DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE 27 JUN 1958 Idm-E NO._____ DMEA NO. 5020

27 JUN 1958

1223

Application
- [ ] Denied
- [ ] Withdrawn 27 JUN 1958

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

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

Folder No. 1:

Left Side

- [x] Royalty Audits
- [x] Certification of Discovery / Closing Letter — Pseudo in Term. Agreement
- [x] Cost Audits 10-6-59
- [x] Termination Notice or Agreement / Recision Notice — Aug.28,1959 eff. 6/15/59
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [ ] Project summary (final)
- [x] Work Comoleted analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab) Jan. 1960
- [x] Operator's Final Report (Tab) Sept.22,1959
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of 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

ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, Roger V. Pierce is the owner and holder of a Mining Lease dated July 1, 1967, by and between Edith L. Boynton, a widow, K. V. King and Alice King, husband and wife, Floyd W. Stevenson and Merle Stevenson, husband and wife, as Lessors and Roger V. Pierce, as Lessee, covering the following unpatented mining claims, situated in the Blackbird Mining District, County of Lemhi, Idaho, to-wit:

Moonlight #1	Sunshine #1
Moonlight #2	Sunshine #2
Moonlight #3	Patty "B"
Moonlight #4	Edith "B"
Sunshine	Ellin "K"

Together with all water, water rights, ditches, ditch rights, dips, spurs and angles; all metals, ores, minerals and products of whatsoever kind or nature; all rights, privileges and franchises; all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

and;

WHEREAS said Roger V. Pierce and Catherine E. Pierce, his wife, desire to assign to Idaho Mining Company, a Delaware corporation, all of their right, title and interest in, to and under said Mining Lease.

NOW, THEREFORE, said Roger V. Pierce, and Catherine E. Pierce, his wife, Assignors, for good and valuable consideration, do hereby transfer, assign and set over to Idaho Mining Company, a Delaware corporation, Assignee, whose address is 36th Floor, 100 Erieview Plaza, Cleveland, Ohio 44114 all of Assignors' right, title and interest in, to and under said Mining Lease and in and to said property covered thereby, EXPRESSLY EXCEPTING AND

Recd. C. Walker Lyon Letter 11/16/72

RESERVING unto Assignors, his successors and assigns, an overriding royalty interest as provided in that certain Agreement made as of June 1, 1967, by and between Idaho Mining Company, a Delaware corporation, party of the first part therein, and Roger V. Pierce, a resident of the State of Utah, United Idaho Mining Company, a Maine corporation, and Machinery Center, Inc., a Utah corporation, parties of the second part therein, and The Hanna Mining Company, a Delaware corporation; and such reserved royalty shall be a covenant running with and a burden upon said land.

IN WITNESS WHEREOF Assignors have executed this Assignment this 16th day of November, 1967, but effective as of July 1, 1967.

Roger V. Pierce

Roger V. Pierce

Catherine E. Pierce

Catherine E. Pierce

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On this 16th day of November, 1967, before me, a Notary Public, personally appeared Roger V. Pierce 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.

Jay W. Francis

Notary Public
Residing at: Salt Lake City, Utah

My Commission Expires:

June 16, 1970

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On this 16th day of November, 1967, before me, a Notary Public, personally appeared Catherine E. Pierce known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she 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.

Joyce Francis
Notary Public
Residing at: Salt Lake City, Utah

My Commission Expires:
June 16 1970

ACCEPTANCE OF ASSIGNMENT

Comes now Idaho Mining Company, a Delaware corporation, duly qualified to do business in the State of Idaho, and hereby accepts the foregoing Assignment from Roger V. Pierce, and Catherine E. Pierce, his wife, relating to said Mining Lease dated July 1, 1967, by and between Edith L. Boynton, a widow, K. V. King and Alice King, husband and wife, Floyd W. Stevenson and Merle Stevenson, husband and wife, as Lessors and Roger V. Pierce, as Lessee, which Assignment is dated November 16, 1967, but effective as of July 1, 1967, subject to all of the covenants and obligations of said Mining Lease.

IN WITNESS WHEREOF, Idaho Mining Company has executed this Acceptance this 16th day of November, 1967, but effective as of July 1, 1967.

IDAHO MINING COMPANY

By _____
Vice President

ATTEST:

_____
Assistant Secretary

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On this 16th day of November, 1967, before me, a Notary Public, personally appeared L. W. Spang known to me to be a Vice President of Idaho Mining Company, the corporation that executed the above instrument and acknowledged to me that such corporation 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.

Yolande Sutton
Notary Public
Residing at:

YOLANDE SUTTON
Notary Public residing at
Salt Lake City, Utah
My commission expires
September, 15, 1969.

My Commission Expires:

Sept. 15-1969

MINING LEASE

THIS MINING LEASE, Made and entered into this first day of July, 1967, by and between EDITH L. BOYNTON, a widow dealing as to her sole and separate property, K. V. KING and ALICE KING, husband and wife, FLOYD W. STEVENSON and MERLE STEVENSON, husband and wife, parties of the first part and hereinafter designated LESSORS, and ROGER V. PIERCE, party of the second part and hereinafter designated as LESSEE,

WITNESSETH:

That, for and in consideration of the sum of ONE and NO/100 DOLLARS ($1.00) paid to the Lessors by the Lessee, the receipt whereof is hereby acknowledged, and in further consideration of the terms, agreements and covenants hereinafter set forth to be performed and kept by the parties hereto, the Lessors have let, leased and demised and do hereby let, lease and demise unto the Lessee, upon the terms and conditions hereinafter set forth, the following unpatented mining claims, situate in the Blackbird Mining District, County of Lemhi, State of Idaho, to-wit:

CLAIM NAME	Recorded Lemhi County Official Records MINING CLAIM BOOK	PAGE
MOONLIGHT #1	1	452
MOONLIGHT #2	1	453
MOONLIGHT #3	1	454
MOONLIGHT #4	1	455
SUNSHINE	1	529
SUNSHINE #1	1	530
SUNSHINE #2	1	531
PATTY "B"	1	458
EDITH "B"	1	457
ELLIN "K"	1	456

Together with all water, water rights, ditches,

ditch rights, dips, spurs and angles; all metals, ores, minerals and products of whatsoever kind or nature; all rights, privileges and franchises; all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. That the term of this lease with option to purchase shall be for five (5) years ending at twelve o'clock noon on the first day of July, 1972, unless sooner terminated by the terms and conditions hereof, subject, however, to the right of surrender by the Lessee as hereinafter stated, and further provided, however, that the Lessee shall have the right and privilege of extending the said term for an additional five (5) years ending at twelve 0'clock noon on the first day of July, 1977, by he or his assigns giving written notice to the Lessors of his desire to extend the term hereof on or before twelve o'clock noon January 1, 1972.

2. That the Lessee shall take immediate possession of said mining property and do all work thereon in a good and sufficient mining fashion, being required to work such premises each fiscal year, beginning July 1, 1967, in an amount as is required by the laws of the United States of America and the State of Idaho as annual assessment work for the parties hereto to hold possession of the said mining claims and shall record the same in due time each assessment year so long as he shall hold said mining property under this lease and according to the surrender rights of the Lessee as hereinafter stated. Such annual assessment work can be done on or off the herein described property if it is for the benefit thereof.

3. That during the term of this lease the Lessee and his assigns shall pay to the Lessors, quarterly, on or before the last day of the month following the end of calendar quarter, as a rent or royalty for ores extracted or sold from the herein described mining claims as follows, to-wit:

(1) Five per cent (5%) of the net mint, mill or smelter returns from any raw ores produced from the leased premises and sold by Lessee to an independent third party purchaser.

(2) Five per cent (5%) of the net mint, mill or smelter returns from any concentrates produced from the leased deposits where such concentrates are sold by Lessee to an independent third party purchaser.

(3) Where ore or concentrates from the leased deposits are refined by Lessee and the first sale by Lessee is of a refined product, then the royalty shall be five per cent (5%) of the value of the metals recovered from such ores or concentrates.

The value of the metals for the purpose of determining royalties under this subparagraph (3) shall be deemed to be the price per pound quoted in the "Engineering and Mining Journal" for the month succeeding the month or production of such metals.

If ores or concentrates are sold by Lessee to any corporation owning or controlling Lessee or any corporation owned or controlled by Lessee, the first sale for the purpose of determining royalties shall be deemed to be the sale which is made by such corporation to an independent third party purchaser.

Where ores or concentrates are sold other than f.o.b. the leased premises or the Calera mill, there shall be deducted any actual and reasonable freight or haulage charges from the mine to the point of sale which were not paid by the purchaser and deducted by it in the making of its settlement.

All payments of royalties hereunder by Lessee to Lessors, or any assignee or assignees of any party or parties Lessor, shall be deposited to the credit of Lessors in the following bank, to-wit:

Idaho First National Bank
Salmon
Idaho

or in such other single depository bank as Lessors may designate from time to time by written notice to Lessee.

All payments of royalties as to the leased deposits produced from the leased premises shall be received by the depository bank to the credit of Lessors according to the proportions set out in a notice to said bank or depository with a copy thereof to the Lessee.

4. That the Lessee hereby guarantees that the rent or royalty herein agreed to be paid to the Lessors shall not be less than FIFTEEN HUNDRED and NO/100 DOLLARS ($1500.00) in any one twelve-month period, commencing January 1, 1967, and ending July 1, 1968, and continuing each twelve-month period thereafter with the balance due, if any, of such guaranteed royalty or rent to be paid on or before thirty (30) days from the end of any such period.

5. That the Lessee shall have a right to abandon all of the mining claims herein described and cease operation thereon subject to the stipulations as set forth in paragraph two above and have all assessment work done and recorded twelve months in advance of such notice. Written notice by certified mail shall be sent within ten days addressed to the Lessors in care of K. V. King, Box 5007, Berkeley, California, 94715; provided, however, that the Lessee shall have then completed any and all required annual assessment work for the then current assessment year if such property is abandoned between April first and September first of such current assessment year.

6. That the Lessee shall have the right to use any and all timber from the herein described mining claims for mining purposes for the benefit of said claims only. Lessee may have a further right to clear timber from places needed to carry on

his mining operations and the Lessee shall not be held accountable or responsible for timber or vegetative surface resources of the mining claims if these resources are used as stipulated above. It is further understood that the heavy stand of Fir and other timber of the Lessor's claims up West Fork of Blackbird are not to be used for any purpose on Lessee's other holdings without renumeration in cash at the prevailing price for such timber or in lieu of this outright purchase of the claims involved at $10,000.00 each. Furthermore this stipulation does not apply to the Sunshine or Moonlight claims outside the West Fork of Blackbird Creek.

7. That any and all property placed in or upon the herein mining claims shall be considered personal property of the Lessee and shall be removed from the premises by the Lessee within one year from date of abandonment. This does not apply to any timbering done in mining operations on these claims as this timbering is to be left intact and become the property of the Lessors.

8. That the Lessee shall pay any and all accounts and expenses for labor, materials and supplies in connection with his work hereunder in exploring and mining, promptly when due and shall cause to be released any and all liens or claims against the premises placed thereon because of the activities of the Lessee.

9. That the Lessee shall post all statutory notices required by the laws of the State of Idaho and shall at all times conduct his operation so as not to violate applicable Federal and State laws respecting unemployment compensation insurance, employee insurance, withholding and social security taxes, saving the

Lessors harmless therefrom.

10. That the Lessee shall keep proper and exact records of all work done and products extracted and sold from the herein described mining claims including apex territory to permit Lessors to verify any royalty computations or work requirements hereunder, which records the Lessors, or their authorized agent, may inspect at any and all reasonable times at the Lessee's office, Cobalt, Idaho.

11. That the Lessors, upon abandonment and surrender of the herein described mining claims, shall have, for a period of ninety (90) days, the right and privilege of copying all drill legs, maps and assays acquired by the Lessee in his operation upon the herein described mining claims.

12. That the Lessee agrees that if the Department of Interior Defence Mineral Exploration Administration lien for funds previously advanced for exploration upon the herein described property is still in effect or has not been released, the Lessee will fully perform the remaining requirements thereof saving the Lessors harmless therefrom with nothing to be deducted from the payments due the Lessors under this lease.

13. That the Lessors agree that they will cooperate in any proceeding to obtain U.S. patents on any of the herein described mining claims, the entire cost of patenting including surveying in such event, to be paid by the Lessee.

14. That the Lessors, or any one of them, shall have the right to go upon and in the herein described property for the purpose of inspecting and sampling the same, and to sample ores removed therefrom, at Lessors' risk.

15. That if the Lessee shall fail to comply with any of the terms and conditions of the lease herein contained, the Lessors shall give said Lessee at least sixty (60) days notice of such failure before taking any action for collection, cancellation, forfeiture or damages, and such notice shall be in writing and sent by certified mail to the Lessee at 2302 University Club Tower, Salt Lake City, Utah.

16. That the Lessors hereby warrant that the listed claims are in good standing and that they have good and marketable title to such claims free from any liens or encumbrances except the paramount title of the United States of America, and to the extent of any rent or royalty that may be due or paid to them hereunder, agree to indemnify Lessee for any expense or cost which it may incur to perfect such title other than patenting or to remove any such lien or encumbrance.

17. That the Lessee shall have the right, privilege and option of purchasing the herein described mining property by marketable title, subject to the paramount title of the United States of America, free and clear of all liens and encumbrances, excepting those placed thereon by the Lessee, at any time during the continuance hereof up to July 1, 1972, or if extension is exercised then July 1, 1977, for a purchase price of ONE HUNDRED THOUSAND and NO/100 DOLLARS ($100,000.00) with all royalties, guaranteed or otherwise, previously paid by the Lessee to the Lessors to be applied to and subtracted from such ONE HUNDRED THOUSAND and NO/100 DOLLARS ($100,000.00) purchase price. Upon the exercise of such option Lessors will execute such documents as, in the opinion of counsel for Lessee, are necessary to

transfer title to Lessee. Should the Lessee not exercise his option to purchase, this lease shall still continue under the terms for the term hereinbefore stated.

18. That the terms and conditions of this lease shall be binding upon and the benefits shall inure to the heirs, administrators, executors and assigns of the respective parties hereto.

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

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

Lessors

_____ (SEAL)

Lessee

State of California
County of Alameda } SS

On this 24th day of August in the year One Thousand Nine Hundred and Sixty-Seven before me Louise S. Jacobsen a Notary Public in and for the County of Alameda, State of California, residing therein, duly commissioned and sworn, personally appeared Alice V. King and R. V. King

known to me to be the persons described in and whose names are subscribed to the within instrument, Mining Lease

and they acknowledged to me that they executed the same Mining Lease

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

Louise S. Jacobsen Notary Public
In and for said County of Alameda, State of California

GENERAL ACKNOWLEDGMENT
My Commission Expires
Form NF26X-1a PICA, Oakland, Calif.

LOUISE S. JACOBSEN, Notary Public Alameda County
My Commission Expires April 23, 1968

State of California
County of } SS

On This 24 day of August in the year One Thousand Nine Hundred and 67 before me SHERMAN L. GIDLEY a Notary Public in and for the County of Contra Costa State of California, residing therein, duly commissioned and sworn, personally appeared Edith L. Baynton

known to me to be the person described in and whose name SHE subscribed to the within instrument, Mining Lease

and she acknowledged to me that she executed the same Mining Lease

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

Sherman L. Gidley Notary Public
SHERMAN L. GIDLEY
In and for said County of Contra Costa State of California

GENERAL ACKNOWLEDGMENT
My Commission Expires My Commission Expires Jan. 3, 1971
FORM NF26X-1 PICA Oakland, Calif.

appeared [illegible] W. Stevenson and [illegible] Stevenson, known to 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.

W. D. Gray

Notary Public for the State of Washington
Residing at West Richland, Washington
My Commission expires: June 1 - 1970

STATE OF CALIFORNIA,)
) ss.
COUNTY OF ALAMEDA.)

On this ____ day of _____, 1967, before me, the undersigned, a Notary Public in and for said State, personally appeared EDITH L. BOYNTON, K. V. KING, and ALICE KING, known to 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 California
Residing at Berkeley, California
My Commission expires:

STATE OF WASHINGTON,)
) ss.
COUNTY OF BENTON.)

