MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE Contract No. _____ Docket No. 6862

Application
- [ ] Denied
- [x] Withdrawn

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

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

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] 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

72195-65

MME Form 40
(Revised Nov. 71)

Form approved
Budget Bureau No. 42-R1368

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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.)*

Chester Johnson
Box 701
Polson, Montana 59860

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER

DATE RECEIVED

REGION

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL	X
CORPORATION	
PARTNERSHIP	
OTHER *(Specify)*	

STATE IN WHICH FIRM IS ORGANIZED

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE
Gold

ESTIMATED COST OF PROJECT
100 feet drift & timbering $4,517.00

PROPERTY NAME	LOCATION COUNTY	STATE
Tawney mine	Mineral	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. II). 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 two 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 Department of the Interior, U.S. Geological Survey, Office of Minerals Exploration, Washington, D. C., 20242, 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.

February 15, 1972
DATED

Letter 2/15/72

Chester Johnson
BY (Signature)

Owner
TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

(submit on accompanying pages)

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include (1) *true copies of your letters to credit sources* which show date of loan request, amount and terms requested, and proposed use of loan funds and (2) *true copies of replies from credit sources.* If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements signed by owner on MME Form 52. If the agreements cannot be obtained, state reasons and whether you can furnish a performance bond.

3. Physical Description:

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

(b) State your interest, if any, in operations described in (a)

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

(d) Describe known ore reserves, giving quantities and grades.

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

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

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

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property state name, address, and telephone number of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

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

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

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs for time and materials *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

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

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

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

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i. e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price and mobilization charge. If furnished by the applicant, state condition and present fair market value.

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

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

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

United States Department of the Interior

GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 6 1972
INITIALS | CODE

January 3, 1972

MEMORANDUM

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: New Application (gold)
Chester Johnson
Tawney Mine
Mineral County, Montana

Enclosed is an application from Mr. Chester Johnson, Box 701, Polson, Montana, for OME assistance to drift 400 feet in a new adit along a narrow gold-bearing vein at the Tawney mine, some 9-11 miles southwest of St. Regis, Mont. Mr. Johnson estimates that the drifting can be done for $42.36 per foot, and timbering will cost $10.20 per foot. The Tawney mine, referred to in U. S. Geol. Survey Bulletin 1027-M as the Aladdin mine, is in unsurveyed sections 4 and 5, T. 17 N., R. 29 W. The veins occupy shear zones adjacent to diorite and consist of quartz with a little chalcopyrite and pyrite. Assay data submitted with the application indicate that much of the rock contains promising amounts of gold.

The application is fairly complete and I am sure it has been prepared to the best of the applicant's ability. We have corresponded several times about this project and Mr. Johnson visited the office once when his application was about 75 percent complete.

Mr. Johnson states that his financial resources are now very limited. He indicates that he expects to furnish his share of the cost by acting as supervisor and working as one of the miners. This suggests that he might not have sufficient capital to finance his share of the cost.

Except for the applicant's precarious financial position, the proposed project seems to have some merit for assistance under our program. I hope that you will refer the application to me for field examination. Weather conditions will generally permit work to commence by May, so I would think that a field examination could be scheduled for early May or perhaps as early as late April.

Willard P Puffett

Willard P. Puffett

Enclosures
cc: DRF

MME Form 40
(Revised Nov. 68)

OFFICIAL USE ONLY
CODE
O. M. E.
RECEIVED
JAN 6 1972
MAILING CODE

Budget Bureau No. 42-R1368
Approval expires Dec. 1971

RECEIVED
JAN 3 1972
O. M. E.
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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.)*

Chester Johnson
Box 701
Polson, Montana 59860

Phone 883-5825

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: OME 6862

DATE RECEIVED: 1/6/72

REGION: I

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED:

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE

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

ESTIMATED COST OF PROJECT: $ 19,120.00

PROPERTY NAME	LOCATION COUNTY	STATE
Tawney Mine	Mineral	Montana

GENERAL INSTRUCTIONS

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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.

12/31/71
DATED

Chester Johnson
BY *(Signature)*

Owner
TITLE

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U. S. Code, Title 18, Sec. 1001.

ORMATION REQUIRED WITH THIS APPLIC ON

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include (1) true copies of your letters to credit sources which show date of loan request, amount and terms requested, and proposed use of loan funds and (2) true copies of replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

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(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

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

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

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

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(b) Name the shipping and supply points and state the distances to the property.

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

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs for time and materials *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

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(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

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

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i. e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

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

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

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

Polson, Montana
December 30, 1971

RECEIVED
JAN 3 1972
O. M. E.
SPOKANE WASH.

Mr. Willard P. Puffett
Office of Mineral Exploration
656 U.S. Court House

Dear Mr. Puffett:

I have filled out the application form, for a mining loan, I'am very much interested in this loan, since my finances have come to the end of the barrel. It would be very slow going for me from now on.

I had a lot of trouble figuring out the price to drift and timber the tunnel and still am not sure that I'am right becouse the prices of material varies so much from month to month. One item is steel it could go higher or maybe will be lower by the time I can start operating. Another item is lagging. I can buy it for $100.00 a thousand now it is green and if I could buy it now I could dry it out, but if it is bought in the spring I'll have to buy dry lagging. These are just two items that came to my attention.

I understand there is a bill in congress, which if approved would force owners of unpatented mining claims to patent there claims. The way it was explained to me is like this. The patent would have to be started within 3 years and completed within 5 years and the cost being $50.00 an acre. This one would be hard to live with.

In case this bill passes I'd have to drop nearly all the eight claims. I thought it might be better if the goverment only took royalty from two claims, that would be the Goldbug Lodemining claim and the Ruby No.2 Lode mining claim. I'd be very willing to put all eight claims if it isn't to the determent to myself and the goverment.

If it is decided that I'am qualified for a hardrock mining loan I'd very much like to go over everything again so that it will be a benefit to the goverment, myself and the men who will be working for me.

One item that comes to mind now is time for break downs, men not showing up for work and possibly having to haul supplies in. It will probably be the latter part of May before work could begin. When the New Lenore ran one winter they had a cat go down the road about once a week.

I done the best I could to fill out the application form, If there are any questions or other information necessary I'd do my best to try and get it for you. If it is necessary I could drive to Spokane. All the papers and pictures you can keep.

Very truly yours,

Chester Johnson

Chester Johnson

Copy of letter to Security State Bank Polson

December 9, 1971

RECEIVED
JAN 3 1972
O. M. E.
SPOKANE, WASH.

J.H. Hanson president
Security State Bank
Polson, Montana 59860

Dear Mr. Hanson:

During the past summer I have been working on some mining claims, which I purchased from E.H. Gates and Mary L. Kempton Superior, Montana. The final payment was made November 11, 1971. The deed number is 41023 drawer 1 card 622 Mineral County court house Superior.

These consists of eight unpatented mining claims and a millsite. The names being Raven, Ruby No. 1, Ruby no. 2, Lookout Mountain, Goldbug, Little Bell no. 1, Little Bell no.2, and Comstock, also Edith Lenore millsite. Together with all water rights, ditches, flumes, pipelines, fixtures improvements, shafts and mine workings, roads and roadways upon appertaining to or used in connection with the above described mining claims.

During this year the principal work done was bulldozing. I have the ore vien opened up, the truck landing is in, also the road completed to where the portal of the tunnel was started. There is gold ore stockpiled at the head of the portal which can be assayed and examined.

I was wondering if the Security State Bank would consider making a loan to drive a tunnel 400 feet on the ore vien. The money being used for machinery, labor and supplies necessary to operate the mine.

Enclosed are four itemized sheets for the cost of drifting and timbering. Drifting 400 ft. at $42.36 a ft. will cost $16,944.00 and timbering 100 ft. at $10.20 will cost $1,020.00 One compressor and change building 12 ft. wide X 20 ft. long. $606.00 and 80 assays for gold and silver $5.00 ea. $400.00 The total cost being $18,970.00

Enclosed are letters and assay sheets from American Smelting and Refining Co. also from the Anaconda Company. The small miner exclusion statement from the department of state lands is also enclosed.

For collateral of this loan I'd be able to furnish a deed to the property and give 5% of each load of ore shipped to the smelters till the loan was paid off. The terms of interest and expiral date to be agreed upon to the satisfaction of both parties.

If there are any questions that may arise I'd be glad to come in and discuss them further.

Very truly yours,

Chester Johnson

Chester Johnson

93-91

The Security State Bank

Polson, Montana

December 17, 1971

RECEIVED
JAN 3 1972
O. M. E.
SPOKANE, WASH.

Mr. Chester Johnson
Box 701
Polson, Montana 59860

Dear Mr. Johnson:

We have reviewed your loan application as submitted in your letter of December 9 and must of necessity decline it because the mining activity that you will be involved in falls completely outside of our experience and capability.

Very truly yours,

J. H. Hanson

J. H. Hanson
President

JHH:mg

THE SECURITY STATE BANK

THE BANK OF FRIENDLY SERVICE

RECEIVED
JAN 3 1972
O. M.
SPOKANE, WASH.

Polson, Montana
November 27, 1971

First National Bank
101 East Front and Higgins
Missoula, Montana

Dear Sir:

I'am writing to you for your consideration for a loan to open some mining property near St. Regis, Montana.

This property consists of eight unpatented mining claims and a millsite. I purchased the claims from Mary L. Kempton Superior, Montana and have done a lot of dozing on the property this summer but am unable to continue becouse of the shortage of capitol. The property is now clear I made the final payment November 11th.

I have dozed out a large landing, so that the ore truck can come in and turn around easily. This was done while cutting the ore vien, which varies in width from 2 ft. to 6 ft. wide. One place it was 10 ft. wide. I have hauled loads from the ore vien to have them assayed for the content of ore to American Smelting and Refining Co. at East Helena and also had checks made at American Smelting Wallace, Idaho.

The property is 11 miles from the main highway on a good forrest service road. Five miles of this forrest service road was oil coated this summer.

