# LARRISON MINE

20 SCALE

MME Form 9
Rev. Mar. 59

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

OFFICIAL DOCKET FILE

Contract No. 14-23- 090-2160 Docket No. MME- 6270

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [x] 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
- [x] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes 2/14/63
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [x] Project Summary (final)
- [x] Work Completed Analysis (final)
- 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)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

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

Right Side

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

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

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty Material

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 4/29 | Murphy | 500 |
| | Arnold | 500 |
| 4/29 | Talbot | 800 |
| | Selfridge | 120 |
| | | 110 |
| 4/29 | On leave | 100 |
| | | 220 |
| | | |
| | | |

APR 29 1964

Larrigon Mining Company
P. O. Box 391
Hamilton, Idaho

Re: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Gentlemen:

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,

(signed) FRANK E. JOHNSON (gla)

Acting Director

MMerrithew/mm
4/29/64
cc: Mr. and Mrs. Grant W. Berggren, 404 North Second Street, Hamilton, Montana
Director's Reading File
Region I
CA&A Division
Docket
Code 500

43683

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

## REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Larrigon Mining Company
P. O. Box 391
Hamilton, Montana

pertaining to Exploration Contract 14-23-090-2160, OME No. 6270, including Amendment No. 1, for March 1963 to August 1963, inclusive, covering a gold project at the Larrigon Mine, Ravalli County, Montana.

My review included an examination of the Monthly Vouchers (MME Forms 60) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, confirmation of work performed by reference to 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 | | $19,449.32 |
| Exceptions: | | |
| Prior to this review | $2.00 | |
| Herewith | -0- | 2.00 |
| Total acceptable cost | | $19,447.32 |

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 | $ 9,723.66 |
| Paid to date | 9,523.66 |
| Balance due Operator | $ 200.00 |

paid 1/30/64

E. D. Talbert, OME Auditor

January 9, 1964

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

(a) a major portion ($18,007.32) of the acceptable costs was under a contract provision for contribution by the Government on the basis of fixed unit costs for work performed;
(b) the Monthly Reports were supported by documentary evidence of the acceptable actual costs under the contract; and
(c) 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:**

| | |
|---|---|
| Operator's claim includes assay of a sample (3 DX) cut prior to contract work; disallowed | $ 2.00 |

**Total acceptable cost:**

| | |
|---|---|
| Cat. (2) - Consulting engineer, 22 days @ $65.00 | $ 1,430.00 |
| Cat. (7) - Assays for Au, 5 @ $2.00 | 10.00 |
| Fixed Unit Costs - | |
| Drifts & crosscuts, 397.78' @ $36.00 | 14,320.08 |
| Timbering, 387.78' @ $8.00 | 3,102.24 |
| Dog holes, 30' @ $19.50 | 585.00 |
| | $19,447.32 |

Government's Copy

EXPLORATION CONTRACT
LARRIGON MINING COMPANY
OME-6270

TERMINATION AGREEMENT

It is agreed this 9th day of December, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Larrigon Mining Company, hereinafter called the "Operator," parties to that certain Exploration Contract No. 2160, (OME-6270), dated February 14, 1963, as amended, hereinafter called the "Contract," that

1. Effective October 1, 1963, the contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the allowable costs of the work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, including furnishing to the Government a final report (in addition to the final monthly report) which 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 thereof.

4. All rights of the Government respecting certification of possible production, percentage royalty and liens to secure payment thereof, reports (including preservation of the Operator's records) accounts, audits, and the right to recover any overpayment are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said contract except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of Minerals Exploration

LARRIGON MINING COMPANY

By _____

Title Pres.

Long
Adm. Sol. Off.
Murphy
Talbot
Selfridge
Johnson

Government's Copy

EXPLORATION CONTRACT
LARRIGON MINING COMPANY
OME-6270

AMENDMENT NO. 1

It is agreed this 10th day of July, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Larrigon Mining Company, hereinafter called the "Operator," that Exploration Contract No. 2160 (Docket OME-6270), dated February 14, 1963, is amended effective July 1, 1963, as follows:

In Exhibit A, under the heading Description of the Work, the second paragraph is deleted and the following paragraphs are substituted in lieu thereof:

"From Station 9, in the drift driven under this contract, drive a crosscut on a bearing of approximately S. 50° W. for an estimated distance of about 130 feet to traverse the 'B' zone shear structure. The approximate location and extent of the crosscut are shown on the map entitled 'Figure 2 Larrigon Mine,' attached hereto and made part hereof.

"With prior Government approval any drift, crosscut, or dog hole footages remaining in the contract may be used to further explore the 'B' zone shear structure by drifting along the zone in each direction from the crosscut and at intervals of approximately 50 feet in these drifts driving dog holes up to 20 feet deep into each wall."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor any item of allowable cost which is expressly designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnick
Director, Office of Minerals Exploration

Long
App'd. Sol. Off.
Murphy
Hughes
Talbutt
Selfridge
Johnson

LARRIGON MINING COMPANY

By E. L. Baker

Title Pres.

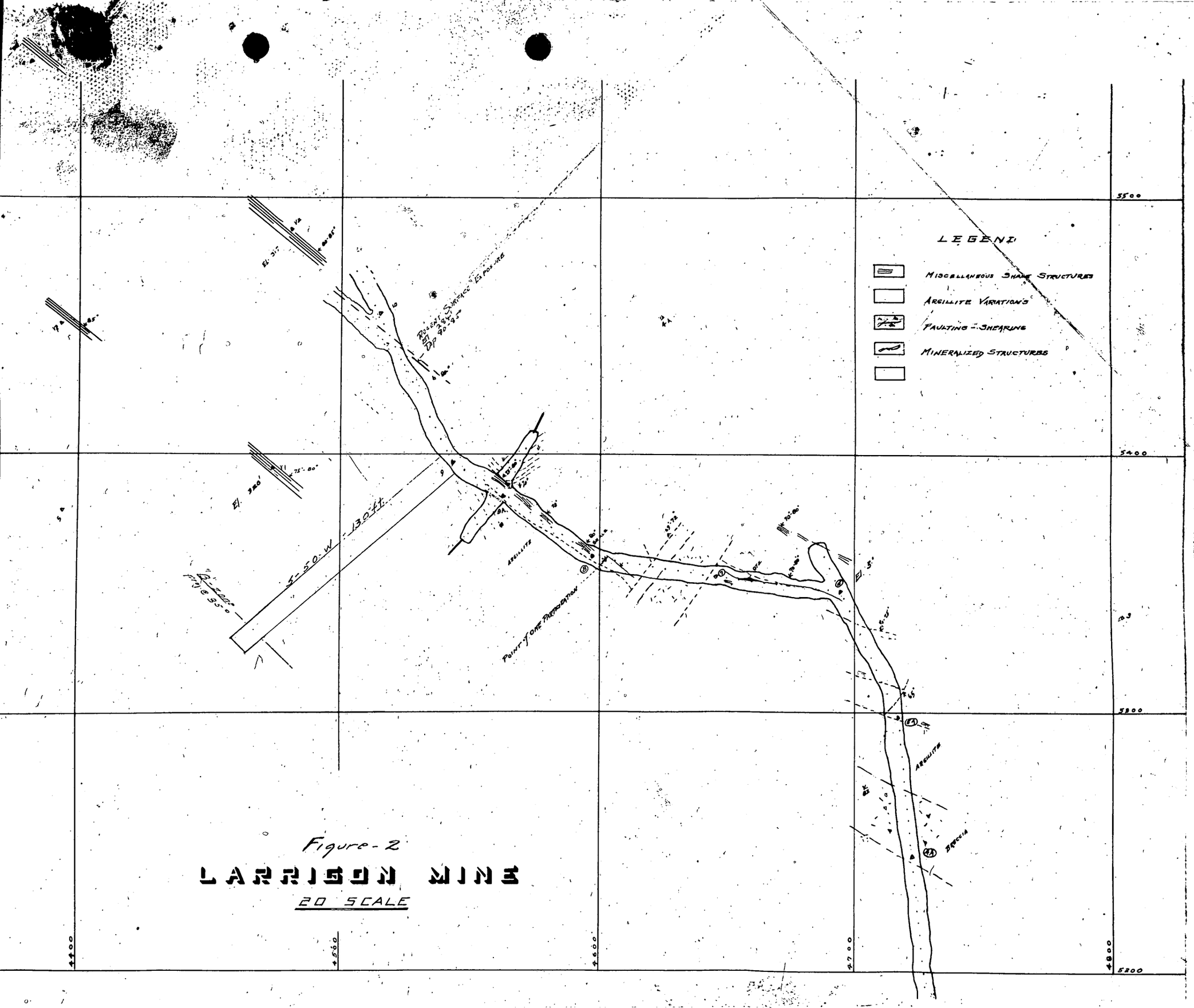



Figure-2

# LARRISON MINE

20' SCALE

Government's Copy

MME Form 50
Feb. 1959

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

EXPLORATION CONTRACT
(Long Form)

MAR 13 1963 O.M.E.

| Docket No. | Commodity | Contract No. | County | State |
|---|---|---|---|---|
| OME -6270 | Gold | 14-23-090- 2160 | Ravalli | Montana |

It is agreed FEB 14 1963 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Larrigon Mining Company, a Montana Corporation

whose mailing address is P. O. Box 391, Hamilton, Montana, 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 March 20, 1963 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 12 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 $ 31,610.00. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $ 15,805.00 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 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:

See Annex I

(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:

See Annex I

RECEIVED
Air mail
MAR 11 1963

U S G S
SPOKANE, WASH.

(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 [redacted] 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.

**See Article 16(a)**

~~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.--

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

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

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

Executed in quintuplicate this 9th day of March, 1963.

THE UNITED STATES OF AMERICA

Larrigon Mining Company
Operator

By E. D. Baker

Title President

By George Turnich
Director, Office of Minerals Exploration

Long
Murphy
Talbitt
Selfridge
Johnson

I, George G. Boyd (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that E. D. Baker (Name), who signed this contract on behalf of the Operator was then President (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.

George G. Boyd

[CORPORATE SEAL]

EXPLORATION CONTRACT
LARRIGON MINING COMPANY
OME-6270

ANNEX I

The land referred to in Article 2 of the contract consists of five (5) lode mining claims, including all rights pertaining thereto in sec. 34, T.2 S., R.21 W., M.P.M., Overwich Unorganized Mining District, Ravalli County, Montana. The amended location notices of the claims are recorded in the Quartz Location Records of Ravalli County, Montana, as follows:

| Claim | Book | Page |
|---|---|---|
| Washington | 6 | 116 |
| Viscaya | 6 | 117 |
| Laurrauri or Larraui | 6 | 118 |
| Eurrecheea or Eurrecochea | 6 | 131 |
| Lost Cabin Lode | 6 | 142 |

The Operator has rights to the above listed claims under the terms of 2 agreements dated November 1, 1959, and January 23, 1960, between Myrtle Berggren and Grant W. Berggren, husband and wife, as first party, and Charles Duus, as trustee for Harry C. Henderson and others as second party, an Assignment from said Charles Duus, Trustee for Harry C. Henderson, et al, and a Modification Agreement, dated May 2, 1962, between the above first party and Larrigon Mining Company, assignee of Charles Duus as Trustee for Harry C. Henderson, et al.

A Lien or Subordination Agreement signed by Grant W. Berggren and Myrtle Berggren listing the claims is attached hereto and made part hereof.

The claims are outlined in green on Plate 2 entitled, Map of Claims Larrigon Mine . . .," attached hereto and made part hereof.

MME Form 52
June, 1961

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

| FOR GOVERNMENT USE ONLY |
|---|
| Operator |
| Docket No. OME – |
| Contract No. 14-23-090– 2160 |
| Contract Date FEB 14 1963 |

LIEN OR SUBORDINATION AGREEMENT 1/

To the United States of America:

That certain land in the County of Ravalli, State of Montana, described as follows: 2/ See Exhibit "A" which is attached hereto and made part hereof.

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

Larrigon Mining Company 3/

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

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

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

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

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

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.

RECEIVED
Reg.-R.R.
AUG 22 1962
U.S.G.S.
SPOKANE, WASH.

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

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

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

Dated this 11TH day of July, 1962.

| | | |
|---|---|---|
| Grant W. Berggren (Seal) | 404 North Second Street | (Street) |
| | Hamilton, Montana | (City & State) |
| Myrtle Berggren (Seal) | 404 North Second Street | (Street) |
| | Hamilton, Montana | (City & State) |
| (Seal) | | (Street) |
| | | (City & State) |
| (Seal) | | (Street) |
| | | (City & State) |
| (Seal) | | (Street) |
| | | (City & State) |
| (Seal) | | (Street) |
| | | (City & State) |

PLAINTIFF SHOULD NOT SIGN

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

_____
(Corporate Seal)

EXHIBIT "A"

Lode Mining Claims situate in the Hughes Creek Unorganized Mining District in Ravalli County, State of Montana, and which claims are named as follows:

WASHINGTON CLAIM,
VISCAYA CLAIM,
LAURRAURI CLAIM,
EURRECOCHEA CLAIM, and
LOST CABIN CLAIM,

and which claims are held by virtue of certificates of Location and Location Notices filed on Record in Book 6, of Quartz Location Records on Pages 111 amended 116, 117, 118, 131, and 142, of Ravalli County, Montana.

EXPLORATION CONTRACT
LARRIGON MINING COMPANY
OME-6270

## EXHIBIT A

The purpose of this project is to explore for gold-bearing quartz lenses or veins by means of drifting, crosscutting, and driving dog holes from the drifts in a wide shear zone cutting shale and argillite beds.

### General Provisions

No work under this contract shall be performed at locations within 200 feet of the exterior boundaries of the property.

The drifts and main crosscut shall not be less than 5' x 7' in the clear of timber and shall be timbered as necessary with sets at not less than 5-foot intervals, using standard drift sets of not less than 8" by 8" timber or equivalent round timber. The dog holes shall be approximately 4' x 5' in cross section.

The mine rails shall not be less than 20-lb., air lines not less than 2-inch and water lines not less than 1-inch in diameter.

All significantly mineralized areas traversed by the drifting, crosscutting, and dog holing shall be sampled normal to their trends at intervals of not more than 10 feet. In addition, a representative bulk sample shall be taken of each round broken in areas showing significant mineralization.

All samples, from whatever source, shall be split. One split of each sample properly marked as to source and location shall be set aside and made available to the Government and the Operator shall have one split assayed for gold. With prior Government approval the Operator may dispose of the Government's sample splits.

True copies of assay certificates of all samples shall be submitted with the Operator's monthly report which shall also include a map or sketch showing the work completed during the reporting period, the general geologic formations and structures traversed, and the locations of all samples taken.

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

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

## Description of the Work

From the end of the existing adit crosscut above the mill, drift northwesterly along shear zone "A" for approximately 300 feet and at intervals of approximately 50 feet drive dog holes up to 10 feet deep into each wall.

If the work along shear zone "A" indicates significant gold mineralization, at a point mutually agreed upon by the Operator and the Government drive a crosscut southwesterly from the drift along zone "A" for a distance of about 100 feet to cut shear zone "B". From the crosscut drift approximately 100 feet along shear zone "B" in each direction, and at intervals of approximately 50 feet along these drifts drive dog holes up to 10 feet deep into each wall.

The location and extent of the above work is shown in red on Plate I entitled, "Composite Plan Showing Surface Features, Present Workings, . . . Larrigon Mines . . .," attached hereto and made part hereof.

The Government will contribute to the cost of not more than 600 feet of drifting and crosscutting, 600 feet of timbering in drifts and crosscut, 160 feet of dog holing from the drifts, 200 assays for gold, and the fees for a consulting engineer-geologist who shall be employed not more than 4 days per month and for not more than a total of 26 days on this project.

## Estimated Cost of Project

Actual Costs

Category (2)--Personal Services

None Except

| | |
|---|---|
| Consulting engineer-geologist<br>26 days @ $65.00/day 2/ | $ 1,690.00 |

Category (7)--Miscellaneous

None Except

| | | |
|---|---|---|
| 200 assays for gold @ $2.00/assay | $ 400.00 | |
| **Fixed Unit Costs** 1/ | | |
| 600 feet drifts and crosscut @ $36.00 | 21,600.00 | |
| 600 feet timbering drifts and crosscuts @ $8.00/ft. | 4,800.00 | |
| 160 feet dog holes @ $19.50/ft. | 3,120.00 | |
| Total Estimated Cost | | $31,610.00 |
| Government Participation @ 50% | | $15,805.00 |

1/ Includes all costs whatsoever that would otherwise be allowable under Categories (1) through (7) except the fee and per diem for a consulting engineer-geologist and cost of the assays for gold.

2/ Includes above per diem at the rate of $15.00/day

EXHIBIT B

# Presidential Documents

## Title 3—THE PRESIDENT

### Executive Order 10925

### ESTABLISHING THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PART II—NONDISCRIMINATION IN GOVERNMENT EMPLOYMENT

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

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

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

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

PART III—OBLIGATIONS OF GOVERNMENT CONTRACTORS AND SUBCONTRACTORS

SUBPART A—CONTRACTORS' AGREEMENTS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SUBPART B—LABOR UNIONS AND REPRESENTATIVES OF WORKERS

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

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

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

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

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

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

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

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

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

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

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

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

SUBPART D—SANCTIONS AND PENALTIES

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

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

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

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

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

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

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

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

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

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

SUBPART E—CERTIFICATES OF MERIT

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

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

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

PART IV—MISCELLANEOUS

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

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

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

JOHN F. KENNEDY

THE WHITE HOUSE,
*March 6, 1961.*

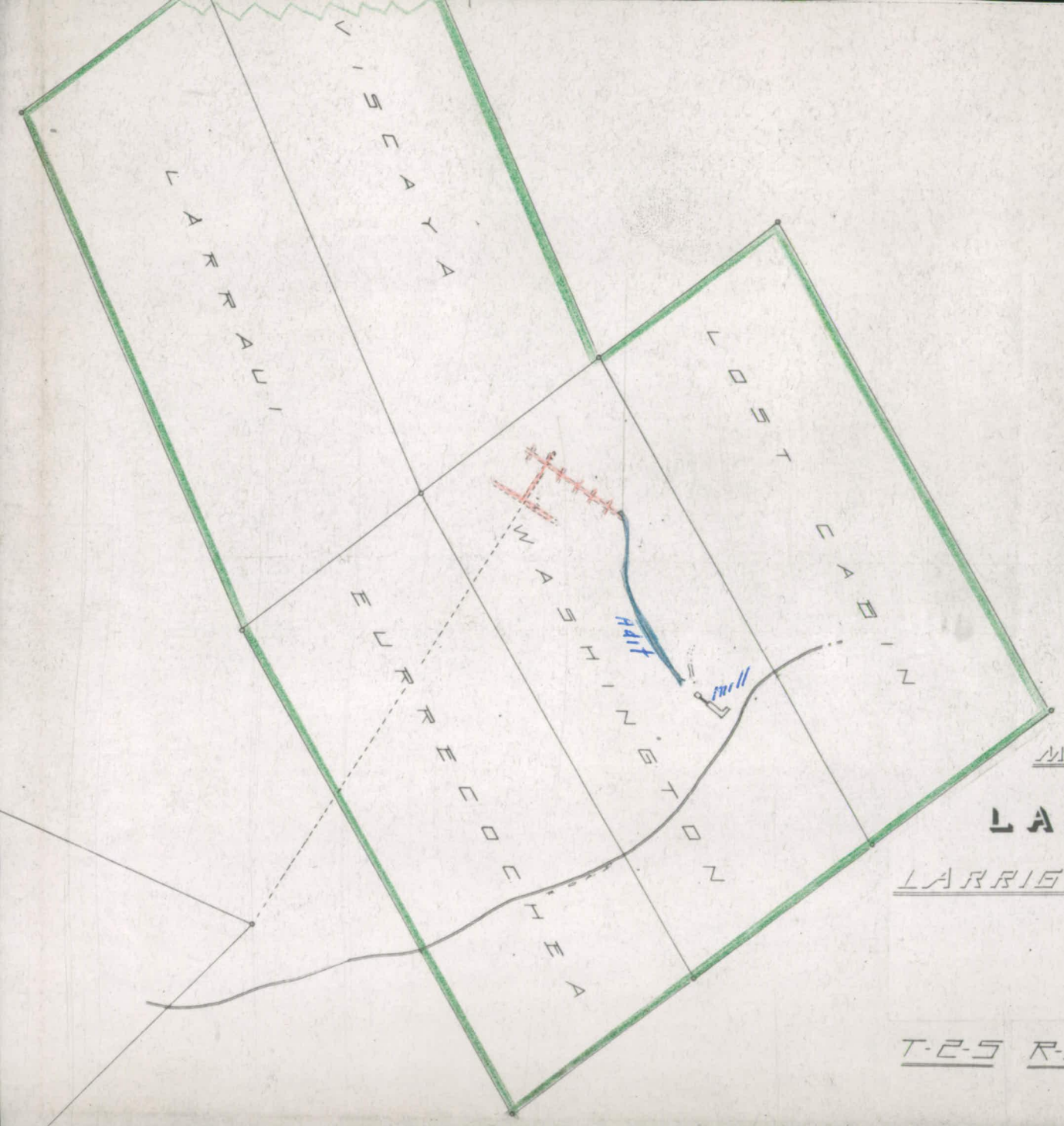
[F.R. Doc. 61-2093; Filed, Mar. 7, 1961; 10:06 a.m.] 90048

Composite Plan Showing
Surface features, present workings, geologic features and assays
Larrigon Mining Company
Larrigon Mine
Ravalli County Montana

50 25 0 50 feet

Nov. 1962

Plate I




N

MAP OF CLAIMS

# LARRIGON MINE

LARRIGON MINING COMPANY

400 SCALE

PLATE-2

T-2-S R-21-W SEC- 34

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

| TO: | DATE | INITIALS |
|---|---|---|
| 1. Chief, Divn. of Field Operations | 3/8/63 | |
| 2. | | |
| 3. | | |
| 4. | | |
| 5. D R MacLaren | | |
| FROM: D. R. MacLaren, Act. Fld. Offr. Region I | | |

FOR: Check items for action desired

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

REMARKS: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana

Certified copy of Assignment requested in our letter of March 5, 1963, to E. D. Baker, Pres.

J. ROLAND PETERSON
MEMBER AMERICAN INSTITUTE OF ACCOUNTANTS
CERTIFIED PUBLIC ACCOUNTANT
P. O. BOX 391 - 178 SO. THIRD STREET
HAMILTON, MONTANA

March 5, 1963

Mr. D. R. MacLaren
Acting Field Officer, OME
Region 1
So. 157 Howard St.
Spokane 4, Washington

Re: OME (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana

Mr. E. D. Baker has requested that I send you the enclosed certified copy of the Assignment along with a verifax copy of Assignment showing the signatures. This is in accordance with the request in your letter of February 25, 1963, copy attached.

J. Roland Peterson

JRP;ew
Enclosures

cc: Mr. E. D. Baker
Mr. George G. Boyd
Mr. S. J. Elkins
Mr. Harry Henderson
Mr. E. Gardner Brownlee

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 11 1963
DATE
3/13 Received 500
Mailed to hq 302

See mail

# A S S I G N M E N T

Comes now CHARLES DOUGS of Hamilton, Montana, and HARRY C. HENDERSON, of Amarillo, Texas, being the persons named as the Second Party, in a certain contract or agreement, dated on the 1st day of November, 1959, by and between Myrtle Berggren and Grant W. Berggren, husband and wife, of Hamilton, Montana, as the first parties, and the undersigned as second party, and which agreement was put into effect and also clarified on the 23rd day of January, 1960, and for and in consideration of the sum of One Dollar and other good and valuable consideration and to fully put into effect the agreement for the beneficiaries thereof, do by these presents assign, transfer and set over to LARRIGON MINING CO., a Montana Corporation, all right, title, estate and interest in and to the said contract including the full possession of the property described in the said agreement and including the obligation to do and perform the things required by said agreement including the making of the payments necessary.

Dated this 12th day of March, 1960.

Witnesseth:

E Gardner Brownlee

Charles Dougs

Harry C Henderson

We, further beneficiaries of the trust set up by the aforesaid agreement assign and transfer our interest to the Larrigon Mining Co., a Montana Corporation as fully as have the above named persons.

E L Bahn

E J Smith

Witnesseth:

E Gardner Brownlee

RECEIVED
Air mail - special
MAR 8 1963
U. S. G. S.
SPOKANE, WA.

# A S S I G N M E N T

Comes now CHARLES DUUS, of Hamilton, Montana, and HARRY C. HENDERSON, of Amarillo, Texas, being the persons named as the Second Party, in a certain contract or agreement, dated on the 1st day of November, 1959, by and between Myrtle Berggren and Grant W. Berggren, husband and wife, of Hamilton, Montana, as the first parties, and the undersigned as second party, and which agreement was put into effect and also clarified on the 23rd day of January, 1960, and for and in consideration of the sum of One Dollar and other good and valuable consideration and to fully put into effect the agreement for the beneficiaries thereof, do by these presents assign, transfer and set over to LARRIGON MINING CO., a Montana Corporation, all right, title, estate and interest in and to the said contract including the full possession of the property described in the said agreement and including the obligation to do and perform the things required by said agreement including the making of the payments necessary.

Dated this 12th day of March, 1960.

Witnesseth: /s/ Charles H. Duus

/s/ E. Gardner Brownlee

/s/ Harry C. Henderson

We, further beneficiaries of the trust set up by the aforesaid agreement assign and transfer our interest to the Larrigon Mining Co., a Montana Corporation as fully as have the above named persons.

/s/ E. D. Baker

Witnesseth: /s/ C. J. Smith

/s/ E. Gardner Brownlee

RECEIVED
Air mail-
MAR 9
SPOKA

STATE OF MONTANA )
: ss.
COUNTY OF RAVALLI )

I HEREBY CERTIFY that the attached assignment is a true and exact copy of what it purports to be.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal this 6th day of March, 1963.

Gerald D. Schultz
Notary Public for the State of Montana
Residing at Hamilton, Mont.
My Commission expires June 19, 1964

RECEIVED
Air mail-sp. del.
MAR 8 1963
U. S. G. S.
SPOKANE, WASH.

MME Form 40
Dec. 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

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

RECEIVED
Reg. - R. R.
AUG 22 1962
U. S. G. S.
SPOKANE, WASH.

24 1962
O.M.E.

# APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

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

LARRIGON MINING COMPANY
P. O. BOX 391
HAMILTON, MONTANA

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6270

DATE RECEIVED: August 24, 1962

REGION: I

DIVISION CODE:

**BUSINESS ORGANIZATION** *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED: Montana

**LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE**

| NAME | ADDRESS | TITLE |
|---|---|---|
| E. D. Baker | Box 190, Borger, Texas | President |
| H. C. Henderson | Amherst, Texas | Vice President |
| George G. Boyd | Box 630, Borger, Texas | Secretary |
| E. Gardner Brownlee | Box 375, Hamilton, Montana | Treasurer |

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

ESTIMATED COST OF PROJECT: $ 60,000.00

| PROPERTY NAME | LOCATION COUNTY | STATE |
|---|---|---|
| Larrigon Mine | Ravalli | 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.

August 18, 1962
DATED

LARRIGON MINING COMPANY
BY *(Signature)*
E D Baker President
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) Evidence showing efforts to secure financial help from Banks first the Ravalli County Bank of Hamilton, Montana which is the bank where the corporation normally does busines and second the First National Bank of Borger, Texas which bank is located in the area where most of the corporation stockholders live. Letters are attached hereto showing such efforts.

(b) There are no other companies or persons interested.

(c) The corporation will sell more corporate stock to finance its share of the exploration work. The present stockholders have indicated their willingness to purchase stock for this purpose and have been and are doing so during the time this loan is being prepared so as to keep the work moving but the loan is necessary as they are unable to provide all that is necessary.

2. Applicant's Rights in Land;

(a) The corporation is in possession of the property by virtue of an agreement with Myrtle Berggren as the actual land owner, a copy of all instruments regarding this are attached hereto.

(b) The legal description of the property is:

Lode Mining Claims situate in the Overwich Unorganized Mining District in Ravalli County, Montana, and which claims are known as follows:

WASHINGTON CLAIM
VISCAYA CLAIM
LAURRAURI CLAIM
EURRECHEEA CLAIM
LOST CABIN LODE MINING CLAIM.

The claims are held by virtue of certificates of Location and Location Notices filed on Record in Book 6, of Quartz Location Records on Pages 111, 116, 117, 118 and 131, of Ravalli County, Montana.

(b) cont'd

The annual assessment notices are also filed with the Clerk and Recorder of Ravalli County, Montana.

The property generally is known as the Larrigon Mine on Taylor Creek in the West Fork Area of the Bitter Root River.

(c) Form MME 52 is attached hereto.

LARRIGON MINING CO.
Box 391
Hamilton, Montana

3. PHYSICAL DESCRIPTION:

(a) The property has been explored and partially developed - more recently by surface dozer cuts and excavations - but originally by miscellaneous tunnels, cross-cuts, stoping etc., the older work being caved and not presently accessible for examination. Although no past production figures are available, it is reasonable to assume that a moderate gold production was achieved in the earlier operations inasmuch as crude milling equipment, tailing accumulations and substantial underground workings (suggested by old mine dumps) so indicate. Free gold and bullion was the nature of production. Recent dozer workings have disclosed vein structures, some of which have produced quantities of rather good gold ore. The surface method of extensive dozer mining on comparatively narrow, high-grade ore-shoots, within fissure veins, did not prove satisfactory because considerable ore was obviously dissipated in this manner. The ore which was selectively saved, produced average values for milling purposes in excess of $50.00 per ton. The presently exposed mineral areas suggest underground mining to be the most feasible, a tunnel and cross-cut approach being indicated from topography and available surface geological data. A cross-cut has recently been commenced at mill level, but has been temporarily discontinued pending financial consideration.

LARRIGON MINING CO.
Box 391
Hamilton, Montana

The enclosed maps (Plates No. 1 and 2), prepared from transit survey, indicate insofar as possible, the existing workings. Production facilities include a recently constructed, 50-ton gravity and amalgamation plant, which is more fully described upon Plate No. 4 and attached photos.

(b) The applicant carried forward all recent operations covered under "(a)" above.

(c) Past production is not known although believed and reported to be rather substantial insofar as a prospectors ability, using crude methods, might be concerned. No organized sampling has been recently accomplished. The attached tabulation sets forth available assay information. Present surface exposures in the main "open pit" have been more or less selectively removed or are otherwise caved or covered by sloughing.

(d) The exploratory and development work has not progressed sufficiently to intelligently calculate reserves.

(e) See report under 3 (g).

(f) See report under 3 (g).

(g)

# PRELIMINARY REPORT-LARRIGON MINE

A preliminary transit survey of the Larrigon mine surface workings was made by this engineer to determine vein positions, elevations and distances, in order to arrive more intelligently at approximate projections for use in determining the most logical means of further exploring the presently exposed veins on the property. It is noted that the principal workings to date are situated within the boundaries of the Washington lode and that two, more or less parallel vains, have reportedly had substantial past production of high-grade ore. Recent limited selective mining substantiates the fact of the presence of high-grade gold ore of commercial quality. An economically feasible depth limit has been reached by surface bulldozing; thus an underground approach is now indicated.

The two veins above mentioned are most definitely identifiable, and their characteristics as to strike and dip appear to be quite regular, particularly at the present lowermost exposures. Near the top of the mountain there apparently has been considerable disturbance in the nature of fracturing and erosion activity. It may be reasonable to assume that the veins will remain regular, and possibly become stronger and more pronounced as they project downward. Presently, a rake to the southeast and a mineralized ore-shoot containing numerous lenses of high-grade ore, would appear to be more or less established on both veins. From limited observation such ore-shoots could possibly approach a vertical rake position, which situation should be taken into consideration in an indicated exploratory cross-cut and drifting project.

Briefly, the survey establishes a vertical distance from mill-ore-bin level to the main Larrigon tunnel of 189 feet; and from this tunnel to the lowermost dozer exposures of both veins, an approximate distance of 128 feet is calculated. From the mill position, an approximate horizontal distance of 550 feet is shown. The top of the mountain is 386 feet above mill level.

If the rake of the surface ore-shoots in both veins should be vertical, a development and exploratory tunnel should be planned to cover a maximum distance of between 550 and 600 feet. If the ore-shoots should rake off the vertical, to the southeast as indicated, this distance would be substantially reduced. Also, there is sufficient distance to cover from the mill to the known ore bodies to include other ore structures yet unexposed beneath the heavy overburden of the mountain side. Such a situation is highly probable and worthy of consideration.

LARRIGON MINING CO.
Box 391
Hamilton, Montana

Although this engineer was unable to personally so observe, due to overburden etc., it is reliably reported that some cross-fracturing to the main ore-bearing structures exist in the mineral zone. In my experience such fractures quite often produce enrichments in ore structures, and it is my opinion that such is the case in the Larrigon mine.

Geologically, my observation is that the Larrigon ore deposits occur within a highly fractured zone some several hundred feet in width, containing numerous veins and veinlets of various dimensions, within and paralleling the main structure and interrupted at irregular intervals by cross fracturing of miscellaneous intensity, thus laying the groundwork for ore deposits, some of which could be of rather substantial size. The above mineral zone (insofar as my limited observation would permit) consists of one or more dykes of rhyolitic rocks (not true rhyolites) which cut through a rather complex shale-argellite sedimentary series, along which the ore veins appear. The ore occurs in a quartz matrix, sometimes finely crushed and often in massive form. Heavy iron oxides and some manganese mineralization, together with talc and inclusions of country rock make up the vein filling.

It is my suggestion that the property be further explored and developed by drifting and cross-cutting from a position near the mill; that the most practical location for commencement of the tunnel be seriously considered as to accessibility to the mill, the nature and structure of the ground and the most direct, practical, route to the projected ore-shoots as now exposed.

In order to provide for a continuous, economically sound operation, it is imperative that the ore-shoots be properly identified and the ore limits exposed to such an extent that proper reserve inventory might be arrived at. My thought at this time is that the mine should be considered from a viewpoint of average, high-grade, production rather than a larger lower-grade operation. It must be remembered that the mine is presently merely a "prospect" with much virgin ground yet remaining for intelligent exploration.

Regarding the transit map, more detail must first be accumulated before an intelligent presentation can be made. At this stage, the map presents only points, elevations and limited vein detail.

Respectfully submitted,

Steve J. Giulio
Mining Engineer

Field work: May 6th & 7th., 1961
Report: May 12th., 1961

LARRIGON MINING CO.
Box 391
Hamilton, Montana

# LARRIGON MINING COMPANY MILL FLOW SHEET

| | |
|---|---|
| CRUSHER: | No. 2 Cedar Rapids Jaw Crusher - 9 x 16<br>15 HP Induction motor drive. |
| CONVEYOR: | Capacity 2 Ton/Hour; 24' Centers; 18"<br>Belt; ½ HP Geared Link Belt Drive. |
| GRINDING: | Cully Whirlwind Ore Disintegrator; 30 HP<br>US Motor Drive; 50 Ton Capacity/24 Hours. |
| TREATMENT: | Scotts Concentrator; 12' x 30" Wide;<br>with electric motor drive.<br>Denver Amalgamation Barrel 24" x 48"<br>with Electric Motor drive. |
| POWER PLANT: | 75 KW D 1300 Caterpillar Generator. |
| WATER SUPPLY: | 50 Gal/Min pumping plant. |

LARRIGON MINING CO.
Box 391
Hamilton, Montana

PLATE NO.

TABULATION OF AVAILABLE ASSAYS:

| DESCRIPTION | WIDTH | ASSAYS GOLD OZ | ASSAYS SILVER OZ |
|---|---|---|---|
| South Larrigon Vein-Open Pit | 1.5 | 2.84 | |
| South Larrigon Vein-Open Pit | 4.0 | 0.26 | |
| Open Pit Sample No. 1 | 0.6 | 4.84 | 0.30 |
| Sample No. 2 | | 1.50 | |
| Sample No. 3 | | 0.36 | |
| Sample No. 6 | | 0.78 | 0.10 |
| Sample No. 10 | | 1.56 | 0.40 |
| Sample No. 11 | | 0.06 | |
| Sample No. 12 | | 0.04 | |
| Test Sample To Colorado School of Mines ---------- | | 3.20 | |
| Test Sample To Denver Equipment Company ---------- | | 0.43 | 0.97 |
| | | 0.94 | 0.16 |
| Mill Samples Test Run: | | | |
| Heads ---------- | | 2.01 | |
| Puddle Box ---------- | | 189.60 | |
| Tails ---------- | | 0.22 | |
| Small Concentrate Shipment to American Smelting & Refining Company, East Helena, Mont ------ | | 14.03 | 0.3 |

LARRIGON MINING CO.
Box 391
Hamilton, Montana

4. ACCESSIBILITY OF PROPERTY:

The mine is distant from Hamilton, Montana, southerly, approximately 61 miles, over 23 miles of US 93; thence up the West Fork of the Bitterroot over 20 miles of oiled highway, ten miles of good graded, gravel road and 8 miles of fair mountain road. The last approach to the mine is up Hughes Creek and to the left on Taylor Creek. The mill is near creek level at an approximate elevation of 6000 feet, and the various mine workings are reached by good dozer roads.

Shipping points would be either Hamilton or Darby, Montana, both towns being serviced by a Northern Pacific branch line from Missoula, Montana and also highway truck service over US 93.

