(UNGALIK)

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

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

LIEN AND SUBORDINATION AGREEMENTS 1/

To the United States of America:

That certain land in the County of _____, State of ALASKA,

described as follows: 2/ A. D. L. OFFSHORE PROSPECTING PERMIT NUMBER 35092;

SECTION 5: 80 ACRES; SECTION 6: 617 ACRES; SECTION 7: 349 ACRES; SECTION 8:

20 ACRES; TOWNSHIP 11 SOUTH; RANGE 11 WEST; KATEEL RIVER MERIDIAN

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

AURORA MINING COMPANY, INC. 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.

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 14 day of August, 1968.

Frank L. Avery	(Seal)	4817 Santa Monica San Diego 7, Calif.	(Street) (City & State)
Carl M. Rutherford	(Seal)	2308 Gerhart St. San Diego 9, Calif.	(Street) (City & State)
E. B. Hunter	(Seal)	818 Nantucket St San Diego 9 Calif	(Street) (City & State)
	(Seal)		(Street) (City & State)
	(Seal)		(Street) (City & State)
	(Seal)		(Street) (City & State)

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)

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
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described as follows: 2/ A. D. L. OFFSHORE PROSPECTING PERMIT NUMBER 35002; SECTION 5: 80 ACRES; SECTION 6: 617 ACRES; SECTION 7: 349 ACRES; SECTION 8: ~~20~~ 20 ACRES; TOWNSHIP 11 SOUTH; RANGE 11 WEST; KATEEL RIVER MERIDIAN

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

Dated this 14th day of August, 1968.

Frank E. Owen	(Seal)	1283 Alexandria Dr (Street) San Diego 9, Calif (City & State)
Carl M. Rutherford	(Seal)	2308 Geranium St. (Street) San Diego 9, Calif. (City & State)
E. B. Hunter	(Seal)	818 Nantucket St (Street) San Diego 9 Calif (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)

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)

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UNITED STATES
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To the United States of America:

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

Dated this 14 day of August, 1968.

	1283 Alexandria Dr.	(Street)
Francis L. Owen (Seal)	San Diego 7, Calif.	(City & State)
	818 Nantucket St	(Street)
E. B. Hunter (Seal)	San Diego 9 Calif	(City & State)
	2308 Geranium St.	(Street)
Carl M. Rutherford (Seal)	San Diego 9, Calif.	(City & State)
		(Street)
(Seal)		(City & State)
		(Street)
(Seal)		(City & State)
		(Street)
(Seal)		(City & State)

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.

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MME Form 52
Jan. 1959

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OFFICE OF MINERALS EXPLORATION

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

LIEN AND SUBORDINATION AGREEMENTS[1]

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SECTION 5: 80 ACRES; SECTION 6: 617 ACRES; SECTION 7: 349 ACRES; SECTION 8:

20 ACRES; TOWNSHIP 11 SOUTH; RANGE 11 WEST; KATEEL RIVER MERIDIAN

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

Dated this 14th day of August, 19 68.

Ingrid Olsen (Seal)	1283 Alexandria Dr. (Street) San Diego 7, Calif. (City & State)	
E. B. Hunter (Seal)	818 Nantasket Ct. (Street) San Diego 9 Calif (City & State)	
Carl M. Rutherford (Seal)	2308 Geranium St. (Street) San Diego 9, Calif. (City & State)	
(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	
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Jan. 1959

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OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
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Contract Date

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of _____, State of ALASKA,

described as follows:[2] A. D. L. OFFSHORE PROSPECTING PERMIT NUMBER 350[illegible]; SECTION 5: 80 ACRES; SECTION 6: 647 ACRES; SECTION 7: 349 ACRES; SECTION 8: 20 ACRES; TOWNSHIP 11 SOUTH; RANGE 11 WEST; KATEEL RIVER MERIDIAN

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Dated this 14th day of August, 1968.

Frank L. Owen	(Seal)	1283 Alexandria Dr San Diego 7, Calif	(Street) (City & State)
Carl M. Rutherford	(Seal)	2308 Berwick St. San Diego 9, Calif.	(Street) (City & State)
E. R. Hunter	(Seal)	818 Nantasket St San Diego 9 Calif	(Street) (City & State)
	(Seal)		(Street) (City & State)
	(Seal)		(Street) (City & State)
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_____ (Corporate Seal)

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/12/69	Skobemo	120
		120
		220
		120M

August 12, 1969

Memorandum

To: The File

From: Edward C. Peterson
Office of Minerals Exploration

Subject: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35002
Norton Bay, Alaska

Justification for Denial of Application

The Applicant proposes to explore for gold offshore in the vicinity where the Ungalik River empties into Norton Bay, Alaska, by sub-bottom profiling and core drilling at a total estimated cost of $75,000.00.

Because of the nature of the proposed exploration (offshore), the remote area of the property, and the availability of a Survey geologist familiar with the area and type of deposit, a field examination was not considered to be warranted. The reviewer concluded that the geologic information contained in the application was insufficient to justify approval of Government participation in the proposed program and he outlined additional data that would be required. The Field Officer wrote the Applicant several times requesting the material but little additional information was received. His most recent letters dated April 25 and July 7, 1969, have not been answered.

Because of the possibility that targets which warranted explora may exist on the property, the Field Officer recommends that t application be denied without prejudice to the property. Sh Applicant perform additional work and furnish the requeste and other information which would establish the existanc specific favorable target, the OME could consider a new at that time.

I concur with the recommendation.

Edward C.
Edward C. Peter

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
Mr. Peterson
EdPeterson/bsl 8/12/69

MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE Contract No. _____ Docket No. 6752

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [x] 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
- [x] ~~On-site Exam.~~ Field 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

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

OFFICIAL COPY
RECEIVED
AUG 22 1968
INITIALS | CODE

August 20, 1968

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: New Application (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting Permit No. 35002
Norton Bay, Alaska

Enclosed is an application received in the Field Office on August 16, 1968 from the Aurora Mining Company, Inc., P. O. Box 2246, LaJolla, California 92037.

This application is the first of its kind to be received in the Field Office and there are a number of problems that immediately become apparent in attempting to adapt such a project to the current OME policies and procedures. The greatest problem concerns ownership of the land. The Lien and Subordination Agreements are signed by the holders of the permit and not by an official of the State of Alaska. If an exploration project is approved a Performance Bond would probably be required. No geologic information is given and a plan of the proposed drilling and geophysical work is lacking. Estimates of costs are high and no justification is given in support of the estimates.

Perf. Bond required?

H. K. Stager

Enclosure

MME Form 40
Jan. 65

Budget Bureau No. 42-R1506
Approval expires Dec. 31, 1968

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.)*

Aurora Mining Company, Inc.
1901 Tidewater Road
Anchorage, Alaska

(Mailing Address)
P. O. Box 2246
La Jolla, California 92037

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6752

DATE RECEIVED: August 22, 1968

REGION: H

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED: Alaska

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Max R. Mott	Box 2246, La Jolla, Calif.	President
M. C. Terry, Sr.	5433 Avenida Fiesta, La Jolla, Calif.	Exec. Vice President
Ray Ellis	503 Ninth Ave., Anchorage, Alaska	Sect'y.-Treasurer

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

ESTIMATED COST OF PROJECT: $ 75,000.00

PROPERTY NAME	LOCATION COUNTY	LOCATION STATE
Permit #. 35092		Alaska

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 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 Office of Minerals Exploration, Department of the Interior,* 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.

12 August 1968
DATED

Max R. Mott
BY *(Signature)*

President and Director of Research
TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. 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 true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the 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 on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

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 and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

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

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

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

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address 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 also the relation of the proposed work to any existing mine workings and to *land 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 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 cost 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).]

INT—DUP. SEC., WASH., D.C

AURORA MINING COMPANY, INC.

1901 TIDEWATER ROAD
ANCHORAGE, ALASKA 99501
(907) 279-4222

P. O. BOX 2246
LA JOLLA, CALIFORNIA 92037
(714) 274-0622

12 August 1968

Director
Office of Minerals Exploration
U. S. Geological Survey
Washington, D. C. 20242

Dear Sir:

Our company wishes to submit for your consideration a request for an O.M.E. contract for exploration assistance on some property our company controls in Norton Bay, Alaska.

Enclosed with this letter are two copies of ~~N~~ME 40. Also included in this letter are the data supporting our request for an O.M.E. exploration loan.

Item 1

Enclosed are two copies of letters refusing loans which we requested for assistance in paying for exploration on the described property. The loan requests were made verbally to the officers of the banks.

Aurora Mining Company has no affilated, parent, or controlling companies.

Aurora's share of any exploration contract will be paid for out of capital in the treasury.

Item 2

Enclosed are copies of contracts between Aurora Mining Company, Inc., and Continental Shelf Exploration and Mining Company demonstrating Aurora's interest in the subject property.

The property which we propose to explore is Alaska Division of Lands offshore prospecting permit No. 350~~0~~2; see enclosed permit for legal descriptions.
9

Enclosed are 5 copies of Lien and Subordination Agreements signed by the permit owner.

Item 3

Offshore Prospecting Permit 35002 contains 1066 acres at the mouth of the Ungalik River where it flows into Norton Bay. There has been no exploration conducted on the property in question, but the channel of the Ungalik River has a history of gold production. U.S.G.S. Bulletins 449 and 926-A list some of the productive history of the area. At the present time it is reported that a successful gold dredging operation is being conducted on the Ungalik River upstream from the offshore prospecting permit we wish to explore.

Aurora Mining Company, Inc., has full rights to explore on and mine the subject property. (See enclosed contract with Continental Shelf Exploration and Mining Company.)

Enclosed is a map showing the approximate boundaries of the Offshore Prospecting Permit Number 35002. It is apparent that it is situated in a location such that any gold or other heavy minerals transported downstream by the Ungalik River will be deposited within the boundaries of the permit. Based upon exploration work conducted at the mouth of Daniels Creek by Aurora Mining Company, and based upon sampling conducted by the U. S. Geological Survey along the coast of the Seward Peninsula in the vicinity of Nome, it is reasonable to expect that concentrations of placer gold will be found at the mouths of streams which transverse auriferous bedrock. Also it is probable that a Tertiary Channel will be found at the mouth of the Ungalik River which will contain concentrations of heavy minerals.

Item 4

The property can be reached by bush plane from Nome, Alaska, or a boat can be chartered at Unalakeet, Alaska. The subject property is approximately 120 miles east of Nome, Alaksa. Nome is the nearest shipping and supply point.

Item 5

It is proposed to contract for approximately 30 miles of sub-bottom profiling across the property in order to outline the Tertiary Channels whose presence is suspected. It is proposed to drill a minimum of 25 holes

to bedrock on the property to obtain an idea as to the gold content of the sedimentary rocks on the property. The test holes will be located after the seismic work has been conducted.

In the event an O.M.E. contract is executed the work will start within 45 days. It would take approximately 180 days to complete the program.

Item 6 - Experience

The exploration program would be under the supervision of Max R. Mott, Geological Engineer. He has over 23 years experience in all phases of exploration including seismic work and drilling. Aurora Mining Company has conducted drilling programs on property at Bluff, Alaska, and its employees have considerable experience in drilling on gold placers.

Item 7 - Estimate of Costs

(a) Independent contracts would amount to approximately $10,000. This is the minimum charge for a seismic map of the sub-bottom sedimentary sequence.

(b)

Supervisory costs	$550/week
Driller	300/week
2 Helpers	400/week
1 Boatman	200/week
Total	$1450/week

Living costs/week/man	70/week
Costs per week of personnel	1800.
Estimated number of weeks	8
Labor Costs	$14,400.

The men required are presently employed by Aurora.

(c) Operating materials and supplies $4,000.

(d) Operating Equipment

1 power boat	$ 5,000.
1 barge	8,000.
1 drill at $200/day	16,000.
Casing	5,000

The boat, barge, and casing will be purchased; the drill will be rented.

(e) No items.

(f) No items.

(g) Miscellaneous

No repairs are anticipated other than required by normal wear and tear on equipment. Routine maintenance will be provided on all equipment. Costs for maintenance and repairs are estimated to average $50. per day.

Workmens compensation insurance @ $3.01/$100. payroll = $43.65/week.

Accounting will cost $600. per month.
Employee liability insurance will cost $40. per month.
Payroll taxes total 7.3% of gross payroll or $126. per week.

An item of expense peculiar to the area is the transportation of employees to and from the place of work from homes. This will be approximately $450. per man.

Summary

Repairs & Maintenance	$2800.
Analytical Work	1500.
Accounting Costs	1200.
Liability Insurance	80.
Workmens Compensation Ins.	352.
Payroll Taxes	1008.
Transportation	2250.

Total costs of exploration program is $75,000., including contingencies of approximately $3400. Amount of loan request is $56,250.00.

Very truly yours,

Max R. Mott

Max R. Mott
President and Director of Research

MRM/jt

Enclosures

BANK OF LA JOLLA

La Jolla, California

O. W. "BUD" LEITNER
VICE PRESIDENT

July 5, 1968

Aurora Mining Co., Inc.
P. O. Box 2246
La Jolla, California

Attention: Mr. M. C. Terry

Re: Exploration Loan

Dear Mr. Terry:

We regret to inform you that we cannot fulfill your loan request of $50,000.00 because of the type of risk involved and the fact that your company does not have an operating record. We do not feel at this time that we can be of service to you.

