

4. Over-reaming to place casing when hole is caved or tools stuck 2.50/ft.
5. Placing casing in hole when reducing as mentioned in item 3 .50/ft.
6. Cementing (only where necessary, and if feasible in lieu of casing) 2.25/ft.

Contractors agree to commence work immediately upon awarding of contract, and to pursue same to completion, barring unforeseen acts of God, at the rate of not less than five shifts per week.

It is agreed that sufficient funds will be maintained in escrow in a local bank to cover statements submitted and payable upon the completion of each hole.

It is further agreed and understood that any and all costs of delinquent collections shall be assumed by Baltimore Syndicate Ltd.

Signed: _____
Contractee

Dated: _____

Signed: F. W. Bell
F. W. Bell Contractor

Signed: Gustaf M. Carlson
Contractor
Gustaf M. Carlson

BID FOR CORE DRILLING AT BALTIMORE MINE
IN JEFFERSON COUNTY, MONTANA

AXcore or smaller.

All underground drilling.

Minimum of 1200 linear feet of drilling.

At a charge of $7.00 per linear foot of core drilling, the driller agrees to furnish all equipment, supplies, air compressor and air line, core boxes and sludge sample containers.

At a charge of $50.00 per each eight (8) hour shift, for cleaning and repairing track.

At a charge of $60.00 per each eight (8) hour shift for breaking stations for setting up for drilling.

Respectfully submitted by: Chester Leirness

Chester Leirness
1220 11th Avenue
Helena, Montana

SU 67401

PHONE
~~6401~~

Vivian Bros., Inc.

DIAMOND CORE DRILLING CONTRACTORS

OFFICE AND SHOP
209 WEST CAMERON
KELLOGG, IDAHO

MAILING ADDRESS
P. O. BOX 780
KELLOGG, IDAHO

June 29, 1959

Baltimore Syndicate
C. M. Wagner, M. D.
P. O. Box 625
Heppner, Oregon

Dear Sir:

Referring to your letter of June 26th. It would be necessary for me to visit the property to determine the drilling conditions before submitting a firm bid. My estimate without visiting the property, that the cost would be between four and seven dollars per foot.

Would the daily drill operators report be sufficient for the logging of cores or would the service of a geologist be required?

If you will let me know whom to contact at the property and when I can can look it over, I will look over the drilling conditions and submit a firm bid.

Yours truly,

VIVIAN BROS. INC.

H. H. Vivian

By Madge M. Jensen

H. H. Vivian

FINANCIAL STATEMENT

THE BALTIMORE SYNDICATE

July 10, 1959

EXPENSES:

Commission to David Earle Organization	$ 750.00
Preparation reports	102.35
Mult. Blue Print Co. Maps	78.45
Ore Book Binding	62.50
Tunnel Contract	2,000.00
Payment of Loan	250.00
Telephone Expense	27.50
Assay Reports	83.50
Road contract to portal of mine	160.00
Commission to L. Smith Organization	250.00
Gas expense	27.50
Attorney's Preparation and legal	380.03
Secretarial and postage	30.00
Overpayment by one partner refunded	250.00
Preparation OME Loan-David Loughran	100.00
Geophysical Survey-Ray Larson	305.20
Four Mining Claims(gold)-D. Loughran	1,200.00
Portal contract-prepare compressor site and clear road-Louis Peura	150.00
Geophysical Survey-Ray Larson	267.25
Total	$ 6,474.28

ASSETS:

Loan to Syndicate	$ 250.00
Cash received from limited partners	10,750.00
Notes receivable from limited partners	2,000.00
	$ 13,000.00

SUMMARY:

Cash Deposited	$11,000.00
Total expenses	6,474.28
	$ 4,525.72
Notes Due	2,000.00
Total	$ 6,525.72
Finances available July 10, 1959	

C. M. Wagner MD.
General Partner

CERTIFICATE OF LIMITED PARTNERSHIP

OF

BALTIMORE SYNDICATE, LTD.

We, the undersigned, hereby certify that we have associated ourselves together for the purpose of organizing a limited partnership pursuant to the laws of the State of Montana in force and in effect for the formation of limited partnerships.

ARTICLE I.

The name of this limited partnership is BALTIMORE SYNDICATE, LTD.

ARTICLE II.

The term for which this limited partnership is to exist is for five years from date hereof unless sooner terminated by mutual consent, or sooner terminated as hereinafter provided.

ARTICLE III.

The character and purposes of this limited partnership business shall be as follows:

1. To acquire from Louis Peura, C. M. Wagner, and David E. Loughran, a lease and option to those certain patented mining claims situate in Jefferson County, Montana, described as follows, to-wit:

The BALTIMORE	Survey Number 1540
The SKIPPER	Survey Number 9690
The LAST HOPE	Survey Number 9689
THE MINNIE	Survey Number 9689
The MONA	Survey Number 9689

All situated in Township 6 North, Range 4 West.

Together with the dumps now upon said mining claims and any ore broken and in the stopes, and together with the appurtenances.

2. To engage in the exploration of the aforesaid claims, or

3. To engage in the developing, operating and mining said mining claims, or

4. To sell, lease, option or otherwise to dispose of said mining claims or interest therein.

ARTICLE IV.

The location and principal place of business of this limited partnership is at the Baltimore Mine, Montana. Its post office addresss is General Delivery, Helena, Montana.

ARTICLE V.

The general partner is:

Name - C. M. WAGNER Address - 103 Gale St., Heppner, Oregon

ARTICLE VI.

The names and places of residence and amounts of cash to be contributed by the limited partners are set forth as follows:

	Amount
Name: Arthur Dalzell	2500
Address: Lone Ore	
Name: O.W. Cutsforth	2500
Address: Lexington Ore	
Name: C.A. Warren	2500
Address: Heppner Ore	
Name: Walter Stilson MD	2500
Address: 4300 Los Flores Blvd Lynwood Cal.	
Name: Dick Wilkinson	2500
Address: Heppner Ore	
Name:	
Address:	
Name:	
Address:	

Name	
Address	
Name	
Address	
Name	
Address	
TOTAL	$25,000.00

The limited partners aforesaid agree to contribute forthwith to the capital of this limited partnership the sum set opposite their respective names totaling $25,000.00. This sum shall be expended and used as set forth in Article III.

ARTICLE VII.

The net annual earnings of the partnership shall be distributed forty (40%) per cent to the general partners and sixty (60%) per cent to the limited partners. The distribution of earnings to the limited partners shall be in proportion to their respective contributions to capital.

ARTICLE VIII.

The general partner agrees to prepare and file a partnership return on calendar year basis each calendar year and elect to charge to expense accounts all exploration costs.

If this limited partnership shall suffer a loss for any fiscal period, such loss shall be borne by the limited partners only, out of, and not to exceed their respective contributions to capital. Any profit shall first be used to reimburse the limited partners for such losses prorated as aforesaid before distribution of profits is made between the general partner and the limited partners.

ARTICLE IX.

The limited partners shall have no right to substitute assignees as contributors in their places. The general partner shall have no right to admit additional limited partners.

ARTICLE X.

No limited partner shall become liable as a general partner, unless, in addition to the exercise of his rights and powers as a limited partner, he takes part in the control of the business of this limited partnership.

ARTICLE XI.

A limited partner shall have the same right as the general partner to have the partnership books kept at the place of business of the partnership and at all times to inspect and make copies of any of them and to have the original set of the partnership books kept at the office of the partnership and to have on demand true and full information of all things affecting the partnership affairs whenever circumstances render it just and reasonable.

ARTICLE XII.

A limited partner is not a proper party to proceedings by or against this limited partnership.

ARTICLE XIII.

The general partner shall have the rights and powers and shall be subject to all the restrictions and liabilities of a partner in a partnership without limited partners, except that without the written consent or ratification of the specific act by all of the limited partners, the general partner has no authority to (a) Do any act in contravention of the certificate; (b) Do any act which would make it impossible to carry on the ordinary business of the partnership; (c) Confess a judgment against the partnership; (d) Possess partnership property, or assign the partnership's rights in a specific partnership property; for other than a partnership purpose.

ARTICLE XIV.

The general partner shall receive no compensation for services other than his participation in the net annual earnings as aforesaid, but he shall be reimbursed for his actual cash expenditures made in behalf of the partnership.

ARTICLE XV

This partnership may be dissolved upon written demand of any of the partners to the general partner, and upon the dissolution or termination of this limited partnership a full account of the assets and liabilities of the partnership shall be taken. The assets shall be liquidated as promptly as possible and the proceeds shall be applied as follows: (a) To the payment of the debts and liabilities of the partnership and the expenses of liquidation, if any; (b) The remaining assets in surplus, if any, shall be applied to the repayment of the capital contributed by the limited partners, if such capital has not been repaid out of earnings, and the balance shall be divided forty (40%) per cent to the general partner and sixty (60%) per cent to the limited partners.

IN WITNESS WHEREOF, we, the undersigned, have signed, sealed, and acknowledged these articles of limited partnership this _____ day of _____, 1958.

GENERAL PARTNER:

CLIFFORD M. WAGNER, M. D.
P. O. Box 625 - Heppner, Oregon

LIMITED PARTNERS:

Arthur Dolzell Ione Ore
Orrale Cutsforth Lexington Ore
C.A. Warren Heppner Ore
Walter Stilson M.D. Los Angeles Cal
Dick Wilkinson Heppner Ore

July 10, 1959

Mr. A. E. Weissenborn, Executive Officer, OME
Field Team, Region I
United States Dept. of the Interior
S. 157 Howard St.
Spokane 4, Washington

RE: Docket No. OME-6045 (Cu.Pb.Zn.)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

Dear Mr. Weissenborn:

Enclosed please find three sets of enclosures. First is the Financial Statement for the Baltimore Syndicate, three copies. Second, are three copies of the Articles of Partnership which define the relationship between the limited partners and general partners. Third, are three different estimates of core drilling from three different companies.

I am sorry for the delay, but it took longer to get the estimates than usual. I trust the enclosures are satisfactory and we will be expecting to hear from you regarding this application.

Very truly yours,

C. M. Wagner MD

C. M. Wagner, M. D.
General Partner
Baltimore Syndicate, Ltd.

CMW:mlh

Enclosure

P.S. There are two more potential limited partners with funds which will be available as necessary after the work is started.

RECEIVED
JUL 13 1959
U. S. G. S.
SPOKANE, WASH.

July 8, 1959

C. M. Wagner, M. D.
103 Gale Street
Heppner, Oregon

Dear Dr. Wagner:

We understand that you desire tentative quotations on approximately 1,500 feet of diamond drilling in the Hope Tunnel near Boulder, Montana for the purpose of arranging necessary financing, upon completion of which we would be willing to inspect your property and give you a firm quotation for your consideration.

We propose to furnish personnel, drill, casing, rods, core barrels, diamond bits and shells and all accessories necessary to perform this work for the following prices per foot:

Size	Depth	Price
AX	0' - 250'	$ 3.25 per foot
AX	250' - 500'	$ 3.75 per foot

It is understood that you will furnish air and water to the drill site.

Contractor agrees to mobilize and demobilize his equipment for the lump sum of $750.00.

In the event of delays not attributable to fault of contractor or breakdown of his equipment, contractor shall expect to be reimbursed for his continuing costs at the rate of $8.00 per hour.

In the event loose or caving material, water courses or any conditions are encountered which tend to make drilling impractical without the use of casing or cement, an additional charge of $4.00 per foot for reaming casing and $4.00 per foot for placing and drilling cement will be made.

Our employees will be covered by Workman's Compensation to comply with the State Act and the job will be covered by public liability insurance in the amounts of $100,000.00 and $300,000.00, and property damage in the amount of $100,000.00.

Very truly yours,

R. S. McCLINTOCK COMPANY

Peter J. Wanderer

PJW:erb

Jefferson City, Mont.
July 8, 1959

Baltimore Syndicate Ltd.
c/o C. M. Wagner, M.D.
P.O. Box 625
Heppner, Oregon

Gentlemen:

I hereby submit my bid for the core drill exploration of your Baltimore property, Jefferson County, Montana. As a basis for this bid it is understood that approximately 1500 feet are contemplated from sites located within the lower, or creek level adit; all core is to be saved, labeled and stored in adequate core boxes.

As the exact location of the holes has not been determined it is impossible to figure the cost of cutting drill stations (making room to handle the drill rods, etc.). Such work will be done at the cost of labor and materials.

1. Drilling BX (1 and 5/8" core) $5.40/ft.
2. Drilling AX (1 and 5/16" core) 5.10/ft.
3. Drilling EX (7/8" core) 4.90/ft.

   Note: This size is recommended only in case of the necessity to case off caving ground. It is expected that the bulk of the drilling will be completed in the AX size for purposes of better core recovery.

4. Over-reaming to place casing when hole is caved or tools stuck 2.50/ft.
5. Placing casing in hole when reducing as mentioned in item 3 .50/ft.
6. Cementing (only where necessary, and if feasible in lieu of casing) 2.25/ft.

Contractors agree to commence work immediately upon awarding of contract, and to pursue same to completion, barring unforeseen acts of God, at the rate of not less than five shifts per week.

It is agreed that sufficient funds will be maintained in escrow in a local bank to cover statements submitted and payable upon the completion of each hole.

It is further agreed and understood that any and all costs of delinquent collections shall be assumed by Baltimore Syndicate Ltd.

Signed: _____
Contractor

Dated: _____

Signed: F. W. Bell
Contractor

Signed: Gustaf M. Carlson
Contractor

BID FOR CORE DRILLING AT BALTIMORE MINE
IN JEFFERSON COUNTY, MONTANA

AXcore or smaller.

All underground drilling.

Minimum of 1200 linear feet of drilling.

At a charge of $7.00 per linear foot of core drilling, the driller agrees to furnish all equipment, supplies, air compressor and air line, core boxes and sludge sample containers.

At a charge of $50.00 per each eight (8) hour shift, ~~minimum~~ for cleaning and repairing track.

At a charge of $60.00 per each eight (8) hour shift for breaking stations for setting up for drilling.

Respectfully submitted by: Chester Leirness

Chester Leirness
1220 11th Avenue
Helena, Montana

FINANCIAL STATEMENT

THE BALTIMORE SYNDICATE

July 10, 1959

EXPENSES:

Commission to David Earle Organization	$ 750.00
Preparation reports	102.35
Mult. Blue Print Co. Maps	78.45
Ore Book Binding	62.50
Tunnel Contract	2,000.00
Payment of Loan	250.00
Telephone Expense	27.50
Assay Reports	83.50
Road contract to portal of mine	160.00
Commission to L. Smith Organization	250.00
Gas expense	27.50
Attorney's Preparation and legal	380.03
Secretarial and postage	30.00
Overpayment by one partner refunded	250.00
Preparation OME Loan-David Loughran	100.00
Geophysical Survey-Ray Larson	305.20
Four Mining Claims(gold)-D. Loughran	1,200.00
Portal contract-prepare compressor site and clear road-Louis Peura	150.00
Geophysical Survey-Ray Larson	267.25
Total	$ 6,474.28

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Loan to Syndicate	$ 250.00
Cash received from limited partners	10,750.00
Notes receivable from limited partners	2,000.00
	$ 13,000.00

SUMMARY:

Cash Deposited	$11,000.00
Total expenses	6,474.28
	$ 4,525.72
Notes Due	2,000.00
Total	$ 6,525.72

Finances available
July 10, 1959

C. M. Wagner MD
General Partner

CERTIFICATE OF LIMITED PARTNERSHIP

OF

BALTIMORE SYNDICATE, LTD.

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The SKIPPER	Survey Number 9690
The LAST HOPE	Survey Number 9689
THE MINNIE	Survey Number 9689
The MONA	Survey Number 9689

All situated in Township 6 North, Range 4 West.

Together with the dumps now upon said mining claims and any ore broken and in the stopes, and together with the appurtenances.

2. To engage in the exploration of the aforesaid claims, or

3. To engage in the developing, operating and mining said mining claims, or

4. To sell, lease, option or otherwise to dispose of said mining claims or interest therein.

ARTICLE IV.

The location and principal place of business of this limited partnership is at the Baltimore Mine, Montana. Its post office address is General Delivery, Helena, Montana.

ARTICLE V.

The general partner is:

Name - C. E. WACHER Address - 103 Gale St., Heppner, Oregon

ARTICLE VI.

The names and places of residence and amounts of cash to be contributed by the limited partners are set forth as follows:

	Amount
Name: Arthur Dalzell - Ione Ore	2500
Address: O.W. Cutsforth - Lexington Ore	2500
Name:	
Address:	
Name: C.A. Warren	2500
Address: Heppner Ore	
Name: Walter Stilson MD	2500
Address: 4300 So Flora Blvd Lynwood Calif.	
Name: Dick Wilkinson	2500
Address: Heppner Ore	
Name:	
Address:	
Name:	
Address:	

Name	
Address	
Name	
Address	
Name	
Address	
TOTAL	$25,000.00

The limited partners aforesaid agree to contribute forthwith to the capital of this limited partnership the sum set opposite their respective names totaling $25,000.00. This sum shall be expended and used as set forth in Article III.

ARTICLE VII.

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ARTICLE X.

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ARTICLE XI.

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A limited partner is not a proper party to proceedings by or against this limited partnership.

ARTICLE XIII.

The general partner shall have the rights and powers and shall be subject to all the restrictions and liabilities of a partner in a partnership without limited partners, except that without the written consent or ratification of the specific act by all of the limited partners, the general partner has no authority to (a) Do any act in contravention of the certificate; (b) Do any act which would make it impossible to carry on the ordinary business of the partnership; (c) Confess a judgment against the partnership; (d) Possess partnership property, or assign the partnership's rights in a specific partnership property; for other than a partnership purpose.

ARTICLE XIV.

The general partner shall receive no compensation for services other than his participation in the net annual earnings as aforesaid, but he shall be reimbursed for his actual cash expenditures made in behalf of the partnership.

ARTICLE IV

This partnership may be dissolved upon written demand of any of the partners to the general partner, and upon the dissolution or termination of this limited partnership a full account of the assets and liabilities of the partnership shall be taken. The assets shall be liquidated as promptly as possible and the proceeds shall be applied as follows: (a) To the payment of the debts and liabilities of the partnership and the expenses of liquidation, if any; (b) The remaining assets in surplus, if any, shall be applied to the repayment of the capital contributed by the limited partners, if such capital has not been repaid out of earnings, and the balance shall be divided forty (40%) per cent to the general partner and sixty (60%) per cent to the limited partners.

IN WITNESS WHEREOF, we, the undersigned, have signed, sealed, and acknowledged these articles of limited partnership this _____ day of _____, 1958.

GENERAL PARTNER:

CLIFFORD M. WAGNER, M. D.
P. O. Box 625 - Heppner, Oregon

LIMITED PARTNERS:

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 4 1959

DATE	INITIALS	CODE

April 29, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Acting Executive Officer, OME Field Team, Region I

Subject: New application (Copper-Lead-Silver)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

Enclosed are the original and two copies of an application received from Mr. C. M. Wagner, General Partner, of Baltimore Syndicate, Ltd. We have retained a copy for our files.

Wing G. Agnew

Enclosures

THE HEPPNER CLINIC
103 GALE STREET

TELEPHONE 6-9114

C. M. WAGNER, M.D., D.N.B.
DAVID J. BAYLINK, M.D., D.N.B.
PHYSICIANS & SURGEONS
HEPPNER, OREGON

OME

April 21, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 4 1959

DATE	INITIALS	CODE

Office of Mineral Exploration
1[illegible] Howard
Spokane, Washington

Gentlemen:

Enclosed you will find an application for assistance in mineral exploration submitted by the Baltimore Syndicate C. M. Wagner, M. D., General Partner, Heppner, Oregon.

The application is submitted in quadruplicate, each in a yellow folder. In the back of the folder in the pocket you will find (1) maps, (2) subordinate agreements, (3) true copies of loan refusals, and (4) copies of the lease and the assignments of the leases to the Baltimore Syndicate. I trust you will find the application in order.

Also included you will find four copies of a previous investigation of the mine for the Baltimore Syndicate prepared by David Loughran, E. M., consulting mining engineer and geologist.

Yours very truly,

C. M. Wagner, M. D.

CMWmlh

APR 7 1959

MME Form 40
Dec. 1958

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

MAY 4 1959 OME

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*	APPLICANT DO NOT USE THIS BLOCK
Baltimore Syndicate, Ltd. c/o Clifford M. Wagner, M. D., General partner Heppner, Oregon Box 755	DOCKET NUMBER: 6045
RECEIVED APR 27 1959 U. S. G. S. SPOKANE, WASH	DATE RECEIVED: 5-4-59
	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
C. M. Wagner, M. D.	Box 755, Heppner, Oregon	general partner
Arthur Dalzell,	Ione, Oregon	limited partner
Orval Cutsforth	Lexington, Oregon	" "
Clarence Warren	Heppner, Oregon	" "
Dr. Walter L. Stilson	4300 Las Flores Blvd. Lynwood, California	" "

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Copper, lead, and silver

ESTIMATED COST OF PROJECT: $

PROPERTY NAME	LOCATION COUNTY	STATE
Baltimore Mine	Jefferson Co.,	Montana

GENERAL INSTRUCTIONS

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

CERTIFICATION

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

4-20-59
DATED

C. M. Wagner
BY (Signature)

Gen. 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.

1. FINANCIAL ELIGIBILITY

(a) True copies of loan refusal are enclosed.

(b) Not applicable

(c) The Baltimore Syndicate will provide fifty percent of the required funds

2. APPLICANT'S RIGHTS IN LAND:

(a) Applicant's rights to land consists of a lease with option to purchase, (copy submitted herewith.)

There are no liens, mortgages or other encumberances.

(b) Claims on which exploration is planned are as follows:

Name	Survey Number
The Baltimore	1540
The Last Hope	9689

Adjacent land controlled:

The Skipper	9690
The Minnie	9689
The Mona	9689

The above claims are patented and all situated in Sec. 7, T. 6N. R. 4W., Jefferson County, Montana and are known locally as The Baltimore mine.

(c) Land and Mineral Rights encumbered or not owned:

Five MME Form 52's enclosed

3. PHYSICAL DESCRIPTION

(a) There are no operations being conducted at this time. Present Lease Holders reclaimed the Hope Tunnel in February and March 1958. The Baltimore claim has been developed in excess of 3500 feet of drifts and crosscuts, 300 feet of raises and winzes and a shaft approximately 100 feet in debth as shown on the mine maps. (See geological report). There are no production facilities.

(b) The Baltimore Syndicate contracted and financed the reopening of the Hope Tunnel and a short access road in 1958. The cost of these contracts was $2,250.00.

BALTIMORE SYNDICATE LTD.
c/o Dr. C. M. Wagner
Heppner, Oregon

3. Physical Description (cont'd)

(c) Past and Current production:

Geological Survey Bulletin 842, Metalliferous Deposits of the Greater Helena Mining Region, Montana by A. T. Pardee & F.C. Schrader, pp. 292-293 is quoted on the Baltimore Mine as follows:

"By far the most of a production of $325,000.00 from 1909 to 1928 reported in Mineral Resources for the Boulder District came from the Baltimore Mine."

Smelter returns for every tenth lot from March 1889 to May 1919 follow:

SAMPLES OF SHIPMENTS

BALTIMORE SMELTER SETTLEMENTS: (Every Tenth Lot for Period Shown)

Lot No.	Date	Shipper	AU Oz.	AG Oz.	PB %	Weight in lbs.	ZN %
1	3/27/89	Jessie Davidson	0.36	26.8	12.3	93218	
2	5/27/89	" "	0.32	25.1	11.0	56899	
3	8/2/89	" "	0.26	21.0	14.1	28157	
4	8/27/89	" "	0.30	13.9	13.2	41783	
5	9/26/89	" "	0.38	26.7	10.6	20736	
6	11/25/89	Archie McIntyre	0.48	38.3	6.7	5600	
7	6/12/00	Phil Unpher & Company	0.40	22.4	14.7	35398	
8	6/19/00	" " "	0.29	25.7	15.7	35721	
9	6/23/00	" " "	0.50	24.1	17.8	31100	
10	6/30/01	Austin & Pritchett	0.16	13.4	9.0	33986	
10	9/13/05	J. P. Walker	0.22	15.0	3.0	86406	
20	4/16/06	Moore & Gendle	0.11	27.1	7.1	38534	
25	6/21/07	Baltimore Mining & Dev. Co.	0.20	14.0	9.8	52226	
11	7/20/07	" " " "	0.11	10.9	5.1	65642	
17	9/25/07	" " " "	0.12	15.5	9.5	166549	21.0
18	10/5/07	" " " "	0.13	14.5	8.0	70737	18.9
10	3/7/12	C. Whitcomb	0.17	15.4	7.0	97593	1.0
14	3/26/12	" "	0.17	15.6	6.3	80649	1.6
13	3/26/12	" "	0.16	15.8	6.9	80974	2.0
15	3/11/18	" "	0.24	17.1	12.8	77993	2.3
16	7/10/13	Baltimore Copper Mines	0.16	21.6	7.7	51012	1.0
17	9/3/13	" " "	0.10	13.3	4.8	58543	3.9
18	9/10/13	" " "	0.11	13.6	5.6	46886	11.6
19	10/1/13	J. Matson	0.10	12.0	5.4	79687	11.0
29	5/2/14	Baltimore Copper Mines	0.10	25.1	9.3	125407	
39	7/7/14	" " "	0.14	24.0	7.0	74987	
49	9/29/14	" " "	0.08	22.2	4.0	98452	
59	5/4/14	" " "	0.09	19.7	5.4	107065	
69	5/13/16	Matson & Johnson	0.10	24.4	6.0	81973	
79	3/27/17	Matson Brothers	0.04	16.6	2.0	80045	1.6
89	3/29/19	Butte Copper Mng Company	0.09	24.3	3.8	83531	0.5
99	5/5/19	" " " "	0.11	12.4	3.8	73992	

BALTIMORE SYNDICATE LTD.
c/o Dr. O. M. Wagner, Heppner, Oregon

3. Physical Description (cont'd)

(d) Ore Reserves.

There are no known ore reserves.

(e) The ore occurs in veins. The country rock consists of aplite and quarts-monzonite cut by rhyolite dikes. The ore minerals are galena, sphalerite and chalcopyrite with associated gold and silver.