Equipment and supply points are Butte, Helena and Missoula, Montana and Spokane, Washington. Lumber and mine timbers are available in the immediate vicinity of the mine.

Correspondent to be contacted for mine examination is ~~Charles H. Duus, RFD No. 2, Box 229, Hamilton, Montana. (Phone 042R3).~~ E.D. Baker, President, Larrigon Mining Co., P.O. Box 190 Borger, Texas. [Phone BR 3-7501]

LARRIGON MINING CO.
Box 391
Hamilton, Montana

5. EXPLORATION WORK:

(a) The general location of the contemplated exploration work is set forth upon the enclosed Plates No's. 1 and 2. About 700 feet of drifts and cross-cuts are considered, such underground work being five feet by seven feet in the clear of timber, and will include possible intermediate workings which may be more strategically located as the ore structures are better identified. The nature of the ground suggests that timbering will be required over the entire drifting distance, presumably at five foot intervals per set. If exceptionally difficult ground should be encountered, the spacing of some sets may be required at closer intervals. About 500 feet of raising is planned, such raises to be located in accordance with ore and vein structures which might be identified in the main tunnel exploratory work. Such raises will be approximately 4' x 8' in the clear of timber and will require timbering, including a chute and manway.

(b) With exception of minor short roads, the property is accessible at all points by serviceable roads.

(c) If an OME contract is executed, work can be commenced immediately. Limited tunnel work might be performed in advance of such time.

6. EXPERIENCE:

Experienced workmen are available to conduct the contemplated work, and qualified supervision and engineering service may also be readily obtained.

LARRIGON MINING CO.
Box 391
Hamilton, Montana

7. ESTIMATE OF COSTS:

(a) Not applicable.

(b) Personal Services:

| TYPE OF SERVICE | | REQUIRED WORKMEN | WORK PERIOD | SALARY OR WAGE | |
|---|---|---|---|---|---|
| 1. Supervision ---------- | | 1 | Month | $ 600.00 | |
| 2. Engineering-Geological- Consulting ---------- | | Various | ( Periodic ( Month | $ 500.00 | |
| 3. Labor: | Miners | 6 | 6 da wk | $ 21.00 | da |
| | Surface | 2 | 6 da we | $ 18.00 | da |
| | Dozer Operator | 1 | Periodic | $ 25.00 | da |
| | Misc | 1 | 6 da wk | $ 18.00 | da |

(c) Equipment Available: (Costing Over $50.00/Unit)

| | | DESCRIPTION | COST |
|---|---|---|---|
| | 1 | McCullough Chain Saw ---------- | $ 250.00 |
| | 1 | Eimco 12B Mucker ---------- | 2000.00 |
| | 1 | 20 Cu Ft Mine Car ---------- | 50.00 |
| | 1 | Gardner-Denver 285 Cu Ft Compressor with UD 18 International Diesel V-Belt Drive Power Unit ---------- | 6000.00 |
| | 1 | Ingersoll-Rand Jackhammer with Jack Leg ---------- | 1200.00 |
| | 1 | 1951 GMC 5-Ton Dump Truck ---------- | 2000.00 |
| * | 1 | 1957 S-1-20 4 x 4 International Pickup ---------- | 3500.00 |
| | 1 | 300 Amp Arc Welder ---------- | 500.00 |
| | | A large Allis Chalmerw Diesel Dozer and an end loader (gasoline) is available for use. Individually owned. | |
| * | | Purchasing under conditional sales contract. | |
| | | TOTAL ---------- | $ 15500.00 |

UNIT COST ESTIMATES:

| DESCRIPTION | DETAIL | PER FOOT |
|---|---|---|
| DRIFTS & CROSSCUTS: ---------- | --------- | $ 50.00 |
| Accounted For As Follows: | | |
| Labor ---------- | $ 21.50 | |
| Payroll Taxes (uc-sspins) ---------- | 4.00 | |
| Pipe & Rail ---------- | 3.50 | |
| Timber ---------- | 4.00 | |
| Explosives (Powder-caps-fuse) ---------- | 5.00 | |
| Power (Diesel-Electric & Diesel) ------- | 4.00 | |
| *Incidentals ---------- | 8.00 | |

*Includes supervision, engineering, assaying, repairs, ventilation, drill steel, bits, etc.

Contemplated 5' x 7' workings requiring timbers and hand tramming. Drilling water must be transported.

LARRIGON MINING CO.
Box 391
Hamilton, Montana

UNIT COST ESTIMATES:

| DESCRIPTION | DETAIL | PER FOOT |
|---|---|---|
| RAISING: ---------- | -------- | $ 45.00 |

Accounted For As Follows:

| | |
|---|---|
| Labor ---------- | $ 20.00 |
| Payroll Taxes (uc-ss-ins) ---------- | 3.50 |
| Pipe & Fittings ---------- | 1.00 |
| Timber ---------- | 4.00 |
| Power (Diesel-Electric & Diesel) ------- | 4.00 |
| Explosives (Powder-caps-fuse) ---------- | 4.00 |
| Vent Pipe & Accessories ---------- | 1.00 |
| *Incidentals ---------- | 7.50 |

*Includes supervision, engineering, assaying, repairs, drill steel, bits, etc.

A 6' x 8' average size raise requiring square sets and 3" chute lining with possible cribbing at intervals. Cost includes tramming to surface.

LARRIGON MINING CO.
Box 391
Hamilton, Montana

COST ESTIMATES:

| DESCRIPTION | DETAIL | TOTAL |
|---|---|---|
| TOTAL PROJECT ---------- | --------- | $61880.00 |
| Accounted For As Follows: | | |
| *Drifts & Crosscuts (700' @ $50) ---------- | $ 35000.00 | |
| Raising (500' @ $45) ---------- | 22500.00 | |
| Long Holes (1000' @ $1.50) ---------- | 1500.00 | |
| Dozer Work (20 days @ $18/Hour) ---------- | 2880.00 | |

*Includes Intermediate Drifts and cross-cuts.

LARRIGON MINING CO.
Box 391
Hamilton, Montana

# GENERAL REMARKS

The mine was discovered by Raymond Larrigon about 1918 while tending sheep in the area. He succeeded in making a good living, working the mine by himself, using crude milling and mining equipment. No crude ore was shipped during this operating period.

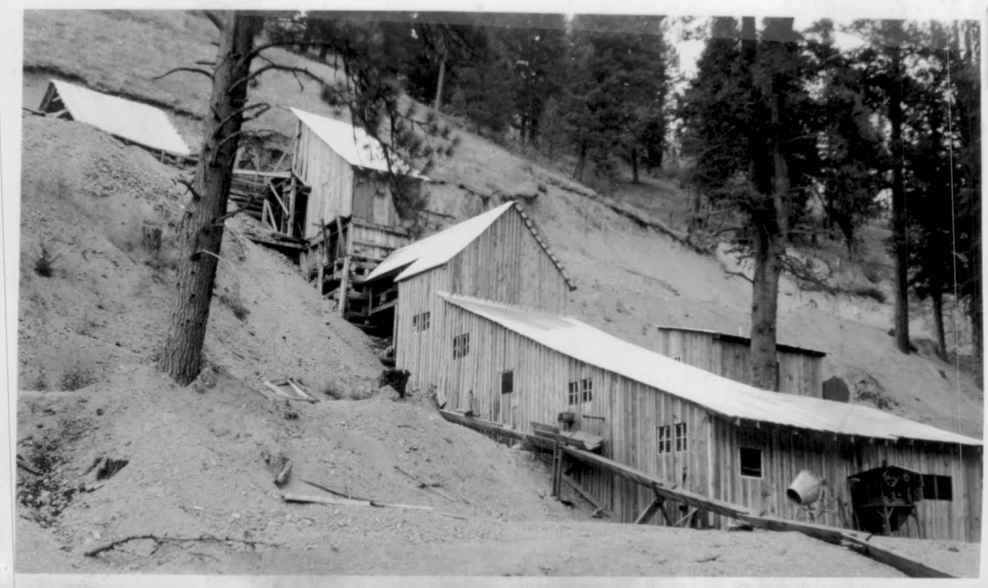
Larrigon disposed of the property about 1950, upon his decision to retire, the mine subsequently being acquired in 1959, under Lease & Bond, by Larrigon Mining Company, a Montana corporation. Copy of the lease is attached herewith.

Metallurgical test work on Larrigon ore was made by the Colorado School of Mines Research Foundation, Inc., as well as Denver Equipment Company, in 1960, when the present mill was constructed. The above metallurgical reports are available for examination at the company office in Hamilton, Montana.

The present mill flow sheet was compiled from information contained in the above metallurgical recommendations. Some continued mill research is planned to further improve mill operation. To this date the mill has been operated only intermittently over short periods for test work only.

The tabulation of sampling and assays shown in this report might be considered representative, although much more sampling was done. No concerted effort was made to keep sampling and assay records, thus records of many of the samples have been lost or otherwise misplaced in handling.

LARRIGON MINE OPEN PIT



LARRIGON MILL

LARRIGON MINING CO.
Box 391
Hamilton, Montana

[illegible] Sixth Avenue
Helena, Montana
August 20, 1962

Mr. O. E. McClure, Acting Chief
United States Department of Interior
Office of Minerals Exploration
South 157 Howard Street
Spokane 8, Washington

Re: Larrigon Mining Company Application

Dear Mac:

I have been requested by Larrigon Mining Company to submit to your office for consideration, their application for financial assistance in minerals exploration. In accordance therewith I submit the following:

The original and 2 copies of application.

One copy of lease agreement & amendments.

Four copies of Lien or Subordination Agreement

Correspondence with Ravalli County Bank of Hamilton, Montana and First National Bank of Borger, Texas relating to requests for a mining loan by the company.

For your information, the engineering was performed some time ago and the application withheld during a reorganization period. Recently the proposed cross-cut was commenced, has been extended a short distance towards the indicated target, and is presently being pursued under contract & continue to do the engineering and work clearance supervision.

Undoubtedly I will be authorized to accompany you & the Larrigon mine if and when a field examination might be indicated.

Sincerely,

Steve Al Mathes

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U.S.G.S.
SPOKANE, WASH.

Borger, Texas
June 4, 1962

Ravalli County Bank
Hamilton, Montana

Gentlemen:

Attached is an exploration proposal and estimates concerning the proposed development of the Larrigon Mine.

In order that we might be assured of carrying out this development, we would like to make application for a loan in the amount of $60,000.00.

Should there be any further question that you would like to have clarified, please contact our Treasurer Judge Gardner Brownlee of Hamilton, Montana.

Very truly yours,

E. Don Baker, President
Larrigon Mining Company
EDB:jb

COPY

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U S G. S.
SPOKANE, WASH.

# Ravalli County Bank

225 WEST MAIN STREET • BOX 113 • HAMILTON • MONTANA

R. WICKHAM BAXTER • President

July 17, 1962

Mr. E. Dan Baker, President
Larrigon Mining Company
Borzer, Texas

Dear Mr. Baker:

Thank you for presenting us with your Larrigon Mining exploration proposal which we have perused with a great deal of interest. This is written in connection with your $60,000.00 loan application for the purpose of carrying out the development work outlined in the proposal.

We greatly appreciate the account relationship we have enjoyed with your good company; however, we are unable to extend a line of credit in the amount you requested. We have had a long standing policy against loans for mine development work principally because it represents an unproven venture. Further, the amount you request is beyond the legal lending limitations of this bank.

We are sorry to have to turn down your request.

Sincerely,

R. WICKHAM BAXTER
President

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U S G. S.
SPOKANE, WASH.

Borger, Texas
May 25, 1962

First National Bank
Borger, Texas

Attn: Charles E. Cooke, Jr.

Gentlemen:

Attached is an exploration proposal and estimates c ncerning the proposed development of the Larrigon Mine.

In order that we might be assured of carrying out this development, we would like to make ap lication for a loan in the amount of $60,000.00.

Should there be any further question on which you would like clarification please call me, or I would be more than happy to appear before the Loan Committee.

Very truly yours,

E. Don Baker, President
Larrigon Mining Company

EDB:jb

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SPOKANE, WASH.

1ST NATIONAL BANK
think ... FIRST
Faithful Service
First National Bank
BORGER, TEXAS

May 29, 1962

CHARLES E. COOKE
Executive Vice President

Larrigan Mining Company
Hamilton, Montana

Gentlemen:

This is in reply to your loan application of May 25, 1962, in which you requested a loan for $60,000.00 for a period of six months. You enclosed a mining report on your operations made by Mr. Steve J. Giulio, mining engineer. It is our understanding this loan would be used for various developments and exploration procedures at your mine site.

We appreciated the opportunity to look over this application, particularly since some of the stockholders in your company are known personally to us. We submitted your application to the Discount Committee on the basis that the $60,000.00 loan would be secured by the various mining equipment owned by the company and that it would be retired at the six months period requested. I am sorry to say that the loan was declined, primarily on the feeling that the operation is somewhat a speculative one which certainly could not produce the income to retire the indebtedness within the six month period. Other factors were considered and these included the fact that loans of this type are difficult to justify as a bankable one where very little is known about the operation by the officers of the bank.

Thank you, again, for your letter.

Very truly yours,

Charles E. Cooke, Jr.

Charles E. Cooke, Jr.
Executive Vice President

CEC/bb

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SPOKANE, WASH.

# A G R E E M E N T

THIS AGREEMENT, made and entered into this 1st day of November, 1959, by and between MYRTLE BERGGREN and GRANT W. BERGGREN, husband and wife, of Hamilton, Montana, first parties, and CHARLES DUUS, of Hamilton, Montana, as Trustee for Harry C. Henderson and others of Amarillo, Texas, and elsewhere, second party,

## W I T N E S S E T H

That first parties, in consideration of the sum of $9,000.00 to them in hand paid by second parties, the receipt of which is hereby acknowledged, and in further consideration of the rents and royalties to be paid and the covenants and conditions to be kept and performed, as herein named, by the second party, do hereby let, demise and lease unto the second party, that certain mining property in the Overwich Unorganized Mining District in Ravalli County, Montana, which said property is described in Exhibit "A" which is hereunto attached and by this reference made a part hereof, to have and to hold the same, for the purpose of mining, and exploring for minerals, for the term as hereinafter specified. The second party, for and in consideration of the leasing of the premises, covenants as follows:

1. That second party will pay to first parties the sum of $1,000.00 per month, payable monthly, commencing on or before December 1, 1959, and monthly thereafter so long as second party shall occupy the premises. In connection herewith, it is agreed between the parties that second party has a credit to be applied against this $1,000.00 per month, in the amount of $3,450.00, and that said credit may be applied at the rate of not to exceed $1,000.00 every three months toward the payment of said $1,000.00 per month.

2. That second party will work said mining claims, in a thorough and workmanlike manner, and in accordance with good mining [illegible] and will commence operations thereon at once, weather permitting, and will work the claims continuously thereafter, weather, strike, and acts of God permitting, and will regularly, and at not

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less than monthly intervals, make shipments of the gold recovered therefrom to the United States Mint, and will render monthly statements to first parties showing the amount of ore taken from the premises and the yield thereof, and the monthly mint returns, and shall pay to first parties a royalty in an amount equal to 12½% of any and all gross mint returns in excess of $1,000.00 per month. Said royalty payments are to be made to first parties immediately upon receipt of the mint returns, and the monthly statements and supporting vouchers are to be delivered to J. Roland Peterson, C.P.A., for inspection on behalf of first parties, or to such other accountants as first parties may from time to time designate in writing. Further, in the event other valuable minerals or ores are recovered, second party shall apply the net returns from the smelter or reduction works to which the ores and minerals are shipped, first to the costs of shipping, and, in the event the remaining balance exceeds $1,000.00 in the month received, or in the event that the combined remaining balance and the gross mint returns exceed $1,000.00 in the month received, to pay first parties a royalty of 12½% of the excess over $1,000.00. If the combined mint returns on gold, and the net smelter and reduction works returns on other valuable minerals after payment of transportation charges thereon, during any month do not exceed $1,000.00, no royalties will be due to first parties during that month.

4. Second party agrees to ship all ore and valuable minerals with reasonable diligence after mining, and not to stock pile beyond the limitations of good mining practice, and to ship and sell all ore and minerals in stockpile, concentrates or tailings upon the premises during the period of this agreement, when it is commercially feasible to do so.

5. That in the event second party fails to make the monthly $1,000.00 payments, either in cash, or by credit from the $3,450.00 as aforesaid, or fails to pay any royalty payments to first parties as the same may become due as aforesaid, and such payments shall remain

in default for thirty days after written notice of such default by first parties, or in the event that second party fails to perform any of the covenants of this agreement by him to be kept and performed, and fails to remedy such default within thirty days after written notice of such default, that then and in that event, second party will remove at his own expense all of his property from such premises and all improvements which he may have placed thereon and which may be removed without material damage to the premises, and quietly and peaceably yield possession of said premises, to first parties, and shall have no further rights therein.

6. Second party will perform all assessment work required to be performed to maintain the aforesaid claims and to prevent them from lapsing and will on or before the date required by law file the necessary statements and affidavits of performance.

7. Second party agrees to allow the first parties or their duly authorized agent or representative at any and all times to enter and visit all parts of the leased premises and the workings thereon for the purpose of inspection and taking of assay samples, to take samples from any ores awaiting shipment, to have surveys made of the workings by the first parties' surveyors whether under or above ground or both and also to furnish to first parties copies of blueprints of all surveys or maps made by the second party; and generally to facilitate in every way such inspection, surveys and sampling as above provided.

That first parties, in consideration of the rents and royalties to be paid by second party, and the covenants on his part to be performed, covenant and agree as follows:

1. That $8,000.00 of the $9,000.00 down payment hereinabove referred to will be placed in escrow in the Ravalli County Bank of Hamilton Montana, with instructions to said Bank to disperse the same as the final payment to Raymond Larragan, the locater of the aforesaid mining property, under his contract of sale thereof to first parties, upon deposit of a good and sufficient deed

to said premises from said Raymond Larragan to first parties, or either of them.

2. First parties covenant and agree with second party that they are entitled to possession of said premises and can lease the same, and that they will save second party harmless from any claims of any other persons whomsoever, claiming by, through or under first parties, and that parties of the first part, their heirs, successors and assigns do hereby covenant that so long as this Agreement shall remain in force, that they will forever warrant and defend all right, title and interest in and to the above described premises and the quiet and peaceable possession thereof unto the party of the second part, individually and as Trustee, and to his heirs, successors and assigns and to any person lawfully claiming through him. If any defense of title shall become necessary during the term hereof and first parties refuse or neglect to make such defense, second party may at his option do so and deduct any reasonable cost or expense of such defense from any rent, royalties or other moneys due or to become due to first parties.

3. It is agreed that the second party shall have the right during such times as he is entitled to possession of the premises hereunder to work all of the premises herein described and referred to in mine fashion and to extract and remove therefrom all ores and minerals which may be encountered and which in the second party's opinion may be desirable to extract or remove.

Further, in consideration of the premises, it is agreed between the parties as follows:

1. That during the term hereof, second party shall pay all taxes and assessments upon said premises and arising because of the operation thereof, EXCEPT, first parties shall pay their proportionate part of any metals mines tax and also, EXCEPT, first parties shall pay that portion of the net proceeds tax attributable to the royalties received by them.

2. The second party, except as herein expressly excepted, hereby assumes all claims which may arise in favor of any individual, firm, or corporation, any tort or contract obligation arising out of the operation of the premises during such period as he shall be in possession thereof or incurred while he is in control of the premises and the second party will indemnify and keep indemnified the first parties, their successors and assigns, against any and all such claims and at his own cost and expense, defend such claims and pay any cost or judgment recovered thereon; provided however, that the second party shall not be under any obligation or duty to incur any liability whatsoever in connection with any claim which may be asserted by any person or corporation of ownership to any of the premises hereby leased or any ores or minerals mined or removed therefrom or for trespass on any of the premises hereby leased. This agreement is entered into on the understanding and basis that the first parties are the owner of the premises and ore bodies hereinabove described and referred to.

3. That when the total monthly payments including the $9,000.00 down payment and the $3,450.00 credit now in existence, but not including the royalty payments, shall total $150,000.00, if such shall occur, that second party may pay to first parites the additional sum of $25,000.00, and upon payment thereof first parties will deliver to second party, his heirs, successors and assigns, or to such person or corporation as shall be designated by second party, his heirs, successors or assigns, a good and sufficient warranty deed conveying the premises to second party, and that thereupon first parties shall have no further interest in the property or claim thereon for rents or royalties thereafter to accrue.

4. It is understood and agreed between the parties that no timber may be cut on said premises except in accordance with the Forest Service regulations.

5. It is agreed between the parties that first parties have the right to store on said premises the following described property, to-wit:

One Brickley Mill
Sprinkler Pipe
One old Compressor
One old Jaw Crusher
One old Grizzley
(all of the property of Woodfin)

and the old Larragan Mill and Mill building provided, however, that second party shall have the right to move any of said items from their present location if such location shall be inconvenient for his operation of the premises.

6. Any notice required by this agreement to be given by first parties to second party may be given by registered mail directed to second party at Hamilton, Montana, and shall be deemed given on the date of mailing.

7. This agreement shall be binding upon the heirs, executors, administrators and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have hereunto set their hands this 1st day of November, 1959.

Myrtle Berggren

Grant W. Berggren
FIRST PARTIES

Charles H Dunn TRUSTEE
SECOND PARTY

E X H I B I T " A "

Lode Mining Claims situate in the Overwich Unorganized Mining District in Ravalli County, Montana, and which claims are known as follows:

WASHINGTON CLAIM
VISCAYA CLAIM
LAURRAURI CLAIM
EURRECHEEA CLAIM
LOST CABIN LODE MINING CLAIM

and which claims are held by virtue of certificates of Location and Location Notices filed on Record in Book 6, of Quartz Location Records on Pages 116, 117, 118, and 131, Records of Ravalli County, Montana. Also included in the property are all veins, dips beyond the verticle side line of each and all of said claims, and all veins and dips leading from the said lode claims together with all and singular the tenements, hereditaments and improvements and other appurtenances thereunto belonging.

In addition to the above described property, there is included herein any further claims which may be filed by or for or on behalf of the above described property or the parties hereto, which claims are adjacent to the above claims.

RECEIPT FOR PAYMENT
and
Clarification of Agreement.

Comes now MYRTLE BERGGREN and GRANT W. BERGGREN, husband and wife, of Hamilton, Montana, who are the first parties in that certain contract of sale or agreement dated November 1, 1959 between themselves as first parties and Charles Duus as Trustee for Harry C. Henderson and others of Amarillo, Texas, who by this instrument acknowledge that said Agreement is to be put into full force and effect and second parties are entitled to enter into possession of the described mining claims. They acknowledge receipt of the sum of $8,000.00 which has been placed in escrow in the Ravalli County Bank as the contract provided. Further they acknowledge payment of the sum of $1,000.00 for the month of December, 1959, this is the only payment due for the year 1959 in spite of any proviso in the contract to the contrary. This payment of $1,000.00 is made by applying so much of the $3,450.00 credit mentioned in the contract. The next application of credit shall be for the month of March, 1960.

Further to Clarify the agreement it is understood that the contract should be interpreted so that the first parties are to receive 12½% Royalty per year or $12,000.00 per year whichever is the greater, it being understood that therefor some months late in any given year may go by without any $1,000.00 payment being due and owing by reason of the amount of Royalty payments therefofore made, in the amount of $12,000.00 or more.

Paragraph 3 on page two of the contract does not appear in the contract, this is an error in numbering the paragraphs and not evidence of any omission of any of the terms of the agreement.

Dated this 23rd day of January, 1960.

Charles Duus
Second Party

Myrtle Berggren
Grant W. Berggren
First parties

Beneficiaries of the trust.

STATE OF MONTANA )
) ss:
COUNTY OF RAVALLI )

On this 23rd day of January 1960, before me, Gerald D. Schultz, a notary public in and for the county and state aforesaid, personally appeared, MYRTLE BERGGREN, GRANT W. BERGGREN, CHARLES DUUS, E. D. BAKER AND C. J. SMITH, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same. Myrtle Berggren, Grant W. Berggren and Charles Duus further acknowledged to me that they executed the November 1st, 1959 Agreement.

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

Gerald D. Schultz

Notary Public for the State of Montana
Residing at Hamilton, Montana
My Commission expires June 19, 1961

(Seal)

# A G R E E M E N T

THIS AGREEMENT, made and entered into this 18th day of March, 1961, by and between MYRTLE BERGGREN and GRANT W. BERGGREN, husband and wife, of Hamilton, Montana, First Parties, and CHARLES DUUS, of Hamilton, Montana, as Trustee for Harry C. Henderson and others of Amarillo, Texas, and elsewhere, Second Party, WITNESSETH:

That, Whereas the parties hereto have heretofore on the 1st day of November, 1959, entered into an agreement for the mining and exploring for minerals, and

That, Whereas the First Parties have agreed to modify the terms of the required annual payments payable in the year 1961 to them under the covenants and agreements of the original agreement;

NOW, THEREFORE, for and in consideration of the payments which have already been made upon the original agreement, and for and in consideration of the continuation of mining and exploration of minerals by the Second Party, as provided in the original agreement, and for and in consideration of the further covenants and agreements herein set forth, it is agreed by the First Parties as follows:

1) That the required annual payments under the original agreement of 12½% Royalty or $12,000.00 per year, whichever is greater, be modified for the calendar year of 1961, as follows:

a) That any payments of said required annual payment made to date, during 1961, be credited against the said required annual payments, and

b) That the monthly payments required under the original agreement on the required annual payment be reduced to the sum of $250.00 beginning April 1, 1961, and monthly thereafter, for the year 1961, and

c) That on or before December 15, 1961, the difference

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between payments, credited or made as hereinabove set forth, during the year of 1961, and the required annual payment of 12½% or $12,000.00, whichever is greater, as provided in the original agreement, be due and paid.

2) It is understood and agreed further that the intention of this agreement to modify is only to modify the terms of the annual required payments for the year 1961, and no other covenants or agreements in the original agreement are to be changed or modified.

IN WITNESS WHEREOF, the parties have hereunto set their hands in duplicate this 18th day of March, 1961.

Myrtle L. Bergren

G. W. Bergren

FIRST PARTIES

STATE OF MONTANA )
: ss.
COUNTY OF RAVALLI )

On this 18th day of March, 1961, before me, Gerald D. Schultz, a notary public in and for the county and state aforesaid, personally appeared MYRTLE BERGGREN and GRANT W. BERGGREN, husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same.

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

Gerald D. Schultz

(Seal)

Notary Public for the State of Montana
Residing at Hamilton, Montana
My Commission expires June 19, 1961

# MODIFICATION AGREEMENT

THIS AGREEMENT, made and entered into this 2nd day of May, 1962, by and between MYRTLE BERGGREN and GRANT W. BERGGREN, husband and wife, of Hamilton, Montana, First Party, and LARRIGON MINING CO., a Montana Corporation, assignee of Charles Duus, of Hamilton, Montana, as Trustee for Harry C. Henderson and others of Amarillo, Texas, and elsewhere, Second Party, WITNESSETH:

That, Whereas the First Party and Charles Duus, of Hamilton, Montana, as Trustee for Harry C. Henderson and others of Amarillo, Texas, and elsewhere, heretofore on the 1st day of November, 1959, entered into that certain agreement for the mining and exploring of minerals, as clarified by agreement entitled "Receipt for Payment and Clarification of Agreement", dated the 23rd day of January, 1960, as modified by that certain contract entitled "Agreement", dated the 18th day of March, 1961, and

That, Whereas the First Party and the Second Party have agreed to modify the covenants, terms and conditions of said agreements;

NOW, THEREFORE, for and in consideration of the payments which have already been made upon the said agreements, and for and in consideration of the continuation of mining and exploration of minerals by the Second Party, as provided in the said agreements, and for and in consideration of the further covenants and agreements herein set forth, it is agreed by the parties hereto that the said agreements, for a period beginning the effective date of January 1, 1962, and continuing to December 31, 1963, shall be modified as follows:

1) That simultaneously with the execution of this agreement, the Second Party shall pay to the First Party the sum of Two Thousand Dollars ($2,000.00), the receipt of which is hereby

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SPOKANE, WASH.

acknowledged by the First Party, and that for the term hereof the Second Party shall not have to make the required annual payment of Twelve Thousand Dollars ($12,000.00) per year as provided in said agreement dated the 1st day of November, 1959, and said agreement dated the 23rd day of January, 1960; EXCEPTING, that Second Party shall pay to First Party Twelve and one-half (12½%) per cent of any and all gross mint returns, as Royalty, with accountings and gold shipments made at not less than monthly intervals as provided in Paragraph 2 of said agreement dated the 1st day of November, 1959.

2) The Second Party agrees to pay the sum of Eight Thousand Seven Hundred Fifty Dollars ($8,750.00) to First Party by the allowance to the First Party of an extra Five (5%) per cent of the gross mint returns, which extra Five (5%) per cent shall be paid for in the same manner and under the same terms and conditions as the Twelve and one-half (12½%) per cent Royalty hereinabove provided in Paragraph 1. It is distinctly understood that the said extra Five (5%) per cent Royalty shall continue until the said sum of Eight Thousand Seven Hundred Fifty Dollars ($8,750.00) is fully paid, regardless of the term hereof.

3) The First Party reserves the right to mine, extract and explore for minerals upon the premises leased to the Second Party until such time that it will substantially interfere with Second Party's milling of ores and minerals, and it is further agreed that the First Party shall have the right to use the Second Party's mill and the "Larragan Cabin" whenever he chooses during said time, and the First Party shall conduct his work in such manner as not to unduly interfere with or prevent Second Party's carrying out the terms of said agreements dated the 1st day of November, 1959, and the 23rd day of January, 1960.

4) It is distinctly understood and agreed that the said

Agreement dated the 18th day of March, 1961, is void forever.

5) It is within contemplation of the Parties hereto that the Second Party may make application for financial assistance in mineral exploration from the United States Government, and that in the event that the Second Party does make such application, the First Party agrees to timely execute all necessary papers and documents to facilitate the Second Party's receiving such financial assistance.

6) Upon the termination of this Agreement, except as hereinabove otherwise provided, the full terms and conditions of the said agreements dated the 1st day of November, 1959, and the 23rd day of January, 1960, shall again be in full effect.

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands in triplicate the 2nd day of May, 1962.

FIRST PARTY:

/s/ Myrtle Berggren
Myrtle Berggren

/s/ Grant W. Berggren
Grant W. Berggren

SECOND PARTY:

LARRIGON MINING CO.

By: /s/ E. D. Baker
President

ATTEST:

/s/ G. G. Boyd
Secretary

STATE OF MONTANA )
: ss.
COUNTY OF RAVALLI )

On this 2nd day of May, 1962, before me, Gerald D. Schultz, a Notary Public in and for the county and state aforesaid, personally appeared MYRTLE BERGGREN and GRANT W. BERGGREN, husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same.

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

/s/ Gerald D. Schultz
Notary Public for the State of Montana
Residing at Hamilton, Montana
My Commission expires June 19, 1964

(Seal)

STATE OF MONTANA )
: ss.
COUNTY OF RAVALLI )

On this 2nd day of May, 1962, before me personally appeared E. D. Baker and G. G. Boyd, to me personally known, who being by me duly sworn, did say that they are the President and Secretary respectively of Larrigon Mining Co., a Montana Corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said E. D. Baker and G. G. Boyd acknowledged said instrument to be the free act and deed of said corporation.

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

/s/ Gerald D. Schultz
Notary Public for the State of Montana
Residing at Hamilton, Montana
My Commission expires June 19, 1964

(Seal)

Extra Copy

**EXPLORATION CONTRACT**
**LARRIGAN MINING COMPANY**
**OME-6870**

**AMENDMENT NO. 1**

It is agreed this 10th day of July, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Larrigan Mining Company, hereinafter called the "Operator," that Exploration Contract No. 2160 (Docket OME-6870), dated February 14, 1963, is amended effective July 1, 1963, as follows:

In Exhibit A, under the heading Description of the Work, the second paragraph is deleted and the following paragraphs are substituted in lieu thereof:

> "From Station 9, in the drift driven under this contract, drive a crosscut on a bearing of approximately S. 50° W. for an estimated distance of about 130 feet to traverse the 'B' zone shear structure. The approximate location and extent of the crosscut are shown on the map entitled 'Figure 2 Larrigan Mine,' attached hereto and made part hereof.
>
> "With prior Government approval any drift, crosscut, or dog hole footages remaining in the contract may be used to further explore the 'B' zone shear structure by drifting along the zone in each direction from the crosscut and at intervals of approximately 50 feet in these drifts driving dog holes up to 20 feet deep into each wall."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor any item of allowable cost which is expressly designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnich
Director, Office of Minerals Exploration

LARRIGAN MINING COMPANY

By _____

Title _____

LEGEND
MISCELLANEOUS SHALE STRUCTURES
ARGILLITE VARIATIONS
FAULTING - SHEARING
MINERALIZED STRUCTURES
LARRISON MINE
20 SCALE
ARGILLITE
BRECCIA
POINT OF ONE PARTICIPATION
5500
5400
5300
5200
4400
4500
4600
4700
4800

PROJECT SUMMARY REPORT

By: F. M. Murphy April 29, 1964

1. OME-6270 (Gold)
Contract 2160

Operator - Larrigon Mining Company
P. O. Box 391
Hamilton, Montana

Property - Larrigon Mine
Ravalli County, Montana

Operator's Property Rights -
Lease on 5 claims in sec. 34, T. 2 S., R. 21 W., owned by Myrtle Berggren and Grant W. Berggren, 404 North Second Street, Hamilton, Montana. The owners executed a Lien or Subordination Agreement on July 11, 1962.

2. Contract dated February 14, 1963

Work Authorized -

600 feet of drifting and crosscutting
160 feet of dog hole work

Amendments -

No. 1, July 10, 1963, allows more latitude in the drifting, crosscutting, and dog hole directions

Work Completed -

| | |
|---|---|
| 397.78 feet drifts & X-cuts @ $36.00/ft. | $14,320.08 |
| 387.78 feet timbbering @ $8.00/ft. | 3,102.24 |
| 30 feet of dog holes @ $19.50/ft. | 585.00 |
| Consulting engineer | 1,430.00 |
| 5 assays for Au. | 10.00 |
| Total Acceptable Costs | $19,447.32 |
| Government Participation @ 50% | $ 9,723.66 |

Final Reports -

Operator's Final Report, December 23, 1963
Field Final Report - None

3. Report of Review, dated January 9, 1964

4. Certification not recommended

5. Project terminated by mutual agreement December 9, 1963

6. Comments -

The rocks in the area are highly altered shale and argillite beds that strike N. 50° - 52° W. and dip 25° - 47° SW. The beds are cut by at least two well defined zones of intense shearing which strike N. 60° W. and dip 65° - 70° SW. Veins occur as bands and lenses of quartz within the shear zones.

MacLaren examined the property on October 12, 1962. At the time of the examination, the Applicant had driven a crosscut 327 feet in length about 200 feet vertically below the oldest tunnel workings on the property. The X-cut had traversed one shear zone and the increasing shearing in the face of the X-cut indicated that the second shear zone was not too far ahead. Judging from surface exposures, MacLaren concluded that the apparent target area was northwest of the X-cut face and recommended that a modest program of exploration be directed/to that area.

The numerous structures traversed by the contract work showed only traces of gold. Although few assays were made, continual panning at regular intervals throughout the work disclosed the material was essentially barren.

In a memorandum dated November 4, 1963, Region I advised that no more work would be authorized and no certification would be recommended. Region I also requested the project be terminated by mutual agreement. The Washington office concurred in this request.

F M Murphy

F. M. Murphy

FMMurphy/mm
cc: Director's Reading
Docket

MME Form 17
Mar. 59

OFFICE OF MINERALS EXPLORATION

WORK COMPLETED ANALYSIS

No. ___ Certified

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

Operator: Larrigan Mining Company

Actual Cost: X

State: Montana

Agreed Unit Cost:

Final Report of Audit:

Commodity: Gold

Docket No.: OME-6270

Final Report of Review: 1/9/64

Contract No.: 2160

| 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 | 600' | 27,600 | 398' | 18,822 | 18822 |
| ~~Raising~~ Dog holes | 160' | 3,610 | 30' | 616 | 616 |
| Shafts | | | | | |
| Winzes | | | | | |
| Drilling (Specify) | | | | | |
| Surface Excavation | | | | | |
| Underground Excavation | | | | | |
| Roads and Trails | | | | | |
| Operating Equipment Purchased | | | | | |
| Surface Rehabilitation & Repairs | | | | | |
| Underground Rehabilitation | | | | | |
| New Building, Improvements, etc. | | | | | |
| Other (Specify) Assays | | 400 | | 10 | 10 |
| Totals | | $ 31,610 | | $ 19,448 | 2/ $ 19,448 |

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

Prepared by F M Murphy Date 1/29/30

52616

Murphy

UNITED STATES DEPARTMENT OF THE INTERIOR
Office of the Secretary

Voucher No. 1011-8

DOCUMENT FACE SHEET

1/30/64
(Date Prepared)

Payee Larrigon Mining Company

P. O. Box 391

Hamilton, Montana

Prepared by oas

Amount of invoice or voucher ..... $ 200.00

Deductions
Release of contract holdback per Report of
Amount approved Review dated 1/9/64..... 200.00

Less travel advance applied or amount withheld

Net total being paid ..... 200.00

Contract 2160, Reg. I

| Accrued Expenditure Register | |
|---|---|
| Account Debit | Amount |
| | |
| Credit | |
| Accounts Payable | |

Distribution of Total Cost

| Appropriation | Amount | Acc't No. | Object Class | Accrued Expenditure Paid | Accrued Expenditure Reversed | Obligation Liquidated | Oblig. No. |
|---|---|---|---|---|---|---|---|
| 14X6075(01) | 200.00 | | | | | | |

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Office of Minerals Exploration
656 U. S. Court House
Spokane, Wash., 99201

June 12, 1973

Mr. Willis M. Johns
Chief Geologist
Montana Bureau of Mines and Geology
Butte, Montana 59701

Re: OME-6270 (gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Johns:

Exploration under an OME contract was done at the Larrigon Mine between March 12, 1963 and October 15, 1963. The work included nearly 400 feet of drifts and crosscuts. The Government did not issue a Certificate of Possible Production and, on April 29, 1964, notified the Operator that it did not retain any claim or lien against the property subject to the contract or any future production therefrom.