We appreciate your thinking of Bank of La Jolla in this request and we hope to be of service to you in the future.

Sincerely,

O. W. Leitner
Vice President

OWL:rst

UNITED STATES NATIONAL BANK

FROM THE MAIN OFFICE—190 BROADWAY—SAN DIEGO, CALIFORNIA 92112

VOLER L. VILES
SENIOR VICE PRESIDENT

July 16, 1968

Aurora Mining Co., Inc.
P. O. Box 2246
La Jolla, California 92037

Attention: Mr. M. C. Terry
Vice President and General Manager

RE: Request for $50,000. Loan

Gentlemen:

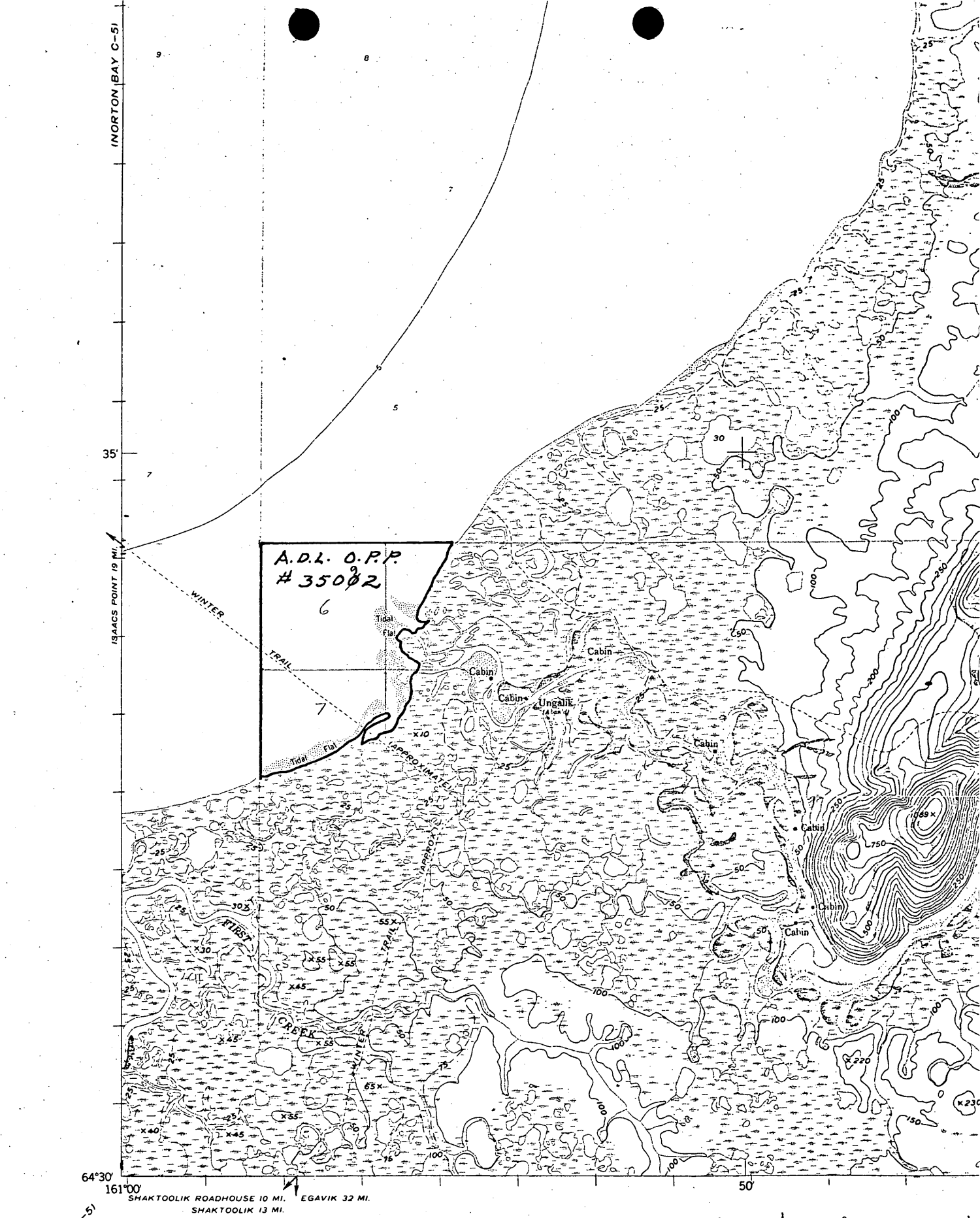
This is to advise you that we have considered your application for a $50,000. loan to conduct your exploration activities. Due to the fact that our bank has not been previously involved in this type of enterprise, the distance from your operating base from our bank and the fact that you have not previously established a record for this type of venture, we are unfortunately precluded from being able to grant your request.

We are intrigued with the prospects that you have told us about, and we do hope that you and your associates will realize the success that you anticipate.

Yours very truly,

Voler L. Viles
Senior Vice President

VLV:jk



Mapped by the Army Map Service
Published for civil use by the Geological Survey

Control by USC&GS and USCE

Topography from aerial photographs by photogrammetric methods
Aerial photographs taken 1950. Map not field checked

Hydrography compiled from USC&GS survey 2480 (1900)

Universal Transverse Mercator projection
1927 North American datum
1000-meter Universal Transverse Mercator grid ticks,

TRUE NORTH
MAGNETIC NORTH
APPROXIMATE MEAN

DEPTH CURVES AND SO
SHORELINE SHO

3509

25702

Form DL-174 (OPP)
Revised April, 1966

ADL_____

State of Alaska
Department of Natural Resources
Division of Lands

1. The following application is submitted for an offshore prospecting permit on all, or any, of the following described lands that are available:

2. LAND REQUESTED

Sec. 5,6,7,8

including all tide land
to mean high tide.
excluding all upland
above mean high tide.

3. LAND INCLUDED IN PERMIT
(not to be filled in by applicant)

All tide and submerged lands within:

Section	5:	80 acres
Section	6:	617 acres
Section	7:	349 acres
Section	8:	20 acres
		1066

T. 10 S., R. 11 W., K.R.M. Meridian
Containing 2,560 acres, more or less.

T. 11 S., R. 11 W., Kateel River Meridian
Containing 1066 acres, more or less.

4. The undersigned hereby certifies that he is qualified to hold offshore prospecting permits under section 603 of the Mining Rights Regulations.

5. Applicant agrees that operations will be conducted in conformance with the governing statutes and regulations now, or hereafter, in effect during the life of any permit granted.

6. Any notice in connection with this application, or any permit granted pursuant hereto, may be sent to: _____
Frank Owen at the following address 4817 Santa Monica Ave. San Diego, Cal. 92107

7. This application discloses and is signed as of the date shown immediately below, by or on behalf of all interested persons as required by the Alaska Mining Rights Regulations.

Dated: 3-8-67

Applicant or Applicants (indicate percent interest of each)
Carl M. Rutherford

Offshore Prospecting Permit

The DIVISION OF LANDS, pursuant to AS 38.05.250 and part 607 of the Alaska Mining Rights Regulations, hereby grants to Carl Rutherford who submitted the foregoing application, the exclusive right to prospect for minerals subject to AS 38.05. 185 - 280, for a period of ten (10) years from the effective date hereof, within the area covered by this permit, subject to the provisions of the foregoing application and subject to the provisions contained herein.

Effective date of permit May 1, 1967

STATE OF ALASKA
By Pedro Denton
Minerals Officer
(Title)

THE UNITED STATES OF AMERICA)
) ss.
STATE OF ALASKA)

This certifies that on the 23rd day of April, 1967, before me, a notary public in and for the State of Alaska, duly commissioned and sworn, personally appeared Pedro Denton to me known and known to me to be the person described in and who executed the foregoing permit on behalf of the State of Alaska as Director of the Division of Lands, Department of Natural Resources, or his authorized agent. The said Pedro Denton executed said permit in my presence and, after being duly sworn according to law, stated to me under oath that he is the Director of the Division of Lands, Department of Natural Resources, or his authorized agent, and has authority pursuant to law to execute the foregoing permit as such director or authorized agent on behalf of the State of Alaska, acting through the Division of Lands, Department of Natural Resources and that he executed the same freely and voluntarily as the free and voluntary act and deed of the said State of Alaska and for the Division of Lands, Department of Natural Resources.

WITNESS my hand and official seal of the day and year in this certificate first above written.

Notary Public in and for the State of Alaska
My Commission expires: May 15, 1968

EXPLORATION AND PROSPECTING AGREEMENT ON ALASKA OFFSHORE MINING PERMITS

THIS AGREEMENT is made and executed in duplicate at San Diego, California, this 15 day of March, 1968, by and between CONTINENTAL SHELF EXPLORATION & MINING COMPANY, a California general partnership, hereinafter called CONTINENTAL, and AURORA MINING COMPANY, INC., an Alaska corporation, hereinafter called AURORA.

RECITALS

1. CONTINENTAL is the owner of a 100% interest in offshore mining permits in the Golovin Bay and Norton Bay areas in the Seward Peninsula, in Alaska.

2. CONTINENTAL is also in the process of obtaining further offshore mining permits in the Golovin Bay and Norton Bay areas in the Seward Peninsula, in Alaska.

3. AURORA desires the right to conduct an exploration and prospecting program in order to discover gold, silver, platinum, and other minerals which may be found on all of such permit lands.

IT IS AGREED:

1. For and in consideration of the sum of $5,000.00, payable upon execution of this agreement, CONTINENTAL hereby grants to AURORA, which hereby accepts such grant, subject to the terms, covenants, and conditions herein contained, the exclusive right to enter upon the permit lands listed on the attached four pages which are marked Exhibit A and made a part hereof by reference, for the purpose of conducting a prospecting and exploratory program thereon. CONTINENTAL further agrees with AURORA that immediately upon being granted any further permits in the Golovin Bay and Norton Bay areas in the Seward Peninsula, in Alaska, it will grant same to AURORA, and AURORA

agrees to accept such grant, subject to all of the terms, covenants and conditions herein contained.

2. The term of this agreement shall be from the date hereof to and including June 30, 1977.

3. AURORA will forthwith commence a prospecting and exploration program on said permit lands. AURORA, however, reserves the right to determine in its sole discretion the nature and extent of this prospecting and exploration program, with the exception that it must be sufficient in scope in order to maintain these permits in full force and effect.

4. During the term hereof AURORA will discharge any and all obligations which CONTINENTAL has heretofore incurred to the State of Alaska in order to maintain said permits in full force and effect. AURORA covenants and agrees with CONTINENTAL that it will either perform sufficient work on these permit lands or in the alternative pay to the State of Alaska any fees which may be required, to the end that these permits will be kept in full force and effect during the term hereof. AURORA will make all reports to the State of Alaska in duplicate and provide CONTINENTAL with a copy of such reports as well as proof of payment of any fees, at the time that the reports are transmitted to Alaska or the fees are paid to the State of Alaska.

5. AURORA will prepare all records in duplicate, cause the same to be certified as to accuracy, and mail a duplicate copy to CONTINENTAL immediately upon its preparation by or for AURORA. These records shall include but not be limited to magnetometer records, bottom profiling records, seismic records, assay reports and drilling logs.

6. From time to time during the term of this agreement if AURORA determines that there are workable mineral deposits upon any of the permit lands, AURORA may require

CONTINENTAL to apply for a lease of such permit lands. CONTINENTAL will thereupon immediately exercise all efforts to secure the issuance of a lease or leases as the case may be with respect to such permit lands as required by such notice and AURORA agrees to pay all costs and expenses which are incurred to the State of Alaska in order to change such permit lands into leased lands. Upon the issuance of any such lease or leases AURORA at its option may take a total or partial assignment thereof and upon notice from AURORA to CONTINENTAL requiring an assignment of such lease or leases.

7. Upon receipt of the assignment of any such lease from CONTINENTAL to AURORA, CONTINENTAL shall be entitled to reserve and receive an overriding royalty interest in the amount of 10% of all recoverable values from such leased lands. These royalties shall be payable monthly on or before the 30th day of the month following receipt of payment for such values produced and sold by AURORA.

8. AURORA shall have the right from time to time to relinquish its rights hereunder as to all or any portion or portions of the permit lands by giving CONTINENTAL notice of its election to do so. However, AURORA agrees with CONTINENTAL that such notice will be given at least 180 days prior to any fees or proof of performance work to be required upon any such permit lands which are so relinquished. The parties intend hereby to allow CONTINENTAL the

period of 180 days within which to examine all exploratory records which have heretofore been provided to it and make its own independent determination as to whether or not to attempt to perform work upon such permit land or pay the fees to the State of Alaska which may be required to hold such permits.

9. This agreement may not be assigned by AURORA without first securing the written consent thereto by CONTINENTAL, nor may this agreement be assigned by operation of law. Any attempt by AURORA to assign this agreement without securing the consent of CONTINENTAL shall be null and void and shall give CONTINENTAL the right to immediately declare the agreement to be null and void. No assignment shall be binding even with the consent of CONTINENTAL unless AURORA'S successors in interest in whole or in part agree to be bound by all the terms, covenants and conditions of this agreement.

