DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE | Idm-E NO._____ | DMEA NO. 4906

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified

24 JUN 1958 1221

- [ ] 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
- [x] 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 Semi-Annual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual 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

17963

RECEIVED
JUL 17 1958
D.M.E.A.

Government's Copy

JUN 28 11 AM 1958

MF-200
(Revised June 195)

Docket No. DMEA

Commodity cobalt-copper

Contract No. Idm-E 1221

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 24 JUN 1958 day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Capital-Seaboard Corporation a Texas Corporation

whose mailing address is P. O. Box 1847 Farmington, New Mexico, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200), the attached Exhibit "A," Annex I, and 2 maps Figures 1 and 2

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Idaho, County of Lemhi, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] sub-lessee-optionee of [5] See Annex I in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] (See Annex I), [7] recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: Interests of Lessors, Ernest & Esther Waterman, and of sub-lessors, K. E. Hamblen, Earl R. Marble, Jr., Pierre R. Hines, Kenneth A Moores and Jerome S. Bischoff

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

of the land (lessor, seller, optionor, etc.), are attached, as follows: Consents to Lien and Subordination Agreements of lessors and sub-lessors

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of cobalt-copper. The work to be performed is described in Exhibit "A." The Operator on or before AUG 1 1958 shall commence the work, and on or before 2 years from date of Contract (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall either have completed the work or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A," except as otherwise provided in Exhibit "A" with respect to stages of work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

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

(c) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $65,200.00. The Government shall contribute 62½ percent of the allowable costs as they are incurred in a total sum not in excess of $40,750.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated, total allowable cost of the work. **See Article 13.**

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums. **See Article 13.**

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

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

CATEGORY (4)—OPERATING EQUIPMENT.

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

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

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

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

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

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

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

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

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

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

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

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

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article ~~x~~ 8. **See Article 13.**

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

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

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

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

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—

(a) Notwithstanding any other provision of the Contract, the allowable unit cost per foot of a drilling item is the average unit cost per foot computed on the basis of all the actual unit costs of said drilling item incurred by the Operator: Provided, That the Government will not contribute to any portion of an average unit cost of a drilling item that exceeds the estimated unit cost of said item set forth in the Contract.

(b) In addition to the costs of work estimated in Exhibit "A" by categories of actual costs, the costs of work requirements specified in Exhibit "A" as "Fixed Unit Costs" are allowable costs of the project. The Government will contribute to the fixed unit costs as work units are performed. A "Fixed Unit Cost" is an agreed price for each unit of work to be performed regardless of costs incurred by the Operator. Costs set forth in Exhibit "A" include all allowable costs of the work to be performed under the Contract.

(c) In the last sentence of Article 6(c), the words "Article 8" are substituted for the words "Article 9".

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals Exploration Administration

CAPITAL-SEABOARD CORPORATION
(Operator)

By _____

Title _____

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

_____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70017-1

35485

EXPLORATION PROJECT CONTRACT
CAPITAL-SEABOARD CORPORATION
DOCKET NO. DMEA-4906

ANNEX I

The land referred to in Article 2 of the Contract consists of 6 unpatented lode claims and a mill site located in sections 13 and 14, T. 21 N., R. 18 E., Boise Meridian, Lemhi County, Idaho, and recorded in the official records of Lemhi County, as follows:

Claim Name	Book	Page
Long Dike	3	622
Long Dike No. 2	3	623
Long Dike No. 3	3	624
Long Dike No. 4	6	600
Long Dike No. 5	6	601
Long Dike Extension	3	625
Long Dike Lode (Mill Site)	3	626

The land is shown on the attached map, Fig. 2, entitled "Sketch Map of Long Dike Claims", and map, Fig. 1, entitled "Location Map, Capital-Seaboard Corp.".

The Operator is sublessee-optionee of the land pursuant to an assignment dated December 23, 1957, from Capitol Uranium Company of its lease dated August 29, 1957, with K. E. Hamblen, Earl R. Hamblen, Jr., Pierre R. Hines, Kenneth A. Moores and Jerome S. Bischoff, said lease being subject to a lease from the owners, Esther and Ernest Waterman, dated September 2, 1954, as amended August 23, 1955, June 17, 1956 and December 16, 1957.

MF-205
(Combines and supercedes MF-[illegible] and MF-203)
June 1956

[illegible] Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-4906 (Cobalt)
Contract No. Idm-E 1226
Contract Date JUN 24 1958

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Lemhi, State of Idaho, described as follows: 2/

	Book	Page		Book	Page
Repose	8	382	Pinnacle	8	381
Repose Fraction	8	383	Long Dike	3	622
Deer Haven	8	383	Long Dike No. 2	3	623
Deer Haven No. 2	8	384	Long Dike No. 3	3	624
Deer Haven No. 3	8	384	Long Dike No. 4	6	600
Hornet	8	382	Long Dike No. 5	6	601
Bumble Bee	8	380-1	Long Dike Extension	3	625
			Long Dike Mill Site	3	626

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. 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;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest 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. 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 lines blank.)

None

1/ Mining or 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 cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. 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 copies of such notice; and

6. 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.

7. Added provision: _____ (State "None" or "See Annex No.____")

Dated this 9 day of June, 1958

Jerome S. Bailey	[Seal]	902 Cascade Bldg Portland	[Address]
K S Hamilton	[Seal]	2825 SW Montgomery Dr - Portland Ore	[Address]
Kenneth A. Hodges	[Seal]	1118 - 37th Ave No. Seattle 2 Wn.	[Address]
Pierre P. Ahnes	[Seal]	02973 SW Military Rd Portland 19 Oregon	[Address]
	[Seal]		[Address]
	[Seal]		[Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, 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]

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA- 4906 (Cobalt)
Contract No. Idm-E 1221
Contract Date JUN 24 1958

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Lemhi, State of Idaho, described as follows: 2/

	Book	Page		Book	Page
Repose	8	382	Pinnacle	8	381
Repose Fraction	8	383	Long Dike	3	622
Deer Haven	8	383	Long Dike No. 2	3	623
Deer Haven No. 2	8	384	Long Dike No. 3	3	624
Deer Haven No. 3	8	384	Long Dike No. 4	6	600
Hornet	8	382	Long Dike No. 5	6	601
Bumble Bee	8	380-1	Long Dike Extension	3	625
			Long Dike Mill Site	3	626

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. 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;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest 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. 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 lines blank.)

None

1/ Mining or 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 cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. 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 copies of such notice; and

6. 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.

7. Added provision: _____ (State "None" or "See Annex No.____")

Dated this 9 day of Jeems, 1958

Earl R. Marble, Jr. [Seal] 417 MORRIS AVE., SUMMIT, N.J. [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, 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]

MF-205
(Combines and supercedes MF-20[illegible] and MF-203)
June 1956

For Government's Use Only
EXPLOR[illegible]ON PROJECT CONTRACT
Operator
Docket No. DMEA- 4906
Contract No. Idm-E 1221
Contract Date 24 JUN 1958

RECEIVED
DEC 30 1957
D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Lemhi, State of Idaho, described as follows: 2/

	Book	Page		Book	Page
Repose	8	382	Pinnacle	8	381
Repose Fraction	8	383	Long Dike	3	622
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			Long Dike Mill Site	3	626

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1. 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;

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4. 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 lines blank.)

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

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5. 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 copies of such notice; and

6. 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.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 20th day of November, 1957.

	[Seal]		[Address]
Esther L. Waterman	[Seal]	Salmon, Idaho	[Address]
Ernest H. Waterman	[Seal]	Salmon, Idaho	[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, 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]

EXPLORATION PROJECT CONTRACT
CAPITAL-SEABOARD CORPORATION
DOCKET NO. DMEA-4906

EXHIBIT "A"

Description of the Work

The purpose of the work is to explore a cobalt-copper bearing zone on the Long Dike claims located in a zone similar to other cobalt-copper bearing areas in the Blackbird District.

All work shall be supervised by a Supervisor-engineer.

Bulldozing shall be performed with a D-7 or equivalent of another make.

The locations, directions, and extent of all work are subject to the approval of the Government.

The work is set forth below in two stages. The Operator shall complete Stage I, and shall perform as much of the Stage II work as the Government approves in writing in advance.

Stage I

1. Build approximately 2 miles of access road along a route selected by the Operator. Not to exceed 250 hours of bulldozing shall be performed in connection with the road building.

2. Bulldoze approximately 5 trenches at locations on the Long Dike claims approved in advance by the Government. Not to exceed 150 hours of bulldozing shall be performed in connection with trenching. Mineralized zones in trenches shall be sampled and the samples assayed for cobalt and copper.

3. The areas between trenches shall be geo-chemically surveyed, samples taken at approximately 50 foot intervals, along fences, approximately 100 feet apart, and the samples analyzed for cobalt and copper. Not more than 300 geo-chemical analyses shall be made.

4. Drill about ten diamond drill holes to a depth of approximately 300 to 350 feet and at about 100 foot intervals; the total depth not to exceed 3000 feet. The drill holes shall not be less than AX in size, and shall be cemented and redrilled or reamed and cased as necessary. Drill holes are intended to intersect the mineralized structure at vertical depths of 150 to 250 feet. The locations shall be determined after trenching and geo-chemical analysis and shall be subject to prior approval of the Government. Course and inclination shall have the approval of the Government.

Stage II

1. Construct a compressor and shop building approximately 12 feet by 18 feet in floor plan.

2. Crosscut and drift a total of not more than 600 feet, timbered as necessary, not less than 5 feet by 7 feet in the clear.

3. Mineralized zones shall be sampled and the samples assayed for cobalt and copper.

Estimated Costs of the Project

Actual Costs

Stage I

Category (1) Independent Contracts (See Article 13(a)

Bulldoze access road, 250 hrs. @ $15.00/hr.	$3,750.00	
Bulldoze trenching, 150 hrs. @ $15.00/hr.	2,250.00	
Transportation of bulldozer	100.00	$6,100.00
Diamond drilling 3,000 feet @ $7.00/ft.	21,000.00	
Mobilization of drill and equipment	400.00	
Reaming and casing, 500 feet @ $3.00/ft.	1,500.00	
Cementing and redrilling, 50 hours @ $9.60/hr.	480.00	
Standpipe, 150 feet @ $8.00/ft.	1,200.00	

Lost casing, 200 feet @ $2.00/ft. (Casing left in hole at option of Operator is excluded.)	$ 400.00	
9 set-ups @ $80.00/each	720.00	$25,700.00

Category (2) Personal Services

(a) and (b) Supervision and Technical Services

1 Supervisor-engineer, 5 mos. @ $600.00/mo.	$3,000.00	
1 Engineer's helper, 120 days @ $17.00/day plus overtime	2,210.00	5,210.00

Category (3) Operating Materials and Supplies

Gasoline, car maintenance, etc.	253.00	
Sample sacks, 300 at $0.15/each and 100 at $0.25/each	70.00	
90 Wooden core boxes at $4.00/each	360.00	683.00

Category (4) Operating Equipment

(a) Rental - None
(b) Purchases, - None
(c) Depreciation
Pick-up, 120 days @ $5.00/day — 600.00

Category (5) Initial Rehabilitation and Repairs

None

Category (6) New Buildings, Fixtures, Installations

None

Category (7) Miscellaneous

None except

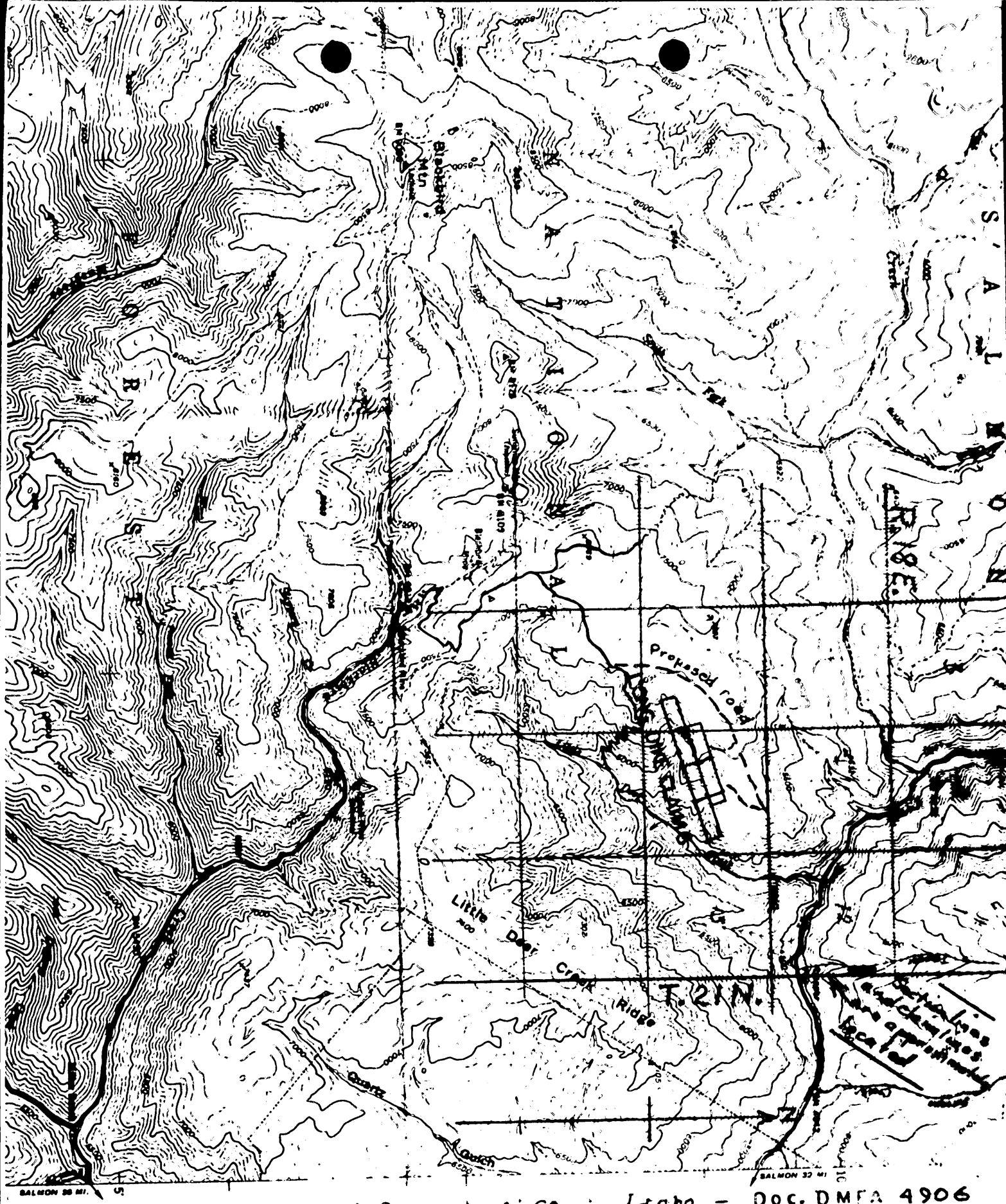
Unemployment compensation, Industrial Ins., Social Security, $5,210.00 at 14.9 percent (rounded)	777.00
Geo-chemical analysis for cobalt and copper, 300 at $2.00/each	600.00

Assaying trench and core samples for cobalt and copper, 90 samples @ $6.00/each	540.00	$1,917.00
Estimated Total Cost of Stage I		$40,210.00

Stage II

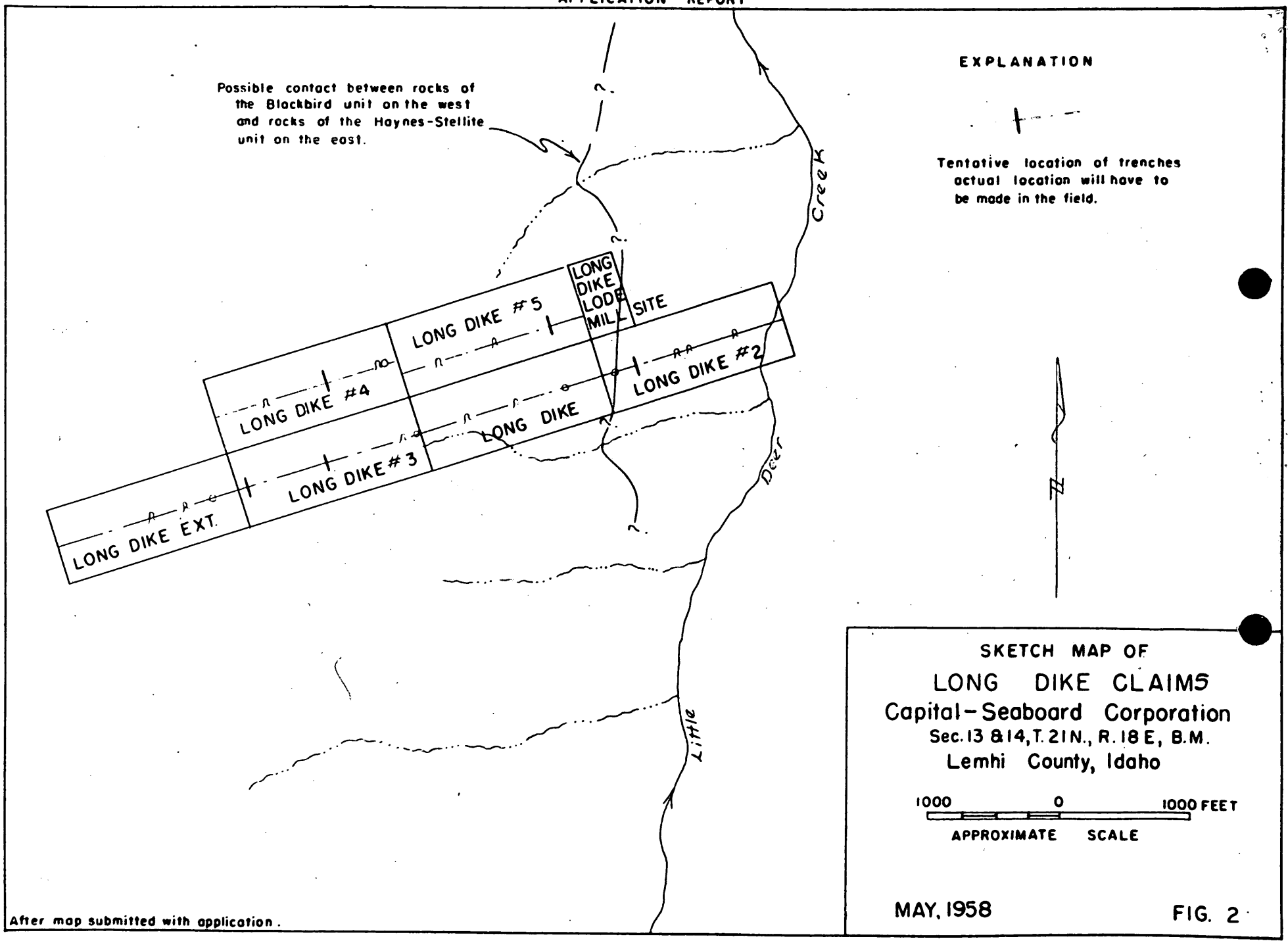
Fixed Unit Costs (See Article 13(b)

Compressor and shop building (salvage deducted)	$ 500.00	
Crosscutting and drifting, 600 feet @ $34.50/ft.	20,700.00	
Timbering, 500 feet @ $7.10/ft.	3,550.00	
Assaying for cobalt and copper, 40 samples at $6.00/each	240.00	
Estimated Total Cost of Stage II		$24,990.00
Estimated Total Cost of Stage I	$40,210.00	
Estimated Total Cost of Stage II	24,990.00	
Estimated Total Cost of Project	$65,200.00	
Government participation, 62½ percent	$40,750.00	



Location Map-Capital Seaboard Corp. Lemhi CO. , Idaho - Doc. DMFA 4906

Blackbird Mtn Quadrangle, Idaho Scale-1:5,280' Figure 1



After map submitted with application.

DMEA

OFFICIAL FILE COPY
DMEA
RECEIVED APR 18 1958
DATE | INIT. | CODE

ASSIGNMENT OF MINING LEASE

AND OPTION TO PURCHASE

The undersigned as lessee of that mining lease and option to purchase dated the 29th day of August, 1957, wherein K. E. Hamblen, Earl R. Marble, Jr., Pierre R. Hines, Kenneth A. Moores and Jerome S. Bischoff are lessors, and which lease related to the following described mining claims located in the Little Deer Creek Blackbird Mountain Quadrangle, County of Lemhi, State of Idaho:

Group 1:	Book	Page	Mining Records Lemhi Co., Idaho
Repose	8	382	" " "
Repose Fraction	8	383	" " "
Deer Haven	8	383	" " "
Deer Haven No. 2	8	384	" " "
Deer Haven No. 3	8	384	" " "
Hornet	8	382	" " "
Bumble Bee	8	380 and 381	" " "
Pinnacle	8	381	" " "
Group 2:			
Long Dike	3	622	" " "
Long Dike No. 2	3	623	" " "
Long Dike No. 3	3	624	" " "
Long Dike No. 4	6	600	" " "
Long Dike No. 5	6	601	" " "
Long Dike Extension	3	625	" " "
Long Dike Mill Site	3	626	" " "

for and in consideration of the sum of Ten Dollars ($10.00) and other valuable considerations, do hereby assign said mining lease and option to purchase to Capital-Seaboard Corporation, 803 West Main Street, Box 1847, Farmington, New Mexico, giving and granting to said assignee the rights and privileges as lessee in such lands, subject to the terms and conditions of said mining lease and option to purchase.

Executed this 23rd day of December, 1957.

CAPITOL URANIUM COMPANY

By Chas. C. St. Jetter
President

Attest:

Secretary

Consent of the undersigned to the foregoing assignment is given this _____ day of December, 1957.

R. E. Hamblen

Earl R. Marble, Jr.

Pierre R. Hines

Kenneth A. Moores

Jerome S. Bieghoff

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

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 30 1957

DATE	INITIALS	CODE

December 27, 1957

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

Re: New Application (Cobalt)
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho

Dear Mr. Selfridge:

Enclosed are the original and two copies of an application received from Mr. K. E. Hamblen, consultant mining engineer for the Capital-Seaboard Corporation, 803 W. Main Street, Farmington, New Mexico. Only one copy each of the accompanying papers were received, which are attached.

We have retained one copy of the application for our files.

Sincerely yours,

A E Weissenborn

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

Enclosures

cc: USBM (2)
Geologist

K. E. HAMBLEN

MINING ENGINEER

2825 S. W. Montgomery Drive
Portland 1, Oregon

December [illegible], 1957

Doc
[illegible]
[illegible] 12/23

Mr. A. E. Weissenborn
Regional Geologist
United States Geological Survey
South 157 Howard Street
Spokane, Washington

Dear Mr. Weissenborn:

Attached please find four copies of Application by Capitol Seaboard Corp. for a M. E. A. Loan assistance for exploration of the Long Dike Group of Claims in Lemhi County, Idaho.

Also included is a true copy of all Agreements to date which bear on title and which can be considered an abstract of date.

Very truly yours,

K. E. HAMBLEN

KEH:mp
Encs.

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 30 1957
DATE | INITIALS | CODE

Form MF–103
Revised Feb. 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

APPLICATION FOR AID IN AN EXPLORATION PROJECT

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

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

Capital-Seaboard Corporation,
P.O. Box 1847,
803 W. Main Street,
Farmington,
New Mexico

RECEIVED
DEC 23 1957
U. S. G. S.
SPOKANE, WASH.

RECEIVED
DEC 30 1957
D.M.E.A.

APPLICANT NOT TO USE THIS BLOCK

Docket Number: DMEA - 4906
Date Received: 12-30-57
Government Participation %:
Region: I
Division Code: 400

BUSINESS ORGANIZATION (Check one)

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

State in which firm is organized: Texas

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

Name	Address	Title
see attached list		

Mineral(s) for which you wish to explore: Cobalt

Estimated Cost of Project: $ 146,400.00

LOCATION OF PROPERTY

Name	County	State
Long Dike Group	Lemhi	Idaho

GENERAL INSTRUCTIONS

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

CERTIFICATION

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

Dated

Charles W. Yetter
BY (Signature)

Charles W. Yetter
Executive Vice-President
Title

Over - see next page

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. *Applicant's Property Rights:*

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

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

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

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

2. *Physical Description:*

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

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

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

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

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

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

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

3. *Accessibility of Project:*

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

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

4. *The Exploration Project:*

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

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

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

5. *Experience:*

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

6. *Estimate of Costs:*

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

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

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

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

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

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

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

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

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

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

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

* * * * *

INT.-DUP. SEC., WASH., D.C. 15539

Following are titles, names and addresses of Officers of

Capital-Seaboard Corporation:

Mr. Floyd H. Corbin, Wichita Falls, Texas
Chairman of the Board & Director

Mr. Joseph H. Corbin, Wichita Falls, Texas
President & Director

Out

See K E Hawkins letter of 4/27/58

Mr. Charles W. Yetter, Farmington, New Mexico
Executive Vice-President& Director

Mr. Ray A. Bennett, Denver, Colorado
Vice-President & Director

Mr. Howard L. Corbin, Graham, Texas
Treasurer & Director

Mr. William A. Pope, Jr. Farmington, New Mexico
Secretary & Director

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DATE	INITIALS	CODE

1- (a)

Claim Name	Book	Page	Mining records Lemhi County Salmon, Idaho	
Repose	8	382	"	"
Repose Fraction	8	383	"	"
Deer Haven	8	383	"	"
Deer Haven #2	8	384	"	"
Deer Haven #3	8	384	"	"
Hornet	8	382	"	"
Bumble Bee	8	380-381	"	"
Pinnacle	8	381	"	"
Long Dike	3	622	"	"
Long Dike #2	3	623	"	"
Long Dike #3	3	624	"	"
Long Dike #4	6	600	"	"
Long Dike #5	6	601	"	"
Long Dike Extension	3	625	"	"
Long Dike Lode (Mill Site)	3	626	"	"

(b) Same as (a)

(c) See attached exact copy of agreements.

(d) None

2- (a) See attached sketch map of claims. Work conducted to date has been confined to surface exploration, consisting of cuts and trenches where mineralization showed at the surface. There are no production facilities.

(b) Work has been conducted by lessors.

(c) There has been no production.

(d) None

(e) The rocks in the vicinity of the Long Dike claims are pre Cambrian quartzites, schists, biotite phyllites, and other metamorphosed sediments. Intrusion of granitic rocks created block faulting of considerable magnitude, numerous dikes and sills, and areas of much shearing. This action created avenues for migration of mineralizing solutions and formation of ore bodies within hydrothermally altered zones. Detailed geologic information of the district is described in USGS reports and papers covering the geology of the nearby Calera Mine, which is at present operating at about 1000 tpd capacity, and is the principal cobalt producer in the U.S.A.

The principal exonomic metals are cobalt and copper, which occur as cobaltite and chalcopyrite. At the surface, as would be expected, these minerals have been oxidized; the cobaltite to erythrite, and the chalcopyrite to copper silicates and carbonates.

Surface indications at the Long Dike area suggest a mineralized zone or zones of considerable length. Cobalt bloom (erythrite) and copper stains can be found in the alluvium at random intervals along a general northeast - southwest zone for more than four

thousand feet, and exploratory cuts have exposed cobalt and copper mineralization over widths up to twenty feet in places.

Exploration is planned to be confined to the Long Dike group of claiis on Little Deer Creek. The geological and structual features in this area are comparable in some respects to those at the Calera mine, and it is probable that the Long Dike area is also within the Blackbird structual block. It is our opinion that the probability of finding ore bodies of economic magnitude are much greater here than on the lower group of claims along Panther Creek, although there is an exposure of rather high grade cobalt ore on the lower claims.

The general geology of the district has been described in various professional papers and manuscripts by both State of Idaho and U. S. Government agencies. Of particular interest is the work done by J. S. Vhay, USGS, over a period of several years.

(f) Assays of surface, or near surface samples are of little value except to indicate the presence of mineralized areas, and serve as guides for ore search. Cobaltite rapidly oxidizes to erythrite, which is a pinkish mineral easily recognized. Where erythrite is present in the surface exposures it is obvious that it is secondary from cobaltite.

One composite sample from cuts on the Long Dike claims where there was visible mineralization assayed 0.65 percent cobalt and 0.70 percent copper. This is ore grade at present metal prices.

(g) No private geologic maps or engineering reports available.

3- (a) The property is at present accessible by trail up Little Deer creek approximately 1-3/4 miles above its confluence with Panther Creek (see map attached), which is on a county road kept open all year. Snow usually begins to fall about November 30, and does not usually leave the ground before April 15.

(b) The town of Cobalt (population 1500) is eight miles by road from the property. Salmon City, which is the County Seat of Lemhi County is 35 miles east, and Challis is 42 miles south.

4- (a) The proposed exploration is to be done in stages as described as follows:

Stage One

Construction of log bridge across Panther Creek. Estimated cost - $4200.00

Construction of approximately two miles of access road up Little Deer Creek from County road to property - Estimate -$1800.00 per mile ---- $3600.00

Geochemical Exploration

Recent geochemical prospecting for cobalt has proved to be very helpful in detecting mineralized areas not exposed at the surface. $1750.00

Dozer Trenching

Following geochemical exploration, dozer exploration by crosscut and lineal trenching will be conducted. This should further expose the known mineralized zones and also outline the length of the zones. It should also serve as a guide to proper location of diamond drill hole sites in the second stage.

Estimate 150 hours - D.6 or D.7 @ $15.00 hour	--	$2250.00
Sampling of trenches - 100 samples @ $12.00	--	1200.00

Stage 2 - Core Drilling

It is estimated that about ten holes spotted to intersect the vein or veins at approximately 150 feet below the surface will be required.

10 holes @ 300 feet average per hole	--	3000 feet
3000 feet @ $12.00 a foot	--	$36,000.00
Sampling of cores and sludge - estimate 15 samples per hole - 150 samples @ $12.00	--	$1500.00

Stage 3 - Underground Exploration

It is estimated that a total approximately 1500 feet of drifting and crosscutting should be sufficient to initially explore mineralized zones located by the core drill program. Location of point or points of entry will be indicated after completion of stages one and two.

1500 feet drift - cut @ $45.00 foot	--	$67,000.00
20 sets timbering @ $60.00 set	--	1,200.00
Long hole drilling to explore width of mineralized zone. 500 feet @ $9.00	--	4,500.00
Sampling - 100 samples @ $12.00 each	--	1,200.00

4- (b) See map.

Starting Date

(c) It is proposed that the exploration be carried out in two summer seasons. To begin approximately April 15, 1958 continuing until about November 1, 1958, and again on or about April 15, 1959, and being completed about November 1, 1959.

Stage 1

Bridge construction - three weeks. April 15 to May 10.

Road construction can proceed along with bridge construction. Road to be completed by June 1.

Geochemical exploration - May 15 to July 15.

Dozer trenching - 150 hours. May 10 to June 15.

Stage 2 Core Drilling - 3000 feet core drilling, June 30 to November 1, 1958.

Stage 3 - Underground exploration.

Starting date May 1, 1959.

1500 feet total - two shifts - 10 feet per day - 150 days - 5 months finish underground exploration approximately October 10, 1959.

5- The direct overall supervision will be the responsibility of the applicant, and particularly by Mr. Charles W. Yetter, Executive Vice President of the corporation. Mr. Yetter has had approximately 25 years experience in mineral examination, mine operation, and consulting practice in many foreign countries as well as the U.S.A.

He is a member of A.I.M.E., National Society of Professional Engineers, and is a Registered Professional Engineer in the State of Colorado.

K. E. Hamblen, consultant, has had more than thirty years experience in mineral examination, exploration, and consulting in Canada, Alaska, Mexico, and the U.S.A. Member A.I.M.E. (1937), Registered Professional Engineer, Oregon (1927).

Ernest Waterman, resident supervisor, is a private contractor, has had various experience in contract mining, road construction, etc.

6- It is proposed to do all work under contract with the exception of geochemical exploration, sampling, supervision, and other minor items.

6- Item 1 - Bridge across Panther Creek - $4,200.00

" 2 - Access Road - 3,600.00

" 3 - Geochemical sampling and analyses - 1,750.00

" 4 - Dozer trenching - 2,250.00

" 5 - Core drilling - 36,000.00

" 6 - Drifts and crosscuts - 67,000.00

" 7 - Long hole drilling - 4,500.00

" 8 - Total samples and analyses - 3,900.00

" 9 - 20 sets timbering - 1,200.00

$124,400.00 $124,400.00

(b)

Item 1 - Supervision (resident)
12 months @ $550.00 - 6,600.00

" 2 - Assistant supervisor (junior engineer and sampler)
12 months @ $400.00 - 4,800.00

" 3 - Consulting service
70 days @ $100.00 per day - 7,000.00

(c) Contractors to furnish operating materials and supplies.

Small items to be furnished by applicant.

(d) - One pickup truck - 2,700.00
$21,100.00 $21,100.00

(e) None

(f) Tool shed and office - 900.00

Total - $146,400.00

(g) All work to be done by independent contractors.

7- (a) Applicant will furnish proportionate share of cost of project.

(b) Proportionate share of cost will be supplied by applicant as cash.

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MINING LEASE AND OPTION TO PURCHASE

THIS MINING LEASE AND OPTION TO PURCHASE, Entered into as of the 19th day of August, 1957, by and between K. E. HAMBLEN, EARL R. HAMBLE, JR., PIERRE R. HINES, KENNETH A. MOORES and JEROME S. BISCHOFF, as Lessors, and CAPITOL URANIUM COMPANY, a Colorado Corporation, as Lessee.

W I T N E S S E T H:

WHEREAS, the Lessors hold the following described mining claims located in the Little Deer Creek Blackbird Mountain Quadrangle, County of Lemhi, State of Idaho, to-wit:

	Book	Page	Mining Records Lemhi County, Idaho.		
Group 1:					
Repose	8	382	"	"	"
Repose Fraction	8	383	"	"	"
Deer Haven	8	383	"	"	"
Deer Haven No. 2	8	384	"	"	"
Deer Haven No. 3	8	384	"	"	"
Hornet	8	382	"	"	"
Bumble Bee	8	380 and 381	"	"	"
Pinnacle	8	381	"	"	"
Group 2:					
Long Dike	3	622	"	"	"
Long Dike No. 2	3	623	"	"	"
Long Dike No. 3	3	624	"	"	"
Long Dike No. 4	6	600	"	"	"
Long Dike No. 5	6	601	"	"	"
Long Dike Extension	3	625	"	"	"
Long Dike Mill Site	3	626	"	"	"

WHEREAS, the Lessors desire to lease said mining claims for the purpose of exploration, development and operation of said claims; and

WHEREAS, the Lessee desires to engage in such operations upon said claims.

NOW, THEREFORE, in consideration of the sum of Ten Dollars ($10.00) and the mutual covenants and agreements herein contained,

it is agreed that the Lessors shall, for such purposes, lease such properties to the Lessee for a term of fifteen (15) years from the date hereof, and subject to a second fifteen (15) year term if Lessee shall notify Lessors in writing at least one (1) year before the expiration of the first term, unless sooner terminated in the manner herein provided, and subject to the following terms and conditions:

(1) Lessors covenant that they hold record title subject to a contract dated September 2, 1954, as modified June 27, 1956, by and between Keele and Waterman, locators of said claims, and Lessors and their predecessors in interest, and possession of the above described mining properties free and clear of all former grants, sales, liens, or encumbrances, of any kind; that there are no delinquent taxes, and they agree to furnish the Lessee, within a period of sixty (60) days from the date hereof, abstract of title to such mining properties, which abstract shall be certified to date and shall show record title of the Lessors free and clear from all former grants, sales, taxes, liens or encumbrances except the foregoing contracts and option under which Lessors hold the property.

(2) The Lessee shall have, and it is hereby given and granted, the right to enter into and take over immediately the sole and exclusive possession and control of said property, and the whole and every part thereof, and to investigate, sample, examine, such properties for the purpose of making application to the Defense Minerals Exploration Administration for an exploration loan of not less than One Hundred Thousand Dollars ($100,000.00), and to prepare the data necessary to such application, and to determine the possibilities of operating such properties. Lessee shall have a period of six (6) months from

the date hereof within which to complete and process such application to the Defense Minerals Exploration Administration, and should such application for a loan be made, but the loan not be granted upon the expiration of such six months, such period shall be extended for such additional reasonable period as may be necessary to determine whether such application for loan by the Defense Minerals Exploration Administration will be granted or denied, but not beyond April 1, 1958. Lessors hereby consent to the making of such application, either in the name of the Lessors or Lessee as may be required, and consent to the imposition of any lien in favor of the Defense Minerals Exploration Administration with respect to such properties as may be required in the event the loan application is granted and a loan for exploration purposes upon the properties is made by the Defense Mineral Exploration Administration.

(3) In the event Lessee, having entered upon said properties for the purpose of making such examination as may be necessary, determines that the properties may not be operated commercially, Lessee will promptly notify the Lessors and terminate all their right, title and interest hereunder in and to such properties. In the event that an application is made to the Defense Minerals Exploration Administration for an exploration loan, and such loan is denied, the Lessee at the time of such denial, will terminate its interest hereunder, and will have no right, title or interest in and to the properties. Such termination will be made by notification to the Lessors. In the event the Defense Minerals Exploration Administration does grant an exploration loan for the purpose of exploring such properties, the Lessee will enter into such properties for the purpose of completing the exploration as required by the Defense Minerals Exploration Administration and to complete such exploration in a workmanlike and minerlike fashion.

(4) In the event the exploration of the properties justifies, as determined by the Lessee, the commercial mining of the property and the extraction and sale of ores produced, the Lessee will engage in mining operations upon said properties and mine, extract, remove from said properties, the ores and minerals therein, and sell the same to the best advantage of the Lessors and the Lessee.

(5) The Lessee agrees to cause all work, development and mining to be done in a careful and minerlike manner, and to conform in all respects with the Mining Laws and Regulations of the State of Idaho.

(6) The Lessee shall pay to the Lessors a royalty on all ores extracted and sold from the properties as hereinafter set forth, and in the event Lessors own a less interest in the properties or any part thereof than the entire and undivided fee simple interest, then the royalty herein provided for shall be paid the Lessors only in the proportion which the Lessors' interest bears to the whole and undivided fee of that portion of the properties from which the ore is extracted. (The royalty which the Lessee shall pay to the Lessors shall be 10% of the net return on all ores or concentrates mined and sold by the Lessee from said properties, which net amount shall be determined after payment of reasonable surface transportation costs from the properties to the purchaser, and all reasonable charges of the purchaser imposed upon the Lessee.) The Lessee, however, agrees to pay Lessors a minimum royalty of One Thousand Dollars ($1,000.00) per month, to be paid beginning with actual mining operations, and commencing not later than January 1, 1960, to be undertaken by the Lessee, and at the rate of Two Thousand Five Hundred Dollars ($2,500.00) per month commencing January 1, 1962. Minimum payments shall apply upon and be credited

against any future royalty from ore, if any.

(7) All ores shall be sold in the name of the Lessee, with duplicate settlement sheets furnished to Lessors, and royalty settlements shall be made by the Lessee on or before the 10th day of each and every calendar month during the term of this lease for all ores milled by Lessee and for all mill and smelter returns received during the preceding calendar month. Each settlement shall be accompanied by a duplicate liquidation or settlement sheet for each lot of ore milled and by a duplicate of the smelter returns for each lot of ore sold to a smelter. Smelters or ore purchasers shall be advised to remit royalties directly to Lessors.

(8) The commencement, continuance, cessation, resumption, method or extent of actual mining operations hereunder shall, at all times, be at the discretion and election of Lessee so long as minimum payments are made and the terms of this agreement kept.

(9) Products shall be marketed at the best terms obtainable from any responsible mill or smelter, with due regard to freight differentials and any other charges involved, and if such products shall be treated at a mill or smelter of the Lessee, the mill or smelter schedules used for determining the net returns as defined herein shall not be less favorable to said property than the schedules under which ore or concentrates of like character and in similar quantity are purchased at the time from other shippers to the mill or smelter involved.

(10) The Lessee shall have the right to remove ores, waste, water and other materials from the demised premises and to carry on general mining operations pertaining to the demised premises by means of shafts and workings on other properties, and to remove ores, waste, water and other materials from other

properties and to carry on general mining operations pertaining to such other properties on the surface of or through shafts and workings on the demised premises, but until weighed and sampled, all ores extracted and removed from the demised premises shall be kept separate from ores extracted and removed from any other properties.

(11) In consideration of the mutual benefits to be received by the Lessors and the Lessee and by other claim owners in the district from whom the Lessee has obtained or shall hereafter obtain leases or agreements, the Lessors and the Lessee hereby agree with each other and with all other claim owners in the district from whom the Lessee now has or shall hereafter obtain leases or other agreements containing this or a similar provision, that any and all ores and minerals within the surface boundaries extended downward vertically of any claim so held under lease and agreement by the Lessee, or now or hereafter owned by the Lessee, shall belong to such claim and none other, and the Lessee shall be required to account only to the owner of such claim for ores mined and removed by it therefrom. As to all other claims or property adjoining or adjacent to the demised premises, this lease is intended to and does hereby grant to the Lessee, subject to the terms hereof, the full rights of possession and enjoyment in and to the demised premises and all ore and minerals therein and appurtenant thereto and all extra-lateral rights as provided by law.

(12) Lessee's maps and records of all mining operations upon the demised premises pertinent to the computation of royalties, shall be available for Lessors' inspection upon request, but not more often than once each month, and the Lessors may enter said property at all reasonable times for the purpose of inspecting the same, and Lessee shall facilitate such inspection

in every reasonable way, but Lessors shall enter upon said demised property at Lessors' own risk and so as not to hinder unreasonable the operations of Lessee; and the Lessors shall indemnify and hold harmless the Lessee from any damage, claim or demand by reason of injury to or the presence of the Lessors or the Lessors' agents, representatives or guests or any of them on the demised premises or approaches thereto.

(13) The Lessee shall pay, when due and before delinquent, all general property taxes assessed as a non-producing mine against the Lessors' ownership in the demised premises during the term of this lease beginning with and prorated from this date; but the Lessors shall be charged with the Lessors' proportion, based on the royalties hereinabove reserved, of taxes based on assessment as a producing mine of any production, severance or similar or other excise taxes, and Lessee shall advance such proportion and be reimbursed therefor. The Lessee shall also pay, when due and before delinquent, all taxes levied or assessed against any and all personal property, machinery and equipment placed upon said demised premises by the Lessee during the term of this lease.

(14) Lessee shall comply with the Workmen's Compensation Laws of Idaho and with Social Security, Unemployment Insurance and all other State and Federal Laws relating to Lessee's operations and shall save Lessors harmless from any claim for damages or liability by reason thereof.

(15) The Lessee shall keep the demised premises and the whole and every part thereof free and clear of liens for labor done or work performed upon the demised premises or materials furnished to it for the development or operation thereof under this lease and while the same is in force and effect, and will save and keep harmless the Lessors from all costs, loss or damage

which may arise by reason of injury to any persons employed by the Lessee in or upon the demised premises or any part thereof, or, except as provided in paragraph 12 hereof, which may arise by reason of injury to any persons or damage to any property as the result of any work or operations of the Lessee or of its possession and occupancy of the demised premises.

(16) The failure of the Lessee to make or cause to be made any of the payments herein provided for or to keep or perform any agreement on its part to be kept or performed according to the terms and provisions of this agreement, shall, at the election of the Lessors, work a forfeiture hereof; PROVIDED, however, that in the event of a default on the part of the Lessee, and the election of the Lessors to terminate this agreement on account thereof, the Lessors shall give to the Lessee a written notice of their intention to declare a forfeiture of this agreement and to terminate the same on account thereof, specifying the particular default or defaults relied upon by them, and the Lessee shall have fifteen (15) days after receipt of such notice in which to make good such default or defaults, in which event, there shall be no forfeiture therefor. Waiver or failure to give notice of a particular default or defaults shall not be construed as condoning any subsequent default.

(17) Notwithstanding any provision herein to the contrary, the Lessee may at any time upon thirty (30) days written notice to the Lessors, cancel and terminate this lease. Upon such cancellation and termination of this lease, the Lessee shall be under no further obligation of whatsoever kind or nature to the Lessors, except for the making of payments which have already accrued at the date of such cancellation and termination.

(18) In the event of a valid forfeiture, cancellation or other termination of this lease, the Lessee will surrender to the Lessors peaceable possession of the demised premises.

(19) The Lessee shall have, and is hereby given and granted, three (3) months after a valid forfeiture, cancellation or other termination of this agreement, to remove from said property all warehouse stocks, merchandise, materials, tools, hoists, compressors, engines, motors, pumps, transformers, electrical accessories, metal or wooden tanks, pipes and connections, mine cars and any and all machinery, trade fixtures, and equipment erected or placed in or upon said property by it, provided that such right of removal shall not extend to buildings, machinery foundations, and underground pipes, tracks, and mine timbers in place unless Lessors shall have given their previous written consent thereto. If Lessee is hampered by snowdrifts, washouts, inclement weather, or other climatic conditions, from completing the removal of said equipment within the time specified, then the Lessors agree to extend the time by a reasonable period if requested by the Lessee.

(20) If operations under this agreement be discontinues by reason of strikes by recognized Unions, fires, floods, acts of God, or the public enemy, weather, government restrictions, or shortage of labor due to war conditions, such a discontinuance shall not operate as a forfeiture of this agreement or be considered as a violation of the covenant to work said properties as herein provided. Minimum royalties will be waived during the continuance of any shut down of the mining operations required by Governmental order, and for shut down continuing after thirty (30) days resulting from the other causes herein stated, but not exceeding three (3) months.

(21) In consideration of the foregoing covenants to be kept and performed by the Lessee, the Lessors do hereby give and grant unto the Lessee the exclusive right and option to purchase said properties and all improvements, dumps and machinery thereon at any time during the term of this agreement, but not thereafter, nor while Lessee is in default hereunder, upon the payment of the total sum and purchase price of One Million Two Hundred Thousand Dollars ($1,200,000.00). Any and all payments made or to be made hereunder as royalty from the sale of ores mined and produced from said properties, shall be credited and applied upon the purchase price and shall reduce the amount and balance thereof accordingly. In the event the Lessee shall pay to the Lessors as royalty, sums totaling One Million Dollars ($1,000,000.00), the balance of the purchase price of Two Hundred Thousand Dollars ($200,000.00) may be paid by the Lessee to the Lessors as royalty derived from the sale of the ores mined and sold from the property, which royalty shall, however, be reduced to five per cent (5%) of the net return derived from the sale of ores mined and sold from the properties.

(22) Any notice required or permitted to be given hereunder may be given by mail duly registered, with postage thereon prepaid, addressed as follows:

To Lessors: K. E. Hamblen
c/o Jerome S. Bischoff
Attorney at Law
902 Cascade Building
Portland 4, Oregon.

To Lessee: Capitol Uranium Company
P. O. Box 1847
Farmington, New Mexico.

This agreement shall inure to the benefit of and be binding upon the respective heirs and successors of Lessors,

but shall not be assignable by Lessee without the prior written consent of Lessors. Lessors will not unreasonably withhold such consent.

IN WITNESS WHEREOF, this agreement has been executed this 19th day of August, 1957.

K. E. Hamblen

Earl R. Marble, JR.

Pierre H. Hines

Kenneth A. Moores

Jerome S. Dischoff

LESSORS.

CAPITOL URANIUM COMPANY

(Sgn) By Charles W Yetter
President

Lessee.