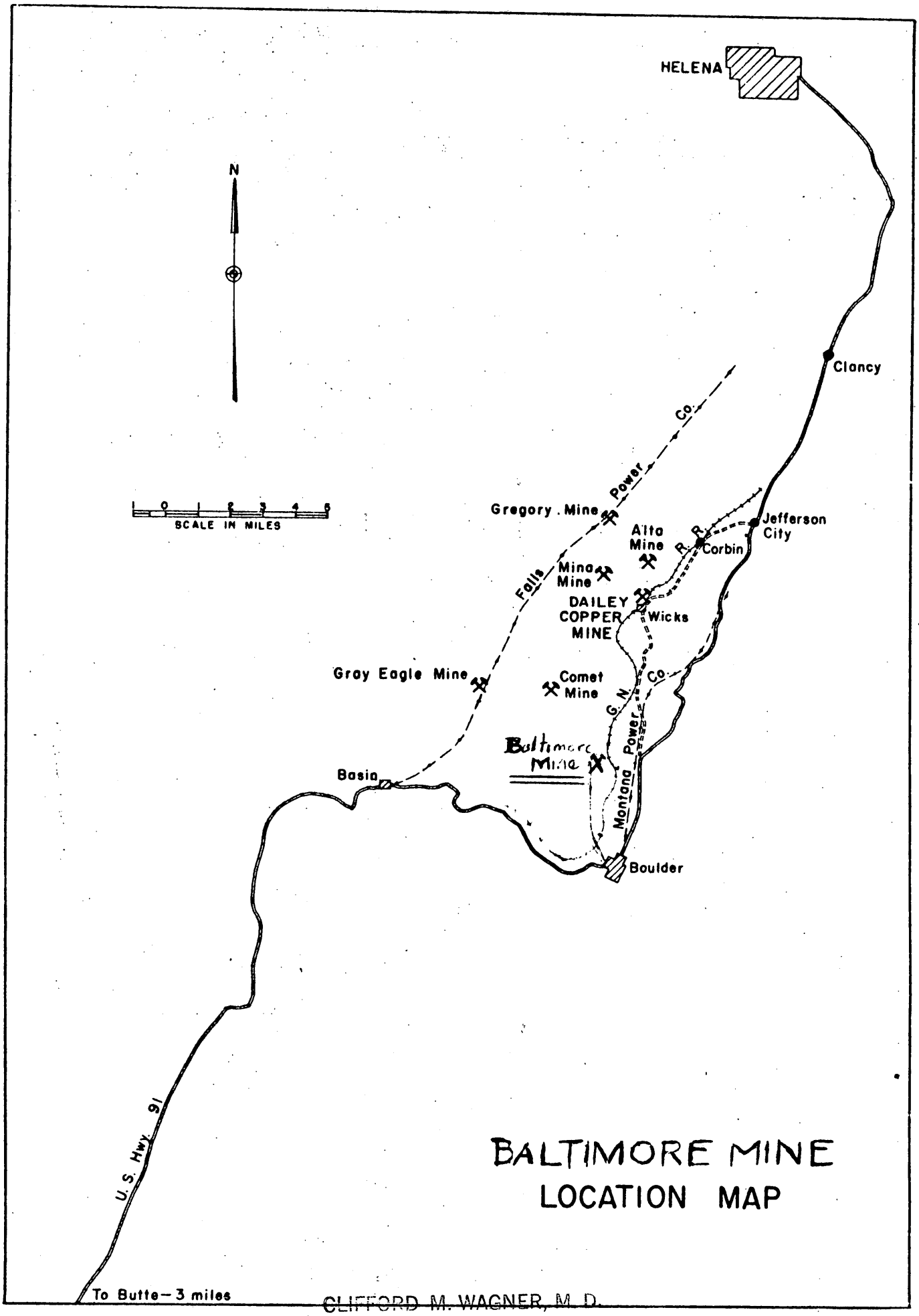
Geological Survey Bulletin 842, Metalliferous Desposits of the Greater Helena Mining Region, Montana, by J. T. Pardee and F. C. Schrader, pp. 292-293, is quoted on the Baltimore Mine as follows:

"By far the most of a production of $325,000 from 1909 to 1928 reported in mineral resources for the Boulder District came from Baltimore Mine, of which the following description is condensed from the report by Knopf.

At the Baltimore Mine 4-1/2 miles northwest of Boulder a small crew of men were employed during 1911. Two separate ore bodies have been exploited. The upper one is opened by tunnels 4, 5 and 6, the lower one by tunnels 1, 2 and 3. Tunnel 1 is the only one in which work was being done at the time of the visit. The general country rock is granite but the principal workings are in intrusive masses of aplite. Some porphyry dikes of andesitic character related to the dacites capping the granite have been encountered. The ore bodies that have been mined were short irregular veins with numerous branches but locally swelling to considerable dimensions. In Tunnel 5 there remains a large body of ore consisting mainly of black sphalerite in a white quartz gangue. Galena, pyrite and chalcopyrite are associated sulphides. This ore body was too zincy to work formerly and only the portions containing considerable lead were extracted. The ore body developed in the lower tunnels has been largely stoped out from above tunnel 2. In this tunnel the vein is about 130 feet long and is terminated at both ends by faults. The first 65 feet has been stoped out. The remainder of the vein consists of flinty gray and calcadonic quartz. In the winze between tunnels 2 and 1, 86 feet below, the vein stands vertical and ranges in width from 6 to 8 feet. The gangue is course white quartz, irregularly mingled with dark flinty quartz. Pyrite is the principal sulphide and sphalerite, galena and chalcopyrite occur in small amounts. The ore is said to contain $7.00 a ton in gold.

According to Billingsley and Grimes, the Baltimore illustrates a structure called horsetail in the copper mines at Butte. Their map of the Baltimore Mine shows two groups of veins, one of which strikes about North 60 West and dips deeply north. The other strikes North 60 degrees to 80 degrees East and dips south. Each group includes one or more main veins from which many veinlets and stringlets spray out into the adjoining country rock. The northeastward trending load ends at a fault that lies along the footwall of the northwest lode. Both bodies are cut and slightly displaced by faults that strike North 40 to 60 degrees east."

BALTIMORE SYNDICATE LTD.
c/o Dr. D. M. Wagner
Heppner, Oregon



BALTIMORE MINE
LOCATION MAP

CLIFFORD M. WAGNER, M. D.
P. O. Box 625 - Heppner, Oregon

PLATE I

MAY 4 1959
O.M.E.

3. Physical Description (cont'd)

(f) Reasons for expecting to find ore.

Reasons for expecting to find ore are as follows:

There is no record of the mining of the zinc ore body referred to in Bulletin 842 U.S.G.S., pp. 292-293, either written or by "word of mouth". This ore should still be in place in tunnel No. 5.

The downward extension of the East ore body has not as yet been prospected in the Hope Tunnel.

The virgin ground between the East and West ore shoots has not been explored.

In opening the Hope Tunnel in 1958, it was learned that approximately 100 feet of the vein below the east orebody has been explored. Here it consists of approximately ten feet of quartz with patches and stringers of chalchopyrite and occasional spots of galena. The richer parts were stoped up for about twenty feet and inaccessible for sampling. Three samples, taken in June 1958 across the back where accessible, grossed $15.89 in copper, gold & Silver. (Dr. Wagner's letter)

(g) Two copies of a geological report with maps of the old workings are enclosed.

4. ACCESSIBILITY OF PROPERTY:

(a) Name and address of person to contact is:

Mr. Louis Peura
1124 Sixth Avenue
Helena, Montana

The property is reached as follows: Take road from Boulder, Montana to Great Northern Ry. Depot. After crossing railroad tracks, continue up the hill to the Free Enterprise Health Mine. Continue upgrade on right hand fork for approximately 2.5 miles. Cross Boomerang Gulch Creek and continue on West side of gulch, 5 miles to mine. Workings are on the East slope of Boomerang Gulch. The Hope Tunnel is open to the face. Old stopes can be viewed from the surface.

(b) Anaconda Smelter (Copper) is 52 miles and the East Helena Smelter (lead) 25 miles from the railway loading point. The loading point is approximately three miles from the mine.

Supplies can be obtained from Butte and Helena, 38 miles and 28 miles respectively from Boulder, Montana. Skilled miners are available locally.

5. EXPLORATION WORK:

(a) The following work is contemplated.

(1) Hope Tunnel

a. Install rails and complete cleanup to face. Approximately 1100 feet.
b. Drive 5' x 7' drift southwest on vein exposed in east end of tunnel (See map of Hope Tunnel)
c. Raise on ore in above vein to No. 4 level. Raise 5' x 10' - 183 feet.
d. Complete long-hole drilling and diamond drilling as shown on map of Hope Tunnel Level and on the surface as follows:

LONG HOLE DRILLING

Hole No.	Depth in feet
1	75
2	40
3	80
4	50
5	50
6	50
7	50
8	50
9	50
Total	495

DIAMOND DRILLING

Hole No.	Depth in feet
1	225
2	140
3	140
Total	505

(2) Unexplored Section of vein between the East and West orebodies.

a. Reclaim the No. 3 tunnel level, elevation 5156, to east face of drift comprising 60 feet of crosscut and 80 feet of drift.

b. Drift easterly on vein to workings of the East orebody, approximately 225 feet. The waste from this operation can be dumped in old open stopes. This drift should be 5 x 7 feet. Mucking can be accomplished with a slusher.

BALTIMORE SYNDICATE LTD.
c/o Dr. C. M. Wagner
Heppner, Oregon

7. Estimated Costs (continued)

(a) Independent Contracts - cont'd

32 Core boxes @ $5.00 per box	160.00
Cementing & redrilling or reaming & coring 48 hours @ 9.00 per hour	432.00
Mobilization & demobilization	50.00

(b) Personal Services

Supervision - one @ $500.00 per month - 12 months	6000.00
Engineering & Geology 20 days @ 75.00 per day	1500.00

The above personnel are available.

(c) Operating Material & Supplies
Included in unit costs

(d) Operating Equipment
Included in unit costs

(e) Initial rehabilitation

One 16' x 24' building - roofing, siding, doors & Windows	500.00

(f) New buildings, fixtures, installations - none

(g) Miscellaneous

Workmens Compensation & Employees Liability Insurance	700.00

DESCRIPTION	Feet	Cost
Drifts & Crosscuts	325 @ $30.00	9750.00
Drift & Crosscut rehabilitation	140 @ $24.00	3360.00
Longhole drilling	495 @ $1.25	608.75
Diamond drilling (Ex)	225 @ $6.50	3282.00
Raises	138 @ $40.00	3360.00
Install Rail	1100 @ 1.50	1650.00
Timbering	100 @ $8.00	800.00
Samples	100 @ $3.50	350.00
Core boxes	16 @ $5.00	160.00
Personnel Services	2	7500.00
Buildings		500.00
Insurance, etc.		700.00
	Total	32,020.75

5. Exploration work (cont'd)

(b) No access road required.

(c) The work will be started within 30 days from date contract is executed and completed within 12 months.

The following table shows type of work and anticipated progress:

Type of Work	Anticipated Daily or Monthly Progress in feet
Drifts or crosscuts	100
Drift rehabilitation	150
Raises	75
Diamond drilling (Daily)	20
Longhole drilling (Daily)	50

6. EXPERIENCE:

Two members of the Baltimore group have had mining experience, Mr. Louis Peura of Helena Montana and Mr. D.E. Loughran of Portland, Oregon. Mr. Peura has been engaged in mining operations in the Boulder Basin area for 18 years part of which time was spent at the Baltimore Mine. Mr. Loughran's experience record is included herein.

Mr. Peura will supervise the work.

7. ESTIMATED COSTS

(a) Independent Contracts

Hope Tunnel Level

Install pipe and rail @ $1.50 per foot - 1100 feet	1650.00
Drifting - 100 feet @ 30.00 per foot	3000.00
Raising - 138 feet @ 40.00 per foot	5520.00
Longhole drilling 195 feet @ $1.25	233.75
Diamond drilling 225 feet @ $6.50 (Ex)	1462.00

Exploring Virgin section of vein between the East and West Orebodies:

Drift & Crosscut rehabilitation @ $24 per foot - 140 feet	3360.00
Drifting 225 feet @ $30 per foot	6750.00
Timbering drifts and crosscuts - 100 ft. @ $8.00 per foot	800.00
280 feet diamond drilling (Ex) 6.50	1820.00
Longhole drilling 300 feet @ $1.25 per foot	375.00
100 samples assayed @ 3.50 per sample	350.00

THE HEPPNER CLINIC
103 GALE STREET

TELEPHONE 6-9114

C. M. WAGNER, M.D., D.N.B.
DAVID J. BAYLINK, M.D., D.N.B.
PHYSICIANS & SURGEONS
HEPPNER, OREGON

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 4 1959

DATE	INITIALS	CODE

March 26, 1959

The First National Bank of Oregon
Heppner Branch
Heppner, Oregon

RE: The Baltimore Mine

Gentlemen:

I am writing on behalf of the Baltimore Syndicate, for financial assistance in the development of the mine.

The applicant's rights to the land consists of a lease with option to purchase. There are no liens, mortgages, or other encumbrances.

Accompanying this letter is a detailed investigation of the Baltimore Mine for the Baltimore Syndicate, Ltd. by David E. Loughran, E.M., Mining Engineer Geologist.

The following work is contemplated:

1. Hope Tunnel
   a. Install rails and complete clean up to face. Approximately 1,100 feet.
   b. Drive 5' x 7' drift southwest on the vein exposed in the east end of the tunnel.
   c. Raise on the ore body in the above vein to the Number 4 level. Raise will be 5' by 10', up 183' feet.
   d. Complete long hole drilling as shown on map of Hope Tunnel level and on the surface. Total of 495' of long hole drills. 505' of separate diamond drilling.

2. The unexplored section of vein between the east and west ore bodies.
   a. Reclaim the Number 3 Tunnel level.
   b. Drift easterly on the vein to workings of the east ore body, approximately 225', drift 5' x 7'.

The work is to comense immediately and be finished within twelve months.

C. M. WAGNER, M.D.
Box 755
Heppner, Oregon

An estimate of the cost of this stage of exploration is $32,020.75.

The Baltimore Syndicate, Ltd. hereby applies for a loan of $16,010.33 for this stage of exploration. The syndicate will be willing to pay as high as 7% interest. The loan would be for ninety days with the privilege of renewal each ninety days for one year. The Syndicate would contribute an amount equal to the bank loan for the exploration. Ten persons are interested in this prospect. Five have subscribed with five units of $2,500 each, or a total of $12,500. Five others have agreed to subscribe on the condition that the company is able to obtain this bank loan or is able to obtain financial assistance from the Office of Minerals Exploration, Dept. of the Interior.

Very truly yours,

C.M. Wagner M.D.

C. M. Wagner, M. D.
General Partner

CMW:mlh

C. M. WAGNER, M.D.
Box 755
Heppner, Oregon

HEPPNER BRANCH · THE FIRST NATIONAL BANK OF PORTLAND

1 MAIN STREET, HEPPNER, OREGON

March 27, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 4 1959

DATE	INITIALS	

Baltimore Syndicate

Attention: C. M. Wagner - General Partner
Heppner, Oregon

Gentlemen:

We have considered your application for a $16,010.33 loan for your mining venture and regret to inform you that it has been declined because of the element of risk involved.

Please accept our assurance that this is no reflection on the credit of the individual partners.

Very truly yours,

John A. Venard

John A. Venard
Assistant Cashier

JAV:meg

C. M. WAGNER, M.D.
Box 755
Heppner, Oregon

OREGON CENTENNIAL
1859 1959

Official file
Recd. 5/4/59

BANK OF Eastern Oregon

Head Office—ARLINGTON

THE FRIENDLY HOME-OWNED BANK

Branch at HEPPNER

L. C. BUCHNER
Vice-President and Cashier

GENE PIERCE
Manager

March 27, 1959

The Baltimore Syndicate
Dr. C. M. Wagner
Heppner, Oregon

Dear Sir:

We sincerely regret to inform you that we will be unable to accommodate you in your loan application in the amount of $16,010.33 to the above named mining syndicate.

In denying this request we wish to point out that this no reflection on your credit or the credit of your associates in your company. It is our policy first to serve the people in industries of our immediate area and at the present time do not have the facilities to handle loans of this type to the satisfaction of all concerned and still comply with laws regulating banks in their transactions of this nature.

Thank you for considering us for your banking needs.

Very truly yours,

Gene Pierce

Gene Pierce
Manager

GP:HG

CLIFFORD M. WAGNER, M. D.
P. O. Box 625 - Heppner, Oregon

ASSIGNMENT OF LEASE AND OPTION

KNOW ALL MEN BY THESE PRESENTS that LOUIS PEURA of Helena, Montana, C. M. WAGNER, of 103 Gale Street, Heppner, Oregon, and DAVID E. LOUGHRAN, of 4044 S. E. Woodward Street, Portland, Oregon, parties of the First Part, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration paid by BALTIMORE SYNDICATE, LTD., a Montana Limited Partnership, party of the Second Part, to parties of the First Part, receipt of which is hereby acknowledged by parties of the First Part, hereby do sell, assign, transfer and set over unto the said Baltimore Syndicate, Ltd., party of the Second Part, all of the right, title and interest, both legal and equitable, of the parties of the First Part in and to that certain Lease and Option dated the 16th day of December, 1957, wherein T. J. Fenlon of Butte, Montana, Trustee for the creditors and stockholders of the Baltimore Copper Mining Company, a dissolved Montana Corporation, is lessor and Louis Peura, C. M. Wagner and David E. Loughran are lessees of certain patented lode mining claims situate in Jefferson County, Montana and described by name and survey number as follows

Name	Survey Number
The BALTIMORE	1540
The SKIPPER	9690
The LAST HOPE	9689
The MINNIE	9689
The MONA	9689

All situated in Township 6 North, Range 4 West.

TO HAVE AND TO HOLD the same unto the said Baltimore Syndicate, Ltd., a Montana Limited Partnership, its successors and assigns.

IN WITNESS WHEREOF parties of the First Part herein have hereunto set their hands and seals this 27th day of March, 1958.

Louis Peura

Louis Peura

C M Wagner

C. M. Wagner

David E Loughran

David E. Loughran

PARTIES OF THE FIRST PART.

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 4 1959

DATE	INITIALS	CODE

CLIFFORD M. WAGNER,
P. O. Box 625 - Heppner, Oreg

STATE OF MONTANA, }
County of Jefferson. } ss.

On this 7th day of April, 1958, before me, a Notary Public for the State of Montana, personally appeared LOUIS PEURA, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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

Notary Public in and for the State of Montana
Residing at Helena, Montana.
My Commission Expires: Sept. 30, 1959

STATE OF OREGON, }
County of Multnomah. } ss.

On this 27th day of March, 1958, before me, a Notary Public for the State of Oregon, personally appeared C. M. WAGNER, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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

LaVern DeBeaudry
Notary Public in and for the State of Oregon
Residing at Portland, Oregon
My Commission Expires: 3/5/62

STATE OF OREGON, }
County of Multnomah. } ss.

On this day of , 1958, before me, a Notary Public for the State of Oregon, personally appeared DAVID E. LOUGHRAN, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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

LaVern DeBeaudry
Notary Public in and for the State of Oregon
Residing at Portland, Oregon
My Commission Expires: 3/5/62

CLIFFORD M. WAGNER, M. D.
P. O. Box 625 - Heppner, Oregon

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 4 1959
DATE INITIALS CODE

This Agreement made this 16th day of [illegible] and between T. J. FEELOW, of Butte, Montana, Trustee for the [illegible] and stockholders of the Baltimore Copper Mining Company, a [illegible] Montana Corporation, First Party, and LEWIS TEURA, of Helena, [illegible] G. M. WEBER, of 103 6th St., Heppner, Oregon, and DAVID K. [illegible] of 4[illegible] S.E. Woodward St., Portland, Oregon, Second Parties:

WITNESSETH:

That for valuable considerations, to him in hand paid by Second Parties, the receipt whereof is hereby acknowledged, First Party hereby grants to Second Parties the exclusive right and option to [illegible] upon the terms and conditions hereinafter set forth, those [illegible] quartz lode mining claims, situated in Jefferson County, Montana, [illegible] described by name and survey number as follows:

-Name-	-Survey Number-
The BALTIMORE	1540
The SKIPPER	[illegible]
The LAST HOPE	[illegible]
The MINNIE	[illegible]
The NONA	3689

All situated in Township 6 North, Range 4 West.

Together with the dumps now upon said mining claims and [illegible] bottom and in the stopes, and together with the appurtenances [illegible]

4. The price to be paid First Party for said option and [illegible] in the event of the exercise of this option shall be the sum [illegible] Five Thousand Dollars ($75,000.00), payable on or before November [illegible] 1967, as follows:

The sum of $5,000.00 on or before November 1, 1962, and [illegible] or thereafter on or before November 1 of each year thereafter [illegible] November 1, 1966, upon which date the total balance of said [illegible] be paid. Part or all of any of said payments may be anticipated [illegible]. All royalties paid by Second Parties as hereinafter [illegible] be credited as payments [illegible]

[illegible]

CLIFFORD M. WAGNER, M. D.
P. O. Box 625 - Heppner, Oregon

All payments made hereunder shall, whether of royalties or otherwise, until otherwise directed, be transmitted to First Party at Napton Apartments, Butte, Montana.

2. Second Parties shall have the exclusive right to the possession of said mining claims and dumps from the time of the execution and delivery hereof and so long during said term as they shall keep, observe and perform the terms and conditions hereof on their part, and shall have the right to explore, develop, and/or mine said mining claims, and extract ore therefrom, and ship the same, and ores from the dumps, in crude form, to market, and/or may mill any such ores and market the concentrates thereof, and retain the proceeds of all ores and concentrates so marketed, subject to the payment of royalties as hereinafter provided; and shall have the right to construct upon said mining claims such buildings, power lines, roadways, and other facilities, and to install such equipment, machinery and personal property thereon as they may see fit, and use the same in their operations hereunder.

3. Second Parties shall pay to First Party a royalty of ten percent (10%) of the net smelter returns from all ores, concentrates, or other products of operations hereunder, marketed by Second Parties, provided that the minimum royalty to be paid shall be not less than fifty cents (50¢) per dry ton. "Net smelter returns", as the term is herein used, means the amount paid by the smelter after deducting smelting charges and smelter deductions and railroad freight. In case Second Parties shall deliver any of such ores or other products to the smelter by truck, the same amount shall be deducted from such returns before computation of royalty for transportation as though such products had been shipped by rail.

4. All work done upon said optioned property by Second Parties shall be performed in a good,miner-like manner, timbering to be done where necessary to preserve access tunnels, shafts, drifts, and other workings used by Second Parties, all consistently with good mining practice, and with due regard to the future operation of said property [illegible]

M. WAGNER, M. D.
- Heppner, Oregon

5. Second Parties may cut and use in their operations hereunder any timber standing or lying upon said mining claims.

6. The billing of all shipments of ores, concentrates, or other products shall show that such products come from the Baltimore Group, and shall show the name of First Party, as Trustee, as owner.

7. Before shipping any product to a smelter or other purchaser outside the State of Montana, Second Parties shall notify First Party in writing of the name and address of the smelter or other purchaser to which shipment is contemplated. Any smelter or other purchaser of products hereunder is hereby directed to deduct from the returns therefrom the royalties herein provided for, and transmit the same to T. J. FENLON, Trustee, Napton Apartments, Butte, Montana, until otherwise directed by First Party; a copy of the settlement sheet to accompany such returns.

8. Ores, concentrates, or other products of operations hereunder may be removed from said optioned property only for market or for processing for market, and any of such products remaining upon said property at the time of the termination of this option without the completion of the payment of the purchase price, shall belong to FirstParty; but the proceeds of any such products then in transit to market, or off said property for processing for market, shall, subject to the deduction from the net returns therefrom and payment to First Party of the royalty herein provided for, belong to Second Parties.

9. First Party, personally, or through his agents or attorneys, shall have the right at all reasonable hours to enter upon said optioned property and into the workings and buildings thereon for the purpose of inspection and the taking of samples, without interference, however, with the operations of Second Parties hereunder.

10. Second Parties shall conduct operations hereunder in such manner as not to subject First Party or said optioned property, to any liability for debts, nor liability for damages; and [illegible]

shall hold First Party, his attorneys and agents, and said property, harmless from any and all such debts and liability, and all costs and expenses arising therefrom.

11. Second Parties shall, as a condition to the continuance of this option and lease in force, and beginning with the month of May, 1958, during each calendar month of the life of this Agreement, except when prevented by weather and/or road conditions, perform or cause to be performed upon said mining claims 30 man shifts of work of 8 hours each, or the equivalent thereof in working hours, in exploration, development and/or mining upon said group of mining claims; provided, however, that they may perform such work with bulldozer or power shovel or other similar mechanical equipment, and 1 hour of work with such equipment shall be for the purposes of this paragraph the equivalent of 8 hours of manual work. Work done in any month in excess of the requirements of this paragraph for such month may be credited upon the requirements of this paragraph for subsequent months in the same calendar year in which such excess work shall be done.

12. Time is of the essence of this Agreement. If Second Parties shall fail to keep, observe and perform each and all of the terms and conditions hereof on their part, as and when herein provided, First Party may at his election apply to the District Court of the Second Judicial District of the State of Montana, in and for the County of Silver Bow, in which Court the matter of the dissolution of said Baltimore Copper Mining Company is pending, for an Order cancelling this Agreement, but in such event notice of such election and a copy of the application for cancellation shall be personally served upon one of [illegible] Parties or served upon Second Parties by registered mail in [illegible] securely sealed, one such envelope to be addressed to each [illegible] parties at the addresses given in the caption hereof, each [illegible] necessary postage and to be deposited in the United [illegible] Post Office [illegible] Helena or Butte, Montana, service in case of mailing to be [illegible]

CL[illegible]ER, M. D.
P. O. Box 625, [illegible], Oregon

13. In case of the termination of this Agreement in any manner Second Parties shall have 60 days thereafter in which to remove from said group of mining claims any machinery and other equipment and personal property placed thereon by them, other than repairs and replacements of tracks or other property now thereon, and other than permanent buildings and similar improvements and mine timbering; and all property not so removed within said time shall become the property of First Party; provided that if removal during said 60 days shall be impossible or unduly expensive, the time for removal shall be extended for a period equal to the time of existence of such preventing causes, but Second Parties shall so dispose their removable property upon said group as not to interfere with another operation thereon.

14. Upon the payment of the full purchase price, as and when herein provided, First Party will apply to said District Court for an Order authorizing him to execute and deliver to Second Parties a Deed to said mining claims as provided by law.

15. This Agreement is executed in accordance with an Order of the District Court of the Second Judicial District of the State of Montana, in and for the County of Silver Bow, in which Court is now pending the matter of the dissolution of Baltimore Copper Mining Company, a dissolved Montana Corporation, dated November 26, 1957.

16. This Agreement may be assigned in whole or in part by Second Parties [illegible] but before any such assignment shall become valid [illegible] a copy thereof shall be filed with First Party, and subject to this provision this Agreement shall be binding upon and inure to the benefit of the successors of First Party and the heirs, personal representatives and assigns of Second Parties.

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

J. J. Fenlon

TRUSTEE for Creditors and Stockholders of Baltimore Copper Mining Company, a dissolved Montana Corporation.

FIRST PARTY.

[illegible]

[illegible]

[illegible]

SECOND PARTIES.

CLIFFORD M. WAGNER, M. D.
P. O. Box 625 - Heppner, Oregon

STATE OF MONTANA)
County of Silver Bow) ss.

On this 17th day of November, 1957, before me, John J Walsh, a Notary Public for the State of Montana, personally appeared T. J. FENLON, known to me to be the person who executed the within instrument as First Party, as Trustee for the creditors and stockholders of Baltimore Copper Mining Company, a dissolved Montana Corporation, and acknowledged to me that he executed the same as such Trustee.

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

John J Walsh
NOTARY PUBLIC for the State of Montana,
Residing at Butte, Montana.
My Commission expires Feb 26-1959

(Notarial Seal)

INVESTIGATION
OF
The Baltimore Mine
FOR
Baltimore Syndicate Ltd.

C. M. WAGNER, M.D.
Box 755
Heppner, Oregon

David E. Loughran, E. M.
Mining Engineer
Geologist
February 1, 1958

INVESTIGATION

OF

THE BALTIMORE MINE

FOR

BALTIMORE SYNDICATE LTD.

David E. Loughran, E.M.
Mining Engineer
Geologist

February 1, 1958

MAY 4 1959
O.M.E.