10. All notices to be given to either party under the terms of this contract shall be in writing, and considered effective as of the date when received by the party to whom such notice is addressed. All notices are to be sent to the parties at their respective addresses as follows:

Continental Shelf Exploration & Mining Co.
c/o Frank C. Owen
4817 Santa Monica Avenue
San Diego, California 92107

Aurora Mining Company, Inc.
1901 Tidewater Road
Anchorage, Alaska 99501

11. The waiver by CONTINENTAL of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition herein contained.

12. This agreement is made and entered into under the laws of the State of Alaska, which shall govern all provisions of this agreement. The parties agree that should any litigation be commenced regarding the provisions of this agreement that the proper forum shall be the United States District Court in Anchorage, Alaska. The parties further agree that should such litigation be commenced, that the prevailing party shall be entitled to costs and reasonable attorney's fees which may be incurred in such litigation.

13. The parties agree to prepare and execute any and all documents which may be necessary and/or convenient in order to carry out the terms, covenants and conditions of this agreement.

14. The terms, covenants and conditions of this agreement are binding on the assigns and successors in interest of the parties hereto. Time is declared to be of the essence.

15. This written agreement embodies all of the terms, covenants and conditions which the parties have regarding the subject matter of this agreement. There are no oral agreements or other agreements respecting same and

this agreement has been made and entered into by both parties relying upon their own information and upon advice of their own legal counsel. This contract can be modified only by a further written instrument wherein the signatures of both parties are duly notarized.

CONTINENTAL SHELF EXPLORATION &
MINING CO.

By_____
General Partner

AURORA MINING COMPANY, INC.

By_____
President

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss.

Before me, the undersigned, a notary public in and for said County and State, there personally appeared M.C. Terry Jr. Vice President of AURORA MINING COMPANY, INC., who acknowledged execution of the foregoing Exploration and Prospecting Agreement on Alaska Offshore Mining Permits as the duly authorized act of said corporation pursuant to a resolution adopted by the Board of Directors of AURORA MINING COMPANY, INC. at a duly called special meeting of the Board held on Feb 25, 1968.

WITNESS my hand and notarial seal this 15 day of March, 1968.

s/Alan W. Parkhurst
Notary Public, San Diego County, California

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss.

On this 15 day of March, 1968, before me, the undersigned, a notary public in and for said County and State, personally appeared EARL HUNTER, known to me to be one of the partners of the partnership that executed the within instrument, and acknowledged to me that such partnership executed the same.

s/Alan W. Parkhurst
Notary Public, San Diego County, California

	Location	ADL Number	Acreage	Effective Date
1	Golovin	35093	2,365	May 1, 1967
2	"	35094	2,560	April 1, 1967
3	"	35095	2,544	April 1, 1967
4	"	35096	1,595	April 1, 1967
5	"	35097	1,690	May 1, 1967
6	"	35098	2,536	April 1, 1967
7	"	35099	2,560	May 1, 1967
8	"	35100	2,175	April 1, 1967
9	"	35101	2,060	April 1, 1967
10	"	35102	2,528	April 1, 1967
11	"	35103	2,330	April 1, 1967
12	"	35104	2,521	April 1, 1967
13	"	35105	2,453	April 1, 1967
14	"	35106	2,215	April 1, 1967
15	"	35107	2,560	April 1, 1967
16	"	35108	2,481	April 1, 1967
17	"	35109	2,280	April 1, 1967
18	"	35110	2,240	April 1, 1967
19	"	35111	2,469	April 1, 1967
20	"	35112	1,069	May 1, 1967
21	"	35113		
22	"	35114	1,920	May 1, 1967
23	"	35115	2,560	April 1, 1967
24	"	35116	1,525	April 1, 1967
25	"	35117	210	June 1, 1967
26	"	35118	1,205	May 1, 1967
27	"	35755	2,550	July 1, 1967
28	"	35756	2,560	July 1, 1967
29	"	35757	2,330	July 1, 1967
30	"	35758	2,488	July 1, 1967
31	"	35759	2,480	July 1, 1967
		TOTAL	65,059	

EXHIBIT A-1

	Location	API Number	Acreage	Effective Date
1	Norton	35015	2,175	April 1, 1967
2	"	35016	2,043	April 1, 1967
3	"	35017	2,141	April 1, 1967
4	"	35018	2,479	April 1, 1967
5	"	35019	2,317	April 1, 1967
6	"	35020	2,005	April 1, 1967
7	"	35021	2,394	April 1, 1967
8	"	35022	2,325	April 1, 1967
9	"	35023	2,560	April 1, 1967
10	"	35024	2,215	April 1, 1967
11	"	35025	2,320	April 1, 1967
12	"	35026	2,349	April 1, 1967
13	"	35027	2,545	April 1, 1967
14	"	35028	2,560	April 1, 1967
15	"	35029	2,460	April 1, 1967
16	"	35030	2,546	May 1, 1967
17	"	35031	2,500	April 1, 1967
18	"	35032	2,445	April 1, 1967
19	"	35033	2,527	April 1, 1967
20	"	35034	2,255	April 1, 1967
21	"	35035	2,523	April 1, 1967
22	"	35036	2,001	April 1, 1967
23	"	35037	2,560	April 1, 1967
24	"	35038	1,085	April 1, 1967
25	"	35039	1,180	April 1, 1967
26	"	35040	910	June 1, 1967
27	"	35044	2,400	April 1, 1967
28	"	35045	2,315	June 1, 1967
29	"	35071	2,532	June 1, 1967
30	"	35078	2,560	April 1, 1967
31	"	35079	2,420	April 1, 1967
32	"	35080	2,560	April 1, 1967
33	"	35092	1,066	May 1, 1967
34	"	35189	2,305	June 1, 1967
35	"	35190	2,365	June 1, 1967
36	"	35191	2,320	June 1, 1967
37	"	35192	2,325	June 1, 1967
38	"	35193	2,450	June 1, 1967
39	"	35194	2,455	June 1, 1967
40	"	35195	2,440	June 1, 1967
41	"	35196	2,335	June 1, 1967
42	"	35197	2,260	July 1, 1967
43	"	35198	2,425	June 1, 1967
		TOTAL	96,953	

EXHIBIT A-2

	Location	ADL Number	Acreage	Effective Date
44	Norton	35041	830	May 1, 1967
45	"	35042	2,075	May 1, 1967
46	"	35043	2,025	May 1, 1967
47	"	35046	2,530	May 1, 1967
48	"	35047	2,560	May 1, 1967
49	"	35048	2,560	May 1, 1967
50	"	35049	2,545	May 1, 1967
51	"	35050	1,961	May 1, 1967
52	"	35051	1,420	May 1, 1967
53	"	35052	2,540	May 1, 1967
54	"	35053	2,513	May 1, 1967
55	"	35054	2,472	May 1, 1967
56	"	35055	1,600	May 1, 1967
57	"	35056	2,560	May 1, 1967
58	"	35057	2,560	May 1, 1967
59	"	35058	2,177	May 1, 1967
60	"	35059	2,472	May 1, 1967
61	"	35060	2,225	May 1, 1967
62	"	35061	2,555	May 1, 1967
63	"	35062	2,320	May 1, 1967
64	"	35063	2,260	May 1, 1967
65	"	35064	2,306	May 1, 1967
66	"	35065	2,513	May 1, 1967
67	"	35066	2,495	May 1, 1967
68	"	35067	2,560	May 1, 1967
69	"	35068	2,145	May 1, 1967
70	"	35069	2,560	May 1, 1967
71	"	35070	2,395	May 1, 1967
72	"	35072	2,344	May 1, 1967
73	"	35073	2,008	May 1, 1967
74	"	35074	2,161	May 1, 1967
75	"	35075	825	May 1, 1967
76	"	35076	635	May 1, 1967
77	"	35077	2,125	May 1, 1967
78	"	35081	2,510	May 1, 1967
79	"	35082	2,008	May 1, 1967
80	"	35083	815	May 1, 1967
81	"	35084	2,560	May 1, 1967
82	"	35085	2,560	May 1, 1967
83	"	35086	2,025	May 1, 1967
84	"	35087	2,505	May 1, 1967
85	"	35088	2,560	May 1, 1967
86	"	35089	2,531	May 1, 1967
87	"	35090	2,388	May 1, 1967
88	"	35091	2,440	May 1, 1967
		TOTAL	98,734	

EXHIBIT A-3

	Location	ADL Number	Acreage	Effective Date
89	Norton	35408	2,524	June 1, 1967
90	"	35409	2,535	June 1, 1967
91	"	35410	1,920	June 1, 1967
92	"	35411	2,260	June 1, 1967
93	"	35412	2,560	June 1, 1967
94	"	35413	2,560	June 1, 1967
95	"	35414	2,559	June 1, 1967
96	"	35415	2,557	June 1, 1967
97	"	35416	2,555	June 1, 1967
98	"	35417	1,760	June 1, 1967
99	"	35418	2,559	June 1, 1967
100	"	35419	2,557	June 1, 1967
101	"	35420	2,555	June 1, 1967
102	"	35421	2,553	June 1, 1967
103	"	35422	2,240	June 1, 1967
104	"	35423	1,580	June 1, 1967
105	"	35424	2,560	June 1, 1967
		TOTAL	40,394	

EXHIBIT A-4

REFERENCE REQUEST—FEDERAL RECORDS CENTERS

NOTE: Use a separate form for each request.

SECTION I—TO BE COMPLETED BY REQUESTING AGENCY

RECORD GROUP NO.	ACCESSION NO.	AGENCY BOX NUMBER	RECORDS CENTER LOCATION NUMBER
57	80-004	30 OF	~~#36-36-4-1~~ 11/43;29-1-1

DESCRIPTION OF RECORD(S) OR INFORMATION REQUESTED *(Include file number and title.)*

~~#6752~~ - Aurora Mining Co. in Alaska

#6752

REMARKS

NATURE OF SERVICE

☐ FURNISH COPY OF RECORD(S) ONLY ☐ PERMANENT WITHDRAWAL ☐ TEMPORARY LOAN OF RECORD(S) ☐ REVIEW ☐ OTHER *(Specify)*

NAME OF REQUESTER	TELEPHONE NO.	☑ FTS	DATE
Jane Spence	776-5603		3/10/88

NAME AND ADDRESS OF AGENCY *(Include street address, building, room no. and ZIP Code)*

Dept of Interior/M.M.S. Div
Gary Lore
Chief/Offshore Resource Eval. Ser
MS643 Reston, VA 22091

(In Washington, D.C. area also include STOP number)

RECEIPT OF RECORDS

Requester please sign, date and return this form, for file item(s) listed above, *ONLY* if the block to right has been checked by the Records Center. ☐

SIGNATURE	DATE

SECTION II—FOR USE BY RECORDS CENTER

☐ RECORDS NOT IN CENTER CUSTODY ☐ RECORDS DESTROYED

☐ WRONG BOX NUMBER—PLEASE RECHECK

☐ ADDITIONAL INFORMATION REQUIRED TO IDENTIFY RECORDS REQUESTED

☐ MISSING *(Neither record(s), information nor charge card found in container(s) specified)*

☐ RECORDS PREVIOUSLY CHARGED OUT TO *(Name, agency and date):*

~~Wrong location~~

REMARKS

DATE	SERVICE	TIME REQUIRED	SEARCHER'S INITIALS
3-14			RN

SECTION III—TO BE COMPLETED BY REQUESTING AGENCY

TO

General Services Administration
Federal Records Center NARS

(City) *(State)* *(Zip Code)*

NOTE: In Washington, D.C. area send to STOP 386

REFERENCE REQUEST—FEDERAL RECORDS CENTERS

NOTE: Use a separate form for each request.

SECTION I—TO BE COMPLETED BY REQUESTING AGENCY

RECORD GROUP NO.	ACCESSION NO.	AGENCY BOX NUMBER	RECORDS CENTER LOCATION NUMBER
59	80-004	30 OF	10/36-36-4

DESCRIPTION OF RECORD(S) OR INFORMATION REQUESTED *(Include file number and title.)*

[illegible] - Aurora Mining Co. in Alaska
6752

REMARKS

NATURE OF SERVICE

☐ FURNISH COPY OF RECORD(S) ONLY ☐ PERMANENT WITHDRAWAL ☐ TEMPORARY LOAN OF RECORD(S) ☐ REVIEW ☐ OTHER *(Specify)*

NAME OF REQUESTER	TELEPHONE NO.	☐ FTS	DATE
[illegible]	703-556-[illegible]		8/10/88

NAME AND ADDRESS OF AGENCY *(Include street address, building, room no. and ZIP Code)*

Dept of Interior/M.M.S. Acq
Mgmt/Future Resources Coord. Sec
[illegible] Reston, VA 22091

(In Washington, D.C. area also include STOP number)

RECEIPT OF RECORDS

Requester please sign, date and return this form, for file item(s) listed above, *ONLY* if the block to right has been checked by the Records Center. ☐

SIGNATURE	DATE

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☐ RECORDS NOT IN CENTER CUSTODY ☐ RECORDS DESTROYED

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☐ MISSING *(Neither record(s), information nor charge card found in container(s) specified)*

☐ RECORDS PREVIOUSLY CHARGED OUT TO *(Name, agency and date):*

Wrong location

REMARKS

DATE	SERVICE	TIME REQUIRED	SEARCHER'S INITIALS
3-4			[illegible]

SECTION III—TO BE COMPLETED BY REQUESTING AGENCY

TO

General Services Administration
Federal Records Center NARS

(City) *(State)* *(Zip Code)*

NOTE: In Washington, D.C. area send to STOP 386

AGENCY SUSPENSE FILE COPY

OPTIONAL FORM 11 (Rev. 9-79)
Prescribed by GSA, FPMR (41 CFR) 101-1104

John H. DeYoung, Jr.
11 Aug 77

Summary of OME 6752 File

Location: Norton Bay quad, Alaska; at mouth of Ungalik River in Norton Bay

Commodity: Au (placer)

Property names(s): Alaska Division of Lands offshore prospecting permit No. 35092 (1 May 1967); Ungalik prospect.