On this 16th day of August, 1967, before me, the undersigned, a Notary Public in and for said State, personally appeared FLOYD W. STEVENSON and MERLE STEVENSON, known to 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.

W. D. Gray

Notary Public for the State of Washington
Residing at West Richland, Washington
My Commission expires: June 1 - 1970

STATE OF UTAH,)
) ss.
COUNTY OF SALT LAKE.)

On this 1 day of September, 1967, before me, the undersigned, a Notary Public in and for said State, personally appeared ROGER V. PIERCE, 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.

Jay W. Francis

Notary Public for the State of Utah
Residing at Salt Lake City, Utah
My Commission expires:

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E1223, Docket DMEA-5020 (cobalt-copper), dated June 27, 1958, with

Calera Mining Company
500 Fifth Avenue
New York 36, New York

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Sunshine, et al., Claims located in Lemhi County, Idaho, during the period September 8, 1960, through October 31, 1963.

In accordance with an August 28, 1959, Termination Agreement and Article 8 and Amendment No. 2 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 16 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. A Report of Review dated October 6, 1959, indicated accepted costs under the exploration contract amounting to $2,450.00 with the Government's contribution on a 62½ percent basis being $1,531.25.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review found no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which also found no sales subject to the Government's royalty through September 7, 1960. Accordingly, as of October 31, 1963, the royalty account of this project was found to be:

Total Royalty Payable	$ -0-
Total Royalty Paid	-0-
Balance of Royalty Due	$ -0-

E. D. Talbert
E. D. Talbert, OME Auditor

November 15, 1963

Idm-R1223 Calera Mining Company DMRA-5020

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the property thereunder. The property under the contract consists of 3 patented and 19 unpatented claims in the Blackbird Mining District. At the time the contract was executed the Operator was the owner of all except 3 of the unpatented claims (the Sunshine, Sunshine No. 1 and Sunshine No. 2). The Operator was in possession of these 3 claims by virtue of a December 1, 1957, lease and option granted by Mr. & Mrs. K. S. Boynton, 18A Crest Road, Lafayette, Calif., Mr. & Mrs. K. V. King, 2942 Russell St., Berkeley 5, Calif., and Mr. & Mrs. Floyd W. Stevenson, Box 376-F, Route 1, Richland, Wash. In consideration of the contract the lessors executed a Consent to Lien and Subordination Agreement during June 1958.

Exploration work under the contract was terminated effective June 15, 1959, by an August 28, 1959, agreement. No production occurred during the exploration period and by letter dated April 20, 1960, the Operator advised that "last year we only did a minor amount of trenching and, thereafter, stopped all activity" and "we are shutting down all operations at Cobalt permanently".

In a letter dated June 26, 1960, Mrs. K. S. Boynton stated that the Operator had dropped its option. She further advised that Mr. Boynton had died in February 1960. In a reply to an October 4, 1963, inquiry by MME Form 63, Mrs. Boynton indicated neither change in property status of the 3 unpatented claims nor production had occurred since April 20, 1960.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files indicate that no production has occurred on the property since the date of the contract;
(2) The property has been inactive since 1959; and
(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E1225, Docket No. DMEA-5020 (Cobalt-Copper), dated June 27, 1958, with

Calera Mining Company
Cobalt, Idaho

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Sunshine Claims located in Lemhi County, Idaho, during the period June 27, 1958, through September 7, 1960.

In accordance with Amendment No. 2 of the contract and Termination Agreement dated August 28, 1959, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 16 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. A Report of Review in lieu of final audit dated October 6, 1959, indicated accepted costs under the exploration contract amounting to $2,450.00 with the Government's contribution, on a 62½ percent basis, being $1,531.25.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) Final report by the Field Team, Region I, states that there was no production from the property during the exploration period;

(2) Letter dated April 20, 1960, from the Operator states that all activity has stopped, the mine is closed, and all of the company operations at Cobalt are shut down permanently; and

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

C. E. Fisher
C. E. Fisher, OME Auditor

September 8, 1960

OFFICE OF M[redacted]ION
CONTRACT ADMINIST[redacted] DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Calera Mining Company
Cobalt, Idaho

pertaining to Exploration Project Contract No. Ida-E1223, DMEA No. 5020, including Amendments Nos. 1 and 2, for August 1958 to May 1959, inclusive, covering a cobalt-copper project on the Sunshine Claims, Lemhi County, Idaho.

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

This review was made in lieu of a final audit of the Operator's accounts and records for the reason that:

> All of the claimed and accepted costs were under a contract provision for contribution by the Government on the basis of fixed unit costs of work performed.

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

Total cost billed by Operator		$2,450.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total acceptable cost		$2,450.00

The contract calls for a 62½ percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$1,531.25
Paid to date	687.82
Balance due Operator	$ 843.43 Pd 10/22/59

E. D. Talbert

E. D. Talbert, OME Auditor

October 6, 1959

[redacted]
MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/20	[illegible]	500
		500
		800
7/20	Selfridge	130
		~~110~~
7-21	gad	220
		225

JUL 21 1960

Mr. F. A. McGonigle
Vice President
Calera Mining Company
c/o Bown Sound Company
500 Fifth Avenue
New York 36, New York

Re: [redacted]A-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-K1223

Dear Mr. McGonigle:

In reference to our letter of March 28, 1960, to you, the Government's participating interest referred to in the first paragraph is $1,531.25.

Sincerely yours,

Frank E. Johnson

Acting Director

SPHolt/WRGriswold/gla
7-20-60
cc to: Floyd W. & Merle Stevenson
K. V. King and Alice King
Mrs. K. S. Boynton
Director's Reading File
Frank E. Johnson
Review Committee
CA&A Division
Region I (2)
Docket
Code 500
Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/15	Holt	500
	Brunell	500
7/18	Talbot	800
		130
		110
		220
		225

Mr. F. A. McGonigle
Vice President
Calera Mining Company
c/o Howe Sound Company
500 Fifth Avenue
New York 36, New York

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mr. McGonigle:

In further reference to our letter of March 28, 1960, ~~and to your reply of April 20, 1960~~, under the terms of the ~~mineral~~ Exploration Project Contract, executed June 27, 1958, as amended, and of the Termination Agreement (Item 5), all minerals mined or produced from June 27, 1958, to June 27, 1974, are subject to the Government's percentage royalty as set forth in the contract until the sum of $1,531.25 is repaid to the Government.

Royalty payments should be made to the Field Officer, OME Region I, South Howard Street, Spokane 4, Washington, by the purchaser, with checks drawn payable to the Office of Minerals Exploration. The purchaser should be advised to deduct royalties from the amount due on each shipment and send the check directly to the Field Officer. Each check should be accompanied by suitable sales evidence - such as copies of settlement sheets - showing the name of the purchaser, the quantity and grade of the products sold, and the price and charges, certified to be correct by the purchaser.

You are requested to notify the Field Officer of any changes in ownership or production rights that may have any effect on the Government's right to its percentage royalty. Your attention is called particularly to Article 2(d) of the contract relating to the preservation of the Government's right to a percentage royalty on production. Also when production starts, please notify the Field Officer. Thereafter, if production ceases for any extended period, please notify him accordingly at six-month intervals.

Sincerely yours,

Acting Director

SPHolt/gla
7-18-60
cc to: Floyd W. & Merle Stevenson
K.V.King and Alice King
Mrs. K. S. Boynton
Director's Reading File
Frank E. Johnson
Review Committee
CA&A Division
Region I (2)
Docket

Code 500 Chron

43683

MME Form 7
(10-58)

RECEIVED
MAR 1960
ASSOC. SOLICITOR
MINERAL RESOURCES

OFFICIAL FILE COPY

Date	Surname	Code
3/18	Holt	500
	Frame	500
3/23	J. Lynch	140
	Allen	140
3/24	Jacobs	800
3/25	Selfridge	130
3/25	Jones	
3/25	Kirkemo	
3/28	gad	220 225

Mr. F. A. McGonigle
Vice President
Calera Mining Company
Cobalt, Idaho

MAR 28 1960

Re: Docket No. IDMA-3020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-21223

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and of the Termination Agreement (Item 5), all minerals mined or produced from June 27, 1958, to June 27, 1974, are subject to the Government's percentage royalty as set forth in the contract until the sum which the Government has advanced as its participating interest is repaid.

Royalty payments should be made to the Executive Officer, OME Field Team, Region I, South 157 Howard Street, Spokane 4, Washington, by the purchaser, with checks drawn payable to the Office of Minerals Exploration. The purchaser should be advised to deduct royalties from the amount due on each shipment and send the check directly to the Executive Officer. Each check should be accompanied by suitable sales evidence - such as copies of settlement sheets - showing the name of the purchaser, the quantity and grade of the products sold, and the price and charges, certified to be correct by the purchaser.

You are requested to notify the Executive Officer of any changes in ownership or production rights that may have any effect on the Government's right to its percentage royalty. Your attention is called particularly to Article 2(d) of the contract relating to the preservation of the Government's right to a percentage royalty on production. Also, when production starts, please notify the Executive Officer. Thereafter, if production ceases for any extended period, please notify him accordingly at six-month intervals.

Sincerely yours,

Frank E. Johnson (for)

Acting Director

SPHolt/gla 3-18-60
cc to: Director's Reading File
Frank E. Johnson
Operating Committee
Frank D. Lamb, Rm. 3608, USBM
Harold Kirkemo, Rm. 5222, USGS
OME Field Team, Region I (2)
Code 500
Docket
Chron

FROM SOLICITOR
MAR 21 1960
FOR SIGNATURE

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/20	Swanell	500
		500
		800
7/20	Selfridge	130
		~~110~~
7-21	gad	220
		225

JUL 21 1960

Mr. and Mrs. Floyd W. Stevenson
Box 376-F, Route No. 1
Richland, Washington

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mr. and Mrs. Stevenson:

With reference to our letter of March 28, 1960, to the Calera Mining Company, a copy of which was sent you, we are enclosing a copy of a supplemental letter to the Operator which stipulates the amount of the Government's participating interest.

Sincerely yours,

Frank E. Johnson (for)

Acting Director

Enclosure

SPHolt/WRGriswold/gla
7-20-60
cc to: Director's Reading File
Review Committee
Region I (2)
Docket
Chron
Code 500

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/15	Holt	500
	Nimmel	500
7/18	Talbot	800
		130
		110
		220
		225

Mr and Mrs

Mr. Floyd W. Stevenson
and Mrs. Merle Stevenson
Box 376-F, Route No. 1
Richland, Washington

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company et al.
Sunshine Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mr. and Mrs. Stevenson:

Enclosed is a copy of a letter of today to the Operator setting forth its obligations under the terms of the above-cited contract. This letter is similar to the one sent you with our letter of March 28, 1960, except that it is revised to state the amount ($1,531.25) of the Government's lien on the property.

As noted in our previous letter to you, this correspondence relates to the Consent to Lien and Subordination Agreement signed by you June 19, 1958, under the DMEA program, which has been succeeded by the Office of Minerals Exploration program. The Government's prior lien on the land and upon any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or any production therefrom.

Sincerely yours,

Acting Director

Enclosure

SPHolt/gla
7-18-60
cc to: Director's Reading File
Review Committee
Region I (2)
Docket
Chron
Code 500

43683

MME Form 7
(10-58)

RECEIVED

MAR 28 1960

ASSOC. SOLICITOR
MINERAL RESOURCES

MAR 28 1960

OFFICIAL FILE COPY

Date	Surname	Code
3/18	Holt	500
	Mummd	500
3/23	T. Lynch	140
	Seller	140
	Asst. Sol. Off.	
3/24	Talbert	800
3/25	Silverberg	130
3/25	Jones	
3/25	Kirkemo	
		~~110~~
3/28	gad	220
		225

Mr. Floyd W. Stevenson
and Mrs. Merle Stevenson
Box 376-F, Route No. 1
Richland, Washington

Re: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-E1223

Dear Mr. and Mrs. Stevenson:

Enclosed is a copy of a letter of today to the Operator setting forth its obligations under the terms of the above-cited contract.

This correspondence relates to the Consent to Lien and Subordination Agreement signed by you on June 19, 1958, under the DMEA program, which has been succeeded by the Office of Minerals Exploration program. The Government's prior lien on the land and upon any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or any production therefrom.

Sincerely yours,

Frank A. Johnson (Act)

Acting Administrator

Enclosure

SPHolt/gla 3-18-60
cc to: Director's Reading File
Operating Committee
Frank D. Lamb, USBM
Harold Kirkemo, USGS
OME Field Team, Region I (2)
Docket
Chron

43683

MME Form
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/20	[illegible]	500
		500
		800
7/20	Jeffrey	130
		~~110~~
7-21	gad	220
		225

JUL 21 1960

Mrs. K. S. Boynton
18A Crest Road
Lafayette, California

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mrs. Boyton:

We were indeed sorry to learn from your letter of June 26 about the death of your husband.

There is nothing you should do at this time concerning the contract. As noted in our letter of March 28, 1960, if the property is leased or transferred within the period mentioned in our letter of the same date to the Operator, the lessee or transferee should be notified of the Government's prior lien on the property.

Enclosed is a copy of a supplemental letter to the Operator which stipulates the amount of the Government's participating interest.

Sincerely yours,

Frank E. Johnson

Acting Director

Enclosure

SPHolt/WRGriswold/gla
7-20-60
cc to: Director's Reading File
Review Committee
Docket
Region I (2) w/2 cys Mrs. Boynton's letter June 26, 1960
Code 500
Chron

43683

Mrs K. S. Boynton - 18A Crest Rd -
Lafayette California
June 26-1960

U. S. Dept. of Interior
Office of Minerals Exploration
Washington 25. D. C.

Calera Mining

Frank E Johnson
Acting Administrator

Dear Sir:

a letter came from you dated March 28-1960 - Re the following
Docket no. DMEA - 5020 (Cobalt - Copper)
Sunshine Claims
Lemhi Co - Idaho
Contract no. Idm - 8-1223

To - Mr K S. Boynton +
Mrs. Edith L Boynton - 18A Crest Rd - Lafayette -

a copy of a letter to Mr A. A. McGonigle V. P. Calera Mining Co - Cobalt Idaho - was enclosed.
This "copy" - set forth the obligations of "Calera" under the terms of the above Contract.

We have been deeply broken up over the sudden death of my husband the last February and just recently have I been able to find and answer messages which he would have answered immediately -

I know that "Calera" dropped the option on these claims - would you inform me if and when there is anything I should do - I know, that to hold the claims assessment work would not have to be done until next spring

Thanks - Mrs K S (Edith L) Boynton

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 30 1960

DATE	INITIALS	CODE
6/30	Cye	210
"	JEA	110
7/1	E.E.F.	800
		500

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/15	Holt	500
	[illegible]	500
7/19	Talbert	800
		130
		110
		220
		225

Mrs. K. S. Boynton
18A Crest Road
Lafayette, California

Re: IMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mrs. Boynton:

We were indeed sorry to learn from your letter of June 26, 1960, about the death of your husband.

There is nothing that you should do at this time concerning the ~~claim~~ contract. As noted in our letter of March 28, 1960, if the property is leased or transferred within the period mentioned in our letter of the same date to the Operator, the lessee or transferee should be notified of the Government's prior lien on the property.

Enclosed is a copy of a letter of today to the Operator, ~~which is~~ similar to the ~~one sent you with our letter~~ of ~~March 28, 1960, ex~~cept ~~that it is revised~~ to state the ~~amount~~ ($1,531.25) of the Government's lien on the property. which adjusts the amount of the government's prior lien only.

Sincerely yours,

Acting Director

Enclosure

SPHolt/gla
7-18-60
cc to: Director's Reading File
Review Committee
Docket
Region I (2) w/2 cys Mrs. Boynton's letter June 26, 1960
~~Docket~~
Chron
Code 500

43683

MME Form 7
(10-58)

RECEIVED

MAR 22 1960

ASSOC. SOLICITOR
MINERAL RESOURCES

MAR 28 1960

OFFICIAL FILE COPY

Date	Surname	Code
3/18	Holt	500
	Friend	500
3/23	J. Lynd	140
	[illegible]	140
	App'd. Sol. Off.	
3/24	Talbert	800
3/25	Selbridge	130
3/25	Jones	
3/25	Kirkemo	
		~~110~~
3/28	gad	220
		225

Mr. and Mrs. Boynton
and Mrs. Edith L. Boynton
18A Crest Road
Lafayette, California

Re: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-K1223

Dear Mr. and Mrs. Boynton:

Enclosed is a copy of a letter of today to the Operator setting forth its obligations under the terms of the above-cited contract.