RECEIVED
APR 27 1959
U. S. G. S.
SPOKANE, WASH.

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DATE	INITIALS	

I. INTRODUCTION

A. PURPOSE AND SCOPE:

The writer was commissioned by Dr. C. M. Wagner of Heppner, Oregon to investigate the Boulder Mining District, Jefferson County, Montana, to select a property worthy of exploration.

The Baltimore Mine was selected as being the most likely prospect in the area. An on the ground examination of the property was made from August 28 to September 4, 1957. A study was made of the surface geology. Where ore had been mined from the old stopes, mined through to the surface, the workings were visible but for the most part the underground workings were inaccessible.

Historical data, maps, records of shipment and Government publications were consulted, studied and analyzed. The writer has long been familiar with the Boulder District and has in the past operated and examined many mines on the Boulder Batholith in the general area of the Baltimore Mine.

I. INTRODUCTION (Continued)

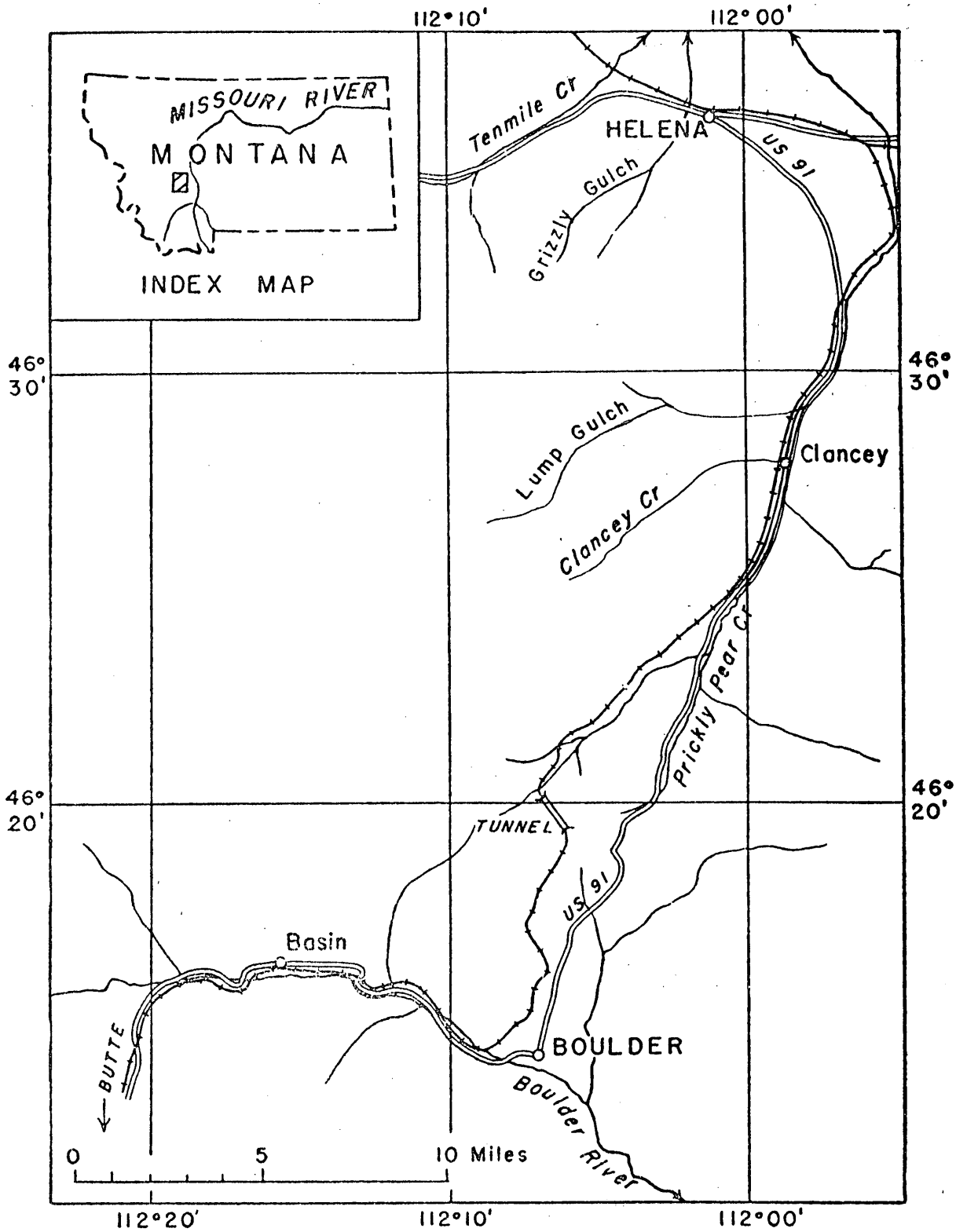
B. LOCATION AND ACCESSIBILITY:

The Baltimore Mine is situate in the Boulder Mining District at an elevation of 5,000 feet, approximately four miles northwest of Boulder, Montana, in the County Seat of Jefferson County.

The mine is reached by way of a good mountain road which extends just west of Boulder from U. S. Highway 91, northerly past the Great Northern Railroad Station at Boulder, thence northwesterly to the property. The road can be traveled in high gear.

Smelters for both copper and lead ores are located in Butte and Helena, Montana. The copper smelter is at Butte, 25 miles distant and the lead smelter is at Helena, 20 miles distant from loading ramps on the Great Northern Railway. These ramps are approximately three miles from the mine, thus providing relatively low freight and hauling costs for the ore.

Power is available within one mile and ample water for all purposes, including milling, is present in Boomerang Creek where it crosses the property. Skilled mine labor is available locally and at Butte. Butte and Helena are excellent sources of mining equipment and supplies.



Index map showing area mapped near Clancey, Jefferson County, Mont.

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DATE	INITIALS	CODE

I. INTRODUCTION (Continued)

C. DESCRIPTION OF PROPERTY:

Quartz lode mining claims, situated in Jefferson County, Montana, described by name and survey number as follows:

Name	Survey No.
The BALTIMORE	1540
The SKIPPER	9690
The LAST HOPE	9689
The MINNIE	9689
The MONA	9689

All situated in Township 6 North, Range 4 West.

II. SUMMARY

The Baltimore mining property has the following favorable characteristics:

1. The past production was entirely in shipping grade ore. No concerted effort was made to recover the lower grade or mill ore and thus take advantage of the more modern low cost caving or open cut systems of mining. Only the so-called "cream" of the orebodies was removed.

2. The geological maps show a vein width in the No. 4 tunnel crosscut of approximately 100 feet. Samples taken on this level show a width of 17 feet averaging .9% lead, .7% copper, 4.8 oz. of silver, and 0.02 oz. gold, and side samples of probable ore remnants assaying 1.1% lead, 13% copper, 20.4 oz. silver and 0.03 oz. gold. This area should be tested by drilling for possible open pit mining. The 17 feet will gross at present metal prices $11.64 per ton.

3. The vein has not as yet been completely explored along its strike between the East and West ore shoots on and above the No. 4 tunnel where high grade ore has been mined previously.

4. The virgin ground between ore shoots on the upper levels and below the old workings may well be of mill grade with the high grade pockets and lenses of ore still intact.

5. The Hope tunnel has not as yet completely explored the possible downward extension of the east ore body.

6. No attempt has been made to explore the walls of the Baltimore vein with a view to mining wide widths of low grade material.

7. Among miners and old residents of the district familiar with the Baltimore the mine has the reputation of being a "Good Mine".

III. RECOMMENDATIONS

The sequence in which the apparent objectives in the rehabilitation of the Baltimore Mine should be undertaken is as follows:

1. Reclaim the lower or Hope tunnel and sample the exposed ore with a view to shipping by taking advantage of the low smelter rates for high silica ores. Development from this operation should be self-supporting.

2. The most recent large scale operation at the property was the driving of the Hope tunnel to explore the downward extension of the east orebody. It will be noted that approximately 130 feet of this extensive underground working explored only a part of the vein in the form of a partial crosscut. Quartz and vein matter are shown on both sides of this opening. Additional exploration normal to the vein both North and South is indicated. It is recommended that this be accomplished by long hole drilling. This should be followed by crosscuts indicated by the drilling.

3. The downward projection of the last orebody from the stopes above may follow the East fault and fall to the south of the present workings. A crosscut should be driven to the fault or to the rhyolite dike if a drill hole proves this contention.

4. The projection of the vein southwest has not as yet been explored. This development can best be accomplished by long hole drilling from the main crosscut tunnel, followed by drifting if indicated by the drilling. Several shipments of ore were made from this level of the mine. It is stated by miners of the area that this ore was approximately eight feet wide and assayed approximately .25 of an ounce in gold,

9 oz. silver 1.5% copper and 2% lead to the ton.

5. A shallow winze will hole into the No. 1 tunnel from the proposed drift southwest. The west orebody in this tunnel can be explored by long hole drilling.

6. The 100' wide vein on the No. 4 tunnel should be tested by drilling for possible open pit mining.

7. Approximately 280 feet of the No. 4 tunnel should be reclaimed to the stoped area, then drill the walls of this area for possible wide bodies of low grade ore, drive a lateral from this area to the west face of the No. 4 tunnel, then drift westerly for 250 feet to explore the virgin ground between the east and west orebodies.

8. Bulldoze the surface across the strike of the vein both East and West of the present workings to explore extensions of the vein.

IV. HISTORY

A. PROPERTY UNDER EXAMINATION:

The Mona, Last Hope, Minnie and Maryland lodes were located during 1907 and 1914 by the Baltimore Copper Mining Company and were patented September 18, 1914. Mineral Survey Number 9690. The work reflected by the patent maps consisted of four discovery shafts, shaft and three cuts, four tunnels and one-half of the main working tunnel. The work was valued at $5,095.00. The claims comprised 77.894 acres.

The Skipper claim was located May 17, 1907, patented by Baltimore Copper Mining Company, September 4, 1914, Mineral Survey Number 9690, containing 20.526 acres. The value of the work was $2,432.50 for discovery cut, tunnel and one-fourth of a tunnel.

Mining of the veins of the Boulder Basin area, with one exception has been carried on to date, using the old square set and style systems to extract the ore. Only the richer, better grade material could be removed and shipped or treated at a profit. Mineralized wall rocks were left intact. Very little attempt was made to explore these vein walls for low grade material that could not be mined at a profit by the then standard systems of mining in vogue. In recent years new systems or methods of mining large tonnages have reduced the cost to a point whereby a much lower grade material can be mined at a profit. Wide widths of vein wall rocks formerly considered valueless can now be profitably extracted.

The Baltimore Mine with its "Wide stopes and veinlets and stringers spraying out into the adjoining country rock" as described in Geological Survey Bulletin 842 offers possibilities for such an operation.

V. GEOLOGY

A. REGIONAL GEOLOGY:

The Baltimore Mine occupies a small area in the Boulder Batholith. A huge mass of quartz monzonite intruded in early Tertiary time into the older rocks of the area. During its cooling stages the segregations and dikes of aplite and other minor rock phases conspicuous throughout the exposed parts of the Batholith were formed.

Fractures resulting from stress and strain set up in this colling igneous mass followed. These fractures became the channels for the escaping mineral bearing gases and solutions and deposition of the minerals in the fractures and their walls has formed the numerous early tertiary veins and lodes of this geological formation.

A period of quiet and erosion of the rocks followed. (Early Tertiary to middle Tertiary). In Miocene time a second period of igneous activity was initiated. Volcanos were in eruption and large areas of the surface were buried beneath thick flows of dacite and rhyolite. New fractures were formed and subsequently mineralized. Many of the older veins being weak phases of the rock mass were reopened and mineralized.

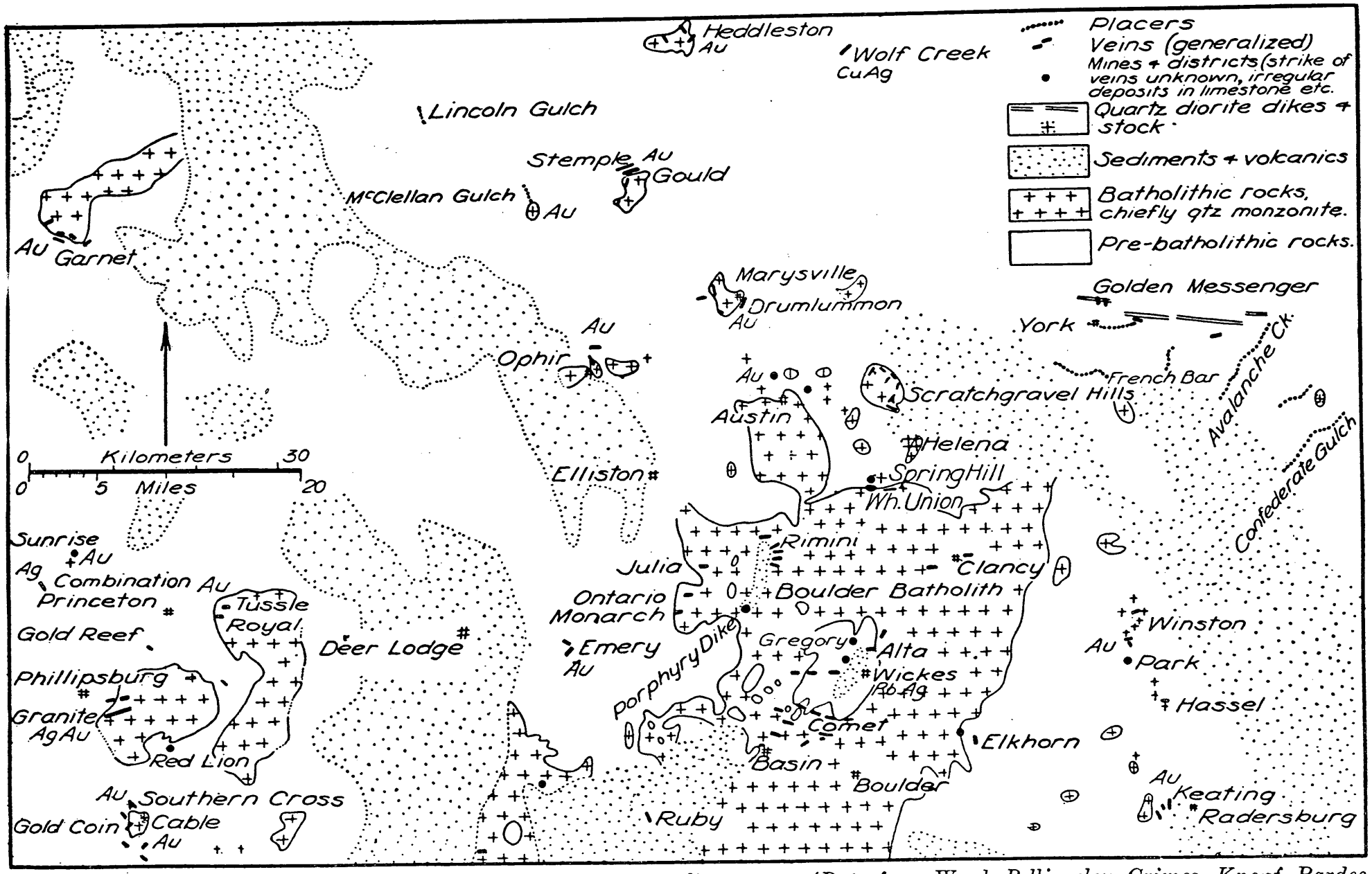

FIG. 92.—Map of north part of Boulder batholith and surrounding area. (*Data from Weed, Billingsley, Grimes, Knopf, Pardee, Schrader, Calkins, Stone, and others.*)

V. GEOLOGY (Continued)

B. LOCAL GEOLOGY:

Two periods of mineralization and probably the third, are present in the Baltimore lode. The second period with its lead, zinc, copper mineralization and the gold enrichment of the third. The barren coarsely crystalline quartz dumps at the property could represent the first or quartz pyrite period.

The Baltimore vein where exposed at the surface consists of bands of vuggy quartz with minor lead and fair silver values. The several bands or lenses of this material narrow to thin lenses at the surface. Directly below the surface the old workings become wider and at one place appeared to be in excess of fifty feet. The walls, where exposed, consist of altered and mineralized quartz monzonite of the Boulder Batholith. The extent of this alteration into the walls could not be determined. The vein appears to be made up in places of several parallel streaks or bands and in others a single band.

The vein is reported to be faulted on both ends. This statement refers to the east orebody only, as the west orebody beyond the west fault was subsequently discovered.

Only the shipping grade of ore was mined. Small stringers several inches wide, too narrow for economical mining, extend out into the walls from the old stopes.

The accompanying maps of the underground workings show two ore bodies. It will be noted that a section of vein approximately 200 feet long, between these two ore bodies has not as yet been explored. This section of the vein is in the upper high grade ore producing horizon

and could contain another ore shoot.

The east orebody is terminated by the North fault as is the rhyolite dike.

Geological Survey Bulletin 842, Metalliferous Deposits of the Greater Helena Mining Region, Montana, by J. T. Pardee and F. C. Schrader, pp. 292-293, is quoted on the Baltimore Mine as follows:

> "By far the most of a production of $325,000 from 1909 to 1928 reported in mineral resources for the Boulder District came from Baltimore Mine, of which the following description is condensed from the report by Knopf.
>
> At the Baltimore Mine 4-1/2 miles northwest of Boulder a small crew of men were employed during 1911. Two separate ore bodies have been exploited. The upper one is opened by tunnels 4, 5 and 6, the lower one by tunnels 1, 2 and 3. Tunnel 1 is the only one in which work was being done at the time of the visit. The general country rock is granite but the principal workings are in intrusive masses of aplite. Some porphyry dikes of andesitic character related to the dacites capping the granite have been encountered. The ore bodies that have been mined were short irregular veins with numerous branches but locally swelling to considerable dimensions. In Tunnel 5 there remains a large body of ore consisting mainly of black sphalerite in a white quartz gangue. Galena, pyrite and chalcopyrite are associated sulphides. This ore body was too zincy to work formerly and only the portions containing considerable lead were extracted. The ore body developed in the lower tunnels has been largely stoped out from above tunnel 2. In this tunnel the vein is about 130 feet long and is terminated at both ends by faults. The first 65 feet has been stoped out. The remainder of the vein consists of flinty gray and calcadonic quartz. In the winze between tunnels 2 and 1, 86 feet below, the vein stands vertical and ranges in width from 6 to 8 feet. The gangue is course white quartz, irregularly mingled with dark flinty quartz. Pyrite is the principal sulphide and sphalerite, galena and chalcopyrite occur in small amounts. The ore is said to contain $7.00 a ton in gold.

V. GEOLOGY (Continued)

B. LOCAL GEOLOGY (Continued)

According to Billingsley and Grimes, the Baltimore illustrates a structure called horsetail in the copper mines at Butte. Their map of the Baltimore Mine shows two groups of veins, one of which strikes about North 60 West and dips deeply north. The other strikes North 60 degrees to 80 degrees East and dips south. Each group includes one or more main veins from which many veinlets and stringlets spray out into the adjoining country rock. The northeastward trending load ends at a fault that lies along the footwall of the northwest lode. Both bodies are cut and slightly displaced by faults that strike North 40 to 60 degrees east."

V. GEOLOGY (Continued)

C. VEINS AND MINERALIZATION:

In general three periods or stages of mineralization are present in the veins of the area. A first and second stage in early Tertiary times associated with the batholith magma and the third stage in post Miocene time following the middle Tertiary volcanics. These three stages of mineralization are described by Dr. C. H. Clapp in his report on the Jib Mine at Basin, Montana as a quartz pyrtie stage, a galena, zinc, copper, silver stage and a gold silver stage. The quartz deposited in the first stage had a porcelain like texture, dry or bony in appearance resembling the quartz of pigmatites, probably the result of the high temperatures prevailing. Scattered pyrite in small bunches and grains occurred throughout this quartz.

As the magma cooled further the ore minerals of copper, zinc, lead and silvdr sulphides made their appearance. Gold was absent or minor in quantity. Copper sulphides in the Helena mining region consisted essentially of chalcopyrite, with minor amounts of borenite and tetrahedrite; galena and sphalerite account for most of the lead and zinc; silver is found with all three. Practically all the lead, silver, copper and zinc produced from the Boulder Batholith was deposited during this period of mineralization.

The greater part of the gold and much of the silver was deposited during the third period of mineralization. It is characterized by a secondary or crypto-crystaline quartz, some phases of which resemble opal or chalcedony. Lead, zinc and copper minerals are

practically absent. The ores of this period are very rich in gold and silver, at times bonanza in character. Early Tertiary veins where intersected by these middle to late Tertiary dikes are enriched in gold, usually only a few dollars per ton but occasionally to the extent of forming bonanza pockets of native gold.

The first period of deposition has characteristics of deposits of the deep vein zone; the second period those of deposits formed at shallow depths by hot ascending solutions.

The writer assisted Dr. Clapp in the field at the Jib Mine.

VI. EXPLORATION

All of the working on the Baltimore Claim, excepting the portal of the Hope tunnel is on the Last Hope claim.

The Baltimore claim has been developed in excess of 3,500' of drifts and crosscuts and in excess of 300 feet of raises and a 100' shaft from the surface.

VII. SAMPLES OF SHIPMENTS

BALTIMORE SMELTER SETTLEMENTS: (Every Tenth Lot for Period Shown)

Lot No.	Date	Shipper	AU Oz.	AG Oz.	PB %	Weight in lbs.	ZN %
1	3/27/89	Jessie Davidson	0.36	26.8	12.3	93218	
2	5/27/89	" "	0.32	25.1	11.0	56899	
3	8/ 2/89	" "	0.26	21.0	14.1	28157	
4	8/27/89	" "	0.30	13.9	13.2	41783	
5	9/26/89	" "	0.38	26.7	10.6	20736	
6	11/25/89	Archie McIntyre	0.48	38.3	6.7	5600	
7	6/12/00	Phil Unpher & Company	0.40	22.4	14.7	35398	
8	6/19/00	" " "	0.29	25.7	15.7	35721	
9	6/23/00	" " "	0.50	24.1	17.8	31100	
10	6/30/01	Austin & Pritchett	0.16	13.4	9.0	33986	
10	9/13/05	J. P. Walker	0.22	15.0	3.0	86406	
20	4/16/06	Moore & Gendle	0.11	27.1	7.1	38534	
25	6/21/07	Baltimore Mining & Dev. Co.	0.20	14.0	9.8	52226	
11	7/20/07	" " " "	0.11	10.9	5.1	65642	
17	9/25/07	" " " "	0.12	15.5	9.5	165549	21.0
18	10/ 5/07	" " " "	0.13	14.5	8.0	70737	18.9
10	3/ 7/12	C. Whitcomb	0.17	15.4	7.0	97593	1.0
14	3/26/12	" "	0.17	15.6	6.3	80649	1.6
13	3/26/12	" "	0.16	15.8	6.9	80974	2.0
15	3/11/18	" "	0.24	17.1	12.8	77993	2.3
16	7/10/13	Baltimore Copper Mines	0.16	21.6	7.7	51012	1.0
17	9/ 3/13	" " "	0.10	13.3	4.8	58543	3.9
18	9/10/13	" " "	0.11	13.6	5.6	46886	11.6
19	10/ 1/13	J. Matson	0.10	12.0	5.4	79687	11.0
29	5/ 2/14	Baltimore Copper Mines	0.10	25.1	9.3	125407	
39	7/ 7/14	" " "	0.14	24.0	7.0	74987	
49	9/29/14	" " "	0.08	22.2	4.0	98452	
59	5/ 4/14	" " "	0.09	19.7	5.4	107065	
69	5/13/16	Matson & Johnson	0.10	24.4	6.0	81973	
79	3/27/17	Matson Brothers	0.04	16.6	2.0	80045	1.6
89	3/29/19	Butte Copper Mng Company	0.09	24.3	3.8	83531	0.5
99	5/ 5/19	" " "	0.11	12.4	3.8	73992	

VIII. PHYSIOGRAPHY

A. TOPOGRAPHY AND DRAINAGE:

The general area is semi-mountainous.

Boomerang Creek with its V shape valley crosses the property in a north-south direction.

VIII. PHYSIOGRAPHY (Continued)

B. CLIMATE AND TIMBER:

Winters are severe respecting cold but snowfall is light. All winter operation is feasible. For instance, the Berkely open pit of the Anaconda Company is operated the year round at Butte under similar weather conditions.

Sufficient timber is on the claim to supply the mine with mine timbers.

February 1, 1950

David E. Loughman, M.

IX. REPORT ON DAVID E. LOUGHRAN, E.M.

REPORT ON DAVID E. LOUGHRAN, E.M.

EDUCATION:

Degree of E.M. (Engineer of Mines), 1919, School of Mines, University of Montana, Butte, Montana

EXPERIENCE:

1914-1919

Student, School of Mines
Practical miner and sampler; summer and part time.
Anaconda Copper Mining Company, Butte, Montana.

1919-1920

Mine foreman
Goldsmith Mine, Butte, Montana

1920-1922

Mine Superintendent, Corbin Copper Co., and Alta Consolidated Mining Company, Wicks, Montana

1922-1923

Mine Superintendent, Timoblack Mining Co.
Butte, Montana
Mining Engineer, Champion Mine
Race Track, Montana

1923-1925

Mining Engineer and shift boss, mill man,
Jib Consolidated Mining Co., Basin, Montana

1925-1926

Superintendent of Mines, Anaconda Copper Mining Company, Rico, Colorado

1926-1931

Geologist, Anaconda Copper Mining Company,
Salt Lake City, Utah

1931-1933

President and General Manager, Sacramento Gold and Quicksilver Mining Company, Mercur, Utah

1933-1934

Superintendent and part owner, Midas Gold Mining Company, Atlantic City, Wyoming

1934-1936

Tunnel inspector and Labor Foreman, Fort Peck Dam, Montana, Corps of Engineers.

1936-1939

General Foreman, Snake Butte Quarry, Harlem, Montana, Corps of Engineers

1939-1942

Engineering Geologist, Chief Geologist, Tulsa District, Corps of Engineers, Tulsa, Oklahoma

1942-1946

Captain and Major, U. S. Army

1946-1956

Engineering Geologist, Chief Geologist, Tulsa District; Chief Foundation Section, Detroit Dam and The Dalles Dam, Oregon, Corps of Engineers

SUMMARY:

Experience includes mine examinations; mine supervision, and management; mill construction and operation; foundation studies for large structures; geology, mining methods; mine surveying and sampling; core boring; mining and excavation equipment.

REFERENCES:

Mr. Tom Lyon
International Smelting Company
Salt Lake City, Utah

Mr. Harold Stuart
Geologist, North Pacific Division
Corps of Engineers
Portland, Oregon

Mr. Lloyd Ruff
Chief Geologist, Portland District
Corps of Engineers
Portland, Oregon

Mr. John Templeman, C.E.
Chief, Construction Division
Portland District Corps of Engineers
Portland, Oregon

Mr. Roy Clark, C.E.
Special Assistant to the District Engineer
Portland District Corps of Engineers
Portland, Oregon

Docket copy

PROJECT SUMMARY REPORT

By: W. R. Griswold November 30, 1960

1. OME-6045 (Copper-Lead-Zinc)
   Contract 2102

   Baltimore Mine
   Jefferson County, Montana

   Operator - Baltimore Syndicate, Ltd.
   P. O. Box 755
   Heppner, Oregon

   Property Rights -

   Lease and Option
   Lien and Subordination Agreement, dated April 2, 1959

2. Contract dated July 27, 1959

   Work Authorized -

   Stage I

1200 feet diamond drilling @ $5.10/ft.	$6,120.00
Miscellaneous and incidental allowances	3,910.00
	$10,030.00

   Stage II

400 feet crosscutting and drifting @ $30.00/ft.	$12,000.00
Assaying, timbering, etc.	900.00
	$12,900.00

Total estimated cost Stages I and II	$22,930.00
Government's share, 50%	$11,465.00

   Amendments -

   No. 1, dated February 2, 1960. Makes small adjustment in diamond drill hole locations.