Seal

Attest:

(Sgn) William H. Pope jr
Secretary

STATE OF OREGON)
) ss.
County of Multnomah)

BE IT REMEMBERED, That on this 10th day of August, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named K. E. HAMBLEN known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Magdalene Petersen
Notary Public for Oregon
My Commission expires: October 3, 1959

STATE OF ~~IDAHO~~ New Jersey)
) ss.
County of Union)

BE IT REMEMBERED, That on this 23RD day of August, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named EARL R. MABBLE known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Richard J. Paulch
Notary Public for ~~Idaho~~ New Jersey
My Commission expires: THE NATIONAL STATE BANK
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES FEB. 26 1962
ELIZABETH, N. J.
SUMMIT BRANCH

STATE OF ~~IDAHO~~ Oregon)
) ss.
County of Multnomah)

BE IT REMEMBERED, That on this 14th day of August, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named PIERRE R. HINES known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Magdalene Petersen
Notary Public for ~~Idaho~~ Oregon
My Commission expires: October 3, 1959

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STATE OF ~~IDAHO~~ Oregon)
) ss.
County of Multnomah)

BE IT REMEMBERED, That on this 13th day of August, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named KENNETH A. MOORES known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Magdalene Petersen
Notary Public for ~~Idaho~~ Oregon
My Commission expires: October 3, 1959

STATE OF OREGON)
) ss.
County of Multnomah)

BE IT REMEMBERED, That on this 10th day of August, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named JEROME S. BISCHOFF known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Magdalene Petersen
Notary Public for Oregon
My Commission expires: October 3, 1959

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STATE OF NEW MEXICO }
County of San Juan } ss.

On this 29 day of August, 1957, before me appeared Charles W. Yetter and William H Pope jr. both to me personally known, who being duly sworn, did say that he, the said Charles W. Yetter is the President, and he, the said William H. Pope is the Secretary of CAPITOL URANIUM COMPANY the within named Corporation, and that the seal affixed to said instrument is the corporate seal of said Corporation, and that the said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors, and Charles W. Yetter and William H. Pope jr acknowledged said instrument to be the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year last above written.

Seal

Janet M. Sage
Notary Public for New Mexico
My Commission expires: March 17, 1959

DMEA
RECEIVED DEC 30 1957
DATE

A true copy
Jerome S. Bishop

MINING LEASE AND
OPTION TO PURCHASE

JEROME S. BISCHOFF
ATTORNEY AT LAW
CASCADE BUILDING
PORTLAND 4, OREGON

AFFIDAVIT OF ANNUAL REPRESENTATION

STATE OF IDAHO,
COUNTY OF LEMHI, } ss.

Before me, the subscribed, personally appeared Ernest F. Waterman, who being first duly sworn, says that during the year ending July 1st, 19 57, at least Six Hundred DOLLARS worth of work or improvements were performed or made upon the Long Dike, Long Dike No. 2, 3, 4, 5, Long Dike Extension Lode claim s, situate in Blackbird Mining District, County of Lemhi, State of Idaho, that such expenditure was made by, for or at the expense of Ernest F. Waterman owner of said claim s, for the purpose of holding said claim s, and all stakes, monuments or trees marking the boundaries of such claim s are in proper place and position.

Signature Ernest F. Waterman

Subscribed and sworn to before me this 28 th day of June, 19 57.

W. W. Simmonds, County Recorder

By Opal Reddington, Deputy

87099

NO. _____

PROOF OF LABOR

State of Idaho
County of Lemhi, } ss.

Recorded at the request of

Ernest F. Waterman

June 28th 19 57

at 55 minutes past 4 o'clock

P. M., in Book M of Proof of Labor

at Page 295 Records of Lemhi

County, Idaho.

W.W. Simmonds
County Recorder.

By Opal Reddington
Deputy

Fee $.75 Paid

Box 676

ASSIGNMENT

For Value Received, K. E. HAMBLEN does hereby assign and set over to EARL R. MARBLE, JR., a ten per cent (10%) interest in the following described mining claims located in the Little Deer Creek Blackbird Mountain Quadrangle, County of Lemhi, State of Idaho, to-wit:

Group 1:	Book	Page	Mining Records Lemhi County, Idaho
Repose	8	382	
Repose Fraction	8	383	
Deer Haven	8	383	
Deer Haven No. 2	8	384	
Deer Haven No. 3	8	384	
Hornet	8	382	
Bumble Bee	8	380 and 381	
Pinnacle	8	381	

Group 2:		
Long Dike	3	622
Long Dike No. 2	3	623
Long Dike No. 3	3	624
Long Dike No. 4	6	600
Long Dike No. 5	6	601
Long Dike Extension	3	625
Long Dike Mill Site	3	626

DATED this 11th day of July, 1957.

K. E. Hamblen

K. E. Hamblen

STATE OF OREGON)
) ss.
County of Multnomah)

BE IT REMEMBERED, That on this 11th day of July, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named K. E. HAMBLEN known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Lennon A. Brill

Notary Public for Oregon
My Commission expires: 7/15/58

ASSIGNMENT

For Value Received, K. E. HAMBLEN does hereby assign and set over to P. R. HINES, a twenty per cent (20%) interest in the following described mining claims located in the Little Deer Creek Blackbird Mountain Quadrangle, County of Lemhi, State of Idaho, to-wit:

Group 1:	Book	Page	Mining Records, Lemhi County, Idaho.
Repose	8	382	
Repose Fraction	8	383	
Deer Haven	8	383	
Deer Haven No. 2	8	384	
Deer Haven No. 3	8	384	
Hornet	8	382	
Bumble Bee	8	380 and 381	
Pinnacle	8	381	

Group 2:		
Long Dike	3	622
Long Dike No. 2	3	623
Long Dike No. 3	3	624
Long Dike No. 4	6	600
Long Dike No. 5	6	601
Long Dike Extension	3	625
Long Dike Mill Site	3	626

DATED this 11th day of July, 1957.

K. E. Hamblen

K. E. Hamblen

STATE OF OREGON)
) ss.
County of Multnomah)

BE IT REMEMBERED, That on this 11th day of July, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named K. E. HAMBLEN known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Jerome F. Bailey

Notary Public for Oregon
My Commission expires: 7/8/58

ASSIGNMENT

For Value Received, K. E. HAMBLEN does hereby assign and set over to KENNETH A. MOORES, a twenty per cent (20%) interest in the following described mining claims located in the Little Deer Creek Blackbird Mountain Quadrangle, County of Lemhi, State of Idaho, to-wit:

Group 1:	Book	Page	Mining Records Lemhi County, Idaho.
Repose	8	382	
Repose Fraction	8	383	
Deer Haven	8	383	
Deer Haven No. 2	8	384	
Deer Haven No. 3	8	384	
Hornet	8	382	
Bumble Bee	8	380 and 381	
Pinnacle	8	381	

Group 2:		
Long Dike	3	622
Long Dike No. 2	3	623
Long Dike No. 3	3	624
Long Dike No. 4	6	600
Long Dike No. 5	6	601
Long Dike Extension	3	625
Long Dike Mill Site	3	626

DATED this 11th day of July, 1957.

K. E. Hamblen

K. E. Hamblen

STATE OF OREGON)
) ss.
County of Multnomah)

BE IT REMEMBERED, That on this 11th day of July, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named K. E. HAMBLEN known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

James J. Bartoff

Notary Public for Oregon
My Commission expires: 7/15/58

ASSIGNMENT

FOR VALUE RECEIVED, K. E. HAMBLEN does hereby assign and set over to JEROME S. BISCHOFF, a three per cent (3%) interest in the following described mining claims located in the Little Deer Creek Blackbird Mountain Quadrangle, County of Lemhi, State of Idaho, to-wit:

Name	Book	Page	Mining Records Lemhi County
Repose	8	382	" "
Repose Fraction	8	383	" "
Deer Haven	8	383	" "
Deer Haven #2	8	384	" "
Deer Haven #3	8	384	" "
Hornet	8	382	" "
Bumble Bee	8	380-381	" "
Pinnacle	8	381	" "
Long Dike	3	622	" "
Long Dike #2	3	623	" "
Long Dike #3	3	624	" "
Long Dike #4	6	600	" "
Long Dike #5	6	601	" "
Long Dike Extension	3	625	" "
Long Dike Lode (Mill Site)	3	626	" "

DATED: December 11, 1957.

K. E. Hamblen

STATE OF OREGON)
) ss.
County of Multnomah)

BE IT REMEMBERED, That on this 11th day of December, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named K. E. HAMBLEN known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

In Testimony whereof, I have hereunto set my hand and affixed my official seal the day and year last above written.

(NOTARIAL
(SEAL)

/s/ Magdalene Petersen
Notary Public for Oregon
My Commission expires: October 3, 1959

THIRD SUPPLEMENTARY AGREEMENT

This Third Supplementary Agreement, by and between ERNEST F. WATERMAN and ESTHER WATERMAN, hereinafter referred to as "First Parties" and K. E. HAMBLEN, as "Second Party", and JOHN C. HIGGINS,

Whereas, the Parties hereto did enter into an agreement dated September 12, 1954, by which the First Parties, together with Wilfred Keele and Eunice Keele, did lease to K. E. Hamblen certain mining claims; and

Whereas, said agreement has been modified by Supplementary Agreements dated August 23, 1955, June 27, 1956, and August 15, 1957; and

Whereas, First Parties have succeeded to the interests of Wilfred Keele and Eunice Keele and Second Party has succeeded to the interest of John C. Higgins; and

Whereas, the original lease and supplements did not fully describe all of the mining claims subject to the lease and the Parties wish to make the record title clear.

NOW, THEREFORE, IT IS MUTUALLY AGREED:

That the mining claims, the subject of the Lease Agreement dated September 12, 1954, and the amendments thereto, executed August 23, 1955, June 27, 1956, and August 15, 1957, are as follows:

Name	Book	Page	
Repose	8	382	Mining Records Lemhi County
Repose Fraction	8	383	" "
Deer Haven	8	383	" "
Deer Haven #2	8	384	" "
Deer Haven #3	8	384	" "
Hornet	8	382	" "
Bumble Bee	8	380-381	" "
Pinnacle	8	381	" "
Long Dike	3	622	" "
Long Dike #2	3	623	" "
Long Dike #3	3	624	" "
Long Dike #4	6	600	" "
Long Dike #5	6	601	" "
Long Dike Extension	3	625	" "
Long Dike Lode (Mill Site)	3	626	" "

DATED this 16 day of December, 195 .

(Sgd) Ernest F Waterman
Ernest F. Waterman

(Sgd) Esther Waterman
Esther Waterman

First Parties.

(Sgd) K E Hamblen
K. E. Hamblen

Second Party.

STATE OF IDAHO)
) ss.
County of Lemhi)

BE IT REMEMBERED, That on this 16 day of December, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named ERNEST F. WATERMAN and ESTHER WATERMAN, known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Paul Raymond
Notary Public for Idaho
My Commission expires: 1-10-59

QUITCLAIM DEED

KNOW ALL MEN BY THESE PRESENTS, That WILFRED L. KEELE and EUNICE K. KEELE, husband and wife, in consideration of One Dollar ($1.00) and other valuable consideration to them paid by ERNEST F. WATERMAN and ESTHER L. WATERMAN, husband and wife, do hereby remise, release and forever QUITCLAIM unto the said Ernest F. Waterman and Esther L. Waterman, husband and wife, and unto their heirs and assigns, all our right, title and interest in and to the following described mining claims situate in the County of Lemhi, State of Idaho, to-wit:

Name	Book	Page	Formerly Book	Formerly Page	Mining Records Lemhi County	
Repose	8	382	2	31	"	"
Repose Fraction	8	383			"	"
Pinnacle	8	381	4	609	"	"
Bumble Bee	8	380-1			"	"
Hornet	8	382			"	"
Deer Haven	8	383	3	594	"	"
Deer Haven #2	8	384	5	414	"	"
Deer Haven #3	8	384	5	415	"	"
Long Dike	3	622			"	"
Long Dike #2	3	623			"	"
Long Dike #3	3	624			"	"
Long Dike #4	6	600			"	"
Long Dike #5	6	601			"	"
Long Dike Extension	3	625			"	"
Long Dike Lode (Mill Site)	3	626			"	"

TO HAVE AND TO HOLD the same to the said ERNEST F. WATERMAN and ESTHER L. WATERMAN, husband and wife, and to their assigns forever.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this day of Nov. 27th, 1957.

Wilfred L. Keele (SEAL)

Eunice K. Keele (SEAL)

STATE OF IDAHO)
) ss.
County of Ada)

BE IT REMEMBERED, That on this 27th day of November, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named WILFRED L. KEELE and EUNICE K. KEELE, husband and wife, known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Colen M. Roberts
Notary Public for Idaho
My Commission expires: Sept 1, 1960

ASSIGNMENT

For Value Received, K. E. HAMBLEN does hereby assign and set over to JEROME S. BISCHOFF, a two per cent (2%) interest in the following described mining claims located in the Little Deer Creek Blackbird Mountain Quadrangle, County of Lemhi, State of Idaho, to-wit:

Group 1:	Book	Page	Mining Records, Lemhi County, Idaho.
Repose	8	382	
Repose Fraction	8	383	
Deer Haven	8	383	
Deer Haven No. 2	8	384	
Deer Haven No. 3	8	384	
Hornet	8	382	
Bumble Bee	8	380 and 381	
Pinnacle	8	381	
Group 2:			
Long Dike	3	622	
Long Dike No. 2	3	623	
Long Dike No. 3	3	624	
Long Dike No. 4	6	600	
Long Dike No. 5	6	601	
Long Dike Extension	3	625	
Long Dike Mill Site	3	626	

DATED this 11th day of July, 1957.

/s/ K. E. Hamblen
K. E. Hamblen

STATE OF OREGON)
) ss.
County of Multnomah)

BE IT REMEMBERED, That on this 11th day of July, 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named K. E. HAMBLEN known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

(SEAL) /s/ Magdalene Petersen
Notary Public for Oregon
My Commission expires: October 3, 1959

SUPPLEMENTARY AGREEMENT

THIS SUPPLEMENTARY AGREEMENT, by and between ERNEST F. WATERMAN, ESTHER L. WATERMAN, WILFRED L. KEELE, and EUNICE K. KEELE, hereinafter referred to as "First Parties" and K. E. HAMBLEN, "Second Party."

Whereas, the parties hereto did enter into an agreement dated September 2, 1954, by the terms of which the First Parties did agree to lease to Second Party and JOHN C. HIGGINS certain mining claims; and

Whereas, by Agreement dated August 23, 1955, there were added to the provisions of the first agreement, additional claims; and

Whereas, John C. Higgins has assigned to Second Party all of his right, title and interest in and to said contract and claims and did not execute the second instrument,

IT IS MUTUALLY AGREED:

(1) The contract of September 2, 1954, and August 23, 1955, be modified so that K. E. HAMBLEN shall be the sole Second Party.

(2) Paragraph 4, set forth on page 2 of the contract of September 2, 1954, shall be, and is hereby stricken.

(3) This contract shall be assignable by either of the Parties hereto in whole or in part.

(4) In the event that Second Party, or his assigns, elect to purchase the mining claims described in the foregoing Agreements for the sum of $50,000.00, less royalties paid, First Parties will, upon request, execute a deed conveying clear title to said claims to the purchaser and deposit

Recorded July 14, 1956
Book D of Agreements page 537-8
Lemhi County

the same in escrow in a bank to be mutually selected, for delivery against a down payment in the sum of $5,000.00 cash and a security instrument pledging 5% of the net smelter returns to be applied against the purchase price, and full performance of each and every of the terms of this agreement.

DATED: June 17, 1956.

EXTRA COPY
DMBA
RECEIVED 1957
CODE

(Sgd) Ernest F. Waterman
Ernest F. Waterman

(Sgd) Esther L. Waterman
Esther L. Waterman

(Sgd) Wilfred L. Keele
Wilfred L. Keele

(Sgd) Eunice K. Keele
Eunice K. Keele

First Parties

(Sgd) K E Hamblen
K. E. Hamblen

Second Party

STATE OF Idaho }
County of Lemhi } ss.

BE IT REMEMBERED, That on this day of June, 1956, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named K. E. HAMBLEN known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Paul Raymond
Notary Public for
My Commission expires: 1-10-59

STATE OF)
) ss.
County of)

BE IT REMEMBERED, That on this day of June, 1956, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named ERNEST F. WATERMAN and ESTHER L. WATERMAN, known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Notary Public for
My Commission expires:_____

STATE OF)
) ss.
County of)

BE IT REMEMBERED, That on this day of June, 1956, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named WILFRED L. KEELE and EUNICE K. KEELE, known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Notary Public for
My Commission expires:_____

SECOND SUPPLEMENTARY AGREEMENT

THIS SECOND SUPPLEMENTARY AGREEMENT, by and between ERNEST F. WATERMAN and ESTHER L. WATERMAN, hereinafter referred to as "First Parties" and K. E. HAMBLEN, as "Second Party".

WHEREAS, the parties hereto did enter into an agreement dated September 12, 1954, by which the First Parties did lease to K. E. Hamblen certain mining claims; and

Whereas, said agreement has been modified by Supplementary Agreement executed June 27, 1956; and

Whereas, Hamblen and his associates are entering into an agreement with the Capitol Uranium Company for the exploration of certain properties by the terms of which Capitol Uranium Company has agreed to apply for a Defense Minerals Exploration Administration loan which may require the creation of a lien upon the aforesaid mining claims for the re-payment of any loans made by said Governmental Agency and it is agreeable to First Parties that said lien be created to facilitate such exploration; and

Whereas, First Parties have acquired all of the right, title and interest of WILFRED L. KEELE and EUNICE K. KEELE to said properties.

NOW, THEREFORE, First Parties do agree that they will, and do hereby, consent to the imposition and creation of a lien in favor of the Defense Minerals Exploration Administration to secure any loan made to facilitate the exploration and development of those certain mining claims described as follows:

ementary
ement

Mining claims located in the Little Deer Creek Blackbird Mountain Quadrangle, County of Lemhi, State of Idaho, to-wit:

Group 1:	Book	Page	
Repose	8	382	Mining Records Lemhi County, Idaho.
Repose Fraction	8	383	
Deer Haven	8	383	
Deer Haven No. 2	8	384	
Deer Haven No. 3	8	384	
Hornet	8	382	
Bumble Bee	8	380 and 381	
Pinnacle	8	381	

Group 2:		
Long Dike	3	622
Long Dike No. 2	3	623
Long Dike No. 3	3	624
Long Dike No. 4	6	600
Long Dike No. 5	6	601
Long Dike Extension	3	625
Long Dike Mill Site	3	626

DATED this 15 day of August, 1957.

Ernest F. Waterman

Ernest F. Waterman

Esther L. Waterman

Esther L. Waterman

STATE OF IDAHO)
) ss.
County of Lemhi)

BE IT REMEMBERED, That on this 15 day of August 1957, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named ERNEST F. WATERMAN and ESTHER L. WATERMAN known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Pearl Raymond

Notary Public for Idaho
My Commission expires: 1-10-59

MODIFICATION OF AGREEMENT

Reference is hereby made to that certain Agreement for Mining Lease and Option to Purchase between Ernest F. Waterman and Esther L. Waterman, Wilfred L. Keele and Eunice M. Keele, first parties, and [illegible] Hamalon and John C. Higgins, second parties.

For valuable consideration, the receipt whereof is hereby acknowledged, the parties hereto hereby modify said agreement by including in said agreement the following described mining claims:

> Sweet Repose Fraction, the location notice of which is recorded in Book 6, page 602; Bumble Bee, the location notice of which is recorded in Book 6, page 602; Hornet, the location notice of which is recorded in Book 6, page 603; Long Dike No. 4, the location notice of which is recorded in Book 6, paged 600; Long Dike No. 5, the location notice of which is recorded in Book 6, page 601; and Long Dike No. 6, the location notice of which is recorded in Book 6, page 601; records of Lemhi County Recorder, State of Idaho,

It being understood and agreed that in all other respects said agreement shall remain the same as written and signed, the only change being that it shall include under the same details the above described claims.

IN WITNESS WHEREOF, the parties have hereunto set their hands this 23rd day of August, 1955.

Recorded Sept 15, 1955
Book D of Agreements
Page 502
Lemhi County

Ernest F. Waterman
Esther L. Waterman
Wilfred L. Keele
Eunice M. Keele
FIRST PARTIES

[illegible]

SECOND PARTIES

WHEREAS, the undersigned John C. Higgins and Kenneth E. Hamblen have heretofore entered into a written joint venture agreement dated January 21, 1955, dealing with (a) a mining lease and option to purchase dated September 2, 1954, and (b) a contract for a crosscut tunnel with Ernest F. Waterman, and

WHEREAS, the undersigned John C. Higgins and Kenneth E. Hamblen desire to cancel said joint venture agreement,

NOW, THEREFORE, in consideration of the premises and of the agreement of the undersigned, each with the other, to give up all claims and obligations due or to become due under said joint venture agreement against the other,

IT IS HEREBY AGREED that said joint venture agreement of January 21, 1955, be and the same hereby is cancelled.

DATED: April 13, 1955.

John C. Higgins

Kenneth E. Hamblen

ASSIGNMENT OF MINING LEASE AND OPTION TO PURCHASE

In consideration of the promise of K. E. Hamblen made to me this date to assume all of my obligations under that certain Agreement for Mining Lease and Option to Purchase by and between Ernest F. Waterman and Esther L. Waterman and Wilfred L. Keele and Eunice K. Keele, first parties, and K. E. Hamblen and John C. Higgins, second parties, dated September 2, 1954, I hereby assign to K. E. Hamblen all my right, title and interest in and to said Agreement.

DATED: April 13, 1955.

/s/ John C. Higgins
John C. Higgins

STATE OF OREGON)
) ss.
COUNTY OF MULTNOMAH)

On this 13th day of April, 1955, before me, a notary public, personally appeared JOHN C. HIGGINS, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

/s/ Esther M. Hagenbucher
Notary Public for Oregon
My Commission expires 3/5/57

(SEAL)

Recorded May 18, 1955
Book O of Assignments page 601
Lemhi County

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 30 1957
DATE | INITIALS | CODE

Agreement for Mining Lease and Option to Purchase

This agreement between Ernest F. Waterman and Esther L. Waterman, and Wilfred L. Keele and Eunice K. Keele, first parties, and K. E. Hamblen and John C. Higgins, second parties.

WITNESSETH:

1. First parties represent to second parties that first parties hold under valid mining locations the following described mining claims in the Blackbird district of Idaho, and first parties are in lawful possession of said claims, with all required assessment work fully performed and proof thereof duly filed.

Description of Claims -- All recorded in the records of Lemhi County, Idaho at the Court House at Salmon, Idaho.

First Group

Name of Claim	Mining Records Book No.	Page No.
Sweet Repose	2	31 ✓
Deer Haven	3	594
Deer Haven No. 2	5	414
Deer Haven No. 3	5	415
Pinnacle	4	609
Pinnacle Mill Site	5	6
Sweet Repose Mill Site	4	610
Deer Haven Mill Site	3	630

Second Group

Long Dike	3	622 ✓
Long Dike No. 2	3	623 ✓
Long Dike No. 3	3	624 ✓
Long Dike Extension	3	625
Long Dike Mill Site	3	626
Long Dike Mill Site No. 2	3	632
Long Dike Mill Site No. 3	3	631

2. Second parties desire to examine, sample and explore the mineral occurrences on said claims for the purpose of acquiring an operating lease and option to purchase said claims if the results of their examination, sampling and exploration indicate sufficient values to justify the mining of such ores.

3. It is therefore agreed by and between the parties hereto that second parties may enter upon said claims and conduct such examination, sampling and exploration operations thereon as they shall deem to be justified. Second parties shall have the exclusive right to conduct such operations on said claims for six months from the date hereof and for as long thereafter as they shall desire to actively carry on such operations on any of said claims. If at any time after the expiration of six months from the date hereof second parties shall suspend such operations for any reason except bad weather conditions which would render such operations temporarily impracticable or unduly expensive, second parties shall pay to first parties $100.00 per month during such suspension, in order to keep this agreement for a lease and option in effect.

4. In any event, second parties shall pay to first parties the sum of $100.00 per month as a minimum rental as long as they remain in possession of said claims and commencing one year after the date of this agreement, wehther they are then conducting mining operations thereon or not.

See Mf Supp. 6/17/56

5. At all times while second parties shall remain in lawful possession of said claims under the terms of this agreement, they shall have full rights as lessees and optionees to mine and/or purchase said claims on the following basic terms:

a. Second parties shall pay to first parties a royalty of 5 percent of the net smelter returns from all ores produced and shipped from said claims.

b. Second parties shall have the right to purchase said claims from first parties for the sum of $50,000.00 (fifty thousand dollars). All royalty payments shall apply on purchase price.

6. First parties shall have the right to terminate this agreement at any time for a breach thereof by second parties, by serving written notice on second parties that such termination will take effect thirty days after such notice is served unless second parties shall remedy such breach within said thirty days.

7. Second parties shall have the right to terminate this agreement at any time by surrendering possession of said claims and serving written notice of such termination on first parties.

8. Second parties agree to perform annual assessment work and to record proof of labor as required by law in

order to keep claims in valid condition during the life of this agreement.

In Witness Whereof the parties have signed and sealed this agreement this 2nd day of September, 1954.

Ernest F. Waterman

Ernest F. Waterman

Esther L. Waterman

Esther L. Waterman

Wilfred L. Keele

Wilfred L. Keele

Eunice K. Keele

Eunice K. Keele

FIRST PARTIES

K. E. Hamblen

K. E. Hamblen

John C. Higgins

John C. Higgins, by K.E.Hamblen
his agent

SECOND PARTIES

STATE OF IDAHO)
COUNTY OF LEMHI) ss.

On this 2nd day of September, 1954, before me the undersigned notary in and for said State, personally appeared Wilfred L. Keele, Ernest F. Waterman, Esther L. Waterman, and Eunice K. Keele, and K. E. Hamblen, known by me to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same. IN WITNESS WHEREOF: I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Notary Public for the State of Idaho
Residence: Salmon, Idaho
My Commission expires: 9-6-56

NOTICE OF QUARTZ LOCATION

TO WHOM IT MAY CONCERN:

Notice is hereby given, that WE, ERNEST F. WATERMAN, AND ESTHER L. WATERMAN

citizens of the United States of America ~~(or have declared their intention to become such)~~, of the age of twenty-one years, did on the 28TH day of FEBRUARY, 1957 discover a vein or lode of Quartz or rock in place, bearing gold, silver, or other precious metals or valuable deposits, within the limits of the hereinafter described claim, do this 28TH day of FEBRUARY, 1957, hereby under and in accordance with the Revised Statutes of the United States (Chapter VI Title XXXII) and laws of the State of Idaho CLAIM BY RIGHT OF DISCOVERY, THE REPOSE MINING CLAIM

That said claim extends 750 linear feet in a NORTH-WESTERLY direction along said vein or lode from the point of discovery, and 750 linear feet in a SOUTH-EASTERLY direction along said vein or lode from the point of discovery; and extends 300 feet on the SOUTH-WEST side from the middle of said ledge and 300 feet on the NORTH-EAST side from the middle of said ledge. That said point of discovery is shown by a certain DISCOVERY STAKE and is APPROX. 1640 linear feet in a SOUTH-EASTERLY direction from THE CONFLUENCE OF LITTLE DEER CREEK WITH

(Here state any natural object or monument which will identify the point of discovery or the location)

PANTHER CREEK AND WILL BE WHEN SURVEYED, IN THE W. ½ OF SEC. 12, T21N, R18E, BOISE BASE AND MERIDIAN

The adjoining claims are: REPOSE FRACTION, DEER HAVEN, AND HORNET.

That said claim is situate in the BLACKBIRD Mining District, in the County of LEMHI, State of Idaho.

LOCATORS

Ernest F. Waterman
Esther L. Waterman

No. 065530

Quartz Mining Location Notice

..... Claim

STATE OF IDAHO } ss.
County of .....

I hereby certify that this instrument was filed for record at the request of .....

..... at ..... minutes past ..... o'clock ..... M., this ..... day of ..... A. D. ....., in my office and duly recorded in book ..... of ..... Mining Claims, at page .....

.....
Deputy Recorder ..... District
..... County, Idaho

STATE OF IDAHO } ss.
County of Lemhi

I hereby certify that this instrument was filed for record at request of Ernest F. Waterman at 48 minutes past 2 o'clock P. M., this 9th day of April, A. D. 19 57 in my office, and duly recorded in Book 8 of ..... Mining Claims, at page 382.

W.W. Simmonds
Ex-Officio Recorder.
Lemhi County, Idaho
By Opal Feldmann Deputy.

Fees, $2.00 Paid

Compared . . . . . .
Indexed—Direct . . .

STATE OF IDAHO,
County of Lemhi } ss.

I, Ernest F. Waterman, do solemnly swear that I am a citizen of the united States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the REPOSE ledge, lode or claim, that the ground and claim therein described or any part thereof has not to the best of my knowledge and belief been located according to the laws of the United States and of this State, or if so located that the same has been abandoned or forfeited by reason of the failure of such former locators to comply in respect thereto with the requirements of said laws, and that I have opened up new ground to the extent or depth of ten feet as required by the laws of Idaho, and that all stakes and monuments or trees marking boundaries of said claim are in proper place and position.

Ernest F. Waterman

Subscribed and sworn to before me this 9th day of April, A. D. 19 57

W.W. Simmonds, Ex-Officio Recorder

By Opal Feldmann Deputy

NOTICE OF QUARTZ LOCATION

TO WHOM IT MAY CONCERN:

Notice is hereby given, that WE, ERNEST F. WATERMAN, AND ESTHER L. WATERMAN

citizens of the United States of America ~~(or have declared their intention to become such)~~, of the age of twenty-one years, did on the 28TH day of FEBRUARY, 1957 discover a vein or lode of Quartz or rock in place, bearing gold, silver, or other precious metals or valuable deposits, within the limits of the hereinafter described claim, do this 28TH day of FEBRUARY, 1957, hereby under and in accordance with the Revised Statutes of the United States (Chapter VI Title XXXII) and laws of the State of Idaho CLAIM BY RIGHT OF DISCOVERY, THE REPOSE FRACTION MINING CLAIM

That said claim extends 300 linear feet in a NORTH-WESTERLY direction along said vein or lode from the point of discovery, and 450 linear feet in a SOUTH-EASTERLY direction along said vein or lode from the point of discovery; and extends 300 feet on the NORTH-EAST side from the middle of said ledge and 200 feet on the SOUTH-WEST side from the middle of said ledge. That said point of discovery is shown by a certain DISCOVERY STAKE and is APPROX. 2700 linear feet in a SOUTH-SOUTH-EASTERLY direction from THE CONFLUENCE OF LITTLE DEER CREEK WITH

(Here state any natural object or monument which will identify the point of discovery or the location)

PANTHER CREEK, AND WILL BE WHEN SURVEYED, IN THE W ½ SEC. 12, T. 21N, R. 18E, BOISE BASE AND MERIDIAN

The adjoining claims are: REPOSE, AND BUMBLE BEE

That said claim is situate in the BLACKBIRD Mining District, in the County of LEMHI, State of Idaho.

Ernest F. Waterman
Esther L. Waterman

LOCATORS

No. 86531

Quartz Mining Location Notice

..... Claim

STATE OF IDAHO
County of ..... } ss.

I hereby certify that this instrument was filed for record at the request of .....

.....

.....at ..... minutes past.....o'clock .....M., this.....day of.....A. D. ....., in my office and duly recorded in book.....of.....Mining Claims, at page.....

.....

Deputy Recorder .....District

.....County, Idaho

STATE OF IDAHO
County of Lemhi } ss.

I hereby certify that this instrument was filed for record at request of Ernest F. Waterman at 49 minutes past 2 o'clock P. M., this 9th day of April, A. D. 19 57 in my office, and duly recorded in Book 8 of ..... Mining Claims, at page 383.

W.W. Simmonds
Ex-Officio Recorder.

Lemhi County, Idaho

By Opal Reddington Deputy.

Fees, $2.00 Paid

Compared . . . . .
Indexed—Direct . . .
Indexed—Indirect . .

STATE OF IDAHO,
County of Lemhi } ss.

I, Ernest F. Waterman, do solemnly swear that I am a citizen of the united States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the REPOSE FRACTION .....ledge, lode or claim, that the ground and claim therein described or any part thereof has not to the best of my knowledge and belief been located according to the laws of the United States and of this State, or if so located that the same has been abandoned or forfeited by reason of the failure of such former locators to comply in respect thereto with the requirements of said laws, and that I have opened up new ground to the extent or depth of ten feet as required by the laws of Idaho, and that all stakes and monuments or trees marking boundaries of said claim are in proper place and position.

Ernest F. Waterman

Subscribed and sworn to before me this 9th day of April, A. D. 19 57

W.W. Simmonds, Ex-Officio Recorder

By Opal Reddington Deputy

NOTICE OF QUARTZ LOCATION

TO WHOM IT MAY CONCERN:

Notice is hereby given, that WE, ERNEST F. WATERMAN, AND ESTHER L. WATERMAN

citizens of the United States of America ~~(or ha declared h. intention to become such)~~, of the age of twenty-one years, did on the 28TH day of FEBRUARY, 1957 discover a vein or lode of Quartz or rock in place, bearing gold, silver, or other precious metals or valuable deposits, within the limits of the hereinafter described claim, do this 28TH day of FEBRUARY, 1957, hereby under and in accordance with the Revised Statutes of the United States (Chapter VI Title XXXII) and laws of the State of Idaho CLAIM BY RIGHT OF DISCOVERY, THE DEER HAVEN MINING CLAIM

That said claim extends 500 linear feet in a NORTH-WESTERLY direction along said vein or lode from the point of discovery, and 1000 linear feet in a SOUTH-EASTERLY direction along said vein or lode from the point of discovery; and extends 300 feet on the SOUTH-WEST side from the middle of said ledge and 300 feet on the NORTH-EAST side from the middle of said ledge. That said point of discovery is shown by a certain DISCOVERY STAKE and is APPROX. 500 linear feet in an EASTERLY direction from THE CONFLUENCE OF LITTLE DEER CREEK

(Here state any natural object or monument which will identify the point of discovery or the location)

WITH PANTHER CREEK, AND WILL BE WHEN SURVEYED, IN THE W½ OF SEC. 12, T.21N. R18E, BOISE BASE AND MERIDIAN

The adjoining claims are: REPOSE, DEERHAVEN NO. 2, AND DEER HAVEN NO. 3

That said claim is situate in the BLACKBIRD Mining District, in the County of LEMHI, State of Idaho.

RECORDED FEB 20 1957

DATE	BOOK	PAGE

LOCATORS

Ernest F. Waterman
Esther L. Waterman

No. 86532

Quartz Mining Location Notice

Claim

STATE OF IDAHO } ss.
County of

I hereby certify that this instrument was filed for record at the request of

at minutes past o'clock M., this day of A. D. , in my office and duly recorded in book of Mining Claims, at page

Deputy Recorder District County, Idaho

STATE OF IDAHO } ss.
County of Lemhi

I hereby certify that this instrument was filed for record at request of Ernest F. Waterman at 50 minutes past 2 o'clock P. M., this 9th day of April, A. D. 19 57 in my office, and duly recorded in Book 8 of Mining Claims, at page 383.

W.W. Simmonds
Ex-Officio Recorder.
Lemhi County, Idaho
By Opal Reddington Deputy.
Fees, $2.00 Paid

Compared . . . . . .
Indexed—Direct . . .
Indexed—Indirect . .

STATE OF IDAHO,
County of Lemhi } ss.

I, Ernest F. Waterman,

do solemnly swear that I am a citizen of the united States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the DEER HAVEN ledge, lode or claim, that the ground and claim therein described or any part thereof has not to the best of my knowledge and belief been located according to the laws of the United States and of this State, or if so located that the same has been abandoned or forfeited by reason of the failure of such former locators to comply in respect thereto with the requirements of said laws, and that I have opened up new ground to the extent or depth of ten feet as required by the laws of Idaho, and that all stakes and monuments or trees marking boundaries of said claim are in proper place and position.

Ernest F. Waterman

Subscribed and sworn to before me this 9th day of April, A. D. 19 57.

W.W. Simmonds, Ex-Officio Recorder

By Opal Reddington
Deputy

NOTICE OF QUARTZ LOCATION

TO WHOM IT MAY CONCERN:

Notice is hereby given, that WE, ERNEST F. WATERMAN, AND ESTHER L. WATERMAN

citizen S of the United States of America ~~(or ha declared h intention to become such)~~, of the age of twenty-one years, did on the 18TH day of FEBRUARY, 1957 discover a vein or lode of Quartz or rock in place, bearing gold, silver, or other precious metals or valuable deposits, within the limits of the hereinafter described claim, do this 18TH day of FEBRUARY, 1957, hereby under and in accordance with the Revised Statutes of the United States (Chapter VI Title XXXII) and laws of the State of Idaho CLAIM BY RIGHT OF DISCOVERY, THE DEER HAVEN NO. 2 MINING CLAIM

That said claim extends 300 linear feet in a NORTH-WESTERLY direction along said vein or lode from the point of discovery, and 1200 linear feet in a SOUTH EASTERLY direction along said vein or lode from the point of discovery; and extends 300 feet on the NORTH-EAST side from the middle of said ledge and 300 feet on the SOUTH-WEST side from the middle of said ledge. That said point of discovery is shown by a certain DISCOVERY STAKE and is APPROX. 1600 linear feet in a NORTHERLY direction from THE CONFLUENCE OF LITTLE DEER CREEK

(Here state any natural object or monument which will identify the point of discovery or the location)

WITH PANTHER CREEK, AND WILL BE WHEN SURVEYED, IN THE W½ SEC. 12 AND/OR E½ SEC. 11, T. 21 N, R. 18 E, BOISE BASE AND MERIDIAN

The adjoining claims are: DEER HAVEN, AND PINNACLE

That said claim is situate in the BLACKBIRD Mining District, in the County of LEMHI, State of Idaho.

Ernest F. Waterman
Esther L. Waterman

LOCATORS

EXTRA COPY
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RECEIVED 1957
DATE | NO. | CODE

STATE OF IDAHO,
County of Lemhi } ss.

I, Ernest F. Waterman,

do solemnly swear that I am a citizen of the united States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the DEER HAVEN NO. 2 ledge, lode or claim, that the ground and claim therein described or any part thereof has not to the best of my knowledge and belief been located according to the laws of the United States and of this State, or if so located that the same has been abandoned or forfeited by reason of the failure of such former locators to comply in respect thereto with the requirements of said laws, and that I have opened up new ground to the extent or depth of ten feet as required by the laws of Idaho, and that all stakes and monuments or trees marking boundaries of said claim are in proper place and position.

Ernest F. Waterman

Subscribed and sworn to before me this 9th day of April, A. D. 19 57

W.W. Simmonds, Ex-Officio Recorder

By Opal Reddington
Deputy

No. 86533

Quartz Mining Location Notice

..... Claim

STATE OF IDAHO
County of ..... } ss.

I hereby certify that this instrument was filed for record at the request of .....

..... at ..... minutes past ..... o'clock ..... M., this ..... day of ..... A. D. ....., in my office and duly recorded in book ..... of ..... Mining Claims, at page .....

.....

Deputy Recorder ..... District
..... County, Idaho

STATE OF IDAHO
County of Lemhi } ss.

I hereby certify that this instrument was filed for record at request of Ernest F. Waterman at 51 minutes past 2 o'clock P. M., this 9th day of April, A. D. 19 57 in my office, and duly recorded in Book 8 of ..... Mining Claims, at page 384.

W.W. Simmonds
Ex-Officio Recorder.

Lemhi County, Idaho

By Opal Reddington
Deputy.

Fees, $2.00 Paid

Compared . . . . . ✓
Indexed—Direct . . . ✓
Indexed—Indirect . . . ✓

NOTICE OF QUARTZ LOCATION

TO WHOM IT MAY CONCERN:

Notice is hereby given, that WE, ERNEST F. WATERMAN, AND ESTHER L. WATERMAN

citizens of the United States of America ~~(or ha declared h intention to become such)~~, of the age of twenty-one years, did on the 28TH day of FEBRUARY, 1957 discover a vein or lode of Quartz or rock in place, bearing gold, silver, or other precious metals or valuable deposits, within the limits of the hereinafter described claim, do this 28TH day of FEBRUARY, 1957, hereby under and in accordance with the Revised Statutes of the United States (Chapter VI Title XXXII) and laws of the State of Idaho CLAIM BY RIGHT OF DISCOVERY, THE DEER HAVEN NO. 3 MINING CLAIM

That said claim extends 100 linear feet in a SOUTHERLY direction along said vein or lode from the point of discovery, and 1400 linear feet in a NORTHERLY direction along said vein or lode from the point of discovery; and extends 300 feet on the EAST side from the middle of said ledge and 300 feet on the WEST side from the middle of said ledge. That said point of discovery is shown by a certain DISCOVERY STAKE and is APPROX. 1000 linear feet in a SOUTHERLY direction from THE CONFLUENCE OF LITTLE DEER CREEK WITH

(Here state any natural object or monument which will identify the point of discovery or the location)

PANTHER CREEK, AND WILL BE WHEN SURVEYED, IN THE S. ½ SEC. 12, T. 21N, R. 18E, BOISE BASE AND MERIDIAN

The adjoining claims are: DEER HAVEN

That said claim is situate in the BLACKBIRD Mining District, in the County of LEMHI, State of Idaho.

EXTRA COPY
RECEIVE
DATE CODE

LOCATORS Ernest F. Waterman
Esther L. Waterman

No. 86534

Quartz Mining Location Notice

_____ Claim

STATE OF IDAHO
County of _____ } ss.

I hereby certify that this instrument was filed for record at the request of _____ at _____ minutes past _____ o'clock _____ M., this _____ day of _____ A. D. _____, in my office and duly recorded in book _____ of _____ Mining Claims, at page _____

Deputy Recorder _____ District _____ County, Idaho

STATE OF IDAHO
County of Lemhi } ss.

I hereby certify that this instrument was filed for record at request of Ernest F. Waterman at 52 minutes past 2 o'clock P. M., this 9th day of April, A. D. 19 57 in my office, and duly recorded in Book 8 of _____ Mining Claims, at page 384.

W.W. Simmonds
Ex-Officio Recorder.
Lemhi County, Idaho
By Opal Reddington Deputy.

Fees, $2.00 Paid

Compared . . . . .
Indexed—Direct . . .
Indexed—Indirect . .

STATE OF IDAHO,
County of Lemhi } ss.

I, Ernest F. Waterman, do solemnly swear that I am a citizen of the united States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the DEER HAVEN NO. 3 ledge, lode or claim, that the ground and claim therein described or any part thereof has not to the best of my knowledge and belief been located according to the laws of the United States and of this State, or if so located that the same has been abandoned or forfeited by reason of the failure of such former locators to comply in respect thereto with the requirements of said laws, and that I have opened up new ground to the extent or depth of ten feet as required by the laws of Idaho, and that all stakes and monuments or trees marking boundaries of said claim are in proper place and position.

Ernest F. Waterman

Subscribed and sworn to before me this 9th day of April, A. D. 19 57.

W.W. Simmonds, Ex-Officio Recorder
By Opal Reddington Deputy

NOTICE OF QUARTZ LOCATION

TO WHOM IT MAY CONCERN:

Notice is hereby given, that WE, ERNEST F. WATERMAN, AND ESTHER L. WATERMAN

citizens of the United States of America ~~(or ha declared h intention to become such)~~, of the age of twenty-one years, did on the 28TH day of FEBRUARY, 1957 discover a vein or lode of Quartz or rock in place, bearing gold, silver, or other precious metals or valuable deposits, within the limits of the hereinafter described claim, do this 28TH day of FEBRUARY, 1957, hereby under and in accordance with the Revised Statutes of the United States (Chapter VI Title XXXII) and laws of the State of Idaho CLAIM BY RIGHT OF DISCOVERY, THE HORNET MINING CLAIM

That said claim extends 50 linear feet in a SOUTH-EASTERLY direction along said vein or lode from the point of discovery, and 1450 linear feet in a NORTH-WESTERLY direction along said vein or lode from the point of discovery; and extends 300 feet on the SOUTH-WEST side from the middle of said ledge and 300 feet on the NORTH-EAST side from the middle of said ledge. That said point of discovery is shown by a certain DISCOVERY STAKE and is APPROX. 1700 linear feet in an EAST-NORTH-EASTERLY direction from THE CONFLUENCE OF LITTLE DEER CREEK WITH

(Here state any natural object or monument which will identify the point of discovery or the location)

PANTHER CREEK, AND WILL BE WHEN SURVEYED, IN THE W½ SEC. 12, T21N, R18E, BOISE BASE AND MERIDIAN

The adjoining claims are: BUMBLE BEE, REPOSE, AND DEER HAVEN

That said claim is situate in the BLACKBIRD Mining District, in the County of LEMHI, State of Idaho.

LOCATORS

Ernest F. Waterman
Esther L. Waterman

No. 16529

Quartz Mining Location Notice

.....Claim

STATE OF IDAHO
County of..... } ss.

I hereby certify that this instrument was filed for record at the request of.....

.....at ..... minutes past.....o'clock .....M., this..... day of.....A. D. ....., in my office and duly recorded in book..... of.....Mining Claims, at page.....

.....

Deputy Recorder .....District

.....County, Idaho

STATE OF IDAHO
County of Lemhi } ss.

I hereby certify that this instrument was filed for record at request of Ernest F. Waterman. at 47 minutes past 2 o'clock P.M., this 9th day of April, A. D. 19 57 in my office, and duly recorded in Book 8 of Mining Claims, at page 382.

W.W. Simmonds
Ex-Officio Recorder.

Lemhi County, Idaho
By Opal Reddington Deputy.

Fees, $2.00 Paid

Compared . . . . . .
Indexed—Direct . . .
Indexed—Indirect . .

STATE OF IDAHO,
County of Lemhi } ss.

I, Ernest F. Waterman, do solemnly swear that I am a citizen of the united States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the HORNET ledge, lode or claim, that the ground and claim therein described or any part thereof has not to the best of my knowledge and belief been located according to the laws of the United States and of this State, or if so located that the same has been abandoned or forfeited by reason of the failure of such former locators to comply in respect thereto with the requirements of said laws, and that I have opened up new ground to the extent or depth of ten feet as required by the laws of Idaho, and that all stakes and monuments or trees marking boundaries of said claim are in proper place and position.

Ernest F. Waterman

Subscribed and sworn to before me this 9th day of April, A. D. 19 57.

W.W. Simmonds, Ex-Officio Recorder

By Opal Reddington Deputy

NOTICE OF QUARTZ LOCATION

TO WHOM IT MAY CONCERN:

Notice is hereby given, that WE, ERNEST F. WATERMAN, AND ESTHER L. WATERMAN

citizen S of the United States of America ~~(or has declared his intention to become such)~~, of the age of twenty-one years, did on the 28TH day of FEBRUARY, 1957 discover a vein or lode of Quartz or rock in place, bearing gold, silver, or other precious metals or valuable deposits, within the limits of the hereinafter described claim, do this 28TH day of FEBRUARY, 1957, hereby under and in accordance with the Revised Statutes of the United States (Chapter VI Title XXXII) and laws of the State of Idaho CLAIM BY RIGHT OF DISCOVERY, THE BUMBLE BEE MINING CLAIM

That said claim extends 600 linear feet in a SOUTH-EASTERLY direction along said vein or lode from the point of discovery, and 900 linear feet in a NORTH-WESTERLY direction along said vein or lode from the point of discovery; and extends 300 feet on the SOUTH-WEST side from the middle of said ledge and 300 feet on the NORTH-EAST side from the middle of said ledge. That said point of discovery is shown by a certain DISCOVERY STAKE and is 2600 linear feet in a EASTERLY direction from THE CONFLUENCE OF LITTLE DEER CREEK WITH

(Here state any natural object or monument which will identify the point of discovery or the location)

PANTHER CREEK, AND WILL BE WHEN SURVEYED, IN THE W ½ OF SEC. 12, T21N, R18E, BOISE BASE AND MERIDIAN

The adjoining claims are: REPOSE, REPOSE FRACTION, AND HORNET

That said claim is situate in the BLACKBIRD Mining District, in the County of LEMHI, State of Idaho.