Maps in our files that were prepared for the Operator may be obtained upon presenting written permission from the mine owners. The reports and maps prepared by OME personnel are not available to the public.

Sincerely,

Willard P. Puffett
Field Officer, Region I

cc: OME
DRF

Puffett/at

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
Room 656, U. S. Courthouse
W920 Riverside Avenue
Spokane, Washington 99201

June 4, 1970

Memorandum:

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Summary Final Report
OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

## INTRODUCTION

This report summarizes an OME exploration project for gold ore in veins cutting altered shale and argillite of the Ravalli Formation of Precambrian age about 40 miles south of Darby, Montana. The contract, dated February 14, 1963, for a total estimated cost of $31,610.00, of which the Government would contribute 50 percent or $15,805.00, was amended once. Underground work started March 12, 1963, and by October 15, 1963, when work ceased, totalled 397.78 feet of drifts and crosscuts of which 387.78 feet were timbered, 30 feet of doghole, and 5 assays. The contract was formally terminated December 9, 1963. No ore was found and there was no Certification of Possible Production. Accepted cost of the work was $19,447.32, of which the Government contributed $9,723.66. The Government received $7.38 in royalty from the sale of $147.53 of bullion to the Denver, Colorado, mint in July 1963.

FINAL FIELD REPORT

## OPERATOR

Larrigon Mining Company, a Montana Corporation
P. O. Box 391
Hamilton, Montana

Officers included the following:

| Name | Address | Title |
|---|---|---|
| E. D. Baker | Box 190, Borger, Texas | President |
| H. C. Henderson | Amherst, Texas | Vice President |
| George C. Boyd | Box 630, Borger, Texas | Secretary |
| E. Gardner Brownlee | Box 375, Hamilton, Montana | Treasurer |

The contract work was supervised by Mr. S. J. Giulio, Engineer, 838 Sixth Avenue, Helena, Montana.

## PROPERTY

The land subject to the contract consists of 5 lode mining claims in sec. 34, T. 2 S., R. 21 W., Overwich Unorganized Mining District, Ravalli County, Montana. The location notices of the claims are recorded in the Quartz Location records of Ravalli County, Montana, as follows:

| Claim | Book | Page |
|---|---|---|
| Washington | 6 | 116 |
| Viscaya | 6 | 117 |
| Larraui or Laurrauri | 6 | 118 |
| Eurrecheea or Eirrecochea | 6 | 131 |
| Lost Cabin Lode | 6 | 142 |

The Operator had rights to the claims under the terms of 2 agreements dated November 1, 1959, and January 23, 1960, between Myrtle Berggren and Grant W. Berggren, husband and wife, as first part, and Charles Duus, as trustee for Harry C. Henderson and others as second party, an Assignment from said Charles Duus, Trustee for Harry C. Henderson, et al., and a Modification Agreement, dated May 2, 1962, between the above first party and Larrigon Mining Company, assignee of Charles Duus as Trustee for Harry C. Henderson, et al.

The property can be reached by driving south from Darby, Montana, for 4 miles on U. S. Highway 93, turn right on paved road, and continue along South Fork of the Bitterroot river for 15.6 miles to the end of the pavement. Continue along good gravelled road for 14.6 miles, passing through the town of Alta. Turn left and follow an unimproved company road for 6.6 miles to Taylor Creek; turn left and proceed along Taylor Creek to the mine.

Prior to the contract work there were several old dumps and caved adit portals. An open adit was 327 feet long. Some mining had been done from an open pit. Sahinen (1957, p. 52) reported that G. W. Berggren operated a lode mine and mill on Taylor Creek in 1953; this is probably the same property as listed above. Apparently all the known workings are on the Washington claim (Figure 1 - Underground, Claim, and Index Maps, Larrigon Mine, Sec. 34, T. 2 S., R. 21 W., Ravalli County, Montana.)

## GEOLOGY

Bedrock in the property area consists of slates and argillite that are believed to be part of the Ravalli Formation or Group of Precambrian age (Sahinen, 1957, pl. 3). MacLaren (OME application report, Jan. 1963) reports the rocks are highly altered shale and argillite beds that strike N. 50-52°W., and dip 25-47°SW.; zones of intense shearing that trend N. 60° W., and 65-70°SW., cross the beds. Veins occur as bands and lenses of quartz within the shear zones; individually they are a few tens of feet long, and as wide as 5 or 6 feet. Similar veins were probably the source for much of the gold found in earlier times in the district (Lindgren, 1903, p. 68.) Assay data from samples collected by the OME examiner indicated only very low values in gold and silver. Assay data submitted by Mr. Giulio, engineer for the applicant, indicated higher quantities of gold and silver in the veins. The planned exploration was to search for ore-bearing veins below an area that had been mined in an open pit.

## PURPOSE OF PROJECT

The purpose of the project was to explore for gold-bearing quartz lenses or veins by drifting, crosscutting, and driving dog holes from the drifts in a wide shear zone cutting shale and argillite beds.

## CONTRACT

The contract, No. 2160, dated February 14, 1963, required that work start on or before March 20, 1963, and to be completed within 12 months from the contract date.

## DESCRIPTION OF THE WORK

From the end of the existing adit crosscut above the mill, drift northwesterly along shear zone "A" for approximately 300 feet and at intervals of approximately 50 feet drive dog holes up to 10 feet deep into each wall.

If the work along shear zone "A" indicates significant gold mineralization, at a point mutually agreed upon by the Operator and the Government drive a crosscut southwesterly from the drift along zone "A" for a distance of about 100 feet to cut shear zone "B". From the crosscut drift approximately 100 feet along shear zone "B" in each direction, and at intervals of approximately 50 feet along these drifts drive dog holes up to 10 feet deep into each wall.

The Government will contribute to the cost of not more than 600 feet of drifting and crosscutting, 600 feet of timbering in drifts and crosscuts, 160 feet of dog holing from the drifts, 200 assays for gold, and the fees for a consulting engineer-geologist who shall be employed not more than 4 days per month and for not more than a total of 26 days on the project.

## ESTIMATED COST OF PROJECT

| | | |
|---|---|---|
| **Actual Costs** | | |
| **Personal Services** | | |
| Consulting engineer-geologist | | |
| 26 days @ $65.00/day 1/ | $1,690.00 | |
| **Miscellaneous** | | |
| 200 assays for gold @ $2.00/assay | 400.00 | |
| **Fixed Unit Costs** | | |
| 600 feet of drifts and crosscuts | | |
| @ $36.00/ft. | 21,600.00 | |
| 600 feet of timbering drifts and crosscuts | | |
| @ $8.00/ft. | 4,800.00 | |
| 160 feet dog holes | | |
| @ $19.50/ft. | 3,120.00 | |
| Total Estimated Cost . . . . . | | $31,610.00 |
| Government Participation at 50 percent . . . . . | | $15,805.00 |

1/ Includes above per diem at the rate of $15.00/day.

The contract was amended on July 10, 1963 as follows:

Delete the second paragraph under Description of the Work and substitute the following:

"From station 9, in the drift under this contract, drive a crosscut on a bearing of approximately S. 50° W., for an estimated distance of about 130 feet to traverse the 'B' zone shear structure.

With prior Government approval any drift, crosscut, or dog hole footage remaining in the contract may be used to further explore the "B' zone shear structure by drifting along the zone in each direction from the crosscut and at intervals of approximately 50 feet in these drifts driving dog holes up to 20 feet deep into each wall."

## PROJECT WORK

Contract work started March 12, 1963. A drift was extended to the northwest along the trend of what was assumed to be the "A" zone (Fig. 1). Three dog holes explored the walls of the drift and, on his own account, the Operator drilled 8-foot long holes into the faces of the dog holes. No ore-bearing material was found after extending the drift about 250 feet and it was decided then to crosscut to the southwest to explore the "B" zone. This crosscut, about 200 feet long, intersected several northwest-trending fractures but none contained ore. Silicified argillite or shale is exposed near the southwest end of the crosscut, and this rock did not require timbering; timbering was necessary in the rest of the underground workings. Seven areas were sampled with essentially negative assay results (Fig. 1) The contract work ceased on or about October 15, 1963, as the original objectives of the contract had been explored unsuccessfully and further exploration was unjustified. A formal termination was agreed to on December 9, 1963.

Approved costs of the completed work are as follows:

| Item | Cost |
|---|---|
| Consulting Engineer | |
| 22 days @ $65.00/day | $ 1,430.00 |
| Assays for gold, | |
| 5 @ $2.00/assay | 10.00 |

| | |
|---|---|
| Drifts and crosscuts, | |
| 397.78 feet @ $36.00/ft. | $14,320.08 |
| Timbering, | |
| 387.78 feet @ $8.00/ft. | 3,102.24 |
| Dog holes, | |
| 30 feet @ $19.50/ft. | 585.00 |
| Total Approved Cost | $19,447.32 |
| Government Participation | $ 9,723.66 |

The Government retains no equity in any equipment or supplies at the property.

## REPORTS

The Operator submitted an acceptable final report with attached maps in December, 1963.

The Government's Report of Review was issued on January 9, 1964.

## PROJECT RESULTS

The completed work proved that the so-called "A" and "B" zones that were broadly delineated on the surface, do not contain ore where explored in the OME adit at a depth of about 300 feet. The seven samples taken for assay yielded only a trace to 0.02 ounces gold and trace to 0.10 ounce silver per ton. No ore reserves were indicated as a result of the work.

## CERTIFICATION

There was no Certification of Possible Production.

## PRODUCTION AND ROYALTY

In July, 1963, bullion produced at the Larrigon mine was sold to the mint in Denver, Colorado. According to the Operator's engineer, the bullion was derived from a limited tonnage mill test by the owner and lessor of the Larrigon Mining Claims, G. W. Berggren, under a verbal company agreement that he be allowed such privilege. The production (not to exceed an estimated 10 tons) was mined and/or gathered from numerous, narrow, scattered, surface structures over a period of several months, on a highly selective basis, and had no significance tonnage-wise in identifiable areas.

Final page of Summary nal Report

OME 6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

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The Bullion Deposit-Memo Report from the Mint listed 5.94 ounces with 721-1/4 fine gold, 269-1/2 fine silver, and 9-1/2 base. Total precious metal content was 4.284 ounces gold and 1.60 ounces silver, with a value of $147.53 from which the Government was paid a royalty of $7.38.

## SUMMARY

Apparently gold has been found at the Larrigon mine in narrow quartz veins in shear zones cutting altered argillite and shale. Some gold had been recovered by open pit mining. Underground work done as part of the OME contract failed to find gold-bearing structures 300 feet beneath the surface. Perhaps there are ore-bearing veins in oxidized zones near the surface and these, if very selectively mined, can yield economic quantities of gold. It is believed however, that the narrow, gold-bearing veins are too widespread to be mined by bulk mining methods and too thin to be mined individually. Nearby placers have been rich in gold and the source for the gold was probably in veins similar to that at the Larrigon mine. Unless new information is obtained regarding the veins, no further underground exploration at the Larrigon is warranted.

## REFERENCES CITED

Lindgren, Waldemar, 1903, Mineral deposits of the Bitterroot range and Clearwater mountains, Montana: U. S. Geol. Survey Bull. 213, p. 66-70.

Sahinen, U. M., 1957, Mines and mineral deposits Missoula and Ravalli Counties Montana: Montana Bur. of Mines and Geology, Bull. 8, p. 63.

Willard P. Puffett

Willard P. Puffett

Enclosure: Figure 1 - Underground, Claim, and Index maps, Larrigon Mine, Sec. 34, T. 2 S., R. 21 W., Ravalli County, Montana.

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OFFICIAL BUSINESS

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RETURN TO

NAME OF SENDER Office of Minerals Exploration
U. S. Geological Survey

STREET AND NO. OR P.O. BOX
Department of the Interior Bldg.

POST OFFICE, STATE, AND ZIP CODE Room 4459
Washington, D. C. 20242

POD Form 3811 Apr. 1967

655—10—71649-10

OME-6270

MME Form 7
(2/63)

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JUN 4 1970

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: Summary Final Report
OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Enclosed are three copies of the summary final report on the subject docket. Please sign the enclosed original copy of the last page and return it to this office.

Your draft copy of the report is returned herewith.

Harold Kirkemo (gla)

Harold Kirkemo

Enclosures

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
Mr. Kirkemo
130

BSLong/1 6/1/70

MME Form 7
(10-58)

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| | | |

APR 29 1964

Mr. and Mrs. Grant W. Berggren
404 North Second Street
Hamilton, Montana

Re: OME-6270 (Gold)
Larrigen Mining Company
Larrigen Mine
Ravalli County, Montana
Contract 2160

Dear Mr. and Mrs. Berggren:

Enclosed is a copy of a self-explanatory letter of today to Larrigen Mining Company, under the subject contract.

This correspondence relates to the Lien or Subordination Agreement signed by you on July 11, 1962.

Sincerely yours,

(signed) FRANK E. JOHNSON (gCa)

Acting Director

Enclosure

MMerrithew/mm
4/29/64
cc: Director's Reading File
Region I
Docket
Code 500

43683

Cme (2)

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O. M. E
RECEIVED JAN 15 1964
Murphy 500

No. 157 Howard Street
Spokane, Washington 99204
January 13, 1964

Air Mail

Memorandum

To: Fiscal Section, Office of Management Operations
Office of the Secretary, Washington, D. C.

From: Acting Field Officer, Region I

Subject: CMX-6870 (Gold)
Larrigan Mining Company
Larrigan Mine
Ravalli County, Montana
Contract 2160

There is enclosed the original of a Report of Review dated January 9, 1964, for March 1963 to August 1963, inclusive, covering a gold project at the Larrigan Mine, Ravalli County, Montana.

One copy of the report has been sent to the Operator and one copy retained in the Spokane office files.

D. R. Maclaren

Enclosure

cc: CMX(2)
CA&A
Voucher file

Director's Reading File
Resources Research Branch Chief

MLSWelser:mls

Orig (2)

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No. 157 Howard Street
Spokane, Washington 99204
January 13, 1964

Air Mail

Mr. R. D. Baker, President
Larrigan Mining Company
P. O. Box 190
Borger, Texas

Re: OME-6270 (Gold)
Larrigan Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Baker:

There is enclosed one copy of a Report of Review, in lieu of a final audit, dated January 9, 1964, for March 1963 to August 1963, inclusive, covering a gold project at the Larrigan Mine, Ravalli County, Montana.

Payment of "Balance due Operator" in the amount of $200.00 will be made by our Washington, D. C. office and should be received shortly.

Sincerely yours,

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

Enclosure

cc: S. J. Giulio, Engineer
Larrigan Mining Co.
858 Sixth Avenue
Helena, Montana

cc: OME(2)
CAA Div.
Voucher File
Director's Reading File
Resources Research Branch Chief
MLMclaren:mls

OME Form 7
(10-58)

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JAN 9 1964

Memorandum

To: Acting Field Officer, Region I

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

Subject: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

As requested in your January 7 memorandum, a Report of Review covering the subject contract has been prepared. The original and two copies are enclosed.

If you concur in the facts stated in this Report of Review, please make the distribution authorized by section 4 of OME Circular 2 dated February 17, 1960. As evidence of your concurrence, a copy of your letter transmitting the Operator's copy of the Report of Review should be furnished to this Division. If for any reason you do not concur, the original and both copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 1-9-64

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
January 7, 1964

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| | Murphy | 500 |

Memorandum

To: Chief, Contract Administration and Audit Division

From: Acting Field Officer, Region I

Subject: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Work under the subject contract was terminated effective October 1, 1963, by an Agreement dated December 9, 1963.

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

| | | |
|---|---|---|
| Drifts and crosscuts | 397.78 | feet |
| Timbering drifts and crosscuts | 387.88 | " |
| Dog holes | 30.00 | " |
| Consulting engineer-geologist | 22 | days |
| Assays for gold | 5 | each |

An acceptable final engineering and geological report was received from the Operator on December 26, 1963.

A Report of Review, in lieu of a final audit, is in order and requested. The original copies of the final (August 1963) MME Forms 60 and 61, together with supporting documentation, were sent to the Chief, Fiscal Section, on September 16, 1963.

D R MacLaren

D. R. MacLaren

Reg. I.
~~Copy~~

838 Sixth Avenue
Helena, Montana
December 23, 1963

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U. S. Department of The Interior
OFFICE OF MINERALS EXPLORATION
South 157 Howard Street
Spokane, Washington 99204

Re: OME-6270 (Gold)
Larrigon Mine
Ravalli County, Montana
Contract No. 2160

Gentlemen:

There is herewith enclosed for your information and consideration, five copies each of a Final Report, 50-Scale Map and 20-Scale Map showing the Larrigon Mining Company's recent exploratory tunnel, as well as limited surface structures. Both of the maps include that section of the work performed under OME; including assays, general geology and specific structures insofar as was possible under limited engineering supervision.

The maps are compiled from transit survey calculations.

It is hoped that the attached information is in proper order.

Respectfully,
LARRIGON MINING COMPANY
By S. J. Giulio, Engineer

enc.

RECEIVED
Registered Mail
DEC 26 1963
L. R. R.
U.R.S.

# F I N A L  R E P O R T

The Larrigon Mine project as covered by the tunnel and cross-cut program shown upon the 50-scale map, was commenced in June 1962 and carried forward with company funds until March 1963, at which time a loan application was approved by OME. This program was continued on a company-OME basis until September 1963, resulting in work set forth upon the attached maps and tabulated information.

The total project was set-up to explore at reasonable depth, surface structures, some of which had produced variable grades of gold ore over limited widths. Actually, the program was projected primarily upon samples taken during a rather extensive and erratic surface, dozer program as well as reported underground high-grade production by a prospector-operator over an extended period. The old underground workings were not accessible for examination. The present tunnel level is less than 200 feet vertically below the lowest old tunnel workings. It was believed this to be a reasonable projection for exploratory work.

Other than a single assay, the numerous structures encountered within the limits of the new work yielded mostly traces. Although assays were limited, continual panning, at regular intervals throughout the work, produced only negligible results, thereby excluding the necessity for expensive assays. The assays listed on the attached map represent those taken mostly during the OME program.

The tunnel was driven by cross-cutting and drifting through variations of hard shale ribs, several shear zones and soft, limey, shale or argilitic structures. Generally, the strike and dip of the most prominent underground structures conformed strongly to the surface exposures, although none of those which were encountered could be definitely projected to coincide with specific surface showings.

It is believed that the program covered a sufficient area to indicate that values did not reach the lower horizon. In view of the continued absence of reasonable assay values, no further underground exploratory work was justified nor indicated. Thus the program was discontinued by mutual agreement and no further work of any kind is anticipated by Larrigon Mining Company.

RECEIVED
Registered Mail
DEC 26 1963
R. R. R.

## TOTAL NEW TUNNEL PROJECT

| | |
|---|---|
| Timbered Drifts & Cross-cuts ---------- | 1038.04 Feet |
| Untimbered Drifts & Cross-cuts --------- | 60.00 Feet |
| Total Drifts & Cross-cuts ---------- | 1098.04 Feet |
| Total Dog Holes ---------- | 94.00 Feet |

## OME PARTICIPATION

| | |
|---|---|
| Timbered Drifts & Cross-cuts ---------- | 387.78 Feet |
| Untimbered Drifts & Cross-cuts --------- | 10.00 Feet |
| Total Drifts & Cross-cuts ---------- | 397.78 Feet |
| Dog Holes ---------- | 30.00 Feet |

# OME PROJECT COSTS

| DESCRIPTION | UNITS | COST |
|---|---|---|
| Drifting & Cross-cutting | 397.78 Ft. | $ 14,320.08 |
| Timbering Drifts | 387.78 Ft. | $ 3,102.24 |
| Dog Holes | 30.00 Ft. | $ 585.00 |
| Engineering | 22 Days | $ 1,430.00 |
| Assays | 6 Only | $ 12.00 |
| TOTAL | | $ 19,449.32 |

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

| TO: | DATE | INITIALS |
|---|---|---|
| 1. Chief, Div. of Fld. Operations | 1/ 6/64 | |
| 2. | | |
| 3. | | |
| 4. | | |
| 5. D. R. MacLaren | | |
| FROM: Acting Fld. Officer, Region I | | |

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions X Your information

REMARKS: OME-6270 (Gold)
Larrigon Mining Co.
Larrigon Mine
Ravalli County, Montana
Contract 2160

Transmittal of the original and two copies of an acceptable Operator's Final Report.

INT.-DUP. SEC., WASH., D.C. M56300-62

838 Sixth Avenue
Helena, Montana
December 23, 1963

EXTRA COPY
O. M. E
RECEIVED JAN 8 1964
DATE

U. S. Department of The Interior
OFFICE OF MINERALS EXPLORATION
South 157 Howard Street
Spokane, Washington 99204

Re: OME-6270 (Gold)
Larrigon Mine
Ravalli County, Montana
Contract No. 2160

Gentlemen:

There is herewith enclosed for your information and consideration, five copies each of a Final Report, 50-Scale Map and 20-Scale Map showing the Larrigon Mining Company's recent exploratory tunnel, as well as limited surface structures. Both of the maps include that section of the work performed under OME; including assays, general geology and specific structures insofar as was possible under limited engineering supervision.

The maps are compiled from transit survey calculations.

It is hoped that the attached information is in proper order.

Respectfully,
LARRIGON MINING COMPANY
By S. J. Giulio, Engineer

enc.

RECEIVED
Registered Mail
DEC 26 1963
R. R. R.
U.S.G.S.
GEOLOGICAL SURVEY

# F I N A L  R E P O R T

The Larrigon Mine project as covered by the tunnel and cross-cut program shown upon the 50-scale map, was commenced in June 1962 and carried forward with company funds until March 1963, at which time a loan application was approved by OME. This program was continued on a company-OME basis until September 1963, resulting in work set forth upon the attached maps and tabulated information.

The total project was set-up to explore at reasonable depth, surface structures, some of which had produced variable grades of gold ore over limited widths. Actually, the program was projected primarily upon samples taken during a rather extensive and erratic surface, dozer program as well as reported underground high-grade production by a prospector-operator over an extended period. The old underground workings were not accessible for examination. The present tunnel level is less than 200 feet vertically below the lowest old tunnel workings. It was believed this to be a reasonable projection for exploratory work.

Other than a single assay, the numerous structures encountered within the limits of the new work yielded mostly traces. Although assays were limited, continual panning, at regular intervals throughout the work, produced only negligible results, thereby excluding the necessity for expensive assays. The assays listed on the attached map represent those taken mostly during the OME program.

The tunnel was driven by cross-cutting and drifting through variations of hard shale ribs, several shear zones and soft, limey, shale or argilitic structures. Generally, the strike and dip of the most prominent underground structures conformed strongly to the surface exposures, although none of those which were encountered could be definitely projected to coincide with specific surface showings.

It is believed that the program covered a sufficient area to indicate that values did not reach the lower horizon. In view of the continued absence of reasonable assay values, no further underground exploratory work was justified nor indicated. Thus the program was discontinued by mutual agreement and no further work of any kind is anticipated by Larrigon Mining Company.

RECEIVED
DEC 26 1963
U.S.G.S.

# OME PROJECT COSTS

| DESCRIPTION | UNITS | COST |
|---|---|---|
| Drifting & Cross-cutting | 397.78 Ft. | $ 14,320.08 |
| Timbering Drifts | 387.78 Ft. | $ 3,102.24 |
| Dog Holes | 30.00 Ft. | $ 585.00 |
| Engineering | 22 Days | $ 1,430.00 |
| Assays | 6 Only | $ 12.00 |
| TOTAL | | $ 19,449.32 |

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

| | | DATE | INITIALS |
|---|---|---|---|
| TO: Chief, Div. of Field Operations | | 12/23/63 | |
| 1. | OFFICIAL FILE COPY O. M. E. | | |
| 2. | | | |
| 3. | RECEIVED DEC 26 1963 | | |
| 4. | | CODE | |
| 5. D. R. MacLaren | | | |
| FROM: Acting Field Officer, Reg. I | | | |

FOR: Check items for action desired

X Action ____ Reply for signature of ____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS: OME-6270 (Gold)
Larrigon Mining Co.
Larrigon Mine
Ravalli County, Montana
Contract 2160

Transmittal of Termination Agreement (Gov't., Audit, and Fiscal Section Copies) signed by the president of the company.

INT.-DUP. SEC., WASH., D.C. M56300-62

OMC (2)

OFFICIAL FILE COPY
RECEIVED
DATE
C M E
DEC 18 1963
12/18
800
500

So. 157 Howard Street
Spokane, Washington 99204
December 16, 1963

Mr. E. D. Baker, President
Larrigan Mining Company
P. O. Box 190
Borger, Texas

Re: OME-6270 (Gold)
Larrigan Mining Company
Larrigan Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Baker:

Enclosed are the original and four copies of a proposed Termination Agreement to the subject contract, signed by the Director for the Government.

If the terms and conditions of this proposed Termination Agreement are satisfactory, please sign all the copies, retain the Operator's Copy, and return the others to this office. If any part of the agreement does not meet with your approval, please return all copies unsigned.

As soon as we receive the signed copies of this proposed Termination Agreement* we will request a Report of Review, in lieu of a final audit, after which any funds due the company will be released.

Sincerely yours,

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

Enclosures
cc: S. J. Giulio, Engineer
Larrigan Mining Co.
838 Sixth Avenue
Helena, Montana

Director's Reading File
Resources Research Branch Chief

cc: OME(2)
MacLaren

MLMacLaren:mls

* and the Operator's Final Report

Fme (2)

No. 137 Howard Street
Spokane, Washington 99204
December 10, 1963

Mr. S. J. Giulio
Larrigon Mining Company
838 Sixth Avenue
Helena, Montana

12/16 Murphy 800 500

Re: OME-6270 (Gold)
Larrigon Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Giulio:

Our Washington office is preparing a Termination Agreement which we expect to receive and forward to you shortly. I was of the impression that the work had been completed by the end of September in view of your letter of September 14, 1963, mine of September 17, a telephone talk near the end of September, and my inspection of October 21.

Although the Operator's final report is not due until the contract has been terminated, to all intents and purposes authorized work has been completed. Therefore, there could be no objection to submitting your final report at any time.

Sincerely yours,

D. N. Maclaren
Acting Field Officer, OME
Region I

Note
Sent out termination agreement Dec. 9

cc: E. D. Baker (via air mail)
President
Larrigon Mining Co.
P. O. Box 190
Borger, Texas

OME(2) w/cys incoming corre.
Maclaren

Director's Reading File
Resources Research Branch Chief

DNMaclaren:mls

Ome(v)

838 Sixth Avenue
Helena, Montana
December 7, 1963

Mr. D. R. MacLaren, Acting Chief
U. S. Department of the Interior
Office of Minerals Exploration
South 157 Howard Street
Spokane, Washington 99204

Re: OME-6270 (Gold)
Larrigon Mine
Contract 2160

Dear Mr. MacLaren:

When I met with you on October 21st in Hamilton and at the Larrigon mine, it was my understanding that you were to advise me regarding the matter of discontinuing the Larrigon program. Inasmuch as you could not approve further use of OME funds under the stipulated program, and the company would not care to continue otherwise, there appeared to be a question as to the proper procedure by the company for cessation of operations. As I recall, the absence of approval for the further use of OME remaining funds might automatically close-out the operation.

I have not heard from you in the matter so will assume a written application is in order which is required under the contract for normal procedure. Consequently, I enclose such application which I hope is in proper order.

It is assumed that I will be advised when it may be proper for me to submit a final report as required. I am most anxious to wind up the OME requirements and get this matter properly concluded. I will greatly appreciate whatever you may be in a position to do in promoting the earliest settlement of this matter.

Sincerely,

S. J. Ginlie, Engineer
Larrigon Mining Company

enc

DEC 10 1963

838 Sixth Avenue
Helena, Montana
December 7, 1963

U. S. Department of the Interior
Office of Minerals Exploration
South 157 Howard Street
Spokane, Washington 99204

Re: OME-6270 (Gold)
Larrigon Mine
Ravalli County, Montana
Contract 2160

Gentlemen:

This is to advise that on or about October 15th, last, exploratory work was terminated at the Larrigon mine. In view of the fact that the entire crosscut and drifting program did not yield but traces of commercial minerals, and both the original and amended OME programs have been exhausted in obtaining a pre-determined target underground; and that further exploration under such circumstances does not appear at all feasible, the company at this time respectfully requests that the subject contract be mutually terminated. The company has determined to proceed no further on its own.

Your earliest attention to this matter will be very much appreciated.

Very truly yours,

LARRIGON MINING COMPANY
By S. J. Giulio, Engineer

cc: E. D. Baker
President
Larrigon Mining Co

RECEIVED
DEC 10 1963

Form 7
(9-55)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 12/6 | Murphy | 500 |
| 12/9 | Wilkins | 500 |
| 12/9 | Talbut | 800 |
| | [illegible] | 130 |
| 12/9 | Johnson | 110 |
| " | [illegible] | 100 |
| 12/9 | CAC | 320 |
| | | 500 |
| | | |

DEC 9 1963

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OMX-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

In accordance with our memorandum of November 8, 1963, enclosed are the original and four copies of a proposed Termination Agreement to the subject contract, signed by the Acting Director for the Government. An extra copy for field use is also enclosed.

If the proposed agreement is satisfactory to you and the Operator, all five copies should be signed by an authorized representative of the Operator. Thereafter, please distribute the copies in the usual manner.

If any part of the proposed agreement does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

George C. Selfridge (gla)

Enclosures

F.M.Murphy/mm
12/7/63
cc: Director's Reading File
Review Committee
Docket

43683

DRAFT 12/2/63
FMMurphy/mm

~~800~~
~~120~~
500

EXPLORATION CONTRACT
LARRIGON MINING COMPANY
OME-~~XXXX~~ 6270

TERMINATION AGREEMENT

It is agreed this _____ day of _____, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Larrigon Mining Company, hereinafter called the "Operator," parties to that certain Exploration Contract No. 2160, (OME-6270), dated February 14, 1963, ~~XX~~ as amended, hereinafter called the "Contract," that

1. Effective October 1, 1963, the contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the ~~unit~~ allowable costs of the work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, including furnishing to the Government a final report (in addition to the final monthly report) which 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 ~~xxxxx~~ thereof.

4. All rights of the Government respecting certification of possible production, percentage royalty and liens to secure payment thereof, reports (including preservation of the Operator's records) accounts, audits, and the right to recover any overpayment are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said contract except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of
Minerals Exploration

LARRIGON MINING COMPANY

By _____

Title _____

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 12 1963

| DATE | INITIALS | CODE |
|---|---|---|
| 11/12 | | 800 |
| | | 120 |
| 11/12 | Murphy | 500 |

NOV 12 3 19 PM '63
GSA REGION 3
FTS
COMMUNICATIONS

XDXXXXXXK119

FWB-03SF063 WWZZ FSP 21 I-MME

SPOKANE WASH 11-12-63 1153U

MR. GEORGE C SELFRIDGE

CHIEF DIVISION OF FIELD OPERATIONS OFFICE OF MINERAL EXPLORATIONS

WASHINGTON DC

REUR MEMO 11-8, OME-6270, LARRIGON MINING COMPANY CONTRACT 2160 WORK UNDER THE SUBJECT CONTRACT TERMINATED SEPTEMBER 30, 1963.

D R MACLAREN

ACTING FIELD OFFICER OME REGION ONE

11-8 OME-6270 2160 30 1963

BJR 1154U

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 11/7 | Murphy | 500 |
| 11/7 | Onsdorf | 500 |
| 11/7 | Talbot | 800 |
| | GCS | 130 |
| 11/7 | Johnson | 110 |
| | [illegible] | 100 |
| 11/8 | Cal | 220 |
| | | 500 |
| | | |

NOV 8 1963

**Memorandum**

**To:** Acting Field Officer, Region I

**From:** Chief, Division of Field Operations

**Subject:** OMX-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

With reference to your memorandum of November 4, 1963, we will prepare the termination agreement mentioned; however, we require the date the authorized work was completed.

George C. Selfridge (gla)

FMMurphy/mm
11/7/63
cc: Director's Reading File
Review Committee
Docket

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
November 4, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 8 1963

| DATE | | |
|---|---|---|
| 11/6 | uas | 800 |
| | | 120 |
| 11/7 | Murphy | 500 |

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6270 (Gold)
Larrigon Mining Co.
Larrigon Mine
Ravalli County, Montana
Contract 2160

No further work under the subject contract will be authorized and no certification of discovery will be recommended. A Termination Agreement by mutual consent is requested.

D. R. MacLaren

D. R. MacLaren

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 30 1963

| DATE | INITIALS | CODE |
|---|---|---|
| 10/30 | CEO | 800 |
| 10/30 | Murphy | 500 |

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
October 28, 1963

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services
Office of the Secretary, Department of the Interior
Washington, D. C.

From: Acting Field Officer, Region I

Subject: Collections--Transmittal of Royalty Check
Contract No. 2160
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Docket No. OME-6270

Appropriation Symbol: OME 142039

Attached is a check as follows:

Check No. 949

Date: 10/23/63

From: Larrigon Mining Co. (Ravalli County Bank, Hamilton, Montana)

Amount: $7.38

Period: July 1963

Lot No.: --

Donald R. MacLaren

Attachment

Distribution:
Operator
% S. J. Giulio
838 Sixth Ave.
Helena, Montana
OME(2) w/cy U.S. Mint Bullion Deposit
Memo Report
CPF

ates Mint
, Colorado

Mint Form 42k
(Revised)
SOURCE DATA

# BULLION DEPOSIT - MEMO REPORT

t 74 Date 7/9/63

Memos Required by Depositor 1

Silver Price or Class 1.28

State
County Montana
Mine Revalli

Other Data

Melt 3.50

Lorraegen Mine

itor Grant Warren Borggren
404 North Second Street
Hamilton, Montana 59840

| Description of Deposit | Assay Number | Weights Before Melt Ounces | Weights Before Melt Dec | Weights After Melt Ounces | Weights After Melt Dec | ASSAY CERTIFICATE FINENESS Gold | Silver | Base | Refin. Cts. Per Oz. | GOLD—FINE OZ. | SILVER—FINE OZ. |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Am. Gre. | 74 | 5 26 | | 5.90 | | 722¼ | 269⅛ | 9+ | 10 | 4.284 | 1.60 |

CHECK NOTED

Asst. Assayer

Assayer

| | | | |
|---|---|---|---|
| Melting | | VALUES $ | |
| Refining | 3.50 | NET VALUE 149.94 | 2.05 |
| Handling | 0.59 | Bar 147.53 | |
| Other Chg. | 0.37 | Cost | |
| TOTAL CHRGS. | 4.46 | Check | |

Calculator

ME (2)

838 Sixth Avenue
Helena, Montana
October 25, 1963

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 30 1963

| DATE | INITIALS | CODE |
|---|---|---|
| 10/30 | | 800 |
| 10/30 | | 500 |

U. S. Department of the Interior
Office of Minerals Exploration
South 157 Howard Street
Spokane, Washington 99204

Re: OME-6270 (Gold)
Larrigon Mine
Contract 2160

Gentlemen:

There is herewith enclosed the original and two copies of "BULLION DEPOSIT-MEMO REPORT" of the United States Mint at Denver, Colorado, together with Larrigon Mining Co. check in the amount of $7.36 which represents 5% of the net production Larrigon Mine receipts in accordance with requirements under the subject contract.

Net Amount Received ---------- $ 147.53
5% to OME ---------- $ 7.36

For your further information, the above bullion was derived from a limited tonnage (Oscillating, Amalgam Plate) mill test by the owner and lessor of the Larrigon Mining Claims, G. W. Berggren, under a verbal company agreement that he be allowed such privilege. The production (Not to exceed an estimated 10 tons) was mined and/or gathered from numerous, narrow, scattered, surface structures over a period of several months, on a highly selective basis, and has no significance tonnage-wise in identifiable areas. There is no present activity in this direction.

I hope this is in proper order.

Very truly yours,
LARRIGON MINING COMPANY

By S. J. Grulic, Engineer.

RE

OCT 28 1963

838 Sixth Avenue
Helena, Montana
October 2nd, 1963

Mr. D. R. MacLaren, Acting Field Officer
Office of Minerals Exploration
U. S. Department of the Interior
South 157 Howard Street
Spokane, Washington

10/7 800
10/8 Murphy 500

Re: OME-6270 (Gold)
Larrigon Mine
Contract 2160

Dear Mr. MacLaren:

For your information and consideration I enclose copy of assay sheet covering the samples you suggested we take in your communication of September 17th.

In accordance with our recent telephone conversation it is assumed that the above results would hardly qualify as satisfactory supporting information for continued underground work under OME. However, we are presently doing some additional work which might expose further data, which we can discuss upon your contemplated visit to the Larrigon mine on October 19th.