Operator: Aurora Mining Co., Inc. made agreement dated 15 Mar 1968 with Continental Shelf Exploration and Mining Co. (sub-lessee?) to "discover" gold, silver, platinum, and other minerals. Sub-lessee would receive $5,000 and 10 percent royalty through 30 Jun 1977. Acreage in agreement included 1066 acres of permit No. 35092 and totaled 301,140 acres - 65,059 in Golovnin and and 236,081 in Norton.

Geology: Report by Max R. Mott (Jan 69) attached.
Memo by D. Hopkins (7 Apr 69) attached.
Letter from Max R. Mott (23 Apr 69) attached.

History: First application to OME on 12 Aug 1968. Request was for $56,250 towards a $75,000 program to drill 25 holes for sampling. Following a period of correspondence, the application for assistance was denied on 18 Aug 1969.

Resource information: Gold expected at stream mouth and in a possible Tertiary channel. Three samples were used to calculate possible resources of about 9 million grams of gold in 4 million cubic meters of delta.

$$1066 \text{ acres} \times 4840 \text{ yd}^2/\text{acre} \times 1 \text{ yd. deep} = 5.2 \times 10^6 \text{ yd}^3 = 3.9 \times 10^6 \text{m}^3$$

$$\$2/\text{per yd.}^3 \times \frac{\text{oz}}{\$35} \times 5.2 \times 10^6 \text{yd.}^3 \times 31.103 \text{ oz/g} = 9.2 \times 10^6 \text{g}$$

References: USGS Bull. 449 and 926-A on Ungalik River gold production.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/12/69	S Peterson	120
8/12/69	Kirkemo	120
8/14	W. Pa	
		220
		120M

AUG 18 1969

AIRMAIL

Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

Re: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35002
Norton Bay, Alaska

Gentlemen:

A careful review of your application for financial assistance to explore the referenced property and of other information available to us indicates that not enough geologic information has been furnished to identify with reasonable certainty the proposed exploration targets. Therefore, we must conclude that the probability of disclosing significant ore reserves on the property is not sufficiently promising to justify Government participation in the proposed work. Accordingly, we regret to inform you that your application for assistance is denied.

We regret the necessity for this action, which, however, is taken without prejudice to the property. Should you perform additional work on the property and furnish new information which would establish the existence of a specific target that warrants exploration, we shall be pleased to consider a new application at that time.

We wish to thank you for your interest in the minerals exploration program and for bringing your property to our attention.

Sincerely yours,

Harold Kirkemo (bsl)

Harold Kirkemo, Chief
Office of Minerals Exploration

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
Re;gion II
Mr. Peterson
130

ECPeterson/bsl 8/12/69

United States Department of the Interior

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

August 1, 1969

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35092
Norton Bay, Alaska

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 5 1969

INITIALS	CODE
gla	30
bal	20
HK	20
EP	20

Field Application Report

The subject application was referred to the Field Office on March 19, 1969, for consideration, recommendations, and a field examination if warranted.

Because of the nature of the proposed exploration (offshore), the remote area of the property, and the availability of a Survey geologist familiar with the area and type of deposit, a field examination was not considered to be warranted. The application was referred to Mr. David M. Hopkins, Chief, Bering Sea Marine Program, U.S.G.S., Menlo Park, California, for an appraisal and recommendations. A copy of Mr. Hopkins' report (memorandum dated April 7, 1969) is attached. Mr. Hopkins concluded that the information contained in the application was insufficient to justify approval of Government participation in the program proposed and outlined the additional information that would be required. The Applicant was requested, by a letter dated April 10, 1969 (copy attached), to supply this additional information. A reply was received on April 25, 1969 (copy attached), that clarified several points and stated that a separate letter giving more detail would be forthcoming. The reply was acknowledged on April 25 and a clarification was given of the exact type of information required. No reply from the Applicant has been received to date to the letter of April 25 or a letter of inquiry dated July 7, 1969.

It is recommended that the subject application be denied without prejudice. If, at some future time, the Applicant can supply the additional information sufficient to justify a program of offshore exploration, the application can be reconsidered.

H. K. Stager

Enclosures

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

July 7, 1969

Mr. Max R. Mott
Director of Research
Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

Re: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35092
Norton Bay, Alaska

Dear Mr. Mott:

We have not received a reply to our letter of April 25, 1969, requesting additional information necessary to continue processing your application.

Will you please inform us when we may expect the necessary data. If you have decided to withdraw the application, will you please so inform us.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

cc: OME, Wash., D.C.
Dir. RF
ACG RF
MP RF
Docket

RMSmith:mkh

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

April 25, 1969

Mr. Max R. Mott
Director of Research
Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

Re: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35092
Norton Bay, Alaska

Dear Mr. Mott:

Thank you for your letter of April 23, 1969, clarifying the purpose and area of the proposed seismic sub-bottom profiling, and describing the specific localities of the proposed exploration. To assist in the preparation of a contract, if one is approved, please illustrate the approximate locations of the profiles on a map at a scale of a mile or less to the inch.

I, too, was apparently at fault in the wording of my request for the grade of each of three samples described in your report of January 1969. What is needed is the quantity of gold found in each sample, preferably in troy ounces. These data, together with the range of particle size of the gold, will be more informative than the single figure of $2.00 per cubic yard which is the estimated value of the top 3 feet of delta material.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

cc: OME, Wash., D.C.
Dir. RF
ACG RF
MP RF
Docket

RMSmith:mkh

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

April 10, 1969

Mr. M. C. Terry, President
Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

Re: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35092
Norton Bay, Alaska

Dear Mr. Terry:

Please refer to Mr. Kirkemo's letter of March 19, 1969, relating to a possible field examination of the property referenced above.

In view of the offshore setting of the area to be explored, and of adequate existing data on the Ungalik River basin as a source area, an on-site examination is not required. Additional data are needed, however, to meet the OME requirements for an exploration project as distinguished from a prospecting project.

By way of preliminary explanation, the OME program is restricted to exploration and excludes prospecting. The distinction we use is that in exploration there is geological evidence of a specific target in a specific locality, whereas prospecting is the search for a target. A target area, such as Norton Sound, is not sufficiently restricted to be called a locality. The proposed 30 miles of seismic sub-bottom profiling "... to outline the Tertiary Channels whose presence is suspected," would be classed as prospecting, but the drilling of these channels, after their locations are indicated, would be exploration.

Additional specific data on the three samples already collected would assist in evaluating the proposal, particularly the grade of each sample and the range in absolute sizes of the gold particles, preferably in millimeters. Perhaps the laboratory total analyses contain these

data, but we have not received the results of your analyses. Since it is not necessarily true that the gold in a marine deposit will be coarser and the values higher at depth, and since there are at least two possible target depths (bottom and sub-bottom), your interpretation of what the samples represent would be helpful.

Either of two alternative types of additional information appear to be minimum before we can properly evaluate the proposal, and of course both types would strengthen the application: (1) a sub-bottom profile indicating the approximate locations of channels, or (2) additional bottom samples--8 or 10 weighing more than 20 pounds each--spaced so as to indicate one or more anomalous areas, with information in the grade of each sample, the size and shape of the gold particles, and character of the sediments. You may already have some of these or other preliminary data that identify specific targets. In any case an early reply to this letter will be appreciated.

Our file does not clarify the property rights of the Applicant. The Prospecting Permit is issued to Carl Rutherford but we have no copy of an assignment to Continental.

Nothing in this request for additional information should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

cc: OME, Wash., D.C.
Dir. RF
ACG RF
MP RF
✓Docket

RMSmith:mkh

AURORA MINING COMPANY, INC.

1901 TIDEWATER ROAD
ANCHORAGE, ALASKA 99501
(907) 279-4222

P. O. BOX 2246
LA JOLLA, CALIFORNIA 92037
(714) 274-0622

23 April 1969

RECEIVED
APR 25 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Mr. H. K. Stager
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

Re: OME-6752 (Gold)
Your letter dated 10 April 1969
/s/Smith for Stager.

Dear Sir:

I was apparently at fault in my wording of my report on the subject area; therefore I will try to clarify some of the points which you questioned.

The proposed thirty miles of seismic sub-bottom profiling is a relatively small portion of our total program, and it should be pointed out that the exploration would be confined to the submerged portion of the delta of the Ungalik River. (By comparison the U.S.G.S. ran approximately thirty miles of sub-bottom profiles over the mouth of Daniels Creek, and this work evaluated approximately two square miles.) We felt that our target was obvious, but I will elaborate.

We know the Ungalik River is transporting gold and other heavy minerals into Norton Sound; the gold in samples 1 and 2 and the up stream dredging operation would indicate this. We also know from a knowledge of placer deposits that the heavier material from the strea load will be deposited at the mouth of the river where is comes under the influence of wave action. Wave and tide action will tend to sort the material and move the lighter material seaward and along the coas In as much as we found gold in surface samples almost a mile at sea and over a mile north of the river mouth as well as in the bar at the river mouth it is obvious that the deposits within the bar at the mouth of the river should be richer in gold than any of the surficial sediments in the delta. It is also apparent that the channel which has been cut through the delta by current and tide outward from the bar would be richer than the finer sediments on either side of the channel; therefore our secondary area of interest is the bottom of the modern channel out to about a half mile from the river mouth. Another secondary area of interest is within the river channel downstream from the upper limit of tidal action; during high tide a portion of the load from the river will be dropped out of the water

within the channel between the upper reaches of high tide and the river mouth; in this case the upper limit of high tide is approximately one hundred yards up stream from sample station 4. Our principal target is the bar deposits at the river mouth; our secondary targets are in the channel up stream and down stream (seaward) from the main target.

Since we know auriferous material is being deposited in the deltaic sediments at the mouth of the Ungalik River we have no reason to believe that the older sediments in the delta will not be as rich or richer than the modern sediments; therefore we believe that sub-bottom profiling within the confines of the submerged portion of the delta constitutes exploration rather than prospecting.

I don't understand your question as to grade of samples. I wish you would elaborate on that term.

As you know the area is inaccessible at this time. The snow and ice are too soft to travel on but too thick to drive a boat through. I doubt that we would know much more about the area with the additional samples you requested. I am preparing a separate letter giving more detail on the sediments obtained in our sampling program. Also we are obtaining a copy of the partnership agreement between Carl Rutherford and the other partners in Continental Shelf.

Yours truly,

Max R. Mott

Max R. Mott
Director of Research

MRM/jt

RECEIVED

APR 25 1969

OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

July 7, 1969

Mr. Max R. Mott
Director of Research
Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 9 1969
INITIALS CODE
HK 120

Re: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35092
Norton Bay, Alaska

Dear Mr. Mott:

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Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

cc: OME, Wash., D.C.
Dir. RF
ACG RF
MP RF
Docket

RMSmith:mkh

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

April 25, 1969

O. M. E.
RECEIVED
APR 28 1969
INITIALS CODE
HK 120

Mr. Max R. Mott
Director of Research
Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

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Permit No. 35092
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Field Officer
OME, Region II

cc: OME, Wash., D.C.
Dir. RF
ACG RF
MP RF
Docket

RMSmith:mkh

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(907) 279-4222

P. O. BOX 2246
LA JOLLA, CALIFORNIA 92037
(714) 274-0622

23 April 1969

RECEIVED
APR 25 1969
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U.S. GEOLOGICAL SURVEY

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Menlo Park, California 94025

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Max R. Mott

Max R. Mott
Director of Research

MRM/jt

RECEIVED
APR 25 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

April 10, 1969

O. M. E.
RECEIVED
APR 14 1969
INITIALS CODE

Mr. M. C. Terry, President
Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

Re: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35092
Norton Bay, Alaska

Dear Mr. Terry:

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By way of preliminary explanation, the OME program is restricted to exploration and excludes prospecting. The distinction we use is that in exploration there is geological evidence of a specific target in a specific locality, whereas prospecting is the search for a target. A target area, such as Norton Sound, is not sufficiently restricted to be called a locality. The proposed 30 miles of seismic sub-bottom profiling "... to outline the Tertiary Channels whose presence is suspected," would be classed as prospecting, but the drilling of these channels, after their locations are indicated, would be exploration.

Additional specific data on the three samples already collected would assist in evaluating the proposal, particularly the grade of each sample and the range in absolute sizes of the gold particles, preferably in millimeters. Perhaps the laboratory total analyses contain these

data, but we have not received the results of your analyses. Since it is not necessarily true that the gold in a marine deposit will be coarser and the values higher at depth, and since there are at least two possible target depths (bottom and sub-bottom), your interpretation of what the samples represent would be helpful.

Either of two alternative types of additional information appear to be minimum before we can properly evaluate the proposal, and of course both types would strengthen the application: (1) a sub-bottom profile indicating the approximate locations of channels, or (2) additional bottom samples--8 or 10 weighing more than 20 pounds each--spaced so as to indicate one or more anomalous areas, with information in the grade of each sample, the size and shape of the gold particles, and character of the sediments. You may already have some of these or other preliminary data that identify specific targets. In any case an early reply to this letter will be appreciated.

Our file does not clarify the property rights of the Applicant. The Prospecting Permit is issued to Carl Rutherford but we have no copy of an assignment to Continental.