Ernest F. Waterman
Esther L. Waterman

LOCATORS

No. 8652

Quartz Mining Location Notice

..... Claim

STATE OF IDAHO } ss.
County of .....

I hereby certify that this instrument was filed for record at the request of .....

.....at ..... minutes past ..... o'clock ..... M., this ..... day of ..... A. D. ....., in my office and duly recorded in book ..... of ..... Mining Claims, at page .....

Deputy Recorder ..... District
..... County, Idaho

STATE OF IDAHO } ss.
County of Lemhi

I hereby certify that this instrument was filed for record at request of Ernest F. Waterman at 45 minutes past 2 o'clock P. M., this 9th day of April, A. D. 19 57 in my office, and duly recorded in Book 8 of Mining Claims, at page s 380-1.

W.W. Simmonds
Ex-Officio Recorder.
Lemhi County, Idaho
By [signature] Deputy.

Fees $2.00 Paid

Recorded ✓ Indexed ✓ Direct ✓ Indirect ✓

STATE OF IDAHO, } ss.
County of Lemhi

I, Ernest F. Waterman, do solemnly swear that I am a citizen of the united States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the BUMBLE BEE ledge, lode or claim, that the ground and claim therein described or any part thereof has not to the best of my knowledge and belief been located according to the laws of the United States and of this State, or if so located that the same has been abandoned or forfeited by reason of the failure of such former locators to comply in respect thereto with the requirements of said laws, and that I have opened up new ground to the extent or depth of ten feet as required by the laws of Idaho, and that all stakes and monuments or trees marking boundaries of said claim are in proper place and position.

[signature]

Subscribed and sworn to before me this 9th day of April, A. D. 19 57

W.W. Simmonds, Ex-Officio Recorder
By [signature] Deputy

NOTICE OF QUARTZ LOCATION

TO WHOM IT MAY CONCERN:

Notice is hereby given, that WE, ERNEST F. WATERMAN AND ESTHER L. WATERMAN

citizens of the United States of America ~~(or have declared their intention to become such),~~ of the age of twenty-one years, did on the 28TH day of FEBRUARY, 1957 discover a vein or lode of Quartz or rock in place, bearing gold, silver, or other precious metals or valuable deposits, within the limits of the hereinafter described claim, do this 28TH day of FEBRUARY, 1957, hereby under and in accordance with the Revised Statutes of the United States (Chapter VI Title XXXII) and laws of the State of Idaho CLAIM BY RIGHT OF DISCOVERY, THE PINNACLE MINING CLAIM

That said claim extends 750 linear feet in a NORTH-EASTERLY direction along said vein or lode from the point of discovery, and 750 linear feet in a SOUTH-WESTERLY direction along said vein or lode from the point of discovery; and extends 300 feet on the SOUTH-EAST side from the middle of said ledge and 300 feet on the NORTH-WEST side from the middle of said ledge. That said point of discovery is shown by a certain DISCOVERY STAKE and is APPROX. 1500 linear feet in a NORTH-WESTERLY direction from THE CONFLUENCE OF LITTLE DEER CREEK WITH

(Here state any natural object or monument which will identify the point of discovery or the location)

PANTHER CREEK, AND WILL BE WHEN SURVEYED, IN THE N½ SEC. 11, T21N, R18E, BOISE BASE AND MERIDIAN

The adjoining claims are: DEER HAVEN NO. 2

That said claim is situate in the BLACKBIRD Mining District, in the County of LEMHI, State of Idaho.

LOCATORS

Ernest F. Waterman
Esther L. Waterman

No. 35528

Quartz Mining Location Notice

.....Claim

STATE OF IDAHO
County of..... } ss.

I hereby certify that this instrument was filed for record at the request of.....

.....at.....minutes past.....o'clock.....M, this.....day of.....A. D. .....,, in my office and duly recorded in book.....of.....Mining Claims, at page.....

Deputy Recorder .....District
.....County, Idaho

STATE OF IDAHO
County of Lemhi } ss.

I hereby certify that this instrument was filed for record at request of Ernest F. Waterman at 46 minutes past 2 o'clock P. M, this 9th day of April, A. D. 19 57 in my office, and duly recorded in Book 8 of Mining Claims, at page 381. W.W. Simmonds
Ex-Officio Recorder.
Lemhi County, Idaho
By Opal Richmond Deputy.
Fees. $2.00 Paid

Indexed—Direct . . .
Indexed—Indirect . . .

STATE OF IDAHO,
County of Lemhi } ss.

I, Ernest F. Waterman, do solemnly swear that I am a citizen of the united States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the PINNACLE ledge, lode or claim, that the ground and claim therein described or any part thereof has not to the best of my knowledge and belief been located according to the laws of the United States and of this State, or if so located that the same has been abandoned or forfeited by reason of the failure of such former locators to comply in respect thereto with the requirements of said laws, and that I have opened up new ground to the extent or depth of ten feet as required by the laws of Idaho, and that all stakes and monuments or trees marking boundaries of said claim are in proper place and position.

Ernest F. Waterman

Subscribed and sworn to before me this 9th day of April, A. D. 19 57

W. W. Simmonds, Ex-Officio Recorder
By Opal Richmond Deputy

Printed and for Sale by Recorder Herald, Salmon, Idaho

NOTICE OF QUARTZ LOCATION

TO WHOM IT MAY CONCERN:

Notice is hereby given, that Wilfred S. Keele, Ernest H. Waterman, Eunice Keele & Esther Waterman

citizens of the United States of America ~~(or ha declared h intention to become such)~~, of the age of twenty-one years, did on the 4th day of June, 1951 discover a vein or lode of Quartz or rock in place, bearing gold, silver, or other precious metals or valuable deposits, within the limits of the hereinafter described claim, do this 5th day of June, 1951, hereby under and in accordance with the Revised Statutes of the United States (Chapter VI Title XXXII) and laws of the State of Idaho Claim by right of discovery the LONG DIKE [redacted] MINING CLAIM. That said claim extends 200 linear feet in an easterly direction along said vein or lode from the point of discovery, and 1300 linear feet in a westerly direction along said vein or lode from the point of discovery; and extends 300 feet on the south side from the middle of said ledge and 300 feet on the north side from the middle of said ledge. That said point of discovery is shown by a certain discovery stake and is 2500 linear feet in a northerly direction from Confluence of the South fork of Little Deer Creek with the east fork of Little Deer Creek

(Here state any natural object or monument which will identify the point of discovery or the location)

The adjoining claims are: LONG DIKE no. 2 and LONG DIKE NO. 3

That said claim is situate in the Mackinaw Mining District, in the County of Lemhi, State of Idaho.

LOCATORS

Wilfred S. Keele
Ernest H. Waterman
Eunice Keele
Esther Waterman

No. 73930

QUARTZ LOCATION NOTICE

.....Mining Claim

.....Mining District

I hereby certify that this instrument was filed for record at request of .....

.....

.....at .....minutes past.....o'clock.....M., this.....day of.....A. D. 19.....in my office and duly recorded in book.....of.....Mining Claims, at page.....

.....Deputy Mineral Recorder

.....Ex-Officio Recorder

STATE OF IDAHO
County of Lemhi } ss.

I hereby certify that this instrument was filed for record at request of Ernest Waterman at 30 minutes past 3 o'clock P M., this 3rd day of July, A. D. 1951 in my office, and duly recorded in book 3 of Mining Claims, at page 622

W. W. Simmonds
Ex-Officio Recorder

Lemhi County, Idaho

By Lois E. Stevens Deputy

Fee. $2.00 Paid Mail to: BOS 670, City

STATE OF IDAHO
County of Lemhi } ss.

I, Ernest Waterman

do solemnly swear that I am a citizen of the United States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the LONG DIKE ledge, lode or claim, that the ground and claim therein described, or any part thereof, has not to the best of my knowledge and belief been located according to the laws of the United States and of this State, or if so located that the same has been abandoned or forfeited by reason of the failure of such former locators to comply in respect thereto with the requirements of said laws, and that I have opened new ground to the extent or depth of ten feet as required by the laws of Idaho.

Ernest F. Waterman

Subscribed and sworn to before me this 3rd day of July, A. D. 19 51

W. W. Simmonds, County Recorder

By Lois E. Stevens Deputy

NOTICE OF LODE LOCATION

Know all Men by These Presents, That We Wilfred S. Keele, Ernest F. Waterman, Eunice Keele & Esther Waterman

of Salmon, County of Lemhi, State of Idaho

claim by right of discovery and location 1500 feet, linear and horizontal measurement, on the Long Dike no. 2 Lode, along the vein thereof, with all its dips, variations and angles; the same being 1400 feet on said lode running Easterly from the discovery stake, and 100 feet on said lode running Westerly from the said discovery stake, together with 300 feet in width on each side of the middle of said vein at the surface; and all veins, lodes, ledges, deposits, mineral and surface ground within the lines of said claim.

Said claim is situate in Blackbird Mining District, Lemhi County, State of Idaho, and is bounded and described as follows: Beginning at point of discovery, extending 1400 linear ft. easterly along said vein and 100 linear ft. westerly along said vein. The discovery stake upon which this notice is posted is 2500 Northerly from the confluence of Little Bat Creek and Little Deer Creek. The adjoining claims are The Long Dike and Long Dike Millsite

Date of discovery June 4, 19 51

Staked and located June 5, 19 51

Date of Certificate July 3, 19 51

Wilfred S. Keele, Ernest F. Waterman

Eunice Keele & Esther Waterman

Locators

STATE OF IDAHO,
COUNTY OF LEMHI, } ss.

I, Ernest Waterman

do solemly swear that I am a citizen of the United States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the LONG DIKE NO. 2

lode, the ground and claim, that ledge or claim therein described, or any part thereof, has not to the best of my knowledge and belief, been located according to the laws of the United States and of this state, save as mentioned in the within notice, or if so located, that the same has been abandoned or forfeited by reason of the failure of such former locator to comply in respect thereto with the requirements of said laws, that I have opened up new ground to the extent or depth of ten feet as required by the laws of the State of Idaho.

Ernest H. Waterman

Subscribed and sworn to before me this 3rd day of July
A. D. 19 51

W. W. Simmonds, County Recorder
By Lois E. Stevens Deputy

No. 73931

NOTICE OF LODE LOCATION

Recorded at the request of
Ernest Waterman
at 31 minutes past 3 o'clock P. M.,
July 3rd, 19 51 in book
3 of Mining Claims, page 623
Records of
Lemhi County, Idaho
W. W. Simmonds
County Recorder
By Lois E. Stevens
Deputy

Transferred 19

Book Mining Claims, page

County Recorder
By
Deputy

Fee $2.00 Paid

Compared . . . . .
Indexed—Direct . . .
Indexed—Indirect . .

NOTICE OF LODE LOCATION

Know all Men by These Presents, That We Ernest F. Waterman and Wilfred L. Keele

of Salmon, County of Lemhi, State of Idaho

claim by right of discovery and location 1500 feet, linear and horizontal measurement, on the Long Dike no. 3 Lode, along the vein thereof, with all its dips, variations and angles; the same being 30 feet on said lode running Easterly from the discovery stake, and 1470 feet on said lode running Westerly from the said discovery stake, together with 300 feet in width on each side of the middle of said vein at the surface; and all veins, lodes, ledges, deposits, mineral and surface ground within the lines of said claim.

Said claim is situate in Blackbird Mining District, Lemhi County, State of Idaho, and is bounded and described as follows: Beginning at Point of discovery extending 30 lineal ft. easterly along said vein and 1470 lineal ft. westerly along said vein. The discovery stake where this notice is posted is 3000 ft. north westerly from the confluence of Little Bat Creek and Little Deer Creek. The adjoining Claims are the Long Dike and the Long Dike Extension.

Date of discovery June 4, 1951

Staked and located June 5, 1951

Date of Certificate July 3, 1951

Ernest F. Waterman

Wilfred L. Keele

Locators

STATE OF IDAHO, }
COUNTY OF LEMHI, } ss.

I, Ernest Waterman

do solemly swear that I am a citizen of the United States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the LONG DIKE NO. 3

lode, the ground and claim, that ledge or claim therein described, or any part thereof, has not to the best of my knowledge and belief, been located according to the laws of the United States and of this state, save as mentioned in the within notice, or if so located, that the same has been abandoned or forfeited by reason of the failure of such former locator to comply in respect thereto with the requirements of said laws, that I have opened up new ground to the extent or depth of ten feet as required by the laws of the State of Idaho.

Ernest F. Waterman

Subscribed and sworn to before me this 3rd day of July A. D. 19 51.

W. W. Simmonds, County Recorder
By Lois E. Stevens Deputy

No. 28932

NOTICE OF LODE LOCATION

Recorded at the request of Ernest Waterman at 32 minutes past 3 o'clock P. m., July 3rd, 19 51 in book 3 of Mining Claims, page 624 Records of Lemhi County, Idaho

W. W. Simmonds
County Recorder
By Lois E. Stevens
Deputy

Transferred ....., 19.....

Book ..... Mining Claims, page .....

County Recorder
By .....
Deputy

Fee $ 2.00 Paid

Compared ....
Indexed — Filed ....

NOTICE OF QUARTZ LOCATION

TO WHOM IT MAY CONCERN:

Notice is hereby given, that Ernest F. Waterman & Wilfred L Keele Salmon, Idaho

citizen.s of the United States of America (or ha.....declared.....h.....intention to become such), of the age of twenty-one years, did on the 21st day of June, 1955 discover a vein or lode of Quartz or rock in place, bearing gold, silver, or other precious metals or valuable deposits, within the limits of the hereinafter described claim, do.....this 21st day of June, 1955, hereby under and in accordance with the Revised Statutes of the United States (Chapter VI Title XXXII) and laws of the State of Idaho

Long Dike # 4 MINING CLAIM

That said claim extends 1400 linear feet in a Westerly direction along said vein or lode from the point of discovery, and 100 linear feet in a Easterly direction along said vein or lode from the point of discovery; and extends 300 feet on the South side from the middle of said ledge and 300 feet on the North side from the middle of said ledge. That said point of discovery is shown by a certain Monument and is 3600 linear feet in a Westerly direction from Little Deer Cr., about one mile up Cr. from mouth

(Here state any natural object or monument which will identify the point of discovery or the location)

The adjoining claims are: Long Dike # 3 on the south side & Long Dike # 5 on the East end.

That said claim is situate in the Blackbird Mining District, in the County of Lemhi, State of Idaho.

LOCATOR.S

Ernest F. Waterman
Wilfred L. Keele

No. 818 78

Quartz Mining Location Notice

..... Claim

STATE OF IDAHO } ss.
County of .....

I hereby certify that this instrument was filed for record at the request of .....

..... at ..... minutes past ..... o'clock ..... M., this ..... day of ..... A. D. ....., in my office and duly recorded in book ..... of ..... Mining Claims, at page .....

Deputy Recorder ..... District ..... County, Idaho

STATE OF IDAHO } ss.
County of Lemhi

I hereby certify that this instrument was filed for record at request of Ernest F. Waterman at 21 minutes past 1 o'clock P. M., this 29th day of June, A. D. 19 55 in my office, and duly recorded in Book 6 of ..... Mining Claims, at page 600.

W.W. Simmonds
Ex-Officio Recorder.
Lemhi County, Idaho
By Opal Reddington Deputy.
Fees $2.00 Paid

Compared .....
Indexed .....
Issued Letters .....

STATE OF IDAHO,
County of Lemhi } ss.

I, Ernest F. Waterman

do solemnly swear that I am a citizen of the united States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the LONG DIKE NO. 4 ledge, lode or claim, that the ground and claim therein described or any part thereof has not to the best of my knowledge and belief been located according to the laws of the United States and of this State, or if so located that the same has been abandoned or forfeited by reason of the failure of such former locators to comply in respect thereto with the requirements of said laws, and that I have opened up new ground to the extent or depth of ten feet as required by the laws of Idaho, and that all stakes and monuments or trees marking boundaries of said claim are in proper place and position.

Ernest F. Waterman

Subscribed and sworn to before me this 29th day of June, A. D. 19 55.

W.W. Simmonds, Ex-Officio Recorder

By Opal Reddington
Deputy

NOTICE OF QUARTZ LOCATION

TO WHOM IT MAY CONCERN:

Notice is hereby given, that Ernest F. Waterman & Wilfred L Keele of Salmon, Idaho

citizens of the United States of America (or ha declared h intention to become such), of the age of twenty-one years, did on the 21st day of June, 1955 discover a vein or lode of Quartz or rock in place, bearing gold, silver, or other precious metals or valuable deposits, within the limits of the hereinafter described claim, do this 21st day of June, 1955, hereby under and in accordance with the Revised Statutes of the United States (Chapter VI Title XXXII) and laws of the State of Idaho Long Dike # 5 MINING CLAIM

That said claim extends 300 linear feet in a Westerly direction along said vein or lode from the point of discovery, and 1200 linear feet in a Easterly direction along said vein or lode from the point of discovery; and extends 200 feet on the South side from the middle of said ledge and 400 feet on the North side from the middle of said ledge. That said point of discovery is shown by a certain Monument and is 2600 linear feet in a Westerly direction from Little Deer Cr. about one mile up Creek from mouth

(Here state any natural object or monument which will identify the point of discovery or the location)

The adjoining claims are: Long Dike on the south side, Long Dike # 4 on the West end & Long Dike # 6 on the East end.

That said claim is situate in the Blackbird Mining District, in the County of Lemhi, State of Idaho.

LOCATORS Ernest F. Waterman
Wilfred L. Keele

No. 81879

Quartz Mining Location Notice

..... Claim

STATE OF IDAHO } ss.
County of .....

I hereby certify that this instrument was filed for record at the request of .....
..... at ..... minutes past ..... o'clock ..... M., this ..... day of ..... A. D. ....., in my office and duly recorded in book ..... of ..... Mining Claims, at page .....

..... Deputy Recorder ..... District
..... County, Idaho

STATE OF IDAHO } ss.
County of Lemhi

I hereby certify that this instrument was filed for record at request of Ernest F. Waterman at 22 minutes past 1 o'clock P. M., this 29th day of June, A. D. 19 55 in my office, and duly recorded in Book 6 of 601. page ..... Mining Claims, at

W.W. Simmonds
Ex-Officio Recorder.
Lemhi County, Idaho
By Opal Reddington Deputy.
Fees, $2.00 Paid

Compared
Indexed
Recorded

STATE OF IDAHO,
County of Lemhi } ss.

I, Ernest F. Waterman,

do solemnly swear that I am a citizen of the united States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the LONG DIKE NO. 5 ledge, lode or claim, that the ground and claim therein described or any part thereof has not to the best of my knowledge and belief been located according to the laws of the United States and of this State, or if so located that the same has been abandoned or forfeited by reason of the failure of such former locators to comply in respect thereto with the requirements of said laws, and that I have opened up new ground to the extent or depth of ten feet as required by the laws of Idaho, and that all stakes and monuments or trees marking boundaries of said claim are in proper place and position.

Ernest F. Waterman

Subscribed and sworn to before me this 29th day of June, A. D. 19 55

W.W. Simmonds, Ex-Officio Recorder

By Opal Reddington
Deputy

NOTICE OF LODE LOCATION

Know all Men by These Presents. That We Ernest F. Waterman Wilfred L. Keele, Eunice Keele & Esther Waterman

of Salmon, County of Lemhi, State of Idaho

claim by right of discovery and location 1500 feet, linear and horizontal measurement, on the Long Dike Extension Lode, along the vein thereof, with all its dips, variations and angles; the same being 200 feet on said lode running Easterly from the discovery stake, and 1300 feet on said lode running Westerly from the said discovery stake, together with 300 feet in width on each side of the middle of said vein at the surface; and all veins, lodes, ledges, deposits, mineral and surface ground within the lines of said claim.

Said claim is situate in Blackbird Mining District, Lemhi County, State of Idaho, and is bounded and described as follows: Beginning at Point of discovery extending 200 lineal ft. easterly along said vein to West end of Long Dike #3 and 1300 ft in Westerly direction along said vein.

The discovery stake where this notice is posted is about 4500 ft. west ~~from~~ the confluence of Little Bat Cr. and Little Deer Cr.

Date of discovery June 23, 1957

Staked and located June 30, 1957

Date of Certificate July 3, 1957

Ernest F. Waterman

Wilfred L. Keele Eunice Keele Esther Waterman

Locator.

STA... OF IDAHO,
COU... Y OF LEMHI, } ss.

I, Ernest Waterman

do solemly swear that I am a citizen of the United States of America (or have declared my intention to become such) and that I am acquainted with the mining ground described in this notice of location and herewith called the LONG DIKE EXTENSION

lode, the ground and claim, that ledge or claim therein described, or any part thereof, has not to the best of my knowledge and belief, been located according to the laws of the United States and of this state, save as mentioned in the within notice, or if so located, that the same has been abandoned or forfeited by reason of the failure of such former locator to comply in respect thereto with the requirements of said laws, that I have opened up new ground to the extent or depth of ten feet as required by the laws of the State of Idaho.

Ernest H. Waterman

Subscribed and sworn to before me this 3rd day of July

A. D. 19 51.

W. W. Simmonds, County Recorder

By Lois E. Stevens Deputy

No. 7933

NOTICE OF LODE LOCATION

Recorded at the request of

Ernest Waterman

at 33 minutes past 3 o'clock P. m.,

July 3rd, 19 51 in book

3 of Mining Claims, page 625

Records of

Lemhi County, Idaho

W. W. Simmonds

County Recorder

By Lois E. Stevens

Deputy

Transferred, 19

Book Mining Claims, page

County Recorder

By

Deputy

Fee $ 2.00 Paid

Compared

CLAIM OF MILL SITE

NOTICE IS HEREBY GIVEN, That the undersigned Ernest F. Waterman and Wilfred L. Keele of Salmon County of Lemhi State of Idaho do hereby claim the occupation, possession and enjoyment of all and singular that tract or parcel of land not exceeding five acres, situate, lying and being in Blackbird Mining District, in the County of Lemhi in the State of Idaho bounded and described as follows, towit: On Little Deer Cr. at mouth of big gulch coming in from the west about 1 1/4 mi. up Little Deer Cr. from the mouth. Located as follows Corner #1 where notice is posted (Northwest Corner) thence 363 ft. in easterly direction to corner #2, thence 600 ft. in southerly direction to corner # 3, thence 363 in westerly direction to # 4, Thence 600 ft northerly direction to corner #1.

The above tract of ground is claimed as a Mill Site and is called the Long Dike Lode Mill Site.

A copy of this Notice is posted on the Northwest corner of this claim and posts or stakes more than four feet high and four inches in diameter, marked with the name of this Mill Site and the corner it represented have been placed at each corner hereof.

WITNESS our hands and seal this 6th day of June in the year of 1951.

Ernest F. Waterman

Wilfred L. Keele

STATE OF IDAHO,)
COUNTY OF LEMHI,) ss.

On this 3rd day of July in the year 195 before me W. W. Simmonds, County Auditor and Recorder ~~Notary Public~~ in and for said County, personally appeared ~~Ernest Waterman~~ known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

Ernest F. Waterman

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

W. W. Simmonds
County Auditor and ~~Notary Public~~
Recorder
By Lois E. Stevens Deputy

No. 22334

CLAIM OF MILL SITE

MILL SITE

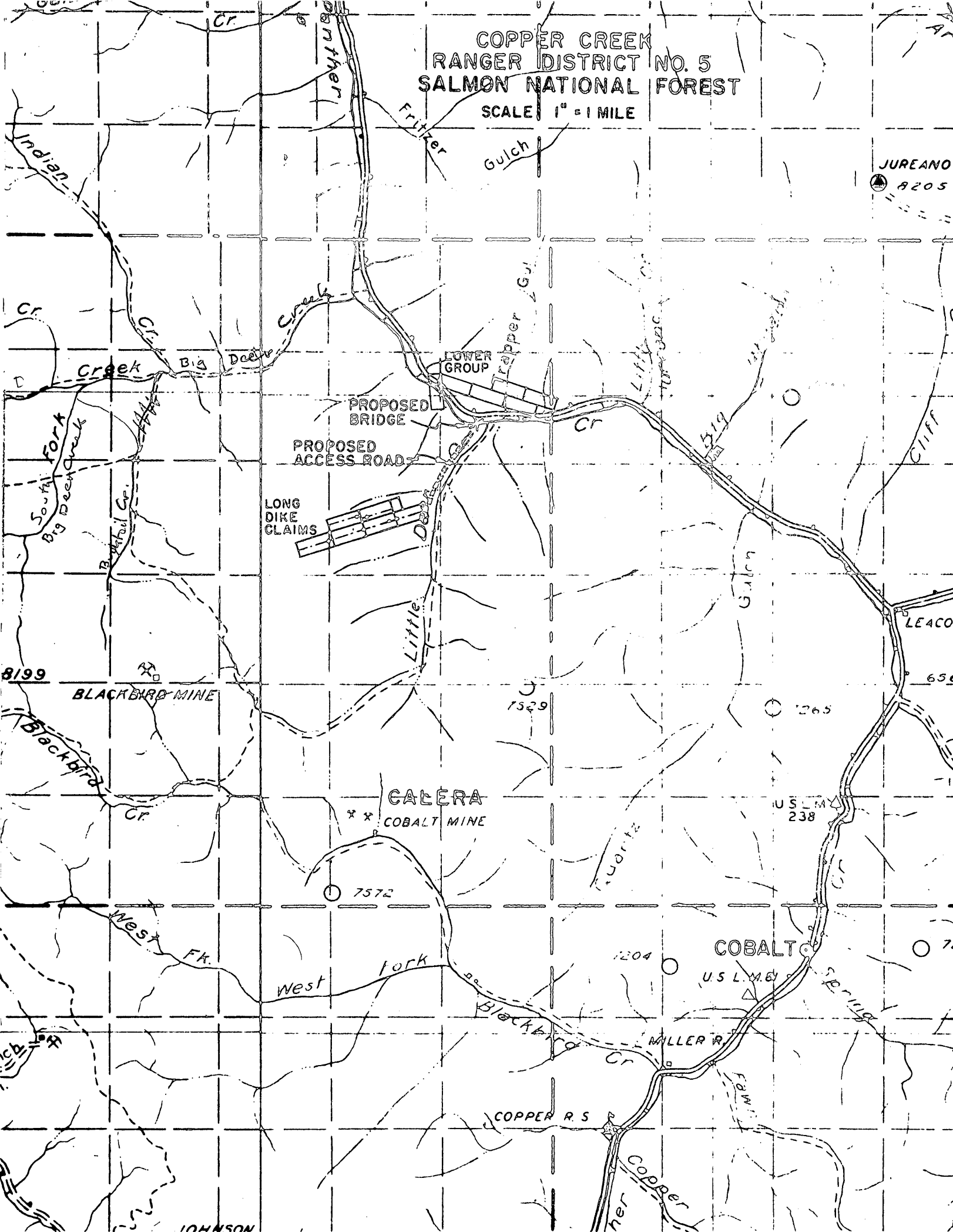
Dated ..., 19...

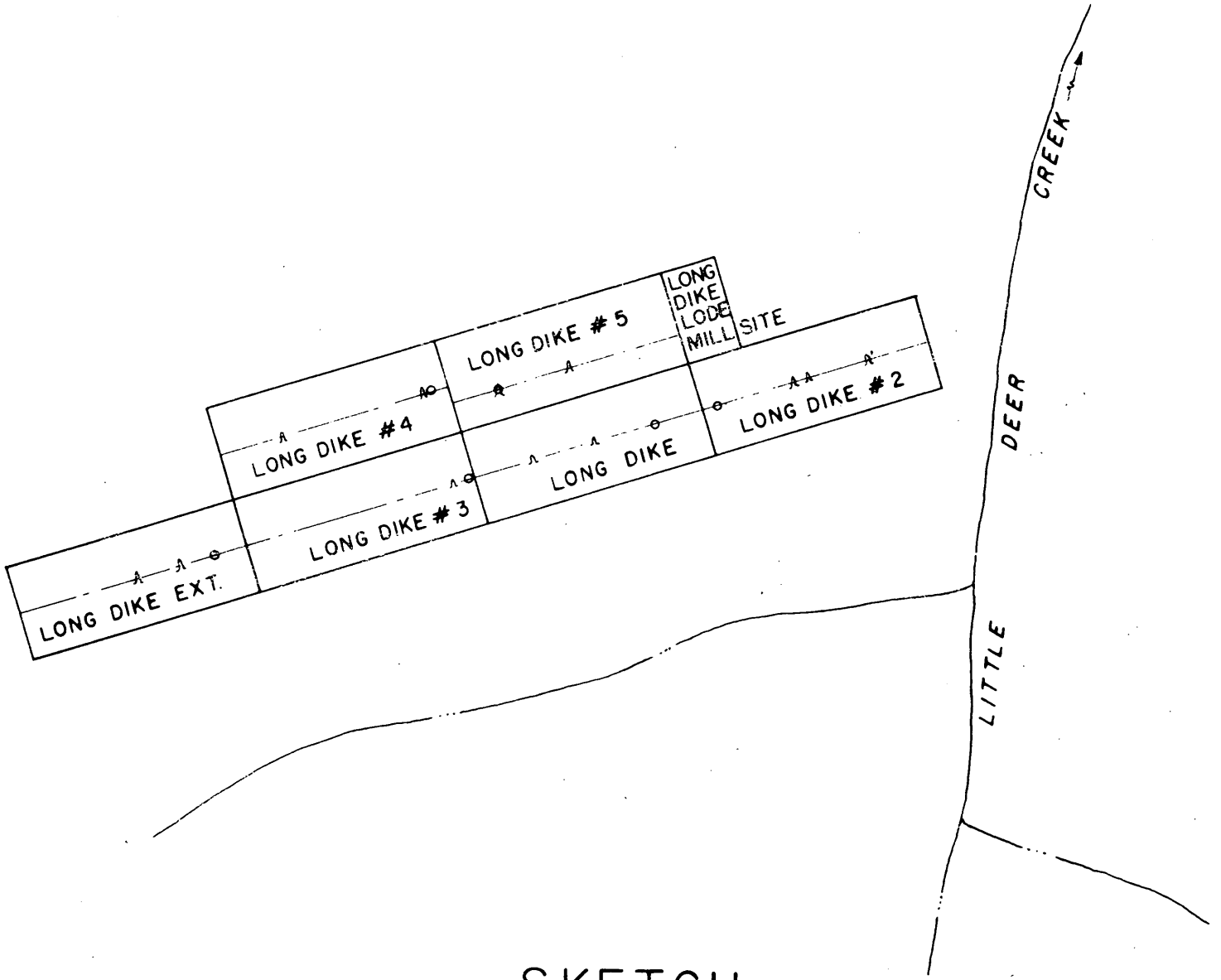
STATE OF IDAHO,)
County of Lemhi,) ss.

I do hereby certify that this instrument was filed for record at the request of Ernest Waterman at 34 minutes past 3 o'clock P. M., this 3rd day of July A. D. 19 51 in my office, and duly recorded in Book 3 of Mining Claims page 626

W. W. Simmonds
Ex-Officio Recorder
By Lois E. Stevens Deputy

Fees, $2.00 Paid


COPPER CREEK
RANGER DISTRICT NO. 5
SALMON NATIONAL FOREST
SCALE 1" = 1 MILE
Fritzer
Gulch
Indian
JUREANO
8205
Big Deer Creek
LOWER GROUP
Trapper
PROPOSED BRIDGE
PROPOSED ACCESS ROAD
LONG DIKE CLAIMS
South Fork
Big Deer Creek
Little
Cr
Cliff
LEACO
8199
BLACKBIRD MINE
Blackbird
Cr
7529
CALERA
COBALT MINE
U S L M
238
7572
West Fk.
West Fork
Blackbird Cr
COBALT
1204
U S L M
MILLER R
COPPER R S
Copper


LONG DIKE EXT.
LONG DIKE #4
LONG DIKE #3
LONG DIKE #5
LONG DIKE
LONG DIKE #2
LONG DIKE LODE MILL SITE
LITTLE DEER CREEK

SKETCH

NAME OF

Dr. Thor Kielgaard
Room 5224 - Interior Bldg.
U. S. Geological Survey

Dr. Ira Drumb
Room 4444, Int.

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U. S. Government Messenger Envelope

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~~Mr. M. A. Hill~~	RUN	~~Dept. Interior~~	RUN
~~Rm 5206 So.~~	STOP		STOP
Mary,	RUN		RUN
~~has been under Dept.~~ ~~The correction~~ return. Alice	STOP	~~Accounts~~	STOP
~~[illegible]~~	RUN	~~Mr. Cardell Moore~~ Room 5438	RUN
	STOP		STOP
~~Mrs. Mary Thrift~~ ~~Rm 3043 No.~~	RUN	Mr. Dan Scheller Officer of Territories	RUN
	STOP		STOP
~~[illegible]~~	RUN	~~Mr. Numbers~~ Office of the Secretary	RUN
~~[illegible] No.~~	STOP		STOP
Mr. A. P. Miller Rm 5624 - North	RUN	~~R6254 - Interior~~ ~~Personnel~~ ~~Geological Survey~~	RUN
	STOP		STOP
Mrs. M. C. Willcox 5718 North	RUN	~~Miss Wyscarver~~ ~~GEOLOGIC DIVISION~~	RUN
	STOP		STOP
~~[illegible]~~ ~~Rm 5358 No.~~	RUN	~~Mary Ratliff~~ ~~Room 424~~	RUN
	STOP		STOP
[illegible]	RUN	~~Perry Nation~~ ~~So 236~~	RUN
	STOP		STOP
~~Mail Room~~	RUN	~~MINERAL DEPOSITS~~ ~~4204~~ ~~GSA 374~~	RUN
	STOP		STOP

Send surplus envelopes to supply room for reissue.

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16—38949-2

Use RUN and STOP only when messenger service between Government buildings in Washington is required. Your mail room has RUN and STOP information.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
April 20, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 25 1960

DATE	INITIALS	CODE
4-25	gad	220
4-25	JB	130
		~~120~~
4/25	JKJ	110
4/26	[illegible]	800
4/27	~~[illegible]~~ SMH	500
		225

Memorandum

To: Chief, Division of Field Operations, OME

From: Acting OME Field Officer, Region I

Subject: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

The subject contract was rescinded, and a final report is not required. However, the results of the geochemical exploration were made available to us by K. E. Hamblen and a brief report was prepared for the files, in case another application for a project on this property should be submitted.

Enclosed are three copies of this report for your files. You will note that plates 2 and 3 are missing. As we have no draftsman and the time involved would be considerable, we did not prepare tracings of these plates, but Mr. Hamblen furnished us with five copies of each plate, three of which were forwarded to your office, one is in our DMEA file, and one is in the Spokane Regional Office files.

D.R. MacLaren
D. R. MacLaren

Enclosures

4/25/60 Original & 2 copies received.
1 cy to each Messrs PFYopes, USBM,
and Harold Kirkemo, USGS.
HBerry

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
FIELD TEAM, REGION I

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 25 1960

DATE	INITIALS	CODE

FINAL GEOLOGIC REPORT

Contract Idm-E1221

by

H. F. Albee and D. R. MacLaren
Geologists
U. S. Geological Survey

CAPITAL-SEABOARD CORPORATION
900 Oil and Gas Building
Wichita Falls, Texas

Docket No.:	DMEA-4906
Commodity:	Cobalt-Copper
Contract date:	June 24, 1958
Rescission date:	January 25, 1960

LONG DIKE GROUP OF CLAIMS
Blackbird Mining District
Lemhi County, Idaho

Spokane, Washington

March 1960

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ILLUSTRATIONS

Plate 1. Geologic map, Long Dike Claim — In pocket

FINAL GEOLOGIC REPORT

CAPITAL-SEABOARD CORPORATION

Long Dike Group of Claims
Blackbird Mining District
Lemhi County, Idaho

Contract Idm-E1221

* * * * *

INTRODUCTION

This report describes an exploration project for cobalt and copper on the Long Dike claims in Lemhi County, Idaho. The project was conducted jointly by the Defense Minerals Exploration Administration and the Captial-Seaboard Corporation, which subleased the claims from a group of prime lessors.

SUMMARY

The purpose of the project was to explore for cobalt and copper ores by bulldozer trenching, geochemical sampling, diamond drilling, and crosscutting and drifting in the area shown on plate 1.

Contract work was started about August 1, 1958, and by October 17, 1958, 21,300 feet of access road had been completed and 200 soil samples had been taken in an area about 2,000 feet long and 450 feet wide. About this time a labor lien for unpaid wages was entered against the claims. The prime lessors, in order to keep their title clear, paid the outstanding bills and cancelled the sublease. Thus the DMEA contract became in default and as the Capital-Seaboard Corporation would not or could not come to an agreement with the prime lessors whereby the sublease could be reinstated or an assignment of the contract to another operator could be made, the contract was rescinded. The Government made no contribution of funds to this project.

RECOMMENDATIONS

Assays of 15 soil samples indicated that an area about 450 feet long and 150 feet wide contains about 207 ppm cobalt and 153 ppm copper. Further exploration of this area by trenching and diamond drilling and detailed geologic mapping of the claim group is warranted. Should an application be received for Government aid to explore this area further, it is recommended that approval be seriously considered.

LOCATION AND ACCESSIBILITY

The Long Dike group of claims is in the north-central part of the Blackbird Mining District, Lemhi County, Idaho. Salmon, Idaho, the nearest town, is about 45 miles from the property via the Williams Creek and Panther Creek roads. Most of the distance is over well-graveled roads maintained the year round. The claims are reached from the Panther Creek road by about 4 miles of access road that extends up Little Deer Creek about three-quarters of a mile then turns northwesterly and switchbacks up a steep hill to the property. The difference in alititude between Panther Creek and the property is about 2,000 feet.

PROPERTY

The land referred to in Article 2 of the contract consists of six unpatented lode claims and a mill site located in an unsurveyed area. By projection of land lines the claims lie approximately in secs. 13 and 14, T. 21 N., R. 18 E. Boise meridian, Lemhi County, Idaho, and are recorded in the official records of Lemhi County, as follows:

Claim Name	Book	Page
Long Dike	3	622
Long Dike No. 2	3	623
Long Dike No. 3	3	624
Long Dike No. 4	6	600
Long Dike No. 5	6	601
Long Dike Extension	3	625
Long Dike Lode (Mill Site)	3	626

The history of ownership of the Long Dike claims is involved. The claims presently are owned by Esther L. and Ernest F. Waterman of Salmon, Idaho, and leased to K. E. Hamblen (now deceased), Earl R. Marble, Jr., Pierre R. Hines, Kenneth A. Moores, and Jerome S. Bischoff. Capital-Seaboard's interest in the property consisted of an Assignment of Mining Lease and Option to Purchase, executed December 23, 1957, by the prime lessors.

GEOLOGY

The geology of the Blackbird district and some of its deposits has been described by Joseph B. Umpleby in U. S. Geological Survey Bulletin 528, 1913. Results of areal and mine mapping in the district by J. S. Vhay and others is published in U. S. Geological Survey Strategic Minerals Preliminary Report, 3-219, 1948, open-file. Vhay has continued a study of the Blackbird district and during the course of this study mapped some open-cuts on the Long Dike claims in 1956. In December 1953 a preliminary report of geochemical investigations in the Blackbird district by F. C. Canney, H. E. Hawkes, G. M. Richmond, and J. S. Vhay was released for open file.

Rocks of the district consist mostly of interbedded quartz-biotite schist and fine-grained quartzite which are metamorphosed sedimentary rocks of the Precambrian Yellowjacket formation (Belt Series). The rocks are broadly grouped by Vhay (1948) into three adjoining north-trending structural blocks. Most of the ore deposits of the district are in the central or Blackbird structural block which consists predominantly of schistose rocks. These rocks have been folded, tightly in some places, and most of the folds plunge 30°-40° N. The rocks have been cut by numerous shear zones, the principal directions of which are north, northwest, and northeast. The mineralization was controlled mainly by the shear zones, and in part by the north-plunging folds. The main minerals of the replacement veins and lenses are chalcopyrite, cobaltite, pyrite, pyrrhotite, quartz, biotite, and siderite.

The Long Dike group of claims is on the northeast side of the Blackbird block, which at this locality, apparently is bounded by a north-trending fault which here forms the contact between the Blackbird and Haynes-Stellite blocks. The copper-cobalt minerals on the claims are localized along a northeasterly trending shear zone (pl. 1). The shear zone is exposed in five shallow open cuts, but the best exposure is in the Long Dike discovery pit where it contains a mineralized zone about 4.5 feet wide. The mineralized zone is a porous quartz gossan containing copper and cobalt minerals between walls of schistose quartz-mica rock. The shear zone is nearly parallel to the bedding and dips 27°-32° northwesterly.

THE PROJECT

About 21,700 feet of access road was constructed. It started near the mouth of Little Deer Creek which it follows for about three-quarters of a mile to the southwest; it then follows a northwesterly direction up the steep hillside with many switchbacks. The road enters the property near the southern part of the Long Dike No. 2 claim, proceeds diagonally across the Long Dike No. 2 and Long Dike, Long Dike No. 3, Long Dike No. 4, and finally back on Long Dike No. 3 claims with many more switchbacks.

A grid consisting of 20 surveyed lines 450 feet long and about 100 feet apart and bearing about N. 18° W., was laid out across the mineralized zone. Soil samples were taken at a depth of 1 foot at 50-foot intervals along each line. Samples were assayed for trace amounts of cobalt and copper. The results are shown on plates 2 and 3. In an area approximately 450 feet long and 150 feet wide the average value of 15 samples assayed for cobalt is 207.3 ppm and for copper is 133.3 ppm.

Trenching and drilling had not started when the lease was cancelled by the prime lessors.

Enclosure
Distribution:
- CME(3)
- USBM(1)
- USGS(SRO)
- Docket
- Albee-MacLaren

Capital-Seaboard Corporation

WICHITA FALLS, TEXAS FARMINGTON, NEW MEXICO

900 OIL & GAS BUILDING*
WICHITA FALLS, TEXAS

January 29, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 4 1960

DATE	INITIALS	CODE
2/4	RCW	225
2/4	[illegible]	800
2/5	[illegible]	~~500~~
		225

S.R.H.

Mr. Frank E. Johnson
United States Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

Dear Mr. Johnson:

Re: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

Your notice dated January 25, 1960 of recision on the above contract has been received.

We agreed, as per our letter to you of June 19, 1959, to assign the DMEA Contract to Mr. Jerome S. Bischoff and his associates, the owners of the Long Dike Group of Claims. We had understood that a new group wished to take over this DMEA.

Since we assured everyone concerned that we would assign, we have had no further information.

Very truly yours,

William E. Roberts

William E. Roberts
President

ajb

* New Address: 211 C. A. JOHNSON BUILDING, DENVER 2, COLORADO

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
		110
1/25	Selfridge	120
		500
1-25	gad	225
1/25	Cac	210

JAN 25 1960

Mr. Joseph H. Corbin, President
Capital-Seaboard Corporation
900 Oil and Gas Building
Wichita Falls, Texas

Re: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Corbin:

As we have received no further information regarding the assignment of your DMEA contract to other parties from either you or Mr. Jerome S. Bischoff since our letter to you of June 19, 1959, we must assume that you cannot reach an agreement. We must also assume that you are unable to cure the default under your DMEA contract.

Under the circumstances, I regret that we find it necessary to rescind the DMEA contract between your corporation and the Government and, consequently, cannot reimburse you for the Government's share for any expenditures made under the contract.

A formal notice of rescission of the DMEA contract is enclosed.

Sincerely yours,

Frank E. Johnson

Acting Director

Enclosure

FEJohnson/bih
1/25/60
Docket
Dir. reading file
Operating Committee
Field Ream, Reg. I (2)
Mr. Bischoff
Mr. Kirkemo
Mr. Lamb.
Mr. Griswold

8623

MME Form
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/18/60	Holt	500
	[illegible]	500
	Hofflund	140
	Appd. Dal. 00	140
1/19	Talbert	800
1/22	Selfridge	130
1/22	Kirkham	130
		~~110~~
1-25	gad	220
		225

NOTICE OF RESCISSION OF EXPLORATION PROJECT CONTRACT

To: Mr. Joseph H. Corbin, President
Capital-Seaboard Corporation
900 Oil and Gas Building
Wichita Falls, Texas

Operation Under Exploration
Project Contract Idm-E1221
Docket No. DMEA-4906 (Cobalt-Copper)
dated June 24, 1958

The United States of America, acting through the Department of the Interior, Office of Minerals Exploration (successor to Defense Minerals Exploration Administration), hereby rescinds the subject contract, as of the date thereof, on the following grounds:

1. You have failed to preserve and maintain your right, title, and interest in the land and your right of possession thereof, for the purposes of the contract, as required by Article 2(d) of the contract.

2. You have failed and do fail to perform the work with reasonable diligence, efficiently, expertly, in a workmanship-like manner . . . and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed by the contract, all as required by the provisions of Article 4(a) of the contract.

The United States of America repudiates and denies any liability under the contract, and will make no contribution to costs incurred thereunder.

Dated this 25th day of January, 1960.

JLHofflund/GMcC/gla 1-18-60
cc to: Solicitor's Docket
Operator
OME Docket
Mr. Soller
Mr. Hofflund
Mr. Lynch
Contract Adm. & Audit Div.
Finance Office

THE UNITED STATES OF AMERICA

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

OME Field Team, Region I
Director's Reading File Opr.Com. Code 500

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/18/60	Holt	500
	Griswold	500
1/19	Talbert	800
1/20	Selfridge	130
1/20	Yopes	130
1/22	Kirkemo	130
		~~[illegible]~~
1-25	gad	220
		225

January 18, 1960

Memorandum

To: Acting Director, Office of Minerals Exploration

Through: Chairman, Operating Committee

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

Subject: Docket No. DMEA-4906 (Cobalt, Copper)
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

Attached for your signature, if you approve, is Notice of Rescission of Exploration Project Contract for the above-captioned project.

Our reasons for requesting preparation of this rescission notice are set forth in our memorandum of October 26, 1959, to the Associate Solicitor, Division of Mineral Resources.

SPHolt/gla
cc to: Director's Reading File
~~Operating Committee~~
J. H. Bilbrey, Jr., USBM
Harold Kirkemo, USGS
Docket
Chron
Code 500

43683

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

January 15, 1960

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

DATE	INITIALS	CODE
1-18	gad	220
1/18	[illegible]	800
"	[illegible]	500
		225

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region I

Subject: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

In answer to your memorandum of January 12, 1960, the only new information we have is the reported death on October 13, 1959, of Kenneth E. Hamblen, one of the prime lessors of the property.

A. E. Weissenborn

A. E. Weissenborn

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/12/60	Holt	500
	Kirkwood	500
1/12	Talbert	800
1/12	[illegible]	130
1/12	Johnson	110
1/12	gad	220
		500

JAN 12 1960

Memorandum **AIR MAIL**

To: Executive Officer, OME Field Team, Region I

From: Chairman, Operating Committee, OME

Subject: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

The question of closing out the above-captioned contract is still under consideration in the Solicitor's office.