I understand the tunnell approximately 100 ft. below where I dozed the vien out is in 1400 ft. and was mined on the vien all the way. This supposedly was closed down in 1941 when the war started, but since then portal and part of the tunnel has caved in.

The tunnel I'd like to drive now is on the open cut I made this summer. Everything is ready to go under ground now.

The number of the mining deed from Mary L. Kempton to me is 41023 and is recorded in the Mineral county Court house at Superior. It is for eight claims and a millsite. Enclosed is a colored picture of the cut, Also enclosed is a detail price list, figuring the expenses by the foot, for drifting and timbering, the tunnel being 400 ft. long.

The total on drifting 400 ft. is $14,144.00 and the total for timbering 100 ft. is $2,306.00. There is a possibility that 100 ft. of timbering might not be needed, it all depends how the rock holds up.

Also enclosed is assays taken from the loads. The form from the State land board is my Small Miner Exclusion Statement.

The total amount of the loan I'd like to apply for is $16,450.00 For collateral I'd be able to furnish a clear deed to the property and pay it back at 5% of smelter returns. The time limit of the loan would be whatever was agreeable to both parties.

I'd be very glad to meet and discuss whatever questions that you may have concerning the property or other question that you may have.

Very truly yours,
Chester Johnson
Chester Johnson

NO. 2106

THE FIRST NATIONAL BANK

OF MISSOULA
MONTANA'S OLDEST BANK
ESTABLISHED 1873

MISSOULA, MONTANA

T. RAY JACOBS
ASSISTANT CASHIER

December 3, 1971

RECEIVED
JAN 3 1972
O. M. E.
SPOKANE, WASH.

Mr. Chester Johnson
Box 701
Polson, Montana 59860

Dear Mr. Johnson:

I have enclosed your photograph as you requested.

We will be unable to make you the loan which you asked for. You are not a depositing customer of our bank, you are living and working out of our lending area and you have not presented satisfactory collateral or repayment plan to us.

If you would like to discuss this matter further, please feel free to call on us.

Very truly yours,

T Ray Jacobs
Assistant Cashier

TRJ:ms

Enclosure - 1

Information required for application

1. Financial Eligibility

(a) Enclosed is two letters, one from the Security State Bank and one from the First National Bank. Both were refusals for a loan.

(b) None.

(c) I would be able to act as the supervisor of the mine and work as one of the miners.

2. Applicant's Rights in Land:

(a) Owner: The Deed is filed at the Court House in Mineral County, Montana Deed number is 41023 Drawer 1 Card 622.

(b) Discription of claims:

RAVEN LODE MINING CLAIM

notice of which is recorded in book H mining locations page 183 records of Mineral County, Montana.

RUBY NO.ONE LODE MINING CLAIM

location notice of which is recorded in book G mining locations page 375 records of mineral county, Montana.

X RUBY NO. TWO LODE MINING CLAIM

LOCATION NOTICE of which is recorded in book G mining locations page 376 records of mineral county, Montana.

LOOKOUT MOUNTAIN LODE MINING CLAIM

location notice of which is recorded in book C mining locations page 115 records of mineral county, Montana.

X GOLDBUG LODE MINING CLAIM

LOCATION NOTICE of which is recorded in book C mining locations page 115 records of mineral county, Montana.

LITTLE BELL NO. ONE LODE MINING CLAIM

LOCATION NOTICE of which is recorded in book C mining locations page 619 records of mineral county, Montana.

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O.M.E.
SPOKANE, WASH.

LITTLE BELL NO. TWO LODE MINING CLAIM

LOCATION NOTICE of which is recorded in book C mining locations page 620 records of mineral county, Montana.

COMSTOCK LODE MINING CLAIM

LOCATION NOTICE of which is recorded in book G mining locations page 374 records of mineral county, Montana.

continued next page

MILL SITE LOCATION

notice of which is recorded in book 1 mining locations page 495 mineral county records; known and recorded as "EDITH LENORE MILLSITE"

Commonly known names as I have heard the property referred to have been as follows Lenore mine, Alladan, Gold Alladan, New Lenore mine and now it is known as the Tawney mine.

RECEIVED JAN 3 1972 O.M.E. SPOKANE, WASH.

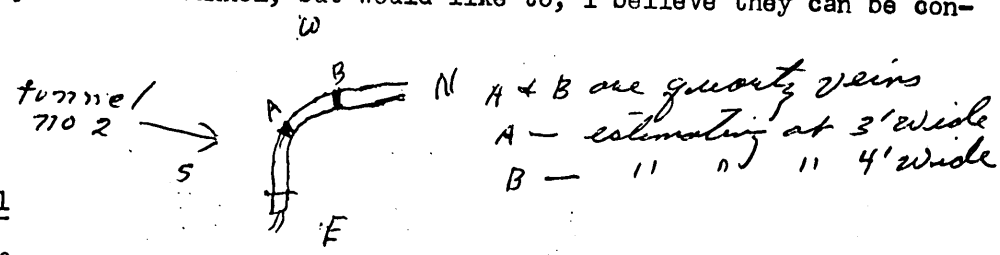
(C) " not applicable "

3. PHYSICAL DESCRIPTION:

(a) By referring to map number 2 and the two pictures, it can be seen where I done the dozing this summer. The cut is approximately 350 ft. east of the west side. in the picture it looks like some ore might be coming in on west side also.

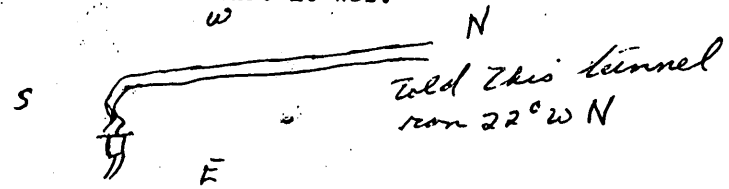
Tunnel no. 2 (Two)

I was in this tunnel two years ago. It is in good shape the rails and the water line are still in it, but the portal is dozed shut now. I was going to get a back hoe last summer and open it up, but time ran out. I talked to Mr. Golab in Mullan, Idaho who started this tunnel while working for the Alladan. He said they started this tunnel to hit the ore under tunnel No. 1 He said he drove a hundred ft. on it. The New Lenore Co. made a deal with Mrs. Kempton to purchase the property they drove I'd estimate a hundred ft. and made a turn to the right, cutting two quartz viens which were heading in a westerly direction. They didn't do any work on these two viens but continued on. I understand that these two viens carry gold. I have never ran any assays in this tunnel, but would like to, I believe they can be continued on.



Tunnel No. 1

A number of years ago I talked to a miner who worked in this tunnel. He said this tunnel was in 1400 ft. Mr. Golab said he shot two rounds in this tunnel then the Alladan moved him down to start tunnel number 2. I asked him if he knew the length, all he could tell me it was a long ~~vien~~ WAY and that he drove the two rounds on a quartz vien. After driving 100 ft. on no. 2 tunnel he worked on a log ball mill which they were putting IN then quit and has never been back. He said there was no road to the mine at that time and that they had to walk quite a ways. I asked him the formation of the rock but he couldn't remember what it was.

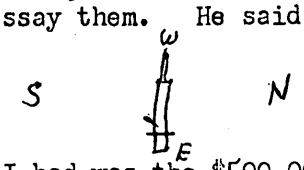


Tunnel No. 3

This tunnel was driven by the New Lenore people. I would estimate the tunnel to be in 100 ft. I went up to visit them one day, which at that time they were diamond drilling, I understand they drilled a 160 ft. one week later they closed down (ran out of money) The reason for my visit to the mine was that I'd bought $500.00 worth of there stock.

continued

About 30 ft. inside portal no. 3 there was a 4 inch quartz vien going to the S.W. One miner told me it had been assayed for gold and ran $84.00 He said they should have followed it instead of going straight ahead. This tunnel was all in quartz-site. He said they were trying to hit the diorite-granite contact with the quartz site. I asked one of the miners if they ran assays on the drilling cores he told me no. They were running all there grindings into a milk bucket so it would have been impossible to assay them. He said they hit several places with quartz while drilling.



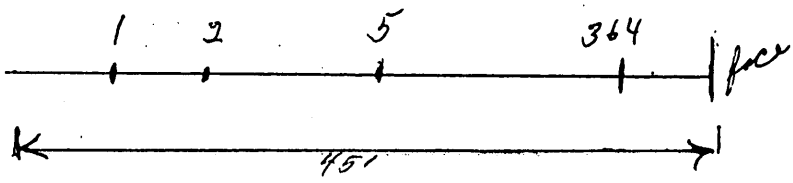
(b) The only interest I had was the $500.00 worth of stock that I bought from the New Lenore Mining Co.

(C) The lady I purchased the property said they had been given to different people and never returned, so I have nothing concrete.

(D) I believe the possible ore reserves would be in no. 2 tunnel by following the two quartz viens, and possibly to the left of the vien I'am on.

(E) The cut I made is in diorite formation , also what I've seen of tunnel No. 1 and tunnel No. 2 number 3 tunnel is in quartzsite.

(F) Enclosed are assay from American Smelting & Refining Co. Anaconda and Good-all Bros. They were taken from where I first dozed the vien out and as I followed it in. I have numbered the assay sheets and letters, so that it can be followed on the following sketch.



Number 1 Assay

was taken by knocking down the face of the vien (waste & all) then mixed up, then I took a tablespoon and got 10 lbs. from the pile and sent it to the Anaconda Co. for assaying.

Assay number 2

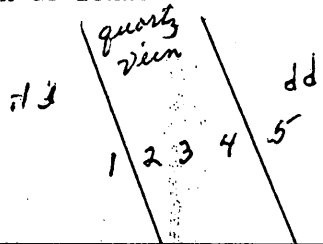
was taken by knocking the quartz face down, then I shoveled it into the pick-up and hauled it to American Smelting where they crushed and assayed it.

Assay number 3

was taken the same way as assay number 2

Assay number 4

was taken across the vien as follows.



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O.M.E.
SPOKANE WASH.

Continued

Assay number 5

was taken by knocking waste and all, then shoveled into the pickup into two different piles. I then hauled into American Smelting at Wallace, Idaho where they assayed it for me.