Sincerely,

S. [illegible]iulio, Engineer
Larrigon Mining Company

enc Will take no action pending inspection scheduled for Oct. 21, 1963 [illegible]

# GOODALL BROTHERS

ESTABLISHED 1909

**ASSAYERS**

HORACE HAND, OWNER-MANAGER
RES. PHONE 442-0696

PHONE 442-3770
46 SOUTH MAIN ST.
P. O. BOX 837

Helena, Montana SEP 30 1963

ASSAYED FOR
Lainger Mines Co

Hand Sample ☑
Control Assay ☐
Umpire Assay ☐

| DESCRIPTION | | GOLD OZS. PER TON | SILVER OZS. PER TON | WET LEAD PER CENT | COPPER PER CENT | ZINC PER CENT | INSOL. PER CENT | PER CENT | PER CENT |
|---|---|---|---|---|---|---|---|---|---|
| Sh. 9X + 46' | H-6 | Trace | 0.1 | | | | | | |
| Sh. 9X + 54' | G-X | Trace | 0.2 | | | | | | |
| Sh. 10X + 20' | 11-X | Trace | 0.2 | | | | | | |

Gold not deducted ☐

Charges $ 7.00

GOODALL BROS.

By Horace Hand

MME FORM-50
SEPT. 1959

RECEIVED
SEP 16 1963
U.S.G.S.

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

2 6 1963

Docket No. [illegible]-6270-Gold
Contract No. 2100
14-23-090-
Contract Amount $ 31010.00
Gov't. Participation % 50 $ 15505.00
Mineral(s) Gold

## OPERATOR'S MONTHLY VOUCHER

For Month of August 1963

Operator's Name Larrigon Mining Company
Address Hamilton, Montana (PO Box 391)

| COST CATEGORIES | FOR OPERATOR'S USE | | | FOR GOVERNMENT APPROVAL ONLY | | |
|---|---|---|---|---|---|---|
| | MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE | MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE |
| Fixed Unit Costs and | | | | | | |
| (1) Independent Contracts: | | | | | | |
| Bulldozing | | | | | | |
| Drifting | 3672.00 | 10848.00 | 14520.00 | | | |
| Crosscutting Dog Holes | 0.00 | 588.00 | 588.00 | | | |
| Drilling | | | | | | |
| Timbering drifts | 736.00 | 2366.24 | 3102.24 | | | |
| engineering | 260.00 | 1170.00 | 1130.00 | | | |
| (2) Personal Services: | | | | | | |
| Supervision & Technical | | | | | | |
| Outside Consultants | | | | | | |
| Labor | | | | | | |
| (3) Operating Mat'l. & Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Rail | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehab. & Repairs: | | | | | | |
| Buildings, Fixtures, etc. | | | | | | |
| Operating Equipment | | | | | | |
| (6) New Buildings, Fixtures, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Analytical Work Assays | 0.00 | 12.00 | 12.00 | | | |
| Payroll Taxes | | | | | | |
| Employee's Liability Ins. | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| TOTALS | 4668.00 | 14781.32 | 19449.32 | 4,668.00 | 14,779.32 | 19,447.32 |

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Sept 9 1963 *Payee Larrigon Mining Company

Per S. C. Mullio Title Engineer

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 2,334.00

Signature BHB
(Authorized Certifying Officer)

Date 9/23/63 Vou. No. 464-2

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2160

Signature [illegible] Title Acting Field Officer, Reg. I Date SEP 16 1963

Approved by OME Executive Officer or Alternate:

Signature [illegible] Title Acting Field Officer, Reg. I Date SEP 16 1963

## OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

## PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

RECEIVED
SEP 16 1963

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

**OPERATOR'S PROGRESS REPORT** For Month of ~~AUGUST 1963~~ Docket No. ~~OME-6278-Gold~~

Operator's Name Larrigon Mining Company Contract No. 14-23-090- 2160

| OPERATION | UNITS | FOR OPERATOR'S USE: UNITS THIS MONTH | UNITS TO DATE | COSTS TO DATE | FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH | APPROVED UNITS TO DATE | APPROVED COSTS TO DATE |
|---|---|---|---|---|---|---|---|
| Drifting | Ft | 102 | 397.78 | 14320.08 | 102 | 397.78 | $ 14,320.08 |
| Crosscutting | Ft | 0 | 30 | 585.00 | — | 30 | 585.00 L1 |
| Timbering | Ft | 92 | 387.78 | 3102.24 | 92 | 387.78 | 3,102.24 |
| Shafts | | | | | | | |
| Winzes | | | | | | | |
| Other Underground | | | | | | | |
| Drilling, Core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Drilling, Non-core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Churn | | | | | | | |
| Percussion | | | | | | | |
| Miscellaneous | | | | | | | |
| Engineering | Da | 4 | 22 | 1430.00 | 4 | 22 | 1,430.00 |
| Roads and Trails | | | | | | | |
| Stripping | | | | | | | |
| Trenching | | | | | | | |
| Test Pitting | | | | | | | |
| Other Surface Work | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | |
| Rehabilitation of Mine Workings | | | | | | | |
| New Buildings, Fixtures, etc. | | | | | | | |
| Operating Equipment Purchases | | | | | | | |
| Analytical Work (6 assays) | | | | 12.00 | | | 10.00 L2 |
| TOTAL TO DATE (per MME Form 60) | | | | 19449.32 | | | $ 19,447.32 L3 |

REMARKS

(Continue on back)

REMARKS

L1 Doglegs - not crosscuts

L2 footnote from MME-61

L3 Letter dated 9/14/63 from S.J. Giulio indicates possible termination before further work is done. Therefore withheld $200.00 pending company - OME decision

(Continue on back)

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

Date Sept 9 1963 Operator Larrigon Mining Co.

Per S. J. Giulio Title Engineer

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [illegible]

Title Acting Field Officer, Reg. I
Government Representative

Date SEP 16 1963

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

## INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

INT.DUP.,D.C.59- 61577

# N A R R A T I V E

We progressed a distance of 102 feet southwesterly with the main cross-cut during September, timbering only 82 feet of this distance as the ground became extremely hard at this point. Numerous structures were encountered, some of which were rather pronounced and carrying narrow quartz seams, talc and miscellaneous pyritic and FeO inclusions. However, no evidence of any values were apparent by "panning". The attached cross-section map shows approximate projections in-so-far as limited local observations over short exposures (both underground and surface) would permit.

The cross-cut will be advanced a short distance more and prospect "dog-hole" driven to the northwest at a position to be later selected, but preferably, approximately 55-60 feet southwest from survey station No. 3X where mineralization is most pronounced and where the "wet" formation appears most conducive to untimbered advance without excessive sloughing. From this point a rather critical appraisal would seem in order before proceeding further with the project under DMS.

RECEIVED
SEP 10 1968
U.C.A.S.
MINERAL DIVISION

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 9/23 | Murphy | 500 |
| 9/23 | [illegible] | 500 |
| 9/24 | Talbert | 800 |
| | [illegible] | 130 |
| 9/23 | [illegible] | 110 |
| " | [illegible] | 100 |
| 9/23 | [illegible] | 220 |
| | | 500 |
| | | |

SEP 23 1963

**Memorandum**

**To:** Acting Field Officer, Region I

**From:** Chief, Division of Field Operations

**Subject:** GMK-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

In reply to the question raised in your memorandum of September 17, 1963, the 20-foot doghole mentioned does not conform with the specifications listed in the second paragraph of Amendment No. 1 and therefore could not be approved.

The amendment allows drifting on the structure and crosscuts (dogholes) from such drifts "with prior Government approval." Although the doghole mentioned might give some information, it was not approved beforehand and moreover does not serve the purpose of the contract which anticipated drifting at least 50 feet in each direction along the 'B' structure and then crosscutting to determine its width and value.

George C. Selfridge (gla)

FMMurphy/mm
9/23/63
cc: Director's Reading File
Review Committee
✓Docket

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
September 17, 1963

Air Mail

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Enclosed are two Thermofax copies of a letter dated September 14, 1963, from the Operator's agent, and my reply. Fortunately, it was received in time to advise the Fiscal Officer to withhold $200.00 from the August voucher pending decision of the Operator and OME.

The enclosed letter from Giulio does not give enough information to indicate whether the "doghole" should be driven drift size to the northwest, nor is there any assay data. Certainly the work completed to date has not been very encouraging, but before notifying the applicant that no further work will be approved for OME participation, I would prefer to have assays of samples taken of the structure indicated on the last voucher map (August) at Station 9X plus 46 feet and 54 feet and Station 10X plus 20 feet.

If it is so vouchered, will it be proper to approve the 20-foot doghole to the northwest mentioned in the third paragraph of the enclosed letter? It should be a drift by strict contract interpretation, however, it will give the same information as a 20-foot drift at less cost.

D. R. MacLaren

D. R. MacLaren

Enclosures

OFFICIAL FILE COPY
RECEIVED
DATE
9/19 Murphy 800 500

OME(2)

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 19 1963
DATE

9/19 400 800
~~9/23~~ Murphy 500

So. 157 Howard Street
Spokane, Washington 99204
September 17, 1963

Mr. S. J. Giulio
Larrigan Mining Company
858 Sixth Avenue
Helena, Montana

Re: OME-6270 (Gold)
Larrigan Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Giulio:

In view of the uncertainties expressed in your letter of September 14, 1963, it will be necessary to withhold $200.00 from the August voucher pending a decision. A withholding pending resumption of work after a recess or pending receipt of an Operator's final report following contract termination is customary.

Before making any decision, I believe on the basis of your August progress map that you should sample the quartz-bearing or quartzy structure shown in red at Station 9K plus 46 feet and plus 54 feet and at Station 10K plus 20 feet.

If it is decided to recess for the winter, a request for recess giving the last date work will be done, a date on or before which work will be resumed and the reason is in order.

Unilateral termination by an Operator is not permissible under the contract terms. A request for termination by mutual agreement will always be considered when submitted. This request should include the proposed effective date of the termination and a justification therefor.

It will probably be late October before I will be able to visit the property, however, I will let you know more precisely when the time approaches.

Sincerely yours,

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

DRMacLaren:mls
cc: OME(2)
Voucher file
MacLaren

Reading copies to:
Nolan
Killegaard

838 Sixth Avenue
Helena, Montana
September 14, 1963

Mr. D. R. MacLaren,
Acting Field Officer, OME
U. S. Department of The Interior
Office of Minerals Exploration
South 157 Howard Street
Spokane 4, Washington

Re: OME-6270 (Gold)
Larrigon Mining Company
Contract 2160

Dear Mr. MacLaren:

This will advise that, in the event something of particular significance might not develop at the Larrigon Mine within the very near future, the director's may seriously consider discontinuation of the underground project as it is presently being carried forward. Before the crew is released it is highly possible that the mine might be dismantled, or at any rate, work suspended for the winter and preparations so made.

We have tentatively planned a number of limited "dog-hole" investigations upon the return of the miner's from a two-week lay-off. However this program may be delayed until Spring; and also may not be considered at all feasible upon further consideration by the company.

Some surface work is being done which may have a bearing on future underground plans. However this work is rather limited and may not disclose sufficient additional surface information to warrant consideration at this time. A twenty foot "dog-hole" to the Northwest at Station 9x plus 57 feet disclosed strong vein structure; but further untimbered advance here is not safely practical. Continuation at this point would require a full-scale timbered drift.

It is not considered advisable to enter the mine in the absence of the miners - after several days shut-down - so if convenient to you I should like to arrange to be at the mine whenever you might plan on being there. It is assumed that your office will wish to make an inspection and possible recommendations in the event of either a temporary or final shut-down. It is therefore suggested that you advise of your wishes and reaction at your earliest convenience.

Regardless of a decision to dismantle equipment, the ventilating system will remain intact and the workings kept accessible until OME inspection.

Sincerely,

S. J. Giulie
Engineer
Larrigon Mining Co.

cc: Mr. Baker

Mac (2)

OFFICIAL FILE COPY

9/17 800
9/17 Murphy 500

So. 157 Howard Street
Spokane, Washington 99204
September 11, 1963

Mr. S. J. Giulio
Larrigan Mining Company
838 Sixth Avenue
Helena, Montana

Re: OMM-6270 (Gold)
Larrigan Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Giulio:

We are returning the original and three copies of your August 1963 voucher for revision and resubmission. A complete set of blank forms is enclosed for this purpose.

Previously claimed amounts for assays have been omitted from both the "Previously Reported" and "Totals to Date" columns of the MMM Form 60 and the "Units to Date" and "Costs to Date" columns of the MMM Form 61.

For reasons stated in our September 3 letter, we cannot pick up these items when processing your voucher.

Sincerely yours,

D. H. MacLaren
Acting Field Officer, OMM
Region I

Enclosures

D/DMacLaren:mlm
cc: OMM(2)
Voucher file
MacLaren
Reading copies to:
Nolan
Killagnard

FORM 60
1939

RECEIVED
Via
SEP 9 1963
Air Mail
U.S.G.S.
ROCKY MTN. AREA

Murphy

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

Docket No. OMB-6270 (Gold)
Contract No. 14-23-090-2160
Contract Amount $ 31610.00
Gov't. Participation %50 $ 15805.00
Mineral(s) Gold

## OPERATOR'S MONTHLY VOUCHER

For Month of JULY 1963

Operator's Name Larrigon Mining Company
Address Hamilton, Montana (P O Box 391)

| COST CATEGORIES | FOR OPERATOR'S USE | | | FOR GOVERNMENT APPROVAL ONLY | | |
|---|---|---|---|---|---|---|
| | MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE | MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE |
| Fixed Unit Costs and | | | | | | |
| (1) Independent Contracts: | | | | | | |
| Bulldozing | | | | | | |
| Drifting | 1745.64 | 8902.44 | 10648.08 | 1,745.64 | | |
| Crosscutting Raises | 0.00 | 585.00 | 585.00 | | | |
| Drilling | | | | | | |
| Timbering Drifts | 387.92 | 1978.32 | 2366.24 | 387.92 | | |
| Engineering | 520.00 | 910.00 | 1170.00 | 520.00 | | |
| (2) Personal Services: | | | | | | |
| Supervision & Technical | | | | | | |
| Outside Consultants | | | | | | |
| Labor | | | | | | |
| (3) Operating Mat'l. & Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Rail | | | | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehab. & Repairs: | | | | | | |
| Buildings, Fixtures, etc. | | | | | | |
| Operating Equipment | | | | | | |
| (6) New Buildings, Fixtures, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Analytical Work Assays | 0.00 | 12.00 | 12.00 | | | |
| Payroll Taxes | | | | | | |
| Employee's Liability Ins. | | | | | | |
| TOTALS | 2653.56 | 12387.76 | 14701.32 | 2,653.56 | 12,125.76 | 14,779.32 |

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Sept 6 1963* Payee Larrigon Mining Company

Per B. J. Julio Title Engineer

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,326.78

Signature BHB
(Authorized Certifying Officer)

Date 9/16/63 Vou. No. 414

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2160

Signature D R Macharen Title Acting Field Officer, Reg. I Date SEP 9 1963

Approved by OME Executive Officer or Alternate:

Signature D R Macharen Title Acting Field Officer, Reg. I Date SEP 9 1963

## OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

## PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

RECEIVED
SEP 9 1963

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

OPERATOR'S PROGRESS REPORT For Month of JULY 1963 Docket No. ~~[illegible]-6270-Colo~~

Operator's Name Larrigon Mining Company Contract No. 14-23-090- ~~2160~~

| OPERATION | UNITS | FOR OPERATOR'S USE: UNITS THIS MONTH | UNITS TO DATE | COSTS TO DATE | FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH | APPROVED UNITS TO DATE | APPROVED COSTS TO DATE |
|---|---|---|---|---|---|---|---|
| Drifting | Ft | 48.49 | 295.78 | 10648.08 | 48.49 | 295.78 | 10,648.08 |
| ~~Crosscutting~~ Dog Holes | Ft | 0.00 | 30.00 | 585.00 | — | 30 | 585.00 |
| Raising | | | | | | | |
| ~~Shafts~~ XXX Timbering Dr | Ft | 48.49 | 295.78 | 2366.24 | 48.49 | 295.78 | 2,366.24 |
| Winzes | | | | | | | |
| Other Underground | | | | | | | |
| Drilling, Core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Drilling, Non-core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Churn | | | | | | | |
| Percussion | | | | | | | |
| Miscellaneous | | | | | | | |
| ~~Engineering~~ | Da | 8 | 18 | 1170.00 | 4 [1] | 18 | 1,170.00 |
| Roads and Trails | | | | | | | |
| Stripping | | | | | | | |
| Trenching | | | | | | | |
| Test Pitting | | | | | | | |
| Other Surface Work | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | |
| Rehabilitation of Mine Workings | | | | | | | |
| New Buildings, Fixtures, etc. | | | | | | | |
| Operating Equipment Purchases | | | | | | | |
| Analytical Work ~~Assays~~ | | | | 12.00 | | | 10.00 [2] |
| TOTAL TO DATE (per MME Form 60) | | | | 14781.32 | | | 14,779.32 |

REMARKS

(Continue on back)

REMARKS,
[1] Operator's 8 units claimed includes reclaim of 4 units disallowed in June for improper documentation. Proper documentation ~~[illegible]~~ included
[2] See [1] MME Form 61 June

(Continue on back)

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

Date Sept 6 1963 Operator Larrigon Mining Co

Per S. F. Sinclair Title Engineer

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. B. Wecksen

Title Acting Field Officer Reg. I
Government Representative

Date SEP 9 1963

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

## INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

# N A R R A T I V E

During the month of July we commenced a cross-cut southwesterly near survey station No. 9 and at the time had planned a course of S 80° W. However, upon approval of OME participation in the project, the cross-cut was gradually altered to an approximate S 50° W course, which is shown upon the attached 20-scale Plan Map in more or less detail. This tunnel is presently entering an area where the structure more nearly conforms to surface in both dip and strike, with numerous quartz seams showing in irregular pattern. Pannings disclose no significant"colors" to warrant sampling as yet.

At the extreme northwest face of the main tunnel the ground became extremely heavy and an attempted "dog-hole" in this area brought sufficient ground weight to break the drift timbers and allow a small "cave-in". The surrounding timbers are taking weight and are being reinforced or replaced as required. This tunnel was surveyed prior to the "cave-in" and shows correctly upon the map.

RECEIVED
SEP 9 1963
U.S.G.S.
MINERAL WORK

RECEIVED
AUG 5 1963
U.S.G.S.

838 Sixth Avenue
Helena, Montana
September 6th., 1963

OFFICIAL FILE
O. M. E.
RECEIVED SEP 1
DATE INITIALS
9/11 Murphy 500

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

Re: OME-6270 (Gold)
Larrigon Mining Company
Contract 2160

Gentlemen:

In accordance with your instructions under date of September 3rd., 1963 relating to the July 1963 vouchers presented in error, we resubmit herewith the corrected vouchers and supporting data covering that period.

We hope they are now in acceptable form and regret having overlooked the items in question on earlier vouchers.

Very truly yours,
LARRIGON MINING COMPANY

By S. J. Giulio
Engineer

enc

Vrs
as Mail

CAA DIV. (2)

No. 157 Howard Street
Spokane, Washington 99204
September 5, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 5 1963

| DATE | INITIALS | CODE |
|---|---|---|
| 9/5 | [illegible] | [illegible] |
| 9/6 | [illegible] | [illegible] |
| | | |
| | | |
| | | |
| | | |

Mr. S. J. Giulio
Larrigan Mining Company
898 Sixth Avenue
Helena, Montana

Re: OMM-6870 (Gold)
Larrigan Mine
Ravalli County, Montana
Contract #160

Dear Mr. Giulio:

We have received from E. D. Baker, president of the company, the confirmation requested in our letter of August 27, 1963, a copy of which we sent you.

Returned herewith are the original and three copies of the July 1963 voucher which was returned to us by the Contract Administration and Audit Division for appropriate revision and resubmission.

Previously claimed amounts for dogholes and assays have been omitted from both the "Previously Reported" and "Totals to Date" columns of the MMS Form 60 and the "Units to Date," and "Costs to Date" columns of the MMS Form 61.

We cannot pick up these items as decisions of the Comptroller General prohibit an Authorized Certifying Officer from increasing the total amount of a claim against the Government.

Regarding the $860 consultant's fee and per diem excluded from the June 1963 voucher, your statement of account was not authenticated by your signature. In order to support the resubmission of that claim in the July voucher, you should include a copy of your June statement certifying that it is a true copy.

Sincerely yours,

D. R. Maclaren
Acting Field Officer, OMM
Region I

Enclosures

DRMaclaren:mls
cc: CAAA Div.(2)
Voucher file
Maclaren

Reading copies to:
Nolan
Killingsard

one (2)

# E. D. Baker Corporation

GENERAL CONTRACTORS

OFFICE IN HOVEL BORGER
Telephone BR 3-7591 • P. O. Box 190
BORGER, TEXAS

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 5 1963

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| | | |
| | | |
| REF | OMR-6270 (Gold) | |

August 29, 1963

Mr. D. R. MacLaren
Acting Field Officer, OME
Region I
U.S. Department of The Interior
So. 157 Howard Street
Spokane, Washington 99204

Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Dear Mr. MacLaren:

This is in answer to your letter dated August 27, 1963, regarding the authority of Mr. S. J. Giulio to act for. Larrigon Mining Company.

Mr. S. J. Giulio, Helena, Montana, is employed by Larrigon Mining Company as a consulting Engineer and has full executive authority in all contract matters, including vouchering for Larrigon Mining Company. Mr. Giulio is charged with hiring and firing mining personal; is authorized to make purchases and confirm purchases of other employees.

Mr. J. Roland Peterson, Public Accountant, Hamilton, Montana, is employed as an accountant but all vouchering is authorized by Mr. S. J. Giulio.

Very truly yours,

LARRIGON MINING COMPANY

BY _____
E. D. Baker

EDB:rb

cc S. J. Giulio
Helena, Montana

J. Roland Peterson
Hamilton, Montana

SEP [illegible] 1963

OMC (2)

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 29 1963

| DATE | ITEMS | |
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| 8/30 | [illegible] | 400 |
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| 8/30 | Murphy | 500 |

No. 157 Howard Street
Spokane, Washington 99204
August 27, 1963

Air Mail

Mr. E. D. Baker, President
Larrigan Mining Company
P. O. Box 190
Borger, Texas

Re: OMC-6270 (Gold)
Larrigan Mining Company
Larrigan Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Baker:

A review of your vouchers in the files of the Department's Fiscal Section was made by the Contract Administration and Audit Division of OMC relative to the exclusion of $260.00 invoiced by S. J. Giulio and included in your June voucher. The reason for the exclusion is that Mr. Giulio's statement of account was not authenticated by his signature.

The next to last paragraph of the instructions on the reverse side of BMC Form 60 provides that copies of invoices and statements should bear the certification "Certified True Copy" over the signature of the Operator or his agent. While "letterhead" invoices or statements are often accepted without certification, they must be authenticated by signature. Completely handwritten or typed originals or copies ordinarily are not acceptable documentation unless certified or at least authenticated by signature.

The review of the vouchers has raised a question as to the propriety and authority of Mr. Giulio, as an outside consultant on a fee basis for a maximum of 4 days a month, to fully represent and act as agent for Larrigan Mining Company. All vouchers rendered to date have been signed by Mr. Giulio in the stated capacity of "engineer" for the company. He has also signed most of the correspondence for the company "by" S. J. Giulio.

In an undated air mail letter which we received February 25, 1963, you advised us that Mr. Giulio would have charge of all operations but that the accounting and vouchering would be handled by J. Roland Petersen, Public Accountant, P. O. Box 391, Hamilton, Montana, the company's contract address.

In view of the above, will you please confirm that Mr. Giulio (1) has full authority to act for Larrigan Mining Company in all contract matters, including vouchering, and (2) is, in fact, an "outside consultant" and not an "employee" of the company.

Your July 1963 voucher has been returned to this office as there is an omission of a prior claim that we are prohibited from adding. As soon as we receive your reply confirming the above two matters, we will return the voucher to the proper company representative for appropriate revision and resubmission.

Sincerely yours,

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

cc: E. J. Giulio
899 Sixth Avenue
Helena, Montana

OMK(2)
Voucher file
MacLaren
Reading copies to:
Nolan
Killegnard

DRMacLaren:mls

orm 7
-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | [illegible] | 500 |
| 8/13 | Johnson | 110 |
| | [illegible] | 100 |
| 8/13 | Cole | 220 |
| | | 500 |
| | | |
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| | | |
| | | |

AUG 13 1963

Memorandum

To: Acting Field Officer, Region I

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

Subject: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Enclosed are the original and two copies of the subject Operator's July 1963 MME Forms 60 and 61 and attachments, which you recently submitted to the Department's Fiscal Section for processing for payment. The Operator has omitted previously claimed amounts for dog holes and assays from both the "Previously Reported" and "Totals to Date" columns of the MME Form 60 and the "Units to Date" and "Costs to Date" of the MME Form 61.

Decisions of the Comptroller General prohibit an Authorized Certifying Officer from increasing the total amount of a claim against the Government. Accordingly, it is suggested that these forms be returned to the Operator for appropriate revision and resubmission.

Enclosures

EDTalbert/ama 8-13-63

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section
Mr. Talbert

43683

Form 7
-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 8/9 | Talbert | 800 |
| | Murphy | 500 |
| | Francis | 500 |
| | GLS | 130 |
| 8/9 | Johnson | 110 |
| " | On leave | 100 |
| | Cole | 220 |
| 8/9 | | 500 |
| | | |

AUG 9 1963

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

In response to your August 7 memorandum requesting an explanation of the suspension of $260.00 for professional services in the payment of the Operator's June MME Form 60, the Contract Administration and Audit Division has reviewed the pertinent file of the Department's Fiscal Section.

The findings are that both the May and June claims for professional services are documented by typed copies of S. J. Giulio's statements of account. However, the May statement bears Mr. Giulio's authenticating signature, whereas the June statement does not.

Please note that the penultimate paragraph of the instructions on the reverse of MME Form 60 provide that copies of invoices and statements properly should bear the certification "Certified True Copy" over the signature of the Operator or his agent. In actual practice carbon, thermofax, ozalid, or other true reproductions of "letterhead" invoices or statements are accepted without certification. Completely handwritten or typed copies (or even originals, for that matter) ordinarily are not acceptable documentation unless certified or, at the least, authenticated by signature.

It is hoped that the foregoing explanation satisfactorily answers your question. The review of the vouchers, however, has raised another question. That is the matter of the propriety and authority of Mr. Giulio, as an outside consultant on a fee basis for a maximum of four days a month, to fully represent and act as agent for the Operator. All vouchers rendered to date have been signed by Mr. Giulio in the stated capacity of "engineer" for the Operator. Likewise, most correspondence has been signed for the Operator "by" S. J. Giulio.

The files disclose that by an undated letter, acknowledged by you on February 25, 1963, the Operator's president advised that Mr. Giulio would have charge of all operations but that the accounting and vouchering would be handled by J. Roland Peterson, Public Accountant, of the Operator's contract address. Accordingly, it is suggested that the Operator's president be asked to confirm that Mr. Giulio (1) has full authority to act for the Operator in all contract matters, including vouchering, and (2) is, in fact, an "outside" consultant and not an "employee" of the Operator.

George C. Selfridge

EDTalbert/ama 8-9-63

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section
Review Committee
Mr. Talbert

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
August 7, 1963

| OFFICIAL FILE COPY O. M. E RECEIVED AUG 9 1963 | | |
|---|---|---|
| DATE | INITIALS | CODE |
| 8/9 | ug | 800 |
| | | 500 |

Air Mail

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6270 (Gold)
Larrigon Mining Company
Larrison Mine
Ravalli County, Montana
Contract 2160

Enclosed are three Thermo-fax copies of a self-explanatory letter dated August 3, 1963, from S. J. Giulio, consulting engineer for the subject applicant.

The deletion of $2.00 for Sample 3 DX is explained under "Remarks" on the June voucher. However, I do not understand the deletion of $260.00 for professional services. We have with our voucher file a Thermo-fax copy of a statement submitted by Giulio to the company, copies of which are also enclosed.

This same form accompanied the May voucher and was accepted. Please advise how this item should be documented.

D. R. MacLaren

D. R. MacLaren

Enclosures

838 Sixth Avenue
Helena, Montana
August 3rd., 1963

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

Re: OME-6270 (Gold)
Larrigon Mining Company
Contract 2160

Attention: Mr. D. R. MacLaren

Gentlemen:

I have a copy of notation from U. S. Department of the Interior, Office of the Secretary, Accounting Unit, Washington, titled "ADMINISTRATIVE SUSPENSION STATEMENT", dated July 22, 1963, excluding $262.00 from our June, 1963 voucher claim and listing the following explanation:

Sample 3DX taken from structure cut prior to start of OME work ---------- $ 2.00

Invoice for professional services, S. J. Giulio, not properly documented -- $260.00

I understand the omission of the $2.00 assay charge, although this was taken after OME approval as a check on structure that was thought significant in later work. However, I prepared (or thought I had) the Engineering Statement as heretofore and understood that it was satisfactory as your office had approved them in the past. Please advise.

Very truly yours,
LARRIGON MINING COMPANY

By S. J. Giulio

RECEIVED
AUG 5 1963

C O P Y C O P Y

838 Sixth Avenue
Helena, Montana
June 30, 1963

Larrigon Mining Company
P. O. Box 391
Hamilton, Montana

S. J. Giulio Account:

PROFESSIONAL SERVICES: ---------- $ 260.00

Accounted For As Follows:

Visit to Larrigon Mine
Mapping & Geology:

6/1/63 Service & Per Diem ---- $ 65.00

6/2/63 Service & Per Diem ---- $ 65.00

6/17/63 Service & Per Diem ---- $ 65.00

6/18/63 Service & Per Diem ---- $ 65.00

$ 260.00

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
August 1, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 5 1963

| DATE | INITIALS | CODE |
|---|---|---|
| 8/5 | | 100 |
| 8/5 | | 440 |
| | | 120 |
| 8/5 | | 800 |
| | | 500 |
| 8/6 | Murphy | 500 |

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: Interim inspection
OME-6270 (Gold)
Larrigon Mining Co.
Larrigon Mine
Ravalli County, Montana
Contract 2160

The Larrigon mine was visited July 18, 1963, and the advance checked in the presence of two miners, Harold Bolstad and his son. A non-discrimination poster is conspicuously displayed on the wall inside the compressor shed. The last inspection was made May 20, 1963.

On a bearing of about N. 30° W. from station 9 the face is 84 feet, the same as it was when last checked. A dog hole about 10 feet long has been driven northerly. At station 9 plus 54 feet is station 11 from which the drift was turned to a bearing of about N. 55° W. and is caved beyond 107 feet. Prior to the caving, Steve Giulio, consulting engineer, measured the distance from station 11 to the face at 124 feet. Thus, the advance since the last inspection is 117 feet of drift for a total of 273 feet, and 10 feet of doghole for a total of 30 feet.

Accepted on Opr. measurement & caved ???

According to Bolstad, a doghole was drilled northerly at the face and the caving resulted from the blast. The ground is very heavy and several of the drift sets are beginning to show that they are taking considerable weight.

At station 9 minus 7 feet a turnoff has been started at S. 80° W. and has been advanced 15 feet, 9 of which have been timbered. At the time he set lines for that bearing Giulio did not know of Amendment No. 1. As the Operator undoubtedly will accept it, I telephoned Giulio to advise him of the terms of the amendment. He will instruct the miners to swing the turnoff to the bearing of approximately S. 50° W.

The only iron-stained and slightly siliceous showings cut by the workings in the "A" zone were sampled, and the most promising ones

showed only Tr. to 0.01 ounce gold per ton. Bolstad was cautioned to keep a close watch not only for quartz veins and silicified zones, but especially for any evidence of finely disseminated specks of pyrite.

D. R. MacLaren

Distribution:
OME(Orig.&2)
Docket
MacLaren

MME FORM 60
SEPT. 1959

RECEIVED
JUL 5 1963
SECURITY MASK

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

File

Docket No. OME-6270-Gold
Contract No. 14-23-090-2160
Contract Amount $31610.00
Gov't. Participation % 50 $ 15805.00
Mineral(s) Gold

## OPERATOR'S MONTHLY VOUCHER

For Month of JUNE 1963

Operator's Name LARRIGON MINING COMPANY
Address Hamilton, Montana (PO Box 391)

| COST CATEGORIES | FOR OPERATOR'S USE | | | FOR GOVERNMENT APPROVAL ONLY | | |
|---|---|---|---|---|---|---|
| | MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE | MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE |
| Fixed Unit Costs and | | | | | | |
| (1) Independent Contracts: | | | | | | |
| Bulldozing | | | | | | |
| Drifting | 3348.00 | 5554.44 | 8902.44 | | | |
| Crosscutting Dog Hole | 195.00 | 390.00 | 585.00 | | | |
| Drilling | | | | | | |
| Timbering Drifts | 744.00 | 1234.32 | 1978.32 | | | |
| Engineering | 260.00 | 650.00 | 910.00 | | | |
| (2) Personal Services: | | | | | | |
| Supervision & Technical | | | | | | |
| Outside Consultants | | | | | | |
| Labor | | | | | | |
| (3) Operating Mat'l. & Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Rail | | | | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehab. & Repairs: | | | | | | |
| Buildings, Fixtures, etc. | | | | | | |
| Operating Equipment | | | | | | |
| (6) New Buildings, Fixtures, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Analytical Work Assays | 12.00 | None | 12.00 | | | |
| Payroll Taxes | | | | | | |
| Employee's Liability Ins. | | | | | | |
| TOTALS | 4559.00 | 7828.76 | 12387.76 | 4,297.00 | 7,828.76 | 12,125.76 |

I certify that the above bill is correct and just and that payment therefor has not been received.

Date July 3 1963 *Payee Larrigon Mining Company

Per S. J. Giulio Title Engineer

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$2,148.50

Signature BAB
(Authorized Certifying Officer)

Date 7/18/63 Vou. No. 1043

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2160

Signature D R Mechan Title Acting Field Officer, Reg. I Date JUL 1 5 1963

Approved by OME Executive Officer or Alternate:

Signature D R Mechan Title Acting Field Officer, Reg. I Date JUL 1 5 1963

## OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

## PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

RECEIVED
JUL 5 1963
U.S. G.S.
SPOKANE, WASH.

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

OPERATOR'S PROGRESS REPORT For Month of JUNE 1963 Docket No. OME-6270-Gold

Operator's Name Larrigon Mining Company Contract No. 14-23-090- 2160

| OPERATION | UNITS | FOR OPERATOR'S USE: UNITS THIS MONTH | UNITS TO DATE | COSTS TO DATE | FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH | APPROVED UNITS TO DATE | APPROVED COSTS TO DATE |
|---|---|---|---|---|---|---|---|
| Drifting | Ft | 93 | 247.29 | 8902.44 | 93 | 247.29 | 8902.44 |
| Crosscutting Dog Hole | Ft | 10 | 30.00 | 585.00 | 10 | 30 | 585.00 |
| Raising | | | | | | | |
| ~~Sx~~Timbering Dr | Ft | 93 | 247.29 | 1978.32 | 93 | 247.29 | 1978.32 |
| Winzes | | | | | | | |
| Other Underground | | | | | | | |
| Drilling, Core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Drilling, Non-core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Churn | | | | | | | |
| Percussion | | | | | | | |
| Miscellaneous | | | | | | | |
| Engineering | Da | 4 | 14 | 910.00 | 4 | 14 | 910.00 |
| Roads and Trails | | | | | | | |
| Stripping | | | | | | | |
| Trenching | | | | | | | |
| Test Pitting | | | | | | | |
| Other Surface Work | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | |
| Rehabilitation of Mine Workings | | | | | | | |
| New Buildings, Fixtures, etc. | | | | | | | |
| Operating Equipment Purchases | | | | | | | |
| Analytical Work Assays | | | | 12.00 | | | 10.00 |
| TOTAL TO DATE (per MME Form 60) | | | | 12387.76 | | | 12,385.76 |

REMARKS

(Continue on back)

REMARKS

1 Sample 3 DX taken from structure cut prior to start of OME work is disallowed

(Continue on back)

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

Date July 3 1963 Operator Larrigon Mining Company

Per S. J. Giulio Title Engineer

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. M. Jackson
Acting Field Officer, Reg. I

Title JUL 15 1963 Government Representative

Date JUL 15 1963

(INSTRUCTIONS ON REVERSE)

## INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

# N A R R A T I V E

We have advanced the main tunnel to a position shown on the map - a distance of 93 feet during the month of June. This tunnel was timbered its entire distance and, other than considerable local shearing and faulting, no significant mineralization was encountered. The ground was rather heavy over the last 50 feet as evidenced by the side-pressure upon the drift timbers. You will note that we have proceeded well beyond the better mineral exposures on surface. It is planned to "dog-hole" northerly and southerly at approximately the breast minus ten or fifteen feet.

At survey station No. 10 plus 20 feet, in the northeast crosscut, and designated as "Dog-Hole" No. 2 NE, we cut an irregular vein structure dipping to the southwest and having a general strike to the northwest of fifty degrees. An assay from this structure over a six inch width of quartz and talc is shown on the map.

Before proceeding further in the present tunnel we have tentatively considered a cross-cut southerly at Survey Station No. 9 and carry it as a main working tunnel in the event it is found desirable to continue to vein No. 2.