Nothing in this request for additional information should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

cc: OME, Wash., D.C.
Dir. RF
ACG RF
MP RF
Docket

RMSmith:mkh

AURORA MINING COMPANY, INC.

6752

1901 TIDEWATER ROAD
ANCHORAGE, ALASKA 99501
(907) 279-4222

P. O. BOX 2246
LA JOLLA, CALIFORNIA 92037
(714) 274-0622

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O. M. E.
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APR 7 1969

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Gal	120
HK	170
GR	100

4 April 1969

Mr. Frank E. Johnson, Chief
Office of Mineral Exploration
United States Department of Interior
Geological Survey
Washington, D. C. 20242

Re: OME (Gold)

Dear Mr. Johnson:

Enclosed is the balance sheet of the Aurora Mining Co., Inc., as of 31 December 1968. It was omitted by over-sight.

I believe this completes your requirements to date. If not, please advise.

Very truly yours,

M. C. Terry, Sr.
President

MCT/jt

Enclosure

To: Mr. Johnson
OME.

AURORA MINING COMPANY, INC.

Balance Sheet

December 31, 1968
(Unaudited)

Assets

Current assets		
Cash		$ 1,324.00
Advances to corporate officer		1,000.00
Prepaid insurance		857.00
Total current assets		$ 3,181.00
Office Equipment and machinery, at cost		
Office equipment	$ 748.61	
Machinery	143,399.85	
Total depreciable	144,148.46	
Less accumulated depreciation	33.46	
Net		144,115.00
Other assets, at cost, net of amortization		
Organization expense	694.95	
Preoperating costs	186,096.50	
Performance bond deposit	1,500.00	
Advance royalties	105,000.00	
Net other assets		293,291.45
		$ 440,587.45

Liabilities and Stockholders' Equity

Current liabilities		
Accounts payable		$ 54,337.45
Mortgage on dredge		100,000.00
Short term unsecured notes		57,500.00
Total current liabilities		$ 211,837.45
Stockholders' Equity		
Contributed capital		
Common stock without par value subject to warrants authorizing holder to purchase 3.5 shares at $2.50 per share: 100,000 shares authorized; 100,000 shares issued	$ 101,000.00	
Common stock purchased under warrants called 6/30/68 at purchase price of $2.50 per share; 40,050 shares issued	100,125.00	
Common stock without par value not subject to warrants, 859,950 shares authorized; 248,500 shares issued	27,625.00	
Total stockholders' equity		228,750.00
		$ 440,587.45

MME Form 7
(2/63)

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Date	Surname	Code
3/19/69	Peterson	120
		120
3/19		220
		120M

MAR 19 1969

AIRMAIL

Mr. M. C. Terry, President
Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

Re: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35002
Norton Bay, Alaska

Dear Mr. Terry:

Thank you for your letter of March 12 enclosing additional information in support of the subject application for financial assistance. However, the financial statement mentioned as being enclosed with your letter was not received.

We are now referring the application for further consideration to Mr. Harold K. Stager, Field Officer, Region II, U. S. Geological Survey, Building 2, 345 Middlefield Road, Menlo Park, California 94025.

Mr. Stager will notify you if he requires additional information concerning the application, and possibly to make arrangements for a field examination.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Acting Chief
Office of Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II
Mr. Peterson
130

ECPeterson/bsl 3/19/69

MME Form 7
(2/63)

OFFICIAL FILE COPY

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3/19/69	Peterson	120
		120
		220
		120m

MAR 19 1969

AIRMAIL

Memorandum

To: Field Officer, Region II

From: Acting Chief, Office of Minerals Exploration

Subject: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35002
Norton Bay, Alaska

The subject application is referred to you for further consideration, a field examination if warranted, and recommendations.

This is an interesting proposal; however, without additional geologic support it is doubtful that the Government could participate in the project as much of the work is considered prospecting. Perhaps Survey personnel who have recently worked on the Seward Peninsula should be consulted as they may have knowledge of this particular area.

A review of the Applicant's cost estimate indicates that most costs are considered high. If a contract is recommended, the Applicant should provide the necessary data to support these estimates.

Please note that in event of a contract the Applicant will furnish a Performance Bond in lieu of a Lien and Subordination Agreements.

Edward C. Peterson

Harold Kirkemo

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Mr. Peterson
130

Harold Kirkemo

ECPeterson/bsl 3/19/69

AURORA MINING COMPANY, INC.

Copy R-I

901 TIDEWATER ROAD
ANCHORAGE, ALASKA 99501
(907) 279-4222

P. O. BOX 2246
LA JOLLA, CALIFORNIA 92037
(714) 274-0322

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MAR 17 1969

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12 March 1969

Mr. Frank E. Johnson
Chief, Office of Minerals Exploration
United States Department of the Interior
Geological Survey
Washington, D. C. 20242

RE: OME-6752 (Gold)
Alaska Offshore Prospecting Permit
No. 35092
Norton Bay, Alaska

Dear Mr. Johnson:

Enclosed find confirmation letters of the requests to banks for financial assistance in our exploration. Although we had orally requested these loans, we submitted letters to confirm the details so that they would be made a matter of record.

Also, enclosed is an unaudited financial statement of condition as of 31 December 1968 for the Aurora Mining Co., Inc. Not received

In previous correspondence with your office we indicated that the company is willing and able to provide a Performance Bond covering the government's share of the estimated project costs in the event we are granted an exploration contract.

Please advise me if there is need for any additional information.

Very truly yours,

M. C. "Bill" Terry
President

MCT/jt

Enclosures

5 September 1969

Mr. Voler L. Viles
Senior Vice President
United States National Bank
190 Broadway
San Diego, California 92112

Re: Request for Exploration Loan

Dear Mr. Viles:

In order to verify for records the request we made from you in July for financial assistance, I am sending you this letter for your files.

The reason outlined to you was for a $50,000.00 loan to further explore the mouth of the Ungalik River area in Norton Bay, Alaska. Aurora controls Alaska Offshore Permit No. ADL 35092. This permit contains all of the "target" area of exploration. The money would be used for magnetometer surveys, seismic sub-bottom profiles, and core-sampling of a relatively small area. This target is located by our geologist, Mr. Max Mott, as being most highly suspect of containing economic deposits of gold.

Should you grant the loan it would be paid back over a seven year period starting one year from approval and receipt of the loan.

Very truly yours,

M. C. "Bill" Terry
President

MCT/jt

5 September 1969

Mr. O. W. Leitner
Vice President
Bank of La Jolla
P. O. Box 1500
La Jolla, California

Re: Request for Exploration Loan

Dear Mr. Leitner:

In order to verify for records the request we made from you in July for financial assistance, I am sending you this letter for your files.

The reason outlined to you was for a $50,000.00 loan to further explore the mouth of the Ungalik River area in Norton Bay, Alaska. Aurora controls Alaska Offshore Permit No. ADL 35092. This permit contains all of the "target" area of exploration. The money would be used for magnetometer surveys, seismic sub-bottom profiles, and core-sampling of a relatively small area. This target is located by our geologist, Mr. Max Mott, as being most highly suspect of containing economic deposits of gold.

Should you grant the loan it would be paid back over a seven year period starting one year from approval and receipt of the loan.

Very truly yours,

M. C. "Bill" Terry
President

MCT/jt

AURORA MINING COMPANY, INC.

1901 TIDEWATER ROAD
ANCHORAGE, ALASKA 99501
(907) 279-4222

P. O. BOX 2246
LA JOLLA, CALIFORNIA 92037
(714) 274-0622

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FEB. 27, 1969

MR. FRANK E. JOHNSON
CHIEF, OFFICE OF MINERALS EXPLORATION
UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

RE: OME-6752 (GOLD)
AURORA MINING COMPANY, INC.
ALASKA OFFSHORE PROSPECTING PERMIT
No. 35092
NORTON BAY, ALASKA

DEAR SIR

ENCLOSED IS A GEOLOGIC REPORT ON THE SUBJECT PROPERTY. WE HAVE PREPARED THIS REPORT AFTER A VISIT TO THE PROPERTY LAST SEPTEMBER AND OCTOBER. WE HAVE ALSO INCORPORATED INTO OUR REPORT KNOWLEDGE WE HAVE OBTAINED IN OUR STUDIES OF THE GEOLOGY AND GOLD DEPOSITS ON THE AURIC LEASE AT BLUFF.

WE BELIEVE WE HAVE SUFFICIENT DATA TO JUSTIFY A DETAILED EXPLORATION PROGRAM SUCH AS IS OUTLINED IN THE ENCLOSED REPORT.

YOU QUESTIONED OUR EXPERIENCE IN OFF SHORE EXPLORATION IN YOUR LETTER OF AUGUST 29, 1968. I BELIEVE THAT OUR COMPANY IS AS EXPERIENCED AS ANY COMPANY INVOLVED IN OFF SHORE EXPLORATION FOR GOLD. WE HAVE RESEARCHED THE SUBJECT FOR OVER TWO YEARS, AND WE HAVE ALSO ENGAGED OUR EMPLOYEES IN A CONSIDERABLE AMOUNT OF EXPLORATION ON OUR AURIC PROPERTY. DR. DAVID HOPKINS OF THE U. S. GEOLOGICAL SURVEY AT MENLO PARK IS AWARE OF OUR EXPERIENCE IN THE FIELD.

IN A FIELD AS UNIQUE AS OFF SHORE GOLD EXPLORATION IT IS SOMEWHAT DIFFICULT TO OBTAIN BIDS FROM INDEPENDENT CONTRACTORS FOR VARIOUS ITEMS OF THE WORK AS THERE ARE FEW, IF ANY, CONTRACTORS WHO HAVE HAD AS MUCH EXPERIENCE IN THE FIELD AS WE HAVE. WE HAVE DISCUSSED OUR PROJECTS WITH A NUMBER OF CONTRACTORS, BUT THEIR ESTIMATES OF WORK COSTS HAVE BEEN CONSIDERABLY HIGHER THAN OURS, AND THEY COULD GIVE US NO ASSURANCE THAT THEY WERE CAPABLE OF DOING THE WORK TO OUR SATISFACTION.

MR. TERRY OF OUR COMPANY IS WRITING YOU A SEPARATE LETTER IN REGARD TO THE CORRESPONDENCE WITH BANKS, THE FINANCIAL STATEMENT, AND THE PERFORMANCE BOND.

IF YOU HAVE ANY FURTHER QUESTIONS PLEASE LET US KNOW.

YOURS TRULY

Max R. Mott

MAX R. MOTT, MANAGER OF EXPLORATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Office of Marine Geology and Hydrology
345 Middlefield Road
Menlo Park, California 94025

April 7, 1969

Memorandum

To: Roscoe Smith, Office of Mineral Exploration, Menlo Park

From: David Hopkins, Chief, Bering Sea Marine Program, Menlo Park

Subject: Application OME-6752 (GOLD)

Subject application is submitted by the Aurora Mining Company of La Jolla, California in order to conduct an exploration program for gold in gravel submerged off the mouth of the Ungalik River, Norton Bay, Alaska.

This is, indeed, an interesting proposal. Although I feel that the information provided is insufficient for approval, I discuss the problems in some detail, because it seems to me that it is going to be desirable to give these and other, future applicants some guidance as to what minimum requirements might be necessary for a favorable recommendation from this office.

The gravels of the Ungalik River, offshore and onshore, appear to constitute an attractive exploration target. The Cretaceous rocks of the hills that rise four miles from shore are intruded by mineralized dikes, and according to C. L. Sainsbury (oral commun., 4-4-69) and Smith and Eakin (U.S. Geol. Survey Bull. 449) these mineralized zones probably are the source of the Ungalik placers. Bedrock mineralization less than four miles from the present shoreline, the record of some placer production on the intervening coastal plain, and the known Quaternary history of the region combine to lead to the inference that offshore placers may be present. Our studies elsewhere in northern Bering Sea suggest that two types of placers should be sought: (1) concentrations at the base of submerged alluvium along the former valley of the Ungalik River, formed during the several Pleistocene glacial periods when sea level was lower than at present; (2) residual gold concentrations in a thin surface veneer of wave-handled gravel formed when sea level rose and the strand line swept across the alluvium deposited by the Ungalik River during the most recent rise in sea level.

My principal problem in evaluating this proposal arises because the gold content and gold particle size in Aurora's bottom samples is not clearly stated, and because I would prefer to see a more adequate grid of bottom samples collected and evaluated before the government is asked to step in with assistance. If each of the three offshore samples contains gold values on the order of $1.00-$2.00 per yard, then the applicants have clearly demonstrated a gold anomaly, and the offshore gravel of the Ungalik River can be regarded as an attractive exploration target. But if one sample contained on the order of $6.00 per yard and the other samples contained only a few cents in gold, then more sampling would be needed before one could assume that any economic significance can be attached to the one rich sample. The size of the gold particles is relevant, too, in evaluating the significance of the values obtained in individual grab samples as well as their origin. Particle size should be given in millimeters or estimated in a standard size classification such as that of the Bureau of Mines. If each of the three samples contains colors of #3 size or larger (ca. 1 mm) in the Bureau of Mines classification, then a residual deposit of considerable potential may be indicated; our work indicates that gold particles of this size undergo little or no transport by waves on beaches or by bottom currents.