The ore vien always seemed widen and narrow as I dozed in on the vien. Some time the ore was in quite large pockets and other times it would be streaks through the vien.

(G) There is some information in the Geological Survey Bulletin 1027-M and there is also a map in this folder that shows the formation. The Alladan was the name used in this folder.

4. Accessibility of Property

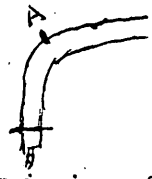
(a) I could meet the OME representative in St. Regis My box number is 701 Polson, Montana Phone 883-5825 The Property is between 9 and 11 miles S.W. of St.-Regis. There is a Forrest Service road to the mine. Five miles has been oil coated and the remainder is dirt road.

(B) I could haul to American Smelting Co. East Helena, Est. distance 200 miles
" " " Anaconda Company Anaconda, Mont. " " 180 miles
Possibly to Bunker Hill Smelterville, Idaho " " " 70 Miles

5. Exploration Work

(a) I'am right up to the face where I'll have to go underground. I have the portal started. Some waste has fallen into it which will have to be cleaned out. also there is I'd estimate 15 tons of ore right in front of the portal which should be hauled away, this was shoveled out by hand.

This is the way I plan on running the mine. I'am going to stay on this vien long as it pays its way, and is prudently sensible. The alternative I will have is to drive on one of the viens in number 2 tunnel. I asked one of the miners who was working in number 2 tunnel if he knew of any assays they'd taken. He said the only assay he knew of was the one he'd taken which on map 2 would be the vien marked A. He said the assay ran $180.00 to the ton in gold. He said he took the assay by making an X and then across.



RECEIVED
JAN 3 1972
O. M. E.
SPOKANE, WASH.

(B) At this time the road that is now in is sufficient, possibly at a later date one might want to change the road.

(C) Work could be started soon as the road was accessible to get in I'd estimate the latter part of May. I'd anticipate to drift 100 ft. a month and if it is necessary to timber the whole 100ft. I'd anticipate to do it in 7 days. Of course there is the chance for breakdowns and possibly men not showing up for work, also supplies that will have to be hauled in. I believe one month extra should cover the unforseen.

Number 1

THE ANACONDA COMPANY

ANACONDA, MONTANA 59711

ANACONDA REDUCTION DEPARTMENT

ANACONDA from mine to consumer

RECEIVED JAN 3 1972 O.M.E. SPOKANE, WASH.

July 9, 1971

Mr. Chester Johnson
Box 701
Polson, Montana 59860

Dear Sir:

Enclosed are two assay certificates showing our analysis of the sample you submitted.

We can accept a trial shipment of the ore represented by this sample. The Anaconda Company assumes no responsibility for any loss to the shipper.

We have evaluated this sample as follows:

Copper	$ -
Silver	.35
Gold	82.12
Silica	.05
Total	$ 82.52
Treatment Charge	-
Net Value	$ 82.52

We accept truck shipments between the hours of 7:30 A. M. and 3:30 P.M., Monday through Friday. Kindly notify us at least 48 hours in advance of shipment.

Enclosed is a purchase schedule outlining terms which will be used in making settlement for your production.

Yours very truly,

C. R. FISH
Ore Buyer

RUCKWARDT
new ore buyer

	Cu	Ag	Au	SiO_2	Fe	CaO	Al_2O_3
CWA/wam	.05	.24	2.11	82.0	8.1	.3	1.9

Enclosures

3-6-3 5271 Sample Polson Montana

Number 2.

NAME OF MINE

WHERE LOCATED

R. R. SHIPPING POINT

NAME OF SHIPPER Charles Johnson

P. O. ADDRESS Box 101 Helena, Montana

HAND SAMPLE SERIAL NO. 2959

H.H. 6—20—7.00—5629

ASSAY OF HAND SAMPLE

American Smelting & Refining Co.

EAST HELENA PLANT

JUL 13 1971, 19

MARK NO.	GOLD OZS. PER TON	SILVER OZS. PER TON	LEAD PER CENT	COPPER PER CENT WET	INSOLUBLE PER CENT	IRON PER CENT	MANGANESE PER CENT	SULPHUR PER CENT	ZINC PER CENT	ARSENIC PER CENT	ANTIMONY PER CENT	BISMUTH PER CENT	GROSS VALUE PER TON
	1.02	0.2	0.4	0.08									

RECEIVED JAN 3 1972 O. M. E. SPOKANE, WASH.

Dear Sir:

The above are the assays of the samples which you submitted to us. In sending hand samples for assays, please in all cases, furnish the name and location of the mine and railroad shipping point. Will you kindly supply this information in the case of these samples if not stated hereon. We will be pleased to quote rates for treatment upon application.

AMERICAN SMELTING AND REFINING COMPANY

Chief Assayer

Per S. F. Lane Manager

ESTABLISHED IN 1908

Number 3.

Western Laboratories

MORACE HAND
MANAGER

WESTERN LABORATORIES

ASSAYERS
CHEMISTS

CHIPPER
REPRESENTATIVES

OFF: PHONE 406/442-2770

46 SOUTH LAST CHANCE GULCH • P. O. BOX 537 • HELENA, MONTANA 59601

July 30, 1971

Chester Johnson

HAND SAMPLE

DESCRIPTION	GOLD Ozs. Per Ton	SILVER Ozs. Per Ton	WET LEAD Per Cent	COPPER Per Cent	ZINC Per Cent	Pt ozs/ton	Per Cent	Per Cent
20	1.33	0.3				0.075		
CHARGES:								

RECEIVED JAN 3 1972 O.M.E. SPOKANE, WASH

*Gold not deducted
N.D.—None Detected
Total Charges $15.00 Pd

WESTERN LABORATORIES

By Dorsey Hand

E.H. 8—2M—7.58—2628

Number 4.

NAME OF MINE Tam[illegible] Mine

WHERE LOCATED

R. R. SHIPPING POINT

NAME OF SHIPPER Chester Johnson

P. O. ADDRESS Box 701 Paxson, Montana 59860

HAND SAMPLE SERIAL NO. 8965

ASSAY OF HAND SAMPLE

American Smelting & Refining Co.

EAST HELENA PLANT

AUG 4 1971, 19

MARK NO.	GOLD OZS. PER TON	SILVER OZS. PER TON	LEAD PER CENT	COPPER PER CENT WET	INSOLUBLE PER CENT SiO2	IRON PER CENT	MANGANESE PER CENT	SULPHUR PER CENT	ZINC PER CENT	ARSENIC PER CENT	ANTIMONY PER CENT	BISMUTH PER CENT	GROSS VALUE PER TON
1	0.02	1.8	Tr	0									
2	0.12	03	Tr	0									
3	0.03	0.53	Tr	0									
4	3.47	02	Tr	0	53.2								
5	Tr	01	Tr	0									
	1.00	05	Tr	0	81.2								

RECEIVED JAN 3 1972 SPOKANE, WASH.

Dear Sir:

The above are the assays of the samples which you submitted to us. In sending hand samples for assays, please in all cases, furnish the name and location of the mine and railroad shipping point. Will you kindly supply this information in the case of these samples if not stated hereon. We will be pleased to quote rates for treatment upon application.

AMERICAN SMELTING AND REFINING COMPANY

Per S. M. Lane Manager.

CGW Chief Assayer.

Number 5.

AMERICAN SMELTING AND REFINING COMPANY
NORTHWESTERN MINING DEPARTMENT
P. O. BOX 440
WALLACE, IDAHO 83873

F. D. OWSLEY
MANAGER

September 8, 1971

RECEIVED
JAN 3 1972
O.M.E.
SPOKANE WASH

Mr. Chester Johnson
Box 701
Polson, Montana

Dear Mr. Johnson:

I'm sorry that I haven't written sooner, but I had thought you would probably stop by the Wallace Office again.

The second set of samples you left with us assay 1.32 and 1.77 oz. of Au per ton. Since you are interested in mining what you can, I would suggest that you contact the East Helena Smelter and make a trial shipment. This should indicate what your costs and returns might be and what grade of ore you can mine from the surface.

Call on me if I can be of any further help.

Very truly yours,

S. H. Huff
Assistant Chief Geologist

State of Montana

DEPARTMENT OF STATE LANDS

Capitol Building
Helena, Montana 59601
Phone 406/449-2074

Small Miner Exclusion Statement

Pursuant to Section 20, Chapter 252, Laws of Montana, 1971

RECEIVED JAN 3 1972 O.M.F. SPOKANE, WASH

State of Montana
County of Mineral } ss.

AFFIDAVIT

The undersigned person, firm, ~~or corporation~~, being duly sworn, states and agrees that he ~~(it)~~:

(1) Is a small miner;

(2) Will not, from this day forward, pollute or contaminate any stream as a result of exploration, development, or mining operations on his ~~(its)~~ part or under his ~~(its)~~ directions;

(3) Will provide protection for human and animal life by installing bulkheads on safety collars and doors on tunnel portals.

(4) Will not conduct a mining operation which will result in more than five (5) acres of the earth's surface being disturbed and unreclaimed.

(Note: the definitions below apply to this affidavit)

Chester Johnson
NAME

Chester Johnson
SIGNATURE

Box 701
Polson, Montana
ADDRESS

Owner
TITLE

Subscribed and sworn to before me this 18 day of November, 1971.

Marjorie D. Knowles
Notary Public for the State of Montana
Residing at Polson Montana.
My Commission expires 11-21-73

SECTION 20 OF CHAPTER 252, LAWS OF MONTANA, 1971, STATES THAT NO PROVISIONS OF THE ACT WILL APPLY TO A SMALL MINER WHEN THE SMALL MINER AGREES IN WRITING TO THE ABOVE PROVISIONS.

DEFINITIONS (From the Act or the Board's Rules and Regulations)

1. **"SMALL MINER"** is any person, firm or corporation engaged in the business of mining who does not remove from the earth during any twenty-four (24) hour period material in excess of one hundred (100) tons in the aggregate. (Section 3 of the Act)

2. **"POLLUTE or CONTAMINATE ANY STREAM"** means to conduct any exploration, development, assessment or mining activity which will result in deterioration of water quality as specified by standards adopted by the Montana Water Pollution Control Council, 1967. Any future revisions of these standards adopted in accordance with the provisions of the Montana Water Pollution Control Act, 1971, will apply to this definition.