This correspondence relates to the undated Consent to Lien and Subordination Agreement signed by you under the DMEA program, which has been succeeded by the Office of Minerals Exploration program. The Government's prior lien on the land and upon any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or any production therefrom.

Sincerely yours,

Frank E. Johnson (for)

Acting Administrator

Enclosure

Identical letter to Mr. K. V. King and Mrs. Alice King
2942 Russell Street, Berkeley, California

SPHolt/gla 3-18-60
cc to: Director's Reading File
Operating Committee
Frank D. Lamb, USBM
Harold Kirkemo, USGS
OME Field Team, Region I (2)
Docket
Chron

Code 500

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/20	Griswold	500
		500
		800
7/20	Selfridge	130
		~~110~~
7-21	gad	220
		225

JUL 21 1960

Mr. and Mrs. R. V. King
2942 Russell Street
Berkeley, California

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mr. and Mrs. King:

With reference to our letter of March 28, 1960, to the Calera Mining Company, a copy of which was sent you, we are enclosing a copy of a supplemental letter to the Operator which stipulates the amount of the Government's participating interest.

Sincerely yours,

Frank E. Johnson

Acting Director

Enclosure

SPHolt/WRGriswold/gla
7-20-60
cc to: Director's Reading File
Review Committee
Region I (2)
Docket
Code 500
Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/15	Holt	500
	Brand	500
7/18	Talbitt	800
		130
		110
		220
		225

Mr. and Mrs.

Mr. K. V. King
and Mrs. Alice King
2942 Russell Street
Berkeley, California

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mr. and Mrs. King:

Enclosed is a copy of a letter of today to the Operator setting forth its obligations under the terms of the above-cited contract. This letter is similar to the one sent you with our letter of March 28, 1960, except that it is revised to state the amount ($1,531.25) of the Government's lien on the property.

As noted in our previous letter to you, this correspondence relates to the undated Consent to Lien and Subordination Agreement signed by you under the DMEA program, which has been succeeded by the Office of Minerals Exploration program. The Government's prior lien on the land and upon any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or any production therefrom.

Sincerely yours,

Acting Director

Enclosure
SPHolt/gla
7-18-60
cc to: Director's Reading File
Review Committee
Region I (2)
Docket
Code 500
Chron

43683

Government's Copy

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. DMEA-5020

TERMINATION AGREEMENT

It is agreed this 28th day of August, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and Calera Mining Company, hereinafter called the "Operator", parties to that certain Exploration Project Contract No. Idm-E1223 (Docket No. DMEA-5020), dated June 27, 1958, as amended, hereinafter called the "Contract", that:

1. Effective June 15, 1959, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

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

3. The operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided for in this Termination Agreement.

5. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount, and for the same period, and subject to the same conditions provided in the Contract, as if certification of discovery or development had been made, such certification being hereby waived by the Operator.

8/19 Typed
Herman
Dollen
App'd. Sol. Off.
Holt
Harwood
Fisher

6. All rights of the Government respecting reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayment, are preserved.

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

THE UNITED STATES OF AMERICA

By George C. Selfridge
Acting Director, Office of
Minerals Exploration

CALERA MINING COMPANY

By E. B. Vaughan

Title Manager

FROM SOLICITOR
AUG 24 1959
FOR SIGNATURE

August 25, 1959

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. DMEA-5020

TERMINATION AGREEMENT

Justification

The Operator, by letter of June 10, 1959, to the Field Team, authorized cancellation of the contract, for the reason that the Calera Mining Company was closing down all its operations and did not plan doing further work in the district.

The Field Team, by memorandum of June 16, 1959, transmitting the Operator's request, recommended that the contract be terminated by a mutual termination agreement, and that, in view of the favorable results of the geophysical work and the trenching done under the contract, the termination agreement should include a pseudo-certification.

This Division, in agreement with the Operator's request and the recommendation of the Field Team, has prepared a proposed Termination Agreement including a pseudo-certification.

Stephen P. Holt

Stephen P. Holt

Government's copy

APR 9 1959
O.M.E.

J. Lynch
Hoffman
Holt
Martin
Selfridge
Chambers

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. DMEA-5020

AMENDMENT NO. 2

It is agreed this 18th day of March, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Calera Mining Company, hereinafter called the "Operator," that Exploration Project Contract No. Idm-E1223 (Docket No. DMEA-5020), dated June 27, 1958, as amended, hereinafter called the "Contract," is further amended, effective October 15, 1958, as follows:

1. Amendment No. 1, executed February 3, 1959, is hereby revoked and rescinded in its entirety, as of the date of its execution.

2. (a) Work under the Contract shall be suspended during the period beginning October 15, 1958, and ending not later than July 1, 1959.

(b) The Government will not contribute to any costs incurred by the Operator during the period of suspension or to any costs of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

(c) The Operator at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

3. The maximum period for royalty payments and the lien to secure the payment thereof, provided for in the Contract, is extended from fifteen (15) years to sixteen (16) years from the date of the Contract.

This Amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

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

CALERA MINING COMPANY

By E. B. Vaughan

Title Manager

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. DMEA 5020

AMENDMENT No. 2

Justification

By inadvertance, when preparing Amendment No. 1, the royalty repayment was increased from ten (10) years to eleven (11) years from the date of the contract, instead of, as intended, from the fifteen years provided in item (f) of Annex II of the contract, to sixteen years.

Amendment No. 2 has been prepared to correct this error.

Government's copy

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 2 1959

DATE	INITIALS	CODE
3-2	C	220
		400

Long
Lantzer
Holt
Martin
Langhein
Selfridge

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. DMEA-5020

AMENDMENT NO. 1

It is agreed this 3rd day of February, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Calera Mining Company, hereinafter called the "Operator," that Exploration Project Contract No. Idm-E1223 (Docket No. DMEA-5020), dated June 27, 1958, hereinafter called the "Contract," is amended, effective October 15, 1958, as follows:

1. (a) Work under the contract shall be suspended during the period beginning October 15, 1958, and ending not later than July 1, 1959.

(b) The Government will not contribute to any costs incurred by the Operator during the period of suspension or to any costs of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

(c) The Operator at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

2. The maximum period for royalty payments and the lien to secure the payment thereof, provided for in the Contract, is extended from ten (10) to eleven (11) years from the date of the Contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

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

CALERA MINING COMPANY

By E. B. Naughton

Title Manager

Government's copy

MATERIAL FILE COPY
DMEA
RECEIVED JUL 1 1958
DATE | INITIAL
7/1 | C
220
215
400

MF-200
(Revised June 1954)

Docket No. DMEA 5020

Commodity cobalt-copper

Contract No. Idm-E 1223

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 27 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] Calera Mining Company, a New Jersey corporation, whose mailing address is Cobalt, Idaho, 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~~ Two maps Fig. 1, Fig. 2, and Annex II.

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] See Annex I 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 of Sunshine claims.

(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 of Sunshine claims.

(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 and copper. The work to be performed is described in Exhibit "A." The Operator on or before August 1, 1958 shall commence the work, and on or before November 1, 1959 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall have completed the work ~~[illegible] allowable costs (see Article 6) [illegible] the estimated total allowable costs set forth in Exhibit "A"~~, except as otherwise provided in Exhibit "A" with respect to stages of work. See Annex II.

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 $ 104,200.00. The Government shall contribute 62½ percent of the allowable costs as they are incurred in a total sum not in excess of $ 65,125.00: *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 excess in excess in categories, subcategories, items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated total allowable cost of the work.~~ **See Annex II.**

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 Annex II.**

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 18. **See Annex II.**

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. See Annex II

(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.*—

See Annex II.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. D. Mitteendorf
Administrator, Defense Minerals
Exploration Administration

App'd. Sol. Off.
Chapman
Martin

CALERA MINING COMPANY
(Operator)

By F. A. McGonigle

Title Vice President

I, William T. Holmes, certify that I am the secretary of the corporation named as Operator herein; that F. A. McGonigle who signed this contract on behalf of the Operator, was then Vice President 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.

William T. Holmes

[CORPORATE SEAL]

Selfridge
Chambers
Johnson

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

35485

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

RECEIVED
JUN 30 1958
U. S. G. S.
SPOKANE, WASH.

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA- 5020
Contract No. Idm-E
Contract Date

Government Copy

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/

SUNSHINE, SUNSHINE #1, SUNSHINE #2 mining claims, the location notices thereof being recorded on the official records of Lemhi County, Idaho, at Salmon, Idaho, in Book 1 of Mining Claims, at pages 529, 530 and 531, respectively.

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

Dated this _____ day of _____, 195__.

K. B. Boynton	[Seal]	1817 - Crest Road Lafayette Cal	[Address]
Edith L. Boynton	[Seal]	" " "	[Address]
K. V. King died - see attorney in fact letter 9/16/72	[Seal]	2942 Russell St Berkeley Calif	[Address]
Alice V. King	[Seal]	" "	[Address]
Floyd W. Stevenson	[Seal]	Box 376-F, Rt #1, Richland Wash.	[Address]
Merle Stevenson	[Seal]	" "	[Address]

I Grace F. Hess certify that I am the Notary Public (Secretary, etc.) ~~of the corporation named herein;~~ that that I witnessed ~~the~~ signing ~~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~~.

State of California
Co. of Alameda
Grace F. Hess
Notary Public

[~~Corporate Seal~~]

My Commission Expires Feb. 13, 1962

RECEIVED JUL 6 1958 D.M.E.A.

STATE OF WASHINGTON,
COUNTY OF Benton } ss.

I, the undersigned, a notary public in and for the state of Washington, hereby certify that on this 19th day of June, 1958 personally appeared before me FLOYD W. STEVENSON and MERLE STEVENSON

to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

Floyd Stevenson

NOTARY PUBLIC in and for the State of Washington, residing at Kennewick

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. DMEA-5020

ANNEX I

The land referred to in Article 2 of the Contract consists of the 22 lode mining claims shown on the map, Fig. 2, entitled "Sketch Showing Claims . . . Sunshine et al. Claims Calera Mining Company, Lemhi County, Idaho", attached hereto and made a part hereof. The claims are:

Three patented lode mining claims owned by the Calera Mining Company, as follows:

Broad Guage, Mineral Survey No. 1592
Clondike, Mineral Survey No. 1592
Reuman, Mineral Survey No. 1592

Sixteen unpatented lode mining claims owned by the Calera Mining Company, recorded as follows:

Claim Name	Book	Page
Chelan 18	2	286
Chelan 20	2	288
Chelan 21	3	521
Chelan 22	2	289
Chelan 131	5	88
Chelan 151	8	350
Chelan 19	2	287
Chelan 84	4	200
Diane	2	280
Cougar 106	8	95
Cougar 107	8	96
Calera 5	2	244
Calera 8	2	247
Calera 11	2	248
Calera 12	2	249
Calera 13	2	250

Three unpatented lode mining claims which the Operator possesses pursuant to a lease agreement dated December 1, 1957, with

K. S. Boynton and Edith L. Boynton, husband and wife, K. V. King and Alice King, husband and wife, and Floyd W. Stevenson and Merle Stevenson, husband and wife, as follows:

Claim Name	Book	Page
Sunshine	1	529
Sunshine No. 1	1	530
Sunshine No. 2	1	531

The claim location recording references are to the official records of Lemhi County, Idaho, and the descriptions therein are incorporated herein by reference.

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. DMEA-5020

ANNEX II

Article 13. Changes and added provisions.--

(a) That part of the last sentence of Article 3 beginning with the word "either" is deleted and replaced by the words "have completed the work, except as otherwise provided in Exhibit 'A' with respect to stages of work."

(b) That part of the last sentence in the first paragraph of Article 6(a) commencing after the semicolon is deleted.

(c) 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.

(d) Notwithstanding any other provisions of the Contract, the allowable unit costs 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.

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

(f) In Article 8(b), the period "fifteen years" is substituted for the period "ten years."

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. DMEA-5020

EXHIBIT "A"

Description of the Work

The project is set forth below in two stages. The Operator shall perform Stage 1, and as much of the work in Stage II as the Government approves in advance. The locations, directions, inclinations, courses and extent of all work are subject to the approval of the Government.

Stage 1

Bulldoze, with a D-7 or equivalent unit of another make, about 12 of the trenches shown on the attached map, Figure 2, and bulldoze surface drill sites, as approved by the Government. The trenches shall be between 400 feet and 500 feet in length and about 5 feet in depth. The total excavation for this work shall not exceed 15,000 cubic yards.

All mineralized zones in trenches shall be sampled at 5 foot intervals and the samples assayed for cobalt and copper. It is estimated that not to exceed 300 samples from the trenches will be analyzed.

Diamond drill about 8 holes x/ No hole shall exceed 300 feet in length, and the total drilling shall not exceed 2,000 feet. The holes shall be not less than AX in size. The number of holes and the locations, courses, inclinations, and depths of the holes shall have the approval of the Government. Holes shall be cemented and redrilled or reamed and cased as necessary.

A self potential survey covering a traverse of approximately six miles shall be made and samples taken for a geo-chemical analysis for cobalt and copper. The traverse shall be sampled at 50 foot intervals, and the primary analyses shall be made on samples taken at 100 foot intervals y/ If the primary analyses show good results,

x/ No hole shall be drilled within 200 feet of another hole.

y/ The government may change these intervals, dependent upon conditions encountered.

then the 50 foot intermediate samples shall be analyzed. It is estimated that not to exceed 400 samples will be analyzed.

Diamond drill cores in mineralized zones shall be split for samples and a portion of the split analyzed for cobalt and copper. All cores not used for analyses shall be stored for examination. It is estimated that not to exceed 300 diamond drill core samples will be analyzed.

Stage II

Drive not to exceed 1,400 feet of adit along the sheared and mineralized zone to a point approved by the Government. The drift shall be approximately 6 feet by 8 feet in the clear and shall be timbered or rock bolted as necessary.z/

Test the walls of the drift by diamond drilling not to exceed 1,800 feet of EX holes.w/ The number of holes, and the locations, courses, inclinations, and depths of the holes shall have the approval of the Government.

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

Diamond drill cores in mineralized zones shall be sampled, split, analyzed and stored as described in Stage I.

It is estimated that not to exceed 250 samples from the adit and 250 samples from diamond drill holes will be analyzed.

ESTIMATED COST OF THE PROJECT

Stage I

Actual Costs

Category (1) Independent Contracts

Diamond drill 2,000 feet @ $7.00/ft.	$14,000.00

z/ See footnote page 5.

w/ No hole shall be drilled within 100 feet of another hole.