I also hesitate to evaluate the potential of the Ungalik River target on the basis of only three samples. Of the three offshore samples discussed in this report, one is in the river mouth where waves, littoral currents, and river currents interact most intensely, another is so near the beach that it may have sampled the lowermost deposits subjected to present-day beach processes, and the third appears to be in a channel that carries the most active currents that result from the influx of fresh water from the Ungalik River. These may be the three most favorable environments for the formation of a surficial gold concentration. I would feel more able to evaluate the potential of the Ungalik River target if the proposal was based on six to ten samples representing a wider variety of bottom environments, or at least a broader area.

Judging from our studies elsewhere in northern Bering Sea, it is not necessarily true that the gold will be coarser and values higher at depth. However, a surface residual concentration, if present, may in itself constitute an ore body. And deeper concentrations may well be present in an alluvial deposit such as that at the mouth of the Ungalik River; these probably could be located, though not evaluated, by magnetometer and seismic profiling studies.

It is my conclusion that the proposal does not provide sufficient information upon which to base an agreement to participate in an OME loan. It seems to me desirable, however, to set forth to the applicants

the amount of information that would be considered adequate by myself and my colleagues who have participated in resource-oriented studies in northern Bering Sea. We would want to see a minimum of 8 or 10 bottom samples weighing more than 20 pounds each; the gold content of each sample should be indicated, and information should be provided on the size and appearance of the gold particles, as well as on the character of the sediments. If the results of such a group of bottom samples proved sufficiently encouraging, then we could conclude that we would be justified in concluding that a definite exploration target had been located and that the Federal Government would be taking a reasonable risk in providing a loan for further exploration involving bottom sampling, geophysical studies, and drilling in order to define and evaluate the target.

I have been acquainted with Mr. Terry and Mr. Mott for about two years, and I believe them to be men of integrity and good character. Although the costs of their proposed exploration may seem high, compared to exploration costs on land in the continental United States, they are not unreasonable for offshore work, especially in a remote part of Alaska.

Sincerely,

David M. Hopkins

David M. Hopkins

Addendum II

UNGALIK PROSPECT

UNGALIK, ALASKA

GEOLOGY AND GOLD POSSIBILITIES

By

M. R. MOTT

Aurora Mining Company, Inc.

January 1969

UNGALIK PROSPECT

Ungalik, Alaska

INTRODUCTION

During September and October of 1968, three members of the exploration staff of Aurora Mining Company, Inc., visited the Ungalik Prospect at Ungalik, Alaska. The purpose of the trip was to sample the alluvial sediments at the mouth of the Ungalik River, to study the geology of the area, and to confirm, if possible, the presence of commercial amounts of placer gold in the deltaic sediments submerged beyond the river mouth.

Because of an early freeze of the waters of Norton Bay it was not possible to obtain as many samples as were desired, but several were obtained in strategic spots and they contributed considerably to our knowledge of the area.

Gold was found in every sample of material examined. There was sufficient gold in every sample to cause us to believe that extensive reserves of placer gold are present in the delta of the Ungalik River.

A study of the geologic literature substantiated our findings. Thus, there is sufficient data to recommend a comprehensive exploration program on the prospect. Included in the exploration program is a magnetometer survey, a core drilling program, and a sampling program.

The Ungalik Prospect is located within the boundaries of Alaska Offshore Prospecting Permit number 35092. This permit includes the submerged lands below mean high tide in sections 5, 6, 7, and 8 in Township II South, Range II West, Kateel River Meridian, Alaska. The permit was issued in April, 1967, and it has over eight years remaining in its primary term. The permit contains 1066 acres. See enclosed lease map.

GEOGRAPHIC SETTING

The Ungalik Prospect is located approximately sixty nautical miles north of Unalakleet, Alaska, on the east coast of Norton Bay. The prospect is approximately one hundred twenty five nautical miles east of Nome, Alaska, which is the principal supply center for the area. The area is at Latitude 64 degrees 34 minutes North, Longitude 160 degrees 55 minutes West. See index map and figures 1 and 2.

Norton Bay is a wide, shallow bay at the north east end of Norton Sound, an arm of the Bering Sea. The bay is gradually filling with clastic material supplied by the streams on its periphery.

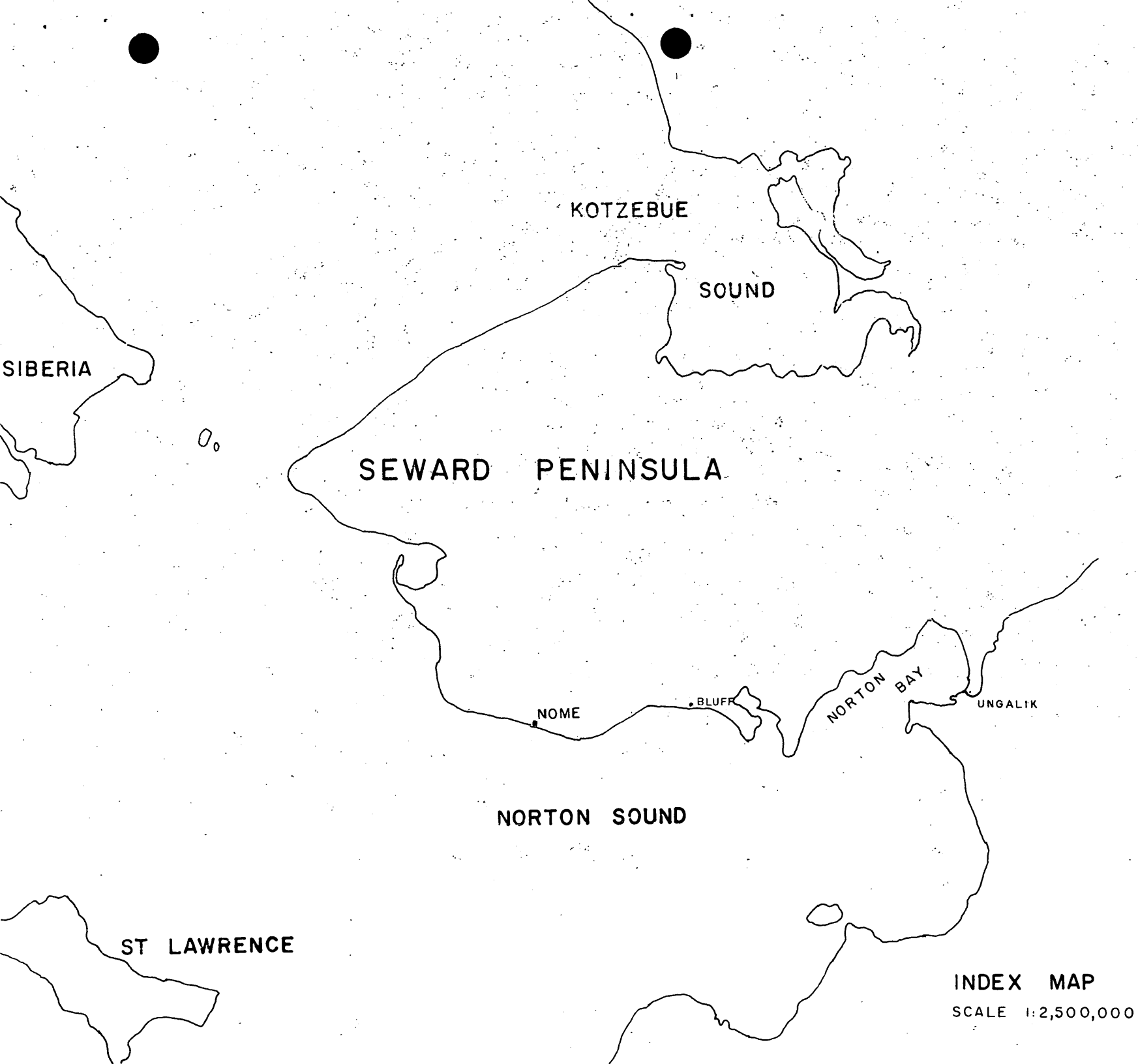
The Ungalik Prospecting Permit is on the delta of the Ungalik River. The delta of the river is growing rapidly as water depths noted in 1968 were considerably less than those of the USC & GS survey of 1900. The river maintains a channel through the delta which can be navigated by shallow draft boats during high tide.

There is no settlement at Ungalik. Cabins are on the river banks which are used by natives for shelter during the fishing season.

The enclosed topographic map shows the principal features of the area.

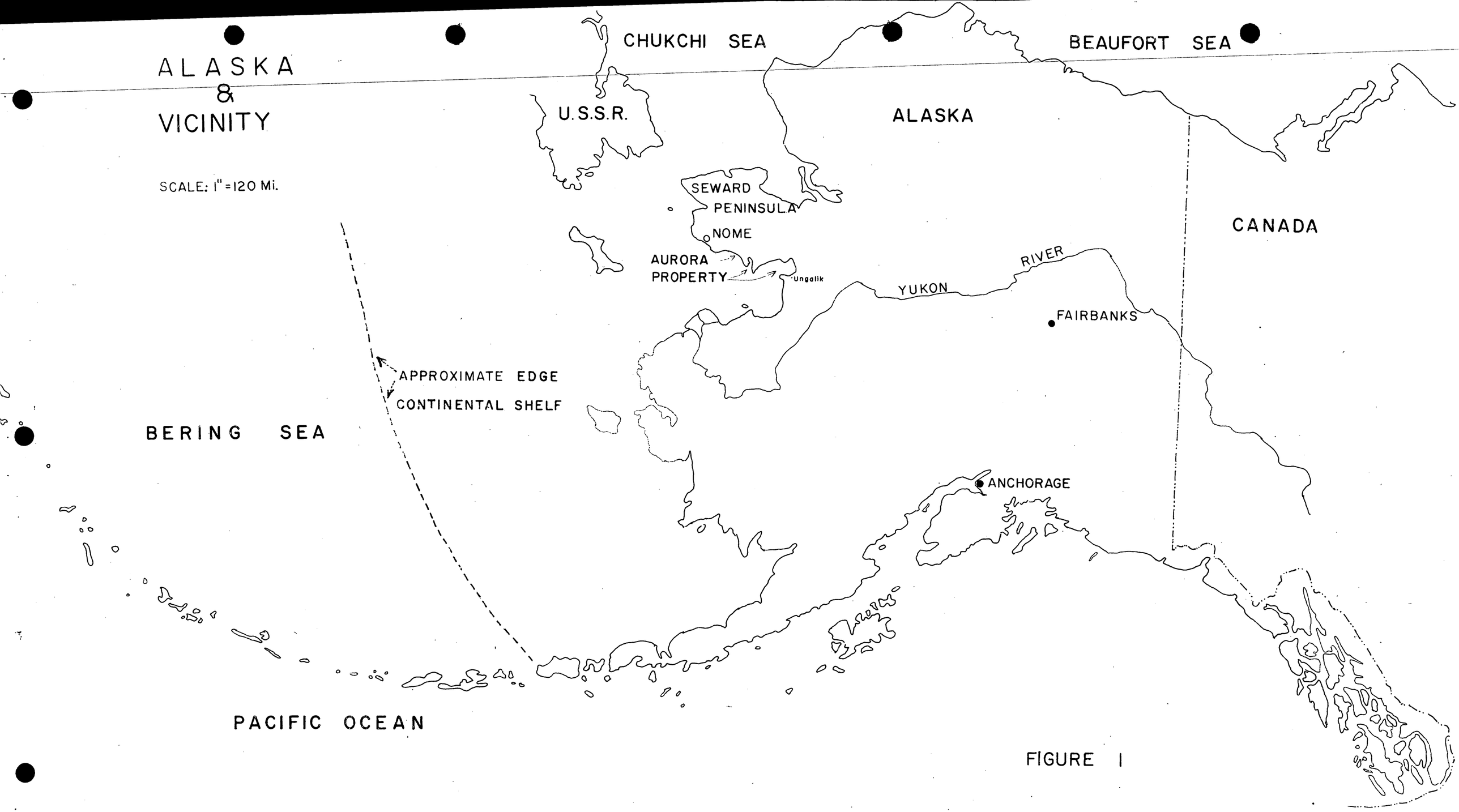
HISTORY

References to gold on the Ungalik River go back to as early as 1905 in the publications of the United States Geological Survey. From a study of the literature it appears gold has been produced from placers near the mouth of the Ungalik River almost continuously for over sixty years. In 1939 two dredges were operating on the Ungalik between the river mouth and the hills behind the coastal plain. Currently a dredge is operating on the river where a small creek called Bonanza enters the main river; this is five air miles above the mouth of the river. No production figures are available on any of the mining operations on the district.