3. **"BULKHEAD"** means a door, fence or other construction which allows periodic entry to a mine shaft, adequately secured and locked so that animals and unauthorized persons are denied entry.

4. **"DISTURBED and UNRECLAIMED SURFACE"** means land affected by exploration, development, assessment or mining activities that has not been restored to a continuing beneficial use, with proper grading and revegetative procedures to assure: (1) slope stability, (2) minimal erosion, (3) adequate vegetative ground cover (if in keeping with reclaimed use), (4) that no mine water or surface water passing through a disturbed area will pollute or contaminate any flowing stream.

PENALTIES

Failure to comply with the regulations stipulated in Section 20 will constitute a misdemeanor, and this offense will subject the owners, and/or operators of said project to a fine of not less than ten dollars ($10) nor more than one hundred dollars ($100).

AMERICAN SMELTING AND REFINING COMPANY

ASARCO

EAST HELENA PLANT

EAST HELENA, MONTANA

STANLEY M. LANE
MANAGER

E. A. HASE
SUPERINTENDENT

C. G. DEGOOYER
CHIEF ACCOUNTANT

RECEIVED
JAN 3 1972
O.M.E.
SPOKANE, WASH.

August 4, 1971

Mr. Chester Johnson
Box 701
Polson, Montana 59860

Dear Mr. Johnson:

Enclosed are the assay results on your recent handsamples and a copy of our purchase schedule. I can reduce the Base Charge substantially because of the 80% Silica content - to about a $2.00 level.

I suggest you ship a trial truckload.

Very truly yours,

S. M. Lane by

S. M. LANE

Encls.

6. Experience

I'am 49 years old and started prospecting and assaying when I was 15 years old. In 1954 I helped the Spar Mining Co. build a cook house bunk house combination, then helped put in the sluice boxes which we ran all summer. We used the cat to push into the sluice boxes.

In 1955 the Jack Mining Co. hired two of us to build a half mile of road into there property. The two of us built a cook house bunk house combination, then we dozed out and built the portal and drove a drift 110 ft. and timbered all the way. We had a new Emico mucking machine to take the waste out.

I have been prospecting, assaying and diamond drilling with a small portable homelite drill nearly every year.

RECEIVED
JAN 3 1972
O.M.E.
SPOKANE WASH.

100 ft. Timbering (if needed).

Estimating 25 % of drift will require timbering. 625 ft. of timber will require 21 standard drift sets. One shift will stand, block and lag 3 sets or 15 ft. Time required, 7 shifts, to timber 100 ft.

1. INDEPENDENT CONTRACTS

none ft. at $ none ft.

2. LABOR AND SUPERVISION

2 Minors at $ 27.50 ea. per shift.

1 Helper at $ 24.00 per shift.

1 Supervisor at $ 600.00 month.

Cost $ 109.00 per shift.

FICA & other insurance at 15 % $ 16.85 per shift.

Total $ 125.85 per shift.

At 15 ft. per shift. $ 8.80 per ft. or $ 880.00

3. OPERATING MATERIALS AND SUPPLIES

42 Posts or Ties. 8 X 8 X 7 $ 1.00 ea. $ 42.00

21 Caps 8 X 8 X 6'6" $ 1.00 ea. $ 21.00

625 ft. lagging 2" X 12" X 5' Lagging figured at $ 100.00 thousand $ 62.50

Plus 10 % for blocks, wedges etc. $ 12.55

100 ft. timbering Total $ 148.05

100 ft. timbering Average cost $ 10.20 per ft.

TOTAL COST $ 1,020.00

RECEIVED
JAN 3 1972
E.
SPOKANE WASH.

Chester Johnson

Photo 2 vein outcrop

in Bulldozed cut

Owney Mine

Mineral Cty, Montana

INDEXED
40528

NO. 101 — AFFIDAVIT OF ANNUAL REPRESENTATION OF MINING CLAIM. STATE PUBLISHING CO., HELENA, MONT.

AFFIDAVIT OF ANNUAL REPRESENTATION OF MINING CLAIM

RECEIVED
JAN 3 1972
C. M. E.
SPOKANE, WASH.

STATE OF MONTANA
County of Mineral } ss.

Chester Johnson Box 701 Polson, Montana 59860

*of lawful age, being duly sworn depose*s *and say*s:

I. That he *is acquainted with the* Raven, Ruby No. 1, Ruby No. 2, Goldbug, Lookout Mountain, Comstock, Little Bellle No. 1, Little Belle No. 2 *Mining Claims* Millsite location---Known as Edith Lenore Millsite. *situate, lying and being in* St. Regis (Unorganized). *Mining District in the County of* Mineral *State of Montana*

Raven, Ruby No. 1, Ruby No. 2, Goldbug, Lookout Mountain, Comstock, Little Belle No. 1, Little Belle No. 2, MILLSITE LOCATION Known as Edith Lenore Millsite.

II. That he *did* 45 *days work and labor upon said mining claim, and placed the following improvements thereon, to-wit:*

Did trenching and bulldozing and started portal 1/3 completed into the open cut. These claims are under OPTION TO PURCHASE by Chester Johnson from E.H. Gates and Mary L. Kemption. Option to purchase is filed in Mineral County courthouse, Superior, Montana.

and that the value of said improvements is $1900.00 *Dollars*

III. That said work and labor was done and performed and said improvements were commenced on the 15th *day of* May *A. D. 19*71*, and finished on the* 16th *day of* August *A. D. 19*71.

IV. That said work was done and said improvements were made at the instance and request of E.H. Gates and Mary L. Kempton *the owner*s *of said mining claim*s

V. That the actual amount paid for said labor and improvements is $1900.00 *Dollars, lawful money of the United States, and that said sum was paid by* Chester Johnson Box 701 Polson, Montana

Chester Johnson——— Chester Johnson

Subscribed and sworn to before me this 24 *day of* August, *19*71.

Clyde V. Sulier
Notary Public in and for said County and State

My Commission expires CLYDE V. SULIER Notary Public Ronan, Montana My Commission Expires March 4, 1973

Space Below for Recorder's Use Only

RECORDER'S OFFICE
Superior, Montana } ss.

Filed for record on the 25th day of August, A. D. 19 71 at 11:55 o'clock A M., and recorded in ~~Volume~~ Drawer 1 of Affidavits of Annual Representation on ~~Page~~ Card 566 Records of Mineral County, Montana.

Ruth E. Velup
County Recorder.

By ..... Deputy.

Fee $ 6.00

INDEXED

THIS INDENTURE, Made the 11th *day of* November *in the year of our Lord, Nineteen Hundred and* seventy-one (1971) *between* E. H. GATES and MARY L. KEMPTON, the parties of the first part, and CHESTER JOHNSON, whose address is P. O. Box 701, Polson, Montana 59860,

RECEIVED
JAN 3 1972
O. M.
SPOKANE WASH.

the party of the second part, WITNESSETH, that the said parties of the first part, for and in consideration of the sum of Forty-five Hundred ($4,500.00)---------- *DOLLARS,* lawful money *of the United States of America, to* them *in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold remised, released, and forever quitclaimed, and by these presents do grant, bargain, sell, remise, release and forever quitclaim unto the said party of the second part, and to* his *heirs and assigns* the following described unpatented quartz lode mining claims situated on Coyle Gulch, a tributary of Two-Mile Creek, in Mineral County, Montana:

RAVEN lode mining claim, location notice of which is recorded in Book H, Mining Locations, page 183, records of Mineral County, Montana;
RUBY NO. 1 lode mining claim, location notice of which is recorded in Book G, Mining Locations, page 375, records of Mineral County, Montana;
RUBY NO. 2 lode mining claim, location notice of which is recorded in Book G, Mining Locations, page 376, records of Mineral County, Montana;
LOOKOUT MOUNTAIN lode mining claim, location notice of which is recorded in Book C, Mining Locations, page 115, records of Mineral County, Montana;
GOLD BUG lode mining claim, location notice of which is recorded in Book C, Mining Locations, page 115, records of Mineral County, Montana;
LITTLE BELLE NO. 1 lode mining claim, location notice of which is recorded in Book C, Mining Locations, page 619, records of Mineral County, Montana;
LITTLE BELLE NO. 2 lode mining claim, location notice of which is recorded in Book C, Mining Locations, page 620, records of Mineral County, Montana;
COMSTOCK lode mining claim, location notice of which is recorded in Book G, Mining Locations, page 374, records of Mineral County, Montana;
MILL SITE location, notice of which is recorded in Book I, Mining Locations, page 495, Mineral County records, known and recorded as "EDITH LENORE" mill site.

TOGETHER with all water and water rights, ditches, flumes, pipe lines, fixtures, improvements, tunnels, shafts and mine workings, roads and roadways upon, appertaining to, or used in connection with the above described mining claims.

TOGETHER with all the dips, spurs and angles and also all the metals, ores, gold and silver bearing quartz, rock and earth therein; and all rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and, also, all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and also all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part, of, in and to said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, his *heirs and assigns forever. It is expressly covenanted that it is intended hereby to convey any and all right, title, interest and estate which may hereafter be acquired to said premises, or any part thereof, by virtue of any patent which may hereafter be issued by the United States Government therefor, under proceedings heretofore or to be instituted in that behalf.*

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their *hands and seals, the day and year first above written.*

Signed, Sealed and Delivered in the Presence of

E. H. Gates (SEAL)
E. H. GATES
By: Mary L. Kempton (SEAL)
Mary L. Kempton, Attorney in Fact
Mary L. Kempton (SEAL)
Mary L. Kempton

RECEIVED
JAN 3 1972
O. M. E.
SPOKANE, WASH.

STATE OF MONTANA, }
COUNTY OF MINERAL } ss.