If you have any new or recent information on this project, please forward it to this office as promptly as possible.

The latest information we have is in your memorandum of October 2, 1959, outlining the fiscal status of the contract.

/s/
George C. Selfridge
(24B)

APPROVED:

P. F. Yopes (24B)
Member, Bureau of Mines

Harold Kirkemo (24B)
Member, Geological Survey

SPHolt/gla 1-12-60
cc to: Director's Reading File
Operating Committee
J. H. Bilbray, Jr., USBM
Harold Kirkemo, USGS
Docket
Chron

43683

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

RECEIVED
OCT 26 1959
ASSOC. SOLICITOR
MINERAL RESOURCES

October 26, 1959

Memorandum

To: Associate Solicitor, Division of Minerals Resources

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

Subject: Docket No. DMEA-4906 (Cobalt-Copper)
Capital Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

In accordance with suggestions made in your conference of October 23, 1959, with Mr. Holt concerning the above-captioned contract, herewith is a brief summary of the facts in the case:

Work authorized under the contract:

Stage I

Bulldozing access roads, 250 hours, transportation of bulldozer, bulldozing 5 trenches, diamond drilling 3000 feet, with extras, supervision, operating materials, supplies, equipment, geo-chemical surveys, insurance, etc.

Total Stage I	$40,210.00

Stage II

Build compressor and shop buildings, crosscut and drift 600 feet, timber drift and crosscut 500 feet, assaying, etc.

Total Stage II	24,990.00
Estimated Total Cost of the Project	$65,200.00
Government participation @ 62½%	$40,750.00

Work Completed:

Stage I

August, 1958 (Supported by MF-104 Report in Docket)

Bulldozing access roads, 159 hours @ $11.95/hr.	$1,900.05	
Transportation of bulldozer	100.00	
Supervision, 1 month @ $600.00/mo.	600.00	
		$ 2,600.05

ember-October, 1958 (See Memo of October 2, 1959, by Exec. Officer, Reg. I)

Bulldozing access roads, 91 hours @ $11.95/hr.	$1,087.45
Supervision, 2 months @ $600.00/mo.	1,200.00
Technical services, 20 days @ $17.00/day	340.00
Geo-chemical determinations, 200 @ $2.00/ea.	400.00
	$ 3,027.45

"Other items that can properly be claimed are gasoline, sample sacks, depreciation on pickup, and industrial insurance on $2,140.00".

It is not clear from the record what part of the above items of cost were paid by the Operator. The prime lessors did part of the work, particularly in the months of September and October, 1958, and state they paid the bills for other work.

Because of failure to submit MF-104 reports for September and October, and a disagreement between the Operator and the prime lessors, resulting in the cancellation of the Operator's lease on the lands of the contract, so that it became uncertain to whom payment should be made, the Government has not paid any part of the costs for work done either in August or in September-October. No work has been done under the contract since October, 1958.

We consider the contract to be in default for the following reasons:

1. For failure of the Operator to prosecute and complete the work, and

2. For failure of the Operator to maintain a sufficient interest in the lands of the contract.

We have held the contract open in hope that the Operator and prime lessors would come to an agreement among themselves and permit contract work to be resumed and completed. However, that has not occurred, and we now wish to close out this contract, which was written under the DMEA program.

It is our understanding that the contract can be rescinded with no liability to the Government, on the ground that work on access roads, not followed by the exploratory trenching and diamond drilling for which the access roads were built, is of no value to the Government; and similarly, that geo-chemical (soil) analyses not followed by exploratory work, are valueless to the Government.

If our understanding is correct, please prepare a notice of rescission of the above-cited contract.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1201 N. Division St.
Spokane 2, Washington

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 5 1959

DATE	INITIALS	CODE
10/5	RCW	225
10/5	Hatt	500

October 2, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Field Team Region I, OME

Subject: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

In reply to your memorandum of September 29, 1959, here is the fiscal status of the cited contract.

The Operator submitted a voucher for August 1958, claiming 159 hours dozing @ $11.95 per hour or $1,900.05, and $600.00 for supervision. The dozing was done with a new TD-18 (105 hp. drawbar) which is equivalent to the D-7 specified in the contract. Although the Certifying Officer has not yet worked up this voucher, the entire amount of $2,500.05, is properly supported and, therefore, is reimbursable.

No vouchers have been submitted for September and October 1958; however, from Mr. Bischoff's January 29, 1959 letter and attachments, W. M. Romischer's October 27, 1958 inspection report, and an invoice for geo-chemical determinations submitted by Mr. Bennett, it appears that the following work items are reimbursable, if claimed.

Bulldozing - 91 hrs. (250-159) @ $11.95	$1,087.45
Supervision - Ernest F. Waterman Sept.-Oct., 1958 - 2 mos. @ $600/mo.	1,200.00
Engineer's helper - Philip N. Shockey Aug. to Oct. 1958, inc. - 20 days @ $17/day	340.00
Geo-chemical determinations - 200 @ $2/ea.	400.00
Total	$3,027.45

Other items that can properly be claimed are gasoline, sample sacks, depreciation on pickup and industrial insurance on $2,140.00.

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

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

cc: USGS (2); USBM (AD); Docket

OFFICIAL FILE COPY

Date	Surname	Code
9/28	Holt	500
	Kirkemo	500
9/29	GCS	130
9/29	Lamm	110
9/30	RCW	220
		500

SEP 29 1959

Via Air Mail

Memorandum

To: Executive Officer, OME Field Team, Region I

From: Chairman, Operating Committee, OME

Subject: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

Please advise by return mail the number of units performed in each work classification and the total amount due Operator under the above-referenced contract.

This information is needed to determine the present status of the contract, as requested in your teletype of September 24, 1959. We have received no reply to the Acting Director's letter of June 19, 1959, to Joseph H. Corbin, nor any communication from Jerome S. Bischoff, to whom a copy of the letter to Corbin was sent.

/s/ George C. Selfridge

APPROVED:

Frank D. Lamb
Member, Bureau of Mines

Harold Kirkemo
Member, Geological Survey

cc: Docket
Director's Read. File
Operating Committee
J. H. Bilbrey, Jr., USBM
Harold Kirkemo, USGS
Chron.

SPHolt/GMcC
September 28, 1959

8623

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 24 1959

DATE	INITIALS	CODE
9-24	gad	vvo
9-24	Holt	500

RECEIVED
SEP 24 2 28 PM '59
GENERAL SERVICES ADMIN.
PUBLIC BLDGS. SERVICE
GSD - COMMUNICATIONS

XDXXXXXXB057K

YWB058-WAF SP 07 I-GS-G

SPOKANE WASH 9-24-59 1118U

GEORGE C SELFRIDGE, CHAIRMAN OPERATING COMMITTEE,

OME, DEPT INTERIOR, WA

RE DOCKET NUMBER DMEA 4906 Capital SEABOARD CORPORATION, LONG DIKE CLAIMS, LEMHI COUNTY IDAHO, CONTRACT NO IDM-E1221. PLEASE ADVISE STATUS OF THIS CONTRACT. WE HAVE HEARD NOTHING SINCE THE ACTING DIRECTORS LETTER OF JUNE 19 1959 TO JOSEPH H. CORBIN.

A E WEISSENBORN, EXEC OFFICER

OME FIELD TEAM REGION I

DME 4906 IDM-E1221 19 1959

EKC 1121U

OFFICIAL FILE COPY

Date	Surname	Code
	Hofflund	140
	Arg'd. Sol. Off.	
6/18	Holt	400
6/18	Martin	400
6/18	Talbot	800
6/18	Selfridge	420
		110
6/19	a	220
		400

JUN 19 1959

Mr. Joseph H. Corbin, President
Capital-Seaboard Corporation
900 Oil and Gas Building
Wichita Falls, Texas

Re: Docket No. DMEA-4906 - cobalt-copper
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

FROM SOLICITOR
JUN 18 1959
FOR SIGNATURE

Dear Mr. Corbin:

Thank you for your two letters of June 5, 1959, regarding the subject project.

One expresses your willingness to assign the DMEA contract under certain conditions; and as we note, you have sent a copy thereof to Mr. Jerome S. Bischoff. We shall wait a reasonable time for Mr. Bischoff's comments.

The other letter requests reimbursement for the Government's share of your expenditures on Stage I of the project. Such payments cannot be made as long as you are in default under the contract and your lessors and others may have some claim against the Government's contribution. Until you and the lessors are able to agree on the terms of the assignment and it has been approved by us, or until the contract has been terminated, we can make no payment.

Copy of this letter is being sent to Mr. Bischoff.

Sincerely yours,

(signed) FRANK E. JOHNSON
Acting Director

Copy to: Mr. Jerome S. Bischoff
Attorney at Law
Cascade Building
Portland 4, Oregon

WSMartin/M JLHofflund/hm 6/16/59
cc: Director's reading file
FT, Reg. I (2)
Kikuno Operating Committee
Mr. ~~Kiilsgaard~~, USGS
Mr. J. H. Bilbrey, USBM

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/16	Holt	400
6/16	Martin	400
		220

400

SOLICITOR

JUN 16 1959

INTERIOR DEPT.

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, OME

Subject: Docket No. DMEA 4906 - Cobalt-Copper
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

It will be appreciated if you will rewrite in proper legal form the attached draft of a proposed letter to Mr. Joseph H. Corbin.

Attachment

WSMartin/SPHolt:gad 6/16/59
Copy to: Dir. R. File

RECEIVED
JUN 16 1959
ASSOC. SOLICITOR
MINERAL RESOURCES

43683

Capital-Seaboard Corporation

WICHITA FALLS, TEXAS — FARMINGTON, NEW MEXICO

OFFICIAL FILE COPY
RECEIVED D. M. E. JUN 8 1959

DATE	INITIALS	CC
6/9	W	225
		~~400~~
		120
6/9	WSM	400

900 OIL & GAS BUILDING
WICHITA FALLS, TEXAS

June 5, 1959

United States Department of the Interior
Office of Minerals Exploration
Mr. Frank E. Johnson,
Acting Director
Washington 25, D. C.

Re: Docket No. DMEA-4906 - Cobalt-Copper
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Johnson:

In reply to your letter of May 25, 1959, I would like to say that we are willing to assign the above DMEA to the new group which you say want to go ahead with the exploration.

As we told your Department in previous letters, we never received the necessary data so that we could decide on further exploration of the property; and as it was supervised by some of the owners, we were at a complete loss. However, if the owners of the above claims are willing to send us a complete release on any and all obligations to Capital-Seaboard Corporation because of the above contract, we are willing to assign this contract to any parties that the owners might wish.

Sincerely yours,

Joseph H. Corbin

Joseph H. Corbin, President

JHC:bh

cc: Jerome S. Bischoff
Cascade Building
Portland 4, Oregon

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 8 1959

DATE	INITIALS	CODE
6/9	C	220
		120
6/9	WSM	400

cy made for 800

Capital-Seaboard Corporation

WICHITA FALLS, TEXAS

FARMINGTON, NEW MEXICO

900 OIL & GAS BUILDING
WICHITA FALLS, TEXAS

June 5, 1959

United States Department of the Interior
Office of Minerals Exploration
Mr. Frank E. Johnson,
Acting Director
Washington 25, D. C.

Re: Docket No. DMEA-4906 - Cobalt-Copper
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Johnson:

In as much as all information is in your office for reimbursement of our first stage of this program, we would appreciate a check under this DMEA at your earliest convenience.

Sincerely yours,

Joseph H. Corbin

Joseph H. Corbin, President

JHC:bh

OFFICIAL FILE COPY

Date	Surname	Code
5/22	Holt	400
5/22	Martin	400
	Hoffland	140
	App'd. Sol. Off.	140
5/25	Selfridge	120
		110
5/26	G	220
	Cobalt-Copper	400

MAY 25 1959 400

Capital-Seaboard Corporation
900 Oil and Gas Building
Wichita Falls, Texas

RECEIVED
SOLICITOR
MAY 22 1959
ASSOC. SOLICITOR
MINERAL RESOURCES

Re: Docket No. DMEA-4906 - Cobalt-Copper
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

MAY 22 1959
INTERIOR DEPT.

Gentlemen:

It is apparent from our file that the operator-lessee (Capital-Seaboard Corporation) is in default under the provisions of the subject contract in that it has failed to maintain its right to possession of the property, and that the work is not being performed. It further appears that a new group wishes to take over the project and continue operations under the terms of the existing DMEA contract.

We probably would be willing to continue with performance under the existing exploration contract if the present operator-lessee and the new group are able to arrive at some agreement whereby the exploration contract would be assigned to the new group. In the absence of such an assignment and the continuation of operations by the new group, or without such an assignment and the resumption of operations by the operator-lessee, we have no alternative but to terminate the exploration contract under the provisions thereof.

If the exploration contract is terminated and the new group acquires the right to possession of the land, it may apply for a new exploration contract under the current regulations of the Office of Minerals Exploration. The existing exploration contract, of course, would no longer be of any effect.

Please advise us as promptly as possible of your wishes and intentions in this matter. If we do not hear from you within 30 days from the date of this letter we shall be under the necessity of proceeding with the termination of the exploration contract by notice, or, if you prefer, by agreement.

Identical letter to:
Mr. Jerome S. Bischoff
Attorney at Law
Cascade Building
Portland 4, Oregon

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

SPHolt:gad 5/22/59

Copy to: Dir. R. File
Legal
Region I
Operating Committee
Mr. Kiilsgaard, USGS
Mr. J.H. Bilbrey, Jr.
USBM

FORM 6 REFERENCE SLIP

-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

	INITIALS	DATE
Mr. Selfridge, Code 120		
2. Mr. Johnson, Code 100		
3. Mr. Martin, Code 400		
4.		
5.		
FROM: W. S. MARTIN		

FOR: Check items for action desired

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

REMARKS: Docket DMEA-4906, Capital-Seaboard

We will write the letters following this draft if it meets with your approval.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

MAY 1 9 1959

Memorandum

To: Acting Director, Office of Minerals Exploration

From: Acting Associate Solicitor, Division of Mineral Resources

Subject: Capital-Seaboard Corporation, Docket No. DMEA-4906, Contract Idm-E1221

Mr. Martin has asked us to draft a letter to the Operator and the new group as suggested in the last paragraph of our memorandum of May 4 to you. We think that the letter might be as follows:

"Gentlemen:

It ~~appears~~ from our file that the operator-lessee (Capital-Seaboard Corporation) is in default under the provisions of the subject contract in that it has failed to maintain its right to possession of the property, and that the work is not being performed. It further appears that a new group wishes to take over the project and continue operations under the terms of the existing DMEA contract.

We probably would be willing to continue with performance under the existing exploration contract if the present operator-lessee and the new group are able to arrive at some agreement whereby the exploration contract would be assigned to the new group. In the absence of such an assignment and the continuation of operations by the new group,

or without such an assignment and the resumption of operations by the operator-lessee, we have no alternative but to terminate the exploration contract under the provisions thereof.

If the exploration contract is terminated and the new group acquires the right to possession of the land, it may apply for a new exploration contract under the current regulations of the Office of Minerals Exploration. The existing exploration contract, of course, ~~will~~ no longer be of any effect.

Please advise us as promptly as possible of your wishes and intentions in this matter. If we do not hear from you ~~shortly~~ within 30 days from the date of this letter we shall be under the necessity of proceeding with the termination of the exploration contract by notice, or if you prefer, by agreement."

~~J. L. Hoffund~~
J. L. Hofflund
Sent by Special Delivery
Return Receipt Requested

Copies to: Code 140
Code 1420
Mr. Rost File
Code 1420
J. L. Hofflund
J. H. Bilbrough USGS
T. H. Kilsgaard USGS

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

MAY 19 1959

Memorandum

To: Acting Director, Office of Minerals Exploration

From: Acting Associate Solicitor, Division of Mineral Resources

Subject: Capital-Seaboard Corporation, Docket No. DMEA-4906, Contract Idm-E1221

Mr. Martin has asked us to draft a letter to the Operator and the new group as suggested in the last paragraph of our memorandum of May 4 to you. We think that the letter might be as follows:

"Gentlemen:

It appears from our file that the operator-lessee (Capital-Seaboard Corporation) is in default under the provisions of the subject contract in that it has failed to maintain its right to possession of the property, and that the work is not being performed. It further appears that a new group wishes to take over the project and continue operations under the terms of the existing DMEA contract.

We probably would be willing to continue with performance under the existing exploration contract if the present operator-lessee and the new group are able to arrive at some agreement whereby the exploration contract would be assigned to the new group. In the absence of such an assignment and the continuation of operations by the new group,

or without such an assignment and the resumption of operations by the operator-lessee, we have no alternative but to terminate the exploration contract under the provisions thereof.

If the exploration contract is terminated and the new group acquires the right to possession of the land, it may apply for a new exploration contract under the current regulations of the Office of Minerals Exploration. The existing exploration contract, of course, will no longer be of any effect.

Please advise us as promptly as possible of your wishes and intentions in this matter. If we do not hear from you shortly we shall be under the necessity of proceeding with the termination of the exploration contract by notice, or if you prefer, by agreement."

J. L. Hofflund

J. L. Hofflund

FORM 6 REFERENCE SLIP

-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

	INITIALS	DATE
Solicitor's ~~Docket Room 6038~~		
2. Mr. Hofflund, ~~Room 6556~~ SOLICITOR		
3. Mr. Martin, Room 4447	WSM	5/20
4.		
5.		

FROM: W. S. MARTIN

MAY 13 1959

INTERIOR DEPT.

RECEIVED

MAY 13 1959

ASSOC. SOLICITOR

MINERAL RESOURCES

FOR: Check items for action desired

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

REMARKS: Docket 4906 - Capitol-Seaboard

Please call us, Ext. 5284, when you have looked at this.

We will be asking you to prepare a draft of the letter to the Operator and the new group, as suggested in the last paragraph of your memo of May 4.

WSM 5/13/59

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

MAY 4 1959

Memorandum

To: Acting Director
Office of Minerals Exploration

From: Acting Associate Solicitor
Division of Mineral Resources

Subject: Assignment of Contract, Docket No. DMEA--4906, Contract No. Idm-E1221

A memorandum from Mr. W. S. Martin to the Associate Solicitor, Division of Mineral Resources, dated April 7, 1959, asks some questions arising out of the following facts as disclosed by the file on the subject case:

1. The corporate operator-lessee has possession of the land by virtue of an assignment of a lease, and is in default under the exploration contract in the following respects:

(a) It apparently has forfeited its rights in the land by default under the lease. (A letter from Attorney Bischoff to the Operator, dated December 9, 1958, indicates an attempt by the lessors to terminate the lease.)

(b) We presume that no work is being performed (unless the new group mentioned hereafter has been and is performing it).

2. A new group wishes to take over the project from the operator-assignee of the lease.

3. No action has been taken by OME to terminate the contract for default, and the new group and the operator-assignee of the lease have arrived at no agreement for an assignment of the exploration contract.

In view of these circumstances, Mr. Martin asks us two questions:

1. whether "...the prime lessee had the right to take over the...property simply by cancellation of the lease"; and

2. if it did have the right, "...whether it is now in order to prepare an assignment of the DMEA contract...to the prime lessee...".

It takes something more than answers to these questions to indicate what we think should be done.

There is nothing in the file to indicate that the new group (which seems to consist principally of the prime lessees) has arrived at any agreement with the operator for an assignment of the exploration contract. There is not much use in drafting an assignment form until we know that the operator is willing to execute it; and we cannot draft it until we know upon what terms the assignment is to be made. The parties seem to be in dispute as to the state of accounts between them, and we would have to be provided with some cut-off date at which the contribution of the government would be made to the new group rather than to the present operator.

If the new group and the operator are unable to agree on an assignment of the exploration contract and the termination of the operator's rights in the land; and assuming that the operator is in default as indicated above, OME has no alternative but to terminate the contract by notice to the operator pursuant to the provisions thereof, or else by a termination agreement with the operator. If this should be necessary, the new group would have to apply for a new contract and make a proper showing of its rights in the land. This showing would necessarily include satisfactory evidence of the termination of the present operator's rights in the land about which Mr. Martin inquired.

We suggest a letter addressed both to the operator and to the new group (the same letter to each), detailing the above matter. If you need our aid in drafting it, we will be glad to give it.

J. L. Hofflund

J. L. Hofflund

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

April 8, 1959

ORIGINAL FILE COPY
O. M. E.
RECEIVED APR 10 1959

DATE	INITIALS	CODE
4/10	WSM	220
		400

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region I

Subject: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho
Contract No. Idm-E1221

Enclosed are two copies of the "cancellation notice" of December 9, 1958 that was sent to Capital-Seaboard Corporation by Mr. Jerome S. Bischoff, Attorney and one of the Prime Lessees of the Long Dike group of claims. Copies of the notice were promised you in our memorandum of March 31.

A. E. Weissenborn

A. E. Weissenborn

cc: USBM (2)
USBM(AD)
Albee

JEROME S. BISCHOFF
ATTORNEY AT LAW
CASCADE BUILDING
PORTLAND 4, OREGON
CAPITOL 3-8125

December 9, 1958

Capital Uranium Company
P. O. Box 1847
Farmington, New Mexico

Capital Seaboard Corporation
900 Oil and Gas Building
Wichita Falls, Texas

Gentlemen:

This letter is addressed to you on behalf of Messrs. K. E. Hamblen, Earl R. Marble, Jr., Pierre R. Hines, Kenneth A. Moores and Jerome S. Bischoff, Lessors under that certain lease executed between Lessors and Capital Uranium Company dated August 29, 1957, and thereafter assigned to Capital Seaboard Corporation and covering the lease of the Long Dike Group of Claims and certain additional claims located in Lemhi County, Idaho.

On November 18, 1958, I addressed a letter to you on behalf of the Lessors notifying you of liens filed by Ernest F. Waterman, Philip N. Shockey and C. F. Nechanicky for work performed upon the claims leased to you and notified you that the filing of the liens constituted a default under the terms of the lease and that unless said defaults were cured, that the lease could be terminated.

This letter is to confirm my advise to you as of November 18, 1958, that the lease above described is terminated by reason of your uncured defaults.

The termination of this lease does not relieve you from your obligation to discharge the liens against the property and if you do not settle your affairs with the lien claimants, the Lessors will look to you for damages. This demand that your Firm pay its indebtedness to Messrs. Waterman, Shockey and Nechanicky and thus discharge the liens, shall not constitute a waiver of the default and termination of the lease.

Very truly yours,

JEROME S. BISCHOFF

JSB:MP
Airmail
Registered

RECEIVED
APR 3 1959
U. S. G. S.
SPOKANE, WASH

COPY

So. 157 Howard Street
Spokane 4, Washington

March 31, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Field Team Region I, OME

Subject: Docket No. DMEA-4306 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

This refers to your letter of March 23, 1959. Our letter of March 5 was written to Mr. Bennett in reply to his letter of February 23 in which he asked why Capital-Seaboard's voucher for August 1958 had not been paid and to advise him of the present status of the contract.

Mr. Bischoff's statement in the last paragraph of his letter of February 4 to Mr. Corbin is an overstatement, probably resulting from a misunderstanding. We did not tell him that you would prepare the assignment; we told him that if the assignment is approved the form would be prepared by you, which is, of course, the normal procedure.

We have assumed that the first paragraph of Mr. Bischoff's letter of January 21 constitutes a request in writing for assignment of the contract. There is no agreement by which the prime lessees took over the property other than by cancellation of their lease to Capital-Seaboard (see Bischoff to Bennett 1/20/59). The lease agreement apparently gives them this right and in his letter of March 17 to Bischoff, Mr. Corbin, President of Capital-Seaboard, acknowledges the cancellation of the lease. We are requesting Mr. Bischoff to send us a copy of the cancellation notice.

The situation is complex but if there is no legal obstacle we recommend that the contract be assigned to the Prime Lessees as listed in Bischoff's letter of January 21. We recommend an assignment date of August 31, 1958 as suggested in our letter of February 10. We have no assurance that Capital-Seaboard will agree to the assignment of the contract but it would appear to be in their best interest to do so.

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

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

cc: USBM (2); USBM(AD); Albee

So. 157 Howard Street
Spokane 4, Washington

March 31, 1959

Mr. Jerome S. Bischoff
Attorney at Law
Cascade Building
Portland 4, Oregon

Re: Docket No. DMSA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho
Contract No. Idm-11321

Dear Mr. Bischoff:

Will you please send us two copies of the notice of cancellation of the lease which you sent to Capital-Seaboard and which you said, in your letter of January 21, would be forthcoming. This is necessary as evidence of the date that Capital-Seaboard lost control of the property and is required before the assignment of contract can be considered.

Sincerely yours,

J. H. Weissenborn
Executive Officer, DMS
Field Team Region I

cc: OME (2)
USBM (2)
USBM(AD)
Albee

4/8/59

Weissenborn letter of March 31, 1959 to Bischoff requested notice of cancellation of the lease. We should wait for this notice before attempting an assignment of the contract.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/7	Holt	400
4/7	Martin	400
		140
		140

April 7, 1959

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, OME

Subject: Docket No. DMEA 4906 - Cobalt and Copper
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

Please comment on the conclusion in the third paragraph of the Field Team's letter of March 31, 1959, that the prime lessee had the right to take over the above-captioned property simply by cancellation of the lease.

If that is a correct conclusion, please advise whether it is now in order to prepare an assignment of the DMEA contract from the Capital-Seaboard Corporation to the prime lessees, as recommended by the Field Team.

W. S. MARTIN

SPHOLT:foc
April 7, 1959
cc to: Code 400
Director's Read. File

RECEIVED
APR 7 1959
ASSOC. SOLICITOR
MINERAL RESOURCES

8623

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

March 31, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 6 1959

DATE	INITIALS	CODE
4/6	C	220
4/6	WSM	400

Memorandum

To: Chairman, Operating Committee, OME

From: Field Team Region I, OME

Subject: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

This refers to your letter of March 23, 1959. Our letter of March 5 was written to Mr. Bennett in reply to his letter of February 23 in which he asked why Capital-Seaboard's voucher for August 1958 had not been paid and to advise him of the present status of the contract.

Mr. Bischoff's statement in the last paragraph of his letter of February 4 to Mr. Corbin is an overstatement, probably resulting from a misunderstanding. We did not tell him that you would prepare the assignment; we told him that if the assignment is approved the form would be prepared by you, which is, of course, the normal procedure.

We have assumed that the first paragraph of Mr. Bischoff's letter of January 21 constitutes a request in writing for assignment of the contract. There is no agreement by which the prime lessees took over the property other than by cancellation of their lease to Capital-Seaboard (see Bischoff to Bennett 1/20/59). The lease agreement apparently gives them this right and in his letter of March 17 to Bischoff, Mr. Corbin, President of Capital-Seaboard, acknowledges the cancellation of the lease. We are requesting Mr. Bischoff to send us a copy of the cancellation notice.

The situation is complex but if there is no legal obstacle we recommend that the contract be assigned to the Prime Lessees as listed in Bischoff's letter of January 21. We recommend an assignment date of August 31, 1958 as suggested in our letter of February 10. We have no assurance that Capital-Seaboard will agree to the assignment of the contract but it would appear to be in their best interest to do so.

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

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

OME

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 6 1959
DATE | INITIALS | CODE
4/6 | C | 220
4/4 | | 800
4/6 | WSM | 400

So. 157 Howard Street
Spokane 4, Washington

March 31, 1959

Mr. Jerome S. Bischoff
Attorney at Law
Cascade Building
Portland 4, Oregon

Re: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Bischoff:

Will you please send us two copies of the notice of cancellation of the lease which you sent to Capital-Seaboard and which you said, in your letter of January 21, would be forthcoming. This is necessary as evidence of the date that Capital-Seaboard lost control of the property and is required before the assignment of contract can be considered.

Sincerely yours,

A. E. Weissenborn
Executive Officer, OME
Field Team Region 1

cc: OME (2)
USBM (2)
USBM(AD)
Albee

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/18	J. Lynch	140
	Hoffland	140
3/18	Holt	400
3/18	Martin	400
3-19	Chamb	800
3/20	Selfridge	430
"	Johnson	110
		100

3/23 C 225 400

MAR 23 1959

Memorandum

To: Executive Officer, OME Field Team, Region I

From: Chairman, Operating Committee, OME

Subject: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

Your letter of March 5, 1959, to Mr. Ray A. Bennett appears to be an instruction to the parties concerned with the prospective assignment of the subject contract to wait for us to prepare the assignment here.

The letter of February 4, 1959, from Bischof to Corbin and Bennett, which you sent to us with a copy of your letter of February 18 to Bennett, also indicates that both parties expect us to prepare a form of assignment.

Please make sure that all concerned understand clearly that we intend to proceed in this matter exactly as outlined in the third paragraph of your letter of January 16 to Bischof, in which you said: "If a new group has taken control of the Long Dike property and wishes to complete the DMEA contract they should write to me informing me of their intention. They should enclose an operating agreement or other instrument which shows that they now control the property. If this instrument is satisfactory, our attorneys in Washington will prepare a form to be signed by both the old group and the new group by which the assignor and assignee consent to the assignment of the contract."

/s/ George C. Selfridge (246)

APPROVED:

H. G. Iverson (246)
Member, Bureau of Mines

N. E. Nelson (246)
Member, Geological Survey

SPHolt 3/13/59
Typed Legal Div. 3/16/59 hlm

cc: Code 400
Dir. reading file
Oper. Comm.
H. W. Davis, USBM
T. H. Kiilsgaard, USGS
Legal Div.

8623

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

DATE	INITIALS	CODE
3/20	C	220
3/23	WSM	400

So. 157 Howard Street
Spokane 4, Washington

March 18, 1959

OME - Quinnack

Mr. Jerome S. Bischoff
Attorney at Law
Cascade Building
Portland 4, Oregon

Re: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Bischoff:

Probably the best reply to your letter of March 12 would be to summarize the whole situation. Claim for reimbursement of approved expenditures under a DMEA contract can only be made by the Operator, and his claim must be supported by vouchers. Also, it is stipulated in the contract that "the Operator shall preserve and maintain his right, title, and interest in the land and his right to possession thereof for the purpose of this contract." When the Operator, Capital Seaboard Corporation, ceased to control the land the contract became in default. From that time on, as he no longer controlled the property, the Operator could not complete Stage I, a further stipulation of the contract. In some of the correspondence between you, Mr. Bennett, and Mr. Corbin, it is suggested that the Operator (Capital Seaboard Corporation) would be willing to assign the contract to your group providing the financial situation that exists between your group and the Corporation can be settled.

With this in mind, we have collected all the information we can regarding the financial situation and forwarded it to Washington with a suggestion for assignment of the contract, as you requested, which we hope will be acceptable to all parties concerned, including OME. If the contract is assigned, your group would then be the Operator and can claim reimbursement of all approved costs incurred after the effective date of assignment. We have not as yet received a reply from OME and do not know whether there are legal or other aspects which may prevent acceptance of your request for assignment. We will inform you as soon as we receive OME's decision.

Until the situation is settled, either by assignment of the contract or some other means, we cannot release any funds, either to Capital Seaboard or to your group.

By Field Team Region I

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

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

cc: OME (2) w/2 cys incoming
USBM (2)
USBM(AD)
Albee

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 30 1959

DATE	INITIALS	CODE
3/30	C	330
		March 27, 1959
3/30	WSM	400

Re: Docket No. [illegible]-4995 (Cobalt-Copper)

Mr. Jerome S. Bischoff
[illegible] Bar
[illegible] Building
Portland, Oregon

Dear Mr. Bischoff:

Your letter to Mr. Ray A. Bennett was forwarded to me for answering.

As you know, at the time the bills were rendered regarding the second phase of our contract, the company was short of funds. Though $8,500 and more of the bills were paid, we could not turn them into the government for a long period of time because of lack of field information and data that was necessary for us to complete our reports.

[illegible] we have, a cancellation of our lease arrived in the mail. We [illegible] issue from you been cancelled in such a hurry, and you had forwarded the necessary information that you told us that you would forward that to us. Perhaps had, the bills would have been paid. But the fact was, we were asked to pay bills for work results that we had not received any information; although the owners with you of the claims were in the possession of such information, and agreed by telephone that it would be sent to us as they understood it was necessary for us to complete our phase of the project under [illegible] direction.

Since we are in no better position now financially than when you terminated the lease, we would appreciate it if you would assist us in completing the processing necessary with the government whereby we can receive payment for this phase of the project. Then, we will pay off the liens completely and pursue the next step that you have suggested in this matter. Looking forward to an early reply and action on this matter, I remain,

Sincerely yours,

Joseph T. Corbin, President

JTC:ch

cc: Department of the Interior

cc: Mr. Ray A. Bennett

OME

JEROME S. BISCHOFF
ATTORNEY AT LAW
CASCADE BUILDING
PORTLAND 4, OREGON
CAPITOL 3-8125

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

DATE	INITIALS	CODE

March 12, 1959

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

Re: Docket [illegible]-Cobalt Copper
Capital-Seaboard Corporation
Long [illegible] Trust
Lemhi County, Idaho
Contract [illegible]

Att: Mr. Meissenborn

Dear Mr. Meissenborn:

This letter is to try [illegible] the status of this docket.

We have heretofore advised you that we have paid all of the lien claimants for work performed for the account of Capital-Seaboard Corporation on the above property out of our pockets. Capital-Seaboard Corporation, through their Officers Mr. Joseph [illegible] and Mr. Ray A. Bennett, on numerous occasions, promised to reimburse us, but have failed to do so and apparently have no intention of doing so.

On January [illegible], [illegible], we wrote you asking whether or not it would be possible to obtain partial reimbursement direct from the [illegible] in accordance with the agreement which the Government was obliged to reimburse Capital-Seaboard. By your letter of January 26, [illegible], you indicated that you would have to query your Washington Office as to whether or not this procedure would be possible and I would appreciate it if you would send them a reminder to see whether or not we cannot consummate this phase of the matter.

United States Department of [illegible]
Office of Minerals Exploration [illegible]

I also asked you whether or not it would be possible to obtain an assignment of the committed balance of the DMEA loan from Capital-Seaboard to the [illegible] and I wonder whether or not you are able to give us an answer on this question.

In the meantime, we have opened negotiations with a number of well known [illegible] companies looking toward either a lease or joint venturer arrangement and have an appointment to discuss an agreement with one of them at Portland early in April. If we were able to advise our prospective joint venturer as to the possibility of a renewal or assignment of the balance of the existing DMEA loan, it might have a bearing upon our likelihood of a firm contract, and if it is possible to obtain a commitment by that time, we would appreciate it.

I know that the United States is not in the business of being a collection agency, but perhaps a suggestion to Capital-Seaboard Corporation that it pay its bills might not be out of order.

Very truly yours,

JEROME S. BISCHOFF

JSB:VP

Bo, 157 Howard Street
Spokane 4, Washington

March 9, 1959

OFFICIAL FILE COPY
O.M.E.
RECEIVED MAR 12 1959
DATE
3/12
3/12
C
220
600
400

Mr. Ray A. Bennett
P. O. Box 2121
Denver, Colorado

Re: Docket No. DMEA-4006 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Duke Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1821

Dear Mr. Bennett:

Thank you for your letter of February 23, 1959, advising us that all future inquiries should be addressed to the Wichita Falls, Texas office of the corporation and ask why settlement of the August 10th was not been made.

It is stipulated in the contract that "the operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purpose of this contract." In your letter of January 11 you said "they have cancelled our lease and option on cobalt property." Moreover, as the corporation no longer controls the property, it cannot complete Stage I, a further stipulation of the contract. In some of the correspondence between you, Mr. Corbin, and Mr. Bischoff, it is suggested that the corporation would be willing to assign the contract to the prime lessors if the financial situation that exists between them can be settled.

We have collected all the information we can on the financial situation and forwarded it to Washington with the suggestion for assignment of the contract which, if acceptable to all parties concerned, including OME, will relieve the corporation of financial and contract responsibility after August 31, 1958.

Until the situation is settled, either by this or some other means, we cannot release any funds. As soon as we receive a reply from Washington we will inform the corporation.

By Field Team Region I

2
1

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

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

cc: Capital-Seaboard Corp.
900 Oil & Gas Building
Wichita Falls, Texas

OME (2) w/incoming; USBM(2); USBM(AD); Albee

CAPITAL S[illegible] CORPORATION
[illegible] BLDG.
WICHITA FALLS, TEXAS

SOCORRO URANIUM CORPORATION

920 OIL & GAS BUILDING WICHITA FALLS, TEXAS

Denver, Colorado
February 23,1959

Mr. [illegible] G. Agnew,

U.S. Dept. Of the Interior
Office of Mineral Exploration
No. 157 Howard Street.
Spokane, Washinton.

Re; Docket No. D.M.E.A.
4[illegible] (Cobalt)
Long Dike Group of claims
Lemhi County, Idaho.
Contract No. Idm-2122.

Dear Sir;

Your letter of Feb. 18th 1959 in regards to above project received, and I am pleased to note the D.M.E.A. has received the pertinent data required in our files.

However that does not satisfy me, with the information that they are expecting the [illegible] for. Our [illegible] are not complete without this data. With the [illegible] showing a sample on the hill - [illegible] the [illegible] and [illegible] Gambler's suggestions for further work.

[illegible] that was [illegible] work [illegible] we would be justified in turning over the D.M.E.A. contract.

The prospects as I see the [illegible] the [illegible] trip on the property, is that the profit would [illegible] never [illegible] warrant [illegible], and the [illegible] right not [illegible] the [illegible] tax payers [illegible] money on this project.

[illegible] Gambler tried to sell me on a [illegible] [illegible] that [illegible] limited [illegible] was [illegible]. [illegible] would be [illegible] operation.

As I have resigned from Capital-Seaboard Corporation please address all inquiries to Capital-Seaboard Corporation.

OME

New address

900 Oil and Gas Building Wichita Falls, Texas.

It was a pleasure to meet with some of the personal of the Bureau's namely the Bureau of Mines and the Geological Survey, I enjoyed meeting Mr. Donald R. McLaren, whom I had met in Denver.

Very truly yours

Ray A. Bennett.
Ray A. Bennett

Please Excuse Stationary, it was all I had available

P.S. Why have we not received settlement for the August report that was completed?

R

Sec. 157 Howard Street
Spokane 1, Washington

March 5, 1959

Mr. Ray A. Bennett
P. O. Box 2727
Denver, Colorado

Re: Docket No. DMS-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Mike Group of Claims
Lemhi County, Idaho
Contract No. Ida-81281

Dear Mr. Bennett:

Thank you for your letter of February 23, 1959, advising us that all future inquiries should be addressed to the Wichita Falls, Texas office of the corporation and ask why settlement of the August 10th has not been made.

It is stipulated in the contract that "the operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purpose of this contract." In your letter of January 11 you said "they have cancelled our lease and option on cobalt property." Moreover, as the corporation no longer controls the property, it cannot complete Stage I, a further stipulation of the contract. In some of the correspondence between you, Mr. Corbin, and Mr. Bischoff, it is suggested that the corporation would be willing to assign the contract to the prime lessors if the financial situation that exists between them can be settled.

We have collected all the information we can on the financial situation and forwarded it to Washington with the suggestion for assignment of the contract which, if acceptable to all parties concerned, including DMS, will relieve the corporation of financial and contract responsibility after August 31, 1958.

Until the situation is settled, either by this or some other means, we cannot release any funds. As soon as we receive a reply from Washington we will inform the corporation.

By Field Team Region I

A. J. Wolsenborn, Exec. Officer
U. S. Geological Survey

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

cc: Capital-Seaboard Corp.
300 Nat'l & Gen Building
Wichita Falls, Texas

OMS (2) w/incoming; USBM(2); USBM(AD); Albee

CA[illegible] CORPORATION
[illegible] BLDG.
WICHITA FALLS, TEXAS

SOCORRO URANIUM CORPORATION

920 OIL & GAS BUILDING WICHITA FALLS, TEXAS

Denver, Colorado
February 23, 1955

[illegible] Agent,

U.S. Dept. Of the Interior
Office of Mineral Exploration
[illegible] Street,
[illegible], Washington.

[illegible] Docket [illegible]
[illegible] (Cobalt)
[illegible] Dike Iron [illegible]
[illegible] County, [illegible]
[illegible]

Dear Sir;

[illegible] letter [illegible] we [illegible] received [illegible].

[illegible] exploration [illegible] Dike [illegible].

[illegible] would be justified in turning over the [illegible] contract.

[illegible]

[illegible] Socorro [illegible] Corporation [illegible] Mineral Exploration, [illegible] Washington [illegible].

[illegible] assigned from [illegible] Socorro [illegible] Corporation [illegible] the [illegible] contract [illegible].

60 Oil and Gas Building Wichita Falls, Texas.

It was a pleasure to meet with some of the personal of the Bureau's namely the Bureau of Mines and the Geological Survey, I enjoyed meeting Mr. Donald H. McLaren, whom I had met in Denver.

Very truly yours

Ray A. Bennett

Ray A. Bennett

Excuse Stationary, it was all I had available

Why have we not received settlement for the last report that was completed?

2/26/59

FT	Bennett, VP. Capital-Seaboard Corp.	Jerome S. Bischoff Attorney at Law		Remarks
	→ 12/17/58		Nov. 18 Shockley said he had not been paid	"You should request a recess"
(rec. 1/5/59) ←	(to Agnew)			"I have had some trouble"
1/11/59 ←	(to Mrs. Long)			"They have cancelled our lease"
	→ 1/21/59		Jan 14 Hamblen left copies at office and asked E.G. to tell Bischoff	"What are your intentions"
	→	1/16/59		Washington will prepare assignment
1/21/59 ←				C.S. will assign to us
	→	1/26/59		We will refer matter of payments to our Washington office when you tell us
Wash → 1/26				Don't pay C.S.
1/27 ←				We want
Rec'd 1/23 ←			Hamblen	We have paid all bills
	→ 1/27			Where are your vouchers?
1/29 ←				About payments
1/29 ←				Wants to go ahead
	→	1/19		Let me explain
	1/20 ←			Says there will be assignment
1/30 ←				Reply to 1/21
	(Corbin) →	2/2		Sending F.T. let of 1/21 for comment
	2/4 ←			We are not interested in leasing
2/14 ←				
Wash 2/10 ←				
	→ 2/18			

Docket DMEA 4906

This is a clue to letters and copies of letters from 12/17/58 to 2/18/59 which cannot be filed in strictly chronological order because they were received in hit-or-miss fashion as attachments

WSM

O-FROM FILE COPY
C. M. E.
RECEIVED FEB 24 1959

DATE	INITIALS	CODE
2/24	C	220
2/24	WSM	480

So. 157 Howard Street
Spokane 4, Washington

February 18, 1959

Mr. Ray A. Bennett
Capital-Seaboard Corporation
P. O. Box 2727
Denver, Colorado

Re: Docket No. DMEA-4906 (Cobalt-Copper)
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Bennett:

Thank you for your letter of February 14, 1959. Since we wrote our letter of January 27, to which you refer, we have received a letter from Mr. Hamblen which, in effect, is an acceptable narrative report covering the geochemical sampling done during September and early October 1958, as well as the assay returns from Charles O. Parker and Company, Denver, Colorado. We regret that you were not advised of this before.

In reference to your letter of January 30 addressed to Mr. Agnew, we have received carbon copies of a letter dated February 2 from Mr. Corbin to Mr. Bischoff, and of Mr. Bischoff's reply dated February 4. From these letters presumably it is the intention of Capital-Seaboard Corporation to assign the contract to the prime lessees providing the financial situation is clarified. Please inform us whether this is correct.

By Field Team Region I

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren, Acting Member
U. S. Geological Survey

cc: USBM (2)
USBM(AD)
Albee
OME w/2 cys Bennett-FT 2/14/59
" Corbin-Bischoff 2/2/59
" Bischoff-Corbin 2/4/59

EXTRA COPY
Office
M. E.
RECEIVED FEB 24 1959

DATE	INITIALS	CODE

Denver, Colorado, February 24, 1959.

Mr. A. E. Weissenborn, Exec. Officer,
United States Geological Survey,
Mr. Wing G. Agnew, Member,
United States Bureau of Mines,
Office of Minerals Exploration,
Department of the Interior,
So. 157 Howard Street,
Spokane 4, Washington.

Re: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation,
Long Dike Group of Claims,
Contract No. Idm-81221.

Gentlemen:

Reference is respectfully made to your letter of January 27, concerning the above-designated case: Due to my belated return home after a rather extended absence, there has been an undue delay in acknowledging receipt of your letter and replying thereto.

Your said letter stated that Mr. Hamblen had sent you five copies each of a copper and a cobalt geochemical map. You also stated that you had not received a narrative report describing this phase of the work. Please be informed that, as I stated in my last letter to you, Mr. Hamblen has not sent to me the map of the assays I sent to him some time ago, nor has he submitted the necessary field notes and his recommendations for future work. Therefore, I do not have the essential data with which to complete the delinquent report.

I want to thank you, Mr. Weissenborn, for your consideration in sending to me the bulletin issued by the Office of Minerals Exploration, outlining the procedure to be followed in applying for exploration loans.

Yours very truly,

Ray A. Bennett.

P.O. Box 727

C/o to Mr. K. E. Hamblen,
Mining Engineer,
2825 South W. Montgomery Drive,
Portland 1, Oregon.

C/o to Mr. Joseph H. Corbin,
900 Oil & Gas Bldg.,
Wichita Falls, Texas.

JEROME S. DISCHOFF
ATTORNEY AT LAW
CASCADE BUILDING
PORTLAND 4, OREGON
CAPITOL 3-0123

February 6, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 24 1959

DATE	INITIALS	CODE

Capital-Seaboard Corporation
900 Oil & Gas Building
Wichita Falls, Texas
Att: Mr. Joseph H. Corbin

Capital-Seaboard Corporation
727 Cooper Building
Denver, Colorado
Att: Mr. Ray A. Bennett

COPY

Dear Mr. Corbin:

Your letter of February 2, 1959, this day received. We are not interested in losing our Lemhi County claim to you.

In respect to the inquiry of Messrs. Agnew and Weissenborn under date of January 21, 1959, you and Mr. Bennett advised me over the telephone that you would reassign your DMEA Contract to us and that you would pay the delinquent liens which have been assigned to H. Peterson.

I have heretofore forwarded to Mr. Bennett all the necessary information in order to enable him to make payment as agreed and have assured him that when payment is made, that I will see to it that lien satisfactions, which have been prepared in trust, will be recorded. So far, this has not been done.

The D.M.E.A. has advised me that they will prepare a form of assignment from Capital-Seaboard to Mr. Hamblen and his Associates and I will forward this to you for execution upon its receipt. ?

Very truly yours,

JSD:KP
Airmail

JEROME S. DISCHOFF

RECEIVED
FEB 5 1959
U S G S
SPOKANE, WASH

cc: U. S. Dept. of Interior
Office of Minerals Exploration
South 157 Howard Street
Spokane 4, Washington

Capital-Seaboard Corporation

February 2, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 24 1959

DATE	INITIALS	CODE

Mr. Jerome S. Bischoff
Attorney at Law
Cascade Building
Portland 4, Oregon

Dear Mr. Bischoff:

Enclosed you will find a copy of a letter to our Mr. Ray A. Bennett from the United States Department of the Interior, office of Minerals Exploration. In this letter, the department member suggests that our lease with you might be renewed. I am writing this letter to you to see on what terms you would renew this lease.

Please contact me at your earliest convenience.