INDEX MAP

SCALE 1:2,500,000


ALASKA
&
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SCALE: 1" = 120 Mi.
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BEAUFORT SEA
U.S.S.R.
ALASKA
CANADA
SEWARD
PENINSULA
NOME
AURORA
PROPERTY
Ungalik
YUKON
RIVER
FAIRBANKS
APPROXIMATE EDGE
CONTINENTAL SHELF
BERING SEA
ANCHORAGE
PACIFIC OCEAN

FIGURE 1

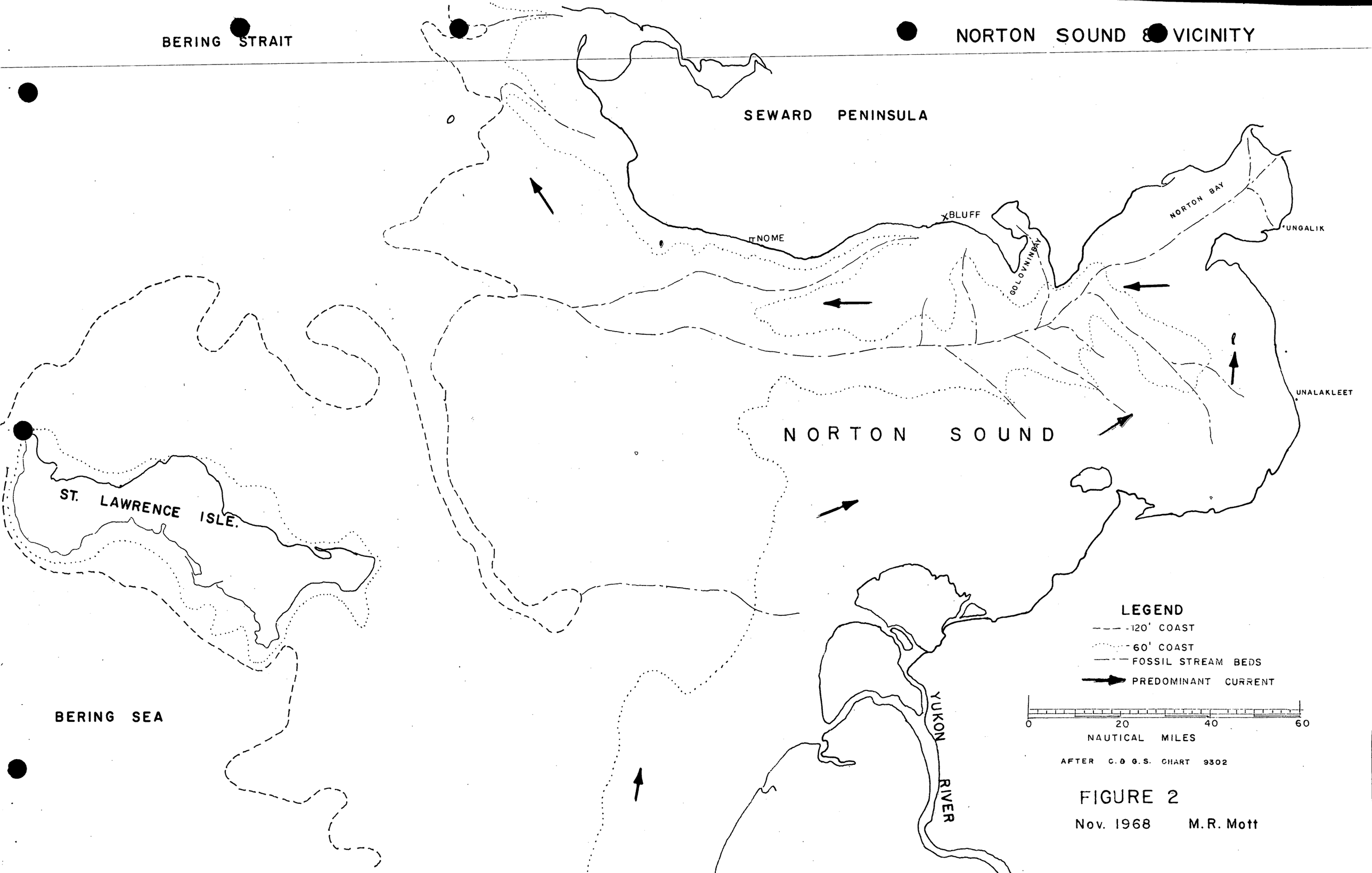


FIGURE 2

Nov. 1968 M.R. Mott

Aurora's interest in the area was aroused by reports that an elderly couple had lived at the mouth of the Ungalik for over fifty years and had made themselves a fair living during that time by panning the gold from the gravel bars in the river. It was reported that they spent their summers at Ungalik and made enough money to live in Anchorage during the winter. There is no mention of this operation in any publications.

The area has received little attention from prospectors or geologists because of its inaccessibility. Thus, the people who have mined in the district have not made public their production.

GEOLOGY

The area under discussion is located on the boundary between the Koyukuk Geosyncline and the Brooks Range Geanticline. The Seward Peninsula is a portion of the Geanticline, and the Koyukuk Geosyncline is a large Cretaceous sedimantary basin which is north and east of the prospect area. The geologic history of the area has been favorable for the accumulation of gold and other heavy minerals in placer deposits.

Lithology

The oldest rock unit in the area is a conglomerate of Cretaceous Age. The Ungalik conglomerate is exposed in the hills east of the coastal plain. The source of this unit was probably the Paleozoic rocks of the Seward Peninsula.

Overlying the Cretaceous conglomerates is a veneer of Quaternary alluvial deposits. These deposits are a complex mixture of marine, river, and deltaic sediments grading rapidly from one type of sediment to the other. From what has been learned from exploration to the west, it can be anticipated that the Quaternary sediments will be sixty to seventy feet thick in the delta of the Ungalik. The Quaternary sediments at the mouth of the Ungalik have been derived from the erosion of an area which encompasses one thousand square miles; thus a wide variety of rocks make up the matrix of the sediments.

Mineralization

The fact that gold is present in the sediments in and adjacent to the Ungalik River is somewhat incongruous. There are no lode deposits of gold reported in the Cretaceous sediments of the area drained by the Ungalik River; thus it would seem unlikely that placer deposits of gold would be found in the area. There is an igneous intrusive at Christmas Mountain where veins of stibnite and scheelite have been reported, and the coarser material in the stream suggests that there are acidic and basic intrusives and extrusives up stream from the prospect, but these have not been mapped.

A possible source for the gold found in the placer deposits in the district may be the conglomerates exposed throughout the drainage of the Ungalik River. The Cretaceous sediments were derived from the erosion of the mineralized bedrock of the Seward Peninsula; in all probability placer deposits were formed in the Cretaceous rocks throughout the area. The modern placer depoists have been formed by the destruction of the older placers. (A situation similar to this has been observed in the Cretaceous sediments in Northern California.

Geologic History

During Paleozoic time this area was a portion of the Cordilleran Geosyncline and thick units of marine sediments were deposited then.

During Mesezoic time the Brooks Range Geanticline was formed. The Seward Peninsula and the Brooks Range are the remnants of the Geanticline. Cretaceous sediments were deposited in the Koyukuk Geosyncline. The Ungalik Conglomerate exposed east of the prospect is characteristic of the type of sediments deposited on the rim of the Geosyncline.

During Tertiary time the area was uplifted and erosion of the sediments was started. Some intrusive activity occurred in the immediate area of the Ungalik River, (Christmas Mountain.)

In Quaternary time the area was above and below sea level numerous times as the glacial epochs caused sea level to rise and fall. There are marine cut terraces several hundred feet above sea level in the hills in back of Ungalik, and farther to the west evidence of regressions of sea level have been observed. During periods when sea level was low the Ungalik River cut a channel into bedrock and was one of the tributaries of the Koyuk River, see figure 2. During periods of high sea level the lighter sediments were transported away from the area by wave and current action, and only the heavier minerals such as gold were left in pockets on bedrock in the river channel. Thus natural phenomena have concentrated only the heaviest minerals in the sediments found near the mouth of the Ungalik.

AURORA SAMPLING

Samples were taken at the stations shown on the enclosed map. Samples one and two were packed in bags and shipped to San Diego for study. At station 3 a concentrated sample was recovered by panning at the site. At station 4 the material in the bank of the river was studied by panning, but no sample was taken because of the similarity to the material at station 3. Further sampling would have been done, but the weather was bad, and it was necessary to leave the area before the work was completed.

Below is a description of the samples:

Sample 1.

Weight, 55 lbs.; volume, 0.5 cubic foot.
60% of the material was pebble size material grading from a medium sized pebble to small cobbles.
40% of the material was a medium to coarse grained sand.

The coarser material consists of pebbles of quartzite, silicified limestone, red chert, slate, and a few dark silicified lime pebbles. The pebbles varied from sub round to rough and angular. The more resistant rocks were the least worn.

The finer fraction of the sample consisted of quartz, chert, scheelite, magnetite, hematite, granite pebbles, garnet, and a variety of other minerals.

The material was panned by a professional panner, and the heavy minerals were separated from the sample. Within the concentrate was a high percentage of hematite, magnetite, zircon, scheelite, garnet, and gold. (There were several discreet varieties of gold observable in the sample. Some of the small nuggets were a bright red; some were a normal gold color; and a few were a very light gold color.) The gold particles were rounded and well worn. The final sample was shipped to a laboratory for total analysis of the minerals present.

Sample 2:

Weight, 40 lbs,; volume, 0.4 cubic foot.

The proportions and content of the sample was indiscrenable from sample 1.

The concentrate from sample 2 was almost identical with sample 1 as to mineral content. No difference could be observed under a twenty power microscope.

Sample 2 has also been sent to a laboratory for total analysis.

Sample 3:

Sample 3 was taken at the mouth of the Ungalik River and panned at the sample site. The concentrate from the sample was very similar to samples one and two. The concentrate from sample 3 represents the residual material from approximately ten pounds of aggregate sample.

The significant feature is the presence of gold in what amounts to three random samples taken from the surface of the deltaic sediments. This occurrence indicates gold is transported by the Ungalik River to its delta where it is deposited throughout the delta. During the spring "break-up" coarser gold will be deposited on the surface of the delta and will be buried by lighter material. Some of the gold particles

observed would be classed as medium gold in the samples taken by Aurora; thus it can be anticipated that coarser gold will be found as samples are taken at a greater depth.

Another significant feature of the samples and observations taken by Aurora is the high percentage of coarse material scattered over the surface of the delta. This indicates the Ungalik River is eroding downward to its base level at a rapid rate, and it also indicates the river is capable of and is transporting a heavy load of coarse material into Norton Bay. As far as a mile out from the mouth of the river cobbles several inches in diameter were moving along the channel; thus the stream is capable of transporting gold nuggets a tenth as large.

From the amount of gold found in the samples it can be estimated that the value of the surface material within the top three feet of the delta could average out at approximately $2.00 per cubic yard. Of course this average is based upon only three samples over a wide area, and additional work should be done to confirm this. The Prospecting permit covers 1,066 acres; if similar amounts of gold are present over the total area then over $10 million in gold is present in the top three feet of the delta. This can be easily mined by a small suction dredge.

EXPLORATION

It appears probable that gold values will increase with depth within the delta. Thus it appears advisable to conduct an exploration program in order to outline the areas of greater ore concentration and to determine the depth to bedrock.

A magnetometer survey of the property would indicate the location of the greatest concentrations of heavy minerals and would probably outline the location of the submerged channel of the Ungalik. The magnetometer survey would also indicate the location of placer deposits above bedrock. It is recommended that approximately eighteen miles of traverse be run with the stations approximately fifty feet apart.

Contemporaneously with the magnetometer program it is recommended that samples of the surface of the delta be taken with a portable suction dredge. It is recommended that approximately thirty samples be taken over the property. No less than a cubic yard of material should be taken at each spot, and the sample concentrated at the site and tested for gold.

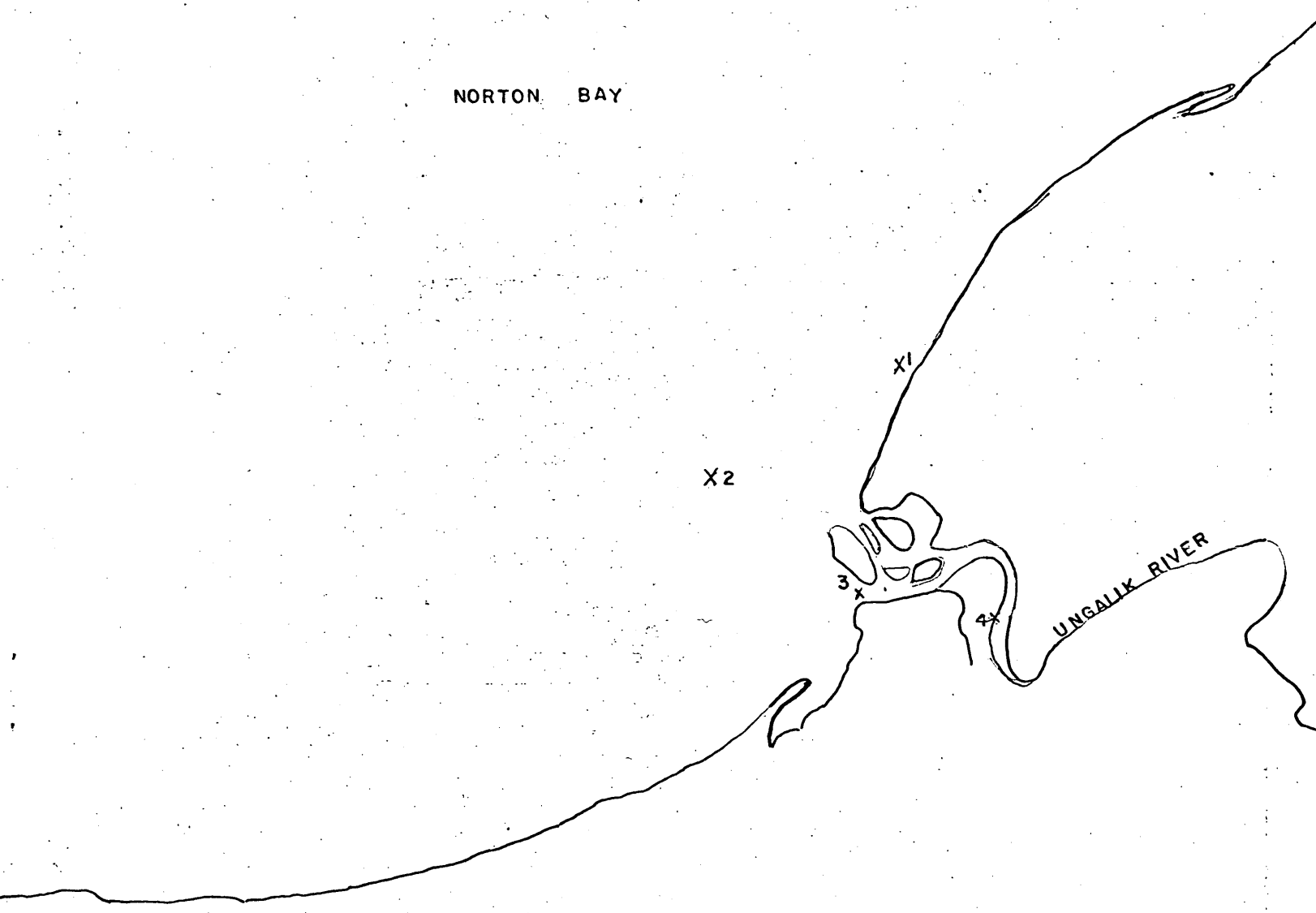
After the magnetometer survey and the surface sampling program it is recommended that the larger magnetic anomalies be tested with a drill capable of sampling to bedrock.