On this 11th *day of* November *in the year* 1971

before me Walter T. Murphy, *a Notary Public for the State of Montana,*

personally appeared MARY L. KEMPTON, *known*

to me to be the person whose name is subscribed to the foregoing instrument as Attorney in Fact of E. H. Gates,
(or proved to me on oath of .....)

~~to be the person whose name subscribed to the within instrument~~, *and acknowledged to me that* she subscribed the name of E. H. Gates thereto as principal and her own ~~executed the same~~ name as Attorney in Fact.

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

Notary Public for the State of Montana, residing at Superior, Montana *My commission expires* March 13, 1973.

STATE OF MONTANA,)
ss.
County of Mineral,)

On this 11th day of November, 1971, before me, Walter T. Murphy, a Notary Public for the State of Montana, personally appeared MARY L. KEMPTON known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same.

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

Notary Public for the State of Montana, Residing at Superior.
My Commission Expires March 13, 1973.

MINING DEED

E. H. Gates and Mary L. Kempton

To

Charles Johnson

STATE OF MONTANA, }
COUNTY OF MINERAL } ss.

I hereby certify that the within Deed was received for record this 11 *day of* November *A.D.,* 19~~8~~71 *at* 3:30 *o'clock* P.M., *and is duly recorded in* ~~Volume~~ Microfilm *of Deeds,* ~~Page~~ Card 622

Keith E. Foley
County Recorder

By ..... *Deputy*

Fees, $ 4.00

When recorded, County Clerk will please return to Charles Johnson
Box 701
Superior, Montana

INDEXED 11023

Number 1.

24-P-15194-A-ASM 5-67 96534 TRIBUNE

THE ANACONDA COMPANY

ANACONDA REDUCTION DEPARTMENT

ASSAY OFFICE

DATE 7-9-71, 19

RECEIVED JAN 3 1972 O.M.E. SPOKANE, WASH.

HAND SAMPLE

Ozs. Per. Ton

	Date of Sample	Lot	Cu	Ag	Au	SiO_2	Fe	CaO	Al_2O_3
Ore	3-19	694	.05	.24	2.11	82.0	8.1	.3	1.9

Chester Johnson
Box 701
Polson, Montana 59860

Chief Chemist

RECEIVED
JAN 3 1972
O. M. E.
SPOKANE, WASH.

4. Rehabilitation and repairs

none

$ none

5. New Buildings

1 Compressor and change house

Combination 12 ft. X 20 ft.
siding and roof plywood
Metal roof. $ 606.00

Labor $ 150.00

Total $ 756.00

7. Miscellaneous

Assays 80 denominations for Gold and Silver $ 5.00 ea. $ 400.00

(Sum of 2 through 3 is unit cost for timbering).

Total of 2 through 3 $ 1,020.00

1 building 12 ft. X 20 ft. $ 756.00

80 Assays $ 400.00

TOTAL COST. $ 2,176.00

400 ft.
Drifting

RECEIVED
JAN 3 1972
U.M.E.
SPOKANE WASH.

7. Estimate of Costs

400 ft. 5' X 7' clear of timber

5 ft. per shift. 1 shift per day. 20 days per month

4 months required. 9 holes per day. 5 ft. round.

A. Independent Contracts

none

$ none

B. Labor and Supervision (per shift).

2 miners at $ 27.50 ea. per shift

1 helper at $ 24.00 per shift

1 Supervisor $ 600.00 month.

FICA and other insurance 15 % Total cost/shift.

At 5 feet per shift. $ 16.85

Total $ 125.85 $ 25.17 per ft.

C. Operating Materials and Supplies (per ____ ft. round).

40 lbs. powder at $ 34.00 100 lbs. $ 14.85

9 regular caps at $ .06 ea. $ .54

63 ft. fuse at $ .05 ft. $ 3.05

400 ft. 1" water line.

W/fittings at $ .27 ft. $ 1.35

400 ft. 2" airline.

W/fittings at $ .70 ~~700~~ ft. $ 1.75

____ ft. ____ airhose.

W/fittings at $ .75 4 ft. $ .93

40 Gal. diesel fuel at $ .18 Gal. $ 7.20

Oil and Grease 10 % of fuel. $ .72

-continued next page-

Drifting

Continued.

3 Post or Ties at $ 1.00 ea. $ 3.00

Steel, 1 replaced 300 ft. drilling at $ 21.20 ea. $ 3.13

5 ft. round.

Repair parts at 50¢ ft. $ 2.50

Rail, 40 lb. 1000 ft. at $ 235.00 ton (used) $ 4.93

Fish plates, Spikes, etc. at $ 50¢ ft. $ 2.50

Total cost per 5 ft. round. $ 45.97 (or) $ 9.19 per ft.

D. Operating Equipment.

	Present fair Market Value	Allowable Monthly Depreciation 1/60
1 ore car	$75.00	$2.00

To be purchased	Cost	
none	$ none	$ none

To be Rented	Monthly Rental
1 - 365 Compressor	$ 450.00
1 - B-12 Mucking machine	$ 250.00
1 - Jackleg & Buzzie	$ 100.00

Total cost of operating equipment at 1 month $ 800.00

Total cost 4 months. $ 3,200.00

Divided by 5 ft. of drive $ 40.00

Total of B through D average cost per ft. $ 42.36

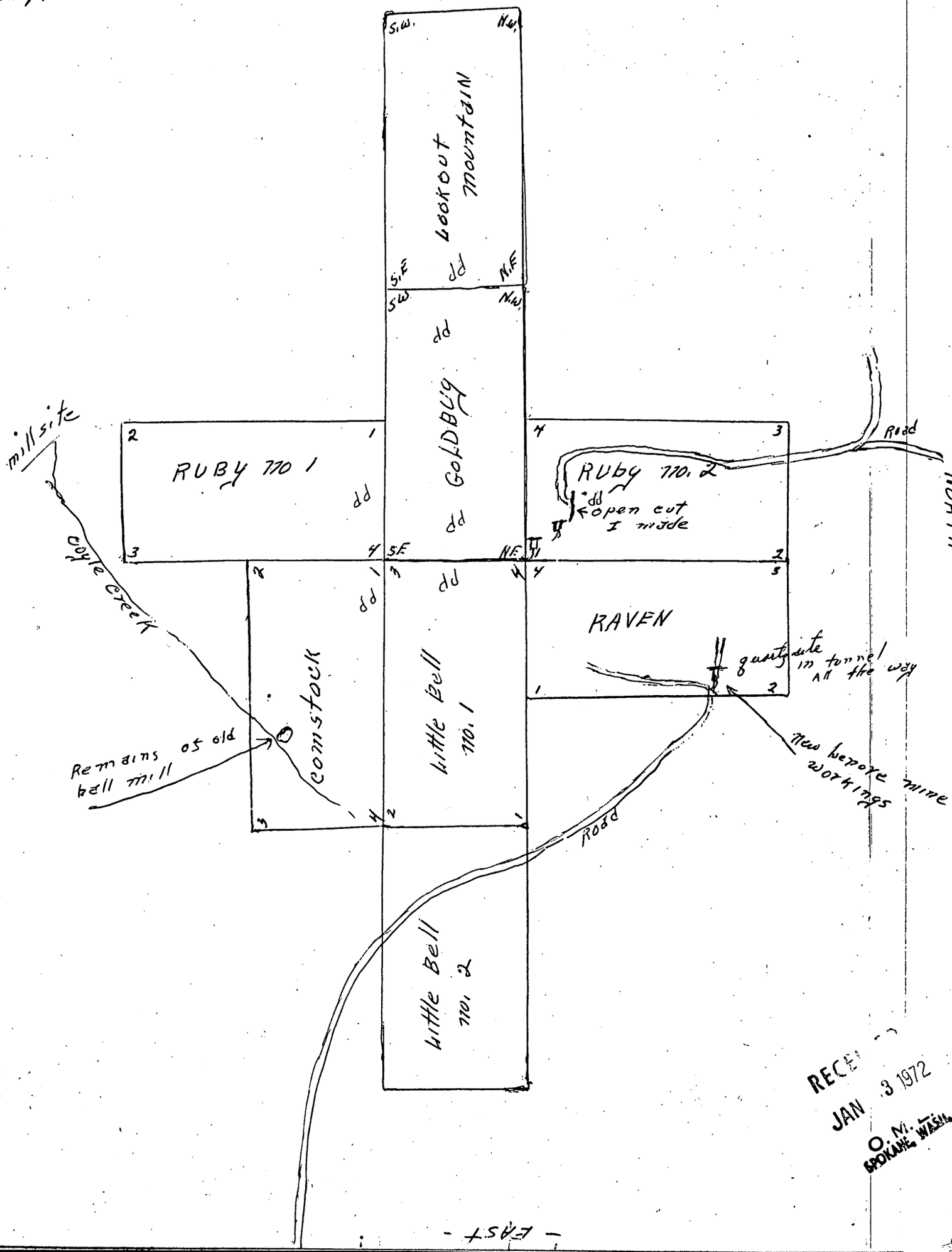
Final cost for drifting 400 ft. $ 16,944.00

RECEIVED
JAN 3 1972
O.
SPOKANE WASH.