2. Contract (continued)

Work Completed -

1200 feet drilling, with allowances @ $7.45/ft.	$8,939.00
Government's participation, 50%	$4,469.50

Work completed February 1960.

3. Report of Review November 28, 1960.
Operator's final report November 28, 1960.
Field final report October 14, 1960.

4. No certification.

5. Comments -

Six holes were drilled, about 200 feet long, each. Four of the holes showed weak mineralization, too low in grade to be of interest. In view of these negative results, no Stage II work was approved.

There is no reason why the Government should ever participate in further exploration work on this property.

The work was done in a satisfactory manner.

W. R. Griswold

WRGriswold/gla
cc to: Director's Reading File
Docket
Chron

MME Form 17
Mar. 59

OFFICE OF MINERALS EXPLORATION

WORK COMPLETED ANALYSIS

Not Certified

After final audit or review report is received, prepare in duplicate. File original in official docket. Send copy to Code 210.

Operator: Baltimore Syndicate, Ltd.

Actual Cost: X

State: Mont.

Agreed Unit Cost:

Final Report of Audit:

Commodity: Pb, Zn, Cu.

Docket No.: 6045

Final Report of Review: 11-28-60

Contract No.: 2102

Type of Work (Use these categories only)	Authorized by Contract and Amendments		Completed and Paid for		Net cost after sale of Gov't. Property
	Units	Cost 1/	Units	Cost 1/	
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Diamond Drilling (Specify)			1200 ft	5.38	6,450.
Diamond drill stations			2	$200	400.
~~Surface Excavation~~					
~~Underground Excavation~~					
Incidental allowance			1200 ft	$1	1200.
Roads and Trails					
Operating Equipment Purchased					
Core Boxes					112.
~~Surface Rehabilitation & Repairs~~					750.
Underground Rehabilitation					
~~New Building, Improvements, etc.~~					
Assays					27.
Other (Specify)					
Totals					2/ 8939

1/ Round off to dollars.
2/ Net cost total must agree with final report of audit or review.

Prepared by W P Fussnecker Date 11-29-60

52616

MME Form 7
(10-58)

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Date	Surname	Code
11/29	Hurwitz	500
12/20	Talbert	800
12/21	GCL	190
		110
11/22	On leave	220

DEC 22 1960

Mr. T. J. Fenlon
Trustee for creditors and stockholders
of Baltimore Copper Mining Company
Napton Apartments
Butte, Montana

Re: OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract 2102

Dear Mr. Fenlon:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Lien and Subordination Agreements signed by you on April 2, 1959, under the Office of Minerals Exploration program.

Sincerely yours,

/s/ George C. Selfridge

Acting Director

Enclosure

GLAult/a
11-29-60
cc to: Director's Reading File
Region I (2)
Docket
Code 500
Chron

43683

Orig. (2)

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 5 1960

DATE	INITIALS	CODE

No. 157 Howard Street
Spokane 4, Washington
December 1, 1960

Memorandum

To: Chief, Fiscal Section, Office of the Secretary

From: Acting Field Officer, OME, Region I

Subject: Report of Review
OME-LO45 (Lead Zinc-Copper)
The Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract No. 2102

Enclosed is the original of a Report of Review in lieu of Final Audit of the subject OME contract.

The indicated balance due the Operator in the amount of $102.50 should be released for payment.

D. R. MacLaren

Enclosure

cc: CA&A Div., OME
OME(2)
Director
Econ. Geol.
BMFM

One (2)

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 5 1960

DATE	INITIALS	CODE
12-5	gad	220
12/5	[illegible]	800
		500

So. 137 Howard Street
Spokane 4, Washington
December 1, 1960

Dr. C. M. Wagner
General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 755
Heppner, Oregon

Re: ONE-6045 (Lead Zinc-Copper)
Baltimore Mine
Jefferson County, Montana
Contract No. 2102

Dear Dr. Wagner:

Enclosed for your information and files is a Report of Review in lieu of a Final Audit of the referenced project. You should receive the indicated balance of $102.50 due the Operator within a few days.

Sincerely yours,

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

Enclosure

cc: Fiscal Section, Div. of Admin. Services
Office of the Secretary
C&A Div., ONE
ONE(2)
Director
Econ. Geol.
B&FM

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
11-28	gad	220
		500

NOV 28 1960

Memorandum

To: Acting Field Officer, Region I

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: OME-6045 (Lead-Zinc-Copper)
The Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract 14-23-090-2102

Attached are the original and two copies of a Report of Review, in lieu of a final audit of the subject contract, as requested by your November 23 memorandum.

If you concur in the facts as stated in this Report of Review, please make the distribution authorized by section 4 of OME Circular 2, dated February 17, 1960. If for any reason you do not concur, please return the original and both copies to this Division with your comments.

Attachments

EDTalbert/ama
November 28, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Rothrock

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
November 23, 1960

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 28 1960

DATE	INITIALS	CODE
11-28	gad	220
11/28	dwj	800
"	[illegible]	500

Air Mail

Memorandum

To: Contract Administration & Audit Division, OME

From: Acting Field Officer, Region I

Subject: OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract 2102

Work under the subject contract was terminated effective March 24, 1960, when Stage I was completed. Start of Stage II work was not authorized.

The number of units of work completed by the Operator and accepted by the Acting Field Officer as conforming to specifications was:

Stage I -	Mobilization and demobilization	1 unit
	Diamond drilling	1,200 feet
	Reaming, casing, etc.	80 "
	Incidental allowance for each foot of drilling	1,200 "
	Core boxes	28
	Assays	22 determinations
	Rehabilitation of Hope Tunnel	1 unit
	Diamond drill stations	2

An acceptable final engineering and geological report was received from the Operator on November 16, 1960.

A Report of Review, in lieu of a final audit, is in order and requested. The original and two copies of the January, February, and March MME-60's and MME-61's, together with supporting documentation, were sent to the Fiscal Section, Office of the Secretary, with a copy of our letter to the Operator dated March 18, 1960.

DRMacLaren
D. R. MacLaren

Distribution:
OME(2) Econ Geol
MacLaren B&FM
Director

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
November 23, 1960

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 28 1960

DATE	INITIALS	CODE
11-28	gad	VVO
11/28	[illegible]	800
	[illegible]	500

Air Mail

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract 2102

Enclosed are two copies of an acceptable Operator's final report together with two Thermofax copies of his covering letter of November 15, 1960. In a separate letter of this date (three copies of which are enclosed herewith) I have replied to the Operator's letters of November 11, 13, and 15, 1960.

D. R. MacLaren

D. R. MacLaren

Enclosures

cc: MacLaren
Director
Econ Geol
B&FM

OPERATOR'S FINAL RE-PORT

Rec (3)

Rm. 157 Howard Street
Spokane 4, Washington
November 23, 1960

Dr. C. M. Wagner
General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 755
Hoquiam, Oregon

Re: OME-6045 (Lead-Zinc-Copper)
Baltimore Mine
Jefferson County, Montana
Contract No. 2102

Dear Dr. Wagner:

Thank you for your letters of November 11, 13, and 15, 1960, which arrived while I was in the field.

The extension of time within which to submit your final report as requested in your letter of the 11th is not necessary as the report has been received.

Regarding the request in your letter of the 13th, we did not have any assays run on the split core samples. This office is not permitted to release copies of any maps made in connection with OME projects.

In your letter of the 15th there appears to be a misunderstanding regarding the allowance for the final report. By Article 5(e) of the contract the Operator is obligated to submit a final report. The cost of this report is included in the incidental allowance for each foot of drilling completed as set forth in Stage I under "fixed unit costs." When there is some doubt that a contract will continue, a portion of a voucher is withheld--in this case it was $100.00. (See our letter of March 18, 1960.) The purpose of this withholding is to protect any overpayment that may be disclosed by a final audit and to allow for the Government's share of the estimated cost of a final report in case the Operator does not submit one. (See Article 5(e) of the contract.)

Now that we have received an acceptable Operator's final report we shall request a final audit after which any funds due you will be released.

Sincerely yours,

D. N. MacLaren
~~Acting Field Officer, OME~~
Region I

cc: OME(3) w/3 cys incoming 11/13 & 11/15 (3 cys of incoming 11/11 forwarded 11/14)
MacLaren
Director; Econ Geol.; BLM

THE HEFFNER CLINIC
103 MAIN STREET

TELEPHONE 6-9114

C. M. WAGNER, M.D., D.N.B.
PHYSICIANS & SURGEONS
HEFFNER, OHIO

November 15,1960

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

Re: OME Loan 6045
Baltimore Mine
Jefferson County,
Montana
Contract No. 2102
Att: Mr. D. R. MacLaren

Dear Mr. MacLaren,

Enclosed you will find the operators final report, as required in paragraph 5 of the O.M.E. Contract. This has been prepared by, David Langhram, Mining Engineer and Mining Geologist.

I trust you will find the enclosures to your entire satisfaction.

Do you wish me now to prepare a voucher for this final operators report or will you automatically send us the $150.00, that has been allowed for this?

Very truly yours,

RECEIVED
NOV 1[illegible] 1960
U.S.G.S.

C. M. Wagner, M.D., Gen. Partner
Baltimore Syndicate

CMW:dl

THE HEPPNER CLINIC
103 GALE STREET

C. M. WAGNER, M. D.
PHYSICIAN & SURGEON
PHONE 6-6114
HEPPNER, OREGON

November 13,1960

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

Re: OME Loan 6045
Baltimore Mine
Jefferson County, Montana
Contract No. 2102
Att: Mr. D.R. MacLaren

Dear Mr. MacLaren,

I talked with, Mr. Louis Peura, of Helena, regarding our Baltimore project and we feel that we will drive the 20-25 feet through rock to the projected vein that was intersected on at least 2 drill holes and after completing this drive we will see then whether we should raise on it or drift on the vein. We understand that this will be without benefit of OME loan.

It would be helpful to us in evaluating further prospects on this mine to have copies of the assay reports, which the Government completed on split samples, also copies of the maps which you have made regarding this work. If there is any cost for duplication of this, please bill me and please send these copies to me at this address.

Very truly yours,

C.M. Wagner MD

C. M. Wagner,M.D., General partner
Baltimore Syndicate
For the Baltimore Mine.

RECEIVED
NOV 15 1960
U. S. G. S.
SPOKANE, WASH.

CMW:dl

BE 2-9873

DAVID E. LOUGHRAN, E.M.
MINING GEOLOGIST

4044 S. E. Woodward
Portland 2, Oregon

November 9, 1960

Baltimore Syndicate Ltd.
Heppner, Oregon

Gentlemen:

At your request, I have examined the diamond drill cores taken at the Baltimore Mine in Jefferson County, Montana under Exploration Contract No. 2102, with the Office of Minerals Exploration, United States Government. This examination was made in company with Mr. Norman Peura of Jefferson City, Montana, one of the supervisors of the work. On my return trip to Portland, I stopped briefly in Spokane, Washington to discuss this work with personnel of the U.S. Bureau of Mines. I was shown a geological map of the mine workings showing the core holes and intersected structures. The following is my impressions and recommendations gained from these events:

Core Holes No. 1 and 4 only have any significance at this stage of the work. Both of these holes intersected the same vein structure and both show values in lead, gold and silver across similar widths. At present, metal prices, they do not constitute ore. Normally no consideration would be given a structure with low metal content of this character. However, this structure is a part of the Baltimore Vein which has been relatively productive of substantial values in lead, zinc, silver and gold. The work required to explore this part of the vein consists of a crosscut approximately twenty feet in length. At $30.00 per foot, the allowed price in the O.M.E. Contract, this work would cost $600.00, approximately 5% of the original expenditure.

Core drilling is not an infallible method of sampling or determining geological conditions.

In view of these facts, the project should not be abandoned until this lead bearing structure in the Baltimore vein is exposed in crosscut section for a more thorough study. However, the present lease has only a few more years to run. The Trustee for the Baltimore Copper Company should be requested to extend this lease sufficient time to give the Baltimore Syndicate five more years. If this extension of time is not granted, the project should be terminated.

Sincerely,

D E Loughran

D. E. Loughran, E.M.

RECEIVED
NOV 16 1960
U. S. G. S.
SPOKANE, WASH

DEM/ys

Encls.

THE HEPPNER CLINIC
103 GALE STREET

C. M. WAGNER, M. D.
PHYSICIAN & SURGEON
PHONE 6-8114
HEPPNER, OREGON

November 11,1960

OFFICIAL FILE COPY
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NOV 1 [redacted]		
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11-17	gad	1200
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U. S. Department of Interior
Office of Minerals Explorations
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. OMB-6045
Baltimore Mine
Jefferson County, Montana
Contract No. 14-23-090-2102
Att: Mr. D. R. Maclaren

Dear Mr. Maclaren,

Mr. David E. Laughran, of Portland, Oregon, has recently examined the Baltimore mine and the core drilling and the results and is compiling the final operators report, on this contract. It will be approximately 2 weeks before he completes it. I would like to have an extension of 30 days before the final date on this, from November 15th. to December 15th. We will try to get it to you by the 1st. of December however.

Very truly yours,

C.M.W:dl

C. M. Wagner M.D.

C. M. Wagner, M.D.,
General partner for
the Baltimore Mine and
the Baltimore Syndicate

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
October 11, 1960

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DATE	INITIALS	CODE
10-14	gad	rvo
		130
"	FEB	110
10/17	[illegible]	800
"	[illegible]	500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract 2102

Enclosed are three copies of a Region I final report on the subject contract.

Work completed under the first stage of a two-stage program comprised rehabilitation of the Hope Tunnel, excavation of two diamond drill stations, 1,200 feet of diamond drilling, construction of 28 core boxes and making 22 assay determinations. Start of Stage II was not authorized because the Stage I drilling was so discouraging. The total cost of the project, subject to audit, was $8,994.

It is recommended that no certification of discovery be made.

D. R. MacLaren

D. R. MacLaren

Enclosures

FIELD
FINAL
REPORT

1 cy to ea R J Mote, USBM, & Harold Erickson, USGS,
10/14/60 HB

UNITED STATES

DEPARTMENT OF THE INTERIOR

OFFICE OF MINERALS EXPLORATION

REGION I

FINAL REPORT

Contract No. 2152

by

D. R. MacLaren
Geologist
U. S. Geological Survey

R. D. Sample
Geologist
U. S. Geological Survey

THE BALTIMORE SYNDICATE, LTD.
P.O. Box 735
Hoppner, Oregon

Docket No.:	OME-6045
Commodity:	Lead-Zinc-Copper
Contract date:	July 27, 1959
Termination date:	March 24, 1960

BALTIMORE SYNDICATE, LTD.
Baltimore Mine
Jefferson County, Montana

Spokane, Washington

October 1960

10/14/60 - 1 cy to ea RJ Mote, USBM, + Harold Kickmo, USGS.
HB

CONTENTS

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INTRODUCTION	1
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Recommendations	2
PROPERTY	2
GEOLOGY	2
Regional Geology	2
Local Geology	3
THE PROJECT	3
Summary of Factual Data	6

ILLUSTRATIONS

Plate 1.	Location map	In pocket
2.	Claim map showing sketch of underground workings and diamond drill holes	In pocket
3.	Geologic and assay map -- No. 1 and Hope Tunnel levels	In pocket

FINAL REPORT

THE BALTIMORE SYNDICATE, LTD.
Baltimore Mine
Boulder Mining District
Jefferson County, Montana

Contract No. 2102

* * * *

INTRODUCTION

This report describes an exploration project for lead-zinc-copper ore at the Baltimore mine in Jefferson County, Montana. The project was conducted jointly by the Office of Minerals Exploration and the Baltimore Syndicate, Ltd., a limited partnership.

Summary

The purpose of the project, which was set up in two stages, was to explore for new ore bodies or the downward extension of known ore bodies, believed to have been offset by faulting, by rehabilitating existing workings, diamond drilling, crosscutting, and drifting.

Work was started early in August 1959 and was completed by early March 1960. Work completed under the contract included rehabilitation of the Hope Tunnel, excavation of 2 diamond drill stations, 1,200 feet of diamond drilling, construction of 28 core boxes and making 22 assay determinations. The total cost of the project, subject to audit, was $8,994, of which the Government's share was 50 percent or $4,497.

Although zones of metallization were encountered in each of the diamond drill holes, the grade of the material was discouragingly low in each case. Continued exploration by crosscutting and drifting was not warranted, and upon the completion of Stage I, the Operator was advised that work under Stage II would not be authorized.

Recommendations

The project was not successful in discovering additional ore and it is recommended that no Certification of Discovery or Development be made.

PROPERTY

The property included in the project comprises the following five patented claims:

Name	Survey No.
Baltimore	1540
Last Hope	9689
Skipper	9690
Minnie	9689
Mona	9689

The claims are situated in sec. 7, T. 6 N., R. 4 W., Jefferson County, Montana, and may be reached by following for 3 miles a good dirt road which leaves U. S. Highway 91 northwesterly from the town of Boulder (pls. 1 and 2).

GEOLOGY

Regional Geology

One of the earliest geological studies made of the region was by J. T. Pardee and F. C. Schrader during the years 1926-1928, inclusive. The results of their work were published in "Metalliferous Deposits of the Greater Helena Mining Region Montana," U. S. Geological Survey Bulletin 842, 1933. They define the Basin and Boulder districts as that area drained by Boomerang, High Ore, Cataract, Basin Lowland, and other creeks tributary to the Boulder River (pl. 1). Both these districts are underlain chiefly by the quartz monzonite of the Boulder batholith of Late Cretaceous age and overlain unconformably by Tertiary volcanics. The monzonite is intrusive into the Elkhorn Mountain volcanics (upper Cretaceous). Both of these formations in turn are cut by dikes of dacite and rhyolite. The formations are all acidic and all have essentially the same composition. In places it is difficult to distinguish between the different rock formations.

The Boulder batholith has been the subject of a recent detailed study by U. S. Geological Survey geologists (Becraft, G. E., Pinckney, D. M., and Rosenblum, S., 1957, Geology and Mineral Deposits of the Jefferson City quadrangle, Montana: Unpublished preliminary manuscript, U. S. Geological Survey). In this report an attempt was made to subdivide the rocks of the Boulder batholith into various groups based mainly on textural and color differences. The Boulder batholith in the Basin and Boulder districts was mapped as (1) undivided quartz monzonite and granodiorite, and (2) medium-grained, light-gray quartz monzonite and granodiorite with a distinct reddish tint. Both of these rock types form part of the Main Stage of the batholith. In addition, they have mapped several small dikes or blebs of Alaskite from the Late Stage of the batholith, and several patches of Pleistocene glacial material.

Local Geology

The small area occupied by the Baltimore mine workings lies wholly in the undivided quartz monzonite and granodiorite which have been intruded by quartz aplite dikes, and by massive quartz veins and stringers (pl. 3). Much of the quartz monzonite is highly altered into soft claylike material. The quartz veins are irregular and pinch and swell within short distances. They usually are iron stained and contain flecks of iron and lead sulfides.

Mineralization appears to be in two separate ore bodies. The upper one is opened by Tunnels 4, 5, and 6 and the Hope Tunnel; the lower one by Tunnels 1, 2, and 3. All the openings are caved and closed except the No. 2 and Hope Tunnels (pl. 2). The Baltimore mine shows two groups of veins, one of which strikes about N. 60° W. and dips steeply north; the other strikes about N. 60°-80° E. and dips south. Each group includes one or more main veins from which many veinlets and stringers "horsetail" into the adjoining country rock.

THE PROJECT

According to Pardee and Schrader (1933), most of the production, valued at $325,000, reported from the Boulder district from 1909 to 1928 came from the Baltimore mine. Smelter settlements of every tenth lot of ore shipped, representing about 1,080 tons, indicate that the ore had an average grade of approximately 0.197 ounce gold and 19.01 ounces silver per ton, 8.3 percent lead, and 6.37 percent zinc. The project was based upon this impressive production from two known ore bodies and upon the belief that, because of complex faulting and shearing within these ore bodies, new ore bodies of similar grade or the downward extension of those already known, might be found.

An application for MMA assistance was received April 27, 1959, in which it was proposed to explore the ground between the Middle and East faults by two diamond drill holes and to explore a known ore shoot by a drift and raise, all from the Hope Tunnel. The cost of this program was estimated by the applicant to be $32,020.75.

A modified two-stage program to explore the ground between the faults was agreed upon and a contract effective as of July 27, 1959, was executed. The total estimated cost provided for in the contract was $22,930, of which the Government's share was 50 percent.

Stage I provided for rehabilitation of the Hope Tunnel, repair of the existing compressor house, excavation of two diamond drill stations, and diamond drilling of 6 holes having a combined depth of 1,200 feet. Provision was also made for core boxes, assaying, engineering, etc. The estimated total cost of Stage I was $10,030.

Stage II, which was dependent upon the results of Stage I, provided for 400 feet of crosscutting and drifting, 100 feet of timbering, and assaying at a total estimated cost of $12,900. This stage was not started.

Rehabilitation of the Hope Tunnel was completed by September 10, 1959. By September 25, the drill station about 630 feet from the tunnel was completed. From an existing crosscut about 290 feet east of the station a flat drill hole had been started to the southeast (pl. 3). This hole, No. 1, was drilled to a depth of 205 feet at a bearing of S. 45° E. The hole started in quartz and at a depth of 42 feet entered quartz-monzonite. Two weakly mineralized zones were cut, one from about 11 to 15 feet from the hole collar, the other from about 35 to 40 feet from the collar. Assay of a sample from the first zone indicated a trace gold and 0.2 ounce silver per ton, no lead, and a trace copper; over a width of 4 foot 10 inches, one from the second zone indicated 0.003 ounce gold and 0.5 ounce silver per ton, 0.2 percent lead, and trace copper.

From the drill station about 600 feet from the tunnel portal Holes 2, 3, and 4, all in quartz-monzonite, were drilled as follows:

Hole No.	Inclination	Bearing	Depth (feet)
2	flat	S. 58° E.	207
3	-30°	S. 23° E.	200
4	flat	S. 8° W.	198

Hole 2 cut sparsely mineralized sections from about 27.5 to 28.9 feet, 156 to 161.5 feet, and 165.3 to 168.0 feet. Assays of samples from the two latter zones showed them to contain, respectively, 0.02 ounce gold and 0.4 ounce silver per ton, no lead, and a trace copper over a width of 5 feet 2 inches, and 0.02 ounce gold and 8.8 ounces silver per ton, 0.2 percent lead and 0.8 percent copper over a width of 3 feet 9 inches.

Hole 3 cut a sparsely mineralized section from 21.6 to 26.6 feet, and Hole 4 cut a similar zone from 17 to 20 feet. Assays of two samples taken in the latter zone indicated respectively 0.11 ounce gold and 4.1 ounces silver per ton, 0.2 percent lead and 1.0 copper over a width of 1 foot 5 inches and 0.09 ounce gold and 3.9 ounces silver per ton (not assayed for lead and copper) over a width of 1 foot 3 inches.

Hole 5 was drilled from a station cut about 131 feet east of Hole 2, at an inclination of -30° and a bearing of S. 35° E. It was drilled to a depth of 396 feet in quartz-monzonite and cut three weakly mineralized zones. Mineralization was so weak that no samples were taken.

Hole 6 was drilled from the northeasterly end of the tunnel at an inclination of -30° and a bearing of N. 64° E. It was drilled to a depth of 159 feet 10 inches in quartz-monzonite. No mineralization worth sampling was encountered.

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

TO:	DATE	INITIALS
1. ~~120~~		
2. ~~110~~	12/2	FJ
3. ~~800~~	12/8	[illegible]
4. 500 Griswold	"	
5.		
FROM: George C. Selfridge	12/2	[illegible]

FOR: Check items for action desired

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

REMARKS:

Note:
1 cy to ea, R H Mote, MSBM,
& Harold Kikuno,
MSSS

[illegible]
12/2/60

INT.-DUP. SEC., WASH., D.C. M56300-59

MF-500

OFFICE OF MINERALS EXPLORATION
UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 11/29/60

REFERRED TO: Chief, Div. of Field Operations

Re: OME-6045
1.
2.
The Baltimore Syndicate, Ltd.
3.
Baltimore Mine
4.
Jefferson Co., Montana

FOR: Contract 2102

X	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: Re. OME Region I Final Report, October 1960, please substitute the enclosed 3 copies of page 6 for the ones presently in report.

Check (X) before the items needing attention.

DRMacLaren
Donald R. MacLaren
Initials of sender.