Cementing and redrilling or reaming and casing, 300 feet @ $3.00/ft.	900.00	
Transportation of drill and equipment	200.00	$15,100.00

Category (2) Labor, Supervision and Consultants

Supervisor, 1/2 time, 2 6/7 months @ $700.00/mo.,		$ 1,000.00

Category (3) Operating Material and Supplies

Oil, gas, maintenance for pickup, 3 months	66.00	
50 wooden core boxes @ $4.00/each	200.00	$ 266.00

Category (4) Operating Equipment

Rental, none Purchases, none	
Depreciation, pickup, $30.00/ mo., 3 months	90.00

Category (5) Initial Rehabilitation and Repairs None

Category (6) New Buildings, Improvements and Installations None

Category (7) Miscellaneous

300 analyses from diamond drill holes @ $3.75 each sample	$ 1,125.00	
Compensation Insurance, Social Security, etc., $1,000.00 X 14.9 percent	149.00	$ 1,274.00

Estimated total cost of surface diamond drilling $17,730.00

Fixed Unit Costs

Geo-physical survey, 6 miles @ $125.00/mile, including cost of geo-chemical analyses	$ 750.00
Bulldozing 15,000 cubic yards excavation @ $0.25/cubic yard	3,750.00
300 analyses from trenches @ $3.75/each sample	1,125.00
Engineer-Geologist, 10 days @ $30.00/day	300.00
Total Fixed Unit Costs of Stage I	$ 5,925.00
Estimated Total Cost of Stage I	$23,655.00

Stage II

Fixed Unit Costs

Adit 1,400 feet @ $39.00/ft.	$54,600.00
Normal Timbering, 1,200 feet @ $8.90/ft. or rock bolting @ $3.90/rock bolt z/	10,680.00
Supporting timber, 350 feet @ $6.00/ft. z/	2,100.00
Spiling, 160 feet @ $25.00/ft. The cost of spiling includes the costs of all other timbering.	4,000.00
Diamond drilling, 1,800 feet @ $4.05/ft.	7,290.00

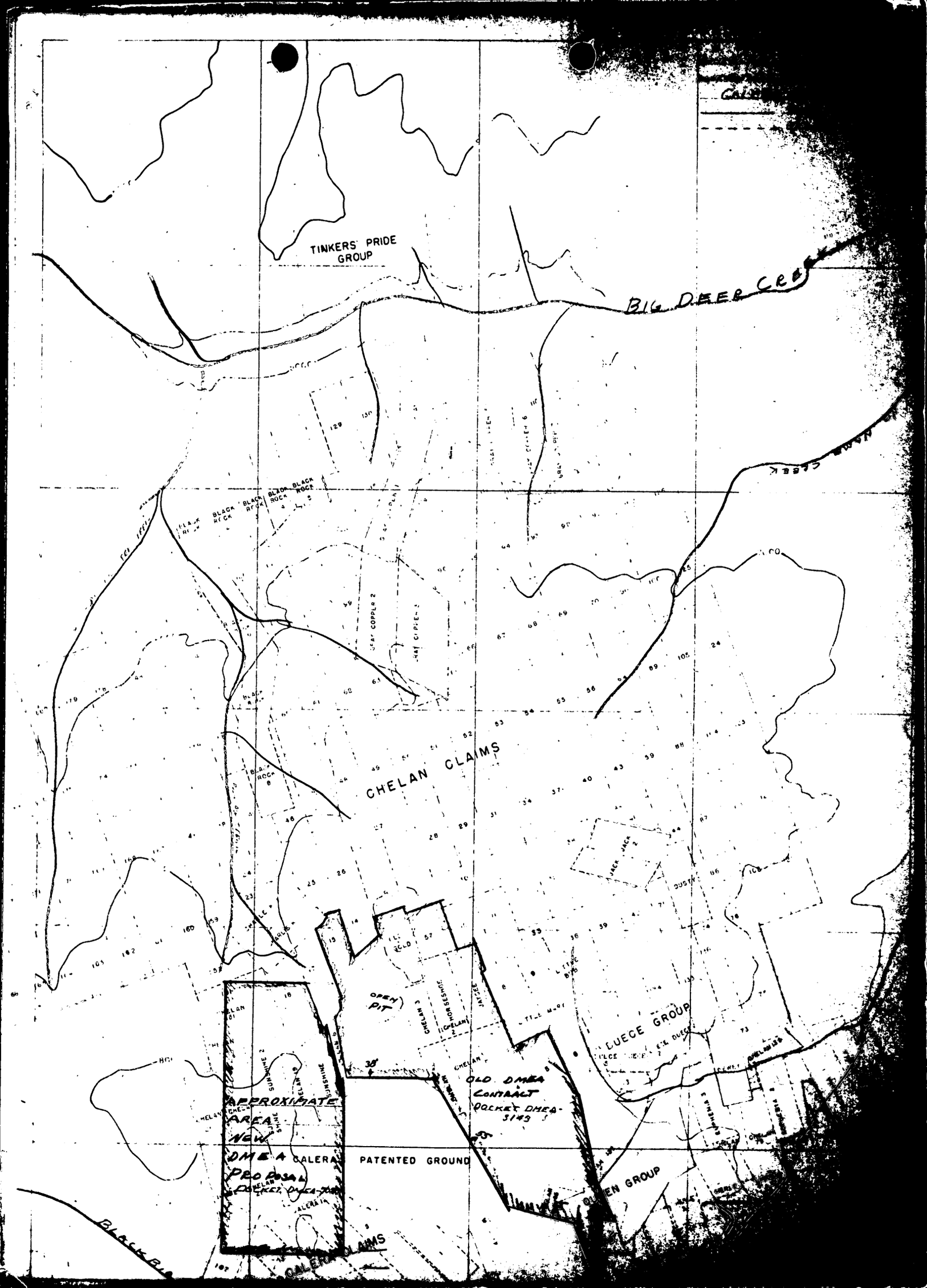
z/ - See footnote page 5

Assaying 500 samples from adit and diamond drill holes at $3.75 per sample	1,875.00	
Estimated Total Cost of Stage II		$ 80,545.00
Estimated Total Cost of Project		$104,200.00
Government Participation, 62½%		$ 65,125.00

Z/ Timbering shall consist of standard 8"x8" drift sets on five foot centers, with intermediate sets where supporting timber is required.

In areas where rock bolting is used to support ground in lieu of timbering the number of rock bolts allowed for payment will be the average over the entire distance that is fully supported with rock bolts, not to exceed an average of 11.4 bolts per five linear foot section. In establishing such an average only five foot sections containing three or more rock bolts shall be included.

If it is necessary to replace a rock bolted section with timber, the maximum unit cost of such timber shall be the difference between the allowable costs per foot of rock bolting and timbering.


TINKERS' PRIDE GROUP
BIG DEER CREEK
CHELAN CLAIMS
OPEN PIT
QUEEN GROUP
OLD DMEA CONTRACT
POCKET DMEA-3143
APPROXIMATE AREA NEW DMEA PROPOSAL
PATENTED GROUND
BLACK BLUFF
CALERA CLAIMS

RECEIVED
MAY 16 1958
D.M.E.A.

MINING LEASE

THIS MINING LEASE, made and entered into this first day of December 1957 by and between E. S. STEVENS and EDITH L. STEVENS, husband and wife, E. V. KING and ALICE KING, husband and wife, FLOYD W. STEVENSON and MABLE STEVENSON, husband and wife, parties of the first part and hereinafter designated LESSORS, and CALUMA MINING COMPANY, a New Jersey Corporation, duly filed and qualified to hold real property and to do business within the State of Idaho, whose address is 730 Fifth Avenue, New York City, New York, party of the second part and hereinafter designated as LESSEE.

WITNESSETH:

That, for and in consideration of the sum of FIFTEEN HUNDRED and NO/100 DOLLARS ($1500.00) paid to the Lessors by the Lessee, the receipt thereof is hereby acknowledged, and in further consideration of the terms, agreements and covenants hereinafter set forth to be performed and kept by the parties hereto, the Lessors have let, leased and demised and do hereby let, lease and demise unto the Lessee, upon the terms and conditions hereinafter set forth, the following unpatented mining claims, situate in the Bloodhound Mining District, County of Lemhi, State of Idaho, to-wit:

CLAIM NAME	Recorded Lemhi County Official Records MINING CLAIMS BOOK	PAGE
MOONLIGHT #1	1	452
MOONLIGHT #2	1	453
MOONLIGHT #3	1	454
MOONLIGHT #4	1	455
SUNSHINE	1	329
SUNSHINE #1	1	330
SUNSHINE #2	1	331
PATTY "F"	1	458
EDITH "F"	1	457
HALEN "K"	1	456

Together with all water, water rights, ditches, ditch rights, dips, spurs and angles; all metals, ores, minerals and products of whatsoever kind or nature; all rights, privileges and franchises; all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining except for certain limitations hereinafter described.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. That the term of this lease shall extend for the life of the herein described property subject to the Lessee's right to surrender as hereinafter specified and subject to the provisions of paragraph 16, hereof.

2. That the lessee shall take immediate possession of said mining property and do all work thereon in a good and sufficient mining fashion, being required to work such premises each fiscal year, beginning May 1st 1956 in an amount as is required by the laws of the United States of America and the State of Idaho as annual assessment work for the parties hereto to hold possession of the said mining claims and shall record the same in due time each assessment year so long as it shall hold said mining property under this lease and according to the surrender rights of the lessee as hereinafter stated. Such annual assessment work can be done on or off the herein described property if it is for the benefit thereof. The lessee, upon notice as herein provided, shall also have the right and option to abandon any particular claim or claims herein leased and upon such partial abandonment this lease shall continue without change as to the remainder of the mining claims and without any reduction in the minimum rent or royalty payment of $1200.00 per year as specified.

3. That during the term of this lease the lessee shall pay to the lessors quarterly, on or before the last day of the month following the end of such calendar quarter, as a rent or royalty for ores extracted and sold from the herein described mining claims, a percentage participation of four per cent (4%) of the net profit derived from the operation of any mine developed upon said mining claims, based upon the net income (computed in accordance with the normal accounting practices of lessee) after depreciation of buildings erected on the claims or machinery and equipment used on them as well as amortization of pre-production development costs if ore different than that now being processed is found but before any allowance for depletion, Federal income or excess profits taxes.

4. That the Lessee hereby guarantees that the rent or royalty herein agreed to be paid to the Lessors shall not be less than FIFTEEN HUNDRED and 00/100 DOLLARS ($1,500.00) in any one twelve month period, commencing with the initial payment and continuing each 12 month period thereafter with the balance due, if any, of such guaranteed royalty or rent to be paid on or before thirty (30) days from the end of any such period.

5. The Lessee shall pay the royalties to the individual Lessors in such proportions as may be provided by written agreement signed by all the Lessors and filed with Lessee from all liability to Lessors, or any one of them, their successors, administrators, executors or assigns, based upon a claim that such royalties should have been paid in proportion other than set forth in such written agreement, or agreements.

6. That the Lessee shall have a right to abandon all of the mining claims herein described, or any one, or more, thereof and cease operation except that abandoned shall be subject to the stipulations as set forth in paragraph 3 above and have all assessment work done and recorded 12 months in advance of such notice. Written notice by certified mail shall be sent within 10 days addressed to the Lessors at 18-A Grant Road, Lafayette, California; provided, however, that the Lessee shall have then completed any and all required annual assessment work for the then current assessment year if any such property is abandoned between April first and July first of such current assessment year.

7. That the Lessee shall have the right to use any and all timber from the herein described mining claims for mining purposes for the benefit of said claims only. Claims may have a further right to clear timber from pieces needed to carry on its mining operations and the Lessors shall not be held accountable or responsible for timber or vegetative surface resources of the mining claims if these resources are used as stipulated above. It is further understood that the heavy stand of Fir and other timber of the Lessors claims up West Fork of Blackbird are not to be used for any purpose on Calore's other holdings without remuneration in cash at the prevailing price

for such timber or in lieu of this outright purchase of the claims involved at $3000.00 each. Furthermore this stipulation does not apply to the Sunshine or Moonlight claims outside the West Fork of Blackbird Creek.

8. That any and all property placed in or upon the herein mining claims shall be considered personal property of the Lessee and shall be removed from the premises by the Lessee within one year from date of abandonment. This does not apply to any timbering done in mining operations on these claims as this timbering is to be left intact and become the property of the Lessors.

9. That the Lessee shall pay any and all accounts and expenses for labor, materials and supplies in connection with the work hereunder in exploring and mining, promptly when due and shall cause to be released any and all liens or claims against the premises placed thereon because of the activities of the Lessee.

10. That the Lessee shall post all statutory notices required by the laws of the State of Idaho and shall at all times conduct the operation so as not to violate applicable Federal and State laws respecting unemployment compensation insurance, employee insurance, withholding and social security taxes, saving the Lessors harmless therefrom.

11. That the Lessee shall keep proper and exact records of all work done and products extracted and sold from the herein described mining claims including opportunity to permit Lessors to verify any royalty computations or work requirements hereunder, which records the Lessors, or their authorized agent, may inspect any and all reasonable times at the Idaho Mining Company office, Orofino, Idaho.

12. That the Lessors, upon abandonment and surrender of the herein described mining claims, shall have, for a period of ninety (90) days, the right and privilege of copying all drill logs, maps and assays required by the Lessee in the operation upon the herein described mining claims.

13. That should the Lessee determine that it desires to obtain a United States Department of Interior Bureau-Mineral Exploration Administration

loan or cooperative agreement for testing and exploring the herein described mining claims, the lessors agree to cooperate and assist in obtaining such loan or cooperative agreement, all costs in such event to be paid by the lessees.

14. That the lessors agree that they will cooperate in any proceeding to obtain U.S. patents on any of the herein described mining claims, the entire cost of patenting including surveying in such event, to be paid by the lessee.

15. That the lessors, or any one of them, shall have the right to go upon and in the herein described mining property for the purpose of inspecting and sampling the same, and to sample ores removed therefrom, at lessors' risk.

16. That if the lessee shall fail to comply with any of the terms and conditions of the lease herein contained the lessors shall give said lessee at least sixty (60) days notice of such failure before taking any action for collection, cancellation, forfeiture or damges, and such notice shall be in writing and sent by certified mail to the Secretary, Sinsem Mining Company, 730 Fifth Avenue, New York 19, New York.

17. That the lessors hereby warrant that the listed claims are in good standing and that they have good and marketable title to such claims free from any liens or encumbrances and, to the extent of any rent or royalty that may be due or paid to them hereunder, agree to indemnify lessee for any expense or cost which it may incur to perfect such title other than patenting or to remove any such lien or encumbrance.

18. That the lessee shall have the right, privilege and option of purchasing the herein described mining property by marketable title, subject to the paramount title of the United States of America, free and clear of all liens and encumbrances, excepting those placed thereon by the lessee, at any time during the continuance hereof up to May 1, 1966, for a purchase price of FIFTY THOUSAND and NO/100 DOLLARS ($50,000.00) with all royalties, guaranteed or otherwise, previously paid by the lessee to the lessors to be

applied to and subtracted from such FIFTY THOUSAND and NO/100 DOLLARS ($50,000.00) purchase price. Upon the exercise of such option Lessors will execute such documents as, in the opinion of counsel for Lessee, are necessary to transfer title to Lessee. Should the Lessee not exercise the option to purchase, this Lease shall still continue under the terms for the term hereinbefore stated.

10. That the terms and conditions of this Lease shall be binding upon and the benefits shall inure to the heirs, administrators, executors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, The Lessors have hereunto set their hands and seals and the Lessee has caused the corporate seal affixed by its President, on the day and year first above written.

_____(SEAL)

_____(SEAL)

_____(SEAL)

_____(SEAL)

_____(SEAL)

_____(SEAL)

Lessors

CHAMPA MINERS COMPANY

By_____
Its President

Lessee

ATTEST:

_____
Secretary

STATE OF CALIFORNIA
COUNTY OF

On this _____ day of _____, 1957, before me, the undersigned, a Notary Public in and for said State, personally appeared E. S. [illegible], [illegible] L. [illegible], E. V. [illegible] and [illegible], known to me to be the persons whosenames 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 California,
Residing at , California.

STATE OF WASHINGTON, } ss
COUNTY OF }

On this _____ day of _____, 1957, before me, the undersigned, a Notary Public in and for said State, personally appeared FLOYD V. [illegible] and [illegible], known to 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 Washington,
Residing at , Washington.

STATE OF NEW YORK,)
) ss
COUNTY OF NEW YORK.)

On this _____ day of _____, in the year 1957, before me, the undersigned, a Notary Public in and for the said State, personally appeared E. G. ROPER, known to me to be the President of the corporation that executed this instrument, or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation 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 New York,
Residing at New York City, New York.

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 16 1958

May 9, 1958

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

Re: New Application (Cobalt-Copper)
Calera Mining Company
Sunshine et al. claims
Lemhi County, Idaho

Dear Mr. Selfridge:

Enclosed are the original and two copies of an application for DMEA aid to explore for cobalt and copper in an area west of the applicant's Blackbird deposit, Lemhi County, Idaho.