Sincerely yours,

Joseph H. Corbin

Joseph H. Corbin, President

cc: Mr. Wing G. Agnew,
Member U. S. Bureau of Mines
Department of the Interior
South 157 Howard Street
Spokane 4, Washington

cc: Mr. Ray A. Bennett
Denver, Colorado

Must be letter of 1/21/59 from F.T.
WSM 2/26/59

RECEIVED
FEB 5 1959
U.S.G.S.
SPOKANE WASH

1 Ret sent to 800

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 16 1959

DATE	INITIALS	CODE
2/16	C	220
2/16	WSM	400

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
February 10, 1959

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

Re: Docket No. DMEA-4906 (Cobalt)
Capital Seaboard Corporation
Long Dike Group of Claims
Contract No. Idm-E1221

Dear Mr. Selfridge:

Enclosed are two copies each of a letter, dated January 29, 1959, from Jerome S. Bischoff; a letter, dated January 29, 1959, from K. E. Hamblen; and a letter, dated January 30, 1959, with enclosures from Ray A. Bennett.

In our letter of January 27, 1959, we outlined the somewhat involved situation which has developed regarding this contract.

Mr. Bennett has sent us a receipt for the bulldozing and a certified copy of a check for $600 paid for the supervision claimed in his August 104's. Still lacking is an itemized daily record of hours worked by the bulldozer operator. No 104's have been received for the work completed after August 30, 1958, although it appears that Mr. Bischoff's group have paid all other outstanding labor and supervision charges for work done in September. There is no evidence that anyone has yet paid for the assaying.

The enclosed and prior letters from Messrs. Bennett and Bischoff, and recent conversations with Messrs. Hamblen and Shockey, all indicate that Capital-Seaboard Corporation paid the labor and supervision charges only up to and including August 30, 1958, except for the amount due Mr. Shockey from August 25 to 30. This was paid by Mr. Hamblen, who was both consulting engineer for Capital-Seaboard Corporation and one of the group of prime lessees represented by Mr. Bischoff, also a member of the group. Mr. Hamblen followed the project work closely and became aware that Capital-Seaboard Corporation had not paid its bills. Apparently in order to avoid possible labor liens that might jeopardize their interest in the property as prime lessees and because Mr. Hamblen had hired the local crew and felt responsible, his group paid the bills due after August 30, 1958, for labor and supervision. Through Mr. Hamblen the group is aware of the favorable results of the geochemical survey and are anxious to have at least Stage I completed.

Hazelmyer 483-4480
Boge 535-8487
Bill K - 614 E. Indiana
Apt. No 7.
QM 327-9847
Bar 326-7932

Names to get

Will - Van F.

George

Rich Moulin?

Will Mailton

George King

Rich Morris

Maren Ari 9:25p
United FIT 1727

Dorthy - 924-2038

Julie - 624-9667

1512 N. Verkler
2:pm
Freeway to Pines, south
to Meridian, left to
Verkler, left into parking
lot.

888-683-5671

Harvard Health Publ.
Dept NWK
1100 Summer St.
Stamford CT 06905
Improving Sleep,
A guide to getting
a good night's rest.
$1.16

2082 Jan 31

8700 - 2001

12,000 - 2002

$1,640 of VA for year,
any ever is free.
Feb. 7, meeting on East.
Which cemeteries, Vets.

Pam Shieves
Robin Zimmerman
Kf Kolb

1st Dial

1-888-283-8215

→ wait for voice, then dial

1-45437-93035

→ wait for voice, then dial 1 plus the area code and phone number

Sept 22, 2004

Lv. Spokane 8:15 am

Ar. Idaho City 5:45 pm

Stay at Hotel, eat supper

at Trudys, bought gas $42.00

Lv Idaho City 8:9 am 23

Ar Atlanta 11:30 a

Lv Atlanta 4 pm

Ar Fairfield 6:00 pm

Sept 24

Lv Fairfield

Ar Bellevue 10

Ar Hailey 6 pm

Sept 26

Betimol

Voltaren

Acular

Alphagan

Cosopt

Lumigan

Ocuflux

Gentaal

Pred Forte

Azopt - Bad

Grasberg mine, by
Freeport McMoRan Copper & Gold
in Irian Jaya, Indonesia
(Northern New Guinea)
2000 Production
~~2260 kt 500 million lbs Cu~~
725 kt, 1.6 billion lbs Cu
93.3 t, 3 million oz Au
- Call Dick
- Paul, old monthly pay
- Call Pete - on Dick
- Rosado a) Pies dinner, Mother Day, Dicks award

Royal Park Care Center
N. Nevada
Skinner, Rm 125

Nels Abrams
Eric Knudsen
Knudsen

Island View Resort
Lodge Office: 747-6544
Kevin
Tina
434-7712 Nurse, Yellow C
247-3972 - Main Pharm AFB
247-2361 - Air Pharmacy
755-0372 Dr Garman

Bunches of oats
Cottage cheese
lettuce
Tomato
Hamburger
Grapefruit
Dozen eggs
Honey
Soup
Gizzards - Mushrooms
Onions

Also enclosed are two copies each of maps showing geochemical anomalies of copper and cobalt. We believe that these anomalies show that it would be to the Government's interest to complete Stage I and probably to continue Stage II. As matters now stand, Capital-Seaboard Corporation no longer has control of the claims and therefore cannot do any more work on the property.

Note
Maps - in envelope below

From the letters between Messrs. Bennett and Bischoff, attached to Mr. Bennett's letter of January 30, 1959, it appears that Capital-Seaboard Corporation is willing to assign the contract to the prime lessees if the financial impasse in which they find themselves can be resolved.

One possible way out of the dilemma would be for Capital-Seaboard Corporation to assign the contract to the prime lessees effective August 31, 1958, which date appears to separate the period during which Capital-Seaboard Corporation met most of the project costs from the period during which the prime lessees met most of the remaining costs. If this is possible and is acceptable to both parties, the project work could be resumed as soon as weather conditions permit in the spring. If Capital-Seaboard Corporation can be assured that it can be reimbursed for contract work which it paid for prior to August 31, 1958, there appears to be no reason why the corporation will not make the assignment. The prime lessees could voucher for the contract work done on and after August 31, 1958, but we would withhold part or all of the latter funds until work is resumed. If the assignment is made, there would also have to be a recess from August 31, 1958, to June 1, 1959.

20!

Regarding Mr. Bischoff's letter of January 30, 1959, to Mr. Bennett, we have not advised either Messrs. Bischoff or Hamblen that there was no need for Capital-Seaboard Corporation to request a recess. On December 17, 1958, we wrote to Mr. Bennett telling him that a recess should be requested. Neither did we tell Messrs. Bischoff or Hamblen that a form of assignment would be prepared by DMEA. At Mr. Hamblen's request the Executive Officer wrote to Mr. Bischoff January 16, 1959, informing him of the steps to be taken to effect a transfer. We told him that if an assignment were to be made, you would prepare the form. Apparently Mr. Bischoff misinterpreted our letter, a copy of which we sent you.

Until the muddled situation is cleared up to everyone's satisfaction, we are not making any payments to anyone.

By Field Team, Region I

A. E. Weissenborn

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

Thomas E. Howard

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

Enclosures
cc: USBM(2); USBM(AD); Albee

January [illegible] 1969

Mr. Wayne [illegible]
[illegible] Department of the Interior
[illegible] Hawaii Street
Spokane 4, Washington

Re: Dukes [illegible] DMSA - [illegible] (Cobalt)
Capital Seaboard Corporation
Long Duke [illegible] Claims
Contract No. [illegible] DM-[illegible]

Dear Mr. Agnew:

In answer to your letter of January [illegible], 1969, Mr. Joseph H. [illegible], the President of Capital Seaboard Corporation, has requested me to write the [illegible] DMSA [illegible] to answer your letter.

I am enclosing a copy of my letter of January 19th to Mr. Jerome S. Bischoff regarding my need for more information, also his letter of January 29th in answer. This is just to keep you advised. I have never received the assay map of the Geo-Chemical assays [illegible] Mr. Ker Hamblen's report on his recommendations [illegible] the sampling of the Long Duke claims.

[illegible],

Ray A. [illegible]

RAB:[illegible]

Capital Seaboard Corporation
[illegible] Dallas Building
Wichita Falls, Texas

[illegible]
ATTORNEY AT LAW
[illegible]
PORTLAND, OREGON
[illegible]

January [illegible], 1959

Mr. Ray Bennett
Capital Seaboard Corporation
727 Cooper Building
Denver 2, Colorado

Dear Mr. Bennett:

Answering your letter of January 19, 1959, I have prepared forms of receipts showing payment in full for signature by Messrs. Sheehy, Nechanicky and Waterman. These receipts will be delivered to me and I will be authorized to surrender them to you after I have received payment from you as follows:

On account of the indebtedness to Waterman, the sum of $1211.25 as per my letter of January 14, 1959.

On account of Sheehy, $381.25 as per my letter of January 15, 1959.

On account of Nechanicky, $1,087.45 for 91 hours of time plus $1.25 statutory attorney's fees and filing fee which Mr. Nechanicky advanced and requires as a release.

This will complete your labor contracts as to which you have admitted liability.

In order that your records may be clear, the receipt from Mr. Waterman will cover his services in full from the beginning of his employment and, in this sense, will duplicate the original $600.00 paid to him.

I will not be able to send you receipts showing payment of advance if actual receipt of the funds, but I will have the receipts in my hand for transmittal to you upon receipt of the money. The checks should be issued to me or to M. Peterson who is assignee of the claims and in my care.

As to the completion of the work reports, Mr. Hamblen has filed with the D. M. E. A. in Spokane, a complete analysis of the assays and all maps required and this will complete the reporting requirements.

There will be no necessity for a request for a recess since the D. M. E. A. contract is to be assigned and this has been discussed with the D. M. E. A. office.

The D. M. E. A. Office is preparing a form of assignment of the loan agreement from Capital-Seaboard to our Group and it will be forwarded to you as soon as received.

I also enclose herewith a form of Acceptance of Cancellation of the Lease which I would like to have executed by Capital-Seaboard Corporation and returned to me for my file.

I hope that within a few days, we will be able to have the whole matter cleared and each go our respective ways and that your credit in the community will be re-established. In any event, D. M. E. A. will be advised of your efforts to work out the bad situation in which you unfortunately became involved.

Very truly yours,

JEROME S. BISCHOFF

JSB:MP
Enc.

CAPITAL SEABOARD CORPORATION
MINING DIVISION
727 Cooper Building
Denver 2, Colorado

January 19, 1959

Mr. Jerome S. Bischoff
Attorney at Law
Cascade Building
Portland 4, Oregon

Dear Mr. Bischoff:

1. Your letter of January 14th, 1959, the first paragraph about sending me the receipt from Mr. C. F. Nechanicky is correct, if this bill has been paid.

2. Let me explain why I wish to try and get this D.M.E.A. straightened out, and this must be done before we attempt to transfer the D.M.E.A. over to you. First, I have personally had quite a number of D.M.E.A. projects approved, and have never had any difficulty with any other project and am only willing to try and get this adjusted, because I wish to complete our reports up to the point where, when we attempt to transfer our rights in the project to you, the Company will have paid the bills authorized by D.M.E.A.

3. To do this, it is necessary to complete our Work Reports, one of which is held up because we do not have Mr. Nechanicky's receipt for the 159 hours of cat work; then we can get the reimbursement on this first report.

4. I will need the receipt for 91 hours' additional time when Mr. Nechanicky was road building with his DT-18 International Bulldozer, at the rate of $11.95 per hour, or $1,087.45.

5. I also need Ken Hamblen's report on the Sampling and his assay map to complete our D.M.E.A. Reports.

6. It will be necessary for Mr. Ernest F. Waterman to give you a receipt for two months' time at $600.00 per month, itemized as to date, when and where work was performed, and as supervisor, as I understand, Mr. Waterman received his first month's contract of $600.00. If so, we do not need this.

7. Mr. Philip Sheckey, I will need three signed receipts separately for the $340.00, which amount was authorized by the project as an engineer's helper at $17.00 per day - 20 days, $340.00. The balance should be covered by a separate receipt as it is not covered in the project.

8. It will take an exchange of several letters to get this all taken care of.

January 19, 1959

[illegible] It will be necessary to complete all of the above [illegible] before we can approve the transfer, as I believe this part of the project should be completed and we have no [illegible] for same.

I will be in the field for several days beginning Monday, January 19, and by that time I should have your reaction. My wife has been in the hospital and still is, so I have to get this field trip taken care of. When this is completed, the D. M. E. A. will need no further information. We can then proceed to transfer.

Very truly yours,

Ray A. Bennett

cc: Capital-Seaboard Corporation
600 Oil and Gas Building
Wichita Falls, Texas

P. S. The first report must be accepted by the D. M. E. A. and we receive reimbursement for same, before the above is settled. This has been held up because of Mr. Nechanicky not sending in the receipt for the $1,900.05. ✓ The D. M. E. A. says they will settle as soon as I send this in.

Ray

K. E. HAMBLEN

MINING ENGINEER

2825 S. W. Montgomery Drive
Portland 1, Oregon

January 29, 1959

Mr. A. E. Weissenborn
U. S. Geological Survey
[illegible] Howard Street
[illegible], Washington

Dear Mr. Weissenborn:

Under separate cover I have sent you maps which show the results of the geochemical samples on the Lost Lake claims in Lemhi County, Idaho. It was thought advisable to make separate maps for cobalt and copper. Attached to this letter is the original assay sheet by Charles S. Parker and Company, Denver, together with their bill to Kay Kalsenborg for services.

The sampled area is 1900 feet by 450 feet, samples being taken at 50 foot intervals along ladders spaced on 100 foot centers. Samples were taken at a depth of one foot below surface in duplicate, one set being sent to Kay Bennett, Vice President Capital-Seaboard, and one set retained for reference. The assay sheet was sent to me at Portland and maps prepared by P. S. Hines and myself. The data as shown on the maps are self explanatory in outlining the areas of high, medium, and low cobalt and copper values.

Our conclusion is that the geochemical work certainly showed the presence of extensive cobalt and copper mineralization with one rather high cobalt anomoly which is of sufficient dimension to indicate a mineralized zone of considerable size. Within this "high" cobalt samples exceed 120 P.P.M.

Geochemical sampling by other companies in the district has shown that surface values above 100 P.P.M. often indicate the presence of underlying ore bodies. While this cannot be considered as more than a probability we do conclude that the size and high cobalt values shown in the map anomoly indicates justification of continued exploration along the general lines as outlined in the C.W.E.A. contract.

Inasmuch as geophysical work has been very successful in more closely outlining ore bodies in areas of geochemical anomolies by both Calera and Northfield, it is my opinion that some exploration of this nature should be considered before diamond drill stations are established. While this is at present not included in the program, I feel that it could add much information, and in the long run cut final

JEROME S. BISCHOFF
ATTORNEY AT LAW
CASCADE BUILDING
PORTLAND 4, OREGON
CAPITOL 3-8125

Messrs. Nechanitzky and Waterman tell us that this work was authorized by Mr. Ray Bennett of Capital-Centrum Corporation. Mr. Bennett has denied this to me over the telephone. In any event, we paid the [illegible] in order to eliminate the lien.

Ernest F. Waterman [illegible]
for services between August [illegible] [illegible] receipt [illegible] settled.

Phillip [illegible] [illegible] 340. [illegible]
for services between August [illegible]

Phillip [illegible] 30. [illegible]
for services performed between [illegible] and September [illegible], 195[illegible].

I have in my file assignments of lien covering [illegible] reimbursement [illegible] Corporation [illegible].

The services rendered by the lien claimants were as follows:

<u>Ernest F. Waterman</u>: General supervision of [illegible] work of Capital-Centrum

INSTRUCTIONS FOR USE

1. Identify Agency of Addressee
2. Void Previously Used Block
3. Write Clearly
4. Se[illegible]velopes to Supply Room for Reissue

[illegible]IONAL UNIT,

	STOP	
	STOP	Enclosures Maps [illegible]
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U. S. Government Messenger Envelope

. 65 Rev. (1957)
ureau of the Budget Circular A-33 (Rev.)

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Your mail room has STOP information.

So. 157 Howard Street
Spokane 4, Washington

January 27, 1959

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O. M. E.
RECEIVED FEB 2 1959

DATE	INITIALS	CODE
2/2	C	220
2/2	[illegible]	800
2/3	WSA	400

Mr. Ray A. Bennett, Vice-President
Capital-Seaboard Corporation
727 Cooper Building
Denver 2, Colorado

Re: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of claims
Contract No. IGm-E1221

Dear Mr. Bennett:

Mr. Hamblen has sent us five copies each of a copper and a cobalt geochemical map. However, we have not received a narrative report describing this phase of the work.

We urge you to submit invoices and vouchers for the work completed to date so they can be processed.

By Field Team Region I

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

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

cc: OME (2) ✓ w/2 cys Hamblen's ltr rec'd 1/23/59
USBM (2)
USBM(AD)
Albee

C O P Y

C O P Y

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DATE	INITIALS	CODE
2/3	WSOY	400

K. E. HAMBLEN

Mining Engineer

2825 SW Montgomery Drive
Portland 1, Ore.

Dear Al,

Attached you will find eight geochemical maps -- four of cobalt and four of copper.

I have not sent any to Bennett of Capital-Seaboard as this was done at my expense. We have paid all bills, and they have been assigned to me, when, as, and if, Capital-Seaboard pays off the liens.

Jerry is doing the necessary legal work, and we all hope to have this "back on the track" as soon as possible.

The recent unrest in the Belgian Congo together with Castro's announced intention of expropriating the Nicaro property could result in more attention to getting more cobalt reserves here in this country.

I hope to be able to go to San Francisco next month, although the papers don't sound too interesting -- probably I'm getting more critical and crabby.

Best Regards

/s/ Ken

RECEIVED

JAN 23 1959

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

Docket 4906
Capitol - Seaboard

Wait and see how Illinois makes out, says Mr. Martin

2/3/59

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:	INITIALS	DATE
1. ~~Code 800~~	[illegible]	2/1/58
2. Code 120	[illegible]	2/1/58
3. Code 110	[illegible]	2/3
4. Code 120		
5.		
FROM: Code 400		

FOR: Check items for action desired

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

REMARKS:

It seems to us that if OME will have a narrow policy toward assignment of DMEA contracts the Field Team, Region I, should be advised promptly.

This is a DMEA contract and OME contract policy does not apply. Should be handled the same as any DMEA contract would have been. [illegible]

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

125803

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

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O. M. E.
RECEIVED FEB 2 1959

DATE	INITIALS	CODE
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2/2	WSM	400

January 27, 1959

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

Re: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Selfridge:

A somewhat involved situation regarding the referenced contract has developed.

In an undated letter received January 5, 1959 (2 copies of which we sent you), the operator stated that he had not received the geochemical maps from his consulting engineer, Mr. Hamblen. January 14 Mr. Hamblen called at the Spokane office on another matter and left us one copy each of a copper and a cobalt geochemical map. He told us that he would send us four more copies of each map as soon as he returned to Portland, which he has done. He said that he would not send copies of the maps to Capital-Seaboard, Inc., because they had not paid him for prior work that he had done in their behalf, but that he would give us the necessary copies so that the contract requirements could be met. So far Capital-Seaboard has not made any claim for reimbursement for the geochemical survey. Mr. Hamblen also said that Capital-Seaboard had not paid any bills relative to the project and that he had paid them himself. Mr. Shockey, field engineer for the project, was in the office November 18, 1958 and likewise said that he had not been paid up to that time.

In a letter dated January 11, 1959 (2 copies of which we sent you), Mr. Ray A. Bennett, Vice-President of Capital-Seaboard, Inc., explained why he had not yet sent us certain invoices and concluded with the statement " . . . they have cancelled our lease and option on Cobalt property." We wrote to Mr. Bennett January 21 (2 copies of which we sent you) asking what the company intended to do, suggesting that they might renew the lease or assign the contract to someone else.

Mr. Hamblen, during his visit to Spokane, advised us that his group, the prime lessees, cancelled the sub-lease to Capital-Seaboard, Inc., because the operator was not fulfilling the terms of the lease. However, they are anxious to see the project completed and wish to have the contract assigned to them. Mr. Hamblen asked the Executive Officer to inform Mr. Jerome S. Bischoff, attorney for the group, as to what steps should be taken to effect this assignment. This was done by the Executive Officer January 16, and his letter was acknowledged January 21 (2 copies of each enclosed). Mr. Bischoff asked if the group of prime lessees could be reimbursed by the Government directly for their payments for the work done by Capital-Seaboard. We have asked him for full details regarding these payments, such as to whom and when they were made, for what, and for how much (2 copies of our letter enclosed).

As soon as we have replies from Mr. Bennett and Mr. Bischoff, we will advise you further. Because the vouchers were improperly prepared we have made no payments to Capital-Seaboard, Inc., and we will make none until the situation is straightened out.

By Field Team Region I

A. E. Weissenborn

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

Wing G. Agnew

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

Enclosures 3 (in dupl.)

cc: USBM (2)
USBM(AD)
Albee

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O. M. E.
RECEIVED FEB 2 1959
DATE | CODE

So. 157 Howard Street
Spokane 4, Washington

January 26, 1959

Mr. Jerome S. Bischoff
Attorney at Law
Cascade Building
Portland 4, Oregon

Re: Docket No. IMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Duke Group
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Bischoff:

Thank you for your letter of January 21, 1959 regarding the proposed assignment of the referenced contract to the prime lessees.

We have received the extra geochemical maps from Mr. Hamblen and will advise Mr. Bennett of this. We have already advised him as to what invoices are needed to complete processing the August voucher.

In the fifth paragraph of your letter you state, "Capital-Seaboard advises us that they will pay the liens on the property and forward the receipts to you . . ." And ". . . our Group has paid these liens and taken assignments to M. Peterson . . ." In Mr. Hamblen's undated letter forwarding the extra copies of the geochemical maps, he states that he "has paid all bills and that they have been assigned to him when, as, and if, Capital-Seaboard pays off the liens." We presume Mr. Hamblen means that these were liens against Capital-Seaboard for non-payment of certain obligations, that Mr. Hamblen has paid these obligations, and that the liens have been assigned to him. Are these the same liens that you state have been assigned to Mr. Peterson? Is Mr. Peterson a member of your group acting in behalf of Mr. Hamblen?

In any case, you should forward us a complete list of all payments that your group has made, when they were made, to whom they were made, for how much, and for what purpose. It would be desirable for you to supply us with photostats of the receipts.

With complete information we will then refer the matter to our Washington office to determine whether payments should be made to Capital-Seaboard or could be made direct to you as you request. The Government can, of course, participate only in the cost of those items which are specified in the contract.

Receipt of the maps alone will not justify repayment for the geochemical survey. A narrative report is also necessary.

By Field Team Region I

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

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

cc: OME (2) w/2 cys incoming
USBM (2) "
USBM(AD) w/1 cy incoming
Albee "

JEROME S. BISCHOFF
ATTORNEY AT LAW
CASCADE BUILDING
PORTLAND 4, OREGON
CAPITOL 3-8125

January [illegible], 1959

OFFICIAL FILE COPY O. M. E. RECEIVED FEB 2 1959		
DATE	INITIALS	CODE

United States Department of Interior
Office of Minerals Exploration
Suite 157 Howard Street
Portland 4, Washington

Attn: Mr. A. E. Weissenborn
Executive Officer, OME.

Re: Docket IDM-A-[illegible] (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho.
Contract No. IDM-E1221.

Dear Mr. Weissenborn:

I want to acknowledge receipt of your letter of January [illegible]th respecting the assignment of the Capital-Seaboard Corporation contract. This assignment will [illegible] back to the prime lessees, Messrs. [illegible] Hamblen, [illegible] Bischoff, P. [illegible] Wheeler, [illegible] Wheeler, Jr. and [illegible] A. [illegible].

[illegible] ownership is demonstrated by the abstract [illegible] with our office and we will obtain [illegible] Seaboard Corporation a release of their existing lease from our Group and an assignment of the [illegible] Contract in the form which your office will supply.

As one step in this transfer, Capital-Seaboard wants to be satisfied that whatever work report requirements [illegible] have been taken care of.

Mr. Hamblen has heretofore delivered to you an abstract showing the results of the geological examination of the property and is now preparing additional [illegible] thereon.

[illegible] pay the [illegible] the property and forward receipts to you [illegible] so. In the meantime, however, [illegible] assignments to [illegible] in order that our record will remain clear.

It may be that under these circumstances the DMEA would be willing to pay its 62½% of these lien claims directly to our Group upon delivery to you of the receipts showing the work and payment and you might let me know whether this is possible.

In any event, we would appreciate it if you could advise Capital-Seaboard that their reporting requirements have been satisfied by the filing of the assay report, and map, by Len Hamblen.

Capital Seaboard is attempting to hold this out as a cloud over our heads and I think you should know that all of the analytical work in preparing the map and in directing the conduct of the exploration was done by Len Hamblen and Pierre Hines without compensation and not as employees of Capital-Seaboard Corporation. Capital-Seaboard have not paid either Mr. Hamblen nor Mr. Hines for any services and none were required to be rendered to them and we would like to close this transaction as fast as possible and believe that this can be accomplished as to this phase by a letter from your office to Capital-Seaboard indicating that all reporting requirements have been fulfilled.

If there is any other step which is required to be taken, please let us know and we will get after it at once.

Sincerely,

[illegible]

OME

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 2 1959

DATE	INITIALS	CODE

Sc. [illegible] Street
S[illegible], Wa[illegible]

January [illegible], 1959

Mr. J[illegible] [illegible]ff
[illegible] C[illegible]
[illegible], [illegible]

Re: [illegible] DMA-[illegible] (C[illegible]alt-C[illegible])
Ca[illegible]-Sea[illegible] C[illegible]
L[illegible]
L[illegible] C[illegible], [illegible]
C[illegible]

Dear Mr. [illegible]ff:

Mr. [illegible] has asked me whether the Capital-Seaboard [illegible] may be assigned to another operator and if so [illegible] to inform you how this can be done.

The procedure usually is relatively simple. Two steps are involved. First, the property must be assigned to the new operator or the new operator must otherwise produce evidence that he has [illegible] control of the property. Second, the former operator must assign the DMEA contract to the new operator and the new operator must accept this assignment.

If a new group has taken control of the Long Drive property and wishes to complete the DMEA contract, they should write to me informing me of their intention. They should enclose an operating agreement or other instrument which shows that they have control the property. If this instrument is satisfactory, our attorneys in Washington will prepare a form to be signed by both the old group and the new group by which the assignor and assignee consent to the assignment of the contract.

We should also know the date the assignee took over so that we can determine to which payments should be made for work under the contract.

Sincerely yours,

A. E. [illegible]
Executive Officer, OME
Field Team Region [illegible]

cc: OME (2) 1/27/59
[illegible] (2) "
[illegible] (AD) "
[illegible] "

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1-26	Holt	400
1-26	Martin	400
1-26	Chambers	800
1/26	GCS	130
1/26	Johnson	110
		100
1/27	C	220
		402

JAN 26 1959

INTERIOR

OFFICE OF MINERALS EXPLORATION
1490108, SALARIES &
EXPENSES, OFFICE OF
MINERALS EXPLORATION, INTERIOR,
1959.

XXXXXXX XXXXXXXXXXXXXXX

T E L E T Y P E

MR. A. E. WEISSENBORN, EXECUTIVE OFFICER
OME FIELD TEAM, REGION I
SOUTH 157 HOWARD STREET
SPOKANE 4, WASHINGTON

REURLET JANUARY 21, 1959, TO RAY BENNETT, CAPITAL-SEABOARD CORPORATION, DOCKET IMEA 4906. PLEASE MAKE NO PAYMENTS ON AUGUST OR SUBSEQUENT VOUCHERS BEFORE CONSULTING US.

George C. Selfridge

(GCS)

GEORGE C. SELFRIDGE, CHAIRMAN
OPERATING COMMITTEE, OME

WSMARTIN:foc
1-26-59
cc to: Code 400
Director's Read. File
Operating Comm.
FT. REG. I
Messrs. H. W. Davis, USBM
T. H. Kiilsgaard, USGS

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1-22	Holt	400
1-22	Martin	400
		130
		110
		100
		26B
		225
		400

Mr. A. E. Weissenborn
Executive Officer
O&E Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4906, Cobalt-Copper
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Weissenborn:

In the subject docket we have a copy of a letter of December 17, 1958, from the Field Team, Region I, to Mr. Ray A. Bennett, vice-president, Capital-Seaboard Corporation. We also have a thermofax copy of a reply from Mr. Bennett with an indistinguishable date. That reply, although it describes Mr. Bennett's difficulties in obtaining the kind of information regularly required in our reports, does not justify any delay in requesting a recess, if one is necessary. There does not seem to be any doubt that a recess would be in order.

It will be appreciated if you will also ask Mr. K. E. Hamblen whether he has any information regarding the Operator's intention to continue with the work of the project.

Sincerely yours,

Not case of

Chairman, Operating Committee

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

WSMARTIN:foc 1-22-59
cc to: Code 400
Director's Read. File
Operating Comm.
FT. REG. I
H. W. Davis, USBM
T. H. Kiilsgaard, USGS

43683

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

Mr. A. E. Weissenborn
Executive Officer
OME Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4906, Cobalt-Copper
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Weissenborn:

In the subject docket we have a copy of a letter of December 17, 1958, from the Field Team, Region I, to Mr. Ray A. Bennett, vice-president, Capital-Seaboard Corporation. We also have a thermofax copy of a reply from Mr. Bennett with an indistinguishable date. That reply, although it describes Mr. Bennett's difficulties in obtaining the kind of information regularly required in our reports, does not justify any delay in requesting a recess, if one is necessary. There does not seem to be any doubt that a recess would be in order.

It will be appreciated if you will also ask Mr. K. E. Hamblen whether he has any information regarding the Operator's intention to continue with the work of the project.

Sincerely yours,

NOT USED

Chairman, Operating Committee

APPROVED:

B. T. Barock
Member, Bureau of Mines

W. E. Nelson
Member, Geological Survey

So. 157 Howard Street
Spokane 4, Washington

January 21, 1959

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O. M. E.
RECEIVED JAN 23 1959

DATE	INITIALS	CODE
1/23	C	220
1/23	[illegible]	800
1/23	WSM	400

Mr. Ray A. Bennett, Vice-President
Capital-Seaboard Corporation
727 Cooper Building
Denver 2, Colorado

Re: Docket No. DMEA-4906 (Cobalt)
Capital-Seaboard Corp.
Long Dike Group of Claims
Contract No. Idm-E1221

Dear Mr. Bennett:

This is in further reference to your letter of January 11, 1959 addressed to the attention of Mrs. Long in reply to her letter of November 4, 1958. Mr. Nechanicky has not sent us the requested data necessary to process your August voucher.

We note in the last sentence of your letter your statement that " . . . they have cancelled our lease and option on cobalt property." If you no longer control the property it appears that you will be unable to complete the trenching and diamond drilling remaining in Stage I, and the contract should either be terminated or rescinded. Possibly you will be able to renew the lease and option or you might intend to assign the contract to someone else. Will you please advise us what your intentions are.

Your prompt attention to this matter will be appreciated.

By Field Team Region I

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

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

cc: OME (2)
USBM (2)
USBM(AD)
Albee

RECEIVED
BUREAU OF MINES
JAN 9 - 1959
SPOKANE, WASH.

Capital Seaboard ~~Oil & Gas Company~~ Corporation of Texas
727 Cooper Bldg Denver 2 Colo
Jan 11/~~58~~ 59!

U S Dept. of the Interior
Office of Minerals Exploration
1201 N. Division Street
Spokane 2, Washington.
Att: Miss Long.

Re; Docket (NO D.M.E.H. 4906 (Cobalt)
Capital - Seaboard Corp
Long Pike Claims Idaho E 1221

Dear Miss Long:

I have written Mr C.F. Mechanicky at Salmon, Idaho, for the data you requested in your last letter, and he has not answered, and until he does answer we can not complete our first report. I wonder if he might answer you? I am very anxious to complete our part of this project. We have never received enough certified field notes to pay on file any but the first report, and they have cancelled our lease and option on Cobalt property.

Very Truly yours
Roy A. Bennett.

P.S. Please Excuse old letter head.

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

OFFICIAL FILE COPY O. M. E. RECEIVED JAN 9 1959		
DATE	INITIALS	CODE
1-9	C	727
	BEF	800
1/9	WSM	400

Capital-Seaboard Corporation

Cooper Building
Denver, Colorado

Re: Docket No. DMEA-4906
(Cobalt)

Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. IDM-E 1221

Mr. King G. Agnew
Acting Executive Officer
Bureau of Mines
So. 157 Howard Street
Spokane - 4
Washington.

OME

Dear Mr. Agnew:

Your letter of December 17, 1958, received, and I agree you are right that the work for his year was completed before the middle of October. I will have to explain why I have been so slow in requesting a recess. I have had some trouble and delay in getting enough information from the field to complete the information we need for Forms MF-104 and MF-104A. I have written to Mr. Nechanicky in Salmon, Idaho, two letters requesting more information on his bulldozing work, and to date have not received this data.

To date, I have not received assay map of Geo-chemical determination work, which I mailed Mr. Ken E. Hamblen, early October. The map and interpretation is necessary before we can decide just what should be done in the way of future work. Mr. K. E. Hamblen is one of the owners of Long Dike Cobalt, and a mining engineer who was to plot the assays on a working map.

Very truly yours,

Vice-Pres.

CC Capital Seaboard Corp.
900 Oil & Gas Building
Wichita Falls, Texas

Mr. K. E. Hamblen
2825 S. Montgomery Drive
Portland - 1
Oregon.

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 29 1958

DATE	INITIALS	CODE
12/24	C	220
12/30	GEB	800
12/30	WSM	400

So. 157 Howard Street
Spokane 4, Washington

December 17, 1958

Mr. Ray A. Bennett, Vice-President
Capital-Seaboard Corporation
727 Cooper Building
Denver 2, Colorado

Re: Docket No. DMEA-4900 (Cobalt)
Capital-Seaboard Corp.
Long Dike Group of Claims
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Bennett:

Our field men visited the Long Dike property October 17, 1958, by which time trenching, soil sampling, and mapping had been completed. On November 13 and a few days ago they were in Salmon and talked to Mr. Waterman.

As no contract work has been done since before October 17, you should request a recess, stating in your request the reason for the recess, the date work was discontinued, and the date on or before which work will be resumed.

Item 2, bulldozing approximately 5 trenches, etc., and Item 4, diamond drilling, remain to be done under Stage I. The location of the trenches and drill holes require prior approval by the Government. Therefore, we will appreciate receiving your proposal accompanied by a map showing the results of the geochemical survey as soon as possible.

By Field Team Region I

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren, Acting Member
U. S. Geological Survey

cc: Capital-Seaboard Corp.
P. O. Box 1847
Farmington, N. M.

OME (2)
USBM (2)
USBM(AD)
Albee

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

1201 N. Division St.
Spokane 2, Washington

October 27, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 18 1958

DATE	INITIALS	CODE
11/18	J. J.	225
		400
"	FEJ	110
11/18	[illegible]	800
11/19	WSM	400

MEMORANDUM

To: OME Field Team, Region I

From: Wm. M. Romischer, Mining Engineer, Bureau ~~of Mines~~

Subject: Interim inspection, Docket No. DMEA-4906 (cobalt-copper), Capital-Seaboard Corporation, Long Dike Group, Lemhi County, Idaho, Contract No. Idm-E1221

The property was visited October 17. Mr. Ernest F. Waterman, supervisor, accompanied the writer on the inspection.

A Chevrolet pickup was used to travel over the access road to the project area. No bridge is over Panther Creek. A tram with the cable anchored to trees on opposite banks is used to cross the stream.

Part of the project work completed consists of 21,300 feet of access road, which actually required 320 cat hours to finish. The access road commences near the mouth and follows along the west bank of Little Deer Creek for about three-fourths mile southwesterly from where it turns and follows a northwesterly direction and enters the east end of the Long Dike No. 2 claim. From near the west end of the Long Dike No. 2 claim the road enters the Long Dike, Long Dike No. 3, Long Dike No. 4 and re-enters the Long Dike No. 3 claim in that order, where it ends near the west end center line stake of the Long Dike No. 3 claim. The road is fairly steep and employs a number of switchbacks until near the end where the grade is gentle.

The geochemical work consisted of surveying 20 lines, 450 feet long, and about 100 feet apart, across the mineralized zone. According to Mr. Waterman, 200 soil samples were taken at intervals of 50 feet and sent to Denver to be assayed for cobalt and copper. He had not yet received the assay returns.

The Operator hopes to finish the trenching this fall if possible.

Wm. M. Romischer

Wm. M. Romischer

Distribution:
OME (4)
USGS (2)
USBM (AD)
Docket
Romischer

Capital-Seaboard Officers Inspect Work at Property

Cobalt, Lemhi County, Idaho. -- Capital-Seaboard Corporation has done more than two miles of bulldozing at an Idaho cobalt property since starting an exploration project August 1, an official said.

Joseph H. Corbin, Wichita Falls, Texas, company president, said promising mineralization was uncovered and that a soil sampling program will follow this fall, with diamond drilling scheduled for next spring.

The site adjoins the Blackbird cobalt mine of Calera Mining Company, a subsidiary of Howe Sound Company, in Idaho's Lemhi county, he said.

Capital-Seaboard has 13 mining claims, acquired from Portland interests, and is exploring them under a $62,500 contract with the defense minerals exploration administration, he said. It has income from Texas oil and uranium mines in Utah, Arizona and New Mexico, he added.

In Corbin's party were Ray A. Bennett, Denver, vice-president in charge of the firm's mining division; George E. Henry, Wichita Falls, a director formerly of Spokane, and Maurice Barnett Jr., Denver, president of Investment Service company.

- - -

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 7 1958

DATE	INITIALS	CODE
10/7	C	220
7	Copy	400
8	FJ	110
10/8	GEB	800
10/9	WSM	400

September 29, 1958

MEMORANDUM

To: OME Field Team, Region I

From: Donald R. MacLaren, and William C. Prinz, Geologists, U. S. Geological Survey

Subject: Interim Inspection Report, Docket No. DMEA-4906 (Cobalt-Copper), Capital-Seaboard Corporation, Long Dike claims, Lemhi County, Idaho, Contract No. Idm-E1221

The property was examined on September 8, 1958, in the company of K. E. Hamblin, consulting engineer, Ernest Waterman, supervisor, and several stockholders in the Corporation.

About 2 miles of access road, requiring 221¼ hours of dozer work, had been completed. The road follows Deer Creek for about three-quarters of a mile to the southwest then follows a northwesterly direction up the hillside with many switchbacks. It enters the claim group near the southern part of the Long Dike No. 2 and proceeds diagonally across the Long Dike No. 2 and Long Dike claims with many more switchbacks, one switchback being near the discovery post of the Long Dike No. 2 claim and another near the discovery post of the Long Dike claim. The remaining 28-3/4 hours of bulldozing will be used to extend the road west and northwest into the claim group.

Waterman indicated the location of a tree which he said marked the northwest corner of Long Dike No. 2 and northeast corner of Long Dike. This tree was tied into the two location posts by a brunton and tape survey and is shown on the accompanying plate 1. As it is apparently mis-located, the Operator was instructed to survey in the claim corners when he surveys the geochemical survey lines, which he is about to start.

Attachment

Donald R. MacLaren

Distribution:
OME (4)
USBM (2)
USBM(AD)
Docket
Prinz

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
INTERIM REPORT

DOCKET NO DMEA 4906

EXPLANATION

H.S.
Haynes–Stellite unit
(Chiefly thin bedded quartzite)

B b
Blackbird unit
(Chiefly quartz–biotite schist and phyllite)

Inferred fault or gradational contact

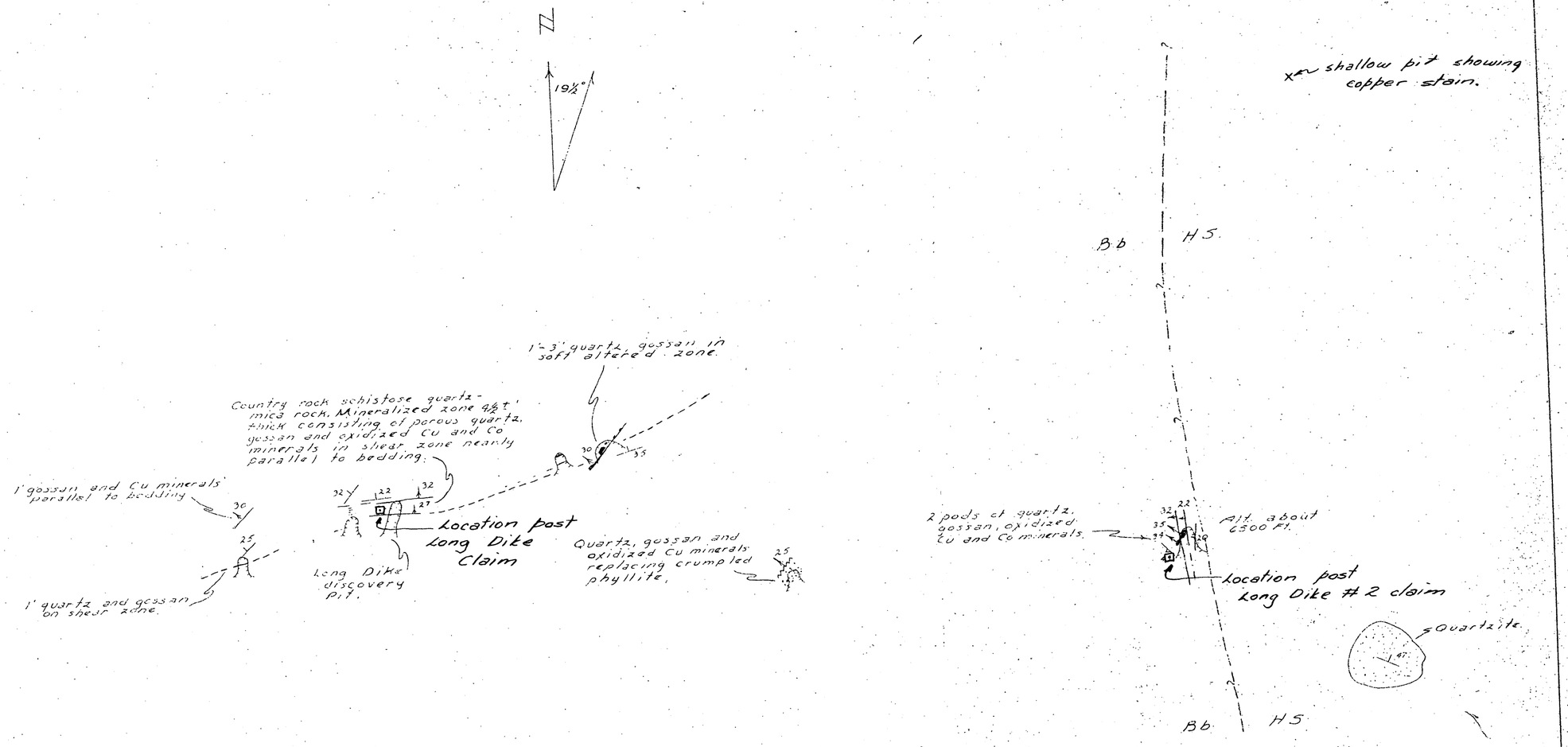
Strike and dip of bed

Plunge of tightly crumpled beds

Strike and dip of fault

Strike and dip of sulphide bearing vein, zone, or pod

Cut or pit



LONG DIKE CLAIM
Capital–Seaboard Corporation
Sec. 14, T. 21 N., R. 18 E., B.M.
Lemhi County, Idaho

50 0 50 100 FEET

9/16/58

PLATE I

Geology by J.S. Vhay, 1956

Capital-Seaboard Officers Inspect Work at Property

Cobalt, Lemhi County, Idaho. -- Capital-Seaboard Corporation has done more than two miles of bulldozing at an Idaho cobalt property since starting an exploration project August 1, an official said.

Joseph H. Corbin, Wichita Falls, Texas, company president, said promising mineralization was uncovered and that a soil sampling program will follow this fall, with diamond drilling scheduled for next spring.

The site adjoins the Blackbird cobalt mine of Calera Mining Company, a subsidiary of Howe Sound Company, in Idaho's Lemhi county, he said.

Capital-Seaboard has 13 mining claims, acquired from Portland interests, and is exploring them under a $62,500 contract with the defense minerals exploration administration, he said. It has income from Texas oil and uranium mines in Utah, Arizona and New Mexico, he added.

In Corbin's party were Ray A. Bennett, Denver, vice-president in charge of the firm's mining division; George E. Henry, Wichita Falls, a director formerly of Spokane, and Maurice Barnett Jr., Denver, president of Investment Service company.

- - -

MEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9-19	Martin	400
9/22	Selfridge	130
9/22	Johnson	110
"	Mittendorf	100
9/22	C O	220
		400

SEP 22 1958

Mr. Ned C. Bell
Silver Plume, Colorado

Re: Docket No. DMEA 4906, Cobalt-Copper
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Bell:

On September 8, 1958, you wrote to obtain confirmation of certain information given to you by the above-named Operator. Your letter has been referred for reply to the Office of Minerals Exploration which succeeded the Defense Minerals Exploration Administration, as set forth in the enclosed press release of September 13, 1958.

The Capital-Seaboard Corporation, whose cobalt-copper prospect is in the same mining district as the Blackbird Mine, was granted an exploration contract as shown in the enclosed copy of a press release of July 3, 1958. The contract was executed in accordance with the terms and criteria of DMEA Order 1, Revised. A copy of that order and a related Questions and Answers pamphlet are also enclosed.

Sincerely yours,

C. O. Mittendorf

ACTING Director

Enclosures

WSMARTIN/dlm 9-19-58
cc to: Code 400
Admr. R. File
Oper. Comm.
REGION I
Messrs. H. W. Davis, USBM
T. H. Kiilsgaard, USGS

8623

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : OME Files

DATE: 9-15-58

FROM : Iron and Ferro-Alloys WSA

SUBJECT: Docket No. DMEA 4906, Cobalt-Copper
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

Attached are thermofax copies of related clippings from The Mining Record (two for September 4, and one for September 11, 1958).

For the Stock of Today and Tomorrow

WE RECOMMEND
for Immediate Purchase!

CAPITAL-SEABOARD CORP.

PRICE: 45¢ PER SHARE NET
(no commission added)

HIGHLIGHTS

- Long Established Company—established 1924.
- Owns interests in 8,000 acres — covering six states.
- Diversified oil and mining properties — now producing.
- Exceptionally strong management.
- Assets, $2,236,000.00 . . .
  Liabilities, $280,000.00.
- Book value, 80¢ a share; appraised value, $1.90 a share.
- 3,300 stockholders. Distributed over thirty states and territories.
- Government agency has just approved $62,500 of exploration work on company's cobalt lease. Of this amount, Government assumes almost $40,000 of expense. (These cobalt properties lie adjacent to fabulous Blackbird Mine of Howe-Sound Co. in Idaho).
- We consider shares at current low levels as having unusual prospects for worthwhile capital gains!

FOR FREE INFORMATIVE BOOKLET
Please write or call

Investment Service Company
Investment Securities

916 Broadway
Denver, Colorado

Alpine 5-2091
TWX-DN 796

For Market Appreciation!

Capital-Seaboard Corp.

For Additional Information,
Please Write or Call:

BIRKENMAYER & COMPANY

734 17th St. **MA. 3-0173**
TWX-DN458 **Denver, Colo.**

-Birkenmayer Co. may from time to time have either a long or short position.