A sub-bottom seismic survey of the area would be of value in selecting the location of buried channels cut by the Ungalik River; it is recommended that approximately thirty miles of seismic work be done on the prospect in order to outline the channels.

SUMMARY AND RECOMMENDATIONS

Present data indicates commercial amounts of gold are present in the sediments in the delta of the Ungalik River. Alaska Offshore Prospecting Permit Number 35092 covers the prospect area.

It is recommended that a comprehensive exploration program be conducted on the property.



UNGALIK PROSPECT

SAMPLE LOCATIONS

AURORA MINING CO., 1968

0 1/2 1 MILE

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
12/19/68	Peters	120
12/19/68	Kirkemo	120
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12/19	coc	220
		120M

AIRMAIL

DEC 19 1968

Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

Re: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35002
Norton Bay, Alaska

Gentlemen:

This will acknowledge your letter of December 16 concerning the subject application for exploration assistance.

As we wish to cooperate with you fully in allowing ample time to furnish the necessary data, we shall be pleased to keep your file active for an additional 90 days pending receipt of the material requested. However, for administrative and fiscal reasons this office cannot indefinitely defer action on an application. Therefore, if we do not receive the data by about March 20, 1969, we shall consider the application as having been withdrawn.

Sincerely yours,

Harold Kirkemo
for Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II w/incoming ltr. dtd. 12/16/68
Mr. Peterson

ECPeterson/bsl 12/19/68

AURORA MINING COMPANY, INC.

1901 TIDEWATER ROAD
ANCHORAGE, ALASKA 99501
(907) 279-4222

[illegible]
LA JOLLA, CALIFORNIA 92037
(714) 274-0622

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16 December 1968

Mr. Frank E. Johnson
Chief, Office of Minerals Exploration
United States Department of the Interior
Geological Survey
Washington, D. C. 20242

Re: OME-6752 (Gold)

Dear Mr. Johnson:

My apologies for not having supplied a written answer to your letter of October 21, 1968, re: the referenced application for an Exploration Loan.

Subsequent to my telecon with you on the subject I have discussed at length the situation with our geologist and Manager of Exploration, Mr. Max Mott. We have decided that although we will pursue the application referenced above, we will also apply for a contract to explore two new targets for gold on the mining lease ADL 22618. This lease is adjacent to the beach at Bluff, Alaska and is traversed by the Daniels, Ryan and El Dorado Creeks. Aurora has done extensive work on one target of the Daniels Creek and developed a very economical deposit of gold. We have a complete geological study of the lease, core drillings, seismic records have been made, etc.

Because the Daniels Creek and Ungalik River sediments correlate so well geologically, and because of our very successful exploration of the first target on Daniels Creek it is our ultimate intention to run parallel programs on lease ADL 22618, on Permit 35092*, and on a similar target in Golovnin Bay. In this way we can utilize men and equipment much more efficiently and be much more effective in our exploration efforts.

We will need a few more days on OME-6752 (Gold) but hope to have negotiations with your office completed by 1 February 1969.

Incidentally Aurora considers it a waste of our time and yours to obtain competitive bids for this work. To begin with, no one has adequate experience to fulfil our requirements and no other company except Shell has a background in ocean exploration in that environ-

ment. Shell is not interested outside their own leases and permits adjacent to Nome. For these reasons we intend to perform the work ourselves because we have the only employees with qualifications and experience in both winter and summer seasons in this area of endeavor. If this does not meet your requirements, please advise and the reasons.

Sincerely,

M. C. "Bill" Terry
President

MCT/jt

*Our records from the state of Alaska indicate the Permit # as 35092, yet I see by our previous correspondence that Mr. Mott referred it to you as 35002. I believe the 35092 to be correct so would you please correct your records to reflect this change.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
12/9/68	Peterson	120
12/9/68	Kikkema	120
		110
12/9	CAC	220
		120M

DEC 9 1968

AIRMAIL

Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

Re: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35002
Norton Bay, Alaska

Gentlemen:

We have not had a reply to our letter of October 21, 1968. If you need additional time to prepare the information, please let us know. If we do not receive a reply from you within 30 days from the date of this letter, we must assume that you are no longer interested in proceeding with your application and we shall consider it as having been withdrawn.

Sincerely yours,

FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II
Mr. Peterson

ECPeterson/bsl 12/9/68

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/21/68	Peterson	120
	(on leave)	120
		110
10/21	cal	220
		120M

OCT 21 1968

AIRMAIL

Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

Re: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35002
Norton Bay, Alaska

Gentlemen:

On August 29, 1968, we wrote you outlining certain information which was necessary to continue the processing of you application. To date, we have not received these data. Will you please inform us of your plans regarding the application. If you have decided not to pursue it further, will you please so inform us.

Sincerely yours,

FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II
Mr. Peterson

ECPeterson/bsl 10/21/68

10/21 - Talked now with Jim Young - Will send Jim copy of Sept 29 letter

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/29/68	Peterson	120
	On leave	120
		110
8/29	cal	220
		120M

AIRMAIL

AUG 29 1968

Aurora Mining Company, Inc.
P. O. Box 2246
La Jolla, California 92037

Re: OME-6752 (Gold)
Aurora Mining Company, Inc.
Alaska Offshore Prospecting
Permit No. 35002
Norton Bay, Alaska

Gentlemen:

Our review of your application for financial assistance indicates that geological data necessary to support and for us to properly evaluate your proposal have not been furnished.

Information needed includes sample and assay data, specific targets identified, maps or sketches accurately showing the depth of water, depth to bed rock, slope of bedrock, a detailed plan of the proposed work, and any additional geologic data which may be available pertinent to the project area.

It should be noted that work designed to gather preliminary geologic information is not eligible for Government assistance. The OME program is limited to the exploration of specific geologic targets in specific areas, and excludes participation in work required to delineate these targets and obtaining the necessary supporting evidence. Such material should be obtained by the Applicant at his own expense prior to the submittal of an application.

In addition to the supporting data, the following additional information is required to complete your application:

Furnish copies of your correspondence to the two banks requesting an exploration loan. The letters should state the amount of the loan, purpose, date, and terms requested. Your statement that the loan requests were conducted orally with the banks is not sufficient for our records.

To aid us in determining your financial eligibility for assistance, please submit a recent financial statement of the Aurora Mining Company, Inc.

As you know, the State of Alaska cannot execute a subordination agreement covering the land included in the prospecting permit. Therefore, it will be necessary to have your assurance that the company is able and willing to provide a Performance Bond covering the Government's share of the estimated project costs in the event of an exploration contract.

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

The cost estimate should be supported by bids from two independent contractors if possible for each item of work. The bids should include such information as to the type of equipment to be used, size of drill hole, and means for sample collection.

We shall be pleased to continue the processing of your application upon receipt of the requested information; however, nothing in this letter should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME docket
OME Reading File
OME Region II (2)
Mr. Peterson

ECPeterson/gla 8-29-68

August 22, 1968

Mr. Max R. Mott
President
Aurora Mining Company, Inc.
P. O. Box 2246
LaJolla, California 92037

Subject: OME-6752

Gentlemen:

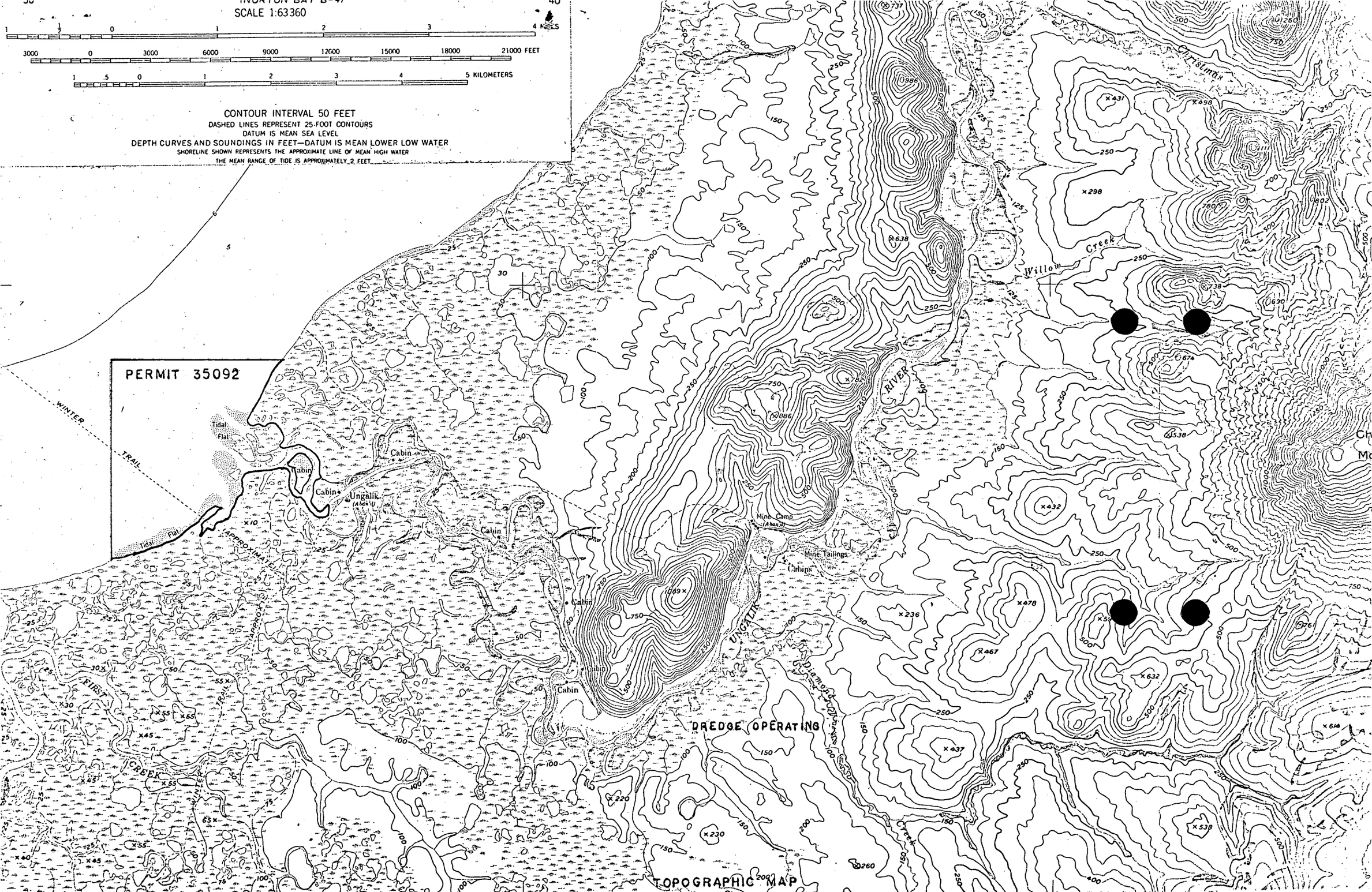
Your application for exploration assistance, dated August 12, 1968, submitted to our office at Menlo Park, California, has been assigned Docket No. OME-6752.

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

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to Region II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4 MILES
21000 FEET
5 KILOMETERS
CONTOUR INTERVAL 50 FEET
DASHED LINES REPRESENT 25-FOOT CONTOURS
DATUM IS MEAN SEA LEVEL
DEPTH CURVES AND SOUNDINGS IN FEET—DATUM IS MEAN LOWER LOW WATER
SHORELINE SHOWN REPRESENTS THE APPROXIMATE LINE OF MEAN HIGH WATER
THE MEAN RANGE OF TIDE IS APPROXIMATELY 2 FEET
PERMIT 35092
WINTER TRAIL
Tidal Flat
Cabin
Ungalik
Mine Camp
Mine Tailings
Cabins
UNGALIK
RIVER
Willow Creek
Christmas
Diamond
Creek
FIRST CREEK
WINTER TRAIL
APPROXIMATE
DREDGE OPERATING
TOPOGRAPHIC MAP