Mr. Douglas, manager, brought this application to the Spokane office and discussed the proposed work with Weissenborn, MacLaren, and Vhay of the Survey and Zoldok and Waddell of the Bureau of Mines. During the discussion Mr. Douglas said that Calera expected to complete repayment of the Government's contribution to the former contract by the end of 1958. As of April 14, 1958, a total of $98,603.01 had been repaid on the $185,865.88 contributed by the Government and, according to Mr. Douglas, the next royalty check will be approximately $12,000. It is therefore quite probable that the former contract will be paid off by the end of this year as Mr. Douglas predicts. Calera wishes this application to be considered as an application for a new and separate contract rather than an extension of the former contract. Douglas points out that the target for the new exploration is a zone probably parallel to that explored under the former contract but several thousand feet from it. This will be discussed in a memorandum that will be prepared in a few days. This memorandum will review Calera's new application completely and can be prepared without a field examination from data already available to the Field Team.

By Field Team, Region I

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

Thomas E. Howard
for Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

cc: USBM (2)
Alvord

Form MF–103
Revised Oct. 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)

CALERA MINING COMPANY
Blackbird Division
Cobalt, Idaho

APPLICANT NOT TO USE THIS BLOCK

Docket Number	DMEA-5020
Date Received	5-16-58
Government Participation %	
Region	I
Division Code	400

BUSINESS ORGANIZATION (Check one)

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

State in which firm is organized: New Jersey

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

Name	Address	Title
W. M. Weaver, Jr.	500 Fifth Avenue New York 36, N.Y.	President
F. A. McGonigle	Same	Vice President
W. T. Holmes	Same	Vice President & Secretary-Treas.

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

Estimated Cost of Project: $ 102,917.00

LOCATION OF PROPERTY

Name	County	State
Calera Mining Co.	Lemhi	Idaho

GENERAL INSTRUCTIONS

Before filling out this application, please read DMEA Order–I, Revised, "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.

May 8 1958
Dated

E. B. Hougen
BY *(Signature)*

Manager
Title

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. *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 [illegible] 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, Revised.

(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.

* * * * *

IN[illegible] SEC., WASH., D.C. 25960

CALERA MINING CO.

BLACKBIRD DIVISION
COBALT, IDAHO

1. Applicant's Property Rights:

(a) The following patented ground is held under possessory rights by the Calera Mining Co.:

Broad Guage	Mineral	Survey	1592	May 23, 1901
Clondike	"	"	1592	May 23, 1901
Reuman	"	"	1592	May 23, 1901

The following unpatented claims are held by the Calera Mining Company by virtue of discovery and annual assessment work:

Chelan 18	Book 2	Page 286	June 29, 1946
Chelan 20	Book 2	Page 288	June 29, 1946
Chelan 21	Book 3	Page 521	Aug. 17, 1950
Chelan 22	Book 2	Page 289	June 29, 1946
Chelan 131	Book 5	Page 88	Aug. 20, 1953
Chelan 151	Book 8	Page 350	Jan. 2, 1957
Diane	Book 2	Page 280	June 29, 1946
Cougar 106	Book 8	Page 95	Oct. 17, 1956
Cougar 107	Book 8	Page 96	Oct. 17, 1956
Calera 5	Book 2	Page 244	June 1, 1946
Calera 8	Book 2	Page 247	June 1, 1946
Calera 11	Book 2	Page 248	June 1, 1946
Calera 12	Book 2	Page 249	June 1, 1946
Calera 13	Book 2	Page 250	June 1, 1946

All these claims are recorded in the Recorders office, Lemhi County Court House, Lemhi County, Salmon, Idaho.

The following unpatended claims are held under lease from Stevenson, Boyington and King:

Sunshine	Book No. 1	Page 529	Jan. 11, 1941
Sunshine No. 1	"	Page 530	Jan. 11, 1941
Sunshine No. 2	"	Page 531	Jan. 11, 1941

These claims are recorded as above.

(b) See claim names above; (c) Owner and lessee; (d) None

2. <u>Physical Description</u>:

(a) The Sunshine-Broad Gauge mineralized zone is situated in the Blackbird Mining District, Lemhi County, Idaho, on the Western side of the Calera Mining Company holdings, approximately 2000 feet southwest of the north Blacktail open pit and 2900 feet west of the 7400 level portal.

CALERA MINING CO.
BLACKBIRD DIVISION
COBALT, IDAHO

Physical Description cont'd.

(b) Owner and operator of the Calera Mining Company

(c) None

(d) None

(e) A high north-south ridge at a general elevation of 8000 feet coincides with the known and suspected mineralization. The area is thickly populated with lodge pole pine and underlain mostly by 2000 ft. wide band of garnetiferous biotite schists and schistose quartzites striking N 10° E and dipping steeply to the west. This cleavage may be shearing which has almost obliterated moderately dipping east-west bedding, a feature more clearly seen on the steep slopes of the Blackbird Creek Canyon several thousand feet to the south, where outcrops are more plentiful.

Bounding the area on the west is a late tertiary quartz-latite dike some 50 ft. in width, dipping steeply, striking north-south and occupying an older shear zone. The area west of this dike is underlain by non-garnetifrous schistose quartzites, perhaps somewhat more competent. There is some disagreement whether these rocks, a short distance to the west, belong in the Blackbird Group or the Lookout Group,

Terminating the band of garnetiferous rocks on the west is an inferred steeply dipping north south fault.

Mineralized natural outcrops are now existent; however, in the northern part of the area a few shallow trenches and a 30 ft. plus or minus shaft have exposed several very narrow but high grade cobaltite stringers with small amounts of copper carbonate and gossan. There is also some associated erythrite (or beiberite).

(f) The principal geological evidence justifying an exploration program here is:

1. The most striking occurrence of cobaltite at or near the surface in the Blackbird structural block.

2. A rather strong cobalt-copper geochemical anomaly indicating a respectable length.

3. Existence of nearby strong structures necessary for the formation of channelways for mineralizing solutions in a favorable host rock.

CALERA MINING CO.
BLACKBIRD DIVISION
COBALT, IDAHO

Physical Description, Cont'd.

(g) See attached engineering and geological maps.

3. Accessibility of Project

(a) Mr. E. B. Douglas, Manager
Calera Mining Company
Cobalt, Idaho.

(b) Cobalt, Idaho, approximately 9 miles southeast of property.

4. The Exploration Project

(a) Stage I involves additional self-potential and geochemical work to fill in present gaps.

This work would be followed by a series of trenches to bedrock, starting near the Sunshine shaft and progressing to the south and southeast. These would be generally 500 ft. long and at 200-400 foot intervals. This would be followed by surface diamond drilling necessary to sufficiently outline the zone at depth for underground exploration. Holes would be at least 250 ft. in depth.

In Stage II a drift would be advanced along the length of the entire zone as outlined above, finally involving umderground diamond drilling from this drift at 100 ft. intervals.

(b) Access road need not be built.

(c) Can start immediately and will require three years to complete.

5. Experience

Operators of the Blackbird Mine, Calera Mining Company, mining and milling cobalt-copper ores since 1951

CALERA MINING CO.
BLACKBIRD DIVISION
COBALT, IDAHO

6. Estimate of Costs

The following cost breakdown follows the form of the former DMEA Contract, Docket No. DMEA 3143 Contract No. Idm-E645. The proposed work is similar and will follow much the same sequence of the former contract.

OPERATION	Price under CONTRACT Idm-E 645	INCREASE IN COST OF LABOR AND SUPPLIES	PROPOSED COST	UNITS REQUIRED	TOTAL COST
Drifting	$35.535 per ft.	25%	$ 44.45	1,100 ft.	$ 48,895
Normal Timbering	7.00 " "		8.75	700 "	6,737
Heavy Timbering	7.00 " "		8.75	330 "	2,888.
Spiling	20.00 " "		25.00	165 "	4,125.
Framing	5.48 " "		6.85	400 Sets	2,740
Assaying Stage II	3.00 "/Determination		3.75	720 Det.	2,700
Core Drill. " II	3.3822 " Ft.		4.23	1,730 ft. hour	7,318
Trenching	11. 878 per ~~shift~~ hour		14.85	384 ~~Shifts~~	5,702.
~~XXXXXXXXXXXXXX~~Core Drilling Stage I	6.96 per foot		8.70	2,000 Ft.	17,400.
Rock-Bolting	3.54 " "	(included in timber cost)	3.90	-o-	-o-
Assaying Stage I	3.00 per determination		3.75	750 Det.	2,812.
Reaming Stage I	2.50 per foot		3.15	270 ft.	850
*Geo-chemical and self potential survey			125.00/Mi.	6 miles	750
Total Expense					$102,917

* Includes 75 cents per cobalt-copper trace analysis

7 (a) Yes

(b) By money, equipment and supervision

MAPS ENCLOSED

1. Index map of Idaho showing location of Blackbird District.
2. 1000-scale claim map of district showing Calera holdings, location of previous contract, and new proposed contract.
3. Two 200-scale geology maps showing proposed work.
4. Two geochemical 200-scale maps.
5. Two self-potential 200-scale maps.

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U. S. Government Messenger Envelope

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2. Void previous block.
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NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM	
~~Mr. Hoffman~~ ~~Rm 5119~~	RUN / STOP		RUN / STOP
Mr. Alex Wolf	RUN / STOP		RUN / STOP
~~Catherine Vunston~~ ~~Room 5323~~	RUN / STOP		RUN / STOP
Dir. of Information Mr. Harlan Wood	RUN / STOP		RUN / STOP
Miss Webster Rm 4459	RUN / STOP		RUN / STOP
~~Mr. Kilsgaard~~	RUN / STOP		RUN / STOP
Mail & Files DMEB, 4450	RUN / STOP		RUN / STOP
[redacted]	RUN / STOP		RUN / STOP
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	RUN / STOP		RUN / STOP

Send surplus envelopes to supply room for reissue.

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16—38949a-2

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

September 20, 1974

Mr. L. W. Spong
Vice President
Idaho Mining Company
34th Floor
100 Erieview Plaza
Cleveland, Ohio 44114

Re: DMEA-3020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-81223

Dear Mr. Spong:

As the period of obligation for payment of royalties on production from the subject property has terminated, this is to inform you that the Government is closing its books and records on this contract. Therefore, the Government according to its present records retains no claim or lien for royalty pursuant to the terms of this DMEA contract.

Sincerely yours,

Harold Kirkemo, Chief
Office of Minerals Exploration

cc: Region I
DRF
MR Rdg.
OME Rdg./OME Files
Mr. Kirkemo
Mr. Kirkemo/gpw

HK

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

June 27, 1973

Mr. L. W. Spang
Vice President
Idaho Mining Company
36th Floor
100 Erieview Plaza
Cleveland, Ohio 44114

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mr. Spang:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Mr. C. Walker Lyon, attorney for the K. V. King Estate, reported to us last winter that a 5-year extension had been granted to the Mining Lease dated July 1, 1967, between Edith L. Boynton, K. V. King, Floyd W. Stevenson, Merle Stevenson, Alice King, lessors, and Roger V. Pierce, lessee, as subsequently assigned to Idaho Mining Company. Please send us a copy of the document granting this extension.

Copy of Document is enclosed

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to R-I

5

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since **January 1, 1973**, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☒

2. Since **January 1, 1973**, has there been any production from the land subject to the contract? Yes ☐ No ☒

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings *(see* , has any production been transported through *of contract)*? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	*Title*
IDAHO MINING COMPANY	Assistant Secretary
Address	*Date*
100 Erieview Plaza, Cleveland, Ohio 44114	July 2, 1973

IDAHO MINING COMPANY

100 ERIEVIEW PLAZA
CLEVELAND, OHIO 44114

December 22, 1971

Certified Mail
Return Receipt Requested
IN DUPLICATE

Mr. K. V. King
~~Box 5007~~ P.O. Box 779
~~Berkeley, California 94715~~
OAKLAND, CA. 94604

Dear Sir:

By Mining Lease dated July 1, 1967 (hereinafter called the "Lease"), Edith L. Boynton, K. V. King and Alice King and Floyd W. Stevenson and Marie Stevenson, leased to Roger V. Pierce the following unpatented mining claims, situated in the Blackbird Mining District, County of Lemhi, Idaho, to wit:

Moonlight #1	Sunshine #1
Moonlight #2	Sunshine #2
Moonlight #3	Patty "B"
Moonlight #4	Edith "B"
Sunshine	Ellin "E"

By agreement dated November 16, 1967, but effective July 1, 1967, the said Roger V. Pierce transferred, assigned and set over to the undersigned, Idaho Mining Company, all of his right, title and interest in, to and under the Lease.

Under its terms, the Lease will expire July 1, 1972 unless its term is extended by notice given on or before January 1, 1972.

Idaho Mining Company, as Lessee under the Lease and pursuant to the rights reserved to it under the Lease, hereby extends the term of the Lease for an additional five (5) years to expire on July 1, 1977.

This notice is sent to you in duplicate and we shall appreciate your acknowledging receipt hereof by signing the duplicate copy in the space below provided and returning it to us in the enclosed self-addressed envelope.

The Hanna Mining Company

100 ERIEVIEW PLAZA, CLEVELAND, OHIO 44114

Also enclosed herewith are duplicate copies of this notice for forwarding to the other lessors if you so wish.

Very truly yours,

IDAHO MINING COMPANY

J H Lee

Vice President

Received this 28th day of DECEMBER.

Estate of K. V. King
by Maine K. King Executrix

K. V. King

cc: Idaho First National Bank

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

November 28, 1972

Mr. C. Walker Lyon
Attorney for the K. V. King Estate
Lyon Building
Salmon, Idaho 83467

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

January 1, 1972

OFFICIAL COPY
O. M. E.
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Dear Mr. Lyon:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since January 1, 1972, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☒

Is the Mining Lease dated July 1, 1967, between Edith L. Boynton, K. V. King, Alice King, Floyd W. Stevenson, Merle Stevenson, lessors, and Roger V. Pierce, lessee, and the Assignment and Acceptance of Assignment of said lease to the Idaho Mining Company, both dated November 16, 1967, and effective July 1, 1967, still in effect? If not, please explain. Yes [X] No [ ]

Extended 5 yrs.

2. Since January 1, 1972, has there been any production from the land subject to the contract? Yes ☐ No ☐

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser (*name and address*)	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity (*tons*)	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since , has any production been transported through workings (*see* *of contract*)? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	*Title*
Address	*Date*

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/29/72		120
		220

AIRMAIL

Mr. C. Walker Lyon
Attorney for the K. V. King Estate
Lyon Building
Salmon, Idaho 83467

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mr. Lyon:

Thank you for your letter of November 16, 1972, and the two copies of the Mining Lease dated July 1, 1967, between Edith L. Boynton, K. V. King, Alice King, Floyd W. Stevenson, Merle Stevenson, lessors, and Roger V. Pierce, lessee, and the Assignment and Acceptance of Assignment of said lease to Idaho Mining Company, both dated November 16, 1967, and effective July 1, 1967.

We note in Section 1 of the Mining Lease that the lessee had the right and privilege of extending the original five-year term of the lease if written notice was given to the lessors on or before January 1, 1972. Was such notice given and was the lease extended to July 1, 1977? If not, are we to assume that the lease terminated as of July 1, 1972? Your replies to these questions may be indicated on the enclosed copies of MME Form 63 which we ask you to complete and return to this office.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region I w/ copies letter 11/16/72,
Lease, Assignment, and Acceptance of
Assignment dated 11/16/67, effective 7/1/67
Mr. Kirkemo
130

HKirkemo/gla 11-29-72

LAW OFFICES
C. WALKER LYON
LYON BUILDING
SALMON, IDAHO
83467

TELEPHONE 756-2814

P. O. BOX 250

November 16, 1972

OFFICIAL
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O. M. E.
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Mr. Harold Kirkemo
Chief, Office of Minerals Exploration
Geological Survey
U.S. Department of the Interior
Washington, D. C. 20242

RE: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et. at., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mr. Kirkemo:

As Attorney for the K. V. King Estate, Marie E. King sent me your letter of October 4, concerning the lease of the Sunshine Mining Claims to the Idaho Mining Company.

Enclosed herewith are two copies of the July 1, 1967 lease to Roger V. Pierce and two copies of the Assignment from Roger V. Pierce to the Idaho Mining Company dated November 16, 1967.

The Idaho Mining Company address is; 36th Floor, 100 Erieview Plaza, Cleveland, Ohio, 44114.