Note the fine print

THE MINING RECORD
THURSDAY, SEPT. 4, 1958

Capital-Seaboard Increases Its Net Worth 40 Percent

Cash Position Grows To $68,174; Prediction of $204,000 Net Earnings

Joseph H. Corbin, president of the Capital-Seaboard Corp., has just announced that the Company's book value per share as of June 30, 1958, is now $1.12. This compares with $.80 per share as of the year-end.

In commenting upon the improved fiscal status of the company, Corbin noted five principal factors which have contributed to these over-all results. In order of their importance, he listed them as follows:

(1) An increase in the daily production in Texas oil allowables from 8 days to 12 days per month.

(2) A recent increase in the August A.E.C. contract from 40 tons to 510 tons.

(3) Improved uranium ore grades on recent shipments.

(4) Modification of banking arrangements—permitting retention of a larger share of operating revenues.

(5) Company's adoption of rigid cost controls—to assure wider profit margins.

Mr. Corbin estimated net earnings for the 12-months period commencing Oct. 31 at $204,000. This was based on the increased uranium tonnage allowable under the revised A.E.C. contract as well as increases in Texas oil allowables. Mr. Corbin also stated that he believes that approximately $168,000 of the net income will be from oil and $36,000 from uranium.

Ned C. Bell

San Antonio 6, Texas

ORIGINAL FILE COPY
DMEA
RECEIVED SEP 11 1958

DATE	INITIALS	CODE
9/11	H. g.	225
9/11	WSM	200
		8

4906

Silver Plume, Colorado,
September 8, 1958.

U. S. Mineral Exploration Administration,
Washington 25, D. C.

Gentlemen:-

I'm in receipt of letter from Capital-Seaboard Corporation, Wichita Falls, Texas, from which I quote: "You will be pleased to learn that an agency of the U. S. Government has just approved an exploratory loan covering our cobalt properties which lie adjacent to the fabulous Blackbird Mine of the Howe-Sound Company in Lemhi County, Idaho. Under the terms of the contract, the U. S. Mineral Exploration Administration has authorized the expenditure of up to $62,500.00 for exploration and drilling of said properties. Of this amount, almost $40,000.00 will be borne by the U. S. Government."

I am thinking of investing in this Company and will appreciate it very much if you will advise if the above quoted statement is correct, and if so, on what basis this loan was made.

Many thanks.

Sincerely,

Ned C. Bell

Ned C. Bell
Silver Plume, Colorado.

NCB/b

The additional copy of Form MF-104A and the two copies of MF-104, with attachments, are being retained pending settlement of this contract.

WSM
1/29/59

[redacted]-104A
(April 1952)

Budget Bureau No. 42-R1151.2

JAN 29 1959
O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1950 Docket No. DMEA 4906 Contract No. Idm-E1221
Operator's Name Capital-Seaboard Corp. Minerals Cobalt-Copper
Address 727 Cooper Bldg., Denver 2, Colo.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Supervision	Mo.	600.00	1	600.00	1	600.00	5	600.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Trans. Bulldozer		100.00		100.00				
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails Bulldozing		1800.05	159	1800.05 (?) 5,194			250	11.95
	(Dr.)	2500.05		2500.05				
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date 10/29/50 Operator Capital-Seaboard Corp.

Per Roy A. Bennett Title Vice Pres.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

Remarks:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 29 1959
DATE | INITIALS | CODE

AUGUST NARRATIVE

August 1st through August 30th, 1958, bulldozer worked 159 hours building a road from the main panther creek road up Little Deer Creek, a distance of approximately 12,430 feet, and up and over some of the long dike claims of this project.

We expect bulldozing on road work to be completed in September for this season.

There were no unusual problems in building this dozer road, not a great deal of rock, mostly talus composes the hill where the long dike claims are located.

A few showings of mineralization was encountered in the dozer cuts going up over some of the long dike claims, these will be discussed after they are sampled and mapped.

The supervision was under Ernest Waterman of Salmon, Idaho, his contract is for 5 months as needed and at $600.00 per month, contract work.

This report was delayed because of lack of data from the field.

Ray A. Bennett.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1201 N. Division St.
Spokane 2, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 25 1958

DATE	INITIALS	COPY
8/26	C	220
8/26	Comm	100
"	JEJ	110
8/27	GEB	800
8/27	WSM	400

August 18, 1958

MEMORANDUM

To: DMEA Field Team, Region I

From: Wm. M. Romischer, Mining Engineer, U. S. Bureau of Mines

Subject: Initial inspection, Docket No. DMEA-4906 (cobalt-copper) Capital-Seaboard Corporation, Long Dike Group, Lemhi County, Idaho, Contract No. Idm-E1221

Contract work was started about August 1. By August 8, 2,500 feet of access road from the mouth up Little Deer Creek was completed plus another 500 feet roughed out. The bulldozer being used on the project is an International TD-18A.

The distance from the junction of Napias and Panther Creeks (Leacock Junction) downstream along Panther Creek to the mouth of Little Deer Creek is about 4.7 miles.

Wm M. Romischer

Wm. M. Romischer

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
Docket
Romischer

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

RECEIVED AUG 14 1958

DATE	INITIALS	CODE
8/14	H.G.	225
8/14	DLC	400

August 6, 1958

MEMORANDUM

To: DMEA Field Team, Region I

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

Subject: Office conference, Docket No. DMEA-4906 (Cobalt), Capital-Seaboard Corporation, Long Dike group of claims, Lemhi County, Idaho, Contract No. Idm-E1221

Mr. Ken Hamblin, consulting engineer for Capital-Seaboard Corporation, contacted me at my motel room in Salmon, Idaho, on July 26, 1958, to discuss some of the provisions of his company's new DMEA contract. Mr. Hamblin stated that preparations were being made to begin the actual contract work and that they had found a dozer and operator for hire in nearby Forney, Idaho. He reported that repairs were being made on the dozer and that they expected to be able to move it to the property some time during the week of July 28. He has tentatively hired Phil Shockey, consulting geologist, Salmon, Idaho, as the "Engineer's helper" specified in the contract.

The operator plans to do the dozing and geochemical surveying phases of Stage I concurrently and to complete them before winter makes the property inaccessible. This would then give him the winter months to prepare for the drilling phase.

Distribution:
DMEA (4)
USBM (2)
USBM(AD)
Docket
Prinz

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

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 7 1958

DATE	INITIALS	CODE
7/7	C	220
7/7	LB	215
	2RC	400

July 2, 1958

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

Re: Docket No. DMEA-4906 (Cobalt)
Capital-Seaboard Corporation
Long Dike group of claims
Lemhi County, Idaho
Contract No. Idm-E1221

Dear Mr. Selfridge:

Enclosed are the Government and Audit copies of the above-referenced contract. Other copies have already been distributed.

The Consents to Lien have been attached and a starting date of August 1, 1958 has been inserted in Article 3.

Sincerely yours,

Donald R. MacLaren

Donald R. MacLaren
For: Wing G. Agnew
Acting Executive Officer
DMEA Field Team Region I

Enclosure as above

cc: USBM (2)
USBM(AD)
Prinz

DMEA

RECEIVED JUN 30 1958		
DATE	INITIALS	CODE
6/30	C	220
	WSM	400

No. 157 Howard Street
Spokane 4, Washington

June 26, 1958

Capital-Seaboard Corporation
c/o Jerome S. Bischoff
Attorney at Law
902 Cascade Building
Portland 4, Oregon

Re: Docket No. DMEA-4906 (Cobalt)
Long Dike Group of claims
Lemhi County, Idaho

Gentlemen:

Enclosed are the original and four copies of a proposed long form contract for an exploration program at the above-referenced project, signed by the Administrator for the Government, together with Annex 1 (1 page), Consents to Lien and Subordination Agreements, Exhibit A (4 pages), and 2 maps. If the conditions and terms of the proposed contract are satisfactory to you, sign all five copies, retain the one marked "Operator's Copy", and return the other four to this office. The return envelope must be postmarked prior to midnight, June 30, 1958, for the contract to be valid.

If any part of the proposed contract is not acceptable, return all five copies to this office, unsigned.

Your attention is called to Article 8(b) of the contract which deals with repayment by the operator from royalty on production. Any production from the land described in the contract is subject to the royalty provisions of the contract whether or not it is discovered or developed by the work under the contract. This applies to all production during the period in which the Government may certify, or, if the project is certified, to all production during the repayment period specified in the contract.

Sincerely yours,

Donald R. MacLaren

for Wing G. Agnew
Acting Executive Officer
DMEA Field Team Region 7

Enclosures

Special Delivery

cc: DMEA (2); USBM(2); USBM(AD); Albee

P. S. As discussed in a recent telephone conversation with Mr. Hamblen, we have inserted August 1, 1958 as the starting date under article 3.

Excerpt from Mr. Mittendorf's diary, 6/20/58:

During the afternoon Ken Hamblen phoned from Portland, Oregon, regarding the status of DMEA-4906, Capital-Seaboard Corp. I had not known, up to this point, that he was interested in the application.

I told him it was on the Operating Committee agenda for today and with good luck we might get it in the mail tonight. He hoped we would, because after reaching Spokane the application must be forwarded to Farmington, N.M.

The contract hit some snags in the Committee and had to go back for considerable retyping. I wired Ken before the close of the day that the contract could not be mailed until Monday.

Excerpt from Mr. Mittendorf's diary, 6/24/58:

Don MacLaren phoned Selfridge early this afternoon. I got on the line and told him we were sending the Capital-Seaboard contract (DMEA-4906) airmail, special delivery, and suggested that he get in touch with Ken Hamblen. He had already been in touch with Ken and told me that the officers of the company are now in Los Angeles and plan to come to Portland next Saturday. They will be on hand to sign the contract.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6-20	Chapman	400
6-20	Martin	400
6/20	Talbert	800
6/24	[illegible]	130
"	[illegible]	110
"	[illegible]	100
6-24	[illegible]	220
		400

JUN 24 1958

AIR MAIL
SPECIAL DELIVERY

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4906, Cobalt-Copper
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho

Dear Mr. Weissenborn:

Enclosed are the original and four copies of a proposed long form contract for an exploration program at the above-referenced project, signed by the Administrator for the Government, together with Annex 1 (1 page), Consents to Lien and Subordination Agreements, Exhibit "A" (4 pages), and 2 maps. Two extra copies are enclosed for the use of the Field Team.

Please attach, in the usual manner, the Consent to Lien forms mentioned in your letter of June 17, 1958.

If the terms and conditions of the proposed contract are satisfactory to you and the Operator, all five copies should be signed by the Operator and the usual distribution made.

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

TLChapman:foc 6-20-58
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. I
Messrs. H. W. Davis, USBM
T. H. Kiilsgaard, USGS

8623

Mr. Selfridge: In re - DM&A-4906

I have surnamed proposed contract per discussion with you on premise that words "8.3 percent for" will be deleted from Category (2).

Question arises, also, as to whether "none except" should be included in Categories (3) + (7).

Talbutt
6/20/58

Ok. with corrections as Talbutt + you have pointed out. AGS

DMEA Form 7
(12-56)

C. O. Mittendorf, Administrator

Defense Minerals Exploration
Administration

OFFICIAL FILE COPY

Date	Surname	Code

(Re DMEA-4906, Capital-Seaboard Corporation)

JUNE 20, 1958

MR. KENNETH HAMBLEN
2825 SOUTHWEST MONTGOMERY DRIVE
PORTLAND, OREGON

CONTRACT WILL BE MAILED TO SPOKANE MONDAY, JUNE 23.

C. O. MITTENDORF, ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

COMittendorf/fw
6/20/58

cc: ~~Docket~~
Admr. Reading File
Reg. I (2)

Send after office hours. fw

Capital-Seaboard

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6-10		400
6-10		400
		140

June 9, 1958

C MEMORANDUM

INTERIOR DEPT. JUN 11 1958

SOLICITOR RECEIVED JUN 11 1958 ASSOC. SOLICITOR MINERAL RESOURCES

To: Administrator, DMEA

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Estimated cost of Drifting
Docket No. DMEA 4906 - Cobalt-Copper
Capital Seaboard Corporation
Long Dike Claims
Lemhi County, Idaho

Stage II

Crosscut and drift a total of not more than 600 feet, 5 feet by 7 feet in size, estimated to need 500 feet of timbering. Estimated advance 4 feet per shift including timbering. Drifting and crosscutting time 130 days. Timbering 20 days.

Crosscut or drifting costs:

1. Independent contracts none

2. Labor and supervision

2 miners, $20.00/day each, 130 days.	$5,200.00	
1 trammer, $17.00/day 130 days.	2,210.00	
	$7,410.00	
Overtime 8.3 percent	615.00	$8,025.00
Supervisor 6.5 months at $600.00/mo.		3,900.00

3. Operating Materials and supplies. No salvage

Carbide drill bits, 30 at $15.00 each	450.00
Drill rods 30 at $9.10 each	273.00
2 sets drill rods, $22.00 each set	44.00
Air hose - 2 - 1 in. at $44.00 each	88.00
Water hose - 2 - ½ in. at $25.00 each	50.00
Powder - 4,200 pounds at $23/100#	966.00
Caps - 3,000 at $0.02 each	60.00
Fuse - 21,000 feet at $40.00-3,000 ft. reel	280.00
Gasoline - 5 gal./day, 150 days at $0.36/gal	270.00
Diesel fuel - 20 gal.day,150 days at $0.22/gal	660.00

8623

Grease and lub. oil	$180.00	
Small tools, repair parts, grinding wheels carbide lights and carbide, safety kit.	600.00	
Ties. 300 at $0.35 each	105.00	
Total		$4,026.00

Operating materials and supplies. (50% salvage)

2 line oilers with hose, at $32.00 each	$64.00	
Air line, 650 feet., 2 inch at $0.43/ft.	280.00	
Water line, 650 feet., 1 inch. at $0.20/ft.	130.00	
Pipe fittings, 20% pipe cost. $410.00	82.00	
Track, 1,300 lineal feet 16# rail. $240.00/ ton, 3½ tons.	840.00	
Accessories, including switch and stand	200.00	
Ventube - 550 feet at $1.08/ft.	594.00	
	$2,190.00	
Less 50 percent salvage		$1,095.00

4. Operating equipment, to be furnished - 6.5 mo.

	Value	Mo. depreciation	
Air compressor, 210 cfm	$5,580.00	$93.00	
Drill with leg.	780.00	13.00	
Mine car.	300.00	5.00	
Truck	2,100.00	35.00	
Air fan	300.00	5.00	
Mucking machine. (no. 12)	2,940.00	49.00	
Air receiver	300.00		
Bit grinder, water tank, oil tank, chain saw	600.00	10.00	
		$210.00	
6.5 months at $210.00/mo			$1,365.00

5. Rehabilitation and repairs. None

6. New Buildings and improvements. (50% salvage) 500.00

1 - 12' x 18' compressor store-house

7. Miscellaneous.

Compensation, Social Security, etc. 14.9% of payroll. $11,925.00 (rounded)	$1,777.00	
Freight on equipment and supplies.	500.00	
Flex. $500 for Berkeley		$2,277.00
Total for drifting and crosscutting Stage II		$21,188.00

Cost per foot of drifting or crosscutting ~~$35.31~~ say ~~$35.30~~ 34.80

Assays, 40 for cobalt and copper at $7.00
each plus $0.50 for sacks and transportation $300.000

Stage II

Timbering, 500 feet, 5 feet by 7 foot drift. 8 inch drift sets.

1. Labor and supervision

2 miners, $20.00/day each, 20 days	$800.00	
1 trammer, at $17.00/day. 20 days	340.00	
	1,140.00	
Overtime 8.3%	96.00	$1,236.00

2. Operating materials and supplies.

100 sets timber, 26,000 bd. ft. at $70.00/M	1,820.00	
1,000 wedges at $0.04 each	40.00	$1,860.00
Compensation, Social Security, etc.		
14.9% payroll, $1,235.00	184.00	
Freight on timber etc. General	300.00	484.00
Total cost of timbering		$3,580.00
500 feet, cost per foot	$7.11 say $7.10	

W. S. Martin, Director
Division of Iron and Ferro-Alloys

TLCHPAMAN/dlm 6-9-58
cc to: Code 400
Admr. R. File
Oper. Comm.
Code 110

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

JUN 18 1958

Memorandum

To: Administrator, DMEA
Through: Director, Division of Iron and Ferro-Alloys

From: Acting Associate Solicitor, Division of Mineral Resources

Subject: Capital-Seaboard Corporation, Docket No. DMEA-4906
Long Dike Group of claims, Lemhi County, Idaho

As requested in Mr. Martin's memorandum of June 6, 1958, we have prepared the attached contract.

Consents to Lien and Subordination Agreements are required of those named in Article 2(b)(2).

J. L. Hofflund

J. L. Hofflund

Attachments

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

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 19 1958

DATE		CODE
6/19	C	220
	WSOY	400

Air Mail

June 17, 1958

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

Re: Docket No. DMEA-4906 (Cobalt)
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho

Dear Mr. Selfridge:

This is in further reference to our letter of May 22, 1958, in which we referred to the Consents to Lien required for the referenced application should a contract be made.

We have received four copies each of two sets of Consent to Lien forms, one set signed by Jerome S. Bischoff, K. E. Hamblen, Kenneth A. Moores, and Pierre R. Hines, the other set signed by Earle R. Marble. Two copies of the letter dated June 16, 1958, sending these forms to us are enclosed.

To avoid the possibility of these crossing a contract in the mail, we shall hold them until we receive a contract should one be made.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
Alvord

JEROME S. BISCHOFF
ATTORNEY AT LAW
CASCADE BUILDING
PORTLAND 4, OREGON
CAPITOL 3-8125

June 16, 1958

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

Re: Docket No. DMEA-4906 (Cobalt)
Long Dike Group
Lemhi County, Idaho

Att: Mr. D. R. MacLaren

Dear Mr. MacLaren:

In connection with the above docket, I enclose herewith four copies of your Form 205, Consent to Lien, signed by Messrs. Jerome S. Bischoff, K. E. Hamblen, Kenneth R. Moores and Pierre R. Hines and four copies of the same Form signed by Mr. Earl R. Marble, Jr.

We have heretofore filed the same Form for Earnest F. and Esther L. Waterman.

You now have in your file Consent to Lien by all persons having any interest in the claims.

If there is any other step which is required on our part, would you please let me know at once?

Very truly yours,

Jerome S. Bischoff

JEROME S. BISCHOFF

JSB:MP
Enc.

RECEIVED
JUN 17 1958
SPOKANE, WASH.

A Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6-6	Chapman	400
6-6	Martin	400
		140

June 6, 1958

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Preparation of Contract
Docket No. DMEA 4906 - Cobalt-Copper
Capital-Seaboard Corporation
Long Dike Group of claims
Lemhi County, Idaho

Attached is a rough draft of a proposed Contract for your use in preparing it in final form.

W. S. MARTIN

W.S. Martin, Director
Division of Iron and Ferro-Alloys

Attachment

TLCHAPMAN/dlm 6-6-58
cc to: Docket

8623

How did
Capital-Seaboard
acquire property from
Capital Uranium

Hamblen also 3% to Bischoff
Marble " 2% " "
Hines
Moores
Bischoff

EXPLORATION PROJECT CONTRACT
CAPITAL SEA-BOARD CORPORATION
DOCKET NO. DMEA - 4906

ANNEX 1

The land referred to in Article 2, of the contract consists of 6 unpatented lode claims and a mill site as shown on Fig. 2, "sketch of 6 unpatented lode claims, and a Map of Long Dike Claims." The claims are located in sections 13 and 14, T. 21 N., R. 18 E., Boise Meridian, Lemhi County, Idaho, and are recorded as follows:

Claim Name	Book No.	Page No.
Long Dike	3	622
Long Dike No. 2	3	623
Long Dike No. 3	3	624
Long Dike No. 4	6	600
Long Dike No. 5	6	601
Long Dike ~~Nxx~~ Extension	3	625
Long Dike Lode (Mill Site)	3	626

The Long Dike claims and mill site were located by Ernest F. Waterman and Wilfred L. Keele, and Ernest F. Waterman, Esther L. Waterman, Wilfred L. Keele and Eunice K. Keele. By a Quit Claim Deed dated November 27, 1957, Wilfred L. Keele and Eunice K. Keele released their rights to the Long Dike and other claims to Ernest F. Waterman and Esther L. Waterman.

By Supplementary Agreement dated August 23, 1955, June 17, 1956, and August 15, 1957, Ernest F. Waterman, Esther L. Waterman, Wilfred L. Keele and Eunice K. Keele, modified a lease dated September 12, 1954, stating that First Parties have succeeded to the interests of Wilfore

of Wilfred Keele and Eunice Keele, and second party has succeeded to the interest of John C. Hiffins.

On July 11, 1957, K. E. Hamblen assigned a 2 percent interest in his lease on the above noted claims to Jerome S. Birschoff.

By Lease and Option dated August 29, 1957, the above-noted claims have been assigned to Capitol Uranium Company. On December 23, 1957, the above lease was assigned to the Capitol Seaboard Corporation.

MF-200
(Revised June 1954)

Docket No. DMEA - 4906

Commodity Cobalt-Copper

Contract No. Idm-E

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this ..... day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Capital-Seaboard Corporation a Texas Corporation, whose mailing address is P. O. Box 1847, Farmington, New Mexico, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200), the attached Exhibit "A," Annex I, and 3 maps.

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Idaho, County of Lemhi, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee by assignment of [5] Annex I in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease and assignment, [7] recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: Consents to Lien and Subordination Agreements

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

of the land (lessor, seller, optionor, etc.), are attached, as follows: .....

.....

.....

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Cobalt-Copper The work to be performed is described in Exhibit "A." The Operator on or before ..... shall commence the work, and on or before 2 years from date of contract (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall either have completed the work or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A."

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

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

(c) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $65,360.00 The Government shall contribute 62½ percent of the allowable costs as they are incurred in a total sum not in excess of $40,850.00 : *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated, total allowable cost of the work.

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums.

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

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

CATEGORY (4)—OPERATING EQUIPMENT.

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

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

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

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

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

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

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

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

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

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

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

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

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9.

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

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

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

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

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By .....

.....
(Operator)

By .....

.....

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

EXPLORATION PROJECT CONTRACT
CAPITOL-SEABOARD CONRPORATION
DOCKET NO. DMEA 4906

EXHIBIT "A"

Description of the Work

The purpose of the work is to explore a cobalt-copper bearing zone on the Long Dike claims located in a zone similar to other cobalt-copper bearing areas in the Blackbird District, by geo-chemical sampling, by trenching and sampling of the trench exposures and by core drilling. If this Stage I shows good results then it is to be followed by Stage II consisting of drifting and crosscutting and possibly shaft or winze sinking.

Stage I

1. Build an access road up Little Deer Creek, the exact location of the road to be at the option of the Applicant at a maximum cost as stipulated in the Contract. Figure 1, Location Map, Capital Seaboard Corp. Lemhi County, Idaho.

2. Bulldoze approximately 5 trenches at about 5 points on the Long Dike claims, as marked tentatively on Fig. 2. Locations of these trenches shall be agreeable to the Government. Mineralized zones in trenches shall be sampled and assayed for cobalt and copper.

3. Make a geo-chemical survey of area between trenches and make not more than 300 geo-chemical analyses. Samples shall be taken at approximately 50 foot intervals and analyzed for cobalt.

4. Drill about ten diamond drill holes to a depth of approximately 300 feet each, with a total not to exceed 3,000 feet. Holes shall not be less than AX in size and shall be cemented and re-drilled, or reamed

and cased as necessary. Cores shall be stored in wooden core boxes. The locations of drill holes shall be determined after trenching and geo-chemical analysis and shall be agreeable to the Government. Holes shall reach vertical depths of about 250 ft.

5. Work shall be supervised by a supervisor engineer and assistance; and the work area shall be mapped, and sampling checked.

Stage II

Stage II shall be dependent on the results of Stage I and shall have the approval of the Government.

1. Construct a compressor and shop building, approximately 12 feet by 18 feet in size.

2. Crosscut and drift a total of not more than 600 feet, to be not less than 5 feet by 7 feet in the clear. Timber as necessary.

3. Sample mineralized zones and assay for cobalt and copper.

ESTIMATED COST OF THE PROJECT
Actual Costs.

Stage I

Category (1) - Independent Contracts

Bulldoze access road, with a D7 bulldozer or equivalent of another make. 250 hours at $15.00/hr.	$3,750.00	
Bulldoze trenching. 150 hours at $15.00/hr.	2,250.00	
Transportation of bulldozer.	100.00	
		$6,100.00
Diamond drilling. AX core minimum.		
3,000 feet at $7.00/ft.	$21,000.00	
Mobilization	400.00	
Reaming and casing. 500 feet at $3.00/ft.	1,500.00	
Cementing and redrilling 50 hours at $9.60/hr	480.00	
Standpipe, ~~150 feet~~ at $8.00/ft.	1,200.00	
Lost casing, 200 feet at $2.00/ft.	400.00	
9 set-ups at $80.00 each	720.00	
		$25,700.00
Total Independent contracts		$31,800.00

Category (2) Personal Services

1 Engineers helper. 120 days at $17.00/day plus 8.3 percent for overtime.(rounded)	$2,210.00	
1 Supervisor-engineer. 5 months at $600.00/mo.	3,000.00	$5,210.00

Category (3) Operating Materials and Supplies

Gasoline, car maintenance, sample sacks, etc. (rounded)	371.00	
90 wooden core boxes at $4.00 each	360.00	
		$731.00

Category (4) Operating Equipment

Rental	None	
Purchases	None	
Depreciation. Pick-up. 120 days at $5.00/day		600.00

Category (5) Initial Rehabilitation and Repairs. None

Category (6) New Buildings, Fixtures, Installations None

Category (7) Miscellaneous

Unemployment, compensation, Industrial Ins. Social Security. $5,210.00 X 14.9% (rounded)	$777.00	
Geo-chemical assays for cobalt. 300 at $2.00/each	600.00	
Trench and core samples, 90 for cobalt-copper at $7.00/each	630.00	
		$2,007.00
Total estimated cost of Stage I		$40,348.00

Stage II

Agreed Unit Costs

Crosscutting and drifting, 600 feet at $35.30/ft.	$21,180.00	
Timbering, 500 feet at $7.10/ft.	3,530.00	
Assaying 40 samples for cobalt and copper at $7.00 each plus $22.00 for express	302.00	
Total estimated cost of Stage II		$25,012.00
Total estimated cost of project		$65,360.00
Government participation, 62½ percent		$40,850.00

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DMEA
IN REPLY REFER TO:
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DATE		CODE
5/28	C	220
	WSM	400

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

May 27, 1958

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Field Examination Report, DMEA 4906 (Cobalt-Copper) Capital-Seaboard Corporation, Long Dike Claims, Lemhi County, Idaho

The examining team report that in spite of difficulties encountered in making a field examination on the applicant's property, geologic conditions on the property are favorable for the presence of undiscovered cobalt-copper ore reserves.

The examiners cite the following favorable features about the property: 1) The claims are located in a mining district known to contain significant deposits of cobalt and copper, 2) approximately two-thirds of the property is underlain with rocks of the Blackbird unit, which are considered the more favorable hosts for copper-cobalt deposits in this district, 3) a copper-cobalt-bearing zone at least 500 feet long is present on the claims, 4) the Blackbird Mine, which lies about 2½ miles to the southwest of the Long Dike group contains ore reserves in one zone of 731,000 tons of rock at an average grade of 0.80% cobalt and 2.8% copper. Those reserves were discovered under the terms of Contract Idm-E645, 5) oxidized nickel and copper minerals are present on the property.

The examining team recommend approval of a DMEA contract that would provide for an access road, a geochemical survey, bulldozer trenches, ten diamond drill holes, and 600 feet of adit crosscut and drift. Work would be done in two stages at a total project cost of $68,947.

I agree with the findings and recommendations of the examining team for approval of the application.

A. E. Nelson
for W. P. Williams

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

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May 22, 1958

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

Re: Docket No. DMEA-4906 (Cobalt)
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho

Dear Mr. Selfridge:

Enclosed are two copies each of instruments by which K. E. Hamblen assigned interest in the Long Dike group of claims to Earl R. Marble, P. R. Hines, and Kenneth A. Moores, respectively.

Mr. Hamblen advised us by telephone that the consents have been signed by all parties except Earl R. Marble who will be in Nova Scotia until early in June. We told him we would not need the consents until we received a contract if one could be made.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
Alvord

JEROME S. BISCHOFF
ATTORNEY AT LAW
CASCADE BUILDING
PORTLAND 4, OREGON
CAPITOL 3-8125

DMEA

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

May 20, 1958

Re: DMEA-4906
Capital-Seaboard Corp.
Long Dike Group of Claims
Lemhi County, Idaho
Cobalt-Copper
$146,400

Memorandum

To: W. S. Martin, Director, Division of Iron and Ferro-Alloys, Defense Minerals Exploration Administration

From: Hubert W. Davis, Branch of Ferrous Metals and Ferroalloys

Subject: Review of Evaluation of Application DMEA 4906 by D. C. Alvord, U.S.G.S., and E. W. Parsons, Bureau of Mines

The applicant's proposal pertains to a loan of $146,400 to explore for cobalt-copper on the Long Dike Group of claims in Lemhi County, Idaho. The property is near the deposits of Calera Mining Co., the second-largest producer of cobalt in the world.

Due to snow a field examination of the property would not be feasible until about June, hence in the interest of time an office evaluation of the application was made by Alvord and Parsons. Their report is based on data furnished by J. S. Vhay of the Geological Survey, who has conducted mapping in the general area and has visited the property; on data furnished in the application; and on informal conversation with E. B. Douglas, Manager of the Blackbird mine of Calera Mining Co. Samples taken by Calera from shallow pits on the Long Dike property assayed 0.3 to 0.8 percent cobalt with high amounts of copper. Douglas regarded the property as an excellent prospect.

Alvord and Parsons recommended that a two-stage program be approved. Stage 1 consists of access road construction, geochemical sampling, and trenching and diamond drilling. Stage 2 consists of crosscutting and drifting.

I concur with this recommendation.

Hubert W. Davis

Attachments

Hubert W. Davis

Copy to: Ferrous Metals
H. W. Davis
Div. of Minerals
Thor. H. Kiilsgaard, U. S. Geol. Survey
Frank D. Lamb
Files

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	WSM	400

Sec. 157 Howard Street
Spokane 4, Washington

May 16, 1958

Capital-Seaboard Corporation
P. O. Box 1847
Farmington, New Mexico

Re: Docket No. [illegible]-1958 (Cowell)
Long Dike Group
Lemhi County, Idaho

Gentlemen:

We have been advised by our Legal Department that various documents presented with your application show how K. E. Ambler and Jerome S. Bischoff acquired their interest in the land on which Capital-Seaboard Corporation proposes to explore. They then point out that in a mining lease and option to purchase dated August 29, 1957, K. E. Ambler, Earl R. Marble, Jr., Pierre R. Hines, Kenneth A. Moores, and Jerome S. Bischoff leased the claims to Capitol Uranium Company, who assigned the lease to Capital-Seaboard, but that there appears to be nothing in the docket to show how Earl R. Marble, Jr., Pierre R. Hines, and Kenneth A. Moores acquired their interest in the land. This will have to be clarified before your application can be processed further.

We will also require Consent to Lien and Subordination Agreement forms signed by K. E. Ambler, Earl R. Marble, Jr., Pierre R. Hines, Kenneth A. Moores, and Jerome S. Bischoff.

As time is of the utmost importance, I called Mr. Ambler on the telephone to advise him of these requirements. He asked me to send the Consent to Lien and Subordination Agreement forms to Mr. Bischoff which I will do with a copy of this letter. A copy of the letter will also be sent to Mr. Ambler.

Sincerely yours,

D. F. Maclaren
for: A. W. Weissenborn
Executive Officer, DMEA
Field Team, Region 1

cc: K. E. Ambler
2625 SW Montgomery Dr.
Portland 1, Oregon

Jerome S. Bischoff
Cascade Bldg.
Portland, Oregon

DMEA (2)
USBM (2)
Alvord

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

DMEA
RECEIVED MAY 16 1958

DATE	INITIALS	CODE
5/16	C	220
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	WSM	400

May 14, 1958

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

Re: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho

Dear Mr. Selfridge:

Enclosed are three copies of a memorandum by D. C. Alvord, Geologist, U. S. Geological Survey, and E. W. Parsons, Mining Engineer, U. S. Bureau of Mines, presenting an evaluation of an application for DMEA assistance.

Due to late snow in the area, it is impossible to make an examination necessary to work out the exact details of the proposed program. However, J. S. Vhay of the Geological Survey, who has mapped the district intermittently since 1942, is familiar with the property. His geologic map of the pits and trenches on the Long Dike property is included with the Alvord-Parsons memorandum. This, together with information from a recently completed contract with Calera Mining Company just west of the property, provides enough data in the files to make a general evaluation and recommend a program.

Alvord and Parsons conclude that exploration on this property is warranted and they recommend that a two-stage program be approved.

In proposing the recommended costs, $3,750 has been allotted for a road to the property. This is slightly more than the applicant has requested. The cost of the road is extremely difficult to estimate and this is the best that could be done under the circumstances. Based on study of the topographic maps Parsons thought that the road could be brought in best down the ridge top from the Calera mine. However Vhay, who was absent when Parsons wrote the memorandum, states that this will not be a practicable route and that no great difficulty should be encountered in building a trail up

Reviewed by
DMEA OPERATING COMMITTEE
5-19-58
(date)

Little Deer Creek as proposed by the applicant. We suggest that the selection of the route be left to the applicant with the proviso that DMEA will participate in the road only to the amount set forth in the contract.

The Field Team concurs with these conclusions and recommendations of Alvord and Parsons but suggests that $375 be included in the costs under each stage to allow for five days for a consultant at $75 per day.

By Field Team, Region I

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

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

Enclosures

cc: USBM (2)
USGS (SRO)
Alvord

DMEA

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DMEA
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UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
So. 157 Howard Street
Spokane 4, Washington

May 13, 1958

MEMORANDUM

To: DMEA Field Team, Region I

From: D. C. Alvord, Geologist, U. S. Geological Survey, and E. W. Parsons, Mining Engineer, U. S. Bureau of Mines

Subject: Office Evaluation, Docket No. DMEA-4906 (Cobalt-Copper), Capital-Seaboard Corporation, Long Dike Group of Claims, Lemhi County, Idaho

INTRODUCTION

An application for Government aid to explore for cobalt and copper was received from the Capital-Seaboard Corporation of Farmington, New Mexico, on December 23, 1957. The company proposes to explore a promising structure or structures by geochemical sampling, 100 hours of dozer trenching, 3,000 feet of core drilling, and 1,500 feet of drifting and crosscutting. A log bridge and dozer road for access is included with the proposal. The applicant's total estimated cost of the proposed work is $146,400, of which the Government's share would be 62.5 percent or $91,500. On January 10, 1958, the application was referred to the Spokane office for a field examination of the property. However, due to snow a field examination of the property would not be feasible until about the beginning of June and in the interest of time it was therefore decided to evaluate the application in the office. The authors have not visited the property; consequently, the information contained in this report is a composite of data furnished by J. S. Vhay of the Geological Survey, who has conducted mapping in the general area for a number of years and who has visited the property, together with the data furnished in the application.

The applicant is Capital-Seaboard Corporation, P. O. Box 1847, 803 West Main Street, Farmington, New Mexico. The officers of the corporation are: Floyd H. Corbin, Chairman of the Board and Director, Wichita Falls, Texas; Joseph H. Corbin, President and Director, Wichita Falls, Texas; Charles W. Yetter, Executive Vice-President and Director, Farmington, New Mexico; Ray A. Bennett, Vice-President and Director, Denver, Colorado; Howard L. Corbin, Treasurer and Director, Graham, Texas; and William A. Pope, Jr., Secretary and Director, Farmington, New Mexico. The corporation

Reviewed by
DMEA OPERATING COMMITTEE
5-19-58
(date)

intends to employ Ernest Waterman as their field supervisor. Mr. Waterman is a private contractor and has had varied experience in contract mining, road construction, and other forms of construction. The application was prepared by K. E. Hamblen, Consulting Engineer, who has had more than 30 years of experience in mineral examination, exploration, and consulting in Canada, Alaska, Mexico, and the United States. Mr. Hamblen is a member of the American Institute Metallurgical Engineers and a Registered Professional Engineer in the State of Oregon. Apparently Mr. Hamblen will continue to act as consultant to the company, should a contract be awarded. The company will furnish its share of the cost of the project in cash. It should be competent to administer the work applied for.

SUMMARY AND CONCLUSIONS

The only specific information we have concerning the Long Dike group of claims is shown on figures 1 and 2 and plate 1 of this memorandum. It is unfortunate that time limitations prevented a field examination, as this undoubtedly would have furnished additional information concerning the details and possible extent of the structure as expressed on the surface and would have better pin-pointed the location of the target structure relative to the claim boundaries. An examination would also have given a better understanding of the terrain which would have permitted a more precise estimate of costs, such as road construction, dozer trenching, and drill-rig site preparation. Of what value surface sampling would have been is a moot question. Soil cover would have prevented extensive sampling and the unknown factor, namely, the extent of oxidation would have made a quantitative interpretation of the assay results impossible. Interesting enough, E. B. Douglas, manager of the Blackbird mine of the Calera Mining Company, stated in an informal conversation with the Executive Officer that samples taken by his company from shallow pits on the Long Dike property assay from 0.3 to 0.8 percent of cobalt with surprisingly high amounts of copper. Douglas regards the property as an excellent prospect.

The property is located in a mining district known to contain significant deposits of cobalt and copper. Approximately two-thirds of the property is underlain with rocks of the Blackbird unit, which are considered the more favorable hosts for copper-cobalt deposits in the district (fig. 2). A copper-cobalt-bearing zone at least 500 feet long is present on the property and has been studied and mapped by a member of the Geological Survey. The potential of this mineralized structure is completely unknown, but in view of its favorable geologic environment further exploration is warranted. A logical Stage I would further delimit the surface expression of the structure as well as test it below the zone of oxidation. This could be done by a combined program of dozer trenching across the structure at selected intervals, sampling of the

trench exposures, geochemical sampling across the structure between dozer trenches, and by core drilling, say on 100-foot centers, to intersect the structure at depths of 150-250 feet. With the completion of Stage I work, it should be apparent whether or not the structure warrants additional exploration by drifting. Such work would logically be done under a Stage II, which would consist essentially of crosscutting to and drifting on the structure in the more favorable localities as indicated by the drilling and sampling.

RECOMMENDATION

It is recommended that a two-stage program be approved. Stage I consists of access road construction, geochemical sampling, trenching and diamond drilling. Stage II consists of crosscutting and drifting.

LOCATION AND ACCESSIBILITY

The Long Dike group of claims is in the north-central portion of the Blackbird Mining District, Lemhi County, Idaho. Salmon, Idaho, the nearest town, is about 35 miles from the property via the Williams Creek and Panther Creek roads. Challis, Idaho, is about 60 miles southeast of the property via Morgan Creek road. There is a railhead at Mackay, Idaho, about 120 miles south of the area and at Darby, Montana, about 113 miles north of the area. Most of the mileage over the cited routes is over well-graveled roads that are presently maintained year-round. The claims are reached from the Panther Creek road by crossing Panther Creek at or near its junction with Little Deer Creek and following up the canyon of Little Deer Creek approximately 1 mile over a rough, unimproved trail in a southerly direction, thence turning westerly up a steep slope about a third of a mile to the property. The difference in altitude between Panther Creek and the property is approximately 1,200 feet. Climatic conditions in the area vary according to the altitude, but throughout the region hot, dry summers and moderately wet winters are the rule. At the altitudes of the property snow can be expected from early September to as late as mid-June and it has been known to snow during July and August.

APPLICANT'S PROPERTY RIGHTS

The application lists 15 claims in two groups -- the Lower Group and the Long Dike Group. However, the proposed work is to be done on the Long Dike group only. The Long Dike group of claims, all to be found in the Mining Records of Lemhi County Courthouse, Salmon, Idaho, comprises the following:

Name	Book	Page
Long Dike	3	622
Long Dike No. 2	3	623
Long Dike No. 3	3	624
Long Dike No. 4	6	600
Long Dike No. 5	6	601
Long Dike Extension	3	625
Long Dike Lode (Mill Site)	3	626

The history of ownership and encumbrances of the Long Dike claims is involved. The numerous legal documents concerning the property, which accompanied the application, cover a period extending from September 1954 through late December 1957. The end result of this series of leases and agreements is that the Long Dike group of claims is presently owned by Esther L. Waterman and Ernest F. Waterman of Salmon, Idaho. Capital-Seaboard's interest in the property consists of an Assignment of Mining Lease and Option to Purchase, executed December 23, 1957. A Consent to Lien and Subordination Agreement signed by Esther L. Waterman and Ernest F. Waterman on November 20, 1957, has been added to the application.

DESCRIPTION OF THE PROPERTY

The Long Dike group of claims is on the steep south-facing slopes of a southwest-trending ridge leading to the summit of Blackbird Mountain, about 5 miles distant. Altitudes on the property range from about 5,100 feet at the east end of the claims to nearly 7,000 feet at the west end. A series of steep canyons cross the property in an easterly direction. In general, topographic gradient is about 2,000 feet per mile, but locally the slopes are much steeper. Although pre-Wisconsin weathering has produced a cover of soil and rotten rock as much as 20 feet deep on the flatter portions of the general region, cover on steep slopes is much less; probably only from 1 to 5 or 6 feet of surface mantle would need to

be removed in trenching on most portions of the Long Dike group. Fir and jack pine cover some portions of the property, but grass-covered slopes predominate. The timber would have limited use in possible underground mining operations. Present workings on the property consist of a few cuts and trenches across mineralized showings strung out in a westerly direction over a distance of at least 500 feet (pl. 2).

GEOLOGY

The geology of the Blackbird District and of some of its deposits has been described by Joseph B. Umpleby in U. S. Geol. Survey Bull. 528, 1913. Of particular interest, however, is the areal and mine mapping by J. S. Vhay and others which is published in U. S. Geol. Survey Strategic Minerals Preliminary Report, 3-219, 1948. Vhay has continued a study of the Blackbird District in the 1950's and during the course of this work mapped some of the cuts on the Long Dike claim in 1956. Plate 1 of this memorandum was compiled from the work done by Mr. Vhay at this time. For detailed discussion of the geology and deposits of the Blackbird District, the reader is referred to Vhay (1948).

General Geology

In the Blackbird District, schistose quartz-biotite beds and garnet chloritoid schists are favorable hosts for copper-cobalt deposits. These rocks, which are apparently dynamo-metamorphosed Beltian sediments, are restricted to a structural or possibly a stratigraphic unit referred to as the Blackbird block (Vhay, 1948). This unit is roughly rectangular, about 5 miles long and 2 miles wide, and is elongate northward. The Long Dike group of claims is on the northeast side of the Blackbird unit, which, at this locality, apparently is bounded by a fault contact trending north. The rocks to the west of the fault contact at this locality are made up of quartz-biotite schists and phyllites, typical of those in the Blackbird unit. The rocks on the east side, on the other hand, consist of massive to thin-bedded quartzite, which lacks schistosity and are believed to belong to another structural or possibly stratigraphic unit referred to by Vhay (1948) as the Haynes-Stellite block. Prospecting and exploration to date suggests that the rocks of the Haynes-Stellite unit are not as favorable hosts for copper-cobalt deposits as those of the Blackbird block. Figure 2 accompanying this memorandum shows very tentatively the approximate location of the Blackbird-Haynes-Stellite contact relative to the Long Dike group of claims. Vhay believes the contact at this locality is a low-angle north-dipping fault, but it should be mentioned that a few geologists think that this part of the contact represents a change in lithology grading from fairly pure quartzites which were unfavorable for the formation of schist

to more argillaceous and thin-bedded rocks which folded rather tightly and became schistose under compression. More intensely metamorphosed sedimentary rocks, now a porphyroblastic gneiss are in contact with the rocks of the Blackbird and Haynes-Stellite units about a mile to the north of the Long Dike group. The only igneous rocks in this area are basic dikes (now metamorphosed mostly to biotite schist) and a few unmetamorphosed quartz-feldspar porphyry dikes of early Tertiary age. As a general rule, the beds of the Blackbird unit have been tightly compressed and are in folds whose axial planes are nearly vertical on the west side of the block but which are tilted westward in progressively lower dips as the eastern border of the unit is approached. All the folds plunge north at from 30° to 45°.

Ore Deposits

Hydrothermal replacement deposits of copper-cobalt minerals occur within the Blackbird unit along three principal sets of shear zones, striking, respectively, northwest, north, and northeast. Thus far, important ore bodies have been found only in the northwest- and north-trending ones, and development to date has indicated that the ore deposits on the northwest shear zones are the best. Although the shear zones acted as the principal control of the mineral deposits, the lithology of the folded sedimentary rocks, as well as other subsidiary structural features, such as the crests of folds and high-angle faults associated with the folding, apparently exerted a secondary control. Thus, the intersections of the northwesterly striking shear zones with those striking northerly, as well as the intersections of these shear zones with the north-plunging folded sedimentary beds, produced ore bodies which plunge north between 35° and 50°. The strong plunge structure of the ore bodies has been found to be important both in developing and mining these deposits. The Blackbird mine, which lies about 2½ miles to the southwest of the Long Dike group, contains large and significant deposits of copper-cobalt minerals along both northwest- and north-striking shear zones. The potential size of these deposits is best brought home by citing the recently completed DMEA Contract No. Idm-E645, Docket No. DMEA-3143, Calera Mining Company. Under this contract exploration was conducted towards three principal target areas, only one of which -- the Blacktail -- was completely explored. Total ore reserves as calculated by the Calera Mining Company for the Blacktail zone are 731,000 tons of rock containing an average of 0.80 percent cobalt and 2.8 percent copper. The Blacktail ore body was formed along a northwest-trending shear zone. Comparable bodies of ore have been found in the Blackbird mine, along both northwest-trending and north-trending shear zones. Vhay's mapping, plate 1 of this memorandum, shows that the copper-cobalt minerals of the Long Dike group are localized along a northeasterly trending shear zone, and within the district a few other mineralized ore bodies have been formed on similar northeasterly

striking shear zones. To date, however, none of them have been investigated by drilling or underground work and there is, therefore, no valid reason for not considering the mineralized northeasterly striking shear zones legitimate targets of exploration. The northwesterly, northerly, and northeasterly shear zones all appear to contain the same types of mineralized rock and are therefore believed to have all developed before mineralization, the ore minerals apparently being emplaced along the structures more or less penecontemporaneously. Therefore, until considerably more information is gained concerning the three classes of deposits, a surface showing along a northeasterly trending shear that is as strongly mineralized and well-developed as a northwesterly or northerly shear zone, would have to be considered just as good a risk as the others. The mineralized rock within the deposits contains pyrite, pyrrhotite, cobaltite, chalcopyrite, safflorite, and a little secondary chalcocite and covellite. Gold is present from only a trace to a few hundredths of an ounce per ton. Among the primary nonmetallic minerals are quartz, biotite, chlorite, carbonates (siderite and calcite), muscovite, tourmaline, and several phosphates in small amounts. On and near the surface, hematite and goethite are abundant in the gossan. In addition to a number of other oxidized minerals, there are two varieties of cobalt bloom, erythrite and bieberite. Erythrite is rare, but bieberite, though rather soluble, is common throughout the district as efflorescence on outcrops. Due to oxidation and removal of both the copper and cobalt, the surface expressions of known ore bodies within the district may be significantly lower in grade than the mineralized rock occurring below the zone of oxidation. The depth of oxidation is considerable where cobaltite and chalcopyrite are both present. Even on steep slopes oxidation is fairly complete to a depth of more than 50 feet. On the gentler upland surfaces, oxidation is presumably much deeper, though no exploration has yet been attempted to prove this. Following the discovery of a copper-cobalt-bearing zone on the surface underground exploration by drilling to depths of 100 feet or more should be done. If the results of the drilling warrant it, crosscutting and drifting should be done. In other words, the discovery of a copper-cobalt-bearing structure at the surface or beneath the surface within the zone of oxidation, which, upon sampling, proves to be low grade, should not be dismissed until it has been explored, to some extent at least, at depth. Obviously, surface exploration alone would never suffice to evaluate a property in this district.