Acting Field Officer, OME
Region I

GPO 16—63815-1

Ore - 6045

[illegible] Data

Work completed under the [illegible] on an actual unit cost basis is as follows:

Item	Units authorized	Units completed	Unit cost	Total cost
Stage I				
Mobilization and demobilization	1 unit	1 unit	$150.00	$ 150.00 ✓
Diamond drilling	1,200 ft	1,200 ft	$5.10/ft	6,120.00 ✓
Reaming, casing, etc.	100 ft	72 / 60 ft	2.50 / $3.00	180.00 / 180.00
Core boxes	40	28	$4.00 ea	112.00 ✓
Assaying	200 determinations	22	1.23 / $1.00 ea	27.00 / 22.00
Rehabilitation of Hope Tunnel	1 unit	1 unit	$750.00	750.00 ✓
Repair of existing compressor house	1 unit	None	$150.00	---
Incidental allowance for each foot of drilling	1,200 ft	1,200 ft	$1.00	1,200.00 ✓
Diamond drill stations	2	2	$200.00 ea	400.00 ✓
				8939.00
				1/ $ 8,934.00

1/ Subject to audit

Total amount of contract	$22,930.00
Government participation at 50%	11,465.00
Total amount expended	$ 8,934.00
Government participation	4,467.00
Total amount unexpended	$13,936.00
Government's share unexpended	6,968.00

Enclosures
Distribution:
✓ GLE(3) Docket
USGS(SRO) McLaren

OFFICIAL FILE C
O. M. E
RECEIVED DEC 2

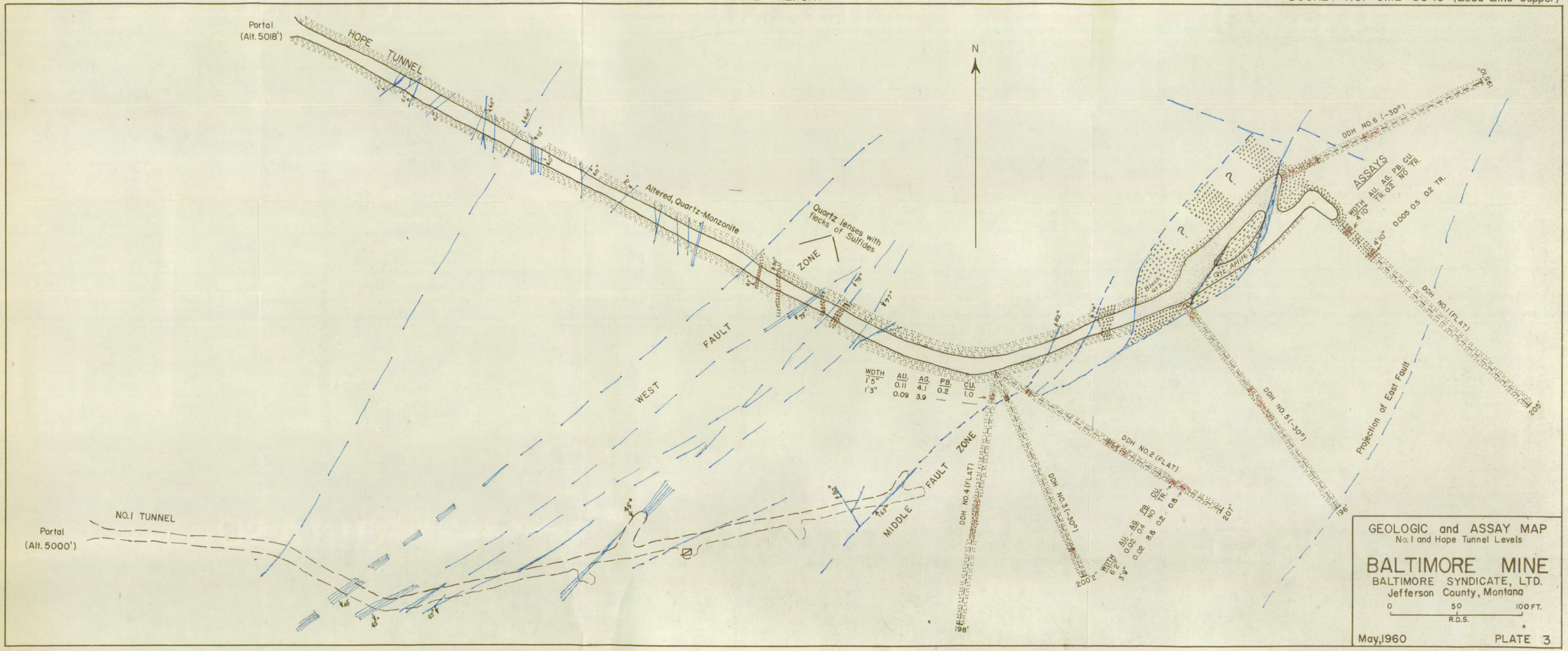
DATE	INITIALS	
12/2	Col	210
		120
		120
		110
		800
		500

12/2/60 - 1 cy to ea USBM & USGS

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
OFFICE OF MINERALS EXPLORATION
FINAL REPORT

DOCKET NO. OME 6045 (Lead-Zinc-Copper)



GEOLOGIC and ASSAY MAP
No. 1 and Hope Tunnel Levels

BALTIMORE MINE
BALTIMORE SYNDICATE, LTD.
Jefferson County, Montana

0 50 100 FT.
R.D.S.

May, 1960

PLATE 3

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 1[illegible] 1960

DATE	INITIALS	
9/16	gad	NNO
9/16	[illegible]	800
"	[illegible]	500

So. 157 Howard Street
Spokane 4, Washington
September 13, 1960

Dr. C. M. Wagner
General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (Lead-Zinc-Copper)
Baltimore Mine
Jefferson County, Montana
Contract No. 2102

Dear Dr. Wagner:

We have not yet received the Operator's final report as required by Article 9(a) of the referenced contract and which we requested in our letters of April 8, June 21, and August 11, 1960.

Unless an acceptable final engineering and geologic report is received by November 15, 1960, the Government will withhold payment otherwise due for work performed under the contract in the amount of $75. This amount is 50 percent of $150, which is the estimated cost of completing such a final report.

Sincerely yours,

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

cc: OME(2)
DRF
MacLaren

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 15 1960

DATE	INITIALS	CODE
8-15	gad	VVO
8/15	[illegible]	800
"	Forwarded	500

No. 157 Howard Street
Spokane 4, Washington
August 11, 1960

Dr. C. M. Wagner
General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (Lead-Zinc-Copper)
Baltimore Mine
Jefferson County, Montana
Contract No. 2102

Dear Dr. Wagner:

In your letter of June 24, 1960, replying to ours of June 21, regarding submission of an Operator's final report, you advised us that you had referred the matter to your associate, Mr. Louis Peura. We have not heard anything further regarding this matter.

We would greatly appreciate receiving the final report so that we can close our books on this contract and release any funds that may be due you.

Sincerely yours,

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

cc: [illegible]
[illegible]
MacLaren

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 15 1950
DATE

Mne(3)

THE HEPPNER CLINIC
103 GALE STREET

C. M. WAGNER, M.D., D.N.B.
DAVID J. BAYLINK, M.D., D.N.B
PHYSICIANS & SURGEONS
HEPPNER, OREGON
TELEPHONE 6-9114

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 29 1960

DATE	INITIALS	CODE
6/29	Cae	210
6/29	[illegible]	800
"	[illegible]	500

June 24, 1960

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

OME 6045

Attn: D. R. MacLaren, Acting Field Officer

Dear Mr. MacLaren,

In reply to your letter of June 21, 1960, I have referred this to my associate, Mr. Louis Peura, in Jefferson City, to complete this report. As soon as he returns it to me, I will send it on to you for completion of Stage I on the Baltimore Mine.

Very truly yours,

C. M. Wagner, M.D.

CMW:nr

Opne (3)

OFFICIAL FILE COPY O. M. E. RECEIVED JUN 24 1960		
DATE	INITIALS	CODE
6/24	Gae	210
	u Brunner	500

Sa. 157 Howard Street
Spokane 4, Washington
June 21, 1960

Dr. C. M. Wagner
General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 735
Heppner, Oregon

Re: Docket No. OME-6045 (Lead-Zinc-Copper)
Baltimore Mine
Jefferson County, Montana
Contract No. 2102

Dear Dr. Wagner:

In our letter of March 18 we advised you that $100.00 was being withheld from your January, February, and March 1960 vouchers pending start of Stage II work or final audit of Stage I work should Stage II not be authorized.

We wrote you on April 8, advising you that Stage II work would not be authorized and called your attention to Article 5(c) of your OME contract which refers to the Operator's final report.

As soon as we receive your final report, we will request a final audit of your report, after which we can release any funds still due you.

We would appreciate your early attention to this matter so we can close our books.

Sincerely yours,

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

cc: OME(3)
MacLaren
DRF

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/15	Brown	500
6/15	Talbot	800
6/15	Selfridge	130
6/15	Onkeane	110
6/15	gad	220
		500

JUN 15 1960

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract 2102

The cited Operator was notified on April 8 that Stage II work would not be authorized and that the necessary Operator's final report should be submitted. It appears that such report has not yet been received. Kindly remind this company again of its obligation.

/s/ George C. Selfridge (SHB)

WRGriswold/gla

6-15-60
cc to: Director's Reading File
Review Committee
Docket
Chron
Harold Kirkemo, USGS

43683

OFFICIAL FILE COPY O. M. E. RECEIVED MAR 21 1960		
DATE	INITIALS	CODE
3/21	RCW	225
3/21	[illegible]	800
1	[illegible]	0500

No. 157 Howard Street
Spokane 4, Washington
March 18, 1960

Dr. C. M. Wagner, General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (Lead-Zinc-Copper)
Baltimore Mine
Jefferson County, Montana
Contract No. 14-23-090-2102

Dear Dr. Wagner:

This is to advise you that your vouchers for January, February, and March which we received with your letter of March 16, 1960, have been forwarded to the Fiscal Section, Office of the Secretary, Washington, D. C., for payment. However, we are recommending that the sum of $100 be withheld pending start of Stage II work or final audit of Stage I work should Stage II not be authorized.

Our fieldman plans to inspect the property about March 23 after we receive his report we will advise you whether or not State II will be authorized.

Sincerely yours,

D. R. Maclaren
For: A. E. Weissenborn
Executive Officer, OME
Field Team Region I

cc: Fiscal Section w/orig. and 2 copies of vouchers
Office of the Secretary

Contract/Adm. & Audit Div., OME

OME(2)

USBM w/ 1 set of vouchers
Sample
Director's Reading File

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

March 18, 1960

S. W. Zeldok, Mining Engineer

Baltimore Syndicate, Ltd., Contract 14-23-090-2102
Monthly operating report for February 1960

The sum of $100 should be withheld from the subject voucher, pending start of work under Stage II or final audit of Stage I work if Stage II is not authorized.

S. W. Zeldok

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 21 1960

DATE	INITIALS	CODE

THE WEYMER CLINIC
108 East Sprague

C. M. WAGNER, M.D., D.N.B.
DAVID J. SAYLINK, M.D., D.N.B.
PHYSICIANS & SURGEONS
WEYMER, INDIANA

March 16, 1960

OFFICIAL MAIL
O. M. D.
RECEIVED
DATE
MAR 17 1960
SPOKANE, WASH.

U. S. Department of Interior
Office of Minerals Exploration
1201 North Division Street
Spokane, Washington

Re: Docket No. OME-6045 (Lead, Zinc, [illegible]
Baltimore Mine-Contract No.14-[illegible]
Monthly Operating Report for January
February, and March, 1960

Attn: A. E. Weissenborn
Executive Officer
U. S. Geological Survey

Enclosed please find five copies of the completed forms MME 60 and 61. The supporting invoices are included.

This completes our January, February, and March Stage I reports and vouchers for processing for payment.

Very truly yours,

The Baltimore Syndicate, Ltd.
C. M. Wagner, General Partner

cb
Encl

RECEIVED
MAR 18 1960
U. S. G. S.
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
February 15, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 18 1960

DATE	INITIALS	CODE
2-18	gad	220
"	Growell	500

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region I

Subject: Docket No. OME-6045 (Lead-Zinc-Copper)
The Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract No. 14-23-090-2102

Enclosed are the Government and Audit copies of Amendment No. 1 to the cited contract.

By copy of this memorandum, other copies of the amendment are being distributed.

D B Macharen
for A. E. Weissenborn

Enclosures

OMLE(2)

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 15 1960

DATE	INITIALS	CODE
2-15	gad	800
2/15	[illegible]	800
"	[illegible]	500

No. 127 Howard Street
Spokane 4, Washington
February 10, 1960

Mr. C. M. Wagner, General Partner
The Bulldogs Syndicate, Ltd.
P. O. Box 795
Reggner, Oregon

Re: Contract No. [illegible] (Lead-Zinc-Copper)
Bulldogs Mine
Jefferson County, Montana
Contract No. [illegible]

Dear Mr. Wagner:

As some of the diamond drilling is not in conformance with the contract, we are enclosing the original and four copies of a proposed Amendment No. 1 which has been signed by the Acting Director for the Government. This amendment will make possible the acceptance of such drilling.

If the terms and conditions of this proposed amendment are satisfactory to you, please sign all copies, retain the copy marked for the Operator, and return the rest to this office. If it does not meet with your approval, please return it immediately, unsigned, with your comments.

Sincerely yours,

A. E. Valentshern
Executive Officer, OME
Field Team, Region I

Enclosures

cc: OME(2)
UMMC(2)
USBM(AB)
Sample
Director's Reading File

Mr. Vogler

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 1 1960

DATE	INITIALS	CODE
2-1	gad	2 X 0
2/1	[illegible]	800
"	[illegible]	500

No. 137 Second Street
Spokane 4, Washington
January 26, 1960

Mr. C. H. Vogler, General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 750
Eugene, Oregon

Re: Permit No. [illegible] (Lease-Line-Engler)
Baltimore Mine
Jefferson County, Montana
Assessment No. [illegible]

Dear Mr. Vogler:

This letter is to clarify some apparent confusion regarding the allowable depths of Holes No. 4 and 5 suggested in the executive report accompanying your Exception request. The contract provides for the deepest drilling of the holes, each to a depth of approximately 200 feet. Some holes may be slightly more than 200 feet deep, as are Holes No. 1 and 2 according to your interpretation; others may be slightly less than 200 feet, as you report Holes No. 4 and 5 to be. The depths of these four holes are all approximately 200 feet and therefore conform to the contract specification.

A second specification is that the total footage (depths) of all holes shall not exceed 1,000 feet. According to your December executive report you have completed a total of 1,086 feet of diamond drilling and have one more hole, No. 6, to drill. Therefore, GSS will participate in the cost of only 1,000 feet of drilling for Hole No. 6. Any drilling in excess of that footage will be at your own expense.

By Field Team, Region I

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

G. R. Elding, Member
U. S. Bureau of Mines

cc: GSS(2)
USBM(2)
USBM(AB)
Sample
Director's Reading File

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/26/60	Ausmel	500
1/2	Talbot	800
2/2	DKS	130
1/28	J. Lynch	140
	Holland	140
2/2	Johnson	110
2/2	gad	220
		500

RECEIVED
JAN 25
ASSOC. SOLICITOR
MINERAL RESOURCES

FEB 2 1960

Memorandum

To: Executive Officer, CMK Field Team, Region I

From: Chairman, Operating Committee, CMK

Subject: Docket No. CMK-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract No. 2102

This is in reference to the interim inspection report on the cited project of S. W. Zoldok, dated December 10, 1959. Some of the diamond drilling indicated cannot be accepted as being in conformance with the contract; hence, we have prepared a proposed Amendment No. 1 to permit the acceptance of such drilling. The original and four copies of the amendment are enclosed, all of which have been signed by the Acting Director for the Government. Also enclosed are two extra copies for the use of the Field Team.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute all the copies in the usual manner. Otherwise, if any proposed changes should lie beyond your delegated authority, all copies should be returned to us with your recommendations.

/s/ George C. Selfridge (GCS)

Enclosures

WRGriswold/gla 1-26-60
cc to: Director's Reading File
Operating Committee
Mr. McMahon, USBM
Mr. Kirkemo, USGS
Docket
Chron

APPROVED:

P. F. Yopes (GCS)
Member, Bureau of Mines

Harold Kirkemo (GCS)
Member, Geological Survey

43683

Docket copy

January 22, 1960

Memorandum

To: Associate Solicitor
Division of Mineral Resources

From: W. R. Griswold, Chief
Division of Minerals

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract No. 2102

Will you kindly prepare an Amendment No. 1 to the cited contract, as follows:

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1960, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and The Baltimore Syndicate, Ltd., hereinafter called the "Operator," that Exploration Contract No. 2003 (Docket No. OME-6045), dated July 27, 1959, is amended, effective July 27, 1959, as follows:

On page 2 of Exhibit "A," under the heading Description of the Work, Stage I, the fourth paragraph is deleted and the following substituted:

"At ~~a point~~ points approximately 170 feet and approximately 285 feet further in the tunnel than the above-cited drill station, two diamond drill holes, each about 200 feet in length, will be

drilled in a southeasterly direction. The more easterly hole will be drilled approximately horizontally and the other at an angle of about minus thirty degrees. A diamond drill station will be cut to serve the more easterly hole."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Acting Director, Office of
Minerals Exploration

THE BALTIMORE SYNDICATE, LTD.

By_____

Title_____

1201 N. Division St.
Spokane 2, Washington

December 17, 1959

Dr. C. M. Wagner, General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (lead-zinc-copper)
Baltimore Mine
Contract No. 14-23-090-2102
Monthly operating report for
November 1959

Dear Dr. Wagner:

The subject operating report has been processed and forwarded to the Disbursing Officer for payment

The difference in the amount claimed and that certified for payment is explained in the attached copy of a memorandum to the Field Team from the Certifying Officer, Region I.

Sincerely yours,

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

Attachment

cc: OME (2)
USGS (2)
USBM (AD)

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 28 1959

DATE	INITIALS	CODE
12/28	C	220
		500

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 11 1959

DATE	INITIALS	CODE
12-11	gad	720
12/11	[illegible]	800
1"	[illegible]	500

1201 N. Division St.
Spokane 2, Washington

December 7, 1959

Dr. C. M. Wagner, General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (lead-zinc-copper)
Baltimore Mine
Contract No. 14-23-090-2102
Monthly operating report for
October 1959

Dear Dr. Wagner:

The subject operating report has been processed and forwarded to the Disbursing Officer for payment.

The deletion is explained in the attached copy of a memorandum to the Field Team from the Certifying Officer, Region I.

Sincerely yours,

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

Attachment
cc: OME (2)
USGS (2)
USBM (AD)

OME Field Team, Region I

December 7, 1959

OME Certifying Officer, Region I

The Baltimore Syndicate, Ltd., Contract No. 14-23-090-2102
Monthly operating report for October 1959

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

Before we can certify the cost of Mobilization and Demobilization ($150.00) for payment, we must have an invoice from the contractor. Upon receipt of a satisfactory invoice, this item can be approved for payment.

Dorothy F. Long

cc: OME (2)
USGS (2)
Contract Admin. (2)
USBM (AD)
Zoldok

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 11 1959

DATE	INITIALS	CODE

Me (2)

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 23 1959

DATE	INITIALS	CODE
11-23	gad	220
11/23	[illegible]	800
11/24	[illegible]	500

1201 N. Division St.
Spokane 2, Washington

November 17, 1959

Dr. C. M. Wagner, General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (Lead-zinc-copper)
Baltimore Mine
Contract No. 14-23-090-2102
Monthly operating report for
October 1959

Dear Dr. Wagner:

We received your October voucher, with attachments, today. However, we cannot process this voucher for payment because the necessary supporting documents for the drilling and core boxes were not submitted. Please refer to our letter of November 3, 1959, with copy of letter from the Certifying Officer.

We will need invoices from the driller for the following items:

400 feet of drilling
Mobilization and demobilization

Upon receipt of the invoice from the driller, payment will also be made for incidental allowance.

We will also need an invoice to cover the 10 core boxes claimed, if purchased. If, however, the materials were purchased to construct the boxes at the property, invoices covering the materials purchased should be submitted.

We have partially prepared and are enclosing five copies of the new form MME 60 and 61 for your convenience. Please complete, sign all copies and return to this office with the supporting invoices. We

are returning the Mf-104's and 104A's, but have retained the narrative report, map and technical data.

Upon receipt of the satisfactorily completed voucher, we will process it for payment.

By Field Team, Region I

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

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

Enclosures

cc: OME (2)
USGS (2)
USBM (AD)
Docket

OFFICIAL FILE COPY O. M. E. RECEIVED NOV 6 1959		
DATE	INITIALS	CODE
11/9	RCW	225
11/9	[illegible]	800
"	[illegible]	500

1201 N. Division St.
Spokane 2, Washington

November 3, 1959

Dr. C. M. Wagner, General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (Lead-zinc-copper)
Baltimore Mine
Contract No. 14-23-090-2102
Operating report for
September 1959

Dear Dr. Wagner:

The subject operating report has been processed and forwarded to the Disbursing Officer for payment.

The deletions are explained in the attached copy of a letter to the Field Team from the Certifying Officer, Region I.

By Field Team, Region I

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

R. D. Sample, Acting Member
U. S. Geological Survey

cc: OME (2)
USGS (2)
USBM (AD)

OME Field Team, Region I

November 2, 1959

OME Certifying Officer, Region I

The Baltimore Syndicate, Ltd., Contract No. 14-23-090-2102
Monthly operating report for September 1959

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

The following items have not been certified for payment because they are "Actual Cost" items and must be supported by invoices from the contractor:

Drilling	
Mobilization and demobilization	$150.00
89 ft. of core drilling	453.90
Operating materials and supplies	
2 core boxes	8.00

Upon ~~Pending~~ receipt of invoices covering the drilling, these items, as well as the incidental allowance, will be reinstated.

We have deleted the 800 ft. of pipe in the amount of $400.00, and track in the amount of $400.00. These items are included in the cost of Rehabilitation of the Hope Tunnel.

Dorothy F. Long

cc: Operator
OME (2)
USGS (2)
Contract Admin. & Audit Div. (2)
USBM (AD)

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 6 1959
DATE | INITIALS | CODE

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 16 1959

DATE	INITIALS	CODE
10-16	gad	220
10-16	Greenwell	500
~~10-16~~		

RECEIVED
OCT 15 3 12 PM '59
SERVICES ADMIN
SERVICE
COMMUNICATIONS

AXXXXXXXB104K

AXXXXXXXB105K

XDXXXXXXB106K

YWB082-WAF SP 13 I-GS-G

SPOKANE WASH 10-15-59 1203U

GEORGE C. SELFIRDGE CHAIRMAN OPERATING COMMITTEE OME

DEPT OF INTERIOR, WA

DISREGARD OUR TELETYPE OCTOBER 15, 1959 RE DOCKET NUMBER OME-6045 BALTIMORE SYNDICATE LTD. AFTER PREPARING OUR MEMORANDUM OF AUGUST 17, 1959 MATTER WAS SETTLED HERE AND MEMO WAS NOT MAILED.

A. E. WEISSENBORN EXEC OFCR OME FIELD TEAM REGION 1

15 1959 OME-6045 17 1959

SLP 1205U

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 16 1959

DATE	INITIALS	CODE
10-16	gad	VVO
10-16	Griswold	500

RECEIVED
OCT 15 1 42 PM '59
RESEARCH & SENSITIVE INFORMATION

XDXXXXXXB078K

YWB024-WAF SP 04 I-GS-G

SPOKANE WASH 10-15-59 1010U

GEORGE C. SELFIRDGE CHAIRMAN OPERATING COMMITTEE OME

DEPT OF THE INTERIOR, WA

REOUR MEMO AUGUST 17, 1959 DOCKET NUMBER OME-6045 BALTIMORE SYNDICATE , LTD. BALTIMORE MINE JEFFERSON COUNTY, MONTANA. PLEASE ADVISE US OF YOUR DECISION.

A. E. WEISSENBORN, EXEC OFCR OME FIELD TEAM REGION 1

17 1959 OME-6045

SLP 1012U

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
August 11, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team Region I

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Contract No. 14-23-090-2102

Enclosed are the Government and Audit copies of the above-cited contract.

Also enclosed are three copies of a letter, dated August 10, 1959, from C. M. Wagner, General Partner, in which he states that we will be notified as to the date the contract will begin.

Donald R. MacLaren
Donald R. MacLaren
For: A. E. Weissenborn

Enclosures(2)
cc: USBM(2) w/cys incoming
USBM(AD) w/cy incoming and F.O. cy contract
Sample

P.S. Dr. Wagner has notified us by telephone today that the work will start on or before October 15, 1959.

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 14 1959

DATE	INITIALS	CODE
8-14	gad	VVO
8-14	dal	V10
"	Griswold	V00

THE HEPPNER CLINIC
103 GALE STREET

TELEPHONE 6-9114

C. M. WAGNER, M.D., D.N.B.
DAVID J. BAYLINK, M.D., D.N.B.
PHYSICIANS & SURGEONS
HEPPNER, OREGON

OME(3)

August 10, 1959

A. E. Weissenborn, Executive Officer, OME
Field Team, Region I
Office of Minerals Exploration
S. 157 Howard Street
Spokane 4, Washington

RE: Docket No. OME#6045
Baltimore Mine
Jefferson Co., Montana

Dear Mr. Weissenborn:

Please find attached the signed copies and necessary information regarding the OME loan. We will notify you as to the date we wish to have the contract begin.

I trust the contract is in order.

Very truly yours,

C. M. Wagner, M. D.

CMW:mlh

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 14 1959

DATE	INITIALS	CODE
8-14	gad	120
		100

RECEIVED
1959
SPOKANE WASH

So. 157 Howard Street
Spokane 4, Washington

July 31, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 3 1959

DATE	INITIALS	CODE
8-3	gad	rro
"	[illegible]	500

Dr. C. M. Wagner
General Partner
The Baltimore Syndicate, Ltd.
P. O. Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (Pb-Zn-Cu)
Baltimore Mine
Jefferson County, Montana

Dear Dr. Wagner:

Enclosed are the original and four copies of proposed contract 14-23-090-2102, signed by the Acting Director of OME for the Government.

If the contract meets with your approval, please sign all copies, retain that copy marked for the Operator, and return the rest to this office. If it does not meet with your approval, please return all copies, unsigned, to this office with your comments.

In Article 1, the date on or before which work will commence has been left blank. Please inform us by what date you will start work under the contract and we will insert it.

Voucher forms will be mailed to you later for claiming reimbursement for work done.

Sincerely yours,

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

Enclosure

cc: OME (2)
USBM(2)
USBM(AD)
Sample

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

July 27, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region I

Subject: Docket No. OME-6045 (Cu-Pb-Ag)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

Enclosed are the original and one copy of a bid that Dr. Wagner received from Boyles Bros. Drilling Company. We have retained a copy for our docket.

for Donald R. Mackaven
A. E. Weissenborn

Enclosure

cc: USBM

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 31 1959

DATE	INITIALS	CODE
7-31	gad	VVO
"	[illegible]	[illegible]

THE HEPPNER CLINIC
103 GALE STREET

C. M. WAGNER, M. D.
PHYSICIAN & SURGEON
PHONE 6-9114
HEPPNER, OREGON

July 22, 1959

Mr. George C. Selfridge
Chairman of the Operating Committee
Office of Minerals Exploration
Washington 25, D.C.

RE: Docket No. OME-6045
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson Co., Montana

Dear Mr. Selfridge:

Please find enclosed three copies of a bid received from the Boyles Bros. Drilling Co. This arrived after the other bids had been sent to you. Please attach this to the file for the OME loan for the Baltimore Syndicate, Ltd.

Very truly yours,

C M Wagner MD

C. M. Wagner, M. D.
General Partner
Baltimore Syndicate

CMW:mlh

Enclosure

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 27 1959

DATE	INITIALS	CODE
7/27	RCW	225
	G	500

DIAMOND CORE DRILLING
MINING
QUARRIES
SHAFT SINKING
TUNNEL DRIVING

Boyles Bros. DRILLING COMPANY

CONTRACTORS — ENGINEERS — GEOLOGISTS
GENERAL OFFICES
1321 SOUTH MAIN STREET PHONE 84-4401
SALT LAKE CITY 15, UTAH

East 3408 Main Avenue
Spokane 24, Washington

FIELD OFFICE CORRESPONDENCE

REPLY TO: Spokane

July 14,1959

C. M. Wagner, M. D. , General Manager
Baltimore Syndicate
Heppner, Oregon

Docket Number OME - 6045

Dear Sir:

After examining your property in the Boulder, Montana area, we submit the following proposal for drilling 1,500 feet of AX size hole at several locations inside the Hope Tunnel.

1. Mobilization - $450.00

2. Drilling Rate - AX Size
   0 To 300 Feet $6.90 per ft.

3. Setups will be charged for at the rate of $9.60 per hour and will include laying water and air lines, and cutting drill stations .

4. Reaming will be charged for at the rate of $3.20 per ft.

5. Drilling cement will be charged for at the rate of $2.60.per ft.

6. Wood core boxes will be $4.90 each.

7. Lost casing will be charged for at list price f. o. b. the job.

8. Surveying and other delays requested by your company will be charged for at the rate of $8.60 per hour.

Thank you for calling on us.

Yours truly,

O. C. Bouquot
O. C. Bouquot
District Manager

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 31 1959

DATE	INITIALS	CODE

cc: P. A. Park
Salt Lake City, Utah

RECEIVED
JUL 24 1959
P.M.
U. S. G. S.
SPOKANE, WASH.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/23	Friend	500
7/23	Talbert	800
7/27	GCL	130
7/27	cae	210
7/27	[illegible]	110
7/14	RCW	220
		500

JUL 27 1959

Memorandum

To: Executive Officer, OME Field Team, Region I

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

As recommended in your June 10 memorandum, we have prepared and are enclosing the original and four copies of a proposed contract for the cited project. The contract consists of the form, Annex I (one page), Exhibit "A" (five pages), and one map. All copies have been signed by the Acting Director for the Government. If it meets with your approval, please present for signature and afterward distribute in the usual manner. Otherwise, if any proposed changes lie beyond your delegated authority, please return all copies, unsigned, with your comments.