RECEIVED
JUL 5 1963
U. S. G. S.
SPOKANE, WASH.

One (2)

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

| DATE | INITIALS | CODE |
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| 7/18 | [illegible] | 500 |
| 7/18 | [illegible] | 500 |

So. 157 Howard Street
Spokane, Washington 99204

Air Mail

Mr. George G. Boyd, Secretary
Larrigan Mining Company
P. O. Box 630
Borger, Texas

Re: OME-6270 (Gold)
Larrigan Mining Company
Larrigan Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Boyd:

Following your telephone call of June 26, 1963, I requested an amendment to the contract according to your proposal. Enclosed are the original and four copies of a proposed Amendment No. 1 to the contract signed by the Director for the Government.

If the proposed amendment is satisfactory, please sign all copies, retain the Operator's copy, and return the other copies to this office.

If the amendment is not satisfactory, please return all copies to us unsigned with a statement of your proposed changes for consideration.

Sincerely yours,

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

Enclosures

MLPmalcer:mls

cc: OME(2)
MacLaren
Reading copies to:
Nolan; Killingsgard

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 7/10 | Murphy | 500 |
| | [illegible] | 500 |
| 7/10 | Talbot | 800 |
| | Selfridge | 130 |
| 7/10 | Johnson | 110 |
| 7/10 | [illegible] | 100 |
| 7/10 | Case | 220 |
| | | 500 |
| | | |

JUL 1 0 1963

**Memorandum**

**To:** Acting Field Officer, Region I

**From:** Chief, Division of Field Operations

**Subject:** OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

In accordance with our memorandum of July 2, 1963, enclosed are the original and four copies of a proposed Amendment No. 1, to the contract signed by the Director for the Government. Also enclosed is an extra copy for field use and the map you requested to be returned.

If the proposed amendment is satisfactory to you and the Operator, all five copies should be signed by an authorized representative of the company. Thereafter, please distribute the copies in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

George C. Selfridge (gla)

**Enclosures**

FMMurphy/mm
7/10/63
cc: Director's Reading File
Review Committee
Docket

43683

DRAFT
FMMurphy/mm
7/5/63

Eng ~~800~~ ~~120~~ 500

EXPLORATION CONTRACT
LARRIGON MINING COMPANY
OME-6270

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Larrigon Mining Company, hereinafter called the "Operator," that Exploration Contract No. 2160 (Docket OME-6270), dated February 14, 1963, is amended effective July 1, 1963, as follows:

In Exhibit A the second paragraph under Description of the Work is deleted and replaced by the following paragraphs:

"From Station 9 in the drift driven under this contract drive a crosscut on a bearing of approximately S. 50° W. for an estimated distance of about 130 feet to traverse the "B" zone shear structure. The approximate location and extent of the crosscut are shown on the map entitled "Figure 2 Larrigon Mine," attached hereto and made part hereof.

"With prior Government approval any drift, crosscut, or dog hole footages remaining in the contract may be used to further explore the "B" zone shear structure by drifting along the zone in each direction from the crosscut and, at intervals of approximately 50 in these drifts driving dog holes up to 20 feet deep into each wall."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor any item of allowable cost which is expressly designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Director, Office of Minerals Exploration

LARRIGON MINING COMPANY

By _____

Title _____

Form 7
0-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 7/2 | Murphy | 500 |
| 7/2 | on leave | 500 |
| 7/2 | Talbot | 800 |
| | Selfridge | 130 |
| 7/2 | Johnson | 110 |
| | Timmons | 100 |
| 7/2 | cal | 220 |
| | | 500 |
| | | |

JUL 2 1963

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OEX-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Your memorandum of June 26, 1963, recommending a 100-foot crosscut to the southwest from Station 9 has been reviewed. We agree that it is the most logical solution of the problem and therefore will prepare the proposed amendment. In any case, the crosscut should traverse "B" zone which was one of the target areas of the contract work.

George C. Selfridge (gla)

FMMurphy/mm
8/1/63
cc: Director's Reading File
Review Committee
Docket

Note return Mac's map with amendment. [illegible]

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
June 26, 1963

| OFFICIAL FILE COPY O. M. E RECEIVED JUL 1 1963 | | |
|---|---|---|
| DATE | INITIALS | CODE |
| 7/1 | | 800 |
| | | 120 |
| | Drawed | 500 |
| | Murphy | |

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Mr. George Boyd, Secretary, Larrigon Mining Company, telephoned the Spokane office June 26, 1963, to say that the OME drift had been advanced 59 feet and a dog hole driven northerly since the May Narrative Report was submitted. The company feels that further exploration west and north will be futile.

Steve Giulio, consulting engineer, believes that the dip of the "A" shear zone may have flattened and has recommended that, starting at the point where the drift was turned northwesterly, a turn be made to the south and a crosscut be driven in that direction. Mr. Boyd wanted to know if OME would support such a crosscut.

I told Boyd that I did not have the map before me but that as I recalled it, the area from the end of the drill hole from the dog hole south to the end of the northwest portion of the drift pretty well covered the area into which the "A" zone should project from the surface and that therefore I agreed that further work westerly and northerly would be futile. If the dips indicated at the surface had flattened, Giulio's proposal is reasonable but that the crosscut from the portal to the point where the drift was turned to the west gave no indication that the dip had in fact flattened. This crosscut had crossed a shear zone that was not far from where the "B" zone should be, indicating that there was not much offset by the northeasterly shear zone cut by the west drift. The only justification for the contract was the grade of the surface samples taken in the "A" zone and the crosscut to the "B" zone was predicated upon finding an ore shoot in the "A" zone. Finally, I then told him that if the company put in Giulio's proposed crosscut at its own expense and did encounter the ore zone, OME could probably support the drifting, but that, as the decision was not made in this office, I could give him no assurance that such support would be forthcoming.

Since talking to Mr. Boyd, I have projected the center of the shear zone shown at El. 317 on the 20-scale map which accompanied the May voucher (copy enclosed). At an 80° dip the "A" zone should have been cut by the south dog hole and at a dip of 85° should have been partly cut by the drill hole south from the same dog hole. Thus, it is possible that only a slight flattening of the dip below 80° could put the "A" zone south of the workings. An interesting relationship is the lateral projection of the area between the 80° and 85° projection lines to the northeast shear and the lateral projection to the latter of the breccia zone in the crosscut.

In view of the above, it is recommended that an amendment be prepared to authorize the Operator to drop back to Station 9 and turn off the drift to crosscut 100 feet S. 50°-55° W. This general idea was suggested in the final paragraph of my Interim Report of May 3, and commented upon in your memorandum of May 13, 1963.

Please return the accompanying map for our files when it has served its need.

D. R. MacLaren

D. R. MacLaren

Enclosure

MME FORM 60
SEPT. 1959

RECEIVED
JUN 3 1963
U.S.G.S.
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

JUN 20 1963

Docket No. 03E-6270-Gold
Contract No.
14-23-090- 2160
Contract Amount $31610.00
Gov't. Participation %50 $15805.00
Mineral(s)

# OPERATOR'S MONTHLY VOUCHER

For Month of MAY 1963

Operator's Name LARRIGON MINING COMPANY
Address Hamilton, Montana (PO Box 391)

| COST CATEGORIES | FOR OPERATOR'S USE | | | FOR GOVERNMENT APPROVAL ONLY | | |
|---|---|---|---|---|---|---|
| | MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE | MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE |
| Fixed Unit Costs and | | | | | | |
| (1) Independent Contracts: | | | | | | |
| Bulldozing | | | | | | |
| Drifting | 2107.80 | 3446.64 | 5554.44 | | | |
| Crosscutting Dog Holes | | 390.00 | 390.00 | | | |
| Drilling | | | | | | |
| Timbering Drifts | 468.40 | 765.92 | 1234.32 | | | |
| Engineering | 260.00 | 390.00 | 650.00 | | | |
| (2) Personal Services: | | | | | | |
| Supervision & Technical | | | | | | |
| Outside Consultants | | | | | | |
| Labor | | | | | | |
| (3) Operating Mat'l. & Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Rail | | | | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehab. & Repairs: | | | | | | |
| Buildings, Fixtures, etc. | | | | | | |
| Operating Equipment | | | | | | |
| (6) New Buildings, Fixtures, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Analytical Work | | | | | | |
| Payroll Taxes | | | | | | |
| Employee's Liability Ins. | | | | | | |
| | | 4,997.56 | 7,878.76 | | | |
| TOTALS | 2836.20 | 4602.56 | 7438.76 | 2,836.20 | 4,997.56 | 7,878.76 |

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 5/31/63 *Payee Larrigon Mining Company

Per S. J. Gaulle Title Engineer

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,418.10

Signature BAB
(Authorized Certifying Officer)

Date 6/14/63 Vou. No. 6581

(SEE OTHER SIDE)

RECEIVED

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2160

Signature D.R. Macbaren Title Acting Field Officer, Reg. I Date JUN 10 1963

Approved by OME Executive Officer or Alternate:

Signature D.R. Macbaren Title Acting Field Officer, Reg. I Date JUN 10 1963

## OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

## PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME. FORM 61
SEPT. 1959

RECEIVED
JUN 3 1963
U. S. G. S.
SPOKANE, WASH.

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

OPERATOR'S PROGRESS REPORT For Month of MAY 1963 Docket No. OME-6270-Gold

Operator's Name Larrigon Mining Company Contract No. 14-23-090-2160

| OPERATION | UNITS | FOR OPERATOR'S USE: UNITS THIS MONTH | UNITS TO DATE | COSTS TO DATE | FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH | APPROVED UNITS TO DATE | APPROVED COSTS TO DATE |
|---|---|---|---|---|---|---|---|
| Drifting | Ft | 58.55 | 154.29 | 5554.44 | 58.55 | 154.29 | $ 5554.44 |
| Crosscutting | | | | | 0 L1 | 20.00 L1 | 390.00 L1 |
| Raising | | | | | | | |
| Timbering Dr. | Ft | 58.55 | 154.29 | 1234.32 | 58.55 | 154.29 | 1234.32 |
| Winzes | | | | | | | |
| Other Underground | | | | | | | |
| Drilling, Core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Drilling, Non-core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Churn | | | | | | | |
| Percussion | | | | | | | |
| Miscellaneous | | | | | | | |
| Engineering | Da | 4 | 10 | 650.00 | 4 | 10 | 650.00 |
| Roads and Trails | | | | | | | |
| Stripping | | | | | | | |
| Trenching | | | | | | | |
| Test Pitting | | | | | | | |
| Other Surface Work | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | |
| Rehabilitation of Mine Workings | | | | | | | |
| New Buildings, Fixtures, etc. | | | | | | | |
| Operating Equipment Purchases | | | | | | | |
| Analytical Work | | | | | | | |
| TOTAL TO DATE (per MME. Form 60) | | | | 7438.76 | | | $ 7,828.76 |

REMARKS

(Continue on back)

REMARKS
L1 Doglegs previously claimed and approved - see MME Forms 60 + 61 for April 1963

(Continue on back)

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

Date May 31-63 Operator Larrigon Mining Co.

Per S. J. Giulio Title Engineer

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. A. Mackaven

Title Acting Field Officer, Reg. I
Government Representative

Date JUN 10 1963

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

## INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

# N A R R A T I V E

During the month we continued the main cross-cut tunnel northwesterly, cutting a silicified and comparatively hard shale bedding which carried us beyond the point of OME recommended exploratory work, the tunnel still being within the hard shale with no visible signs of mineralization. In order to conform to OME programming, we returned to a point shown on the map, which lies within an argillite zone having some semblance of possible mineralization and turned to a "strike" which conforms more nearly to projected surface structures. Insofar as may now be determined, the present tunnel course will have the hard shale for a northeast wall. Such structure dips steeply to the southwest.

I recently tied in, by transit survey, a surface exposure of limited, high-grade, vein structure that is presently accessible. I have placed this structure upon the 20' scale map. I had intended doing more surface detail work but time did not permit such work during my recent visit. I hope to complete this work in the near future.

It is our plan to continue the dog-holes henceforth, with possibly one in a northerly direction from the most northerly point in the main tunnel.

RECEIVED
JUN 3 1963
U. S. G. S.
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
May 29, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 31 1963

| DATE | INITIALS | CODE |
|---|---|---|
| 6-8 | | |
| 6/3 | | 100 |
| | | 110 |
| 6/4 | | 120 |
| | | 800 |
| 6/5 | | 500 |
| | | 500 |

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: Interim inspection
OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

The Larrigon mine was visited May 20, 1963, and the advance measured. Two samples were taken for assay. About and hour and a half was spent at the property. No one was present during the inspection. Mr. Giulio told me previously that the miners go to Salmon for every other week end. Presumably this was their week end off. They had not returned to the mine by 11 o'clock.

The last inspection was made April 22, 1963, at which time the main drift had been advanced 77 feet. At that time Giulio told me he had had difficulty using a compass for mapping and has mapped the drift by transit and steel tape. As he was not present for this inspection, I mapped the advance using a Brunton and will adjust it to his transit map when it is received. Station 8 to station 9 measured 66 feet on a bearing N. 54° W. Station 9 to the face measured 84 feet on a bearing of N. 30° W. All but the final 2 feet of the drift had been timbered, with lagging fairly tight. There is much sloughed material behind the lagging. The drift advance since the last measurement is 79 feet, for a total of 156 feet to date.

The drift crosses shaly beds which strike N. 50° to 60° W. and dip 70° to 80° S.W. For the most part, they are typically soft but at two points seem to contain a little more silica and to be slightly sheared parallel to the bedding. The first such zone is about 15 feet from station 9. Chip samples of this zone up to 12 inches across were taken from each side of the drift. The second zone is about 64 feet from station 9 and is for the most part covered by lagging and loose material that has fallen behind the lagging. However, near the back of the drift on the northeast side, it seems to be a little bit harder. The shear is somewhat bleached and spotted with iron oxide staining. On the westerly side of the drift, the structure is hidden behind the

timber, and the exposure at the east side was too high to attempt to sample without some assistance, particularly as the shale is very soft, somewhat blocky, and sloughs very easily. It is quite possible that with a very small swing in strike this structure may be the water course cut in the drill holes in the northeast crosscut or dog hole.

As soon as the assays and the Operator's transit-surveyed map, updated to the end of May, are available, a map showing the structure and sample locations will be forwarded.

D. R. MacLaren

D. R. MacLaren

DRMacLaren:my

Distribution:
OME(3)
Docket
MacLaren

MME FORM 60
SEPT. 1959

RECEIVED
MAY 6 1963
U S G S
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OFFICIAL FILE COPY
RECEIVED MAY 20 1963
M. E.

Granted
Granted

Docket No. OME-6270-Gold
Contract No. 14-20-0390-2160

# OPERATOR'S MONTHLY VOUCHER

For Month of APRIL 1963

Contract Amount $ 31610.00
Gov't. Participation % 50 $ 15805.00
Mineral(s) Gold

Operator's Name Larrigon Mining Company
Address Hamilton, Montana (PO Box 391)

| COST CATEGORIES | FOR OPERATOR'S USE: MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE | FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE |
|---|---|---|---|---|---|---|
| Fixed Unit Costs and | | | | | | |
| (1) Independent Contracts: | | | | | | |
| Bulldozing | | | | | | |
| Drifting | 1797.12 | 1649.52 | 3446.64 | | | |
| ~~Cross~~ Dog Holes | 390.00 | None | 390.00 | | | |
| Drilling | | | | | | |
| Timbering Drifts | 399.36 | 366.56 | 765.92 | | | |
| Engineering | 390.00 | None | 390.00 | | | |
| (2) Personal Services: | | | | | | |
| Supervision & Technical | | | | | | |
| Outside Consultants | | | | | | |
| Labor | | | | | | |
| (3) Operating Mat'l. & Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Rail | | | | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehab. & Repairs: | | | | | | |
| Buildings, Fixtures, etc. | | | | | | |
| Operating Equipment | | | | | | |
| (6) New Buildings, Fixtures, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Analytical Work | | | | | | |
| Payroll Taxes | | | | | | |
| Employee's Liability Ins. | | | | | | |
| TOTALS | 2976.48 | 2016.08 | 4992.56 | 2,976.48 | 2,016.08 | 4,992.56 |

I certify that the above bill is correct and just and that payment therefor has not been received.

Date May 2, 1963 *Payee Larrigon Mining Company

Per S. H. Grubb Title Engineer

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,488.24

Signature BHB
(Authorized Certifying Officer)

Date 5/17/63 Vou. No. 6043

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2160

Signature D.R. Macharen Title Acting Field Officer Date MAY 1 0 1963

Approved by OME Executive Officer or Alternate:

Signature D.R. Macharen Title Acting Field Officer Date MAY 1 0 1963

## OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

## PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

RECEIVED
MAY 6 1963
U. S. G. S.
SPOKANE, WASH.

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

OPERATOR'S PROGRESS REPORT For Month of APRIL 1963 Docket No. OME-6270-Gold

Operator's Name Larrigon Mining Company Contract No. 14-23-090- 2160

| OPERATION | UNITS | FOR OPERATOR'S USE: UNITS THIS MONTH | UNITS TO DATE | COSTS TO DATE | FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH | APPROVED UNITS TO DATE | APPROVED COSTS TO DATE |
|---|---|---|---|---|---|---|---|
| Drifting | Ft | 49.92 | 95.74 | 3446.64 | 49.92 | 95.74 | 3446.64 |
| Dog Holes | Ft | 20.00 | 20.00 | 390.00 | 20 | 20 | 390.00 |
| Raising | | | | | | | |
| Timbering Dr. | Ft | 49.92 | 95.74 | 765.92 | 49.92 | 95.74 | 765.92 |
| Winzes | | | | | | | |
| Other Underground | | | | | | | |
| Drilling, Core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Drilling, Non-core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Churn | | | | | | | |
| Percussion | | | | | | | |
| Miscellaneous | | | | | | | |
| Engineering * | Da | 6 | 6 | 390.00 | 6 ll | 6 | 390.00 |
| Roads and Trails | | | | | | | |
| Stripping | | | | | | | |
| Trenching | | | | | | | |
| Test Pitting | | | | | | | |
| Other Surface Work | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | |
| Rehabilitation of Mine Workings | | | | | | | |
| New Buildings, Fixtures, etc. | | | | | | | |
| Operating Equipment Purchases | | | | | | | |
| Analytical Work | | | | | | | |
| TOTAL TO DATE (per MME Form 60) | | | | 4992.56 | | | 4,992.56 |

REMARKS
* Includes 2 days engineering deleted last month a/c improper presentation.

(Continue on back)

REMARKS
ll Includes reclaim of two days previously not allowed.

(Continue on back)

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

Date May 2, 1963 Operator Larrigon Mining Co

Per S. J. Giulio Title Engineer

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D R Mackson

Title Acting Field Officer
Government Representative

Date MAY 1 0 1963

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

## INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

# N A R R A T I V E

Progress during the month of April consists of a 49.92 foot advance in the main tunnel, all of which required timbering. In addition thereto a "dog-hole" was driven to the NE a distance of 25 feet (designated "Dog-hole" #1 NE), and directly opposite, a "dog-hole" was advanced 20 feet to the SW (designated "Dog-hole" #1 SW). An 8-foot "Long Hole" was drilled at the end of each of the "Dog-Holes", all of the above being shown in detail upon the enclosed 20-scale, plan map. In compliance with the contract terms, only 10 feet of each of the "Dog-Holes" is being claimed in the vouchering covering the month of April, 1963. O.K.

The "Long-Hole" in the #1 NE "Dog-Hole" cut through a small water producing seam which may or may not have significance. However, surface ore-structures are generally noted to be within or in the immediate vicinity of wet structures. If the above wet "Long-Hole" structure is within the normal striking shale bedding planes, the main tunnel should intersect its projection to the Northwest.

No significant mineralization has as yet been encountered although there is some change presently indicated in the face of the main tunnel.

RECEIVED
MAY 6 1963
U S G S
SPOKANE, WASH.

OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 16 1963

| DATE | INITIALS | CODE |
|---|---|---|
| 5/16 | [illegible] | 800 |
| | | 120 |
| | Deserved | 500 |
| 5/17 | Murphy | 500 |
| | | |
| | | |

So. 157 Howard Street
Spokane 4, Washington
May 14, 1963

Mr. S. J. Giulio
838 Sixth Avenue
Helena, Montana

Re: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Giulio:

I plan to arrive in Hamilton during the afternoon of Sunday, May 19, 1963, and to make an interim inspection at the Larrigon mine the following morning. Unless you have some problem you might wish to discuss, it will not be particularly necessary for you to be present, although it is always a pleasure and helpful to see you.

Sincerely yours,

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

DRMacLaren:ny

cc: OME
Reading copies to:
Helen
McNalvey

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 5/13 | Murphy | 500 |
| | [illegible] | 500 |
| 5/13 | Talbot | 800 |
| | Selfridge | 430 |
| 5/13 | [illegible] | 110 |
| | [illegible] | 100 |
| 5/13 | [illegible] | 220 |
| | | 500 |
| | | |

Memorandum

MAY 13 1963

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: CME-6270 (Gold)
Larrigan Mining Company
Larrigan Mine
Ravalli County, Montana
Contract 2160

This is with reference to your memorandum of May 3, 1963, relating to your interim inspection of the subject property.

With respect to the two dog holes you mention, each one exceeds the contract specifications which limit the depth of dog holes to a maximum of 10 feet; hence, any footage over that must be disallowed. If the Operator requests an amendment to permit the longer dog holes and justifies the request, then subject to your recommendation, it will be considered.

With regard to the possible amendment mentioned in the final paragraph of your memorandum, it appears that one should not be prepared until the present drift has reached the point vertically below the surface mineral zone. If a favorable structure is found, it may be best to continue the drift on it.

George C. Selfridge (gla)

FMMURPHY/mm
5/9/63
cc: Director's Reading File
Review Committee
Docket

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
May 3, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 6 1963
DATE
5/6 800
120
500
500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: Interim inspection and possible amendment
OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

The property was visited April 22, 1963, and the progress was checked in the company of S. J. Giulio. About one hour was spent at the mine, and during the evening another hour was spent discussing the project, vouchering requirements, etc., with Giulio.

Prior to execution of the OME contract, the Operator completed the crosscut. About 35 feet back from the face, a quartz-filled fissure crossed the workings, striking about N. 57° W. and dipping 86° S.W. A sample of the structure assayed 0.16 ounce gold and 0.2 ounce silver per ton. The Operator turned off the crosscut in a nearly westerly direction to pick up the structure, which had swung to the west. After following it about 25 feet, it swung northwesterly and pinched out. The drift was continued westerly and at about 45 feet entered a zone of heavy cross shearing about 25 feet wide. The drift was continued another 25 feet westerly, but, as regularly panned samples showed no colors, was then turned to a bearing of N. 53° W., nearly parallelling the gold-producing shear zone A on the surface. OME work started about six feet east of transit station 8, just before the drift was turned to N. 53° W. O.K.

Dal
Description of work states operations go to incorp. vs
? Amendment needed

About 48 feet from the starting point of the OME work, dog holes were run 25.5 feet northeasterly and 21 feet southwesterly from the drift, and an 8-foot long-hole was drilled from the face of the northeasterly dog hole. The entire 31.5-foot width opened up by the drift and dog holes exposes sheared altered shale and argillite. For the most part, shear planes are tight and closely spaced, dipping steeply to the southwest. No quartz was seen; however, at the face where the last round had been turned toward the northwest, there was a marked increase of hardening, possibly silicification of the rocks in the right-hand half. These rocks closely resemble the altered shale that is the wall rock of the mineralized zone on the surface.

The 8-foot long hole cut a small water course, and pannings of the cuttings showed some quartz grains but no gold or sulfides. A chip sample across 12" of fairly strong shearing, taken about four feet back from the breast of the northeasterly dog hole, assayed Tr. gold and 0.1 ounce silver per ton.

The problem in orienting the drift with the downward extension of the surface ore zone is completed by the fact that there is no easily distinguished marker of the mineralized shear zone other than that it is more silicified than the rest of the shale and argillite and that only a slight variation in dip would cause it to be an indeterminate distance on either side of the drift. Because of the slight increase in silicification of the rocks on the right of the drift at the face and the small water course cut by the long hole, the Operator was authorized to continue in the northwesterly direction toward which he was swinging, at least until he reached a point vertically below the northeast side of the surface mineral zone. If he does not find it in that direction, it is recommended, in order to do a thorough job of exploration, that he be authorized to drop back to the present face and turn to the southwest, crosscutting to a point vertically below the southwest side of zone B. However, this will require an amendment to the contract, as crosscutting southwesterly is now dependent upon the success of the exploration of zone B. If you concur, it is requested that an amendment authorizing this work be prepared.

D R MacLaren

D. R. MacLaren

Enclosure

Distribution:
OME(3)
Docket
MacLaren

OFFICIAL FILE COPY
O. M. E
RECEIVED APR 18 1963

| DATE | | CODE |
|---|---|---|
| 4/18 | | 800 |
| | | 500 |
| 4/18 | Murphy | |

So. 157 Howard Street
Spokane 4, Washington
April 16, 1963

Mr. S. J. Giulio
838 Sixth Avenue
Helena, Montana

Re: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Giulio:

I plan to arrive in Hamilton about 1 p.m. the afternoon of April 22nd and will proceed to the mine to make an interim inspection. I would like to have you present at that time so that we can talk over any problems or questions that you may have.

Sincerely yours,

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

DRMacLaren:my

cc: Larrigon Mining Company
P. O. Box 391
Hamilton, Montana

OME
Reading copies to:
Nolan
McKelvey

So. 157 Howard Street
Spokane 4, Washington
April 9, 1963

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 11 1963

| DATE | | CODE |
|---|---|---|
| 4/11 | [illegible] | 800 |
| | Insured | 500 |
| HS | Murphy | 300 |

Mr. S. J. Giulio
Larrigon Mining Company
838 Sixth Avenue
Helena, Montana

Re: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Giulio:

The March voucher pertaining to the cited contract has been processed and forwarded to the Finance Office. It was necessary to delete the sum of $130.00 claimed for engineering, as this is an actual cost item under the contract. As such the amount claimed must be supported by an invoice as specified in the next to last paragraph on the back of the Operator's Monthly Voucher, MME Form 60.

The invoice should show the dates the consulting engineer-geologist worked on the project. Not more than four days in any month may be allowed claimed for these services.

When assays are vouchered, the claim should be supported by (1) Assayer's bill or invoice, (2) copy of assay results, and (3) a map indicating the location of the samples and their widths.

I hope to visit the property near the end of this month and, if possible, will let you know the date when I am certain.

Sincerely yours,

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

DRMacLaren:my

cc: OME(2)
CPF
Reading copies to:
Nolan
McKelvey

RECEIVED

MME FORM 60
SEPT. 1959

APR 8 1963

U. S. G. S.
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME-6270 (Gold)
Contract No. 14-23-090- 2160
Contract Amount $ 31610.00
Gov't. Participation % 50 $ 15805.00
Mineral(s) Gold

# OPERATOR'S MONTHLY VOUCHER

For Month of MARCH 1963

Operator's Name Larrigon Mining Company
Address Hamilton, Montana

| COST CATEGORIES | FOR OPERATOR'S USE: MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE | FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL | PREVIOUSLY REPORTED | TOTALS TO DATE |
|---|---|---|---|---|---|---|
| Fixed Unit Costs and | | | | | | |
| (1) Independent Contracts: | | | | | | |
| Bulldozing | | | | | | |
| Drifting | 1649.52 | None | 1649.52 | 1,649.52 | — | 1,649.52 |
| Crosscutting | | | | | | |
| Drilling | | | | | | |
| Timbering Drifts | 366.56 | None | 366.56 | 366.56 | — | 366.56 |
| Engineering-Geo | 130.00 | None | 130.00 | — | — | — |
| (2) Personal Services: | | | | | | |
| Supervision & Technical | | | | | | |
| Outside Consultants | | | | | | |
| Labor | | | | | | |
| (3) Operating Mat'l. & Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Rail | | | | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehab. & Repairs: | | | | | | |
| Buildings, Fixtures, etc. | | | | | | |
| Operating Equipment | | | | | | |
| (6) New Buildings, Fixtures, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Analytical Work | | | | | | |
| Payroll Taxes | | | | | | |
| Employee's Liability Ins. | | | | | | |
| TOTALS | 2146.08 | None | 2146.08 | 2,016.08 | — | 2,016.08 |

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 4/5/63 *Payee Larrigon Mining Company

Per S. J. Giulio Title Engineer

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,008.04

Signature BHB
(Authorized Certifying Officer)

Date 4/12/63 Vou. No. 5258

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2160

Signature D R Mackaren Title Acting Field Officer Date APR 8 1963

Approved by OME Executive Officer or Alternate:

Signature D R Mackaren Title Acting Field Officer Date APR 8 1963

## OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

## PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

RECEIVED
APR 8 1963
U. S. G. S.
SPOKANE, WASH.

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

OPERATOR'S PROGRESS REPORT For Month of MARCH 1963 Docket No. OME-6270-Gold

Operator's Name Larrigon Mining Company Contract No. 14-23-090- 2160

| OPERATION | UNITS | FOR OPERATOR'S USE: UNITS THIS MONTH | UNITS TO DATE | COSTS TO DATE | FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH | APPROVED UNITS TO DATE | APPROVED COSTS TO DATE |
|---|---|---|---|---|---|---|---|
| Drifting | Ft | 45.82 | 45.82 | 1649.52 | 45.82 | 45.82 | $1,649.52 |
| Crosscutting | | | | | | | |
| Raising | | | | | | | |
| XXXXTimbering Dr. | Ft | 45.82 | 45.82 | 366.56 | 45.82 | 45.82 | 366.56 |
| Winzes | | | | | | | |
| Other Underground | | | | | | | |
| Drilling, Core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Drilling, Non-core-Diamond | | | | | | | |
| Rotary | | | | | | | |
| Churn | | | | | | | |
| Percussion | | | | | | | |
| Miscellaneous | | | | | | | |
| Engineering | Da | 2 | 2 | 130.00 | — | — | — L |
| Roads and Trails | | | | | | | |
| Stripping | | | | | | | |
| Trenching | | | | | | | |
| Test Pitting | | | | | | | |
| Other Surface Work | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | |
| Rehabilitation of Mine Workings | | | | | | | |
| New Buildings, Fixtures, etc. | | | | | | | |
| Operating Equipment Purchases | | | | | | | |
| Analytical Work | | | | | | | |
| TOTAL TO DATE (per MME Form 60) | | | | 2146.08 | | | $2,016.08 |

REMARKS

OME work commenced on March 12th., 1963

(Continue on back)

REMARKS

L No invoice for consultant's fee. May be reclaimed

(Continue on back)

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

Date 4/5/63 Operator Larrigon Mining Company

Per S. J. Giulio Title Engineer

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature O. R. Myschaen

Title Acting Field Officer
Government Representative

Date APR 8 1963

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

## INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

# N A R R A T I V E

Work on the project was commenced on March 12th., 1963, including preparatory, miscellaneous jobs; but a minor breakdown interruption occurred recently involving the air-trammer unit, which should again be in operation at this writing. After the main drifting has progressed several more rounds, dog-holes will be commenced at intervals as set-up in the program. We are now in a heavily fractured zone which presently appears to be entering more solid formation; thus the reason for advancing the tunnel a short distance prior to cross-cutting. Even though the formation may not change we will cross-cut as planned.

Please note that some company drifting northwesterly from the main cross-cut was performed to the date of OME work commencement. In the vicinity of the start of such work we had intersected a number of scattered, narrow, mineral stringers with almost vertical dips, striking generally $50^{o}$ to $55^{o}$ to the northwest. Only one of such structures produced any values in the cross-cut, and in planning our drifting (near survey station #6) we swung to intersect this structure and followed it to the heavy shear or fault zone shown on the map, at which point it was cut off. Although strong, narrow structure was shown (consisting of thin quartz bands and heavy oxidation) over the above distance, no further values were shown by panning and assay at the most prominent lenticular exposure which was about twelve inches in width. A transit survey later showed a strong swing of the tunnel to the northwest. After cutting through the fault we lost all significant mineralization; thus a decided swing to the northeast was made to more nearly parallel the surface-indicated, vein strikes as well as to conform more closely to OME requirements, which at that time had just been received. The drift position through the fault suggests some displacement although its direction and extent is not precisely discernable. There is slight indication however of movement to the northeast. It must be understood that detailed geologic mapping within a highly disturbed, wide, shear zone (where heavy timbering was required), at approximate two-week mine visits was not particularly conducive to close detailed work. At our present critical position weekly visits have been made and will be so continued.

A slight variation is dip at surface (Vertically approximately 300 feet above our tunnel level) suggests a possible spread in projection in excess of 50 feet; and a slight deviation in strike could also alter the vein position somewhat at our present tunnel face. Crosscutting should establish some indication of vein or mineral structure. It is

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APR 8 1963

U. S. G. S.
SPOKANE, WASH.

hoped this will be within the specified OME cross-cut limits; otherwise we will undoubtedly proceed beyond the OME allowable limits under our own expense, for short additional distances at least.

In addition to equipment listed in the original application, which was later modified, we have an Eimco, air-operated trammer and four large mine cars, and a gasoline engine, driven ventilating unit. Also, we have recently acquired an air-slusher unit for dog-hole work. The OME regulations regarding pipe, rail etc are being complied with. When significant mineral structure is encountered, sampling will be done in accordance with recommended OME procedure

---

So. 157 Howard Street
Spokane 4, Washington
April 3, 1963

| | | |
|---|---|---|
| 4/5 | 607 | 800 |
| | | ~~120~~ |
| | Journed | 500 |
| 4/4 Murphy | | 60 |

Mr. S. J. Giulio
838 Sixth Avenue
Helena, Montana

Re: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Giulio:

? I have compared the 20-scale map which accompanied your letter of March 31, 1963, with the 50-scale map which accompanied your letter of January 2, 1963, and am a bit surprised at the original bearing of the northwesterly drift. On the 50-scale map you show one strong and two weaker mineralized structures about 31 to 48 feet back from the breast of the crosscut. These structures are shown as striking about N. 55° W., one dipping 86° SW, the other dipping 88° SW. These were the only structures shown on that map anywhere near the projected location of the veins sampled on the surface, and a sample of the one dipping 86° SW assayed 0.16 ounce gold and 0.2 ounce silver per ton over a width of 0.5 foot.

None of these mineralized structures appears on the 20-scale map, and the drift starts on a bearing of N. 85° W., apparently following an unmineralized shear only 24 feet back from the face of the crosscut. About 35 feet back from the face the 20-scale map shows a shear that dips 70° to 75° SW. What happened to the structure containing 0.16 ounce gold?

While there may have been some displacement along the cross fracture near station No. 7 as you suggest, the present drift face is on the same side of the shear as the veins sampled on the surface. From your description, the drift is probably not on the gold-bearing shear zone. Your expressed plan to crosscut northeasterly is reasonable but insofar as it departs from the terms of the contract cannot be approved for cost reimbursement. I suggest that, in the event you do not cut the mineralized zone within 25 feet, you take another round or so out of the southwest dog hole, although again this work in excess of contract specifications cannot be approved for reimbursement.

I cannot at this time authorize commencing a southerly crosscut to vein No. 1. In Exhibit A, the second paragraph under "Description of the Work" states that this crosscut can be driven "If the work along shear zone 'A' indicates sufficient gold mineralization . . .". So far, it seems unlikely that the work is along shear zone "A", and, if it is, there appears to be no gold mineralization yet found.

Should it be necessary to enlarge the northeasterly crosscut, I suggest you start by knocking off the easterly corner at the start and the westerly side toward the north so that it can be used, and possibly allowed, as drifting if you find the shear zone. This is only a suggestion and not a work authorization, nor is it to be considered as a commitment that the work will later be acceptable for OME participation.

Sincerely yours,

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

DRMacLaren:my

cc: OME
Reading copies to:
Nelson
McKelvey

So. 157 Howard Street
Spokane 4, Washington
March 19, 1965

3/4/65 800
~~Granted~~ 500
3/25/65 ~~Paid by~~ 500

Mr. Steve J. Giulio
838 Sixth Avenue
Helena, Montana

Re: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Giulio:

We have already sent voucher forms to Mr. Baker, who has, no doubt, sent them to you by this time.

Before starting to prepare the voucher, you should read and follow the instructions given on the back of the MME Form 60, particularly the next to last paragraph regarding documentary support for all items claimed under actual cost provisions.

The original and three copies (four in all) of the MME Forms 60 and 61, the narrative report, and the maps should be submitted. If an operator elects not to submit a voucher for any month, he should, none the less, submit the narrative reports and maps.

Sincerely yours,

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

DRMacLaren:my

cc: E. D. Baker, President
Larrigon Mining Company
P. O. Box 190
Borger, Texas

OME(2)
CPF

Reading copies to:
Nelan
McKelvey

OFFICIAL FILE COPY

RECEIVED 15 1963

DATE

3/14 Gilmore 800
Gilmore 500
3/15 Murphy 500

So. 157 Howard Street
Spokane 4, Washington
March 15, 1963

Mr. R. D. Baker, President
Larrigan Mining Company
P. O. Box 190
Borger, Texas

Re: OMM-6270 (Gold)
Larrigan Mining Company
Larrigan Mine
Ravalli County, Montana
Contract 2160

Dear Mr. Baker:

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

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

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

Sincerely yours,

D. R. Maclaren
Acting Field Officer, OMM
Region I

Enclosures

DRMaclaren:ny
cc: OMM(2)
CFF
Reading copies to: Nelson, McKelvey

MME FORM 6 REFERENCE SLIP

REV. 2-5 OFFICE OF MINERALS EXPLORATION

| TO: | DATE | INITIALS |
|---|---|---|
| 1. Chief, Divn. of Field Operations | 3/11/63 | |
| 2. [illegible] | 3/[illegible] | [illegible] |
| 3. | | |
| 4. | | |
| 5. DRMacLaren | | |

FROM: D. R. MacLaren, Act. Fld. Offr.
Region I

FOR: Check items for action desired

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

REMARKS: OME-6270 ( Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana
Contract 2160

Government's, Audit's, and Fiscal Section's copies of above-referenced contract, signed by E. D. Baker, President, Larrigon Mining Company.