CLAIMS ARE
1500 ft long
&
660 ft wide

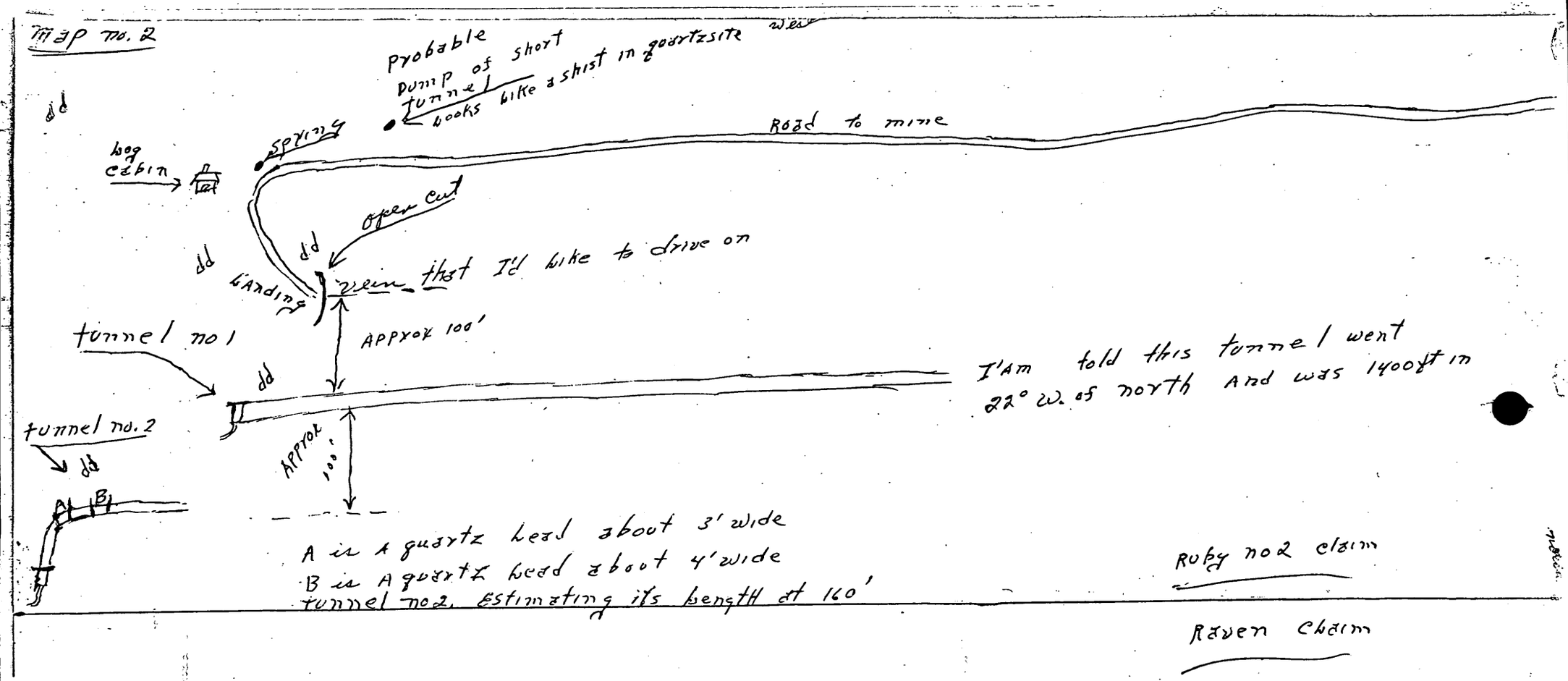
-west-

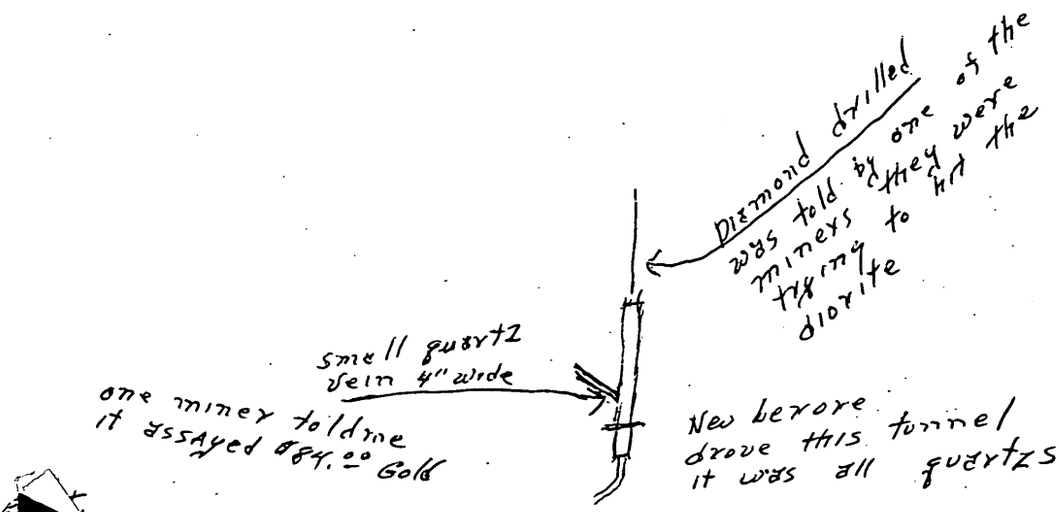
8-unpatented claims
map no 1



RECEIVED
JAN 3 1972
O. M.
SPOKANE, WASH.

Map no. 2





RECEIVED
JAN 3 1972
SPOKANE WASH.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code

AUG 8 1972

AIRMAIL

Mr. Chester Johnson
P. O. Box 701
Polson, Montana 59860

Re: OME-6862 (Gold)
Chester Johnson
Tawney Mine
Mineral County, Montana

Dear Mr. Johnson:

In accordance with your letter of July 13, 1972, to Mr. Willard P. Puffett, Field Officer, OME Region I, we consider your application as withdrawn, and have transferred it to our inactive files.

If you decide at a later date to reapply for OME assistance, you could reinstate the application by referring to this docket number and furnishing up-to-date data where it is required (bank letters, exploration plan, cost estimates, etc.).

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's reading file
Mineral Resources
OME reading file
Region I
Mr. Kirkemo

HKirkemo/cac 8-8-72

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief, Office of Minerals Exploration

DATE: July 17, 1972

FROM : Field Officer, Region I

SUBJECT: OME-6862 (Gold)
Chester Johnson
Tawny Mine
Mineral County, Montana

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 20 1972

INITIALS	CODE
Cal	120 W
~~Bunker~~	
~~HK~~	~~120~~

Attached is copy of a letter I received today in response to my letter to applicant on July 11, 1972. Apparently Mr. Johnson is going to continue exploring at his ~~own~~ own expense. I recommend that we put the docket in the inactive file.

Willard P. Puffett

Willard P. Puffett

Attachment

January 13, 1972

Mr. Willard P. Puffett
U.S. Department of the Interior
Geological Survey
Office of minerals exploration
656 U.S. Court House
Spokane, Washington 99201

Dear Mr. Puffett:

In reply to your letter of July 11th. Yes I would like my docket OME-6862 put on the inactive file at least temporarily, to see what progess I can make.

I hauled a mucking machine to the mine yesteday and will haul a compressor up Friday. The owner of the Flathead mine thought I should try to get a drill some where else since his isn't into very good shape.

I bought 3 ore cars and rail, The rest of the machinery will be on monthly rental. The compressor was $250.00 a month and the rent for the mucking machine was $250.00 a month.

Will be looking forward to seeing you later.

Very truly yours,

Chester Johnson

Chester Johnson

RECEIVED
JUL 17 1972
O. M. E.
SPOKANE, WASH.

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash. 99201

July 11, 1972

Mr. Chester Johnson
Box 701
Polson, Montana 59860

Re: OME-6862 (Gold)
Tawney Mine
Mineral County, Montana

Dear Mr. Johnson:

Thank you for writing me about your current activities at the Tawney Mine. I had been wondering if you still planned to go ahead with your planned exploration.

Have you decided to withdraw your application for OME assistance? If so, please let me know and I will place your docket in the inactive file.

On my next trip through Montana I will do my best to schedule a visit to your property. Until then, lots of good luck.

Sincerely,

Willard P. Puffett
Field Officer, Region I

cc: ✓OME/with copy of incoming letter
DRF

WPPuffett/se

RECEIVED
JUL 11 1972
O. M. E.
SPOKANE, WASH.

RECEIVED
JUL 11 1972
O. M. E.
SPOKANE, WASH.

July 8, 1972

Mr. Willard P. Puffett
Field officer, Region 1
U.S. Department of the Interior
Geological Survey
U.S. Court house Rm 656
W. 920 Riverside Avenue
Spokane, Washington 99201

Dear Mr. Puffett:

It has been along time since we have corresponded and I thought that maybe I could give some information as to what my intentions were to try and open the property I purchased known as the Tawney Mine.

It was late in June before I could get to the property becouse of the heavy snow this year. There was quite a few trees that had fell across the road which I cleared out. I hauled in a little over 10 tons of ore to Anaconda last monday, but I haven't got the reports back as yet.

I have made arrangements to rent a mucking machine, compressor and a drill from the Flathead mine for one month or continue on a monthly rental. I will purchase the rail and two ore cars from them also.

My intentions are to hire one miner and start driving the tunnel. It will possibly be two weeks before I can get lined out. I want to thank you for all the help and consideration you gave me and possibly some time you could get a look at the property to see what you think of it. I'am running on a monthly basis and will go far as I can, with the finances I have.

Very truly yours,

Chester Johnson

Chester Johnson

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

March 21, 1972

MAR 24 1972

Mr. Chester Johnson
P. O. Box 701
Polson, Montana 59860

Re: OME-6862 (gold)
T Cawney Mine
Mineral County, Montana

Dear Mr. Johnson:

Your OME application has been referred to me for a field examination. Please notify me when the ground at your mine is free of snow, after which I will schedule an examination. It is necessary that at least some of the vein be exposed so that I can take appropriate samples.

Sincerely,

Willard P. Puffett
Field Officer, Region I

cc: OME
DRP

WPuffett/at

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/25/72		120
		220
2/25	cal	120M

AIRMAIL

FEB 25 1972

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6862 (Gold)
Chester Johnson
Tawney Mine
Mineral County, Montana

In accordance with our telephone discussion on February 24, the subject application is referred to you for a field examination. Enclosed are copies of the revised application from Mr. Johnson and letters dated February 15 and 18, 1972.

Harold Kirkemo

Enclosures

cc: Director's Reading File
Mineral Resources
OME docket ✓
OME Reading File
Mr. Kirkemo

HKirkemo/gla 2-25-72

MME Form 7
(2/63)

2/25/72

OFFICIAL FILE COPY

Date	Surname	Code
		120
2/		220
2/25	cal	120M

AIRMAIL

FEB 25 1972

Mr. Chester Johnson
P. O. Box 701
Polson, Montana 59860

Re: OME-6862 (Gold)
Chester Johnson
Tawney Mine
Mineral County, Montana

Dear Mr. Johnson:

Thank you for your letter of February 18 regarding withdrawal of your application. In view of the possibility that you somehow may be able to finance your share of the costs in the event of an OME contract, we are referring your application to Mr. Willard P. Puffett, Field Officer, OME Region I, U. S. Geological Survey, U. S. Courthouse, Room 656, West 920 Riverside Avenue, Spokane, Washington 99201.