Sincerely,

CWL/jk
ENC: 4

Copy letter, Lease July 1, 1967, and Assignment, same date, to OME Region I

filed left side of docket

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S).
REQUIRED FEE(S) PAID.

☐ Show to whom, date and address where delivered

☐ Deliver ONLY to addressee

RECEIPT

Received the numbered article described below.

REGISTERED NO.

CERTIFIED NO. 133795

INSURED NO.

DATE DELIVERED NOV 28 1972

SIGNATURE OR NAME OF ADDRESSEE (*Must always be filled in*)

Marie E. King

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

SHOW WHERE DELIVERED (*only if requested*)

DMEA-5020 Marie E. King

a55—16—71548-11 347-198 GPO

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

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PAYMENT OF POSTAGE, $300

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NOV 28 1972
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Print your name and address below. If you want to restrict delivery, or to have the address of delivery shown on this receipt, check block(s) on other side. Moisten gummed ends and attach this card to back of article.

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U. S. Geological Survey
Office of Minerals Exploration
Department of the Interior
Washington, D. C. 20242

POD Form 3811 Apr. 1969 c55—16—71548-11

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/17/72		120
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AIRMAIL
CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Marie K. King
Executrix of the Estate of K. V. King
P. O. Box 779
Oakland, California 94604

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mrs. King:

We have not received a reply from you to our letter of October 4, 1972, copy enclosed, requesting information concerning the lease of the Boynton claims #LO 340 to the Idaho Mining Company. Will you please forward the information requested in the last paragraph of our October 4 letter as promptly as possible.

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region I
Mr. Kirkemo
130

GLAult/a 11-17-72

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
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October 4, 1972

AIRMAIL

Mrs. Marie E. King
Executrix of the Estate of K. V. King
P. O. Box 779
Oakland, California 94604

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mrs. King:

This is with reference to the undated Consent to Lien and Subordination Agreement, signed by K. S. Boynton and Edith L. Boynton, K. V. King and Alice V. King, Floyd W. Stevenson and Merle Stevenson, on the Sunshine, Sunshine #1, and Sunshine #2 mining claims under the subject Exploration Project Contract.

We have received information that the Boynton claims #LO 340 have been leased to the Idaho Mining Company, subsidiary of the Hanna Mining Company.

Under Item 5.(b) of the Consent to Lien and Subordination Agreement the signators agreed "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;". The Government's lien on production under this contract continues until June 27, 1974.

You are requested to furnish this office with two copies of the document of transfer, and the address of the Idaho Mining Company. If you have any questions, we will be pleased to reply promptly.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading file
OME Region I w/MME Form 63
and letter from Floyd W.
Stevenson, completed 9/16/72
Mr. Kirkemo
130

GLAult/a 10-4-72

RR#1, Box 376 F
Richland, Washington
99352

Sept. 16 1972

Office of Minerals Exploration
United States
Department of the Interior
Geological Survey
Washington, D.C. 20242

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O.M. E.
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Re: Lease Boynton Claims #L0340

All material pertaining to Lease Boynton Claims No. L0340, are in the possession of Marie E. King, P.O. Box 779, Oakland, Calif. 94604, who is Executrix of the estate of K.V. King (on Boynton Lease Claims). She will furnish any further data if existing as she was in Salmon, Idaho, location of said Claims twice this summer.

Yours very truly

[signature]

Inc: reply request for info. on Prospect under Royalty agreement

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

SEP 8 1972

Mr. Floyd W. Stevenson
Route #1
Box 376-F
Richland, Washington 99352

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

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O. M. E.
RECEIVED
SEP 21 1972

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Dear Mr. Stevenson:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This inquiry relates to the undated Consent to Lien and Subordination Agreement signed by you among others under the subject contract.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since July 10, 1971 has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☑ No ☐

Lease Boynton Claims
Lessee Idaho Mng Company
Subsidiary to Hanna Mng Company

2. Since July 10, 1971, has there been any production from the land subject to the contract? Yes ☐ No ☑

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser (*name and address*)	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity (*tons*)	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings (*see* , has any production been transported through *of contract*)? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	*Title*
[illegible]	Part owner
Address	*Date*
[illegible]	Sept 16 1972

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

June 27, 1971

Mr. Floyd W. Stevenson
Route #1
Box 376-F
Richland, Washington 99352

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

OFFICIAL COPY
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Dear Mr. Stevenson:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This inquiry relates to the undated Consent to Lien and Subordination Agreement signed by you among others under the subject contract.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to P-I

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since July 6, 1970, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☑

2. Since July 6, 1970, has there been any production from the land subject to the contract? Yes ☐ No ☑

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings *(see* , has any production been transported through *of contract)*? Yes ☐ No ☑

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	*Title*
[illegible]	Part Owner
Address	*Date*
Box 376 F Lick Creek Road	July 18 - 1977

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

June 26, 1970

Mr. Floyd W. Stevenson
Route #1
Box 376-F
Richland, Washington 99352

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 10 1970

INITIALS	CODE
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HK	~~120~~
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Dear Mr. Stevenson:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This inquiry relates to the undated Consent to Lien and Subordination Agreement signed by you among others under the subject contract.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since July 10, 1969, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☑

2. Since July 10, 1969, has there been any production from the land subject to the contract? Yes ☐ No ☑

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings *(see* , has any production been transported through *of contract)*? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	*Title*
Lloyd W. Ahrenson	Lar Owner
Address	*Date*
Box 376 Richland, Wash	July 6-1970

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

June 27, 1969

Mr. Floyd W. Stevenson
Route #1
Box 376-F
Richland, Washington 99352

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 24 1969

INITIALS	CODE
gla	130
HK	120
	220

Dear Mr. Stevenson:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This inquiry relates to the undated Consent to Lien and Subordination Agreement signed by you among others under the subject contract.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy sent to R-I

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since July 14, 1968, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

   Are the unpatented Shunshine claims still valid? If not, please give details. Yes ☑ No ☐

2. Since July 14, 1968, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name [illegible] Title Part Owner

Address: [illegible] Box 376F Date July 10-1969

Richard Ward

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

July 1, 1968

Mr. Floyd W. Stevenson
Route #1
Box 376-F
Richland, Washington 99352

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 23 1968

INITIALS	CODE
	130
	110
	220

Dear Mr. Stevenson:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This inquiry relates to the undated Consent to Lien and Subordination Agreement signed by you among others under the subject contract.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since June 28, 1967, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☑ No ☐

   Are the unpatented Sunshine claims still valid? If not, please give details.

2. Since June 28, 1967, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name [illegible] Title Part Owner

Address [illegible] Date July 14-1968

[illegible]

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/16/67		110
		220

OCT 16 1967

Mr. Roger V. Pierce
Consulting Engineer
2302 University Club Tower
Salt Lake City, Utah 84111

Re: MMA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-K1223

Dear Mr. Pierce:

Thank you for your letter of October 9, 1967, advising that no production has been made from the Sunshine claims in Lemhi County, Idaho.

In reply to your inquiry as to the status of the subject contract, information on this contract is given below:

Contract No. Idm-K1233, dated June 27, 1958

Patented claims owned by Calera

Property - Broad Gauge, Mineral Survey No. 1592
Clondike, Mineral Survey No. 1592
Rouman, Mineral Survey No. 1592

Unpatented claims owned by Calera

Chelan claims 18, 19, 20, 21, 22, 84, 131, and 151
Biene claims
Cougar claims 106 and 107
Calera claims 5, 8, 11, 12, and 13

Unpatented claims leased by Operator

Sunshine, Sunshine No. 1, and Sunshine No. 2

The Government retains a lien in the amount of $1,531.25 on the land under the contract and any production until June 27, 1974.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division file
Economic Geology File
OME File
OME Reading File
OME Region I w/cy incoming letter
130

FEJohnson/gla 10-16-67

23263

ROGER V. PIERCE
CONSULTING ENGINEER
2302 UNIVERSITY CLUB TOWER
SALT LAKE CITY, UTAH 84111

October 9, 1967

OFFICIAL COPY

130
~~120 M~~
110

220

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

Subject: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1 223

Dear Mr. Johnson:

In answer to your letter of recent date, this is to advise that there has not been any production on the Sunshine claims in Lemhi County, Idaho.

Would you give me the status of this particular contract, as I do not seem to have a copy of this in my files.

Thanking you.

Yours very truly,

Roger Pierce

RVP:sld

Roger V. Pierce

Copy to RI

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/29/67		110
		220

SEP 29 1967

Mr. Roger V. Pierce
Consulting Engineer
2302 University Club Tower
Salt Lake City, Utah 84111

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mr. Pierce:

Referring to the last paragraph of our July 10, 1967, letter to you, we would appreciate being advised if there has been any production from the property under the subject contract since you acquired the interest of the Calera Mining Company.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
OME Region I
130

GLAult/a 9-29-67

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/10		110
		220

Mailed July 10, 1967

Mr. Roger V. Pierce
Consulting Engineer
2302 University Club Tower
Salt Lake City, Utah 84111

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract No. Idm-E1223

Dear Mr. Pierce:

Receipt of your letter of July 5, 1967, requesting particulars on the subject contract and the claims covered by the contract is acknowledged.

It is our understanding that you were furnished a copy of this contract in February of this year through our Field Office in Spokane. The claims subject to the Government's lien in the amount of $1,531.25 are listed in the contract Annex I.

Please advise if there has been any production from the property under this contract since you acquired the interest of Calera Mining Company.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's reading file
Division file
Economic Geology file
OME file
OME reading file
OME Region I

FEJohnson/bih 7/10/67

23263

ROGER V. PIERCE
CONSULTING ENGINEER
2302 UNIVERSITY CLUB TOWER
SALT LAKE CITY, UTAH 84111

OFFICIAL
COPY
O. M. E.
RECEIVED
JUL 10 1967
INITIALS | CODE
110

July 5, 1967

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

Dear Mr. Johnson:

I would like very much to have the particulars on the DMEA 5020 project.

On exactly what claims does this loan apply?

Thank you for your advice, and for your numerous assistances.

Yours very truly,

Roger Pierce

RVP:sld

Roger V. Pierce

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

June 21, 1967

Mr. Floyd W. Stevenson
Route #1
Box 376-F
Richland, Washington 99352

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 6 1967

INITIALS	CODE
gla	120 m
FEJ	110
	120 m
	120

Dear Mr. Stevenson:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This inquiry relates to the undated Consent to Lien and Subordination Agreement signed by you among others under the subject contract.

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

cy to R-I

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since September 3, 1966, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [ ] No [✓]

   Are the unpatented Sunshine claims still valid? If not, please give details. Yes [✓] No [ ]

2. Since September 3, 1966, has there been any production from the land subject to the contract? Yes [ ] No [✓]

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes [ ] No [✓]

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Joe Newman Title Part Owner

Address Apt 1 Box 376F Date 6/28/67

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/30		140
6/30/67	Kirkham	122
		222

JUN 30 1967

Mr. Roger V. Pierce
Consulting Engineer
2302 University Club Tower
Salt Lake City, Utah 84111

Dear Mr. Pierce:

In reply to your letter of June 26, 1967, the status of the two contracts with the Calera Mining Company is as follows:

DMEA-3143 - Government participation repaid in full.

DMEA-5020 - The Government holds a lien on the land under this contract and any production therefrom until June 27, 1974.

The Government holds a lien on the land under the contract with Montana Coal and Iron Company (DMEA-2499) until March 25, 1974.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's reading file
Division file
Economic Geology file
OME files DMEA-3143 - DMEA-5020 - DMEA-2499
OME reading file
OME Region I w/cy inc.ltr.
120

FEJohnson/bih 6/30/67

23263

ROGER V. PIERCE
CONSULTING ENGINEER
2302 UNIVERSITY CLUB TOWER
SALT LAKE CITY, UTAH 84111

June 26 1967

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

Dear Mr Johnson

I very much appreciate your recent letter [illegible] my questions on a DMEA loan that was made to Northfield Mines.

[illegible] that the exp[illegible] June 6 1967 [illegible]

You mentioned the Calera contracts DMEA 3143 and DMEA 3020 Am I right in assuming that these have both been paid off?

The question may [illegible] the abstracts covering all of this [illegible] up to date and [illegible] important to know definitely whether there are any [illegible] would gather from your letter that there are no other loans on any of the ground in the area other than Montana Coal and Iron Company.

Thanking you again for your patience and your help

Yours very truly

RVP:ld

Roger V. Pierce

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/20		110
		222

Mr. Roger V. Pierce
Consulting Engineer
2302 University Club Tower
Salt Lake City, Utah 84111

Dear Mr. Pierce:

This is in reply to your letter of June 15, 1967, concerning the contract with Northfield Mines, Inc. (DMEA-2436), and other DMEA contracts in the Blackbird mining area.

The period covering production subject to payment of the Government's royalty under the above mentioned contract, expired June 6, 1967. As soon as information is received confirming that no production from the property under this contract has been made, we will be in a position to close our books and records thereon.

In response to your inquiry, other DMEA contracts for exploration in the Blackbird mining area, are the Galena contracts (DMEA-3143 and DMEA-5020), with which you are familiar, and the contract with the Montana Coal and Iron Company (DMEA-2499), which still has control of the property under its contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's reading file
Division file
Economic Geology file
OME file 2436 - 5020 - 2499
OME reading file
OME Region I w/cy inc.ltr.

FEJohnson/bih 6/20/67

23263

GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
February 9, 1967

FEB 13 1967
INITIALS

AIRMAIL

Mr. Roger V. Pierce
Consulting Engineer
2302 University Club Tower
Salt Lake City, Utah 84111

Re: DMEA-3143 (Cobalt-Copper)
Calera Mining Company
Blackbird Mine
Lemhi County, Idaho
Contract No. Idm-8645

and

DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract No. Idm-81223

Dear Mr. Pierce:

This will acknowledge receipt of your letter of February 6, 1967, regarding copies of the contracts of the above-cited projects that the Government entered into with Calera Mining Company.

We have taken these contracts and other documents to Abedan Inc. for reproduction and you should receive them within the next few days. A statement will be forwarded to you along with the reproductions by Abedan Inc.

Sincerely yours,

D. R. MacLaren
Field Officer, OME
Region I

DRMacLaren/mls

cc: OME(2)w/cpys incoming

Director's Reading File

ROGER V. PIERCE
CONSULTING ENGINEER
23rd FLOOR UNIVERSITY BUILDING
XXXXXXXXXXXXXXXXXX 2302 University Club Tower
SALT LAKE CITY, UTAH 84111

February 6, 1967

Mr. D. R. MacLaren
Field Officer, OME
Region 1
United States Department of the Interior
157 Howard Street
Spokane, Washington 99204

Dear Mac

Thanks very kindly for your recent letter.

In answer to the last paragraph of your letter, it is the copies of the contracts that the government entered into with Howe Sound that I would like to obtain.

I contacted Bill Holmes, Vice President of Howmet Company, which is the company that has taken over all of Howe Sound's interests, or rather they have just simply adopted a new name, and he advised that he would wire your offices that it would be permissible for me to have copies of these.

If you will have them photostated, I will be glad to pay for whatever charges are involved.

Thanking you and looking forward to being in touch with you again soon, I am,

Yours very truly

RVP:sld

Roger V. Pierce

RECEIVED
FEB 8
O. M.

GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
January 27, 1967

AIRMAIL

Mr. Roger V. Pierce
Consulting Engineer
2302 University Club Tower
Salt Lake City, Utah 84111

Dear Roger:

Your two letters of January 25, 1967, addressed to Al Weissenborn have been turned over to me for reply as Al is no longer connected with the Office of Minerals Exploration.

Enclosed is a set of six Form MME 52's--Lien and Subordination Agreements. These should be executed by the lessor, one copy retained by him and five returned to this office with, or following, the submission of your application. If a contract results, a copy of the Agreement will be included as part of your copy of the contract. A set of these forms is required for each lease and/or sublease that may be involved, but I gather from your letter Howard Sims is the only lessor. Also enclosed is a copy of Standard Form 25.

The two Calera projects are docketed under DMEA No. 5143--Blackbird Mine--and DMEA No. 5020--Sunshine, et al., Claims. We do not have the facilities in this office to reproduce the material you request. You could write to Mr. Frank E. Johnson, Chief, OME, U. S. Geological Survey, Washington, D. C. 20242, or if you wish, we can have reproductions made in Spokane at your expense.