Two extra copies of the contract, minus the form, are enclosed for Field Team use.

George C. Selfridge (sd)

Enclosures

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

Harold Kirkemo

Member, Geological Survey

WRGriswold/gla 7=23=59
cc to: Director's Reading File
Operating Committee
Mr. Kirkemo, USGS
Mr. McMahon, USBM
Docket
Chron

8623

Selfridge: Re: OME-6045

Note: Cat. (1) includes Mobilization + Demobilization not included in low bid. Also reaming and casing unit costs are in excess of bid. Bid, however, is for approx. 1500', whereas contract is only 1200' max.

Also, unit cost of $1/ft. for Incidental Allowance includes estimate of $975 for supervision and consulting services for 1200' of drilling.

Talbot

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

July 23, 1959

Memorandum

To: The File

From: W. R. Griswold, Chief
Division of Minerals

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

Application dated April 20, 1959
Application received May 4, 1959

1. Financial Data

Financial statement, dated July 10, 1959, shows $6,525.72 cash on hand. No substantial assets, otherwise.

Review

USBM reviewer favorable, no special comments. USGS reviewer feels that geologic conditions warrant a modest drilling program and that additional funds should be allowed for additional exploration if drilling results are favorable. The undersigned OME engineer endorses the position of the above two reviewers. It seems obvious that there is little expectancy for a large mine, though there is some possibility that drilling might show wide zones of low grade mineralization.

The estimated project cost is $22,930.00; divided into two stages. The first stage is diamond drilling only; the second stage would permit of crosscutting and drifting to explore any significant ores encountered under the first stage.

It is stated that the partner who will supervise the work has had 18 years of mining experience. The land is held under lease, with a purchase option.

WR Griswold

WRGriswold/gla

P. S. The project area is easily accessible, but there is a possibility that severe winter conditions might hamper

8623

the project work. Possibly heavy snows might make it difficult to reach the property, at times.

Letters of loan refusal were submitted from two banks:

The First National Bank of Portland, Oregon
The Bank of Eastern Oregon, Heppner, Oregon

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

July 16, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 20 1959

DATE	INITIALS	CODE
7-20	gad	720
"	G	500

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team Region I

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

left-hand page

Enclosed is the original and a copy of a bid that Dr. Wagner, General Partner, asked be included with his application. Copies of three other bids were sent to you July 13.

A. E. Weissenborn
A. E. Weissenborn

Enclosure

cc: USBM

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code

July 16, 1959

Memorandum

To: Associate Solicitor
Division of Mineral Resources

From: W. R. Griswold, Chief
Division of Minerals

Subject: Docket No. OME-6045 (Lead, Zinc, and Copper)
The Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

Please prepare a long-form contract for the subject property along the lines of the attached draft.

WRG

WRGriswold/gla

43683

WRGriswold/gla
DRAFT,
7-16-59

Docket copy

MME Form 50
Feb. 1959

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

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME-6045	Lead, Zinc, and Copper	14-23-090-	Jefferson	Montana

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

The Baltimore Syndicate, Ltd.

_____,

whose mailing address is P. O. Box 755, Heppner, Oregon, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 18 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $22,930.00. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $11,465.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

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

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

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

None

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

Lien and Subordination Agreement executed by Trustee

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

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

ARTICLE 4. Contribution by the Government.--(a) The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

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

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

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

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

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

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs.

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

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

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--The Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. This provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

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

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

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

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

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

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

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

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

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

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

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

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

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

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

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

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

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

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 12. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

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

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

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

ARTICLE 14. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

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

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provisions.--

_____

_____

_____

_____

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

_____
(Operator)

By_____

By_____

Title_____

_____

I, _____, certify that I am the
(Name)

_____ secretary of the corporation named as Operator herein; that

_____, who signed this contract on behalf of the Operator, was then
(Name)

_____ of said corporation; that said contract was duly signed for
(Title)

and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____

[CORPORATE SEAL]

INT.-DUP. SEC., WASH., D.C. 52390

Docket No. OME-6045
(Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.

ANNEX I

The land referred to under Article 2 of the contract consists of five patented claims, as follows:

Baltimore	Survey	No.	1540
Last Hope	"	"	9689
Skipper	"	"	9690
Minnie	"	"	9689
Mona	"	"	9689

All of the above claims are located in Jefferson County, Montana, and are shown on the attached map entitled, "Baltimore Mine, Maps of Claims." Such map is incorporated as a part of this contract.

The claims are held under an assignment of Lease and Option.

EXHIBIT "A"

The purpose of the project is to explore for ores of lead, zinc, and copper by means of rehabilitation, diamond drilling, and crosscutting and drifting. The work is divided into two stages, with Stage II work to be contingent upon favorable results being obtained in Stage I. Stage I work will be done and as much of Stage II as is given prior approval by the Government.

General Conditions

Diamond drilling will be done with AX size, or larger, coring bits. All core will be properly boxed and stored and made available to the Government for examination. All core sections showing significant mineralization will be properly sampled and the samples may be assayed for lead, zinc, copper, gold and silver, as may appear desirable.

Sludge samples will be taken and, in significantly mineralized sections, where the core recovery is less than 60%, the sludges will be assayed as above, in addition to the core segments which have been recovered. No sample, either of core or sludge, will represent a hole interval greater than five feet.

All samples to be assayed will first be split and one-half made available to the Government.

All drill holes will be logged geologically and copies of the logs of completed holes, together with maps showing drill hole locations and sections, will be furnished monthly to the Government.

No drilling will be done at locations closer than 100 feet to property boundaries. The Government will not participate in the

cost of incomplete holes. Casing left in drill holes at Operator's request will be for its sole account.

The location, direction, inclination and extent of all diamond drill holes will be subject to prior approval of the Government.

Diamond drill stations will not be less than seven feet in length and not less than 5 x 7 feet in cross section.

Crosscuts and drifts will be of a minimum dimension of five by seven feet in the clear of timber and will be timbered as necessary, using standard drift sets of not less than 8" by 8" timber, or equivalent round timber. All significantly mineralized areas encountered in the drifting and crosscutting shall be sampled normal to their trends at linear intervals of not greater than ten feet. Samples shall be split and assayed as indicated above for diamond drilling, with the splits being made available to the Government. Sample locations and assay results shall be accurately shown on the monthly progress maps submitted to the Government.

No drifting or crosscutting will be done at distances less than 100 feet from property boundaries.

Description of the Work

Stage I

All of the Hope Tunnel will be rehabilitated and timbered as necessary for proper support, together with the repair of approximately 800 feet of track and the installation of air and water lines to the breast of the tunnel. Necessary water lines will also be

installed from an adjacent stream to the tunnel portal.

The existing compressor house will be repaired.

Within the Hope Tunnel, at a point approximately 600 feet from the portal, a drill station will be cut and three drill holes, approximately 200 feet in length each, will be drilled southerly as indicated on the attached map entitled, "Baltimore Mine, Map of Claims." Two of such holes will be drilled approximately horizontally and the third (center) hole will be drilled at an angle of about minus thirty degrees.

At a point approximately 200 feet further in the tunnel from the above-cited drill station, a second drill station will be cut. From such location, two diamond drill holes, each approximately 200 feet in length, will be drilled southerly. The more easterly hole will be drilled approximately horizontally, the other at an angle of about minus thirty degrees. Holes also shown on referenced map.

From the breast of the Hope Tunnel a diamond drill hole will be drilled, approximately 200 feet in length, at an angle of about minus thirty degrees, as indicated on the map.

Not more than 1200 feet of diamond drilling may be done under Stage I.

Stage II

Approximately 400 feet of crosscutting and drifting will be done, at locations given prior approval by the Government, to explore ore occurrences indicated by the diamond drilling.

Estimated Costs of the Project

Stage I

Actual Costs

Category (1) Independent Contracts

Diamond Drilling		
Mobilization and Demobilization	$ 150.00	
1200 ft. at $5.10/ft.	6,120.00	
Reaming and casing; cementing and redrilling, 300 ft. at $3.00/ft.	900.00	$7,170.00

Category (3) Operating materials and Supplies

None except:	
40 wooden core boxes at $4.00 each	160.00

Category (7) Miscellaneous

None except:	
Assaying 200 determinations at $1.00 each	200.00

Fixed Unit Costs

Rehabilitation of Hope Tunnel	750.00	1/
Repair of existing compressor house	150.00	1/
Incidental allowance for each ft. of drilling completed, 1200 feet at $1.00/ft.	1,200.00 ~~1,100.00~~	
Diamond drill stations, two at $200.00 each	400.00	

(These "Fixed Unit Costs" include all costs of Stage I whatsoever other than those specifically estimated above under "Actual Costs")

Total Estimated Costs, Stage I $10,030.00

Stage II

Fixed Unit Costs

Crosscutting and drifting,	
400 ft. at $30.00/ft.	$12,000.00
Timbering of crosscuts and drifts,	
100 ft. at $7.00/ft.	700.00
Assaying, 200 determinations at $1.00 each	200.00
Total Estimated Costs of Stage II	$12,900.00
Total Estimated Costs of Stage I	$10,030.00
Total Estimated Cost of Project	$22,930.00
Government Participation, 50%	$11,465.00

1/ The completed work constitutes the unit

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PUBLIC BLDGS. SERVICE
RMP - COMMUNICATIONS

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SPOKANE WASH 7-10-59 1610U

GEORGE C. SELFRIDGE CHAIRMAN OPERATING COMMITTEE OME

DEPT OF INTERIOR, WA

RE YOUR TELETYPE JULY 10, DOCKET OME 6045, BALTIMORE SYNDICATE.

WE WROTE APPLICANT JULY 6 HAVE NOT YET RECEIVED A REPLY.

A. E. WEISSENBORN EXECUTIVE OFFICER REGION 1

10 6045 6

SLP 1611U

OME

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So. 157 Howard Street
Spokane 4, Washington

July 6, 1959

Dr. C. M. Wagner
Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (Cu-Pb-Zn)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

Dear Dr. Wagner:

As yet we have not received the information requested in our letter of June 3, 1959, and our telephone call of June 16.

We cannot continue with the processing of your application until we receive a financial statement covering the assets and liabilities of Baltimore Syndicate, Inc., a statement of what partnership equities and responsibilities accrue to each partner, and copies of bids from three independent contractors for 1,200 feet of AX core underground diamond drilling, including cost per foot of drilling, mobilization cost, and reaming, casing and cementing costs.

As we told you before, this request should not be taken as assurance that a contract will be granted, as the decision is made in Washington, but we would appreciate receiving this information as soon as possible so that the processing may be completed.

Sincerely yours,

A. S. Weissenborn
Executive Officer, OME
Field Team, Region I

cc: OME (2)
USBM

MME Form 7
(10-58)

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Date	Surname	Code
7-10	Minnel	500
7/10	GCS	130
"	Johnson	110
		~~300~~
		~~HR~~
7-13	gado	220
		500
7/10	Yoss	130
7/10	Kirkemo	130

George C. Selfridge, Operating Committee

OME - Office of Minerals Exploration

14X0108 - Salaries and Expenses, Office of Minerals Exploration, Interior, 1960

T E L E T Y P E

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXX

To: Mr. A. E. Weissenborn
Executive Officer, OME Field Team
Region I
South 157 Howard Street
Spokane, Washington

JUL 10 1959

Reurmemo June 16, 1959, Docket OME 6045, Baltimore Syndicate, Ltd., we have not yet received necessary material. Please check with Applicant.

George C. Selfridge

Chairman, Operating Committee (GCS)

WRGriswold/er 7-10-59
Copy to: Docket
Dir Read File
Op. Committee
Mr. McMahon, USBM
Mr. Kirkemo, USGS
Confirmation Copy
Chron.

43683

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

June 24, 1959

Memorandum

To: W. R. Griswold, Office of Minerals Exploration

From: Commodity Specialist, Branch of Base Metals

Subject: Review of Field Team Report, OME-6045 (Copper-Lead-Zinc), Baltimore Syndicate, Ltd., Baltimore mine, Jefferson County, Montana

The exploration program proposed in the application consisted of rehabilitation, diamond drilling, long-hole drilling, crosscutting, drifting and raising at an estimated cost of $32,020.75. The raising and drifting outlined by the applicant are considered development projects by the examiners and they have recommended a modified 2-stage program consisting of rehabilitation, diamond drilling, crosscutting, and drifting for a total estimated cost of $26,006.50. Diamond drilling in Stage I will test favorable ground between two principal faults. Crosscutting and drifting proposed for Stage II will be based on the results of Stage I.

The possibilities recognized by the examiners apparently warrant testing the target area outlined and it is suggested that favorable consideration be given to the modified program submitted.

It is noted that neither memorandum report indicates that the applicant was agreeable to the revised program and costs.

A. D. McMahon

A. D. McMahon

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6/25	a	220
	WRG	500

Copy to: Division of Minerals
Branch of Base Metals (2)
Thor Kiilsgaard, U.S.G.S.
F. D. Lamb
Files

IN REPLY REFER TO:

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

OFFICIAL FILE COPY O. M. E. RECEIVED JUN 19 1959		
DATE	INITIALS	CODE
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June 18, 1959

Memorandum

To: W. R. Griswold, Office of Minerals Exploration

From: H. Kirkemo, U. S. Geological Survey

Subject: Review of Field Team Report, OME 6045, (Copper-Lead-Zinc), Baltimore Syndicate, Ltd., Baltimore Mine, Jefferson County, Montana

This application is a renewal of a request (DMEA 3581) made in 1955 for exploration assistance totalling $19,522 on this property. The DMEA application was denied because the target did not seem to justify the proposed expenditure.

The Field Team Report on the OME application proposes a 2-stage program consisting of 1,200 feet of diamond drilling and 400 feet of drifting and crosscutting at a cost of about $26,000. Geologic reasons for the proposed OME program can be seen on the maps and cross sections that accompanied the DMEA application.

A block of untested ground 150 feet long and 275 feet high (level of No. 1 tunnel to surface) is shown between the two groups of workings on the Baltimore claim (see claim map). The drill holes proposed from drill station No. 1 in the Hope Tunnel will test this block.

Drill holes proposed from drill station No. 2 in the Hope Tunnel will explore the complexly faulted area between the Middle Fault and the East Fault where segments of the Baltimore vein may exist among strands of the faults. Also, there is a possibility that the vein developed from the surface to the 90-foot level (see Section F-F', DMEA 3581) may extend into the target area.

The map of Tunnel No. 5 (DMEA 3581) shows mine workings north of the North Fault. Apparently a vein was mined from the surface to its cut-off by the North Fault, a vertical distance of about 80 feet. No exploration for the vein in the footwall of the North Fault is evident from the maps. The proposed drill hole from station No. 3 in the Hope Tunnel may provide evidence that further exploration in this direction is justified.

The proposed DMEA program was essentially one of exploring and developing a known ore body.

The diamond drilling program proposed with OME assistance is seeking ore bodies beyond those already exposed in the Hope Tunnel. Geologic conditions warrant the modest exploration proposed with the drilling program. Funds for additional exploration of any significant discovery should be included in a contract.

H. Kirkemo

H. Kirkemo

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
June 16, 1959

Air Mail

Memorandum

To: Chairman, Operating Committee, OME

From: Acting Executive Officer, OME Field Team, Region I

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

In reference to your teletype of June 16, 1959, regarding bids covering the recommended drilling at the referenced property, we telephoned Dr. C. M. Wagner, General Partner.

Dr. Wagner advised us that he would obtain three independent bids and would send them to us along with the financial statement of the Syndicate and a statement of partnership equities as requested in our letter to him dated June 3, 1959.

We will send you this information as soon as it is received.

Donald R. MacLaren
Donald R. MacLaren
For: Wing G. Agnew
Acting Executive Officer
OME Field Team, Region I

cc: USBM(2)

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So. 157 Howard Street
Spokane 4, Washington
June 16, 1959

Air Mail

Memorandum

To: Chairman, Operating Committee, OME

From: Acting Executive Officer, OME Field Team, Region I

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

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Dr. Wagner advised us that he would obtain three independent bids and would send them to us along with the financial statement of the Syndicate and a statement of partnership equities as requested in our letter to him dated June 3, 1959.

We will send you this information as soon as it is received.

Donald R. MacLaren
For: Wing G. Agnew
Acting Executive Officer
OME Field Team, Region I

cc: USBM(2)

EXTRA COPY
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MME Form 7
(10-58)

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6/16	Kirkemo	130
"	Jamison	110
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6/17	[illegible]	220
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JUN 16 1959

WRGriswold/er Rm 4457, Ext. 2971

OME - Division of Base Metals

1490108 - Salaries and Expenses, Office of Minerals Exploration Interior, 1959.

T E L E T Y P E
XXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXX

Date:

To: Mr. A. E. Weissenborn
Executive Officer, OME Field Team
Region I, South 157 Howard Street,
Spokane, Washington

Re Docket OME 6045, Baltimore Syndicate, Ltd., your memorandum June 10, 1959, in view of substantial amount of diamond drilling recommended in Stage I we require three bids covering such proposed work.

George C. Selfridge

Chairman, Operating Committee (24B)

WRGriswold/er 6/16/59
CC: Docket
Dir Read File
Op. Committee
Mr. Bishop, USBM
Mr. Kirkemo, USGS
Chron.

43683

MR. GRISWOLD: OME-6045

Attached a report recommending approval.

We will clear report on 6/19 through Committee. Please return to me by that time.

HBerry 6/15

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

OFFICIAL FILE COPY
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June 10, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: OME Field Team, Region I

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

Enclosed are three copies each of memorandum reports on the referenced application by R. D. Sample, Geologist, U. S. Geological Survey and S. W. Zoldok, Mining Engineer, U. S. Bureau of Mines.

Sample presents a geological justification for a recommended two-stage project and Zoldok presents an estimate of costs. The Field Team concurs with the recommendations and cost estimate.

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren, Acting Member
U. S. Geological Survey

Enclosures

cc: USBM (2)

P. S. We wrote the applicant June 3, 1959 for a financial statement as asked for in your memorandum of May 8. We will forward it as soon as it is received.

Reviewed by
OME OPERATING COMMITTEE
6-19-59
(date)

ON-SITE REPORT

EXTRA COPY O. M. E. RECEIVED JUN 15 1959		
DATE	INITIALS	CODE
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UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington

June 9, 1959

Memorandum

To: OME Field Team, Region I

From: R. D. Sample, Geologist, U. S. Geological Survey

Subject: Application Examination Report, Docket No. OME-6045 (Copper-Lead-Zinc), Baltimore Syndicate, Ltd., Baltimore Mine, Jefferson County, Montana

INTRODUCTION

In an application received April 27, 1959, Baltimore Syndicate, Ltd., Box 755, Heppner, Oregon, Dr. C. M. Wagner, general partner, applied for Government aid to explore the Baltimore mine, Jefferson County, Montana, for copper, lead, and zinc minerals. The proposed program of rehabilitation, diamond and long-hole drilling, crosscutting, drifting, and raising was estimated to cost $32,020.75, of which the Government would have 50 percent participation.

A former application for Government aid to explore on the same property by raising from the Hope tunnel on a known ore shoot and drifting from the raise at 40-foot intervals was submitted by Mr. Louis Peura on November 16, 1954 (Docket No. DMEA-3581). The proposed project was more in the nature of development then and the cost seemed high in relation to the possible value of the ore that might be found and the application was denied.

On March 27, 1958, all rights to the property by former lessors were assigned to the Baltimore Syndicate, Ltd., a Montana Limited Partnership. During 1958 a limited amount of rehabilitation was done in the mine. Most of the work consisted of cleaning out the Hope tunnel, retimbering where necessary, and laying inadequate track. None of the workings were extended.

The property was examined by R. D. Sample on May 27 and 28, 1959, accompanied by Louis Peura. Only the Hope tunnel and Adit No. 2 could be examined underground. The other adits and shafts were caved and inaccessible. A quick reconnaissance was made of the surface workings but everything was badly caved and snow-filled.

Reviewed by
OME OPERATING COMMITTEE
6-19-59
(date)

Apparently, stoping of the east ore body was completed from the No. 4 level to the surface, and that on the west ore body, from the No. 1 level to the surface. Production figures are tabulated in the application.

GEOLOGIC SUMMARY

The Baltimore ore zone consists of a series of quartz veins and stringers complexly faulted and offset trending northeasterly through the quartz-monzonite of the Boulder batholith. The zone is also cut by a rhyolite dike. Sulfide mineralization occurs in and along with the quartz veins and fractures.

Because of the extremely complex faulting there may very well be additional ore shoots or faulted segments of the known shoots in the unexplored block of ground between the Middle and East faults. Although probably small, if the grade of the ore is similar to that which has been mined, these ore shoots would be worth exploring provided the exploration could be done at moderate cost.

EXPLORATION

The applicant proposes two diamond drill holes to explore the ground between the Middle and East faults, and a drift and raise to explore a known ore shoot, all on the Hope tunnel level. The drift and raise proposed by the applicant is not recommended for the same reasons that were the basis for denial of the former application. A modified two-stage program is recommended to explore the favorable ground between the faults (pl. 1).

Stage I

1. Rehabilitation of Hope tunnel for diamond drilling by installation of proper air and water lines. Also, repair about 800 feet of track and about 50 feet of timbered ground, and install about 50 feet of water line from a stream to the tunnel portal.

2. At approximately 600 feet from portal, cut drill station No. 1 in the south wall.

3. Diamond drill 3 holes from station in a south and southeast direction. Holes drilled no more than a maximum of 200 feet each; 2 holes drilled flat and 1 at an angle of about -30°.

4. At approximately 200 feet beyond first station, cut station No. 2 in the south wall.

5. From Station No. 2, drill 2 holes not more than 200 feet each in a south and southeasterly direction; 1 hole flat and the other at about -30°.

6. At the face of the northeast drift, drill 1 hole at -30° no more than 200 feet to determine the nature of the area beyond the projected north fault.

Stage II

If the results of Stage I warrants, a Stage II should provide for a maximum of 400 feet of crosscutting and drifting.

Attachment 1

Distribution:
OME (3)
USBM (2)
USGS(SRO)
Docket
Sample

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1201 N. Division St.
Spokane 2, Washington

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 15 1959

DATE	INITIALS	CODE
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June 10, 1959

MEMORANDUM

To: OME Field Team, Region I

From: S. W. Zoldok, Mining Engineer, U. S. Bureau of Mines

Subject: Cost Analysis, Docket No. OME-6045 (Copper-Lead-Zinc), Baltimore Syndicate, Ltd., Baltimore Mine, Jefferson County, Montana

The field examiner recommends a two-stage program consisting essentially of 1,200 feet of diamond drilling and 400 feet of drifting and crosscutting. The examiner states that the Hope tunnel has track laid, though somewhat inadequate, but lacks air and water lines.

Should the Government decide to participate in the exploration, the following costs are recommended for consideration:

Stage I

Rehabilitation - 880 feet of tunnel

2. Labor and supervision

Labor - 2 men 6 days @ $17/per day		$ 204.00

3. Operating materials and supplies

880 feet 2" pipe @ $0.44/ft.	$387.20	
900 feet 1" pipe @ 0.21/ft.	189.00	
Pipe fittings (20% of $576.20)	115.24	
Less 50% salvage	345.72	
Misc. track supplies	50.00	
Misc. posts, caps, etc.	150.00	545.72

6. New buildings, etc.

Repair existing compressor house		150.00

Reviewed by
OME OPERATING COMMITTEE
6-19-59
(date)

7. Insurance, etc.

15% of $204.00		30.60
Total cost of Rehabilitation work		$780.32

Compressor house repair $150 ??

Cost per foot - $0.89 - say $0.90/ft.

Diamond Drilling

1. Independent contracts

AX diamond drilling

Mobilization	$ 150.00	
1,200 feet @ $6.50/ft.	7,800.00	
Reaming, casing and/or cementing 300 feet @ $3.00/ft.	900.00	$ 8,850.00

2. Labor and supervision

Supervisor-sampler 1.5 mo. @ $500/mo.	$ 750.00	
Consultant - 3 days @ $75/day	225.00	975.00

3. Operating materials and supplies

Core boxes - 38 @ $4/ea.	$ 152.00	
Sample bags 50 @ $0.50/ea.	25.00	
Gas, oil, etc.	50.00	227.00

4. Operating equipment

Depreciation on pickup 2,000 x 1/60 x 1.5 months		50.00

5. Rehabilitation and repairs — none

6. New buildings, etc. — none

7. Miscellaneous

Assays for Pb-Zn-Cu-Ag 50 @ $3.50/ea.	$ 175.00	
Insurance, etc. -15% of $750	112.50	287.50

Estimated cost Stage I drilling $10,389.50

Stage II - Drifting and Crosscutting

Operating equipment needed and monthly depreciation:

Item	Value	Monthly Depreciation
Air compressor - 125 c.f.m.	$4,000	$ 66.67
2 jack-leg drills	1,080	18.00
1 ventilating fam	300	5.00
4 mine cars	1,200	20.00
5 lamps, with charger	325	5.41
1 water supply pump	300	5.00
Pickup	2,000	33.33
		$153.41

Crosscut or drift - 400 feet

Estimated advance 3.5 ft. per day, 114 days, 4.4 months

1. Independent contracts — none

2. Labor and supervision

Engineer-supervision 5 mos. @ $500/mo.	$ 2,500.00	
1 miner - 114 days @ $18/day x $1.083 O.T.	2,222.32	
1 helper- 114 days @ 16/day x 1.083 O.T.	1,975.39	$ 6,697.71

3. Operating materials and supplies

Drill bits, 22 @ $15 each	330.00	
Drill rods, 18 @ $9.10/ea.	163.80	
Dynamite, 3600# @ $23/100#	828.00	
Caps 1500 @ $0.02/ea.	30.00	
Fuse 12,500 ft. @ $13.45/m	168.13	
Gas 1500 gal. @ $0.35/gal.	525.00	
Lube oil, grease, etc.	60.00	
Ties 270 @ $0.30/ea.	81.00	
Fish plates, spikes, etc.	96.00	
Air hose 1"	44.00	
Water hose ½"	25.00	
Small tools	50.00	
Repair parts	100.00	2,500.93

3. Operating materials and supplies

Salvagable Items

2 line oilers @ $21.00/ea.	$ 42.00	
2" air line - 380 ft. @ $0.44/ft.	167.20	
1" water line - 380 ft. @ $0.21/ft.	79.80	
Pipe fittings	49.40	
Rail 16# 4,272# @ $12/100#	512.64	
Switch	60.00	
Ventube 1,200 ft. @ $1.08/ft. (Total less 50% salvage)	1,296.00	$ 1,103.52

4. Operating equipment

Depreciation 4.4 months @ $153.41/mo.	675.00

5. Rehabilitation and repairs — none

6. New buildings, etc. — none

7. Miscellaneous

Insurance - 15% of $6,697.71	1,004.66
Total cost crosscutting and drifting	$11,981.82

Cost per foot - $29.95 - say $30.00

Timbering - 20 sets (100 feet)

Estimated advance - 4 sets per day or 5 days (1/5 month)

2. Labor and supervision

Engineer-supervision 1/5 mo. @ $500/mo.	$ 100.00	
1 miner 5 days @ $18/day	90.00	
1 helper 5 days @ $16/day	80.00	$ 270.00

3. Operating materials and supplies

Posts, caps, girths, lagging, etc. 5,000 bd.-ft. @ $75/m	375.00	
Blocks, wedges, etc.	30.00	
Gasoline	30.00	435.00

4.	Operating equipment	
	Depreciation - 1/5 mo. @ $153.41/mo.	$ 30.68
7.	Miscellaneous	
	Insurance, etc. 15% of $270.00	40.50
	Total cost for 100 feet timber	$ 776.18
	Cost per foot - $7.76 - say $7.75	

SUMMARY ESTIMATED COST OF PROJECT

Stage I

Repair existing compressor house	$ 150.00
Rehabilitate 880 feet of tunnel @ $0.90/ft.	792.00
Mobilization of drill	150.00
AX diamond drilling - 1200' @ $6.50/ft.	7,800.00
Reaming, casing and/or cementing - 300' @ $3.00/ft.	900.00
Supplies	227.00
Depreciation on pickup	50.00
Assays (Pb-Zn-Cu-Ag) 50 @ $3.50/ea.	175.00
Drill stations - 2 @ $300/each (1 station equals 10' drift @ $30/ft.)	600.00
Labor and supervision	862.50
Engineer consultant 3 days @ $75/day	225.00
Cost of Stage I	$11,931.50

Stage II

Drifting and crosscutting - 400' @ $30/ft.	$12,000.00
Timbering - 100' @ $7.75/ft.	775.00
Consulting engineer 15 days @ $75/day	1,125.00
Assays (Pb-Zn-Cu-Ag) 50 @ $3.50/ea.	175.00
Cost of Stage II	$14,075.00
Total cost of project	$26,006.50
Government Participation - 50%	$13,003.25

Distribution:
- OME (3)✓
- USGS (3)
- Docket
- Engineer

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 10 1959

DATE	INITIALS	CODE
6/10	C	220
6-11	wfh	720
		500

So. 157 Howard Street
Spokane 4, Washington

June 3, 1959

Dr. C. M. Wagner
Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

Dear Dr. Wagner:

Before your application for OME assistance can be further processed, we should have a financial statement covering the assets and liabilities of Baltimore Syndicate, Ltd. As there are four "limited" partners and one "general" partner, we must also know what partnership equities and responsibilities accrue to each partner. We would appreciate receiving this information as soon as possible.