THE PROJECT

The applicant proposes a three-stage program estimated to cost $146,400 to be set up as follows:

Stage I - Construct a log bridge and approximately 2 miles of access road. Explore the surface by geochemical methods and bulldozer trenching.

Stage II - Diamond drill 10 holes totaling 3,000 feet.

Stage III - Drive approximately 1,500 feet of drift and crosscut.

Stages II and III would be undertaken only if justified by the prior work.

Some form of access to the claims is necessary before bulldozing can be started. However, the applicant estimates that the combined cost of the bridge and road will be $7,800. From figure 1 it appears that a better approach can be made from an existing Jeep road northwest of the claims. The authors estimate that this road will cost $3,750.

It is recommended that the following two-stage program estimated to cost $68,947.01 be approved. Stage I will consist of bulldozing an access road and trenches, taking soil samples, and diamond drilling.

Soil sampling would start at a mineralized outcrop and in general samples would be taken at 50-foot intervals along parallel lines approximately normal to the presumed strike of the mineralized zone and spaced no closer than 100 feet. The soil sampling, road work, and trenching could be done in part simultaneously. The location of the diamond drill holes cannot be determined until the soil samples have been assayed.

Stage II will consist of crosscutting and drifting to explore the favorable areas indicated by the Stage I work and will not be started unless Stage I has been successful.

Most of the work will be done on contract under the supervision of the applicant and will consist of a geochemical survey, bulldozer trenching, diamond drilling, and possibly crosscutting and drifting. The work will be done in two stages, the second to depend on the results of the first. The location of diamond drill holes in the first stage will depend on the results of the geochemical survey and the bulldozer work and should have prior Government approval.

The equipment and supplies which the applicant will need are a car or pickup (Jeep), engineering equipment, sample sacks, and a few other minor items. Contractors will furnish equipment necessary to carry on their own work and that needed for underground work will be listed below.

Due to the limited time available and the fact that the property is covered by 3-5 feet of snow, a cost analysis was made without having visited the property.

MEMORANDUM

To: Administrator, DMEA

From: Field Team and Division of Iron and Ferro Alloys, DMEA

Subject. Contract cost. Docket No. DMEA-4906. Capitol Seaboard Corp.

RECOMMENDED EXPLORATION AND COSTS

Stage I

Make geochemical survey, bulldoze access jeep trails starting from the top of the mountain, cut bulldozer trenches across and along the mineralized zone, diamond drill 10 holes, and sample and assay as required up to a total of 300 geochemical samples, 50 core samples, and 40 trench samples.

The recommended costs are as follows: (estimated time for completion: 120 days or 5 months)

1. Independent contracts

Bulldozer work - D7 or equivalent		
Access road - 250 hours @ $15/hr.	$3,750.00	
Trenching - 150 hours @ $15/hr.	2,250.00	
Transporting dozer	100.00	
	6,100.00	
Diamond drilling - AX core		
3,000 feet @ $7.00/ft.	21,000.00	
Mobilization	400.00	
Reaming - 500 feet @ $3.00/ft.	1,500.00	
Cementing - 50 hours @ $9.60/hr.	480.00	
Standpipe - 150 feet @ 8.00/ft.	1,200.00	
Lost casing - 200 feet @ 2.00/ft.	400.00	
9 setups @ $80.00/ea.	720.00	
	25,700.00	
		$31,800.00

2. Labor and supervision

1 Engineer's helper - 120 days @ $17/day	2,040.00	
Overtime @ 8.3% (of $2,040.00)	169.32	
1 Supervisor-engineer - 5 mo. @ $600/mo.	3,000.00	
		5,209.32

3. Operating materials and supplies

Gasoline - 5 gal/day x 120 days x $0.35/gal.	210.00	
Car maintenance	55.00	
Sample sakes - 300 @ $0.15/ea. and 90 @ 0.35/ea.	76.50	
Freight on samples	30.00	
Core boxes - 90 @ $4.00/ea.	360.00	
		731.50

4. Operating equipment - to be furnished

Jeep, pickup, or car - 120 days @ $5/day		600.00
5. Rehabilitation and repairs		none
6. New buildings, improvements, etc.		none
7. Miscellaneous		
Unemploy. comp., Indust. insur., etc. 14.9% of payroll ($5,209.32)	776.19	
Geochemical sample assays 300 @ $2/ea. (cobalt)	600.00	
Trench and core sample assays 90 @ $7/ea. (cobalt and copper)	630.00	
		2,006.19
Total cost of Stage I		$40,347.01

Bids were received for the diamond drilling from McClintock of Spokane and Boyles Bros. of Salt Lake City. While individual items of the bids differed the resultant cost of the work was about the same, so for this cost analysis the Boyles Bros. bid figures were used. These bids were made by the contractors subject to change when it is possible to visit and examine the property.

No bids were received for the bulldozer work, so from knowledge of the area the figure of $15/hr. for a D-7 dozer seems to be reasonable.

The location of the Long Dike claims is approximately one mile airline up Little Deer Creek from Panther Creek. The difference in elevation along Little Deer Creek from Panther Creek to a point below the claims is about 600 feet; the claims at that point are about 800 feet higher than the creek within a distance of about 1/4-mile. The difference in elevation on the group of claims is about 2,000 feet over a distance of about 6,000 feet. The claims appear to be on the steep southern slope on the north side of Little Deer Creek.

Judging from a study of the contour map of the area and an aerial photograph, the country is too steep for effective trenching with a bulldozer. A copy of part of the Blackbird Mt. quadrangle map with approximate location of claims and section lines is attached.

Snow conditions will probably necessitate recessing the proposed work during winter months.

Stage II

Crosscut and drift a total of not more than 600 feet of 5x7-ft. drift. Estimated advance: 3.7 feet per day for drifting and 4 sets per day for timbering.

Operating Equipment Required

Item	Value	Mo. deprec.
Air compressor - 210 cfm	$5,560.00	$92.67
Sinker type drill w/leg	800.00	13.33
Mine car	300.00	5.00
Truck	2,000.00	33.33
Air fan	300.00	5.00
Mucking machine (No. 12)	2,940.00	49.00
Bit grinder	185.00	3.08
Water tank	100.00	1.67
Diesel oil tank	100.00	1.67
Air receiver	300.00	5.00
Chain saw	162.50	2.71

CROSSCUT OR DRIFT - 600 feet

Timbered where necessary (estimated 500 feet).
Advance: 3.7 feet/day - 162 days or 6.5 months.

1. Independent contracts. none

2. Labor and supervision

2 miners @ $20/day each - 162 days	$6,480.00	
1 trammer @ 17/day - 162 days	2,754.00	
	9,234.00	
Overtime @ 8.3%	766.42	
	10,000.42	
Supervisor @ $600/mo. - 6.5 mo.	3,900.00	
		$13,900.42

3. Operating materials and supplies (no salvage)

Drill bits - 30 @ $15/ea.	450.00
Drill rods - 30 @ 9.10/ea.	273.00
2 sets drill rods @ 21.85/ea.	43.70
Air hose - 2 - 1-in. x 50' @ $44/ea.	88.00
Water hose - 2 - 1/2-in. x 50' @ $25/ea.	50.00
Powder - 4250 lbs. @ $23/100#	977.50
Caps - 2300 @ $0.02/ea.	46.00

3. Operating materials and supplies (no salvage)(continued):

Fuse - 18,000 ft. @ $13.45/M	242.10	
Gasoline - 5 gal/day x 162 days x $0.35/gal	283.50	
Diesel fuel - 20 gal/day x 162 days x $0.22/gal.	712.80	
Grease and lub. oil - 20% of fuel	199.26	
Small tools	100.00	
Repair parts @ $0.75/ft.	450.00	
Green grinding wheels - 6 @ $7/ea.	42.00	
Ties - 300 @ $0.35/ea.	105.00	
Carbide lites - 12 @ $21.60/doz.	21.60	
Carbide - 6 drums (100 lb.) @ $12/drum	72.00	
Safety kit	16.00	
		4,172.46

Operating materials and supplies (50% salvage)

2 line oilers with hose @ $31.55/ea.	63.10	
Air line - 600 ft., 2-in., @ $0.43/ft.	258.00	
Water line - 600 ft., 1-in., @ $0.20/ft.	120.00	
Pipe fittings - 20% of cost of pipe	75.60	
Track - 16#, 1300 lineal ft. (433.3 x 16) x 12/100	831.94	
Track accessories - 15% of cost of track	124.79	
Switch and stand	81.20	
Ventube - 550 ft. @ $1.08/ft.	594.00	
	2,148.63	
Minus 50% salvage		1,074.32

4. Operating equipment - to be furnished - 6.5 mo.

1 air compressor, 210 cfm	@ $92.67/mo.	602.36	
2 sinker type drills/legs, ea.	@ 13.33/mo.	173.36	
4 mine cars	ea. @ 5.00/mo.	130.00	
1 mucking machine	@ 49.00/mo.	318.50	
1 air fan	@ 5.00/mo.	32.50	
1 air receiver	@ 5.00/mo.	32.50	
1 water tank	@ 1.67/mo.	10.86	
1 diesel oil tank	@ 1.67/mo.	10.86	
1 bit grinder	@ 3.08/mo.	20.02	
1 truck	@ 33.33/mo.	216.65	
			1,547.61

5. Rehabilitation and repairs — none

6. New buildings and improvements

1 - 12'x18' (approx.) compressor-store house, complete — 500.00

7. Miscellaneous

Unemploy. comp., Indust. insur., etc. 14.9% of payroll ($13,900.42)	$2,071.16	
Assays - 40 for cobalt and copper @ $7/ea.	280.00	
Plus $0.50/sample for sacks, freight, etc.	20.00	
Freight on equipment and supplies to property	500.00	
		2,871.16
Total cost of driving 600 feet of bald crosscut-drift		$24,065.97
Minus cost of building and sample expense		800.00
		$23,265.97

Cost per foot - $38.77 SAY $38.75

TIMBERING - 100 sets

Estimated advance: 4 sets/day - 25 days or 1 month

2. Labor and supervision

2 miners @ $20/day/each - 25 days	$1,000.00	
1 trammer @ $17/day - 25 days	425.00	
	1,425.00	
Overtime @ 8.3%	118.28	
	1,543.28	
Supervision @ $600/mo. - 1 mo.	600.00	
		$2,143.28

3. Operating materials and supplies

Timber - 100 sets 5'x7' - 2" lagging			
200 posts - 8"x8"x7.5'	7,995.0 bf		
100 caps - 8"x8"x6.5'	3,464.5 bf		
200 girts - 4"x4"x4.5'	1,197.0 bf		
1100 lagging - 2"x12"x5'	11,000.0 bf		
400 blocks - 8"x8"x12'	2,132.0 bf		
	25,788.5 @ $70/M	1,805.20	
1000 wedges @ $0.04/ea.		40.00	
Diesel fuel - 5 gal/day - 25 days @ $0.22/gal		27.50	
Gasoline - 5 gal/day - 25 days @ $0.35/gal		43.75	
Grease and lub. oil - 20% of fuel		14.25	
			1,930.70

4. Operating equipment - 1 month

1 compressor @ $92.67/mo.	92.67	
1 sinker type drill/leg @ $13.33/mo.	13.33	
2 mine cars @ $5/ea/mo.	10.00	
1 truck @ $33.33/mo.	33.33	
1 air fan @ $5/mo.	5.00	
1 air receiver @ $5/mo.	5.00	
1 water tank @ $1.67/mo.	1.67	
1 diesel oil tank @ $1.67/mo.	1.67	
		162.67

7. Miscellaneous

Unemploy. comp., Indust. insur., etc. 14.9% of payroll ($2,143.28)	319.35
Total cost of timbering 500 feet of 5'x7' drift	$4,556.00

Cost per foot - $9.112 SAY $9.10

RECAPITULATION

STAGE I

Contract bulldozer work - access road and trenching 400 hours @ $15/hr. plus $100 dozer transportation	$ 6,100.00
Contract diamond drilling - 3,000 ft. @ $7/ft. plus accessory work, mobilization, etc.	25,700.00
Company labor and supervision	5,209.32
Company operating materials, supplies and equipment	1,331.50
Compensation and insurance	776.19
Geochemical and regular assays	1,230.00
Total for Stage I	$40,347.01

STAGE II

Crosscutting and/or drifting - 600 ft. @ $38.75/ft.	$23,250.00
Timbering - 500 ft. (100 sets) 5x7-ft. drift, lagged, @ $9.10/ft.	4,550.00
Compressor and store house	500.00
Assays - 40 @ $7/ea. plus $20 shipping and sacks	300.00
Total for Stage II	$28,600.00
Total - Stage I and II	$68,947.01
Government participation @ 62.5%	$43,091.88

Attachments
Distribution:
DMEA(3)
USEM(3)
USGS(SRO)
Docket
Alvord

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DMEA
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No. 157 Howard Street
Spokane 4, Washington

May 14, 1958

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

Re: Docket No. DMEA-4906 (Cobalt-Copper)
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho

Dear Mr. Selfridge:

Enclosed are three copies of a memorandum by D. C. Alvord, Geologist, U. S. Geological Survey, and E. W. Parsons, Mining Engineer, U. S. Bureau of Mines, presenting an evaluation of an application for DMEA assistance.

Due to late snow in the area, it is impossible to make an examination necessary to work out the exact details of the proposed program. However, J. S. Vhay of the Geological Survey, who has mapped the district intermittently since 1942, is familiar with the property. His geologic map of the pits and trenches on the Long Dike property is included with the Alvord-Parsons memorandum. This, together with information from a recently completed contract with Calera Mining Company just west of the property, provides enough data in the files to make a general evaluation and recommend a program.

ON SITE EXAM

Alvord and Parsons conclude that exploration on this property is warranted and they recommend that a two-stage program be approved.

In proposing the recommended costs, $3,750 has been allotted for a road to the property. This is slightly more than the applicant has requested. The cost of the road is extremely difficult to estimate and this is the best that could be done under the circumstances. Based on study of the topographic maps Parsons thought that the road could be brought in best down the ridge top from the Calera mine. However Vhay, who was absent when Parsons wrote the memorandum, states that this will not be a practicable route and that no great difficulty should be encountered in building a trail up

Reviewed by
DMEA OPERATING COMMITTEE
5-19-58
(date)

Little Deer Creek as proposed by the applicant. We suggest that the selection of the route be left to the applicant with the proviso that DMEA will participate in the road only to the amount set forth in the contract.

The Field Team concurs with these conclusions and recommendations of Alvord and Parsons but suggests that $375 be included in the costs under each stage to allow for five days for a consultant at $75 per day.

By Field Team, Region 1

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

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

Enclosures

cc: USBM (2)
USGS (SRC)
Alvord

DMEA-

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
So. 157 Howard Street
Spokane 4, Washington

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May 13, 1958

MEMORANDUM

To: DMEA Field Team, Region I

From: D. C. Alvord, Geologist, U. S. Geological Survey, and
E. W. Parsons, Mining Engineer, U. S. Bureau of Mines

Subject: Office Evaluation, Docket No. DMEA-4906 (Cobalt-Copper), Capital-Seaboard Corporation, Long Dike Group of Claims, Lemhi County, Idaho

INTRODUCTION

An application for Government aid to explore for cobalt and copper was received from the Capital-Seaboard Corporation of Farmington, New Mexico, on December 23, 1957. The company proposes to explore a promising structure or structures by geochemical sampling, 100 hours of dozer trenching, 3,000 feet of core drilling, and 1,500 feet of drifting and crosscutting. A log bridge and dozer road for access is included with the proposal. The applicant's total estimated cost of the proposed work is $146,400, of which the Government's share would be 62.5 percent or $91,500. On January 10, 1958, the application was referred to the Spokane office for a field examination of the property. However, due to snow a field examination of the property would not be feasible until about the beginning of June and in the interest of time it was therefore decided to evaluate the application in the office. The authors have not visited the property; consequently, the information contained in this report is a composite of data furnished by J. S. Vhay of the Geological Survey, who has conducted mapping in the general area for a number of years and who has visited the property, together with the data furnished in the application.

The applicant is Capital-Seaboard Corporation, P. O. Box 1847, 803 West Main Street, Farmington, New Mexico. The officers of the corporation are: Floyd H. Corbin, Chairman of the Board and Director, Wichita Falls, Texas; Joseph H. Corbin, President and Director, Wichita Falls, Texas; Charles W. Yetter, Executive Vice-President and Director, Farmington, New Mexico; Ray A. Bennett, Vice-President and Director, Denver, Colorado; Howard L. Corbin, Treasurer and Director, Graham, Texas; and William A. Pope, Jr., Secretary and Director, Farmington, New Mexico. The corporation

Reviewed by
DMEA OPERATING COMMITTEE
5-19-58
(date)

intends to employ Ernest Waterman as their field supervisor. Mr. Waterman is a private contractor and has had varied experience in contract mining, road construction, and other forms of construction. The application was prepared by K. E. Hamblen, Consulting Engineer, who has had more than 30 years of experience in mineral examination, exploration, and consulting in Canada, Alaska, Mexico, and the United States. Mr. Hamblen is a member of the American Institute Metallurgical Engineers and a Registered Professional Engineer in the State of Oregon. Apparently Mr. Hamblen will continue to act as consultant to the company, should a contract be awarded. The company will furnish its share of the cost of the project in cash. It should be competent to administer the work applied for.

SUMMARY AND CONCLUSIONS

The only specific information we have concerning the Long Dike group of claims is shown on figures 1 and 2 and plate 1 of this memorandum. It is unfortunate that time limitations prevented a field examination, as this undoubtedly would have furnished additional information concerning the details and possible extent of the structure as expressed on the surface and would have better pin-pointed the location of the target structure relative to the claim boundaries. An examination would also have given a better understanding of the terrain which would have permitted a more precise estimate of costs, such as road construction, dozer trenching, and drill-rig site preparation. Of what value surface sampling would have been is a moot question. Soil cover would have prevented extensive sampling and the unknown factor, namely, the extent of oxidation would have made a quantitative interpretation of the assay results impossible. Interesting enough, E. B. Douglas, manager of the Blackbird mine of the Calera Mining Company, stated in an informal conversation with the Executive Officer that samples taken by his company from shallow pits on the Long Dike property assay from 0.3 to 0.8 percent of cobalt with surprisingly high amounts of copper. Douglas regards the property as an excellent prospect.

The property is located in a mining district known to contain significant deposits of cobalt and copper. Approximately two-thirds of the property is underlain with rocks of the Blackbird unit, which are considered the more favorable hosts for copper-cobalt deposits in the district (fig. 2). A copper-cobalt-bearing zone at least 500 feet long is present on the property and has been studied and mapped by a member of the Geological Survey. The potential of this mineralized structure is completely unknown, but in view of its favorable geologic environment further exploration is warranted. A logical Stage I would further delimit the surface expression of the structure as well as test it below the zone of oxidation. This could be done by a combined program of dozer trenching across the structure at selected intervals, sampling of the

trench exposures, geochemical sampling across the structure between dozer trenches, and by core drilling, say on 100-foot centers, to intersect the structure at depths of 150-250 feet. With the completion of Stage I work, it should be apparent whether or not the structure warrants additional exploration by drifting. Such work would logically be done under a Stage II, which would consist essentially of crosscutting to and drifting on the structure in the more favorable localities as indicated by the drilling and sampling.

RECOMMENDATION

It is recommended that a two-stage program be approved. Stage I consists of access road construction, geochemical sampling, trenching and diamond drilling. Stage II consists of crosscutting and drifting.

LOCATION AND ACCESSIBILITY

The Long Dike group of claims is in the north-central portion of the Blackbird Mining District, Lemhi County, Idaho. Salmon, Idaho, the nearest town, is about 35 miles from the property via the Williams Creek and Panther Creek roads. Challis, Idaho, is about 60 miles southeast of the property via Morgan Creek road. There is a railhead at Mackay, Idaho, about 120 miles south of the area and at Darby, Montana, about 113 miles north of the area. Most of the mileage over the cited routes is over well-graveled roads that are presently maintained year-round. The claims are reached from the Panther Creek road by crossing Panther Creek at or near its junction with Little Deer Creek and following up the canyon of Little Deer Creek approximately 1 mile over a rough, unimproved trail in a southerly direction, thence turning westerly up a steep slope about a third of a mile to the property. The difference in altitude between Panther Creek and the property is approximately 1,200 feet. Climatic conditions in the area vary according to the altitude, but throughout the region hot, dry summers and moderately wet winters are the rule. At the altitudes of the property snow can be expected from early September to as late as mid-June and it has been known to snow during July and August.

APPLICANT'S PROPERTY RIGHTS

The application lists 15 claims in two groups -- the Lower Group and the Long Dike Group. However, the proposed work is to be done on the Long Dike group only. The Long Dike group of claims, all to be found in the Mining Records of Lemhi County Courthouse, Salmon, Idaho, comprises the following:

Name	Book	Page
Long Dike	3	622
Long Dike No. 2	3	623
Long Dike No. 3	3	624
Long Dike No. 4	6	600
Long Dike No. 5	6	601
Long Dike Extension	3	625
Long Dike Lode (Mill Site)	3	626

The history of ownership and encumbrances of the Long Dike claims is involved. The numerous legal documents concerning the property, which accompanied the application, cover a period extending from September 1954 through late December 1957. The end result of this series of leases and agreements is that the Long Dike group of claims is presently owned by Esther L. Waterman and Ernest F. Waterman of Salmon, Idaho. Capital-Seaboard's interest in the property consists of an Assignment of Mining Lease and Option to Purchase, executed December 23, 1957. A Consent to Lien and Subordination Agreement signed by Esther L. Waterman and Ernest F. Waterman on November 20, 1957, has been added to the application.

DESCRIPTION OF THE PROPERTY

The Long Dike group of claims is on the steep south-facing slopes of a southwest-trending ridge leading to the summit of Blackbird Mountain, about 5 miles distant. Altitudes on the property range from about 5,100 feet at the east end of the claims to nearly 7,000 feet at the west end. A series of steep canyons cross the property in an easterly direction. In general, topographic gradient is about 2,000 feet per mile, but locally the slopes are much steeper. Although pre-Wisconsin weathering has produced a cover of soil and rotten rock as much as 20 feet deep on the flatter portions of the general region, cover on steep slopes is much less; probably only from 1 to 5 or 6 feet of surface mantle would need to

be removed in trenching on most portions of the Long Dike group. Fir and jack pine cover some portions of the property, but grass-covered slopes predominate. The timber would have limited use in possible underground mining operations. Present workings on the property consist of a few cuts and trenches across mineralized showings strung out in a westerly direction over a distance of at least 500 feet (pl. 2).

GEOLOGY

The geology of the Blackbird District and of some of its deposits has been described by Joseph B. Umpleby in U. S. Geol. Survey Bull. 528, 1913. Of particular interest, however, is the areal and mine mapping by J. S. Vhay and others which is published in U. S. Geol. Survey Strategic Minerals Preliminary Report, 3-219, 1948. Vhay has continued a study of the Blackbird District in the 1950's and during the course of this work mapped some of the cuts on the Long Dike claim in 1956. Plate 1 of this memorandum was compiled from the work done by Mr. Vhay at this time. For detailed discussion of the geology and deposits of the Blackbird District, the reader is referred to Vhay (1948).

General Geology

In the Blackbird District, schistose quartz-biotite beds and garnet chloritoid schists are favorable hosts for copper-cobalt deposits. These rocks, which are apparently dynamo-metamorphosed Belfian sediments, are restricted to a structural or possibly a stratigraphic unit referred to as the Blackbird block (Vhay, 1948). This unit is roughly rectangular, about 5 miles long and 2 miles wide, and is elongate northward. The Long Dike group of claims is on the northeast side of the Blackbird unit, which, at this locality, apparently is bounded by a fault contact trending north. The rocks to the west of the fault contact at this locality are made up of quartz-biotite schists and phyllites, typical of those in the Blackbird unit. The rocks on the east side, on the other hand, consist of massive to thin-bedded quartzite, which lacks schistosity and are believed to belong to another structural or possibly stratigraphic unit referred to by Vhay (1948) as the Haynes-Stellite block. Prospecting and exploration to date suggests that the rocks of the Haynes-Stellite unit are not as favorable hosts for copper-cobalt deposits as those of the Blackbird block. Figure 2 accompanying this memorandum shows very tentatively the approximate location of the Blackbird-Haynes-Stellite contact relative to the Long Dike group of claims. Vhay believes the contact at this locality is a low-angle north-dipping fault, but it should be mentioned that a few geologists think that this part of the contact represents a change in lithology grading from fairly pure quartzites which were unfavorable for the formation of schist

to more argillaceous and thin-bedded rocks which folded rather tightly and became schistose under compression. More intensely metamorphosed sedimentary rocks, now a porphyroblastic gneiss are in contact with the rocks of the Blackbird and Haynes-Stellite units about a mile to the north of the Long Dike group. The only igneous rocks in this area are basic dikes (now metamorphosed mostly to biotite schist) and a few unmetamorphosed quartz-feldspar porphyry dikes of early Tertiary age. As a general rule, the beds of the Blackbird unit have been tightly compressed and are in folds whose axial planes are nearly vertical on the west side of the block but which are tilted westward in progressively lower dips as the eastern border of the unit is approached. All the folds plunge north at from 30° to 45°.

Ore Deposits

Hydrothermal replacement deposits of copper-cobalt minerals occur within the Blackbird unit along three principal sets of shear zones, striking, respectively, northwest, north, and northeast. Thus far, important ore bodies have been found only in the northwest- and north-trending ones, and development to date has indicated that the ore deposits on the northwest shear zones are the best. Although the shear zones acted as the principal control of the mineral deposits, the lithology of the folded sedimentary rocks, as well as other subsidiary structural features, such as the crests of folds and high-angle faults associated with the folding, apparently exerted a secondary control. Thus, the intersections of the northwesterly striking shear zones with those striking northerly, as well as the intersections of these shear zones with the north-plunging folded sedimentary beds, produced ore bodies which plunge north between 35° and 50°. The strong plunge structure of the ore bodies has been found to be important both in developing and mining these deposits. The Blackbird mine, which lies about 2½ miles to the southwest of the Long Dike group, contains large and significant deposits of copper-cobalt minerals along both northwest- and north-striking shear zones. The potential size of these deposits is best brought home by citing the recently completed DMEA Contract No. Idn-E645, Docket No. DMEA-3143, Calera Mining Company. Under this contract exploration was conducted towards three principal target areas, only one of which -- the Blacktail -- was completely explored. Total ore reserves as calculated by the Calera Mining Company for the Blacktail zone are 731,000 tons of rock containing an average of 0.80 percent cobalt and 2.8 percent copper. The Blacktail ore body was formed along a northwest-trending shear zone. Comparable bodies of ore have been found in the Blackbird mine, along both northwest-trending and north-trending shear zones. Vhay's mapping, plate 1 of this memorandum, shows that the copper-cobalt minerals of the Long Dike group are localized along a northeasterly trending shear zone, and within the district a few other mineralized ore bodies have been formed on similar northeasterly

striking shear zones. To date, however, none of them have been investigated by drilling or underground work and there is, therefore, no valid reason for not considering the mineralized northeasterly striking shear zones legitimate targets of exploration. The northwesterly, northerly, and northeasterly shear zones all appear to contain the same types of mineralized rock and are therefore believed to have all developed before mineralization, the ore minerals apparently being emplaced along the structures more or less penecontemporaneously. Therefore, until considerably more information is gained concerning the three classes of deposits, a surface showing along a northeasterly trending shear that is as strongly mineralized and well-developed as a northwesterly or northerly shear zone, would have to be considered just as good a risk as the others. The mineralized rock within the deposits contains pyrite, pyrrhotite, cobaltite, chalcopyrite, safflorite, and a little secondary chalcocite and covellite. Gold is present from only a trace to a few hundredths of an ounce per ton. Among the primary nonmetallic minerals are quartz, biotite, chlorite, carbonates (siderite and calcite), muscovite, tourmaline, and several phosphates in small amounts. On and near the surface, hematite and goethite are abundant in the gossan. In addition to a number of other oxidized minerals, there are two varieties of cobalt bloom, erythrite and bieberite. Erythrite is rare, but bieberite, though rather soluble, is common throughout the district as efflorescence on outcrops. Due to oxidation and removal of both the copper and cobalt, the surface expressions of known ore bodies within the district may be significantly lower in grade than the mineralized rock occurring below the zone of oxidation. The depth of oxidation is considerable where cobaltite and chalcopyrite are both present. Even on steep slopes oxidation is fairly complete to a depth of more than 50 feet. On the gentler upland surfaces, oxidation is presumably much deeper, though no exploration has yet been attempted to prove this. Following the discovery of a copper-cobalt-bearing zone on the surface underground exploration by drilling to depths of 100 feet or more should be done. If the results of the drilling warrant it, crosscutting and drifting should be done. In other words, the discovery of a copper-cobalt-bearing structure at the surface or beneath the surface within the zone of oxidation, which, upon sampling, proves to be low grade, should not be dismissed until it has been explored, to some extent at least, at depth. Obviously, surface exploration alone would never suffice to evaluate a property in this district.

THE PROJECT

The applicant proposes a three-stage program estimated to cost $146,400 to be set up as follows:

Stage I - Construct a log bridge and approximately 2 miles of access road. Explore the surface by geochemical methods and bulldozer trenching.

Stage II - Diamond drill 10 holes totaling 3,000 feet.

Stage III - Drive approximately 1,500 feet of drift and crosscut.

Stages II and III would be undertaken only if justified by the prior work.

Some form of access to the claims is necessary before bulldozing can be started. However, the applicant estimates that the combined cost of the bridge and road will be $7,800. From figure 1 it appears that a better approach can be made from an existing Jeep road northwest of the claims. The authors estimate that this road will cost $3,750.

It is recommended that the following two-stage program estimated to cost $68,947.01 be approved. Stage I will consist of bulldozing an access road and trenches, taking soil samples, and diamond drilling.

Soil sampling would start at a mineralized outcrop and in general samples would be taken at 50-foot intervals along parallel lines approximately normal to the presumed strike of the mineralized zone and spaced no closer than 100 feet. The soil sampling, road work, and trenching could be done in part simultaneously. The location of the diamond drill holes cannot be determined until the soil samples have been assayed.

Stage II will consist of crosscutting and drifting to explore the favorable areas indicated by the Stage I work and will not be started unless Stage I has been successful.

Most of the work will be done on contract under the supervision of the applicant and will consist of a geochemical survey, bulldozer trenching, diamond drilling, and possibly crosscutting and drifting. The work will be done in two stages, the second to depend on the results of the first. The location of diamond drill holes in the first stage will depend on the results of the geochemical survey and the bulldozer work and should have prior Government approval.

The equipment and supplies which the applicant will need are a car or pickup (Jeep), engineering equipment, sample sacks, and a few other minor items. Contractors will furnish equipment necessary to carry on their own work and that needed for underground work will be listed below.

Due to the limited time available and the fact that the property is covered by 3-5 feet of snow, a cost analysis was made without having visited the property.

RECOMMENDED EXPLORATION AND COSTS

Stage I

Make geochemical survey, bulldoze access jeep trails starting from the top of the mountain, cut bulldozer trenches across and along the mineralized zone, diamond drill 10 holes, and sample and assay as required up to a total of 300 geochemical samples, 50 core samples, and 40 trench samples.

The recommended costs are as follows: (estimated time for completion: 120 days or 5 months)

1. Independent contracts

Bulldozer work - D7 or equivalent		
Access road - 250 hours @ $15/hr.	$3,750.00	
Trenching - 150 hours @ $15/hr.	2,250.00	
Transporting dozer	100.00	
	6,100.00	
Diamond drilling - AX core		
3,000 feet @ $7.00/ft.	21,000.00	
Mobilization	400.00	
Reaming - 500 feet @ $3.00/ft.	1,500.00	
Cementing - 50 hours @ $9.60/hr.	480.00	
Standpipe - 150 feet @ 8.00/ft.	1,200.00	
Lost casing - 200 feet @ 2.00/ft.	400.00	
9 setups @ $80.00/ea.	720.00	
	25,700.00	
		$31,800.00

2. Labor and supervision

1 Engineer's helper - 120 days @ $17/day	2,040.00	
Overtime @ 8.3% (of $2,040.00)	169.32	
1 Supervisor-engineer - 5 mo. @ $600/mo.	3,000.00	
		5,209.32

3. Operating materials and supplies

Gasoline - 5 gal/day x 120 days x $0.35/gal.	210.00	
Car maintenance	55.00	
Sample sakes - 300 @ $0.15/ea. and 90 @ 0.35/ea.	76.50	
? — Freight on samples	30.00	
Core boxes - 90 @ $4.00/ea.	360.00	
		731.50

4. Operating equipment - to be furnished

Jeep, pickup, or car - 120 days @ $5/day		600.00
5. Rehabilitation and repairs		none
6. New buildings, improvements, etc.		none
7. Miscellaneous		
Unemploy. comp., Indust. insur., etc. 14.9% of payroll ($5,209.32)	776.19	
Geochemical sample assays 300 @ $2/ea. (cobalt)	600.00	
Trench and core sample assays 90 @ $7/ea. (cobalt and copper)	630.00	
		2,006.19
Total cost of Stage I		$40,347.01

Bids were received for the diamond drilling from McClintock of Spokane and Boyles Bros. of Salt Lake City. While individual items of the bids differed the resultant cost of the work was about the same, so for this cost analysis the Boyles Bros. bid figures were used. These bids were made by the contractors subject to change when it is possible to visit and examine the property.

No bids were received for the bulldozer work, so from knowledge of the area the figure of $15/hr. for a D-7 dozer seems to be reasonable.

The location of the Long Dike claims is approximately one mile airline up Little Deer Creek from Panther Creek. The difference in elevation along Little Deer Creek from Panther Creek to a point below the claims is about 600 feet; the claims at that point are about 800 feet higher than the creek within a distance of about 1/4-mile. The difference in elevation on the group of claims is about 2,000 feet over a distance of about 6,000 feet. The claims appear to be on the steep southern slope on the north side of Little Deer Creek.

Judging from a study of the contour map of the area and an aerial photograph, the country is too steep for effective trenching with a bulldozer. A copy of part of the Blackbird Mt. quadrangle map with approximate location of claims and section lines is attached.

Snow conditions will probably necessitate recessing the proposed work during winter months.

Stage II

Crosscut and drift a total of not more than 600 feet of 5x7-ft. drift. Estimated advance: 3.7 feet per day for drifting and 4 sets per day for timbering.

Operating Equipment Required

Item	Value	Mo. deprec.
Air compressor - 210 cfm	$5,560.00	$92.67
Sinker type drill w/leg	800.00	13.33
Mine car	300.00	5.00
Truck	2,000.00	33.33
Air fan	300.00	5.00
Mucking machine (No. 12)	2,940.00	49.00
Bit grinder	185.00	3.08
Water tank	100.00	1.67
Diesel oil tank	100.00	1.67
Air receiver	300.00	5.00
Chain saw	162.50	2.71

CROSSCUT OR DRIFT - 600 feet

Timbered where necessary (estimated 500 feet).
Advance: 3.7 feet/day - 162 days or 6.5 months.

1. Independent contracts. none

2. Labor and supervision

2 miners @ $20/day each - 162 days	$6,480.00	
1 trammer @ 17/day - 162 days	2,754.00	
	9,234.00	
Overtime @ 8.3%	766.42	
	10,000.42	
Supervisor @ $600/mo. - 6.5 mo.	3,900.00	
		$13,900.42

3. Operating materials and supplies (no salvage)

Drill bits - 30 @ $15/ea.	450.00
Drill rods - 30 @ 9.10/ea.	273.00
2 sets drill rods @ 21.85/ea.	43.70
Air hose - 2 - 1-in. x 50' @ $44/ea.	88.00
Water hose - 2 - 1/2-in. x 50' @ $25/ea.	50.00
Powder - 4250 lbs. @ $23/100#	977.50
Caps - 2300 @ $0.02/ea.	46.00

3. Operating materials and supplies (no salvage)(continued):

Fuse - 18,000 ft. @ $13.45/M	242.10	
Gasoline - 5 gal/day x 162 days x $0.35/gal	283.50	
Diesel fuel - 20 gal/day x 162 days x $0.22/gal.	712.80	
Grease and lub. oil - 20% of fuel	199.26	
Small tools	100.00	
Repair parts @ $0.75/ft.	450.00	
Green grinding wheels - 6 @ $7/ea.	42.00	
Ties - 300 @ $0.35/ea.	105.00	
Carbide litas - 12 @ $21.60/doz.	21.60	
Carbide - 6 drums (100 lb.) @ $12/drum	72.00	
Safety kit	16.00	
		4,172.46

Operating materials and supplies (50% salvage)

2 line oilers with hose @ $31.55/ea.	63.10	
Air line - 600 ft., 2-in., @ $0.43/ft.	258.00	
Water line - 600 ft., 1-in., @ $0.20/ft.	120.00	
Pipe fittings - 20% of cost of pipe	75.60	
Track - 16#, 1300 lineal ft. (433.3 x 16) x 12/100	831.94	
Track accessories - 15% of cost of track	124.79	
Switch and stand	81.20	
Ventube - 550 ft. @ $1.08/ft.	594.00	
	2,148.63	
Minus 50% salvage		1,074.32

4. Operating equipment - to be furnished - 6.5 mo.

1 air compressor, 210 cfm	@ $92.67/mo.	602.36	
2 sinker type drills/legs, ea.	@ 13.33/mo.	173.36	
4 mine cars ea.	@ 5.00/mo.	130.00	
1 mucking machine	@ 49.00/mo.	318.50	
1 air fan	@ 5.00/mo.	32.50	
1 air receiver	@ 5.00/mo.	32.50	
1 water tank	@ 1.67/mo.	10.86	
1 diesel oil tank	@ 1.67/mo.	10.86	
1 bit grinder	@ 3.08/mo.	20.02	
1 truck	@ 33.33/mo.	216.65	
			1,547.61

5. Rehabilitation and repairs — none

6. New buildings and improvements

1 - 12'x18' (approx.) compressor-store house, complete — 500.00

7. Miscellaneous

Unemploy. comp., Indust. insur., etc. 14.9% of payroll ($13,900.42)	$2,071.16	
Assays - 40 for cobalt and copper @ $7/ea.	280.00	
Plus $0.50/sample for sacks, freight, etc.	20.00	
Freight on equipment and supplies to property	500.00	
		2,871.16
Total cost of driving 600 feet of bald crosscut-drift		$24,065.97
Minus cost of building and sample expense		800.00
		$23,265.97

Cost per foot - $38.77 SAY $38.75

TIMBERING - 100 sets

Estimated advance: 4 sets/day - 25 days or 1 month

2. Labor and supervision

2 miners @ $20/day/each - 25 days ?	$1,000.00	
1 trammer @ $17/day - 25 days - ?	425.00	
	1,425.00	
Overtime @ 8.3%	118.28	
	1,543.28	
Supervision @ $600/mo. - 1 mo. ?	600.00	
		$2,143.28

3. Operating materials and supplies

Timber - 100 sets 5'x7' - 2" lagging			
200 posts - 8"x8"x7.5'	7,995.0 bf		
100 caps - 8"x8"x6.5'	3,464.5 bf		
200 girts - 4"x4"x4.5'	1,197.0 bf		
1100 lagging - 2"x12"x5'	11,000.0 bf		
400 blocks - 8"x8"x12'	2,132.0 bf		
	25,788.5 @ $70/M	1,805.20	
1000 wedges @ $0.04/ea.		40.00	
Diesel fuel - 5 gal/day - 25 days @ $0.22/gal		27.50	
...ing? Gasoline - 5 gal/day - 25 days @ $0.35/gal		43.75	
Grease and lub. oil - 20% of fuel		14.25	
			1,930.70

4. Operating equipment - 1 month

1 compressor @ $92.67/mo.	92.67	
1 sinker type drill/leg @ $13.33/mo.	13.33	
2 mine cars @ $5/ea/mo.	10.00	
1 truck @ $33.33/mo.	33.33	
1 air fan @ $5/mo.	5.00	
1 air receiver @ $5/mo.	5.00	
1 water tank @ $1.67/mo.	1.67	
1 diesel oil tank @ $1.67/mo.	1.67	
		162.67

7. Miscellaneous

Unemploy. comp., Indust. insur., etc. 14.9% of payroll ($2,143.28)	319.35
Total cost of timbering 500 feet of 5'x7' drift	$4,556.00

Cost per foot - $9.112 SAY $9.10

RECAPITULATION

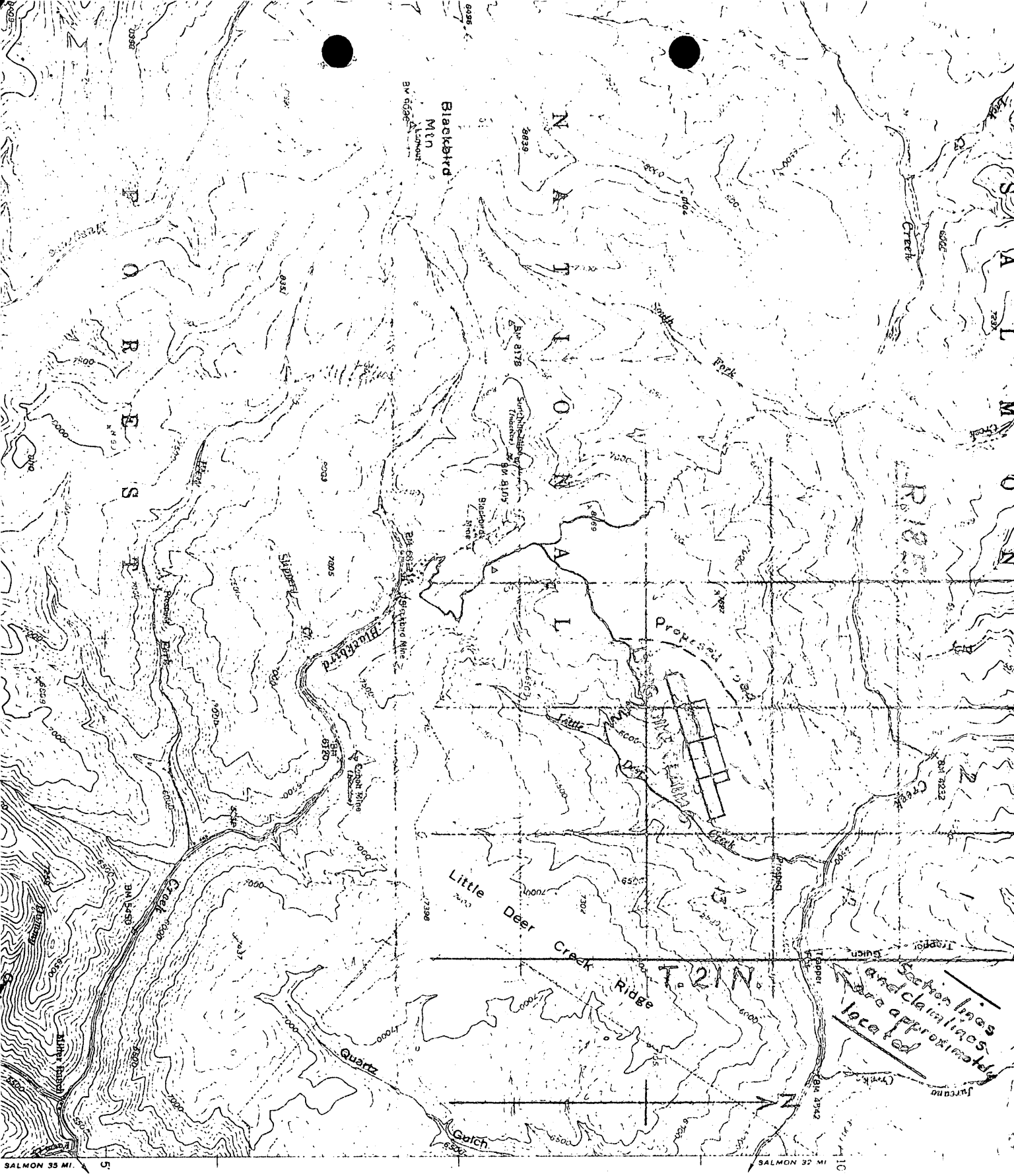
STAGE I

Contract bulldozer work - access road and trenching 400 hours @ $15/hr. plus $100 dozer transportation	$ 6,100.00
Contract diamond drilling - 3,000 ft. @ $7/ft. plus accessory work, mobilization, etc.	25,700.00
Company labor and supervision	5,209.32
Company operating materials, supplies and equipment	1,331.50
Compensation and insurance	776.19
Geochemical and regular assays	1,230.00
Total for Stage I	$40,347.01

STAGE II

Crosscutting and/or drifting - 600 ft. @ $38.75/ft.	$23,250.00
Timbering - 500 ft. (100 sets) 5x7-ft. drift, lagged, @ $9.10/ft.	4,550.00
Compressor and store house	500.00
Assays - 40 @ $7/ea. plus $20 shipping and sacks	300.00
Total for Stage II	$28,600.00
Total - Stage I and II	$68,947.01
Government participation @ 62.5%	$43,091.88

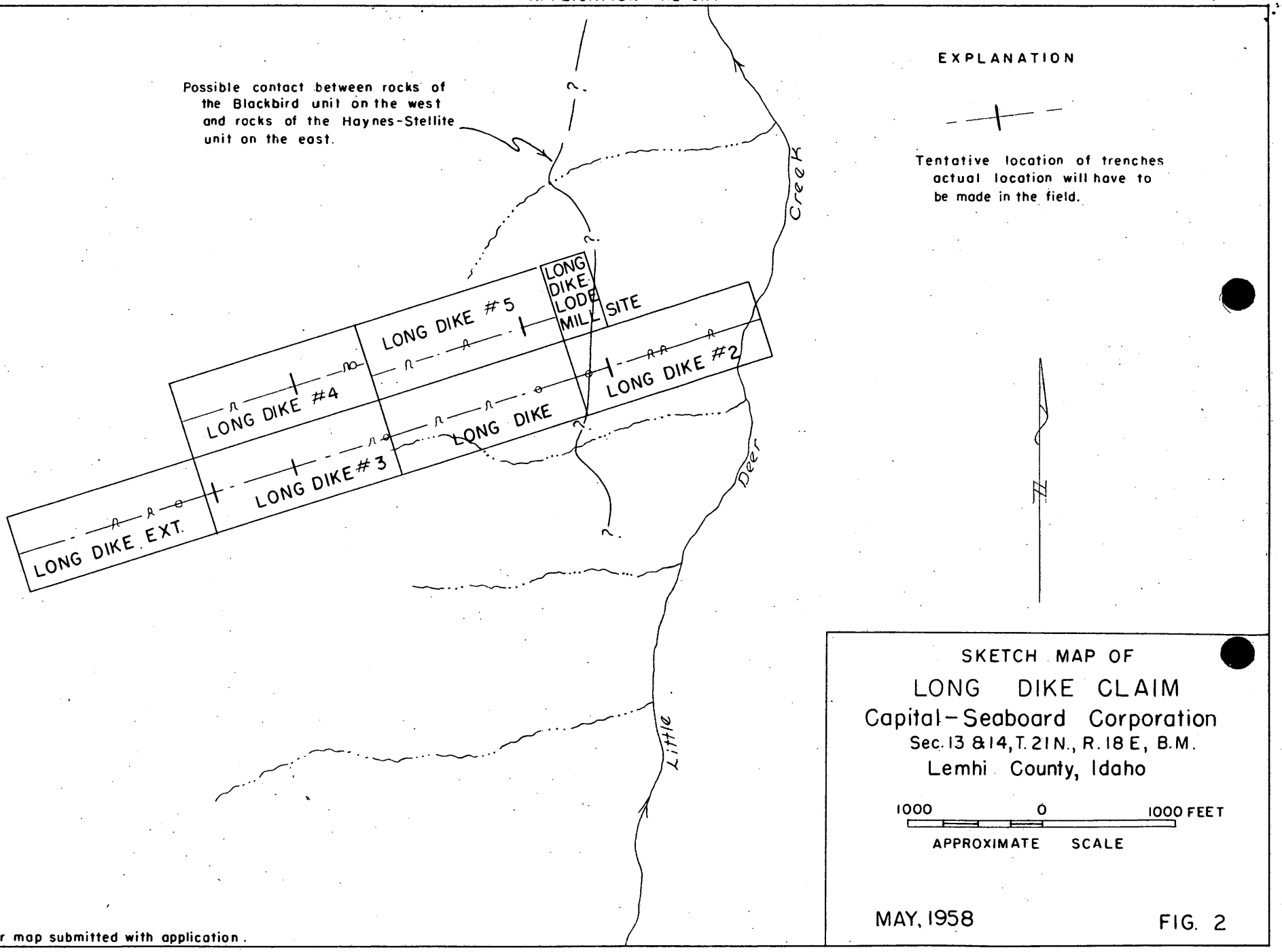
Attachments
Distribution:
DMEA(3) ✓
USBM(5)
USGS(SRO)
Docket
Alvord



Location Map-Capital Seaboard Corp. [illegible] — Doc. DM[illegible] 4906

Blackbird Mtn Quadrangle, Idaho Scale-1:62[illegible]

Figure 1



After map submitted with application.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5-7	Martin	400
5/7	Selfridge	430
5/8	Gordon	110
"	[illegible]	100
5/9	C B	220
		400

MAY 8 1958

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4906 - Cobalt
and Copper
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho

Dear Mr. Weissenborn:

Enclosed are thermofax copies of memorandum of May 2, 1958, to the Administrator from the Associate Solicitor, Division of Mineral Resources.