I wonder if it is the contracts of which you wish copies or if it is the applications. Should you care to come to Spokane, I will be glad to show you any material we have in our files which the Calera Company gave us. I cannot, of course, show you any reports prepared by the Geological Survey or Bureau of Mines personnel as they are for Government use only. You would then know precisely what available material we have that will assist you.

Sincerely yours,

D. R. MacLaren
Field Officer, OME
Region I

Enclosures
cc: A. E. Weissenborn

DRMacLaren/mls
cc: OME w/copy incoming
Director's Reading File

[illegible] AND M[illegible]ING MACHINERY PLANT LIQUIDATIONS

machinery center, inc.

1201 SOUTH 6TH WEST
P. O. BOX 964
PHONE 484 7401
SALT LAKE CITY, UTAH 84110
CABLE ADDRESS "ROGER"

January 25, 1967

Mr. Al[illegible] [illegible]enborn
United States Geological Survey
South [illegible] Howard Street
Spokane [illegible] Washington

Dear Al:

I wonder if you would mail to me Form [illegible] (Disclosure) and Standard Form 25. (Performance Bond.) These are the forms that in case the actual land owner namely Howard Sims, may not go along with me on the [illegible] loan. I might find that I will need these.

Thanks.

Yours very truly,

MACHINERY CENTER, INC.

Roger V. Pierce
President

RVP bmm

PRICES QUOTED ARE FOR IMMEDIATE ACCEPTANCE ONLY
ALL QUOTATIONS SUBJECT TO PRIOR SALE

ROGER N. PIERCE

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible] power line [illegible] at Cuba.

[illegible] from my phone call [illegible] much interested [illegible] effect of government sponsored exploration program on the claims at Cuba.

[illegible] held at [illegible] under which Howe [illegible] DMEA [illegible] the two DMEA [illegible] around $4 [illegible] 000 was used [illegible] about $100 [illegible] being used.

[illegible] give me information that [illegible] this informal form [illegible]

[illegible]

Very [illegible]

/S/ Roger N. Pierce

Roger

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

August 17, 1966

Mr. Floyd W. Stevenson
Route #1
Box 376-F
Richland, Washington

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 14 1966

INITIALS	CODE
9/14 M	120
	110
HR	120
	120

Re: **DMEA-5020 (Cobalt-Copper)**
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mr. Stevenson:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This inquiry relates to the undated Consent to Lien and Subordination Agreement signed by you among others under the subject contract.

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **October 1965**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [ ] No [✓]

   Are the unpatented Sunshine claims still valid? If not, please give details. **Yes** [✓] **No** [ ]

2. Since **October 1965**, has there been any production from the land subject to the contract? Yes [ ] No [✓]

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes [ ] No [✓]

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name [illegible] Title Owner

Address [illegible] Date Sept 3-1966

IN REPLY REFER TO:

90

U. S. GEOLOGICAL SURVEY
RECEIVED
OCT 12 12 47 PM 1965
OFFICE OF THE DIRECTOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

September 23, 1965

Mr. Floyd W. Stevenson
Route #1
Box 376-F
Richland, Washington

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

ORIGINAL COPY
O. M. E.
RECEIVED
OCT 14 1965
CODE
720 110
10/14 m 120 m
120

Dear Mr. Stevenson:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This inquiry relates to the undated Consent to Lien and Subordination Agreement signed by you among others under the subject contract.

Sincerely yours,

(Signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

DMEA-5020
Idm-E1223

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **February 1964**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

Are the unpatented Sunshine claims still valid? If not, please give details. Yes ☑ No ☐

2. Since **February 1964**, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Floyd W. Lawrence Title Part Owner

Address Box 3765 Date Oct 8 1965

Richland, Wash.

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

February 5, 1964

Re: [redacted]-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-01220

Mr. R. V. King
2942 Russell St.
Berkeley 5, California

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since April 20, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since April 20, 1960, has there been any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value
_____	_____	_____
_____	_____	_____

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since _____, has any production been transported through _____ workings (see _____ of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

February 5, 1964

Re: MMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Mr. Lloyd W. Stevenson
Box 376-F
Route 1
Richland, Washington

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

OFFICIAL FILE COPY
RECEIVED FEB 1. 1964

DATE		
2/18		800
2/18		100
2/18		110
2/19	Murphy	50
		220

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since April 20, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

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   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Floyd W Stevenson Title Part Owner

Address RR1 Box 376F Date Feb-13-1964

Richland, Wash.

4511

also write to Calera

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 28 1963

DATE	INITIALS	CODE
10/28		810
		120
		100
		110
10/29	Murphy	500

October 4, 1963

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Mrs. K. S. Boynton
18A Crest Road
Lafayette, California

Dear Mrs. Boynton:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

George Fumich Jr.

George Fumich, Jr.
Director

Mr Boynton passed away Feb 14-1960 (just before Mr Griswolds letter Mch 28-60)
He & Mr Stevenson & Mr King were together in this project so any more definite information you need - you could get from them & receive my information from them -
Thanks
Mrs. K. S. Boynton
The mine was closed before Apr 20-1960 I was told.

MME Form 63
Revised 3-62

DMEA-5020
Idm-E1223

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since April 20, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

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_____	_____	_____
_____		

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Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

OFFICIAL FILE COPY
C. M. E.
RECEIVED DEC 5 1963
Murphy 500
220

So. 157 Howard Street
Spokane, Washington 99204
December 3, 1963

Memorandum

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

From: Acting Field Officer, Region I

Subject: DMMA-3020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-81225

There is enclosed the original of a Report of Royalty Review dated November 15, 1963, covering the subject contract for the period September 8, 1960, through October 31, 1963.

One copy of the report has been retained for the Spokane office files. The report is for record purposes only, and no copy was provided for the Operator.

D. R. MacLaren

Enclosure

cc: OMM(2)
CA&A
CPF

Director's Reading File
Resources Research Branch Chief

MLSmelser:mls

MME Form 7
(10-58)

NOV 29 1963

OFFICIAL FILE COPY

Date	Surname	Code
11/29	[illegible]	220

Memorandum

To: Acting Field Officer, Region I

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

Subject: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

The original and one copy of a Report of Royalty Review covering the subject contract are enclosed. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Management Operations, Office of the Secretary, U. S. Department of the Interior, Washington, D. C. 20240; and

(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, both copies of the report should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 11-26-63

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

43683

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee ☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

Mrs K. S. Boynton

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED OCT 12 1963

ADDRESS WHERE DELIVERED *(only if requested in item #1)*

5020

C55—16—71548-4 GPO

5020

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/4	Selfridge	120
"	Johnson	110
"	Fumich	100
		500
		220

OCT 4 1963

REGISTERED
RETURN RECEIPT REQUESTED

Mrs. K. S. Boynton
18A Crest Road
Lafayette, California

Re: MMKA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-M1223

Dear Mrs. Boynton:

Mr. W. R. Griswold, Chief, Division of Minerals, in his letter of October 25, 1962, to you enclosed copies of MMK Form 63 with the request that the form be completed and returned to us. For your information a copy of his letter is enclosed. Also enclosed are three copies of the form which please complete and send us two. The other is for your records.

Sincerely yours,

George Fumich, Jr.

(pk)

Director

Enclosures

GCSelfridge/gla (10-4-63)
cc to: Director's Reading File
Region I
GCSelfridge

23263

DOCKE T COPY

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

October 4, 1963

Re: IDMA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Mrs. K. S. Boynton
18A Crest Road
Lafayette, California

Dear Mrs. Boynton:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

George Rumich, Jr.
Director

MME Form 63
Revised 3-62

-5020
-R1223

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since April 20, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since April 20, 1960, has there been any production from the land subject to the contract? Yes ☐ No ☐

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	Quantity	Value
_____	_____	_____
_____	_____	_____

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10.23	Holt	500
	Pinkerton	500
10/23	Talbot	800
10/24	Schwabe	220
11	Spencer	110
10/25	Funk	100
		220

OCT 2 5 1962

Mrs. K. S. Boynton
18A Crest Road
Lafayette, California

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mrs. Boynton:

We thank you for the information in your letter of October 6, 1962, concerning the subject contract.

Enclosed are copies of our letters of March 28, 1960, to Mr. Boynton and yourself, and to Mr. F. A. McGonigal, vice president of Calera Mining Company, stating the obligation of the Operators and the land owners under the contract.

Briefly stated, if there is production from the property, royalty is due the Government, at rates ranging from 1½ to a maximum of 5 percent, depending on the value of the product. If there is no production, no royalty is due. If the property is sold or leased, you are obligated to notify the new owner or lessee of the Government's right to its royalty on production.

If the new owner or lessee mines ore or mineral from the property and does not pay the Government's royalty, you and your partner, as grantors of the lien to the Government, will be obligated to pay the royalty.

The obligation to pay the Government's royalty will continue until $1,531.25 (the amount the Government contributed) is paid, or until June 27, 1974, whichever occurs first.

As you indicate that you were not aware of the lien, and to refresh your memory, we also enclose copies of your letter of June 26, 1960, and our reply of July 21, 1960.

We shall appreciate receiving the completed Form 63 as soon as Mr. King returns and you are able to contact him.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

cc: Director's reading file
Region I (2) w/2 copies of Mrs. Boynton's letter 10/6/62.
CA&A Division
Docket ✓
Code 500

SPHolt/mm 10-23-62

Enclosures

43683

If the new owner or lessee mines ore or mineral from the property and does not pay the Government's royalty, you and your pertners, as grantors of the lien to the Government, will be obligated to pay the royalty.

The obligation to pay the Government's royalty will continue until $1,531.25 (the amount the Government contributed) is paid, or until June 27, 1974, whichever occurs first.

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Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10-18	Holt	500
	On Leave	500
		800
		420
		110
		100
		220

Mrs. K. S. Boynton
18A Crest Road
Lafayette, California

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

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The obligation to pay the Government's royalty will continue until $1,531.25 (the amount the Government contributed), is paid or until June 28, 1968, whichever occurs first.

Docket Schedule Present A

We will appreciate receiving the completed Form 63 as soon as Mr. King returns and you are able to contact him.

Sincerely yours,

W. R. Griswold (gla)

W. R. Griswold, Chief
Division of Minerals

Enclosure
SPHolt/mm
10-18-62

cc: Director's Reading
Region I w/2 copies of Mrs. Boynton's letter 10/6/62
CA&A Division
Docket
Code 500

43683

Re: DMEA-500 500

Mrs. Boynton and her partners are not personally "sureties" under the contract. They are grantors of a lien to the Govt.

Royalty period expires June 27, 1974, — not June 26, 1968. Yes

As Mrs. Boynton indicates she was not aware of lien, I believe she should be sent copies of her June 26, 1960, letter and our July 21, 1960. reply. Yes

Talbot
10/22/62

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

Mrs. K. S. Boynton
18A Crest Road
Lafayette, California

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-E1223

Dear Mrs. Boynton:

We thank you for the information in your letter of October 6, 1962, concerning the subject contract.

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Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

Enclosure

18 A Crest Rd.
Lafayette Calif
Oct - 6 - 62

Mr. Wm R. Prescott
Chief - Div. of Minerals
Office of Minerals Exploration -
Washington D.C.

	INITIALS	
		5.00

Dear Sir:

Your letter of September 27 - 1962 (Re: WM EP - 5020 (Cobalt - Copper) Calera Mining Co - Sunshine et al - Claims - Lemhi Co - Idaho - Contract Adm - E1 2 2 3) asking me about changes in the status of property + production during the period of royalty obligation

My husband passed away in Feb. 1960 - + I do not know of any letter from you at that time

I do not know how to answer these questions as I have left the business of my husband and up to the two other partners of the Sunshine et al Claims - I didn't know there was "royalty" connected with these claims - I know that I have paid my third of the assessment work

on these 10 claims since Mr Boynton passed away -

This year the assessment work has been finished & I am just now working about the "papers" on them, which will show the names of the claims -

I would appreciate what information you can send me concerning this - & I will be glad to fill out the questions asked & return the two copies to your office when I find out what is wanted, and why -

Thanks for your information - I will contact Mr K.V. King (one of the two other partners) who lives here in Piedmont - as soon as he returns from a trip - The other partner of the claims is Mr Floyd Stevenson Box 3767 Rt 1 - Richland Washington -

Sincerely
Mrs K. S. Boynton

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

September 27, 1962

Re: DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho
Contract Idm-81223

Mrs. K. S. Boynton
18A Crest Road
Lafayette, California

Dear Mrs. Boynton:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-5020
Idm-E1223

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since April 20, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

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   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value
_____		
_____	_____	_____

   B. If stockpiled awaiting sale, state quantity, grade, and location.

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Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

Official

~~EXTRA~~ COPY

O. M. E

RECEIVED SEP 16 1960

DATE	IN...	CODE
9/16	gla	500
		225

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

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services
Office of the Secretary, Department of the Interior

From: Acting Field Officer, Region I, OME

Subject: Reports of Royalty Review

Attached are the originals of each of the following Reports of Royalty Review relating to certified projects on which no royalty has been collected to date:

E- 214 DMA-2131X Tungsten Mining & Milling Co.

E-1225 DMEA-5020 Calera Mining Company file

cc: CA&AD
OME(P)
DRF
E- 214 Tungsten Mining & Milling Co D. R. MacLaren

E-1225 Calera Mining Co

HOWE SOUND COMPANY

500 FIFTH AVENUE / NEW YORK 36 / PENNSYLVANIA 6-5577

OFFICIAL FILE COPY O. M. E. RECEIVED APR 21 1960		
DATE	INITIALS	CODE
4-21	gad	220
4/21	[illegible]	800
"	Hadt	500
		225

April 20, 1960

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

Re: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-E1223

Dear Mr. Johnson:

Your letter dated March 28 on the above subject was sent to our office at Cobalt, Idaho and only arrived here yesterday. This accounts for the delay in replying to you.

On the above contract, last year we only did a minor amount of trenching and, thereafter, stopped all activity.

The mine is now closed and we are shutting down all of our operations at Cobalt permanently. The mill has been sold and we are in the process of selling all of the mine equipment, hence we are out of the cobalt business for good.

Sincerely yours,

F. A. McGonigle

F. A. McGonigle
Vice President

FAM:id

WPY

PROJECT SUMMARY REPORT

By: Stephen P. Holt February 18, 1960

1. Docket No. DMEA 5020 (Cobalt-Copper)
   Contract No. Idm-E1223

   Property: Sunshine Claims
   Lemhi County
   Idaho

   Operator: Calera Mining Company
   Cobalt
   Idaho

   Operator's Property Rights -

   The Operator owns three patented and sixteen unpatented lode mining claims, and controls by lease dated December 1, 1957, three unpatented lode mining claims, all situated in the Blackbird Mining District, Lemhi County, Idaho. A Consent to Lien and Subordination Agreement, signed June 19, 1958, by the owners of the leased claims, K. S. and Edith L. Boynton, K. V. and Alice King, and Floyd W. and Merle Stevenson, is attached to the contract.

2. Contract dated June 27, 1958, on Long Form MF-200 (Revised June 1954).

   STAGE I

   Bulldoze about 12 trenches, each between 400 and 500 feet long and about 5 feet deep, and bulldoze surface drill sites. Total excavation not to exceed 15,000 cubic yards.

   Sample mineralized zones in trenches at 5-foot intervals and assay samples for cobalt and copper. Estimate that not more than 300 samples will be analyzed.

   Diamond drill cores in mineralized areas to be split and analyzed for cobalt and copper. Estimated not to exceed 300 samples to be analyzed.

   Estimated cost of Stage I $23,655.00

STAGE II

Drive not to exceed 1,400 feet of adit.

Diamond drill not to exceed 1,800 feet to test walls of adit.

Sample mineralized zones in adit, and split and sample drill cores. Not to exceed 250 samples from adit and 250 samples from drill cores to be analyzed for cobalt and copper.