Mr. Puffett will contact you regarding arrangements to examine the property. In the meantime, we suggest that you not commit your resources to a mortgage or loan agreement. If a field examination discloses that the geologic probability is not favorable for making a significant discovery by the proposed work, further consideration by the Government of your proposal would not be warranted.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

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

HKirkemo/gla 2-25-72

February 18, 1972

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 22 1972
INITIALS | CODE
CLC | 120 NW
120
120

Mr. Harold Kirkemo
Chief, Office of Minerals Exploration
United States Dept. of the Interior
Geological Survey
Washington D.C. 20242

Re: Tawney mine
OME-6862

Dear Mr. Kirkemo:

Referring to your letter of February 15, 1972. I'am still very much interested in an OME loan to drive the drift 100 ft. but since I cannot qualify now, I believe it would be best to with draw my application, at least for the time being.

I was wondering if possibly I could raise the money $4,517.00 in cash and put it in the bank under the Tawney mining account, Would your office be interested in helping me out with an OME loan then. I would have to arrange with the bank or a private lender to borrow the money and morgage some property as mining claims don't seem to be the collateral they're interested in.

If at a later date I could possibly qualify for an OME loan, What portion of the loan would I qualify for working as one of the miners?

I understand that by driving only the 100 ft. of drift and timbering, there would have to be money to pay insurance, wages, rental on machinery etc, since this is to be done in 27 days, and there would be no OME money till a later date.

Thank you very much for your assistance, I'll keep trying and maybe something can be worked out at a later date.

Very truly yours,

Chester Johnson

Chester Johnson

OFFICIAL
COPY
O. M. E.
RECEIVED
FEB 18 1972
INITIALS CODE
Cie 120 NW
~~120~~
120

February 15, 1972

Mr. Harold Kirkemo
Chief, Office of Minerals Exploration
United States Dept. of the Interior
Geological Survey
Washington D.C. 20242

Tawney Mine
Re: OME-6862 (Gold)

Dear Mr. Kirkemo:

This is in reply to your letter of February 9, 1972, concerning the revision of the OME exploration loan. Since I would not be able to put up my 25% share for drifting 400 ft. on the ore vien that shows in the picture that was sent with the first application for an OME loan. I would like to follow this vien for 100 ft. and (timber if necessary), then possibly I could start stoping if every thing goes well.

1. By deducting 600 ft. of rails, which as I figured would be $295.80 figuring $4.93 per 5 ft. set and also deducting the compressor and change house which was $756.00 Total being $1,051.80, the price to complete 100 ft. of drifting and timbering would be $4,517.00 my 25% coming to $1,129.22 and if some allowance could be made for myself working as a miner I could make it.

2. AS TO THE CHANGE HOUSE AND COMPRESSOR HOUSE. There are two old log buildings near the work, but the forest service was interested in getting me to burn them. I consented to burn one, and asked the forest service if I could leave the other awhile to see if I could salvage some use from it, which the forest service consented too. I could put some windows and a door on it and use it as a change house.

As to the compressor I could put up four or six posts and build a roof over it, so the weather wouldn't bother it.

3. Storage for Powder. The Internal Revenue Service San Francisco California sent me the information I needed to build the powder house. My neighbor is an Iron worker and welder, He said if I'd buy the material and welding rod he'd build it for me, so I won't worry about that anymore. Thank you for the addresses you sent me.

I'am satisfied I could put up my share to drive and timber 100 ft. but the 400 ft. as first requested would be completely out of my reach.

Very truly yours,

Chester Johnson

Chester Johnson

OME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/15	cac	120 M

FEB 15 1972

AIRMAIL

Mr. Chester Johnson
P. O. Box 701
Polson, Montana 59860

Re: OME-6862 (Gold)
Chester Johnson
Tawney Mine
Mineral County, Montana

Dear Mr. Johnson:

Thank you for your letter of February 8, 1972, explaining how you propose to furnish your share of the costs of exploration in the event of an OME contract.

Your proposal to present to a bank an OME contract and to mortgage the remaining lots as collateral would not be acceptable to the Government. We would have to be assured that you have sufficient funds available before we prepare a contract. Further, it is unlikely that a bank would offer money to you on the conditions you suggest because there is no assurance of repayment.

As your assets are not sufficient for your share of the costs of the proposed program, perhaps you should consider withdrawing the application. If your financial situation should improve in the future, you could reinstate the application by referring to this docket number and by furnishing up-to-date data where it is required.

Please advise whether or not you decide to withdraw the application.

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's reading file
Mineral Resources
OME reading file
Region I
Mr. Kirkemo

HKirkemo/cac 2/15/72

February 8, 1972

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 10 1972
INITIALS | CODE
Cal | 120
HK | 20

Mr. Harold Kirkemo
Chief, Office of Mineral Exploration
United States Dept. of the Interior
Geological Survey
Washington D.C. 20242

Subject-OME- 6862

Dear Mr. Kirkemo:

Referring to your letter of January 31, 1972. I got a financial statement blank from the bank and have filled it out the best I could.

The question as to how I could furnish my share along with supervising the work and also work as one of the miners. Since the banks will not loan money for mining developement, becouse of the fact there is a risk factor in it (this seems to be the main reason).

I could do it this way to insure the goverment that I could meet the obligation of paying for the labor, supplies and rental equipment for six to eight weeks.

By having a goverment contract to present to the banker to drive 100 ft. instead of 400 ft. and morgaging the remaining lots that arn't now morgaged I'am satisfied they would then be willing to help me meet these obligations, since it would be a short time loan.

The dynamite and cap box is another concern since they'll have to be made and on the property before work could begin. I haven't gotten any blueprints or sketches from the Internal Revenue Service as yet. I'll have to have some information on this in order to know how to build the boxes and find out what it will cost. The sizes, type of steel and hardwood has been a concern in order to get a valuation as to the cost.

I know that many questions arise, please feel free to ask any of them.

Very truly yours,

Chester Johnson

Chester Johnson

Estimated Financial report for OME.

FEDERAL RESERVE BANK OF MINNEAPOLIS FORM 06-CR6XXXX

INDIVIDUAL

NAME Chester Johnson

ADDRESS Box 701 Polson, Montana 59860

TYPE OF BUSINESS I have been in ranching, grocery & clothing business, gift business & now mining.

TO Mining was the one I always wanted to be in.

For the purpose of obtaining loans and discounting paper with you, and otherwise procuring credit from time to time, I furnish the following true and accurate statement of my financial condition. I agree to and will notify you immediately in writing of any materially unfavorable change in my financial condition, and in the absence of such notice or of a new and full written statement, this may be considered as a continuing statement and substantially correct; and it is hereby expressly agreed that upon application for further credit, this statement shall have the same force and effect as if delivered as an original statement of my financial condition at the time such further credit is requested.

FINANCIAL CONDITION AS OF February 7 19 72

(Fill all blanks, writing "no" or "none" where necessary to complete information.)

ASSETS

	THOUSANDS	HUNDREDS	CENTS
CASH ON HAND AND IN BANK		100.	00
ACCOUNTS RECEIVABLE (less than 90 days old)			none
NOTES RECEIVABLE (less than 12 months maturity)			none
INVENTORY—Finished $			
Unfinished $			
Raw Material $			
INVESTMENTS (Government bonds and listed securities. See schedule.)			none
TOTAL CURRENT ASSETS		100.	00
REAL ESTATE AND BUILDINGS (Used in business. See schedule)			
MACHINERY, EQUIPMENT AND FIXTURES			
ACCOUNTS RECEIVABLE OR NOTES RECEIVABLE OTHER THAN ABOVE		635.	00
INVESTMENTS (Securities owned other than above. See schedule)			
LIFE INSURANCE: Cash Surrender Value			none
PREPAID EXPENSES (Insurance, etc.)			none
OTHER REAL ESTATE (See schedule) 1963 pickup		700.	00
TOTAL ASSETS	1,	435.	00

LIABILITIES

	THOUSANDS	HUNDREDS	CENTS
NOTES PAYABLE TO BANK Security State & Ronan State bank.	10,	400.	00
NOTES PAYABLE OTHER prudential Ins.	4,	600.	00
ACCOUNTS PAYABLE			none
OWING TO RELATIVES, FRIENDS AND EMPLOYEES	1,	200.	00
RESERVED FOR, AND ACCRUED INCOME TAXES			
RESERVED FOR, AND ACCRUED EXPENSES, OTHER			
TOTAL CURRENT LIABILITIES	16,	200.	00
MORTGAGES ON REAL ESTATE (Used in Business)			
MORTGAGES ON OTHER REAL ESTATE			
RESERVES: Real Estate was used for colateral to obtain the money above.			
TOTAL LIABILITIES	16,	200.	00
NET WORTH	30,	435.	00
TOTAL LIABILITIES AND NET WORTH	46,	635.	00

DESCRIBE ANY OF THE ABOVE ASSETS PLEDGED AS COLLATERAL

DESCRIBE ANY OF THE ABOVE LIABILITIES SECURED BY COLLATERAL

DESCRIBE CONTINGENT LIABILITIES: Notes Receivable of Customers Discounted or Sold and Not Included in Assets Enumerated Above, Litigation, etc.