This request should not be taken in any way as assurance that a contract will be granted as approval is made in Washington.

Sincerely yours,

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

cc: OME (2)
USBM (2)

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Griswold	500
5/29	GLS	130
		~~130~~
		~~130~~
5/29	Johnson	110
		~~195~~
5/29	C	220
		500

MAY 29 1959

Memorandum

To: Executive Officer, OME Field Team, Region I

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

Supplementing our memorandum to you of May 8, covering the cited application, we requested that you advise the applicant concerning the need of a financial statement, in the event you might be inclined to report favorably. As we review this application we note that there are both "general" and "limited" partners. Since we cannot tell from the application just what partnership equities and responsibilities accrue to each partner, please request such information also, in case you should contemplate reporting favorably.

/s/ George C. Selfridge (HB)

APPROVED:

/s/ O. M. Bishop (HB)
Member, Bureau of Mines

W. P. Williams (HB)
Member, Geological Survey

WRGriswold/fw-5/29/59
cc: Docket
Dir.Read.File
Operating Com'te
Mr. McMahon, USBM
Mr. Kiilsgaard, USGS
Chron.

8623

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
5-7	[illegible]	500
5/8	Selfridge	130
"	Johnson	110
		~~100~~
		~~HB~~
		220
5/11	[illegible]	500

MAY 8 1959 500

Memorandum

To: Executive Officer, OME Field Team, Region I

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

The cited application is being referred to your office for consideration, a field examination of the property if warranted, and recommendations. Copies of memoranda dated May 6, 1959, by A. D. McMahon, Bureau of Mines, and N. E. Nelson, Geological Survey, relating to the project are enclosed for your information.

We are also enclosing one copy of the application for the use of the Field Team.

In the event that you might be inclined to report favorably on the application, please advise the Applicant that we should have a recent financial statement covering the assets and liabilities of the syndicate. Care should be taken that such a request on your part would not be construed as any assurance that a contract would be granted.

/s/ George C. Selfridge (HB)

Enclosures

APPROVED:

(sgd.) G. W. Josephson (HB)
Member, Bureau of Mines

N. E. Nelson (HB)
Member, Geological Survey

WRGriswold/er 5-7-59
Copy to: Docket
Dir Read File
Op. Committee
Mr. McMahon, USBM
Mr. Kiilsgaard, USGS
Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
5-8	[illegible]	500
5/8	Selfridge	130
5/8	Johnson	130
5/8/59	Nelson	130
		~~110~~
		~~100~~
		~~110~~
5/11	G	220
		500

MAY 8 1959

Clifford M. Wagner, M.D., General Partner
Baltimore Syndicate, Ltd.
Post Office Box 755
Heppner, Oregon

Re: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

Dear Dr. Wagner:

Your application for Government assistance to explore the cited property has been reviewed by the Division of Base Metals of the Office of Minerals Exploration and has been referred to:

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

If additional information concerning your application is needed, the Field Team will get in touch with you at an early date.

Sincerely yours,

Frank E. Johnson (for)

Acting Director

WRGriswold/er 5-8-59
Copy to: Docket
Dire Read File
Op. Committee
Mr. McMahon, USBM
Mr. Kiilsgaard, USGS
Region I (2)
Chron.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code

May 7, 1959

Memorandum for the Docket

From: Chief, Division of Base Metals

Subject: Docket No. OME-6045 (Copper-Lead-Zinc)
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana

It appears that the Applicant is financially eligible under our regulations though we still lack a financial statement.

The geological report submitted with the application is well prepared and the proposal seems to warrant some consideration.

WRG

W. R. Griswold

WRG/er
CC: Docket
Dir Read File
Chron?

43683

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 6 1959

DATE	INITIALS	
5/6	a	220
		500
May 6, 1959		

Memorandum

To: W. R. Griswold, Office of Minerals Exploration

From: Commodity Specialist, Branch of Base Metals

Subject: Review of examination, Docket No. OME 6045 (copper, lead, silver), Baltimore Syndicate, Ltd., Baltimore mine, Jefferson County, Mont. $32,020.75

The applicant seeks Government assistance in a proposed exploration project on the above named property consisting of underground rehabilitation, drifting, crosscutting, raising, long-hole drilling and diamond drilling, at an estimated cost of $32,020.75.

There is little in the application or the accompanying report of investigation to justify exploration primarily for copper. Historically, the mines in the vicinity of the Baltimore mine have been identified mostly with lead, zinc, silver, and gold production. However, there is much mineralization in the area and it is recommended that the application be referred to the Field Team for appraisal and appropriate action.

A. D. McMahon

A. D. McMahon

Attachment

Copy to: Division of Minerals
Branch of Base Metals (2)
Thor Kiilsgaard, U.S.G.S.
F. D. Lamb
F i l e s

IN REPLY REFER TO:

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

May 6, 1959
Re: OME 6045
Baltimore Syndicate, Ltd.
Baltimore Mine
Jefferson County, Montana
Appl. Est. $32,020.75
Copper-Lead-Silver

Memorandum

To: W. R. Griswold, Office of Minerals Exploration

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

Subject: Review of application

The applicant requests assistance in exploring by rehabilitation, diamond and long hole drilling and drifting for the lateral and downward extensions of "highgraded" ore bodies contained in a wide zone of shearing in rocks of the Boulder batholith, chiefly quartz monzonite.

Late in the last century and the early part of this century, probably over 300 carload shipments of raw ore were made from the mine, the principal values being in gold, silver and lead. Ore containing zinc minerals was not mined according to the application. The last shipment appears to have been made in 1919.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 6 1959

DATE	INITIALS	CODE
5/6	G	220
		500

MAY 6 1959

Baltimore Syndicate, Ltd.
c/o Clifford M. Wagner, M. D., General Partner
Box 755
Heppner, Oregon

Subject: OME-6045

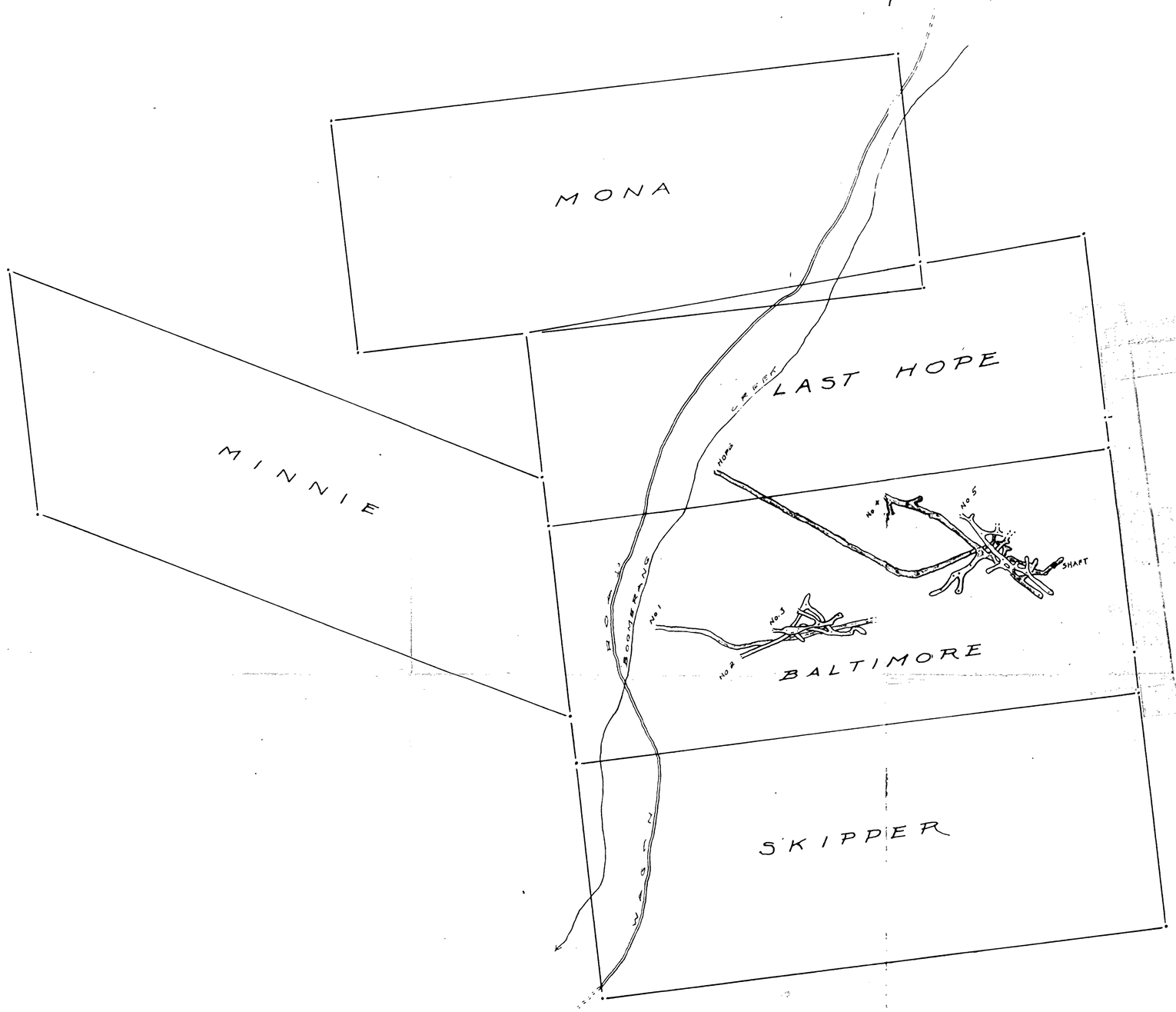
Gentlemen:

Your application for exploration assistance, dated April 20, 1959, submitted to our office at Spokane, Washington, has been assigned Docket Number OME-6045 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, Chief
Operations Control and
Statistics Division

Copy to: Region I

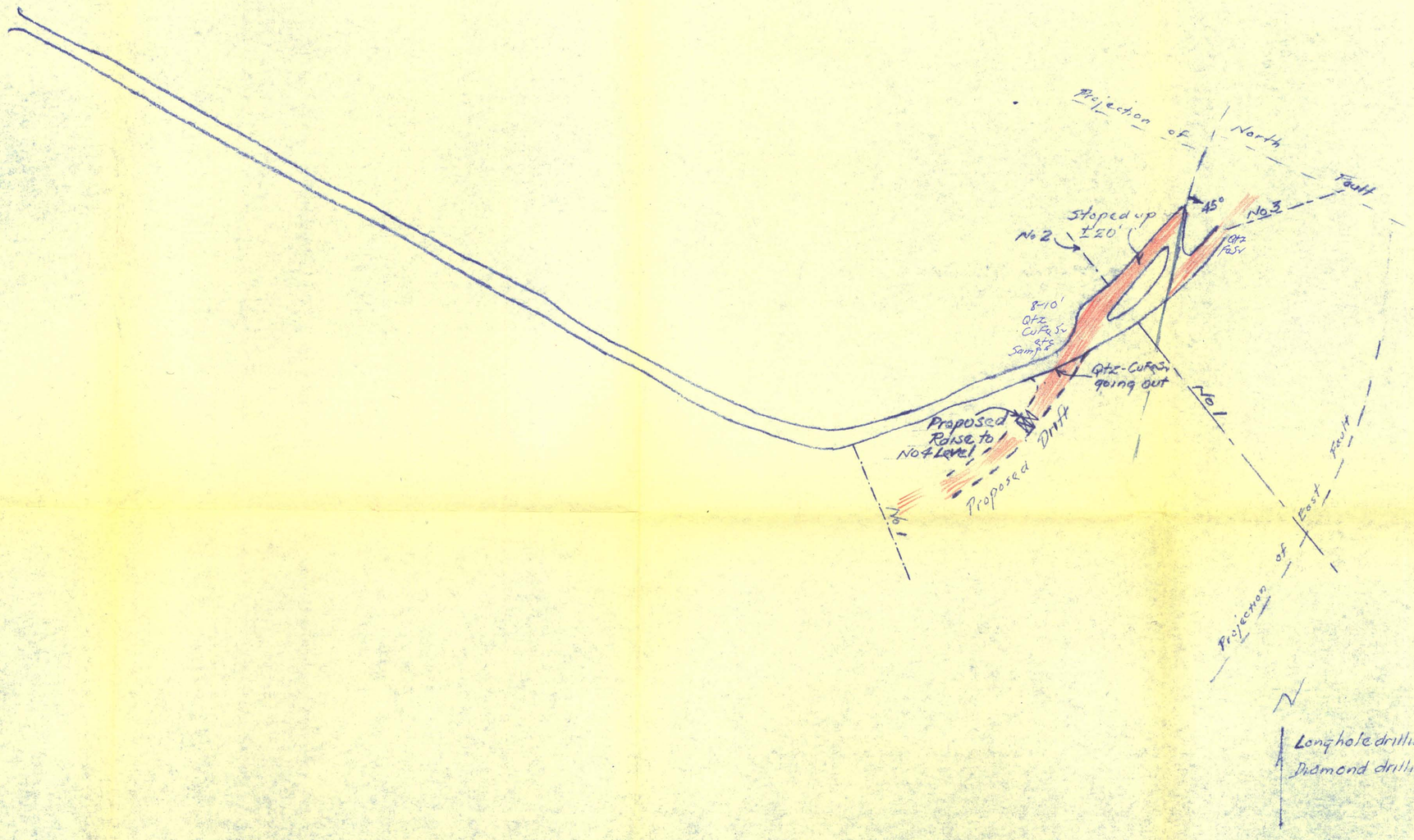


BALTIMORE MINE

MAP OF CLAIMS

OME 6045 Plate II

400 SCALE



BALTIMORE MINE

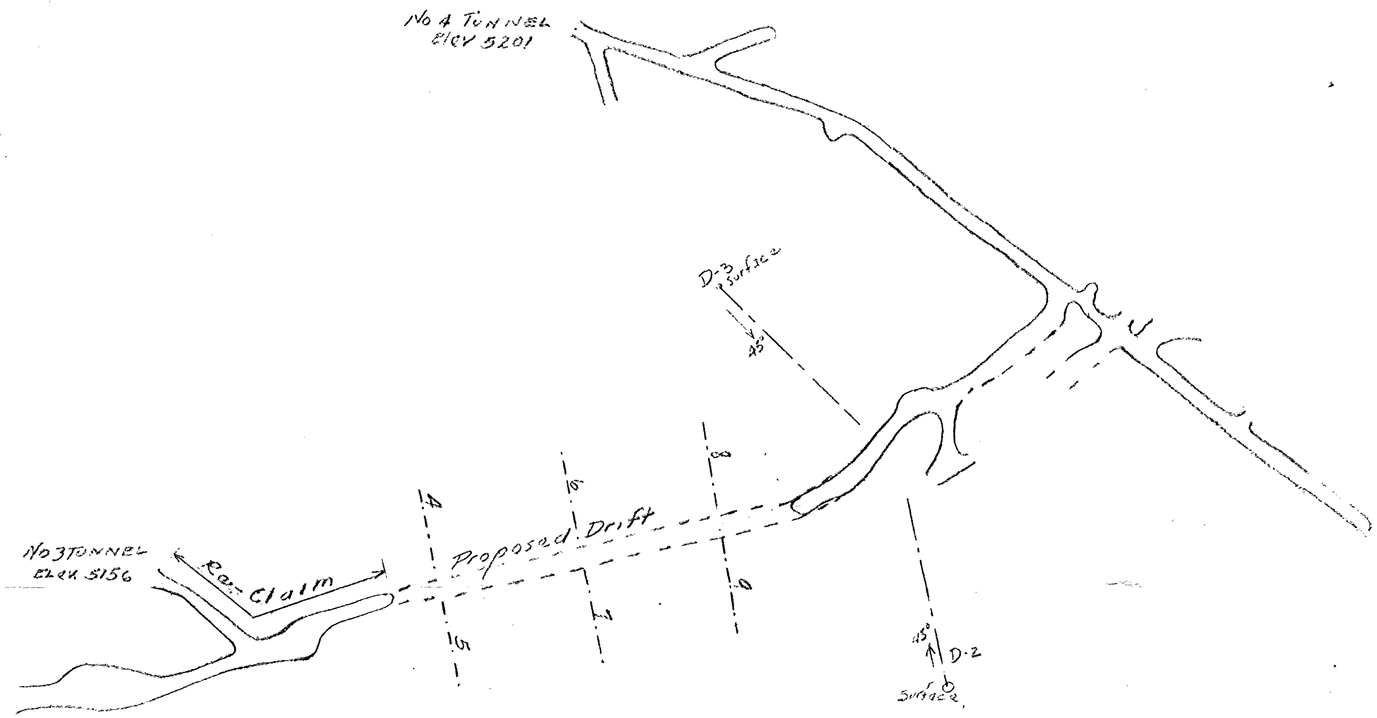
HOPE TUNNEL LEVEL

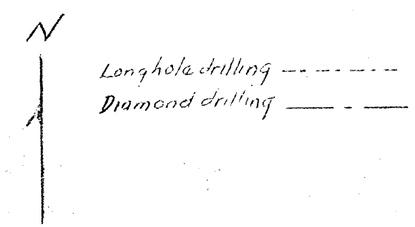
Showing

Proposed Exploration

Scale 1 in = 50 Ft.

Dr. C. M. Wagner
Heppner, Oregon

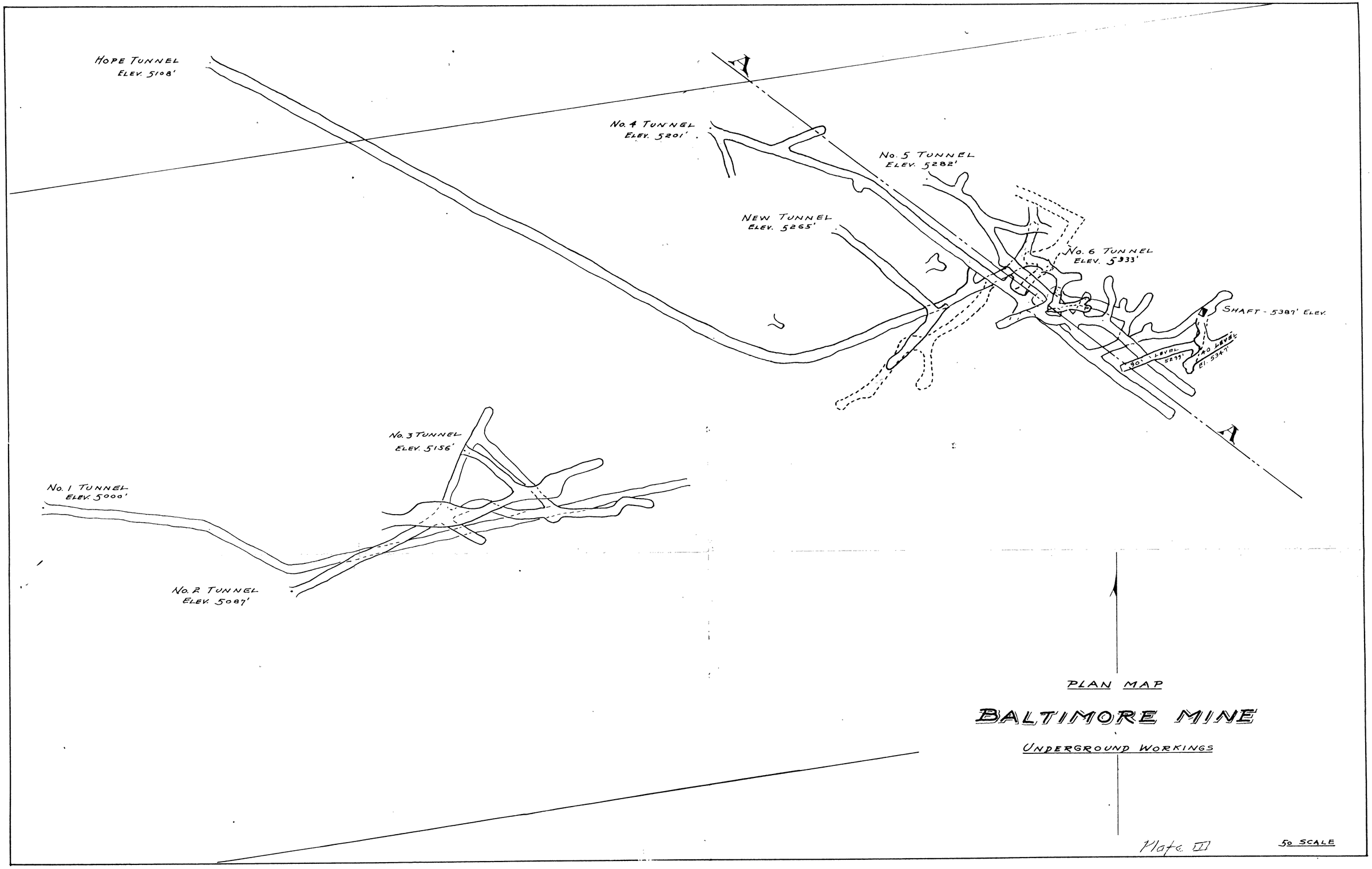


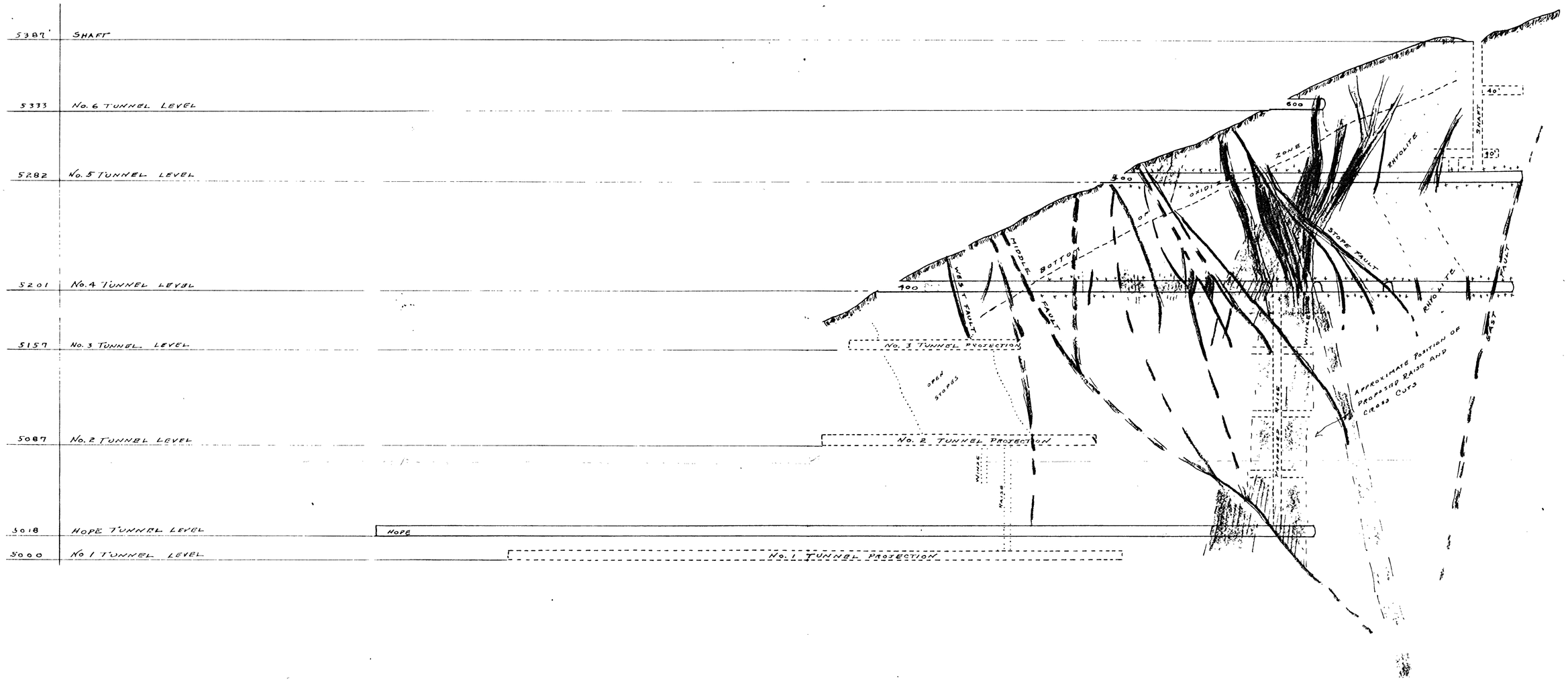


BALTIMORE MINE

Showing
Proposed Drift Easterly
Scale 1in.=50ft.