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 7 1963
DATE | INITIALS | CODE
3/7 [illegible] 500

[illegible] St. [illegible]
[illegible]
[illegible]

[illegible]
[illegible]
[illegible]
[illegible]

Dear Mr. [illegible]:

In connection with our letter of February 19 and 25, 1963, enclosed are two signed and dated copies of a proposed supplemental contract [illegible] (long form), Exhibit I (the page), Exhibit A (back page), Exhibit B, and the Line of Subcontracting Agreement, and the [illegible].

If the contract is satisfactory, kindly insert the starting date in Article I. This date must not be prior to the date of the contract. Then sign all copies, keep the director's copy, and return the other four copies to this office.

The 5 percent interest accrues from the date on which the individual payments are made by the Government and like the principal is repayable from royalty on production.

If the contract is not satisfactory, please return all copies unsigned to this office with a statement of your proposed changes for consideration.

We have an extra copy of the contract, complete except for the line of Subcontracting Agreement, which we shall keep until the signed copies are returned, as indicated in second of fourth paragraphs above. When we receive the signed copies, we will send the other copy to Mr. Shelle as you requested in your letter received February 25, 1963.

Sincerely yours,

[illegible]
Acting Field Officer, OME
Region I

Enclosures
Duplicate
[illegible]
[illegible]
Building copies to
[illegible], Salisbury

[illegible]

Your letter of February [illegible] received and am enclosing a [illegible] copy of the assignment.

This instrument was drawn by E. Gardner Brownlee, [illegible] District, State of Montana, [illegible] I talked with him this morning and [illegible] copy of this instrument, which he will [illegible] you.

The [illegible] letter you received from [illegible] my [illegible] and myself and we apologize for this [illegible]

If this [illegible] does not [illegible] up to the [illegible] long distance [illegible]

Very truly yours,

[illegible]

cc - E. Gardner Brownlee
[illegible]

So. 157 Howard Street
Spokane 4, Washington
February 25, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 27 1963

| DATE | | |
|---|---|---|
| | | 500 |
| | | ~~562~~ |

Air Mail

Mr. E. D. Baker, President
Larrigon Mining Company
Box 190
Borger, Texas

Re: OMM-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana

Dear Mr. Baker:

We have received your undated air mail letter with a copy of the Assignment referred to in our letter of February 19, 1963. I have talked with our Washington, D. C., office and have been advised that we require either a photostatic copy of the Assignment, showing the signatures, or a certified true copy.

Sincerely yours,

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

DRMacLaren:my

cc: OMM
Reading copies to:
Helen
McKelvey

LARRIGON MINING COMPANY
Box 190
BORGER TEXAS

Mr. D. R. MacLaren
Acting Field Officer, GME
Region 1
So. 157 Howard Street
Spokane 4, Washington

Dear Mr. MacLaren:

A copy of your letter to Larrigon Mining Company, Hamilton, Montana, requesting a copy of the assignment to Larrigon Mining Company of the interests of Charles Bunz as trustee for Harry C. Henderson and others, acquired by certain agreements between G. W. Berggren and wife and Charles Bunz trustee, at hand. Enclosed is a copy of this assignment.

When you send me the exploration contract, please send a copy to S. J. Giulio, 838 6th Avenue, Helena, Montana. Mr. Giulio will have charge of all of our operations as he has in the past year. All accounting and vouchering will be handled by J. Roland Peterson, Public Accountant, P. O. Box 391, Hamilton, Montana.

Very truly yours,

LARRIGON MINING COMPANY

BY_____
E. D. Baker, President
Box 190
Borger, Texas

EDB:rb

cc- S.J. Giulio
J. Roland Peterson
Gardner Brownlee

Air mail

# A S S I G N M E N T

Comes now CHARLES DUUS, of Hamilton, Montana, and HARRY C. HENDERSON, of Amarillo, Texas, being the persons named as the Second Party, in a certain contract or agreement, dated on the 1st day of November, 1959, by and between Myrtle Berggren and Grant W. Berggren, husband and wife, of Hamilton, Montana, as the first parties, and the undersigned as second party, and which agreement was put into effect and also clarified on the 23rd day of January, 1960, and for and in consideration of the sume of One Dollar and other good and valuable consideration and to fully put into effect the agreement for the beneficiaries thereof, do by these presents assign, transfer and set over to LARRIGON MINING CO., A Montana Corporation, all right, titles estate and interest in and to the said contract including the full possession of the property described in the said agreement and including the obligation to do and perform the things required by said agreement including the making of the payments necessary.

Dated this 12th day of March, 1960.

Witnesseth:

Charles H. Duus

_____

Harry C. Henderson

We, further beneficiaries of the trust set up by the aforesaid agreement assign and transfer our interest to the Larrigon Mining Co., a Montana Corporation as fully as have the above named persons.

E. D. Baker

| OFFICIAL FILE COPY O. M. E RECEIVED FEB 21 1963 | | |
|---|---|---|
| DATE | INITIALS | CODE |
| 2/21 | [illegible] | 800 |
| | | 420 |
| | [illegible] | 500 |
| 2/21 | [illegible] | 300 |
| | | |
| | | |
| | | |

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

Larrigan Mining Company
P. O. Box 391
Hamilton, Montana

Re: OMB-6270 (Gold)
Larrigan Mining Company
Larrigan Mine
Ravalli County, Montana

Gentlemen:

We have received a proposed exploration contract for work at the Larrigan Mine. However, before it can be forwarded to you for your consideration, this office must receive a copy of the Assignment to Larrigan Mining Company of the interests of Charles Dunn as trustee for Harry C. Bundersen and others, which were acquired by the terms of two agreements dated November 1, 1959, and January 23, 1960, between Myrtle Berggren and Grant W. Berggren, husband and wife, as party of the first part and Charles Dunn, as trustee for Harry C. Bundersen and others, as the second party. This Assignment is referred to in the Modification Agreement dated May 2, 1962.

Sincerely yours,

D. R. Maclaren
Acting Field Officer, OMB
Region I

DRMaclaren:mg

cc: R. B. Baker, President
Larrigan Mining Company
Box 190
Burger, Texas
OMB

Sending copies to:
Helen
McDalvey

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 2/13 | Murphy | 500 |
| | [illegible] | 500 |
| | | 800 |
| | Selfridge | 130 |
| 2/14 | Johnson | 110 |
| 2/14 | Frank | 100 |
| 2/14 | CDC | 220 |
| | | 500 |
| | | |

FEB 14 1963

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana

In accordance with your memorandum of January 25, 1963, enclosed are the original and four copies of a proposed exploration contract with Larrigon Mining Company, signed by the Director, subject to the Applicant submitting a copy of the Assignment executed by Charles Duus, Trustee, which is referred to in Annex I to the contract. The contract consists of MME Form 50 (Long Form), Annex I (one page), Exhibit A (three pages), Exhibit B, one Lien or Subordination Agreement, and two maps. Also enclosed for your use is an extra copy for Field Office.

If the contract is satisfactory to you and the Applicant and a copy of the Assignment referred to above has been submitted, kindly insert the starting date and have an authorized representative of the company sign the original and four copies. Thereafter, please distribute the copies in the usual manner.

Please advise the Applicant that the 6 percent interest accrues from the dates on which the individual payments are made by the Government and like the principal is repayable from royalty on production.

If any part of the proposed contract does not have your approval or that of the Applicant and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Enclosures

George C. Selfridge (gla)

FMMurphy/mm
2/13/63
cc: Director's Reading File
Review Committee
Docket

43683

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

FEB 12 1963

Memorandum

To: Chief, Division of Minerals
Office of Minerals Exploration

From: Assistant Solicitor
Branch of Mineral Defense Activities

Subject: Proposed Contract - Larrigon Mining Company - OME-6270

Pursuant to your request we have prepared the enclosed contract. However, prior to its execution OME should obtain a copy of the Assignment executed by Charles Duus, Trustee, which is referred to in Annex I to the contract.

Robert W. Long
Assistant Solicitor
Branch of Mineral Defense Activities

Enclosure

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 -6270 | Gold | 14-23-090- | Ravalli | 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

Larrigon Mining Company

_____,

whose mailing address is P. O. Box 391, Hamilton, Montana, 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 12 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 $ 31,610. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $ 15,805 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:

See Annex I

(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:

See Annex I

(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.

**See Article 16(a)**

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.--

~~(a) In Article 7(b)(2) of the contract, substitute the period "twenty-five years" for the period "ten years".~~

~~(b) Special Agreement Concerning Royalty. Notwithstanding the certification provisions of this Article 7, and with no further action required on the part of the Government, the Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, or its successor, shall pay to the Government a royalty on production, regardless of where it is produced, which is transported through any workings or any portion of any workings to the cost of which the Government has contributed, for the period described in Article 7(b)(2) above, and pursuant to the terms of Article 7(d) et seq. However, in no event shall more than one royalty be due or paid under this contract on the same production."~~

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

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

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

Executed in quintuplicate this _____ day of _____, 1943.

_____ THE UNITED STATES OF AMERICA
(Operator)

By _____ By _____
Director, Office of [redacted]

Title _____

I, _____, certify that I am
(Name)
the _____ Secretary of the corporation
named as Operator herein; that _____,
(Name)
who signed this contract on behalf of the Operator was then
_____ of said corporation, that
(Title)
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 ]

DRAFT 1/31/63
FMMurphy/mm

**EXPLORATION CONTRACT**
**LARRIGON MINING COMPANY**
**GME-6270**

**ANNEX I**

The land referred to in Article 2 of the contract consists of five (5) lode mining claims, including all rights pertaining thereto, in sec. 34, T.23.S., R.21 W., M.P.M., Overwich ~~Emerganiand~~ or Hughes Creek ← Consent to [illegible] Mining District, Ravelli County, Montana. The amended location notices of the claims are recorded in the Quartz Location Records of Ravelli County, Montana, as follows:

| Claim | Book | Page |
|---|---|---|
| Washington | 6 | 116 |
| Viscaya | 6 | 117 |
| Laurrauri | 6 | 118 |
| Eurrecnea or Eurrecochea | 6 | 131 |
| Lost Cabin ~~Lode~~ | 6 | 142 |

The Operator has rights to the above-listed claims under the terms of 3 agreements dated November 1, 1959, January 23, 1960, and March 18, 1961, between Myrtle Berggren and Grant W. Berggren, husband and wife, as first party, and Charles Duus, as trustee for Harry C. Sandersen and others as second party, and a Modification Agreement, dated May 2, 1962, between the above first party and Larrigon Mining Company, as assignee of the second party.

A Lien or Subordination Agreement, and listing the ~~above~~ claims, signed by Grant W. Berggren and Myrtle Berggren, is attached hereto and made part hereof.

The claims are outlined in green on Plate 2 entitled, "Map of Claims Larrigon Mine . . .," attached hereto and made part hereof.

EXPLORATION CONTRACT
LARRIGOM MINING COMPANY
OME-6270

EXHIBIT A

The purpose of this project is to explore for gold-bearing quartz lenses or veins by means of two drifts, a crosscut, and driving dog holes from the drifts in a wide shear zone cutting shale and argillite beds.

General Provisions

No work under this contract may be performed at distances less than 200 feet from exterior property boundaries.

The drifts and main crosscut shall not be less than 5' x 7' in the clear of timber and shall be timbered as necessary with sets at not less than 5-foot intervals, using standard drift sets of not less than 8" by 8" timber or equivalent round timber. The dog holes shall be about 4' x 5' in cross section. ~~and shall not be timbered.~~

Mine rail shall not be less than 20-lb., air lines not less than 2-inch and water lines not less than 1-inch in diameter.

All significantly mineralized areas traversed by the drifting, crosscut, and dog holes shall be sampled normal to their trends at intervals of not more than 10 feet. Likewise, a representative bulk sample shall be taken of each round broken in areas showing significant mineralization.

All samples, from whatever source, shall be split. One split of each sample properly marked as to source and location shall be set aside and made available to the Government and the

Operator shall have one split assayed for gold. With prior approval the Operator may dispose of the Government's sample splits.

True copies of assay certificates of all samples shall be submitted with the Operator's monthly report which shall also include a map or sketch showing the work completed during the reporting period and showing the locations of all samples taken. The map or sketch should also show the general geological formations and structures traversed by the work performed.

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

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

Description of the Work

From the end of the existing adit crosscut above the mill, drift along shear zone "A" for approximately 300 feet to the northwest and at intervals of approximately 50 feet drive dog holes 5 to 10 feet deep into each wall.

If the work along shear zone "A" indicates significant gold mineralization, then with prior Government approval drive a crosscut about 100 feet southwesterly from the drift along zone "A", at a point mutually agreed upon by the Operator and Government, to cut shear zone "B." From the crosscut drift, approximately 100 feet along shear zone "B" in each direction, and at intervals of approximately 50 feet along these drifts drive dog holes 5 to 10 feet deep into each wall.

The location and extent of the above work is shown in red on Plate I entitled, "Composite Plan showing Surface Features, Present Workings, . . . Larrigon Mines . . .," attached hereto and made part hereof.

The Government will contribute to the cost of not more than 600 feet of drifts and crosscut, 600 feet of timbering in drifts and crosscut, 160 feet of dog holes from the drifts, 200 assays for gold, and the fees for a consulting engineer-geologist who shall be employed not more than 4 days per month and for not more than a total of 26 days on this project.

**Estimated Cost of Project**

**Actual Costs**

~~Categories (1), (3), (4), (5), and (6)~~

**Category (2)**--Personal Services

**None Except**

Consulting engineer-geologist

| | |
|---|---|
| 26 days @ $65.00/day 2/ | $ 1,690.00 |

**Category (7)**--Miscellaneous

**None Except**

| | |
|---|---|
| 200 assays for gold @ $2.00/assay | 400.00 |
| **Fixed Unit Costs** 1/ | |
| 600 feet drifts and crosscut @ ~~$[illegible]~~ $36.00/ft | ~~$[illegible]~~ $21,600.00 |
| 600 feet timbering drifts and crosscuts @ $8.00/ft | 4,800.00 |
| 160 feet dog holes @ $19.50/ft | 3,120.00 |

| | |
|---|---|
| Total estimated cost | ~~$33,530.00~~ $31,610.00 |
| Government participation @ 50% | ~~$16,765.00~~ $15805.00 |

1/ Includes all costs whatsoever that would otherwise be allowable under Categories (1) through (7) except the fee and per diem for a consulting engineer-geologist and cost of the assays for gold.

2/ Includes per diem cost at the rate of $18.00/day

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
January 25, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 28 1963
DATE | INITIALS
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Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: Examination report
OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana

In a letter dated October 5, 1962, E. D. Baker, President of the applicant company, stated that S. J. Giulio had full authority to discuss anything concerning the Larrigon Mine and make necessary decisions concerning the Larrigon Mining Company's operations.

The mine was examined October 12, 1962, accompanied by Mr. Giulio. During the latter half of November, Giulio telephoned to say he had just completed a survey tying in the underground work with the surface features and had taken additional samples. He requested that I withhold preparing this report until he could send me the results of this work. This material was received January 4, 1963. Plate I is a compilation of Giulio's map and assays and my observations and sample assays. About three and one-half hours were spent on the property.

The mine is in sec. 34, T. 2 S., R. 21 W., P.M. (unsurveyed). It is easily accessible from the town of Darby, Montana, as follows: Proceed south on U. S. Highway 93 for four miles and turn right on paved road, continuing up the South Fork of the Bitterroot River for 15.6 miles to the end of the pavement. Continue along good gravel-surfaced road for 14.6 miles, passing through the town of Alta. Here, turn left and follow an unimproved company road for 6.6 miles to Taylor Creek; turn left and proceed along Taylor Creek to the mine.

There are several old dumps and caved adit portals on the property, the largest of the dumps being about 100 feet northeasterly from the open cut. In recent years, zone "A" and part of zone "B" have been mined by an open cut from which sorted vein material was milled. The walls of the open cut are steeply sloping and were covered with slide debris obscuring all but a few vein exposures.

Rocks of the area are highly altered shale and argillite beds that strike N. 50°-52° W. and dip 25°-47° SW. The beds have been cut by at least two well defined zones of intense shearing which strike N.60° W. and dip 65°-70° SW. Between these two, there may be less intensely sheared zones having the same general strike and dip.

Veins occur as bands and lenses of quartz within the two more definitely defined shear zones; there may be others in the intervening rocks but due to slide cover none were observed. The quartz lenses appear to be numerous, arranged more or less en echelon. Individually they do not appear to be more than a few tens of feet long or high and are up to 5 or 6 feet wide. The wall rock of the veins that were observed is highly altered shale.

At the northwest end of the open cut, a dog hole follows a vein which strikes N. 60° W. and dips 67° SW. A sample, taken across 3 feet of what appeared to be the upper edge of a mineralized lens, assayed only a trace gold and trace silver per ton. Had the sample been limited to a 4-inch wide quartz layer near the center of the zone, the grade probably would have been considerably higher. About 1.5 feet below the sample is a wider zone of quartz which is probably the material sampled later by Giulio. His sample assayed 2.56 ounces gold and 0.2 ounce silver per ton over a 3-foot width. At the entrance to the dog hole, the open cut wall rock is fairly clean and the shear zone of potential mineralization is about 8 feet wide.

In an exposure on the southwest side of the open cut, the bedding strikes N. 50°-52° W. and appears to dip 23° SW. There is a suggestion of cross-bedding in some of the beds. Fifteen to twenty feet farther to the southwest, the dip steepens to about 47°.

Near the top of the hill southwesterly from the dog hole, shear zone "B" was exposed in an old road cut. A sample taken over a width of 4 feet assayed 0.06 ounce gold and trace silver per ton. Narrow bands and lenses of quartz within the shear zone are probably of higher grade material. The vein material parallels the shearing, which strikes N. 60° W. and dips 70° SW. The outcrop to the southeast, indicated on Plate I, was covered by slide debris.

North of the exposure just described, and in a similar old road cut, shear zone "A" is about 8 feet wide with four or five quartzy bands, one of which is 8 inches wide; the others are considerably narrower. The rock was so badly shattered that the strike and dip were difficult to measure, but they appear to be N. 45° W. and 65° SW, respectively.

Other exposures indicated on Plate I were either completely covered at the time of the inspection or were inaccessible due to the steep, water-saturated, and therefore very slippery, slopes. When Giulio later visited the property, the slopes were frozen and he was able to take four samples at the other outcrops of shear zone "A"; the assays are shown on Plate I.

Before submitting the application, the applicant started a crosscut to the "B" shear zone as shown on the application Plate I. However, caving of part of the road cut made it expedient to start a new crosscut as shown on the accompanying Plate I. At the time of the examination, the new crosscut had been driven 327 feet. The face was filled with muck, but a strong shear 15 feet back and apparently increasing shearing at the face indicated that shear zone "B" was about to be cut. Giulio's map shows that the crosscut has now been driven a total of 495 feet. Either he did not recognize shear zone "B" or saw no structure he considered worth sampling. The face of the crosscut has now crossed shear zone "A". One sample taken by Giulio over a width of 0.5 feet assayed 0.16 ounce gold and 0.2 ounce silver per ton. The apparent target area is northwest of the crosscut face.

In all, assays of 16 samples are available, 6 from shear zone "A", 3 from shear zone "B", and 7 from unknown places in the open cut, presumably most of them from shear zone "A". Seven of the samples are mentioned in the foregoing report; the remaining nine are listed in the application. Eleven of the samples were taken over known widths. In an attempt to get some idea of the potential grade of the possible ore zone, weighted averages have been made for each shear zone, 6 from zone "A" and 3 from zone "B". These have then been combined and the total weighted average has in turn been averaged with the 7 samples from unknown places in the open cut. A width, 0.6 feet, is given for only one of the 7 samples; this was given a weighted average with the combined "A" and "B" zone averages before a final arithmetical average was made.

| Width in feet | Ounces gold per ton | Ounces silver per ton | Number of Assays |
|---|---|---|---|
| Shear zone "A" | | | |
| 4.5 | 0.535 | 0.29 | 6 |
| Shear zone "B" | | | |
| 3.2 | 0.583 | (N.A. or Tr.) | 3 |
| Shear zones "A" and "B" | | | |
| 3.85 | 0.555 | 0.290 plus | 9 |
| Shear zones "A" and "B" plus 1 assay | | | |
| 2.2 | 1.132 | 0.291 plus | 10 |
| Final arithmetical average | | | |
| | 0.776 | 0.273 plus | 16 |

At the time of the examination, there was insufficient evidence upon which to estimate the exact location or extent, other than the above final average width of 2.2 feet, of possible ore shoots within either shear zone. Apparently the most extensive of the old workings are from the caved adit portal at the dump about 100 feet northeasterly from the open cut, but there is only hearsay and supposition as to the location of the ore that was mined therefrom. Giulio accepts, and shows on the long section accompanying the application, the report that workings from this tunnel eventually were on the shear zone "A" vein. Although he shows a hypothetical ore shoot 220 feet long and raking to the southeast, there is little if any real evidence to support this supposition--indeed Giulio states in his report that there may be no rake or that it could be northwesterly.

Surface samples from known locations within shear zone "A" indicate an ore length of 100 feet. On the assumption, wide open to question, that the southeast end of an ore shoot is halfway between the spot sampled by Giulio in the crosscut and his southeasternmost sample on the surface and that the northwestern end of the shoot is 25 feet beyond his northwesternmost sample, there is an inferred ore shoot 220 feet long. To be somewhat more conservative, it is also assumed that half the ore above and none below the old tunnel level has been mined. Then, if the ore shoot continues to the level of the proposed drift, which supposition is supported by the one sample taken at that horizon, the inferred ore shoot would have a vertical component of say 240 feet. At 12.5 cubic feet per ton, there is an inferred ore body in shear zone "A" of:

$$\frac{220 \times 240 \times 2.2}{12.5} \text{ or } 9{,}292, \text{ say } 9{,}000 \text{ tons.}$$

Reducing the final calculated average grade 20 percent to compensate for errors in sampling and assaying, and estimating that shear zone "B" will contain an ore shoot one-half as large as the one inferred in zone "A", there is a potential discovery of 13,500 tons averaging 0.62 ounce gold and 0.22 ounce silver per ton. At $35.00 per ounce for gold and $1.20 for silver, the 13,500 tons would be worth $21.96 per ton, or $296,460. The 9,000 tons estimated to be in shear zone "A" would be worth $197,640.

Based upon the limited exposures of the vein at the time of the examination and the very low assays of two samples taken from material that was expected to run somewhat better, it was believed that denial of the application should be recommended. However, in view of the additional sampling done by Giulio, who is a competent mining engineer, and the inferred ore that might be found, it is recommended that a modest program of exploration be approved.

To explore shear zones "A" and "B" and the less intensely sheared area between them, the following program is recommended:

1. From the end of the crosscut, drift along shear zone "A" for 300 feet to the northwest and at intervals of approximately 50 feet, drive dog holes 5 to 10 feet into each wall. It is doubtful that long-hole drilling would be satisfactory because of the high degree of shearing and cross-fracturing observed on the surface and in the crosscut.

2. If the drift and dog holes driven under item 1 are not successful in locating a significant ore shoot, no additional work with OME aid will be authorized; but if it is successful, at the approximate location shown on Plate I drive a crosscut about 100 feet southwesterly to cut shear zone "B". Drift 100 feet along shear zone "B" in each direction from the crosscut, and at intervals of 50 feet run dog holes 5 to 10 feet into each wall.

Raising is not recommended because if ore is found on the OME level it is believed to be a reasonable assumption that it will continue to the surface.

## COSTS

### Drifting and Crosscutting

From the shattered condition of the ground seen in the crosscut, timbering will be required throughout except in the dog holes, that should only be of sufficiently large section to permit mucking and sampling, after which caving of them will be of no import. The following estimate is for timbered drifts and crosscut.

600 feet drift and crosscut, 5 feet by 7 feet in the clear of timber, sets at 5-foot intervals. On the basis of 3 sets, or 15 feet, of timber installed, blocked, and lagged requiring one shift, and 5 feet per shift, or 3 shifts, to drill, blast and muck, 15 feet of timbered drift will require 4 days. Estimated rate of advance of timbered drift and crosscut, 3.5 feet per shift. 600 feet of advance will require 142.8, say 143, days, or 6.5 months of 22 days each.

1. Independent contracts — None

2. Labor and Supervision

| | |
|---|---|
| ½ Supervisor at $600/mo. or $27.27/shift | $ 13.64 |
| 2 miners at $21.00/shift | 42.00 |
| 1 helper-trammer at $18.00/shift ? | 18.00 |
| 1 compressor man-timber framer at $18.00/shift | 18.00 |
| | $ 91.64 |
| FICA and other insurance at 15.1% | 13.84 |
| | $105.48/shift |
| At 3.5 ft./shift | $ 30.137, say $30.14/ft. |

3. Operating Materials and Supplies (per 5-foot round)

| | | |
|---|---|---|
| Powder, 25 lbs. at $30/100 lbs. | | $ 7.50 |
| Caps, electric, 0-9 delay, 18 at $0.28 ea. | | 5.04 |
| Water pipe w/fittings, 1", 495 ft. at $0.22/ft. (less 50%--no salvage) | | 0.45 |
| Water hose w/fittings, 1", 150 ft. at $0.59/ft. | | 0.74 |
| Air pipe w/fittings, 2", 495 ft. at $0.48/ft. (less 50%--no salvage) | | 0.99 |
| Air hose w/fittings, 1", 150 ft. at $0.75/ft. | | 0.94 |
| Diesel fuel, 30 gal. at $0.20/gal. | | 6.00 |
| Gasoline, 5 gal. at $0.30 gal. | | 1.50 |
| Oil and grease, 5% of fuel | | 0.37 |
| Rail, 20-lb., 600' drift=1200' or 4 T. Cost, $300/T delivered, plus 10% for fish plates, spikes, bolts, etc., at $2.20/ft. (less 50%--no salvage) | | 5.50 |
| Ties, 3-3/4 at $0.40 ea. | | 1.50 |
| Timber, 2 posts, 10"x10"x7' = 117 bf | | |
| 1 cap, 10"x10"x6'6" = 54 bf | | |
| 2 braces, 4"x6"x4'2" = 17 bf | | |
| 16 lagging, 2"x12"x5' = 160 bf | | |
| 348 bf | | |
| at $80/M | $27.84 | |
| Plus 10% (wedges, blocks, etc.) | 2.78 | 30.62 |
| Steel, 1 replaced/300 ft. at $16--90 ft./round | | 4.80 |
| Bits, 300 ft./bit at $20--90 ft./round | | 6.00 |
| Repair parts, $0.50/ft. | | 2.50 |
| Total/5 ft. round | | $74.45 or $14.89/ft. |

4. Operating Equipment

| Owned by applicant | Value | Monthly Depreciation Allowed |
|---|---|---|
| 1 Eimco 12-B mucker | $2,000.00 | $ 33.33 |
| 1 McCullough chain saw | 250.00 | 4.17 |
| 2 mine cars at $75.00 | 150.00 | 2.50 |
| 1 Gardner-Denver 285-Cu.ft. compressor w/UD-18 International power unit | 6,000.00 | 100.00 |
| 1 I-R jackleg drill (new) | 1,200.00 | 20.00 |
| 1 1951 GMC 5-T dump truck | 2,000.00 | 33.33 |
| 1 300-amp. arc welder | 500.00 | 8.33 |
| | | $ 201.66/mo. |
| for 6.5 mos. | | $1,310.79 |
| At 600 ft. of drift and crosscut | | 2.184, say 2.18/ft. |

5. Rehabilitation and Repairs — None

6. New Buildings — None

7. Miscellaneous

| | | | |
|---|---|---|---|
| 1 consulting engineer-geologist, 4 days/mo., 6.5 mos., 26 days at $50/day | $1,300.00 | | |
| 26 days per diem at $15/day | 390.00 | $1,690.00 | |
| Assaying 100 determinations for gold and silver at $2.00/ea. | | 200.00 | |
| Cost of timbered drift and crosscut | | | $47.21/ft. |

## Dog Holes

15 dog holes 10 feet long = 150 feet, 4'x5' rock sections. At 5 feet per day, time required is 30 days, say 1 month.

1. Independent Contracts — None

2. Labor and Supervision

| | | |
|---|---|---|
| ½ supervisor at $27.27/shift | $13.64 | |
| 1 miner at $21.00/shift | 21.00 | |
| 1 helper-trammer at $18.00/shift | 18.00 | |
| ½ compressor man at $18.00/shift | 9.00 | |
| | $61.64 | |
| FICA and other insurance, 15.1% | 9.31 | |
| | $70.95 | |
| At 5 ft./shift | | $14.19/ft. |

3. Operating Materials and Supplies (per 5-ft. round)

| | | |
|---|---|---|
| Powder, 15 lbs. at $30/100 lbs. | $ 4.50 | |
| Caps, electric, 0-9 delay, 12 at $0.28 each | 3.36 | |
| Diesel fuel, 20 gal. at $0.20/gal. | 4.00 | |
| Oil and grease, 5% of fuel | .20 | |
| Steel, 1 replaced/300 ft. at $16--60 ft./round | 3.20 | |
| Bits, 1 replaced/300 ft. at $20--60 ft./round | 4.00 | |
| Repair parts, $0.50/ft. | 2.50 | |
| Total/5-ft. round | $21.76 or $ 4.352, say | 4.35/ft. |

4. Operating equipment

| Owned by applicant | Value | Monthly Depreciation Allowed |
|---|---|---|
| 1 Eimco 12-B mucker | $2,000.00 | $ 33.33 |
| 2 mine cars at $75.00 | 150.00 | 2.50 |
| 1 Gardner-Denver 285-cu. ft. compressor w/UD-18 International power unit | 6,000.00 | 100.00 |
| 1 I-R jackleg drill (new) | 1,200.00 | 20.00 |
| | | $155.83/mo. |

At 150 ft. dog hole $ 1,038, say 1.04/ft.

5. Rehabilitation and Repairs None

6. New Buildings None

7. Miscellaneous

30 determinations for gold and silver at $2.00 ea. $ 60.00

Cost of dog holes $19.58/ft.

RECAPITULATION

Total time required, 7.5, say 8 months.

| | | |
|---|---|---|
| 600 feet timbered drift and crosscut at $47.21/ft. | timber | $28,326.00 |
| 150 feet dog holes at $19.58/ft. | 8.00 | 2,937.00 |
| Consulting engineer-geologist | $39.20 supervision | 1,690.00 |
| Assaying | $3.20 $3600 | 260.00 |
| Total cost of recommended project | | $33,213.00 |
| Government's participation at 50% | | $16,606.50 |

D R MacLaren

D. R. MacLaren

Enclosure

Distribution:
OME(3)
Docket
MacLaren
SRO

Phone
180-3706

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

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 24 1963

| DATE | INITIALS | CODE |
|---|---|---|
| | | 120 |
| | Gruswold | 500 |
| 1/28 | Murphy | 500 |

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana

An examination report on the subject property should be ready for mailing by January 25. During the telephone conversation referred to in the enclosed letter dated January 2, 1963, Mr. Giulio asked that the report be held up pending receipt of an up-to-date map, for which he had just completed his survey, and the assays of additional samples he had taken.

Only one copy of the map was received, which I will keep until the report is completed.

D. R. MacLaren

Enclosure

838 Sixth Avenue
Helena, Montana
January 2nd., 1963

Mr. D. R. MacLaren
Acting Field Officer
Office of Minerals Exploration
South 157 Howard Street
Spokane 4, Washington

Re: OME-6270 (Gold)
Larrigon Mining Company

Dear Mr. MacLaren:

In accordance with our telephone conversation of several weeks ago, I am enclosing an up-to-date transit map of the Larrigon Mine including a number of recent assays (shown on the map) and pertinent geologic information also shown thereon, to supplement data contained in the original application.

You will note we have cut through a mineralized area comparable to surface; but several hundred feet to the southeast. Recent work has exposed numerous veinlets of crushed quartz and hematite having strikes parallel to the bedding planes but almost vertical in dip. Such veinlets more or less parallel in strike, the ore-bearing surface structures and it is hoped they may lead to the main ore-shoot. We are presently planning to swing our tunnel to conform laterally with these structures.

With exception of one assay, the underground exposures show only traces of gold as yet. It was hoped that more decisive surface information might be forthcoming, but severe weather and sloughing walls did not permit of access to caved areas. However it has been reasonably established that the surface "ore-shoot" rakes more steeply to the southeast than had been previously indicated; thus we must proceed to the northwest to cut the "ore-shoot" projection if it may extend to the lower tunnel horizon.

Sincerely,
LARRIGON MINING COMPANY

By Steve J. Giulio

enc

RECEIVED
JAN 4 1963
U.S.G.S.

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 1/17 | Selfridge | 130 |
| 1/17 | Johnson | 110 |
| 1/17 | Smith | 100 |
| | | 220 |
| 1-17 | Griswold | 500 |
| 1/17 | Talbot | 800 |
| 1/17 | Coe | 220 |
| | | 500 |
| | | |

JAN 1 7 1963

AIRMAIL

To: Acting Field Officer, Region I

From: ACTING Chief, Division of Field Operations

Subject: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana

Although our instructions to you have been to give preference to on-site examinations and reports that suggest probable contracts, other things being equal, we have had quite a few calls from the Hill concerning the status of the subject application. Please inform us when we may expect your report on the on-site examination of the Larrigon Mine.

W. R. Griswold
~~George C. Selfridge~~ (gla)

WRGriswold/gla 1-17-62
Rewritten: GCSelfridge/gla 1-17-62
cc to: Director's Reading File
Review Committee
G.C.Selfridge
Docket

43683

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 1 1962

| DATE | INITIALS | CODE |
|---|---|---|
| 10/1 | amr | 800 |
| 10/3 | ~~[illegible]~~ | 500 |
| 10/8 | Murphy | |

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

Mr. E. D. Baker, President
Larrigon Mining Company
Box 190
Borger, Texas

Re: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana

Dear Mr. Baker:

I plan to arrive in Hamilton, Montana, Thursday afternoon, October 11, 1962, and to visit the Larrigon mine the following day. It will be most helpful in this stage of processing your application if you or your representative could accompany me. I will stay at the Sportsman Motel. Your representative should be authorized to discuss costs and possible variations of the proposed exploration.

When Steve Giulio telephoned me recently regarding the approximate examination date, he asked that I also notify him when a definite date could be set. Accordingly, I am sending him a copy of this letter. I have other properties to visit during this trip and, although I expect no delays, should I be unable to reach Hamilton October 11 I will telephone Steve, as I will be working out of Helena immediately preceding my visit to Hamilton.

Sincerely yours,

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

DRMacLaren:ny
cc: Steve Giulio
858 Birth
Helena, Montana
OME
Reading copies to:
Nolan
McKelvey

Standard Form 63
Jan. 1952

U. S. GOVERNMENT
**MEMORANDUM OF CALL**

Date 9/5 | Time 1:15 pm

TO— Mr D.

☒ YOU WERE CALLED BY— ☐ YOU WERE VISITED BY—

Miss Hines (c/mon
Rogers, Texas)

TELEPHONE: Number or code 180 | Extension 3706

☒ PLEASE CALL
☐ WILL CALL AGAIN
☐ RETURNING YOUR CALL
☐ WAITING TO SEE YOU
☐ WISHES AN APPOINTMENT

LEFT THIS MESSAGE: Wants status
& can authors be ex-
pedited
Larrington, 6270
9/5 [illegible]

Received by

U. S. GOVERNMENT PRINTING OFFICE : 1957—O—412829

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 8/28 | Murphy | 500 |
| | Selzhrod | 500 |
| 8/28 | Talbut | 800 |
| | | 130 |
| 8/28 | on leave | 110 |
| 8/28 | Turnell | 100 |
| 8/28 | cal | 220 |
| | | 500 |
| | | |

AUG 28 1962

**Memorandum**

**To:** Acting Field Officer, Region I

**From:** Chief, Division of Field Operations

**Subject:** GMK-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana

The subject application is referred to Region I for review, a field examination if deemed advisable, and recommendations.

In the event you recommend the proposed project, kindly include the size of timber, pipe, rails, and ventilation tubing that the Applicant proposes to use; also, the size of the Allis-Chalmers bulldozer.

The estimated costs for labor per foot of drifting and raising submitted by the Applicant appear to be high.

George C. Selfridge

(pt)

FMMurphy/gla
8-28-62
cc to: Director's Reading File
Review Committee
Docket

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 8/28 | Murphy | 500 |
| | Schaefer | 500 |
| 8/28 | Talbot | 800 |
| 8/28 | Sekinger | 130 |
| 8/28 | on leave | 110 |
| 8-28 | Fumich | 100 |
| | | 220 |
| | | 500 |
| | | |

AUG 28 1962

Larrigon Mining Company
P. O. Box 391
Hamilton, Montana

Re: OME-6270 (Gold)
Larrigon Mining Company
Larrigon Mine
Ravalli County, Montana

Gentlemen:

The application for assistance in exploring the subject property has been reviewed by the Division of Minerals of the Office of Minerals Exploration and referred to Mr. D. R. MacLaren, Acting Field Officer, Office of Minerals Exploration, Region I, South 157 Howard Street, Spokane 4, Washington.