It will be appreciated if you will obtain from the subject applicant Consent to Lien and Subordination Agreement forms and the related information requested in the above-mentioned memorandum, if a project is recommended.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (HB)

APPROVED:

Frank D. Lamb (HB)
Member, Bureau of Mines

Thor H. Kiilsgaard (HB)
Member, Geological Survey

WSMARTIN/foc 5-7-58
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. I
Messrs. H. W. Davis, USBM
T. H. Kiilsgaard, USGS

Enclosure

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

MAY 2 1958

Memorandum

To: Administrator, DMEA
Attention: Director, Division of Iron and Ferro-Alloys

From: Associate Solicitor, Division of Mineral Resources

Subject: Review of lease assignment and various documents accompanying application for exploration assistance - Capital Seaboard Corp. Docket No. DMEA-4906 - Cobalt

As requested in Mr. Martin's memorandum dated April 20, 1958, we reviewed the various papers in the subject docket.

The location notices for the claims listed in the application were recorded by Ernest and Esther Waterman and Wilfred and Eunice Keele.

In an agreement of September 2, 1954, the locators leased the claims to K. E. Hamblen and John C. Higgins.

By two instruments dated April 13, 1955, Higgins and Hamblen dissolved their "joint venture" as to the mining lease, and Higgins assigned his interest in the lease to Hamblen.

In instruments dated June 17, 1956, and December 11, 1957, Hamblen assigned interests of 2 and 3 percent, respectively, in the claims to Jerome S. Bischoff.

In an agreement of August 23, 1955, the September 2, 1954 lease was modified to add claims; and by a Supplementary Agreement of June 17, 1956, a Second Supplementary Agreement dated August 15, 1957, and a Third Supplementary Agreement dated December 16, 1957, the lease was revised in minor respects.

By an instrument dated November 27, 1957, the Keeles assigned to the Watermans all their interests in the claims.

In a mining lease and option to purchase dated August 29, 1957, K. E. Hamblen, Earl R. Marble, Jr., Pierre R. Hines, Kenneth A. Moores, and Jerome S. Bischoff leased to Capitol Uranium Company the claims described above for a period of 15 years, renewable, subject to the outstanding lease of September 2, 1954. Capitol assigned the lease to the applicant by an instrument of December 23, 1957. However, it does not appear in the docket how Marble, Jr. Hines, and Moores acquired their interests in the land.

Accordingly, the question in the previous paragraph should be clarified by Applicant. In addition to the Consent to Lien and Subordination Agreement of the Watermans, there should be submitted the Consent to Lien and Subordination Agreements of the parties named as lessors in the August 29, 1957 lease.

Robert P. Dwyer

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

April 28, 1958

RECEIVED MAY 1 1958		
DATE	INITIALS	CODE
5/1	C	220
	WSM	400

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

Re: Docket No. DMEA-4906 (Cobalt)
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho

Dear Mr. Selfridge:

Enclosed are two copies of an Assignment of Mining Lease and Option to Purchase dated August 29, 1957, signed by K. E. Hamblen, Earl R. Marble, Jr., Pierre R. Hines, Kenneth A. Moores, and Jerome S. Bischoff as lessors.

Also enclosed are two copies of a letter dated March 22, 1958 from K. E. Hamblen wherein he informs us that it will be at least 6 weeks before the Long Dike group of claims can be examined.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
Alvord

MOTEL SAN LUIS
Culiacan, Sin., Mexico

March 22, 1958

Dear Al,

Frances is staying at Laguna Beach while I am down here and passed along the contents of your recent letter (March 11, 1958). Bates Waterman and I plan to be ready to show the examining group over the cobalt claims when they go. It will probably be at least six weeks before the ground is bare at the upper claims area. I'll let you know well in advance.

We expect to be back on or about April 5th.

Regards,

/s/

K. E. Hemblen

(Re Docket No. DMEA-4906 - Cobalt, Capital-Seaboard Corp., Long Dike Group of claims, Lemhi County, Idaho.)

RECEIVED
MAR 25 1958
U. S. G. S.
SPOKANE, WASH.

K. E. HAMBLEN
MINING ENGINEER
2825 S. W. Montgomery Drive
Portland 1, Oregon

April 27, 1956

Mr. A. P. Weisenborn
U. S. Geological Survey
Suite 187 Howard Street
Spokane, Washington

Dear Al:

Attached are a copy of my revised bid on diamond drilling of the Long Dike claim group.

I have returned from a meeting in Denver with Capitol-Seattle officials regarding the exploration. Suggested changes in the drilling of work planned were approved, and all concerned are in agreement as to the program.

Charles Yetter is no longer with the company, and has more than a relation from the supervisory position of the exploration.

Please advise me should there be anything further needed at this time.

Sincerely,

K. E. Hamblen

KEH:sh
CC - Joseph H. Curtin

RECEIVED MAR 2 1956
D
5/2 C 220
WSM 460

IMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4-20	Chapman	400
4-20	Martin	400
		140
		140

April 2/, 1958

MEMORANDUM

To: Associated Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, IMEA

Subject: Review of lease assignment and various documents accompanying application for exploration assistance
Docket No. IMEA 4906 - Cobalt
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho

Attached for your review is Assignment of Mining Lease and Option to Purchase. Related review of the various ownership documents accompanying the application would also be appreciated.

W. S. MARTIN

W. S. Martin, Director
Division of Iron and Ferro-Alloys

Attachment

TLChapman/foc
4-20-58
cc to: Docket
Code 400

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4-10	Martin	400
4-11	Chamberlin	800
4/11	[illegible]	130
"	Johnson	110
"	Chatterton	100
4/11	[illegible]	220
		4cc

APR 11 1958

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4906 - Cobalt
and Copper
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho

Dear Mr. Weissenborn:

The concluding paragraph of your letter of March 11, 1958, to the subject applicant reiterates the statement made to it in your letter of February 7, 1958, that a field examination will be made as soon as possible after you are advised that the snow is gone from the property. We note, however, from your Application Summary covering the reporting period Jan. 15 - Feb. 15, 1958, that a field examination of the subject property cannot be made until about June 1958.

Consequently, it seems unlikely that you can complete the examination in time to send us field team recommendations before June 1, 1958. Without such recommendations we would probably be unable to prepare a contract.

Please call to the attention of the applicant the importance of providing promptly the information requested, so that the field examination can be made at an early date, because the authority on which the DMEA program depends is due to expire on June 30, 1958, unless extended by law.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (24B)

APPROVED:

Frank D. Lamb (24B)
Member, Bureau of Mines

W. P. Williams (24B)
Member, Geological Survey

WSMartin/foc 4-10-58
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. I
Messrs. H. W. Davis, USBM
T. H. Kiilsgaard, USGS

8623

4906
400

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

RECEIVED
APR 14

Air Mail

April 11, 1958

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

Dear Mr. Selfridge:

This is to advise you of an unfortunate situation that is developing in regard to new applications and the present June deadline. Our monthly progress report shows two examinations scheduled for the week of March 31 and three scheduled for the week of April 7. Of these, only Moneta Porcupine Mines, Ltd., Docket No. DMEA-4953, was accessible.

We sent you copies of a memorandum to the files dated April 7, 1958, by W. C. Prinz describing the situation at William R. McLure's property, Docket No. DMEA-4948, when he attempted to make an examination. On April 7, Alvord and Parsons went to Salmon, Idaho, expecting to examine the following properties: Tidal Wave Mining Company, Docket No. DMEA-4927; Carroll W. Wells, Docket No. DMEA-4932; and Agency Creek Thorium and Rare Metals Corp., Docket No. DMEA-4971. The last application was received April 4. A series of snow storms that started late last week made these examinations impossible.

Carroll W. Wells has three areas he wishes to explore. The examiners were able to look at only one which does not show much promise. The two other areas, at higher altitudes, were completely snowed in and inaccessible. The Tidal Wave Mining Company property was covered by at least 3 feet of new snow and the Agency Creek Thorium and Rare Metals Corp. property by 5 feet.

Under the most favorable weather conditions it will be after May 1 before any of these properties will be ready for examination, and it may be that some or all of them will not be ready before the middle of May. The applicants have all been informed of the urgency of an early examination and have promised to let us know the moment they feel an examination can be made.

In addition to the above, four new applications from Idaho and one from Montana have been received this month. An attempt will be made to examine one of these, Alonza Linderman near Hailey, April 11 (to D. C. 4/11/58). We do not yet know what the snow conditions may be in that area. Walter Campbell's uranium property (Lucky Win in Idaho County) near Grangeville, Idaho, will be scheduled the week of April 28. Alberta K. Romerio, Montana, and Erwin McPheters, Idaho, will probably not be examined for reasons stated in our letters transmitting their applications. Day Mines, Inc. (to D. C. 4/10/58) can probably be evaluated without an examination but in any case [illegible] will not present any problem.

While our field men were in Idaho, they learned that the Imperial-Dunnard property (DMEA-4906) near Calera is under 3 feet of snow. However, we have some data on the property in the Survey files. Also, Mr. K. E. Hamblen, the company's engineer, will be in Idaho the week of April 14 and we hope to get sufficient information at that time to complete an evaluation without a field examination.

We are preparing a report on Western Fluorite (DMEA-4763) without a re-examination. The purpose of the re-examination was to agree in the proposed and recommended drill holes with the claim [illegible]. We believe we can avoid this necessity by stipulating that the locations of all drill sites have prior Government approval.

The Daybreak Uranium, Inc. (DMEA-4958) examination will be made the week of April 14.

Sincerely yours,

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

[illegible]

CAPITAL-SEABOARD CORPORATION

Wichita Falls, Texas — Farmington, New Mexico

file
DMEA cc(2) w/1 enc.
USBM

April 10, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED APR 18 1958

DATE	INIT.	CODE
4/18	C	
	WSM	

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

Attention: Mr. A. E. Wessenborn

Re: Docket No. DMEA-4906
(Cobalt)

Dear Mr. Wessenborn:

Your letter to us of February 7th obviously went astray. However, attached hereto is a copy of the assignment of Mining Lease from Capitol Uranium Co. to Capital-Seaboard Corporation in three copies. (Thermofax - not reproducible) Emm

Looking forward to an opportunity to proceed with your assistance at the earliest possible weather time. Mr. Hamblen will keep you advised.

Sincerely yours,

Joseph H. Corbin, President

JHC:bh

cc: Mr. Ray A. Bennett
Denver, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 14 1958

DATE	INIT.	CODE
3/14	C	220
	WSM	400

So. 157 Howard Street
Spokane 4, Washington

March 11, 1958

Mr. K. E. Hamblen
2825 S. W. Montgomery Drive
Portland 1, Oregon

Re: Docket No. DMEA-4906 (Cobalt)
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho

Dear Mr. Hamblen:

Thank you for your letter of March 8, 1958. We have not received a reply from Capital-Seaboard Corporation to our letter of February 7, 1958.

If you have a signed copy of a document by which Capital-Seaboard acquired the claims from Capital Uranium Company and could send us a photostat, we will be able to continue processing the application as soon as weather permits. We would, in fact, like to have three copies if it is possible to make them.

As we stated in the last paragraph of our letter of February 7, we would be pleased to have you accompany our field men when they make the examination. In the event you will not be able to accompany them, will you designate someone familiar with the property and your proposed project who can be with them. Either you or your delegate should advise us when the snow is gone and the property is accessible.

Sincerely yours,

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

cc: DMEA (2) w/2 copies of incoming
USBM (2) " " " "
Alvord

K. E. HAMBLEN

MINING ENGINEER

2825 S. W. Montgomery Drive
Portland 1, Oregon

March 8, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 14 1958
DATE | INITIAL | CODE
WSG

Mr. A. E. Weissenborn
Executive Officer
Defense Minerals Exploration Administration
South 157 Howard Street
Spokane 4, Washington

Dear Al:

Upon returning home from a most interesting junket in Mexico I found copy of your letter to Capitol-Seaboard Corp. dated February 7, and referring to document of transfer from Capitol Uranium to Capitol-Seaboard Corp. If you have not received this I can send you a photostatic copy of our file copy of this instrument.

I can understand the advisability of a field examination rather than considering technical approval based upon field data now at hand in your office. Those data cover only a relatively short distance on the northeastern claims, and it is my belief that the area will present a much greater exploration potential when the mineralization to the southeast is noted as well. The total distance is more than thirty-five hundred feet.

I'm afraid that it will be well into May before the snow is gone from the upper claim area, as it is much higher in elevation, but I will let you know as soon as I learn that the snow is gone, and arrange with you for the trip.

Incidentally, I'm becoming "sold" on geochemical prospecting in areas where there is considerable depth of soil and few if any outcrops. I took a lot of soil samples on this trip in Mexico along the flanks of some hills in the jungle, and got some very interesting information (nickel and cobalt). No high anomalies resulted, but some "signs" were disclosed which might lead to something upon more extensive exploration.

I'm planning to be in Spokane for our April Regional A.I.M.E. meeting if possible, but may have to go back to Mexico for a short time soon.

Cordially,

K. E. Hamblen

KEH:fh

CENTRAL FILES
DMEA
RECEIVED FEB 10 1958
DATE | | | |
2 | 10 | C | 220
| | WSM | 400

Co. 157 Howard Street
Spokane 4, Washington

February 7, 1958

Capital-Seaboard Corporation
P. O. Box 1847
Farmington, New Mexico

Re: Docket No. DMEA-4906 (Cobalt)
Long Dike Group
Lemhi County, Idaho

Gentlemen:

Your application for DMEA assistance to explore for cobalt and copper on the Long Dike group of claims in Lemhi County, Idaho, has been referred to this office.

We had hoped that a field examination would not be necessary but we find that the information in our files is insufficient to permit a fair and complete evaluation of your claims and, therefore, it will be necessary to examine your property.

Documents submitted with your application show that the property on which you propose to explore is under lease by Capital Uranium Company from the owners. Before the application can be processed, your corporation must clarify how you acquired your right to the property. This could best be done by sending us a reproducible signed copy of a document by which your corporation has acquired right to the claims.

You can facilitate an early examination if you will let us know when the snow is gone from the property. Our field men will then make the examination as soon as possible. We would be pleased to have Mr. Hamblen or any other representative you may choose, present during the examination.

Sincerely yours,

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

cc: Mr. K. E. Hamblen
2825 S.W. Montgomery Dr.
Portland 1, Oregon

DMEA (2)
USBM (2)
Alvord

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/9/58	Holt	400
1/9/58	Martin	400
	Hammond	500
1/10/58	Selbridge	130
1/10	Lamb	130
1/10	Kilsgaard	140
		~~110~~
		~~100~~
1/10	gb	220
		400

JAN 10 1958

Capital-Seaboard Corporation
P. O. Box 1847
Farmington, New Mexico

Re: Docket No. DMEA 4906 - Cobalt
and Copper
Long Dike Group of Claims
Lemhi County, Idaho

Gentlemen:

The above-docketed application for exploration assistance for cobalt and copper ores has been reviewed by the Division of Iron and Ferro-Alloys of the Defense Minerals Exploration Administration and referred to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, South 157 Howard Street, Spokane 4, Washington, for a field examination of the property.

Any assistance that you can give the members of the Field Team will be appreciated.

Sincerely yours,

Frank E. Johnson
By
ACTING Administrator

SPHOLT:foc
1-9-58
cc to: Docket
Code 400
Admr. R. File
Oper. Comm.
FT. REG. I
Messrs. H. W. Davis, USBM
T. H. Kiilsgaard, USGS

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/9/58	Holt	400
1/9/58	Martin	400
	Unnamed	500
1/10/58	GCS	130
"	Johnson	110
		100
1/10	gb	220
		400

JAN 10 1958

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4906 - Cobalt
and Copper
Capital-Seaboard Corporation
Long Dike Group of Claims
Lemhi County, Idaho

Dear Mr. Weissenborn:

The above-docketed application for exploration assistance is being referred to your office for a field examination of the property.

Copies of memoranda dated January 2 and 6, 1958, by N. E. Nelson, Geological Survey, and Hubert W. Davis, Bureau of Mines, relating to the application, are enclosed. Also enclosed is an extra copy of the application for the use of the Field Team.

Documents submitted with the application do not show how the applicant, Capital-Seaboard Corporation, acquired its rights in the property from Capitol Uranium Company, lessee from the owners. The applicant should be asked to clarify this matter.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHB)

Enclosures

APPROVED:

Frank D. Lamb (SHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (SHB)
Member, Geological Survey

SPHOLT:foc 1-9-58
cc to: Docket
Code 400
Admr. R. File
Oper. Comm.
FT. REG. I
Messrs. H. W. Davis, USBM
T. H. Kiilsgaard, USGS

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 7 1958

DATE	INITIALS	CODE
1/7	gb	220
	WSM	400

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

January 6, 1958

Re: DMEA-4906
Capital-Seaboard Corp.
Long Dike Group
Lemhi County, Idaho
$146,400
Cobalt

Memorandum

To: W. S. Martin, Director, Division of Iron and Ferro-Alloys, Defense Minerals Exploration Administration

From: Hubert W. Davis, Branch of Ferrous Metals and Ferroalloys

Subject: Review of Application

The applicant's proposal pertains to a loan of $146,400 to explore for cobalt on the Long Dike Group in Lemhi County, Idaho. According to the applicant, one composite sample from cuts on the property, where there was visible mineralization, assayed 0.65 percent cobalt and 0.70 percent copper. The subject property is near the deposits of Calera Mining Co., which is the second largest producer of cobalt in the world.

It is recommended that the application be referred to the Field Team for its review and recommendation.

Hubert W. Davis
Hubert W. Davis

Attachments

Copy to: Ferrous Metals
H. W. Davis
Div. of Minerals
Thor H. Kiilsgaard, U. S. Geol. Survey
Frank D. Lamb
Files

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 3 1958

DATE	INITIALS	CODE
1/3	gb	220
	WSM	400
	✓	

IN REPLY REFER TO:

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

January 2, 1958
Re: DMEA 4906
Capital-Seaboard Corporation
Long Dike Group
Lemhi County, Idaho
$146,400.00 - Cobalt, copper

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

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

Subject: Review of application.

The applicant requests assistance in prospecting a long zone marked by copper and cobalt stains, by geochemical prospecting, dozer trenching, core drilling, and underground work. Road and bridge building are involved.

Probably little is known of the cobalt-copper content of the rock as no organized sampling appears to have been done, but the application says conditions resemble those at the Calera Mine about 3 miles to the south. One composite sample assayed 0.65% Co and 0.70% Cu.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

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

December 30, 1957

Capital-Seaboard Corporation
P. O. Box 1847
803 W, Main Street
Farmington, New Mexico

Gentlemen:

Subject: DMEA-4906

Your application for exploration assistance, dated undated submitted to our office at Spokane, Washington has been assigned Docket Number DMEA-4906 and referred to the Iron and Ferro-Alloys Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to:

Region I

EXPLANATION

H.S.
Haynes–Stellite unit
(Chiefly thin bedded quartzite)

B b
Blackbird unit
(Chiefly quartz–biotite schist and phyllite)

Inferred fault or gradational contact

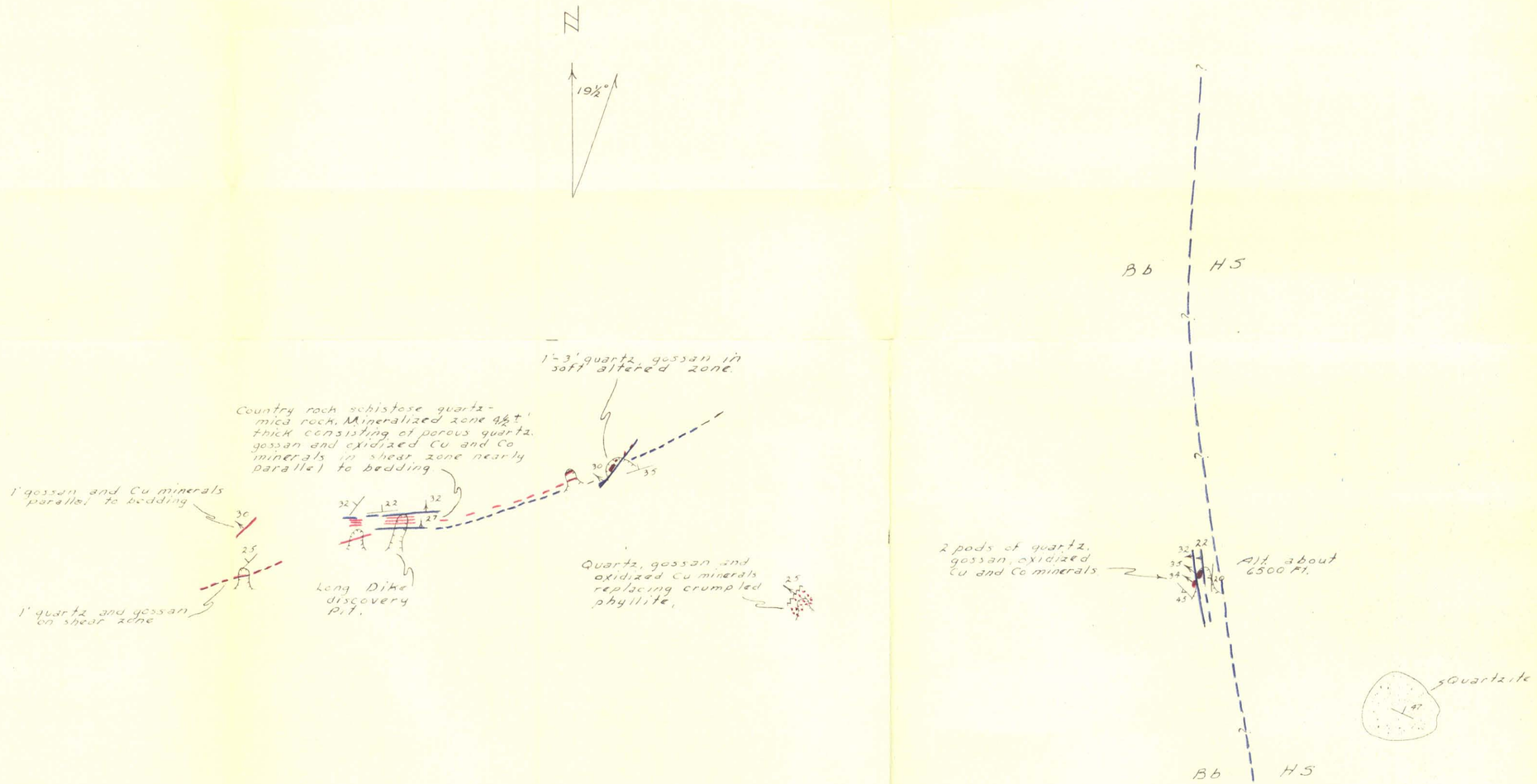
Strike and dip of bed

Plunge of tightly crumpled beds

Strike and dip of fault

Strike and dip of sulphide bearing vein, zone, or pod

Cut or pit



LONG DIKE CLAIM
Capital–Seaboard Corporation
Sec. 14, T. 21 N., R. 18 E., B.M.
Lemhi County, Idaho

50 0 50 100 FEET

Geology by J.S. Vhay, 1956

May 1958

PLATE I

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
APPLICATION REPORT

DOCKET NO DMEA 4906

EXPLANATION

H.S.
Haynes–Stellite unit
(Chiefly thin bedded quartzite)

B b
Blackbird unit
(Chiefly quartz–biotite schist and phyllite)

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Strike and dip of bed

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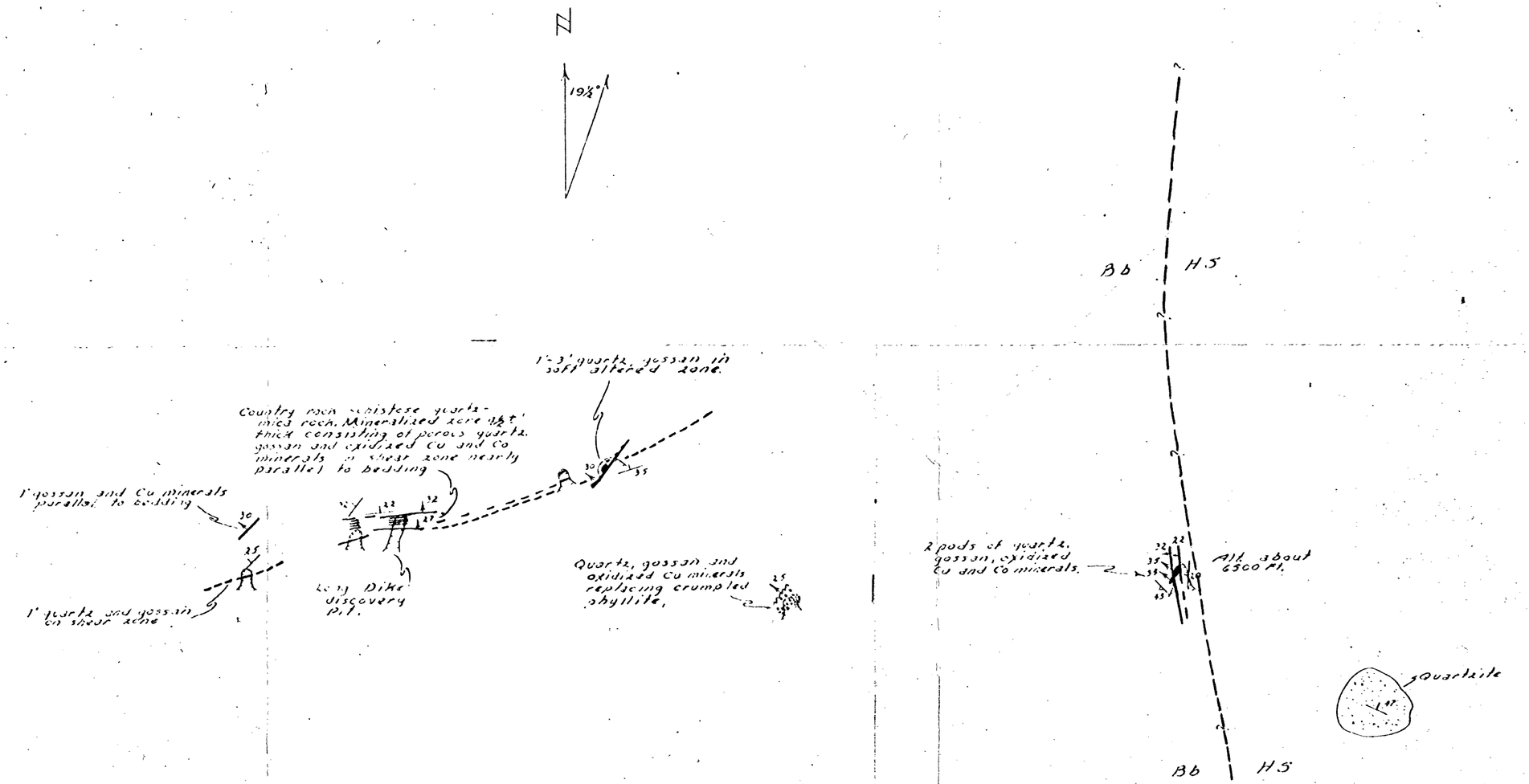


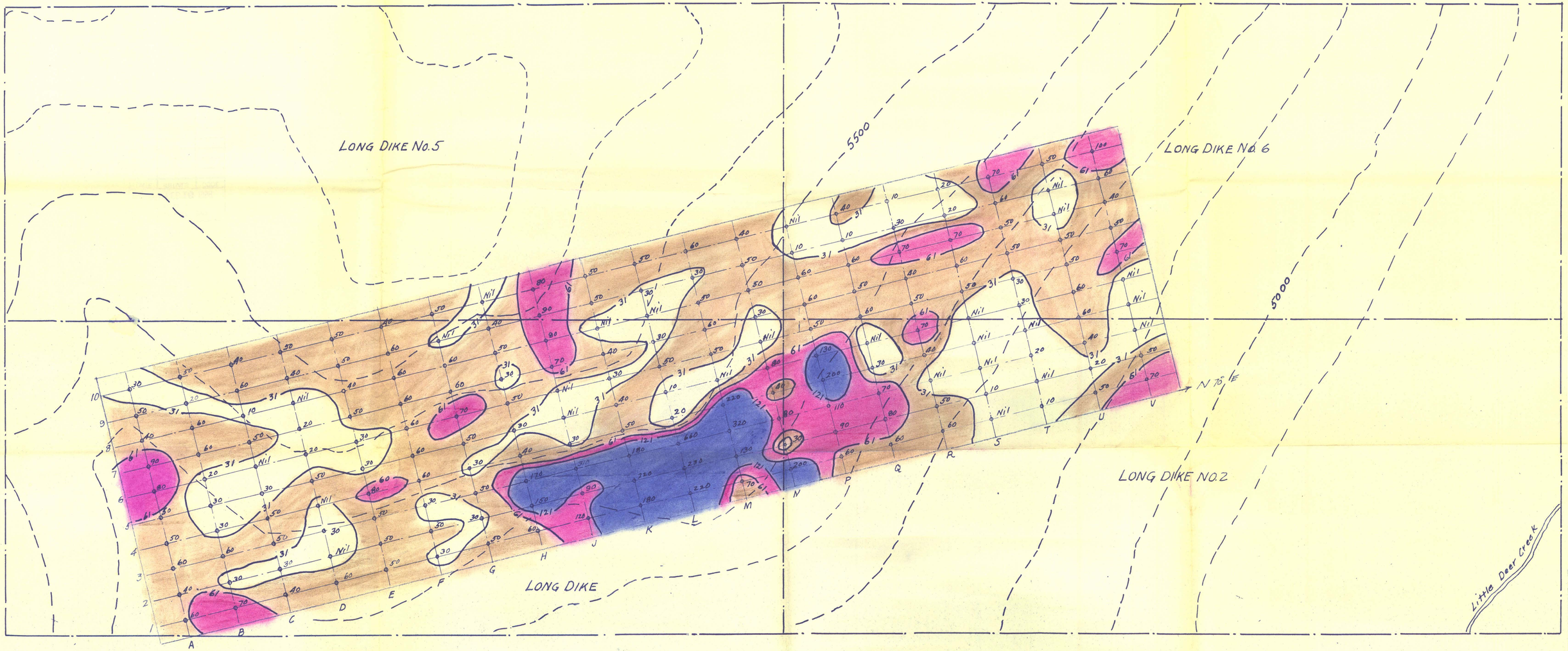
LONG DIKE CLAIM
Capital–Seaboard Corporation
Sec. 14, T. 21 N., R. 18 E., B.M.
Lemhi County, Idaho

50 0 50 100 FEET

Geology by J.S. Vhay, 1956

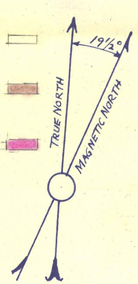
May 1958

PLATE I



No. Parts	Product			Groups Plotted
26	Nil	0		
7	10	70	68	0 – 30
9	20	180		
26	30	180		
18	40	720		
44	50	2200	92	31 – 60
30	60	1800		
11	70	770		
7	80	560		
4	90	360	25	61 – 120
1	100	100		
1	110	110		
1	120	120		
2	130	260		
1	150	150		
1	170	170		
2	190	360		
2	200	400		
3	220	660	15	121 plus
1	230	230		
1	310	310		
1	320	320		
1	660	660		
200	56	11,290		

Average of 200 Samples 56 parts per Million of COBALT



0 50' 100' 200' 300' 400' 500'
SCALE

LONG DIKE GROUP

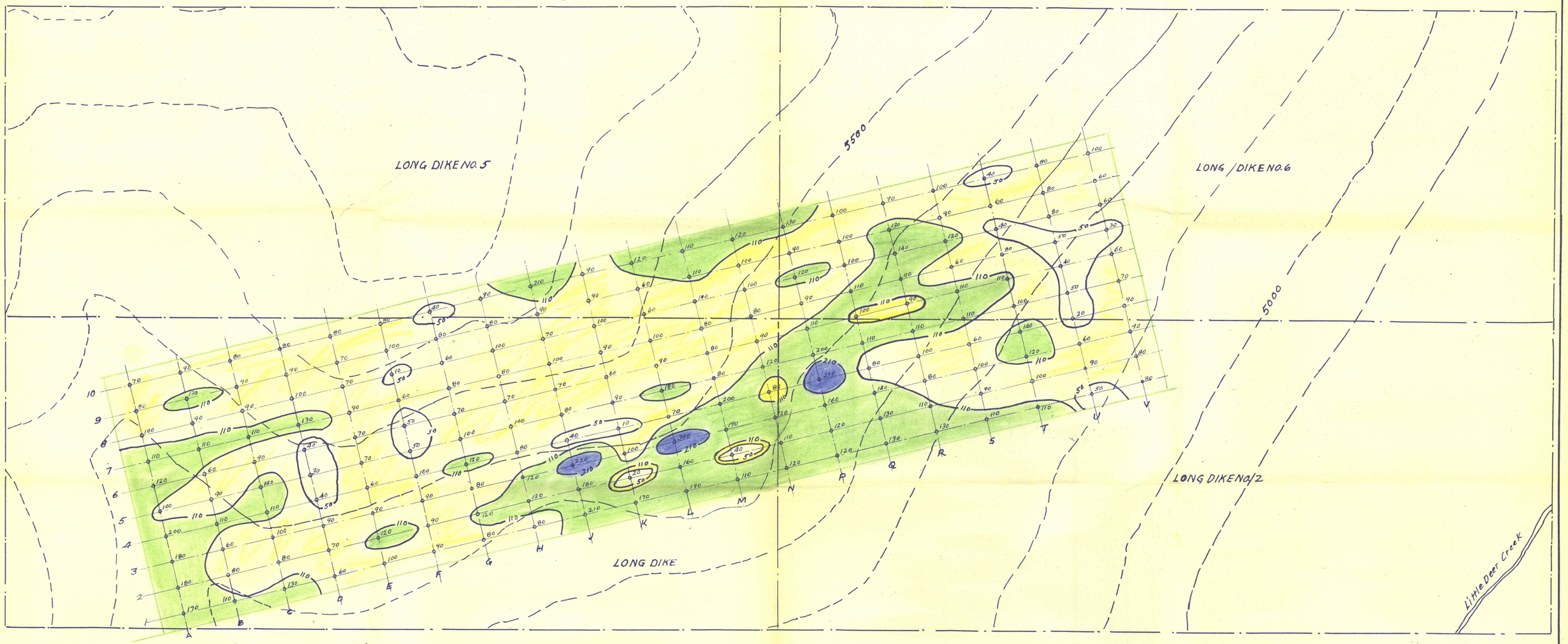
BLACK BIRD MINING DISTRICT, LEMHI CO., IDAHO.

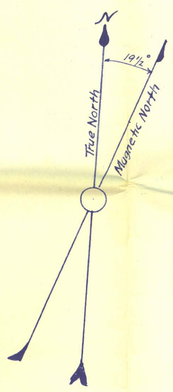
GEOCHEMICAL SOIL TEST

COBALT PARTS PER MILLION

MAPPING BY SHOCKEY
SAMPLING BY SHOCKEY & WATERMAN
ANALYSES BY C.O. PARKER & CO. DENVER
PLOTTED BY R.R. HINES
DATE OCT. 18. 1958.

K.E. HAMBLEN MINING ENGINEER





0 50' 100' 200' 300' 400' 500'

SCALE

No.	Copper	Product	Plot Groups	
2	10	20	19 Av. 36	0-50
2	20	40		
2	30	60		
8	40	320		
5	50	250		
16	60	960	114 Av. 84	50-110
12	70	840		
29	80	2320		
30	90	2700		
27	100	2700		
21	110	2310	64 Av. 135	110-210
16	120	1920		
8	130	1040		
4	140	560		
–	150	–		
2	160	320		
2	170	340		
4	180	720		
2	190	380		
3	200	600		
2	210	420		
1	220	220	3 Av. 300	210 plus
1	290	290		
1	390	390		
200	99	19270		

Average of 200 Samples 99 parts per Million of COPPER

LONG DIKE GROUP

BLACK BIRD MINING DISTRICT, LEMHI CO., IDAHO.

GEOCHEMICAL SOIL TEST

COPPER PARTS PER MILLION

MAPPING BY SHOCKEY — OCT. 22, 1958.
SAMPLING BY SHOCKEY & WATERMAN
ANALYSES BY CO. PARKER & CO. DENVER
PLOTTED BY P.R. HINES

K.E. HAMBLEN MINING ENGINEER

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
FROM INTERIM REPORT

DOCKET NO DMEA 4906

EXPLANATION

H.S.
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(Chiefly thin bedded quartzite)

B b
Blackbird unit
(Chiefly quartz–biotite schist and phyllite)

Inferred fault or gradational contact

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Plunge of tightly crumpled beds

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Strike and dip of sulphide bearing vein, zone, or pod

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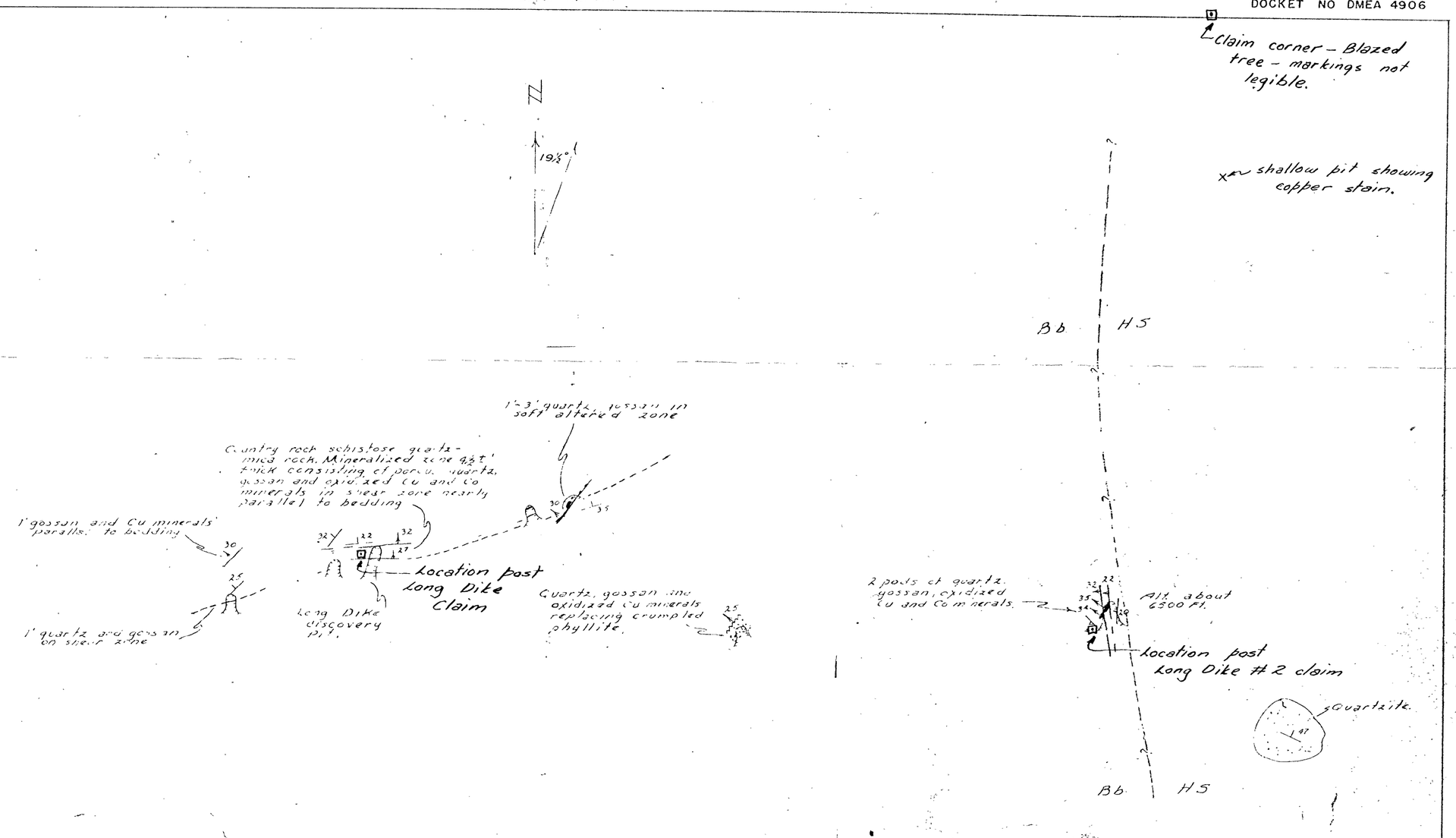

Geology by J.S. Vhay, 1956

LONG DIKE CLAIM
Capital–Seaboard Corporation
Sec. 14, T. 21 N., R. 18 E., B.M.
Lemhi County, Idaho

50 0 50 100 FEET

9/16/56

PLATE I

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
APPLICATION REPORT

DOCKET NO DMEA 4906

EXPLANATION

H.S.
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(Chiefly thin bedded quartzite)

B.b.
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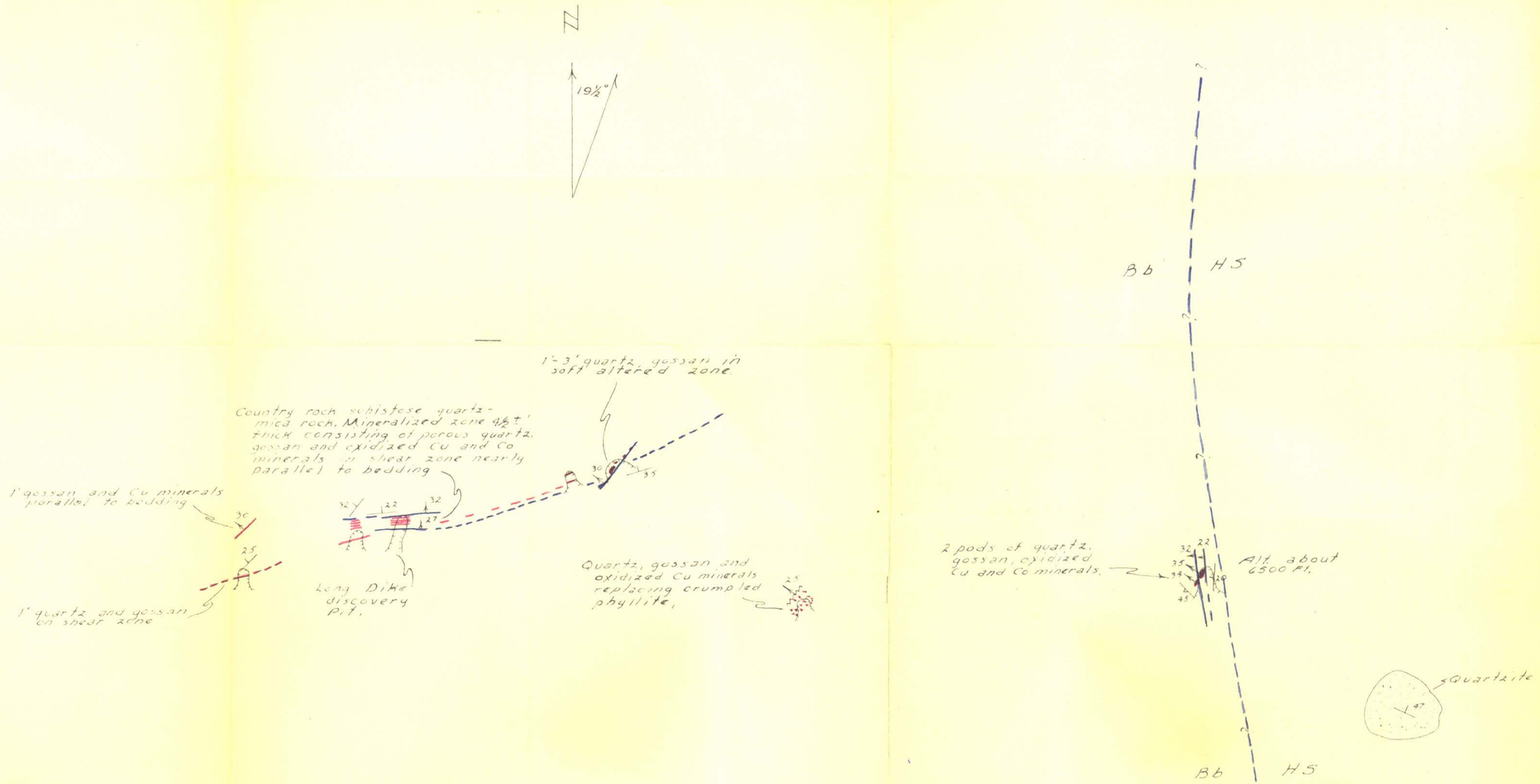

LONG DIKE CLAIM
Capital–Seaboard Corporation
Sec. 14, T. 21 N., R. 18 E., B.M.
Lemhi County, Idaho

50 0 50 100 FEET

Geology by J.S. Vhay, 1956

May 1958

PLATE I