PROFIT AND LOSS ACCOUNT

FOR PERIOD FROM January 1 1971 TO January 1, 1972

NET SALES Cattle & Gravel	3,	665.	22
COST OF GOODS SOLD			
GROSS PROFIT			
OTHER INCOME (rent of house).		600.	00
PROPRIETOR'S COMPENSATION			
BAD DEBTS CHARGED OFF			
DEPRECIATION CHARGED OFF			
ALL OTHER EXPENSES	2,	984.	43
NET PROFIT OR LOSS	1,	280.	00

RECONCILEMENT OF NET WORTH

FOR PERIOD FROM TO

NET WORTH—Beginning of Period			
NET PROFIT FOR PERIOD			
OTHER ADDITIONS			
WITHDRAWALS —other than salary			
OTHER DEDUCTIONS			
NET WORTH AS SHOWN IN THIS STATEMENT			

(OVER)

REAL ESTATE—Used in Business and Other

DESCRIPTION	VALUE	MORTGAGES AMOUNT	MORTGAGES TERMS & MORTGAGEE
six 50 ft. lots	3,200.00	3,200.00	demand note
two 50 ft. lots	1,500.00	none	
two lots on sub-division	6,500.00	none	
40 acres S.W.1/4 S.E. 1/4 19-23-20	25,000.00	7,200.00	demand note
house & lot transferred to wife	----------	4,600.00	Paying off monthly.

INVESTMENTS

DESCRIPTION	FACE VALUE	MARKET VALUE
8 mining claims (unpatented) and millsite MINERAL COUNTY	4,500.00	9,000.00

GENERAL INFORMATION

Bank accounts: Where kept, etc. Security State Bank (Polson). Ronan State Bank (Ronan, Montana).

Accounts receivable less than 30 days $....., 60 days $....., 90 days $....., over 90 days $..... Time of year when accounts receivable are generally maximum..... minimum.....

Inventory: Is statement based on actual or estimated inventory?..... Priced cost or market?..... Amount of consigned goods included in inventory $..... Fire insurance $ 110.00 Other insurance (describe) Pickup insurance $ 40.00

Time of year when inventory on hand is generally maximum..... minimum.....

Describe notes payable to other banks.....

Describe notes payable other Prudential insurance Company. Salt Lake City, Utah

Describe amounts owing to relatives, friends and employees.....

Amount of accounts payable not due $..... past due $.....

Time of year when liabilities are maximum..... minimum.....

Are machinery, equipment and fixtures modern? In good condition? Insurance: Fire $ Other insurance (describe) $

House and lot (in the wifes name).

In whose name is title to above real estate held? S.W.1/4 S.E.1/4 (my name) Remainder in both our names.

Is real estate held in fee simple or leasehold?..... Insurance on buildings: Fire $..... Windstorm $.....

Other insurance (describe)..... $.....

Remarks and other information:

1971 sold 13 head cattle for $2,678.82

1971 sold gravel from pit on the S.W. 1/4 S.E. 1/4 ------$986.40

1971 rent from house----------$600.00

1971 purchased Tawney mine----------$4,500.00

1971 Expense on Tawney mine----------$1,336.79 (for cat work, gas industrial accident etc).

I, the undersigned, hereby certify and declare that the foregoing statement and representations constitute a true and correct account of my financial condition as of the date first above given. I have awnsered the questions as best as I know how.

Date signed February 2 19 72 (Signature) Chester Johnson

Statements submitted to Federal Reserve Bank must either be signed originals or certified copies. If copies are furnished, following certificate must be officially signed by member bank:

WE HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF A SIGNED FINANCIAL STATEMENT OF THE ABOVE MENTIONED INDIVIDUAL NOW ON FILE IN THIS BANK.

(NAME OF MEMBER BANK) .....

(OFFICIAL SIGNATURE) ..... (Title)

(Statements certified by chartered public accountants may, in the discretion of the Discount Committee of the Federal Reserve Bank, be accepted.)

(OVER)

OME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/9/72		120
		220
	gla	120M

February 9, 1972

AIRMAIL

Mr. Chester Johnson
P. O. Box 701
Polson, Montana 59860

Re: OME-6862 (Gold)
Chester Johnson
Tawney Mine
Mineral County, Montana

Dear Mr. Johnson:

This is in reply to your letter of February 1, 1972, suggesting an OME loan to drive 100 feet of tunnel instead of the 400 feet originally requested, and requesting information on construction of storage facilities for powder and caps.

We would certainly consider the more limited program providing it would be sufficient to explore a specific geologic target. For instance, a 100-foot crosscut to a target would not be acceptable as it would not afford an opportunity to determine the length, width, or grade of the deposit.

You have by now received our letter of January 31, 1972, concerning assurance that you could handle your share of the costs in event of a contract. The same comments would apply to any size program you may propose. Some allowance can be made for your own labor on a project, but cash is also necessary to carry the balance of the operator's share of the costs. If you decide to revise your exploration proposal, please submit a new plan of work and new estimates of costs, and the amount of loan requested. You need not duplicate other information already submitted, but please complete new application forms. A new set is enclosed for your use.

With reference to powder storage facilities, we suggest that you contact local sales representatives for explosives or sales outlets for explosives, such as hardware stores, for such information. You might also contact either of the following:

Montana Bureau of Mines and Geology
Montana College of Science and Technology
Butte, Montana 59701

Mr. George T. Krempasky
U. S. Bureau of Mines State Liaison Officer
636 North Logan
Helena, Montana 59601

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region I w/cy incoming letter 2/1/72
Mr. Kirkemo

HKirkemo/gla 2-9-72

February 1, 1972

OFFICIAL COPY
O. M. E.
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FEB 7 1972
INITIALS | CODE
zlk | 120
HK | 120

Mr. Harold Kirkemo
Chief, Office of Mineral Exploration
United States Dept. of the Interior
Geological Survey
Washington D.C. 20242

Subject: OME- 6862

Dear Mr. Kirkemo:

Thank you for your letter concerning the document number. I have been giving the mining property a lot of thought and was wonding if possibly I could get financed with an OME loan to drive 100 feet of tunnel instead of the 400 feet requested.

By driving 100 feet on the vein and have it timbered. I very much believe I could make it from there on. Since money will probably be very much limited this year, the 100 feet would give me a very good start.

One other item has come to my attention, that is the storage facilities to keep the powder and caps. There is no facilities at the mine at this time. I have written to the Internal Revenue office in California to get the size and discription of the boxes necessary. I talked to another miner who has built the necessary storage boxes and he said it cost him right at $2000.00 It seems like a lot of money to build a storage, possibly it can be built cheaper.

I have been doing a lot of checking to hold every thing down to the bare necessities and still get the property opened up.

Very truly yours,

Chester Johnson

Chester Johnson

OME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
1/31/72		120
		220
		120M

AIRMAIL

JAN 31 1972

Mr. Chester Johnson
P. O. Box 701
Polson, Montana 59860

Re: OME-6862 (Gold)
Chester Johnson
Tawney Mine
Mineral County, Montana

Dear Mr. Johnson:

We have reviewed your application for financial assistance to explore the Tawney mine at a total estimated cost of $19,120.00, and find that additional information is needed concerning how you would furnish your share of the costs of the proposed work.

You state under Item 1(c) of the application that you would supervise the work and also work as a miner to furnish your share of the estimated costs which would total about $4,780.00 (25 percent of $19,120.00). We find that this type of contribution by an operator is not sufficient to cover the operator's share of the costs as cash is required also.

The Government pays its share of the costs at the end of each month after a voucher for the preceding month's work has been submitted and approved. As it usually requires two to three weeks to process a voucher, an operator should have sufficient funds on hand to meet all costs for the first four to six weeks and thereafter enough cash on hand to pay his share each month. Your own labor and even allowance for the use on the project of any equipment you may own are not sufficient in lieu of cash to pay for labor, supplies, and equipment rental.

Under the circumstances, we would appreciate receiving a financial statement from you. This information is requested not only to assure the Government that you could handle your share of the costs, but also to help you determine how you could arrange to meet these costs.

Nothing in this letter should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region I
Mr. Kirkemo

HKirkemo/gla 1-31-72

January 6, 1972

Mr. Chester Johnson
P. O. Box 701
Polson, Montana 59860

Subject: OME-6862

Dear Mr. Johnson:

Your application for exploration assistance, dated December 31, 1971, submitted to our office at Spokane, Washington, has been assigned Docket No. OME-6862.

Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Region I

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

OFFICIAL
COPY
O. M. E.
RECEIVED
OCT 14 1971
INITIALS | CODE
HK ~~R20~~
R20

October 12, 1971

Mr. Chester Johnson
P. O. Box 701
Polson, Montana 59860

Dear Mr. Johnson:

Our loans are limited to a two-year period; however, under extraordinary circumstances, some projects are extended beyond the two-year period.

I think that it is wise for you to try and rent equipment during the early part of your planned exploration. This should limit your initial capital expenditure. Also, the Government does not enter directly into purchases of equipment but will allow credit for equipment rental.

The Government does not have a standard set price for driving underground workings. We attempt to arrive at a just figure for each project by analyzing the applicant's data. Commonly, we figure that two miners and a helper can drill, blast, and muck out a five-foot round each shift. Costs of supervisory personnel will depend on the complexity of the operation. In your case, I would assume that you could act as both one of the miners and as the supervisor.

Perhaps it might be convenient for you to visit Spokane in the near future. If so, I will be glad to discuss exploration costs with you.

Sincerely,

Willard P. Puffett
Field Officer, Region I

cc: Director
OME w/cy inc ltr

Falson, Montana
Box 701
October 9, 1971

RECEIVED
OCT 12 1971
O.M.E.
SPOKANE WASH

Mr. Willard P. Puffett
West 920 Beverly Ave.
Spokane, Washington
Dear Mr. Puffett.

Thank you for sending the application blanks. I have been studying them over.

I will have clear title to the mine November the 16th 1971. That is when my last payment is due. By paying for the mine it has run me short financially, that was the reason for trying to get a loan to operate. I have great recovery for this year, but would like to start in the spring again.

Is there a chance to get a loan for a three year period? my intention was to rent the machinery, till I get on my feet again. I understand there is some machinery in Missoula Montana, that can be rented.

I will start compiling the data that I have on the mine. This year I will I have to estimate what the cost will be to drive the footage in the drift or does the government have a standard set price. Thank you for any information you can help me with.

Very truly yours
Chester Johnson

Chester Johnson

Copies of deed & annual labor

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RECEIVED
JAN 3 1972
O.M.E.
SPOKANE, WASH