Dr. C.M. Wagner
Heppner, Oregon


HOPE TUNNEL
ELEV. 5108'
A
No. 4 TUNNEL
ELEV. 5201'
No. 5 TUNNEL
ELEV. 5282'
NEW TUNNEL
ELEV. 5265'
No. 6 TUNNEL
ELEV. 5333'
SHAFT - 5387' ELEV.
90' LEVEL
5293'
40 LEVEL
El. 5347'
A
No. 3 TUNNEL
ELEV. 5156'
No. 1 TUNNEL
ELEV. 5000'
No. 2 TUNNEL
ELEV. 5087'
PLAN MAP
BALTIMORE MINE
UNDERGROUND WORKINGS
Plate II
50 SCALE

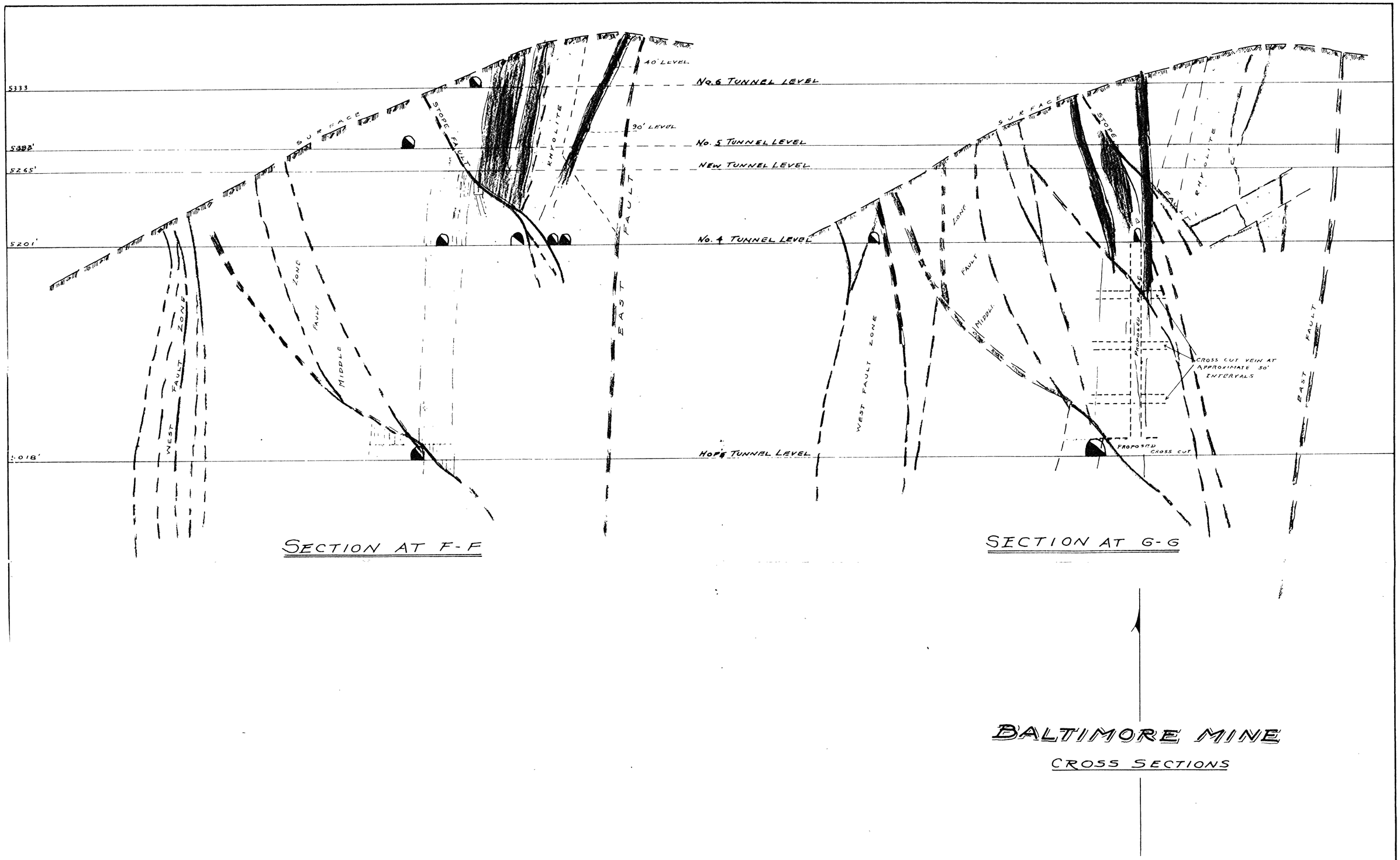


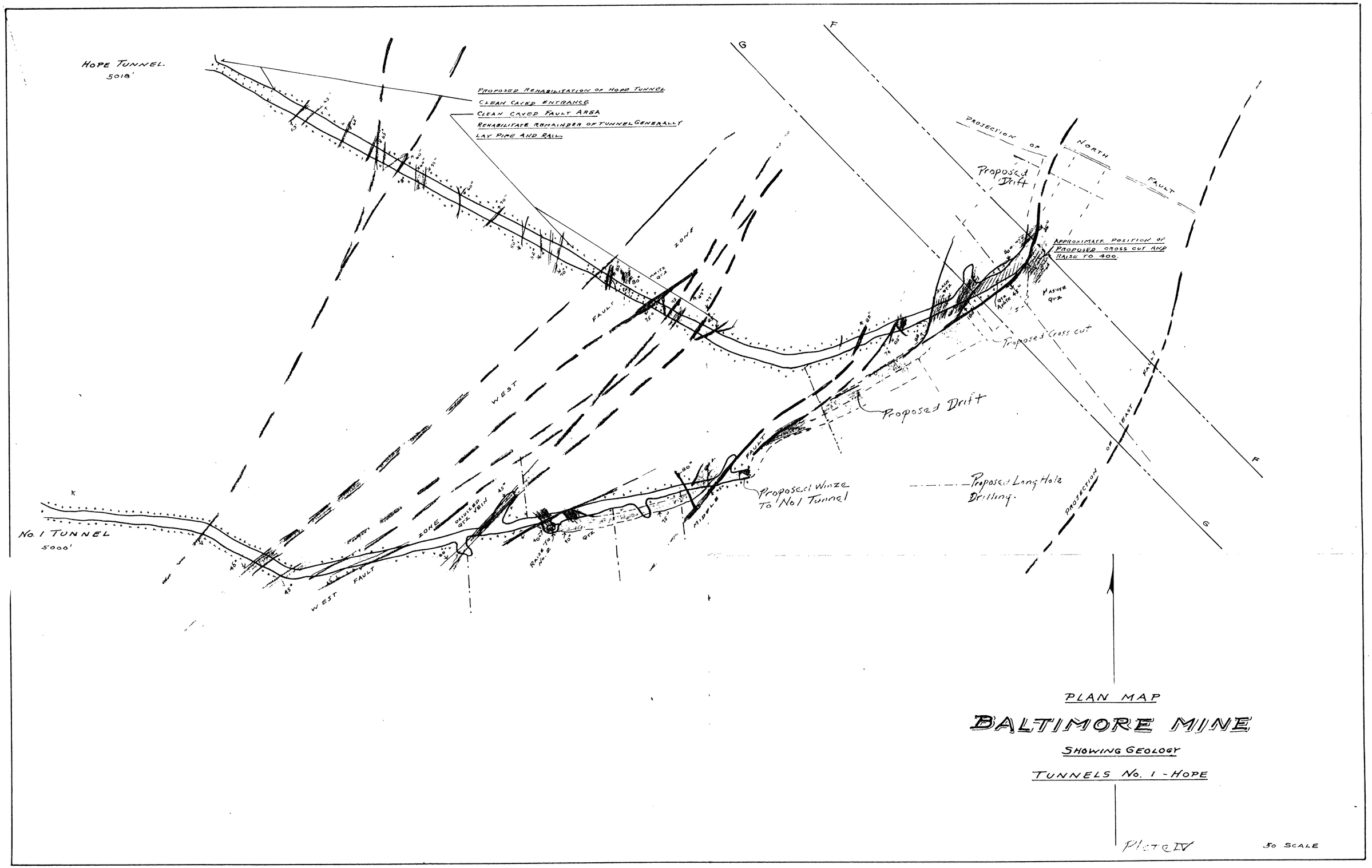
BALTIMORE MINE

SHOWING SECTION A-A

Plate VII

50 SCALE


5333
5282'
5265'
5201'
1018'
No. 6 TUNNEL LEVEL
No. 5 TUNNEL LEVEL
NEW TUNNEL LEVEL
No. 4 TUNNEL LEVEL
HOPE TUNNEL LEVEL
40' LEVEL
90' LEVEL
SURFACE
STOPE
FAULT
RHYOLITE
EAST FAULT
WEST FAULT ZONE
MIDDLE FAULT ZONE
SECTION AT F-F
WEST FAULT ZONE
MIDDLE FAULT ZONE
SURFACE
STOPE
RHYOLITE
PROPOSED RAISE
CROSS CUT VEIN AT APPROXIMATE 50' INTERVALS
PROPOSED CROSS CUT
EAST FAULT
SECTION AT G-G
BALTIMORE MINE
CROSS SECTIONS
50 SCALE



PLAN MAP

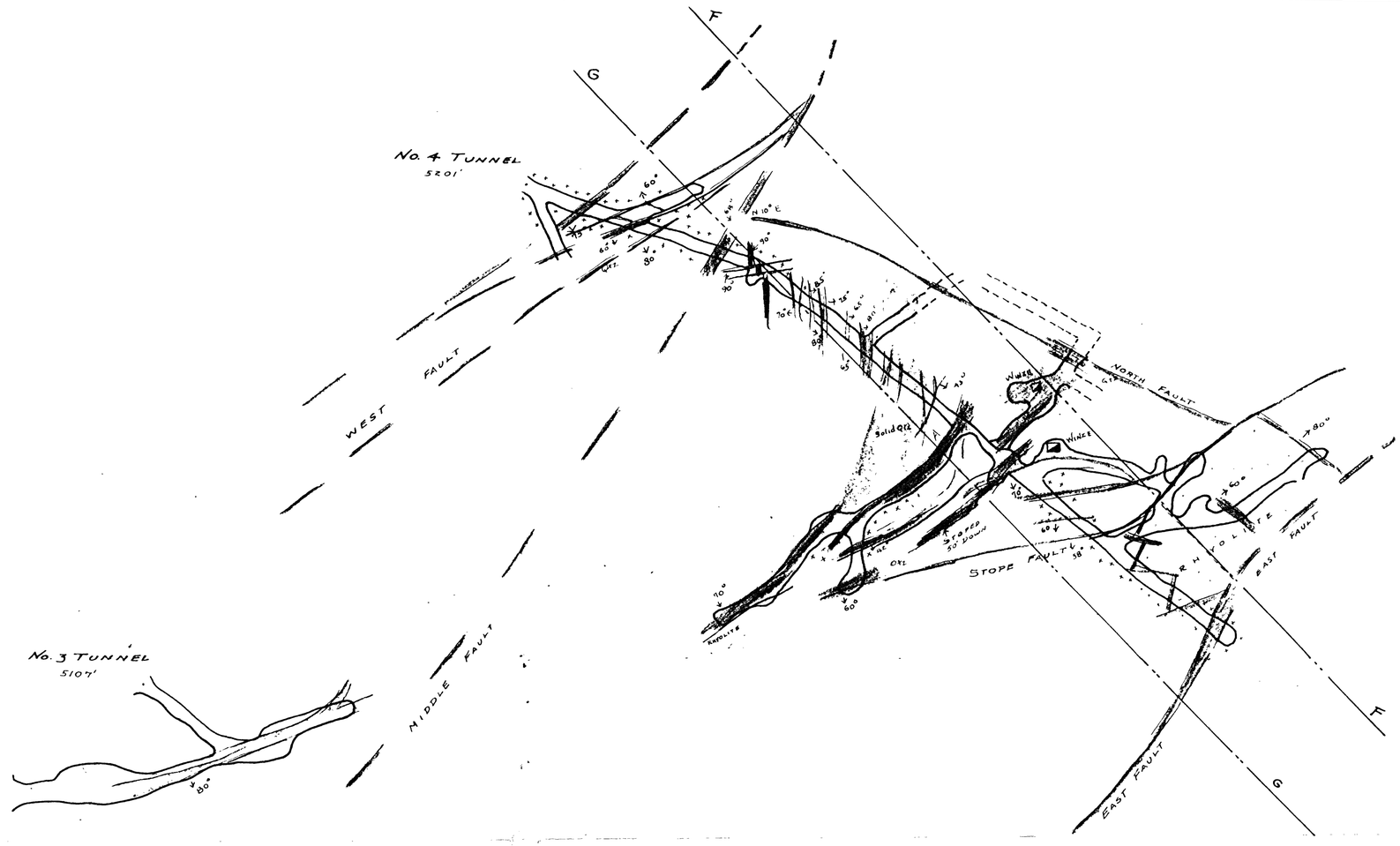
BALTIMORE MINE

SHOWING GEOLOGY

TUNNELS No. 1 - HOPE

Plate IV

50 SCALE



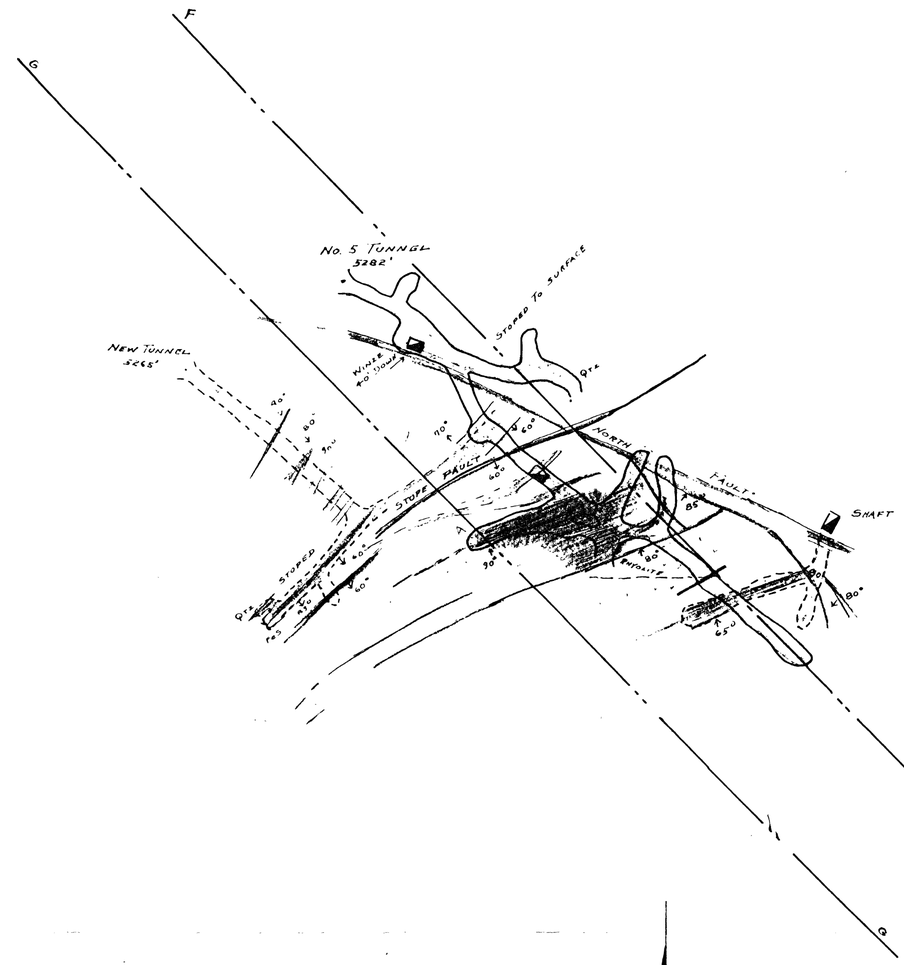
PLAN MAP

BALTIMORE MINE

SHOWING GEOLOGY

TUNNELS No. 3 AND No. 4

50 SCALE



PLAN MAP

BALTIMORE MINE

TUNNEL No. 5

SHOWING GEOLOGY

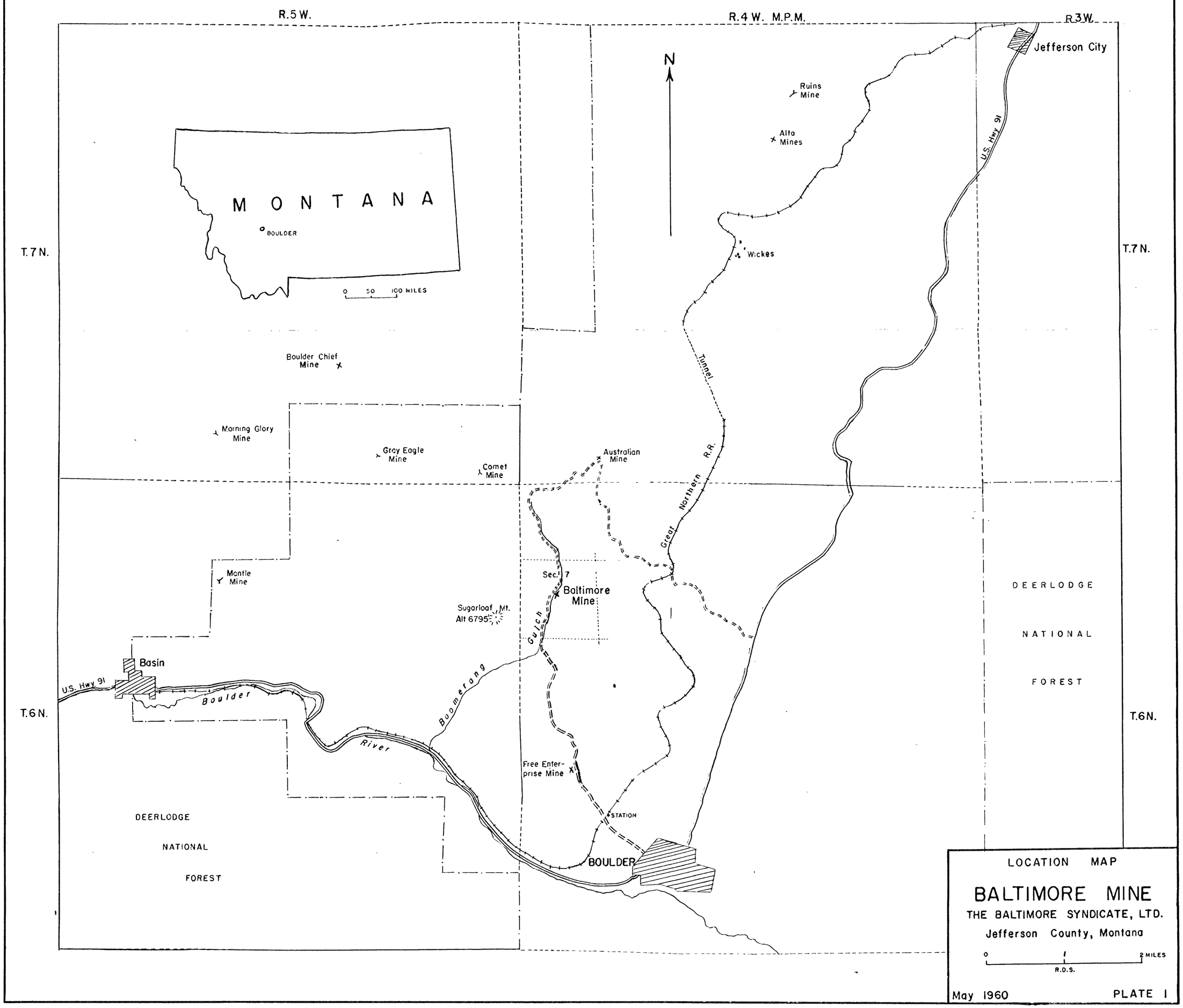
Plate VI

50 SCALE

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
OFFICE OF MINERALS EXPLORATION
FINAL REPORT

DOCKET NO. O.M.E 6045 (Lead-Zinc)



LOCATION MAP

BALTIMORE MINE

THE BALTIMORE SYNDICATE, LTD.

Jefferson County, Montana

0 1 2 MILES
R.D.S.

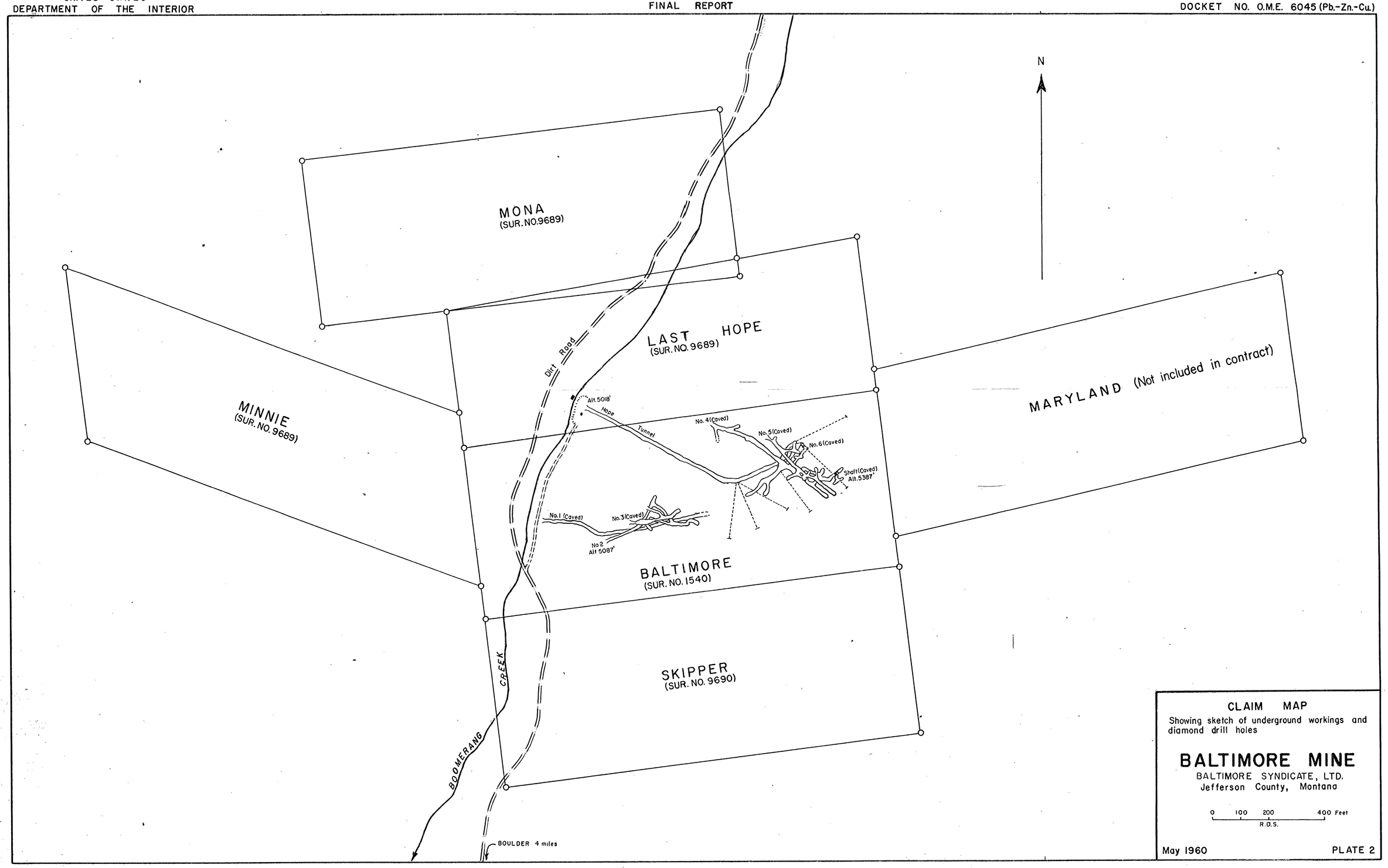
May 1960

PLATE I

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
OFFICE OF MINERALS EXPLORATION
FINAL REPORT

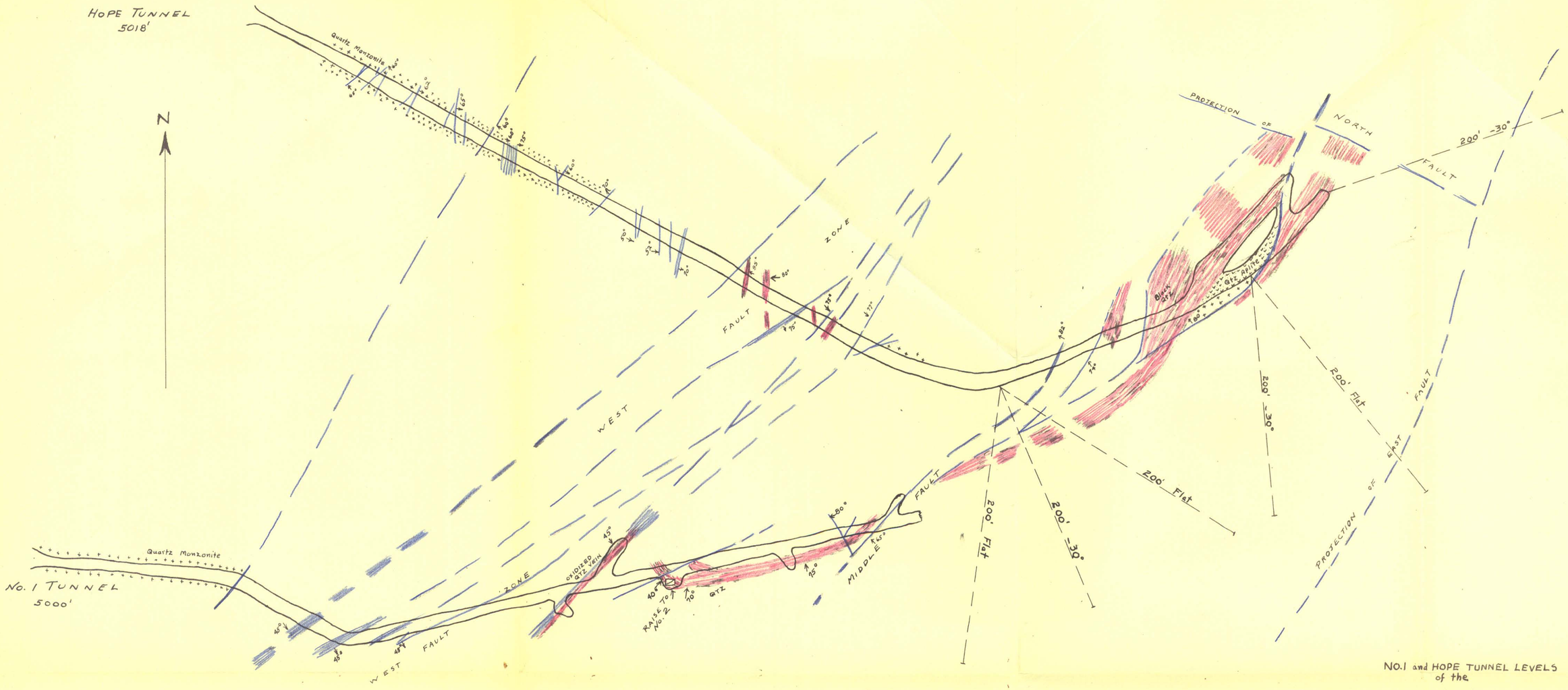
DOCKET NO. O.M.E. 6045 (Pb.-Zn.-Cu.)



UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED
OFFICE OF MINERALS EXPLORATION
APPLICATION REPORT

OME 6045



NO. 1 and HOPE TUNNEL LEVELS
of the

BALTIMORE MINE

BALTIMORE SYNDICATE, LTD. JEFFERSON CO. MONT.

Showing Geology and Proposed Drilling Program

0 50 100 150 200 Ft.
R.D.S.

NOTE: Compiled from Applicant's Maps (June 1959)

PLATE I