The Regional Office will notify you in case additional information concerning the application is needed.

Sincerely yours,

George Fumich, Jr.

Director

GLAult/a
8-28-62
cc to: Director's Reading File
Region I (2)
Docket

43683

August 24, 1962

Larrigan Mining Company
P. O. Box 391
Hamilton, Montana

Subject: OME-6270

Gentlemen:

Your application for exploration assistance, dated August 18, 1962, submitted to our office at Spokane, Washington, has been assigned Docket Number OME-6270. Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

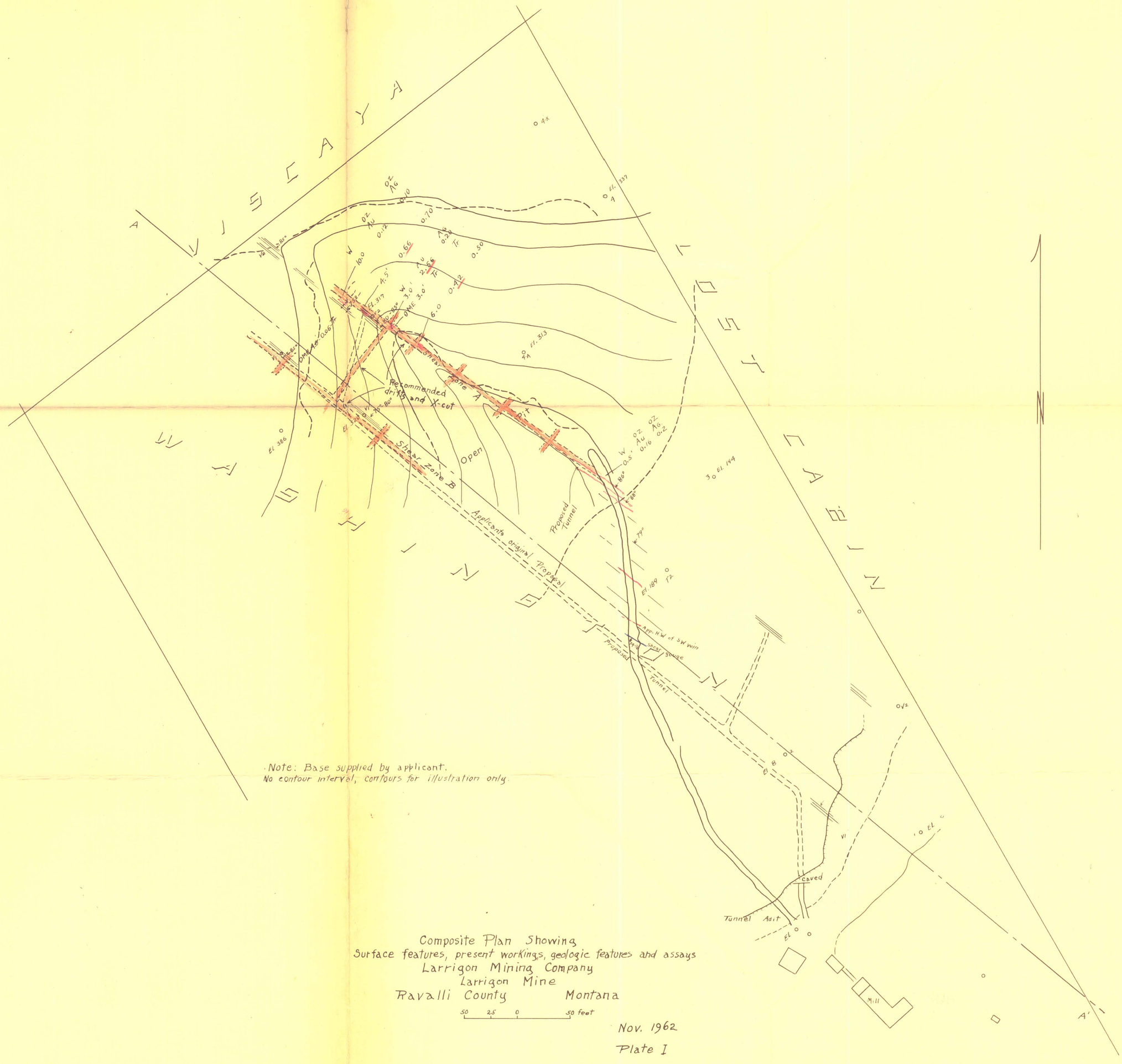
Allen S. Dakan, Chief
Division of Administrative
Management

Copy to: Region I

U.S. Department of the Interior

Office of Minerals Exploration
Examination Report

OME-6270



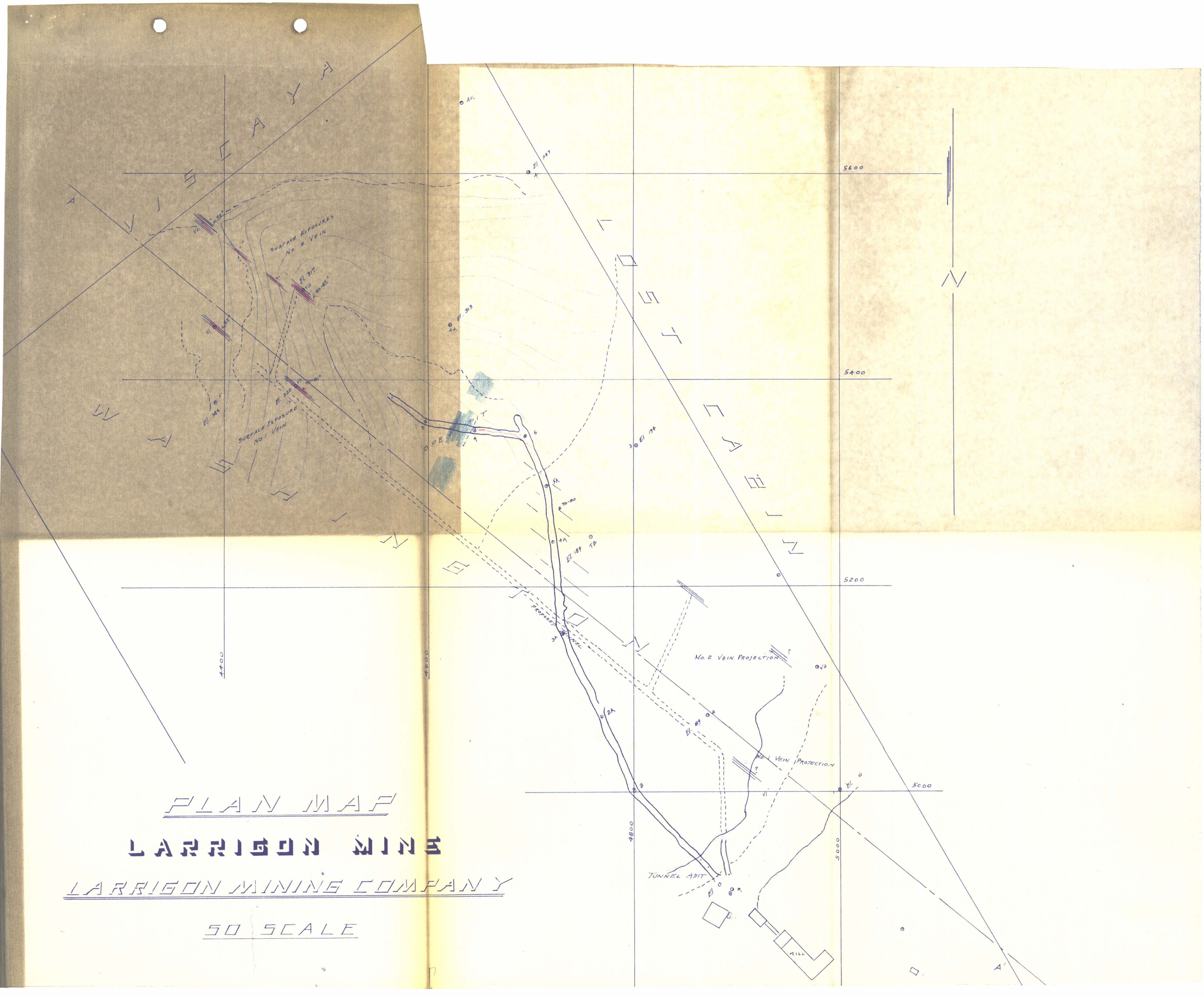

Note: Base supplied by applicant.
No contour interval, contours for illustration only.

Composite Plan Showing
Surface features, present workings, geologic features and assays
Larrigon Mining Company
Larrigon Mine
Ravalli County Montana

50 25 0 50 feet

Nov. 1962

Plate I

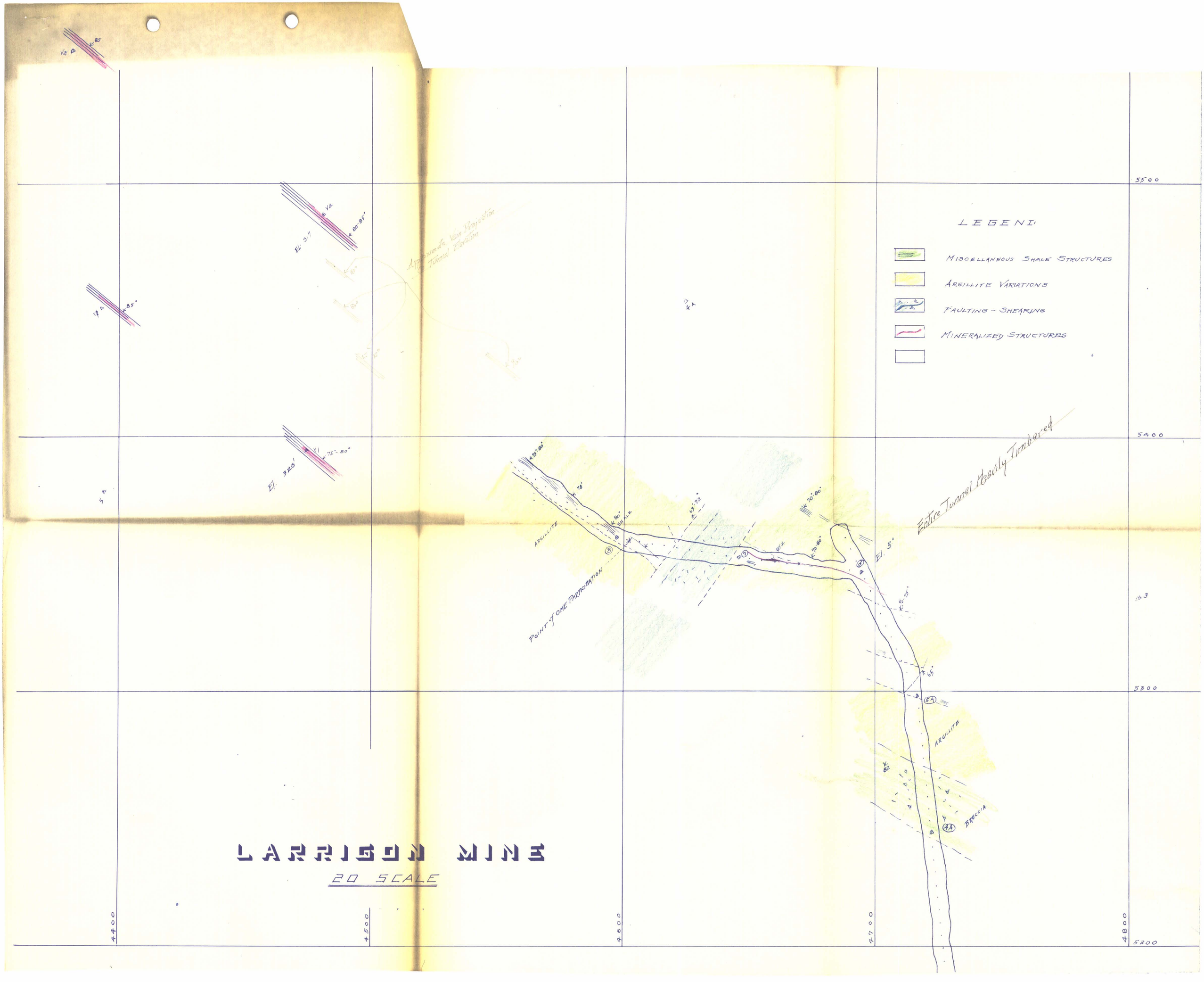



# PLAN MAP

# LARRIGON MINE

## LARRIGON MINING COMPANY

50 SCALE




# LARRIGON MINE

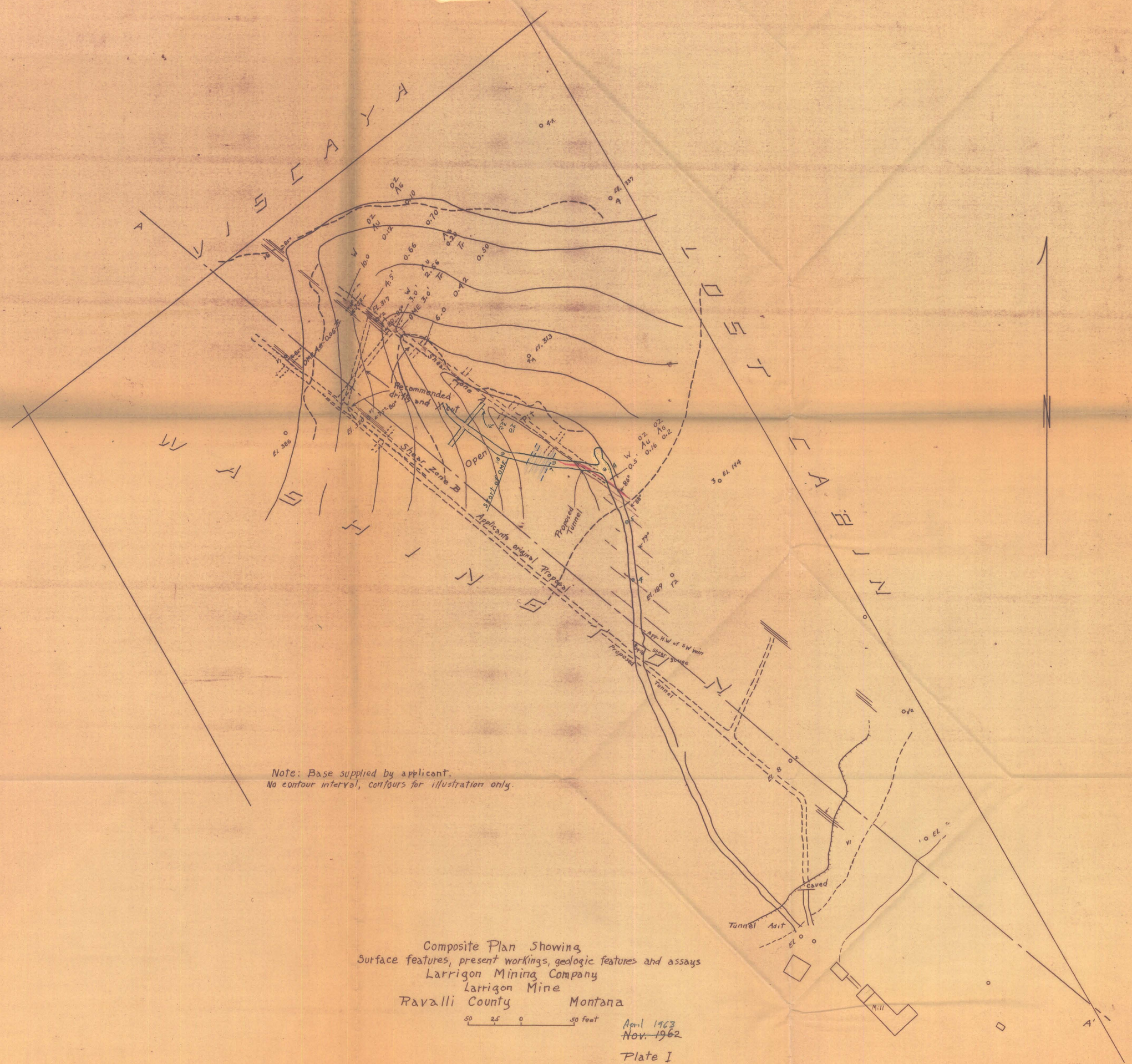
20 SCALE

U. S. Department of the Interior

Office of Minerals Exploration

Interim Report

OME-6270

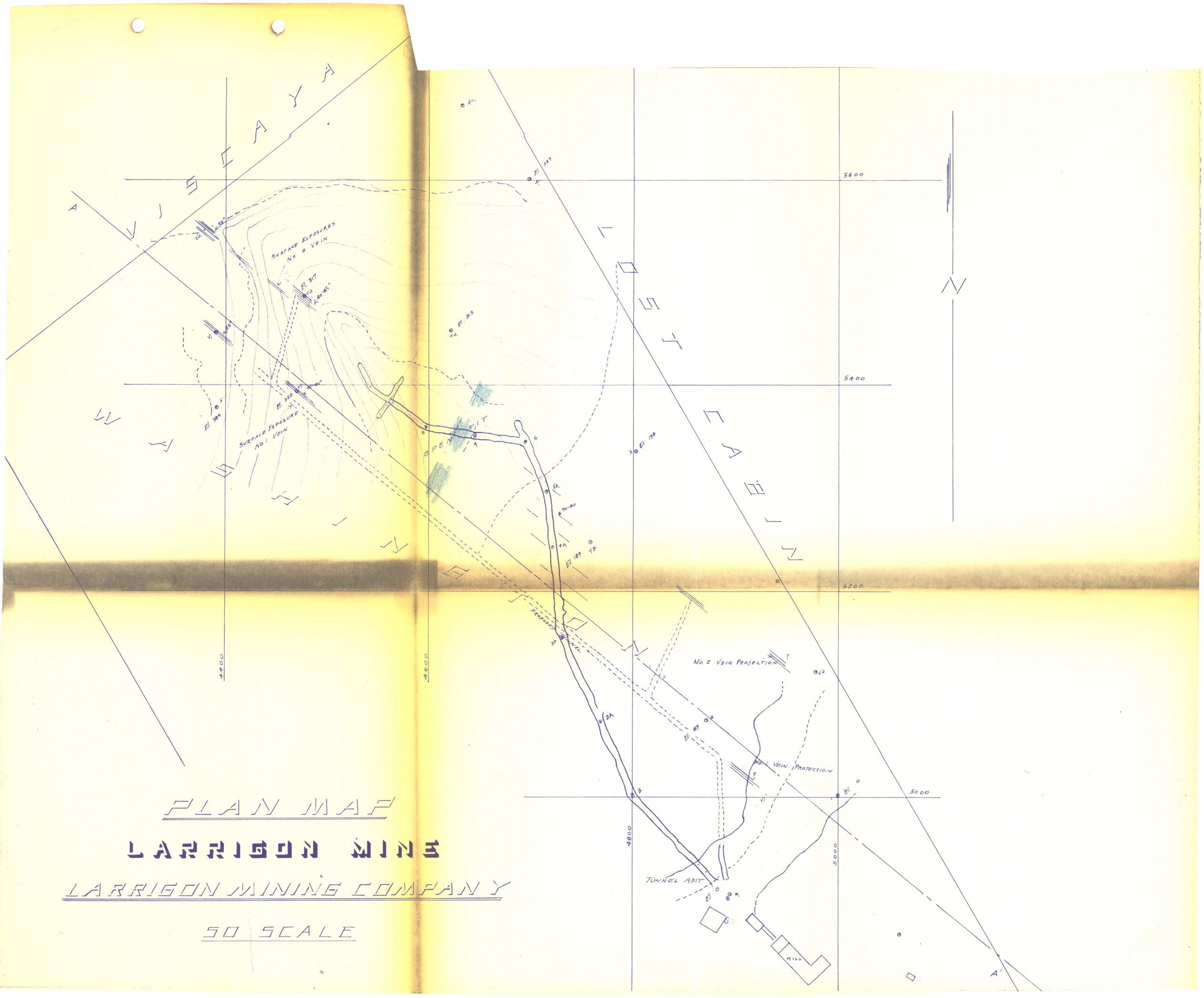



Composite Plan Showing
Surface features, present workings, geologic features and assays
Larrigon Mining Company
Larrigon Mine
Ravalli County Montana

50 25 0 50 feet

April 1963
~~Nov. 1962~~

Plate I

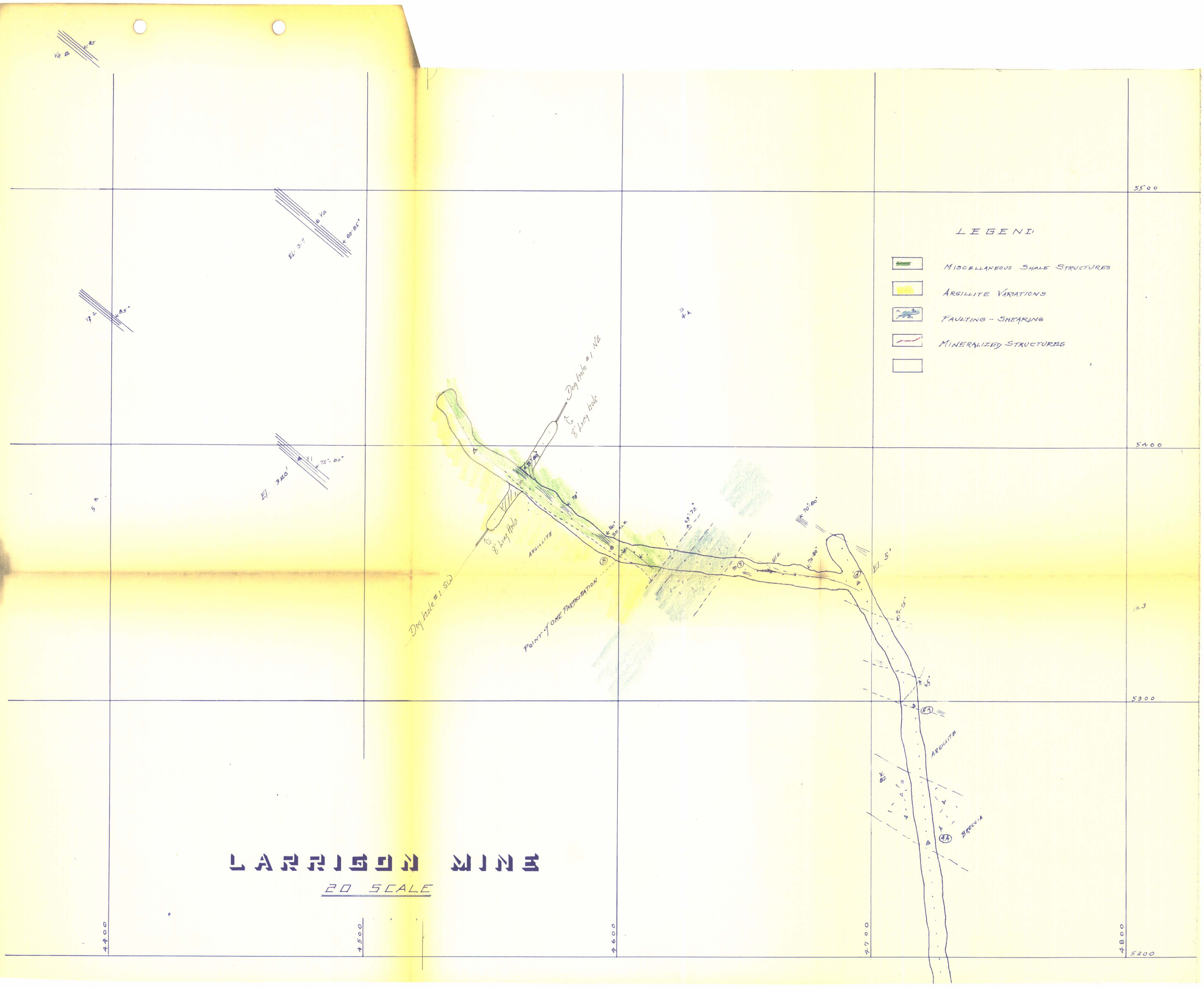



# PLAN MAP

# LARRIGON MINE

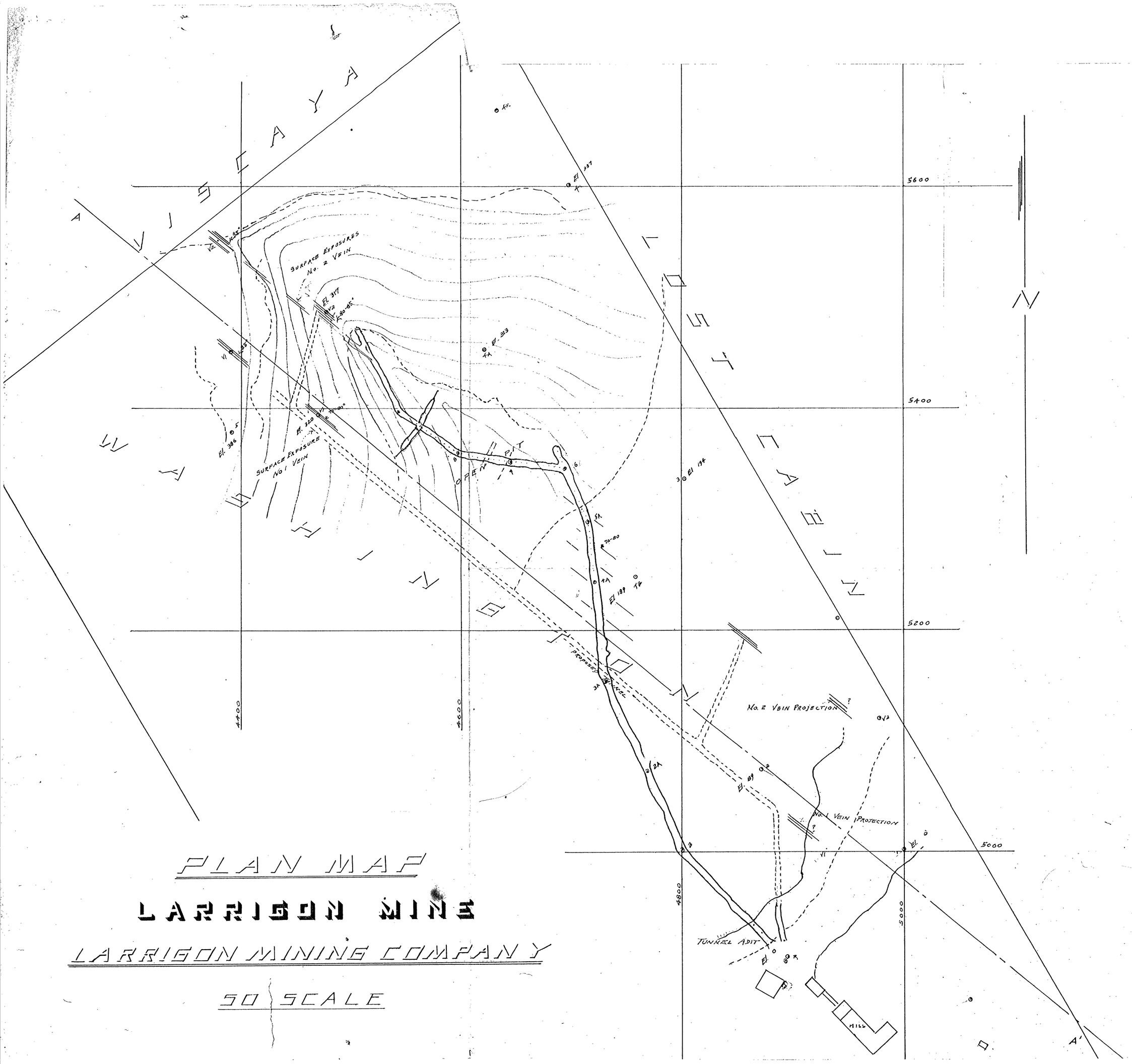
## LARRIGON MINING COMPANY

50 SCALE




# LARRIGON MINE

20 SCALE




# PLAN MAP

# LARRIGON MINE

## LARRIGON MINING COMPANY

50 SCALE

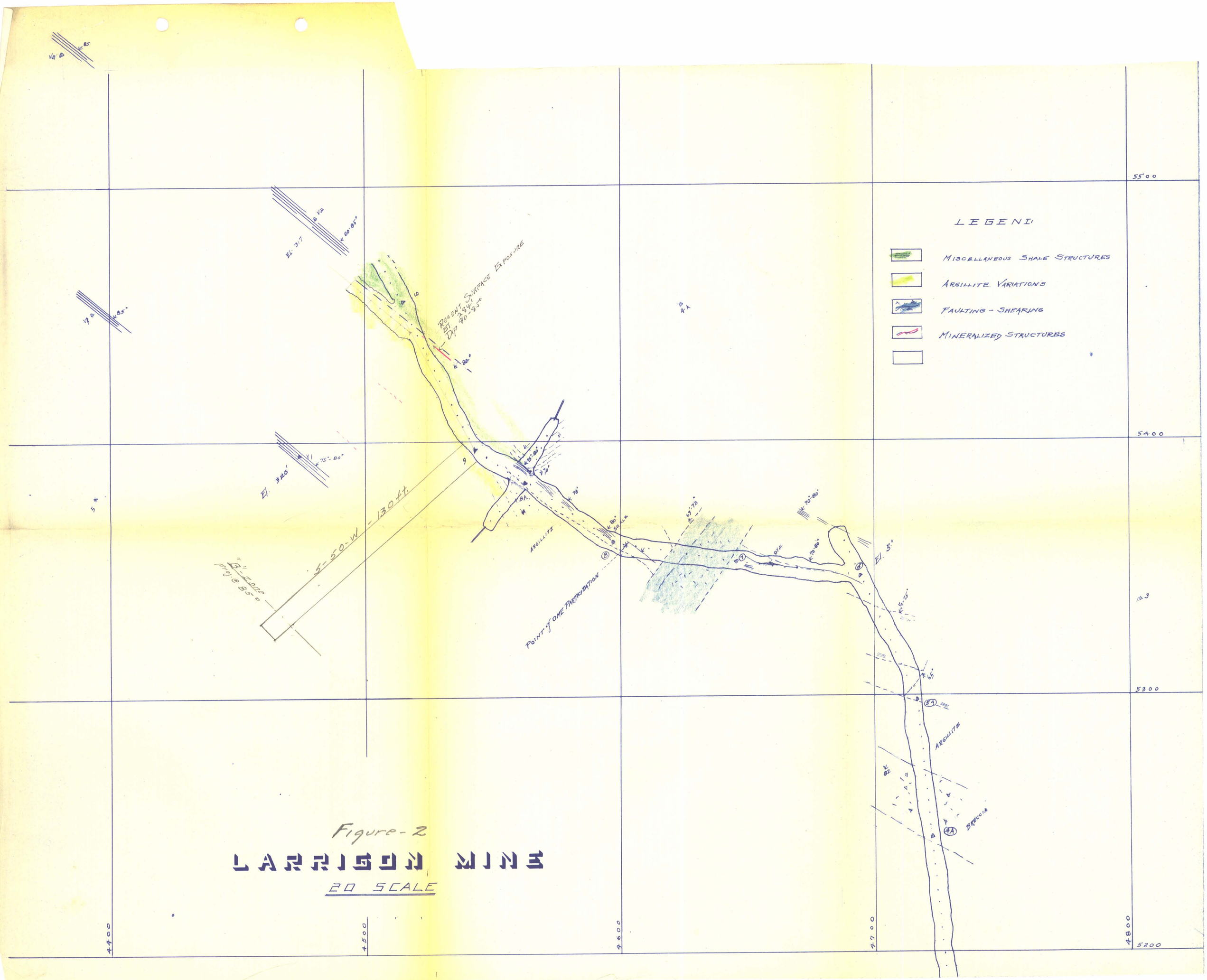
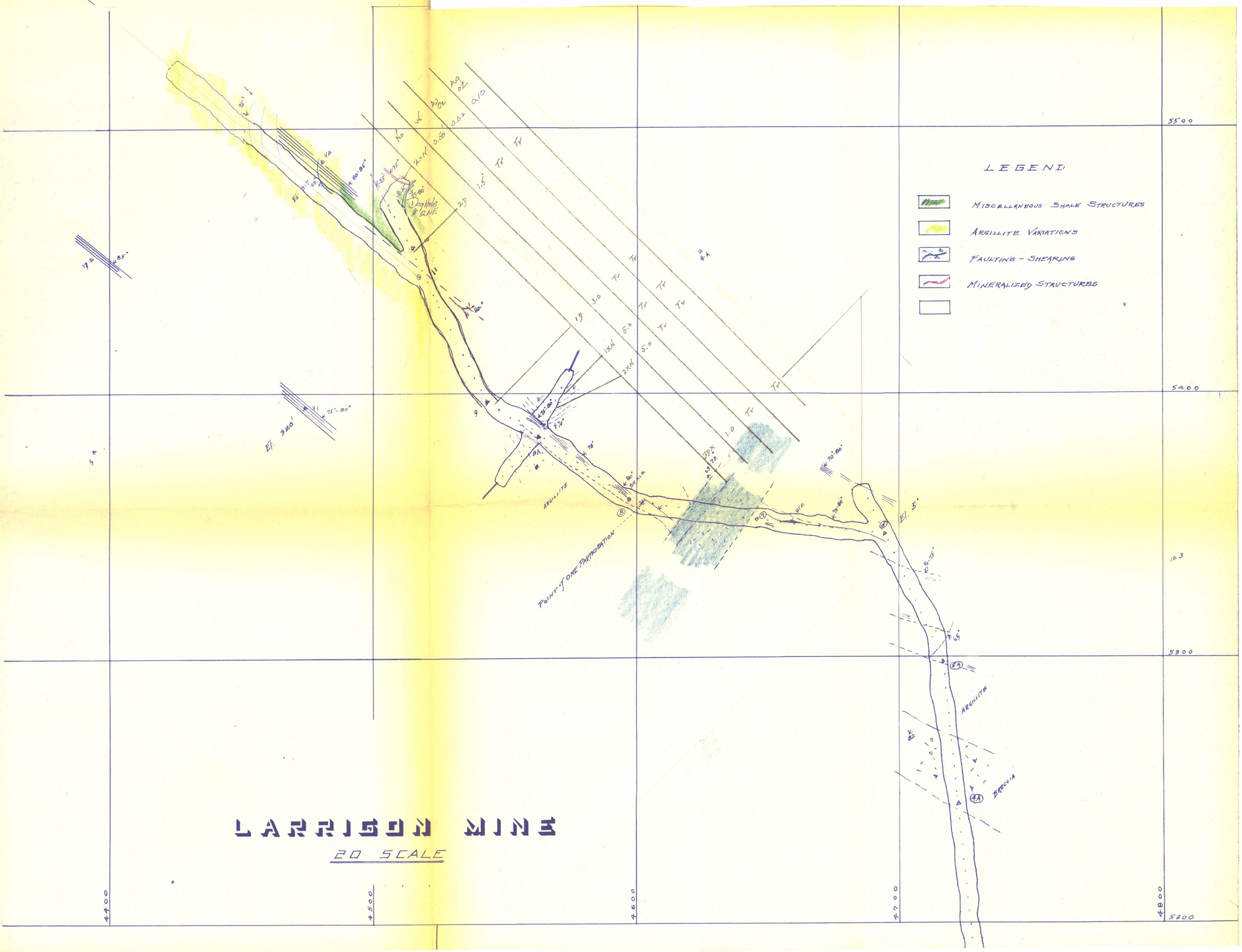



Figure-2

# LARRIGON MINE

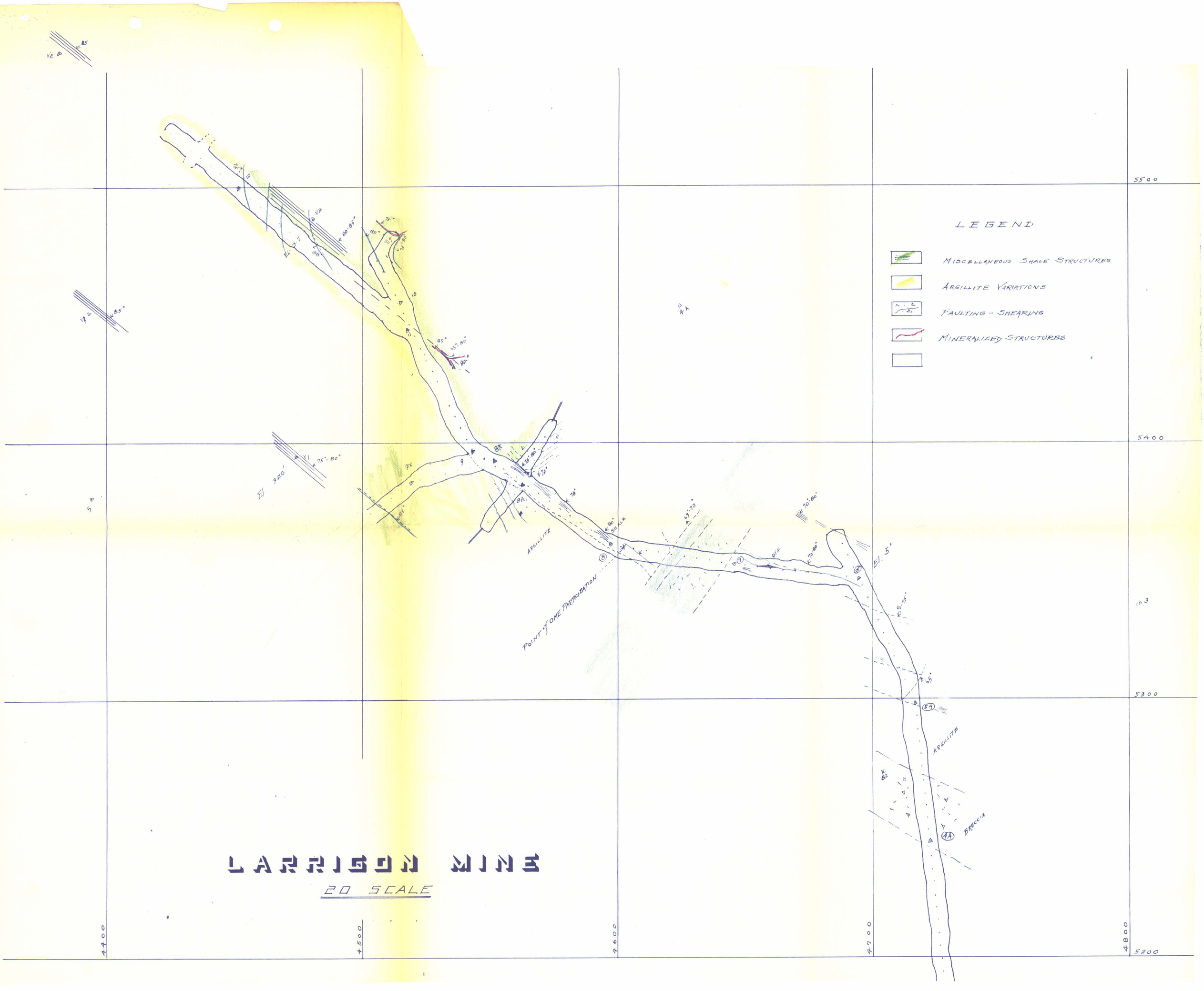
20 SCALE


LEGEND
MISCELLANEOUS SHALE STRUCTURES
ARGILLITE VARIATIONS
FAULTING - SHEARING
MINERALIZED STRUCTURES
LARRIGON MINE
20 SCALE
POINT OF OME PARTICIPATION
ARGILLITE
BRECCIA
Drillhole #2 NE
5500
5400
5300
5200
4400
4500
4600
4700
4800

# LARRIGON MINE

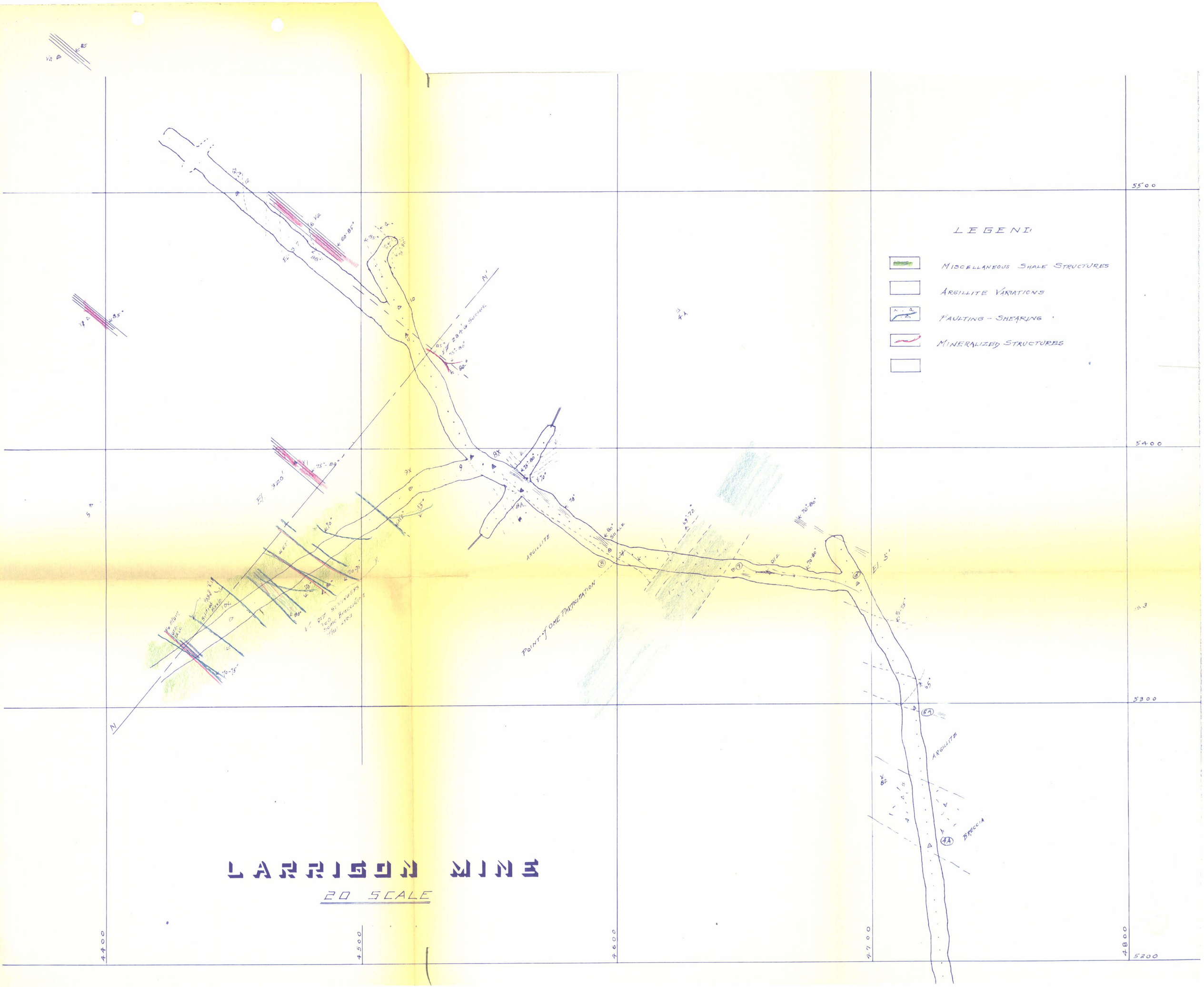
20 SCALE

SECTION N-N'



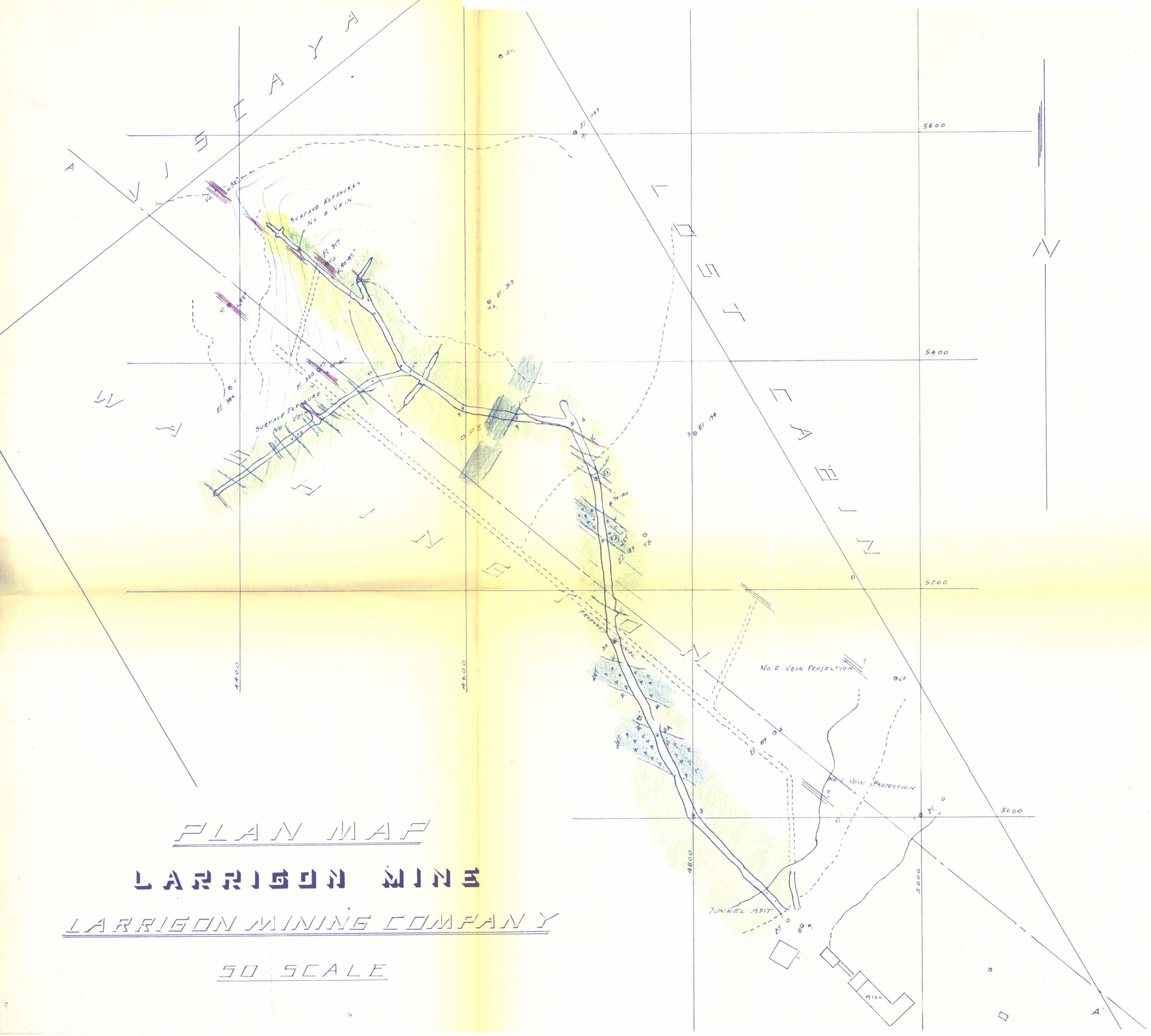

# LARRISON MINE

20 SCALE




# LARRISON MINE

20 SCALE

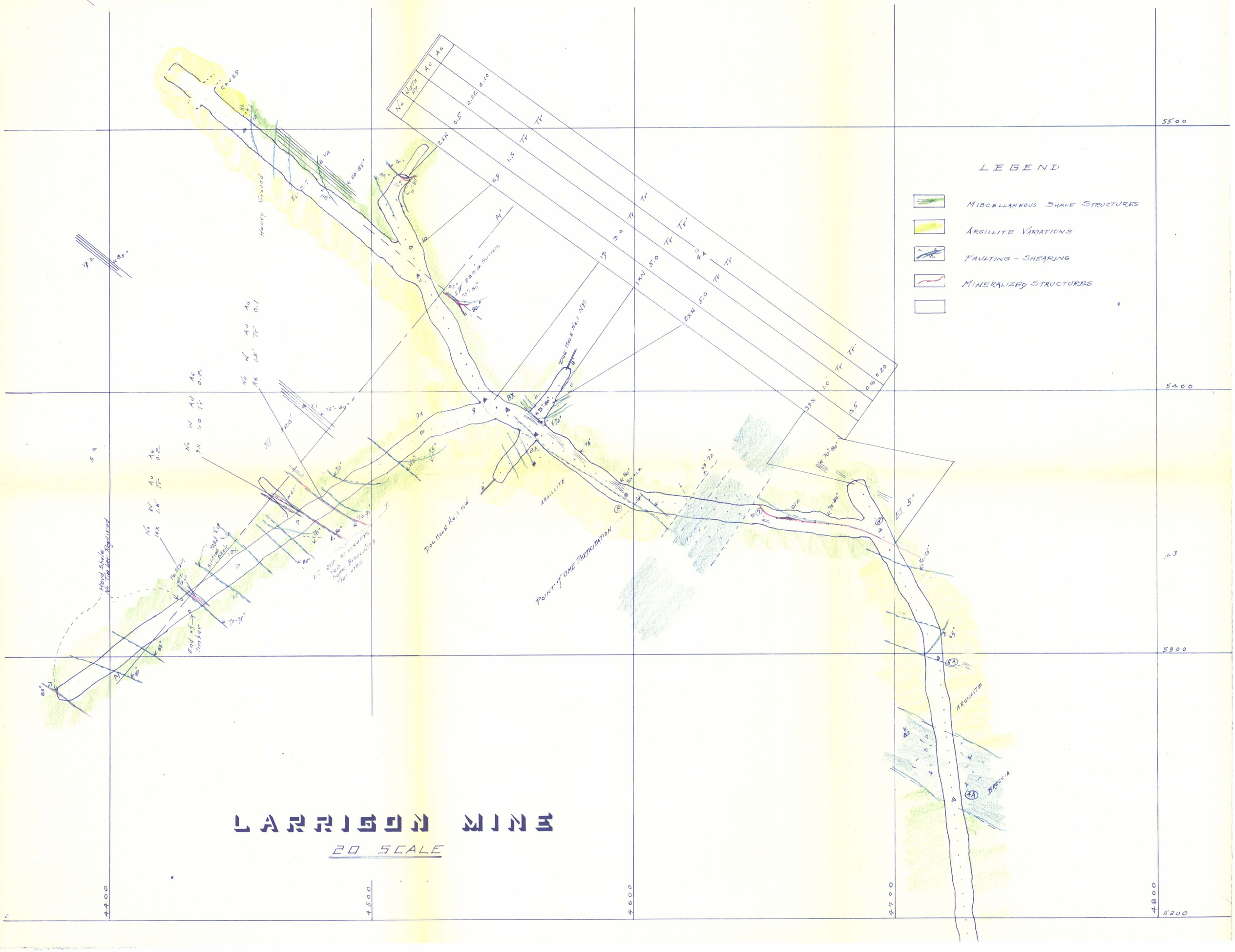



# PLAN MAP

# LARRIGON MINE

## LARRIGON MINING COMPANY

50 SCALE




# LARRIGON MINE

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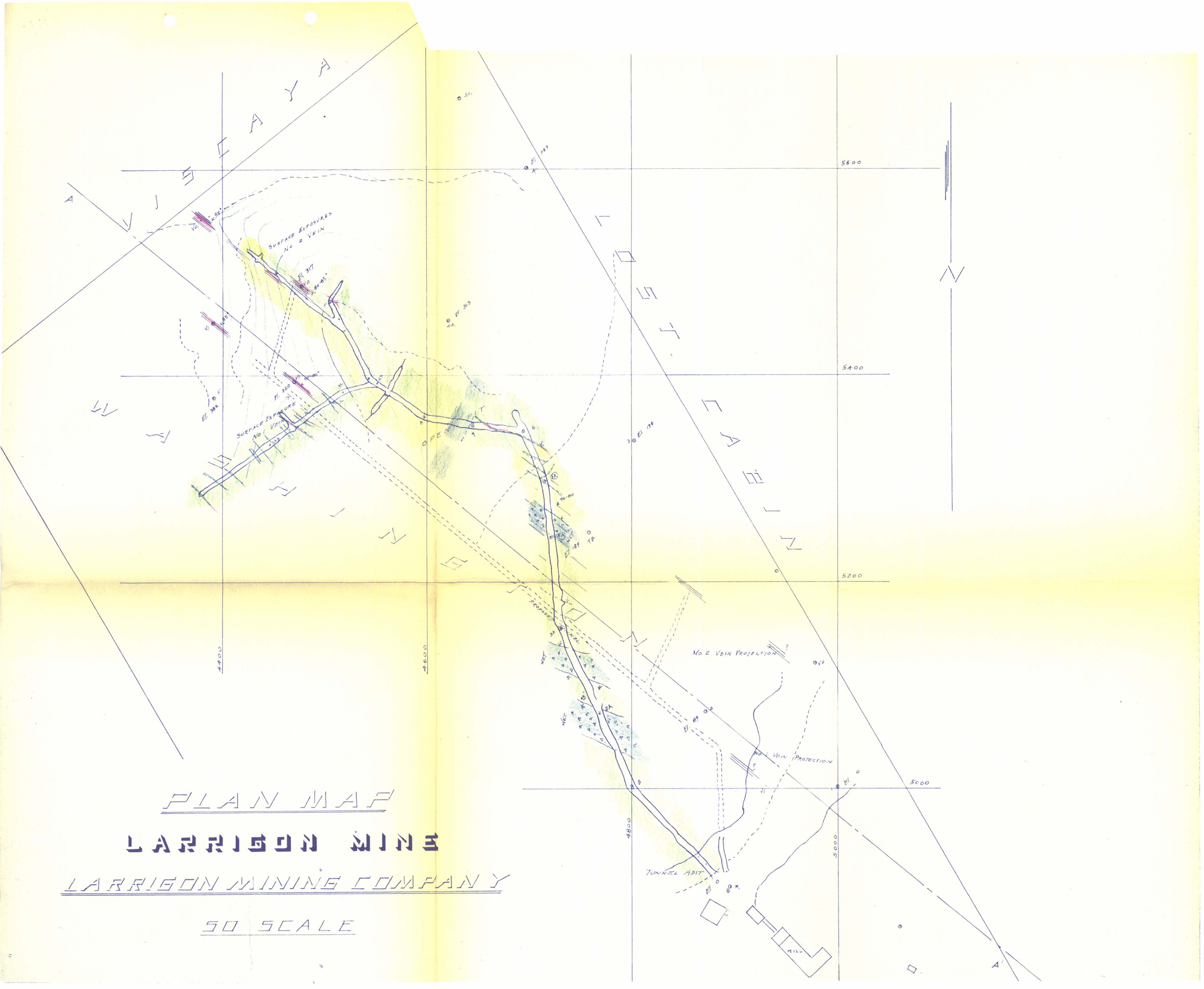
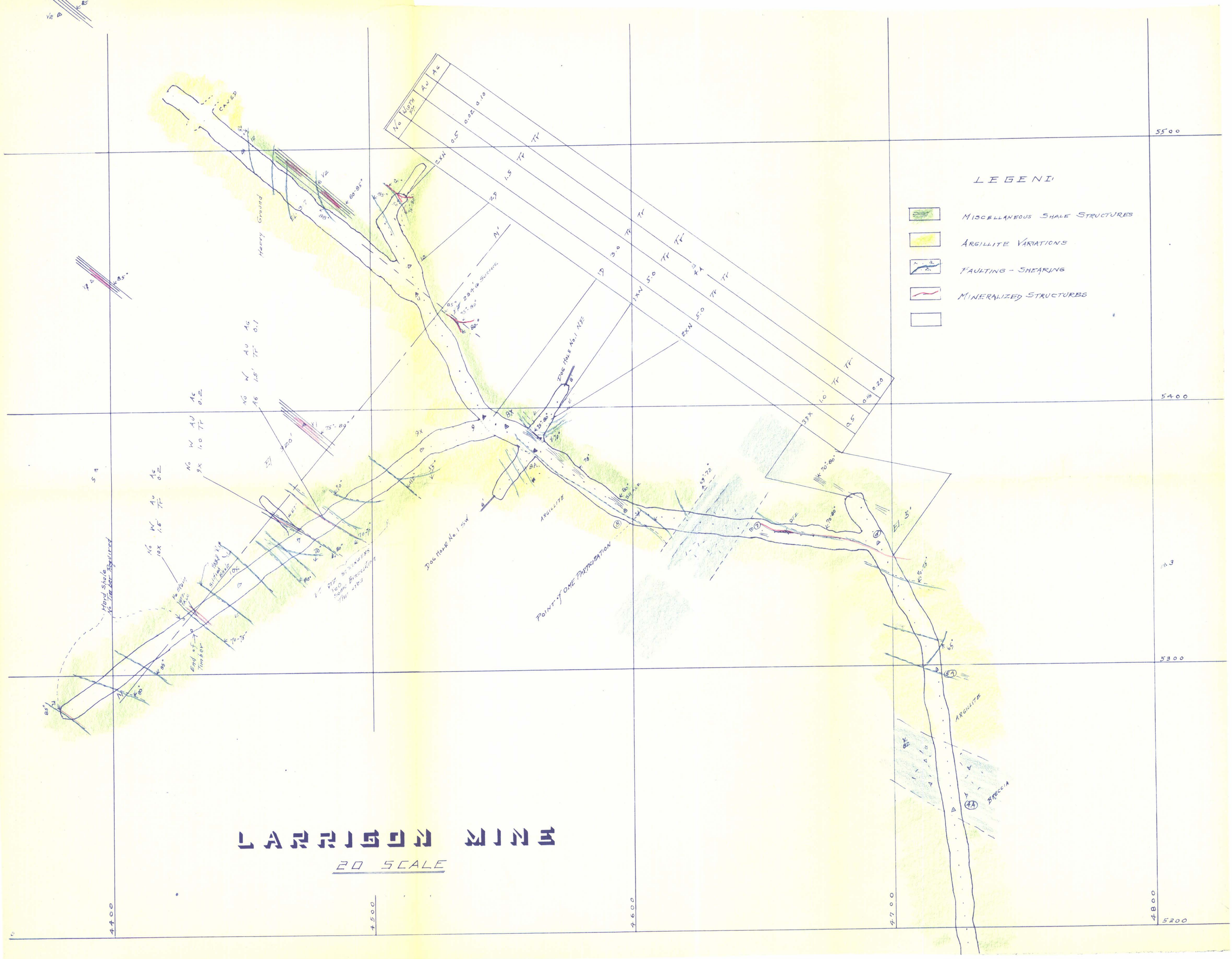



# PLAN MAP

# LARRIGON MINE

## LARRIGON MINING COMPANY

50 SCALE




# LARRIGON MINE

20 SCALE

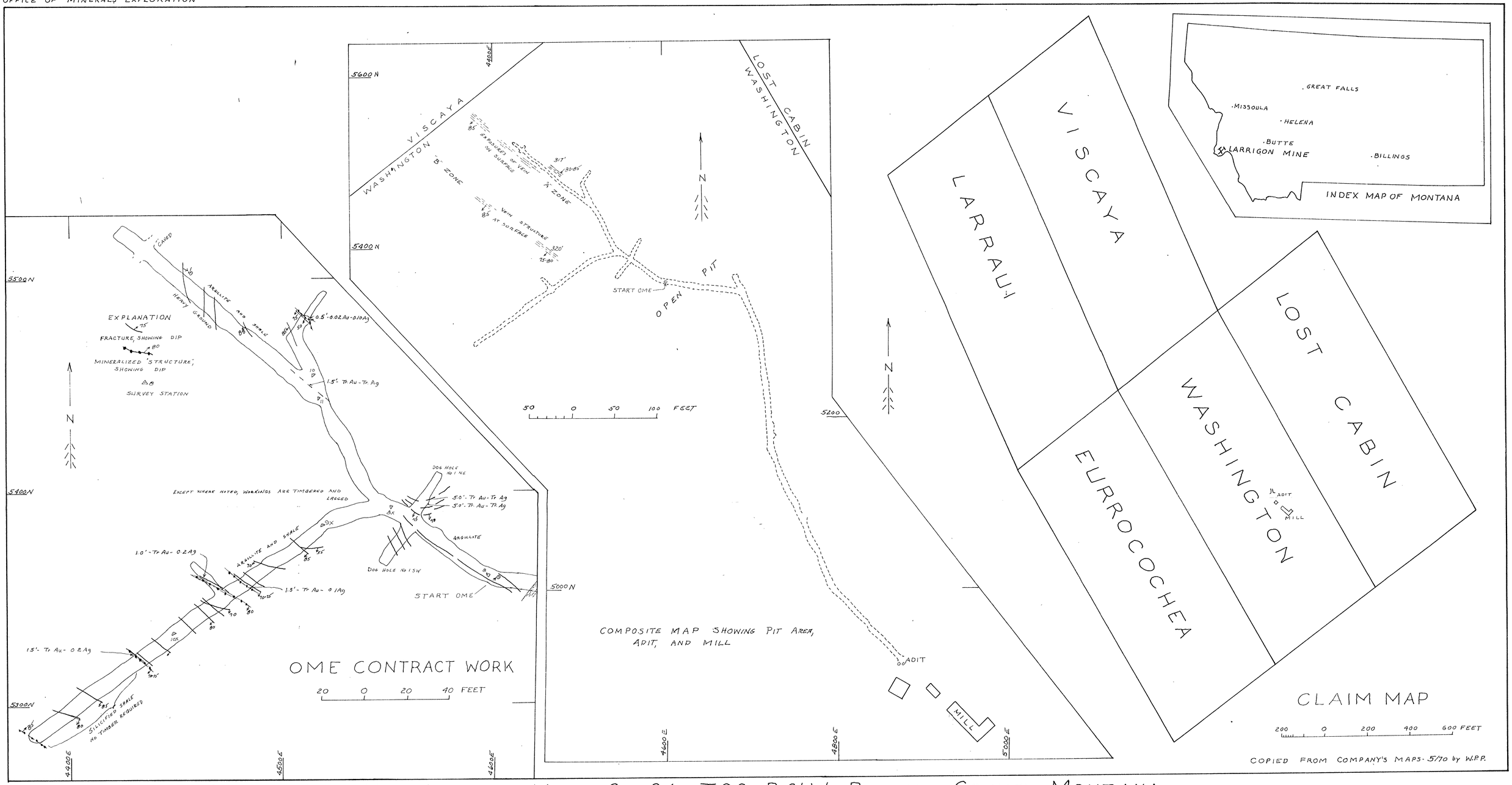
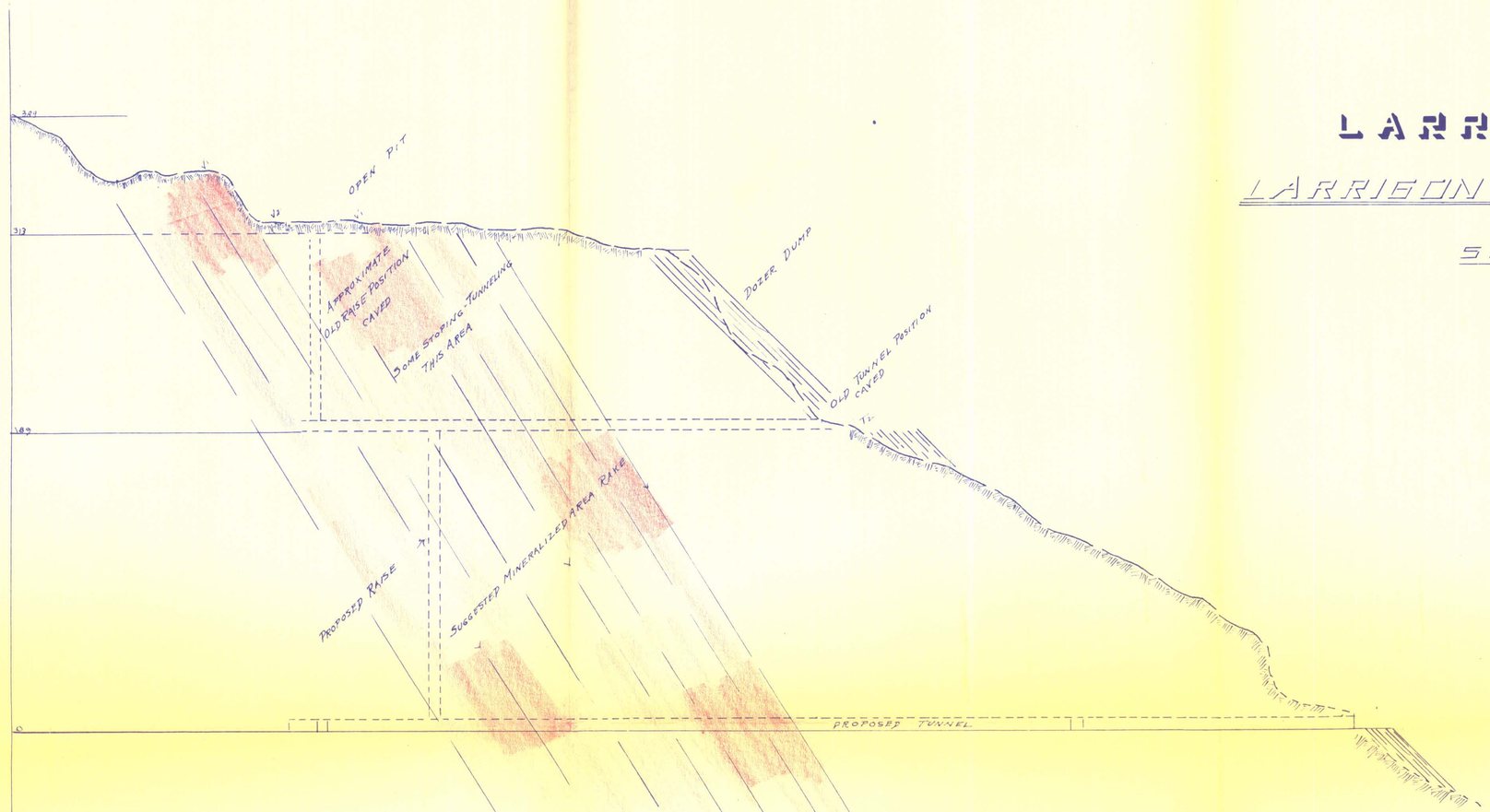



FIGURE 1- UNDERGROUND, CLAIM, AND INDEX MAPS, LARRIGON MINE, SEC. 34, T.2 S., R.21 W., RAVALLI COUNTY, MONTANA

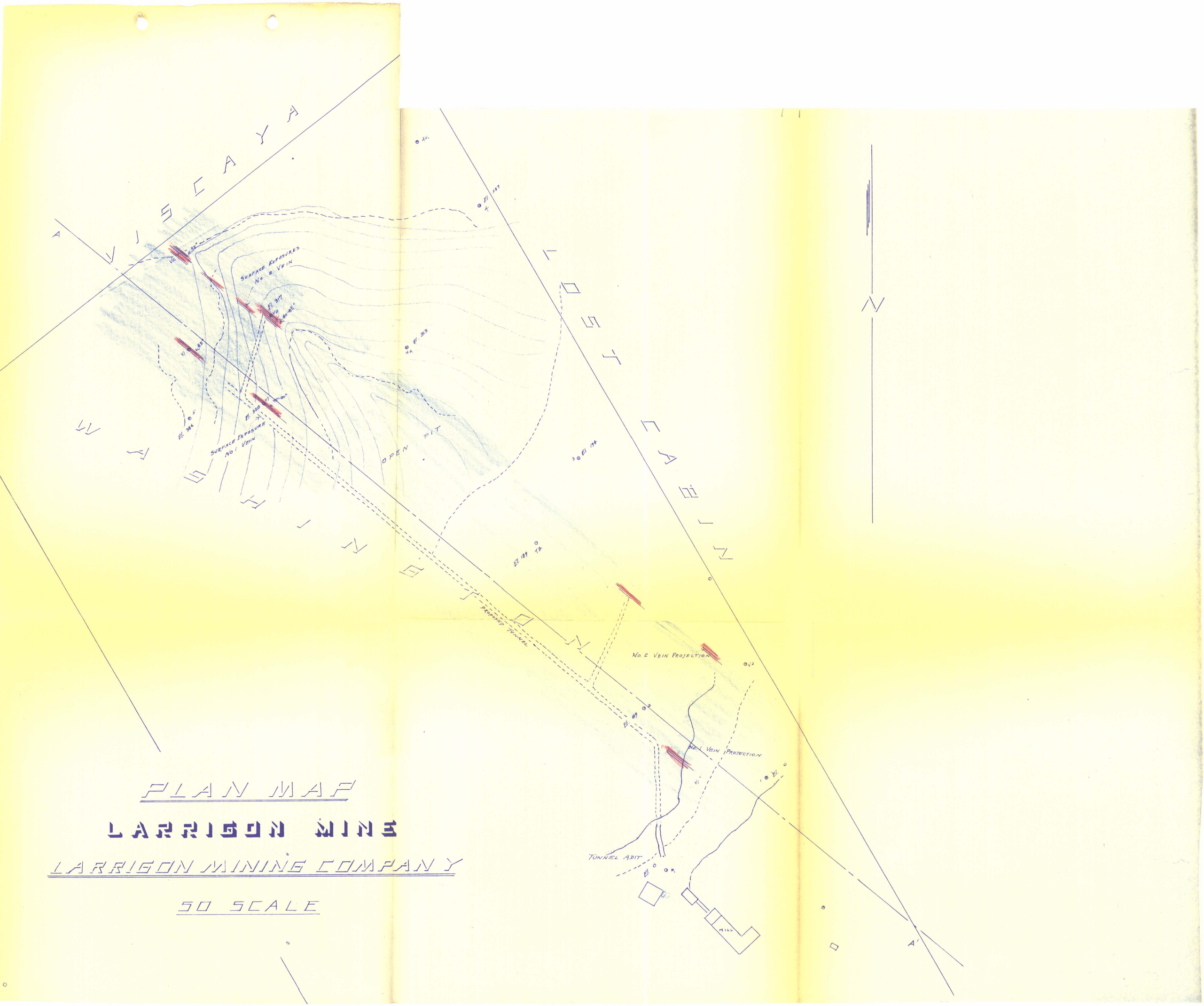
# LARRIGON MINE

## LARRIGON MINING COMPANY

50 SCALE




VERTICAL LONG SECTION THRU A-A'

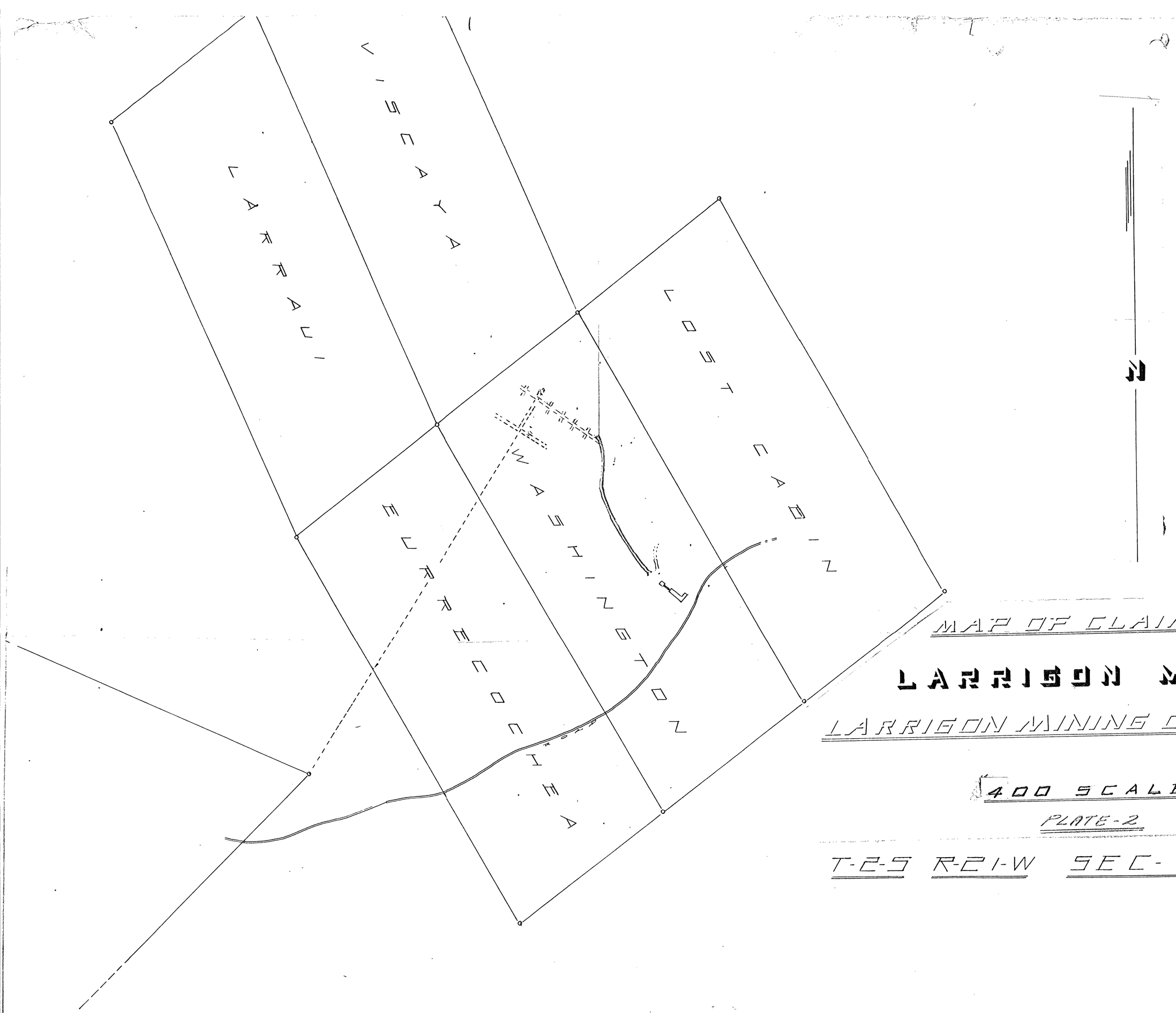



PLAN MAP

LARRIGON MINE

LARRIGON MINING COMPANY

50 SCALE




MAP OF CLAIMS

# LARRIGON MINE

LARRIGON MINING COMPANY

400 SCALE

PLATE-2

T-25 R-21-W SEC- 34