Estimated Total Cost of Stage II	$80,545.00
Estimated Total Cost of Project	$104,200.00
Government Participation @ 62½%	$65,125.00

Amendments:

No. 1 dated February 3, 1959, authorized suspension of work for a period beginning October 15, 1958, and ending not later than July 1, 1959, and increased the period for royalty payments from 10 to 11 years.

No. 2 dated March 18, 1959, corrected an error in Amendment No. 1 by increasing the royalty payment period from 15 to 16 years.

Work completed:

STAGE I

Bulldozer trenching, 7,740 cu. yds. @ $0.25/cu. yd.	$1,935.00
Geophysical survey, 1.57 miles @ $1.24/mile	196.25
Assaying, 5 samples for cobalt and copper @ $3.75/spool	18.75
Engineer-geologist, 10 days @ $30.00/day	3 00.00
Total Stage I	$2,450.00

STAGE II

No work done	----
Total accepted cost of the contract	$2,450.00
Government Participation @ 62½%	$1,531.25

Work under the contract started in late July, 1958, and was stopped, with only part of Stage I work completed, in May 1959. The contract was terminated by a mutual termination agreement, dated August 28, 1959, effective as of June 15, 1959. The Operator's Final Report, dated September 22, 1959, was received in the office of the Field Team September 28, 1959, and in this office October 2, 1959. The Final Report of the Field Team, dated January 1960, was received January 25, 1960.

3. Report of Review, in lieu of final audit, dated October 6, 1959 showed:

Total cost billed by Operator	$2,450.00
Exceptions	---
Total acceptable cost	$2,450.00
Government Participation @ 62½%	$1,531.25

4. Certification:

A "pseudo-certification" clause was included in the Termination Agreement dated August 28, 1959.

5. Comments:

The work was performed in a competent manner and the progress made was excellent when the project was active. The geophysical work and the trenching revealed a structure significant in both size and cobalt and copper mineralization. Government participation is warranted if assistance is ever requested for more exploration on the Sunshine and adjacent claims.

The project was established to explore for extensions of cobalt-copper mineralization exposed in pits and shallow workings on the Sunshine and adjacent claims. Previous investigations indicated the existence of a similar but distinct mineralized zone trending nearly parallel to the Blacktail ore zone. The ore occurs as hydrothermal replacement deposits of cobalt-copper minerals along northwest, north and northeast-trending shear zones within the Blackbird block of tightly folded schistose rocks of the Precambrian Yellowjacket formation (Belt Series).

Although only part of Stage I work was completed, the results obtained from the geophysical and geochemical investigations are very encouraging, and additional exploration is justified.

Stephen P. Holt

Stephen P. Holt

GPHolt:kb - 3/7/1960
Copy to: Director's reading File
Mr. Johnson
Mr. Holt
Chron.

MME Form 17
Mar. 59

OFFICE OF MINERALS EXPLORATION

WORK COMPLETED ANALYSIS

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

Operator: Calera Mining Company (Sunshine claims).

Actual Cost: x

State:

Agreed Unit Cost: X

Final Report of Audit:

Commodity: Cobalt-Copper

Docket No.: DMEA 5020

Final Report of Review: 10.6.59

Contract No.: Idm-E1223

Type of Work (Use these categories only)	Authorized by Contract and Amendments		Completed and Paid for		Net cost after sale of Gov't. Property
	Units	Cost 1/	Units	Cost 1/	
Drifting & Crosscutting incl. timber & spiling	1,400 ft.	$71,380.00	-	-	
Raising					
Shafts					
Winzes					
Drilling (Specify) diamond, surface	2,000 ft.	17,730.00	-	-	
" underground	1,800 ft.	7,290.00	-	-	
Surface Excavation, bulldozing		3,750.00		$ 1,935.00	$ 1,935.00
Underground Excavation					
~~Roads and Trails~~ Geophysical survey		750.00		196.25	196.25
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Engineer-geologist		300.00		300.00	300.00
Other (Specify) Assays for Co and Cu		3,000.00		18.75	18.75
Totals		$104,200.00		$ 2,450.00	$ 2,450.00 2/
Government participation @ 62½%		65,125.00		1,531.25	1,531.25

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

Prepared by Stephen P. Holt Date 2.19.60
Stephen P. Holt

52616

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
January 22, 1960

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DATE	INITIALS	CODE
1-25	gad	220
1-26	HB	130
"	gd	110
1-29	HB	130
1-29	gad	220
2/1		800
"	Hart S.P.H.	500

Memorandum

To: Chairman, Operating Committee, OME

From: OME Field Team, Region I

Subject: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-E1223

Enclosed are three copies of a Field Team final report on the referenced project prepared by Howard F. Albee, Geologist, Geological Survey, and William M. Romischer, Mining Engineer, Bureau of Mines.

Work completed under the terms of the contract comprised running 1½ miles of geophysical lines and geochemical sampling, bulldozing 7,740 cubic yards of trenches, and assaying 5 channel samples for cobalt and copper at a total cost of $2,450 (Government's share $1,531.25 or 62.5 percent).

The work indicated a structure significant in both size and cobalt-copper mineralization. Although the work was insufficient to reasonably delimit an ore body, a pseudo-certification is included in the Termination Agreement and further work with Government funds is justified should another application be received.

By Field Team, Region I

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

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

Enclosures

FINAL F.T. REPORT

Reviewed by
OME OPERATING COMMITTEE
1-29-60
(date)

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DATE	INITIALS	CODE
1-29	JB	130
		220

UNITED STATES

DEPARTMENT OF THE INTERIOR

OFFICE OF MINERALS EXPLORATION

FIELD TEAM, REGION I

FINAL REPORT

Contract Idm-E1223

by

Howard F. Albee
Geologist
U. S. Geological Survey

William M. Romischer
Mining Engineer
U. S. Bureau of Mines

CALERA MINING COMPANY
Cobalt, Idaho

Docket No.:	DMEA-5020
Commodity:	Cobalt-Copper
Contract date:	June 27, 1958
Termination date:	June 15, 1959

SUNSHINE CLAIMS
Blackbird Mining District
Lemhi County, Idaho

Spokane, Washington

Reviewed by
OME OPERATING COMMITTEE
1-29-60
(date)

January 1960

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Summary	1
Recommendations	2
PROPERTY	2
GEOLOGY	4
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ILLUSTRATIONS

Plate	1.	Claim map	In pocket
Figure	1.	Index map	In pocket
	2.	Map of trenches Calera Mining Company - Sunshine Claims	In pocket
	3.	Principal Cobalt-Copper Zones	In pocket
	4.	Self-Potential Survey	In pocket
	5.	Surface Geochemical Survey (Cobalt)	In pocket
	6.	Surface Geochemical Survey (Copper)	In pocket

FINAL REPORT

CALERA MINING COMPANY
Sunshine Claims
Blackbird Mining District
Lemhi County, Idaho

Contract Idm-E1223

* * * *

INTRODUCTION

This report describes a project conducted jointly by the Defense Minerals Exploration Administration and the Calera Mining Company to explore for cobalt and copper ore on the Sunshine Claims, Lemhi County, Idaho.

Summary

The purpose of the project was to explore for extensions of cobalt-copper mineralization exposed in pits and shallow workings on the Sunshine and adjacent claims. Previous investigations indicated the existence of a similar but distinct mineralized zone trending nearly parallel to the Blacktail ore zone.

Work completed under the contract consisted of 1.57 miles of geophysical survey, including geochemical analyses for cobalt and copper, and excavation of 7,740 cubic yards in 11 trenches. Five samples were taken from the trenches for assay of cobalt and copper.

The total cost of the work was $2,450.00, of which the Government's participation was 62.5 percent or $1,531.25. There was no production from the project during the exploration. The project was terminated when the Operator discontinued all operations, including the DMEA exploration on the Sunshine Claims. Only a small portion of the contract work was completed.

The results obtained from both the geophysical investigations and the trenching are considered favorable.

Recommendations

Because of the encouraging results of the geophysical work and trenching, additional exploration is justified. The Termination Agreement includes a pseudo-certification.

PROPERTY

The property subordinated under the contract consists of 22 lode claims (fig. 1, pl. 1). The Operator owns nineteen claims, of which 3 are patented and 16 are held by the right of location. He also holds three unpatented claims by a lease agreement dated December 1, 1957, with K. S. Boynton and Edith L. Boynton, husband and wife, K. V. King and Alice King, husband and wife, and Floyd W. Stevenson and Merle Stevenson, husband and wife.

The unpatented claims are recorded in the Office of the Recorder of Lemhi County at Salmon, Idaho.

The claims are:

Patented

Claim	U. S. Survey No.
Broad Guage	1592
Clondike	1592
Reuman	1592

Unpatented

(Owned by Operator)

Claim	Book	Page
Chelan 18	2	286
" 20	2	288
" 21	3	521
" 22	2	289
" 131	5	88
" 151	8	350
" 19	2	287
" 84	4	200
Diane	2	280
Cougar 106	8	95
" 107	8	96
Calera 5	2	244
" 8	2	247
" 11	2	248
" 12	2	249
" 13	2	250

(Held by lease)

Sunshine	1	529
" No. 1	1	530
" No. 2	1	531

Consents to Lien and Subordination Agreements of lessors of the Sunshine Claims were obtained.

GEOLOGY

The geology of the Blackbird district and some of its deposits has been briefly described by Joseph B. Umpleby in "Geology and Ore Deposits of Lemhi County, Idaho", U. S. Geological Survey Bulletin 528, 1913. The geology of this part of the district was later mapped and described in much more detail by J. S. Vhay (Cobalt-Copper Deposits of the Blackbird Mining District, Lemhi County, Idaho: U. S. Geol. Survey Strategic Minerals Preliminary Report 3-219, 1948).

In December 1953 a preliminary report of geochemical investigations by the U. S. Geological Survey in the Blackbird district conducted by F. C. Canney, H. E. Hawkes, G. M. Richmond, and J. S. Vhay was released for open file.

P. J. Shenon, R. P. Full, H. L. Bauer, and D. M. Snyder, consulting geologists for Northfield Mines, Inc., which owns an adjoining property, spent two summers in the area. Some of their work consisted of studying the district including the Calera property; they also prepared a district geologic map at a scale of 1" = 2000'.

The following discussion is taken freely from Vhay (1948). 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 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 places, and most of the folds plunge 30°-40° N. The rocks have been cut by numerous shear zones, the principal direction of which are north, northwest, and northeast.

The Blackbird block is delimited on the west by a steeply dipping fault zone, along which are one or more quartz-feldspar porphyry dikes, post metamorphic and probably tertiary in age. The Sunshine area is along the western border of the Blackbird block. The mineralized shear zone (Fig. 2) lies nearly parallel with a quartz feldspar porphyry dike and the border fault. The Sunshine structure is possibly related to the border fault. The fault, however, apparently was not a channelway for mineralizing solutions as prospecting has proved it to be largely barren.

Ore Deposits

Hydrothermal replacement deposits of copper-cobalt minerals occur within the Blackbird block along the northwest, north, and northeast-trending shear zones. Thus far, important ore bodies have been found only in the north and northwest-trending zones. Although the shear zones have 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 second control. Thus ore bodies occur at the intersections of the northwesterly striking shear zone with the northerly striking shear zones as well as at the intersection of these shear zones with the north-plunging folded sedimentary beds. The ore bodies usually plunge 35° to 50° north.

Known ore zones range in size from a few hundred feet to 2,500 feet in length and up to 500 feet in width. Ore bodies along these zones vary greatly in size and shape. Some of the ore bodies are veins and others are podlike bodies that occur in groups, but both types may be found en echelon along the same shear zone. Through September 1959 the average grade milled since milling started in 1951 has been 0.65 percent cobalt and 1.67 percent copper.

The mineralized rock contains pyrite, pyrrhotite, cobaltite, chalcopyrite, safflorite, and a little secondary chalcocite and covellite; gold is present from a trace to a few hundredths of an ounce per ton. Among the primary nonmetallic minerals are quartz, biotite, chlorite, calcite, siderite, 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. Of these the relatively insoluble erythrite is rare, but the other, bieberite, though fairly soluble, is common throughout the district as an efflorescence on outcrops. In addition to the above cobalt minerals, the oxidation of cobaltite has formed a group of minerals which, though containing little, if any, cobalt, seem to be good indicators of the former presence of cobaltite; these minerals include jarosite, nontronite, scorodite, an iron arsenate probably related to pitticite, and perhaps several others.

Trenching at 200-foot intervals along a shear zone on the Sunshine 1 and 2 claims has disclosed a gossan zone about 750 feet in length with an average width of about 25 feet. A few thin cobaltite stringers, some cobalt bloom, some quartz, and some yellow iron arsenates (?) were observed. Figure 3 shows the location of the Sunshine shear zone in relation to the exploited ore zones.

THE PROJECT

In the Blackbird area, which is next to the Sunshine and adjacent claims, a previous DMEA contract had resulted in the discovery of copper-cobalt ore bodies valued at about $30 million. An open-pit mine on one of the ore bodies has produced ore with a value of more than $19 million. The previous contract was planned largely on the basis of geochemical anomalies. On the Sunshine and adjacent claims similar anomalies and exposures of stringers and blebs of cobalt minerals and iron arsenates indicate a strong possibility that copper-cobalt ore might exist at sufficiently shallow depth and in large enough amounts to be mined by open-cut methods. Accordingly, in May 1958, the Calera Mining Company submitted an application for Government aid to explore on the Sunshine and adjacent claims.

The proposed exploration consisted of a two-stage program, which included bulldozer trenching, a geophysical and geochemical survey, surface and underground diamond drilling, and 1,100 feet of drifting. The project cost was estimated to be $102,917.00.

It was not necessary to make a field examination of the property for ample data was already available to the Field Team. A contract was prepared which specified an exploration program very similar to that prepared by the applicant.

The contract provided for the work to be done in two stages. Part of Stage I was to be done on an actual cost basis with allowable maximums. The remainder of the exploration work under Stage I as well as that under Stage II was to be done on a unit cost basis. The Operator was to perform Stage I, and as much of the work under Stage II as approved by the Government in advance. The Government agreed to contribute 62.5 percent and the Operator 37.5 percent of the exploration costs allowed under the contract. The work to be done was as follows:

Stage I

1. Six miles of geophysical survey, including geo-chemical analyses.

2. Bulldozing 15,000 cubic yards of excavation for trenching.

3. Assay 300 samples from trenches.

4. Engineer-geologist, ten days salary.

5. Two thousand feet of surface diamond drilling.

6. Three hundred feet of cementing and redrilling or reaming and casing.

7. Assay 300 samples from diamond drill holes.

Stage II

1. Fourteen hundred feet for driving an adit.

2. Twelve hundred feet of normal timbering or rock bolting.

3. Three hundred and fifty feet of supporting timber.

4. One hundred and sixty feet of spiling.

5. Eighteen hundred feet of underground diamond drilling.

6. Assay 500 samples from adit and diamond drill holes.

The estimated total cost of the project was $104,200.00, and the Government's participation at 62.5 percent was $65,125.00.

The contract, dated June 27, 1958, was approved and signed by the Operator. Work was to begin on or before August 1 of the same year, and to be completed by November 1, 1959.

The project work under Stage I was started in late July 1958. By the end of the month six self-potential lines for a total of 8,300 linear feet, or 1.57 miles, were completed in the vicinity of the old shaft on the Sunshine No. 2 claim. The lines strike east-northeast and

are spaced at intervals of about 150 to 200 feet. Samples were taken for geochemical analysis for cobalt and copper at 100-foot intervals along the traverse and at 50-foot intervals where the primary analyses showed good results.

The results of the self-potential survey were negative in the vicinity of the old shaft on the Sunshine No. 2 claim (fig. 4). However, the survey disclosed a fairly well-defined anomaly of 100-200 millivolts about 800 feet east of the Sunshine shaft. The strike of the indicated zone appears to be slightly west of north.

The geochemical assays show abnormal concentrations of cobalt and copper in the soil. They also show that abnormal concentrations of copper are much more widespread than those of cobalt (figs. 5 and 6). The correlation with the self-potential anomaly is not close.

The Operator believed that dry weather during the summer may have adversely affected the self-potential survey and decided to postpone its completion until more favorable conditions prevailed; that is, until the ground would be saturated with moisture. This condition did not occur before the contract was terminated, and consequently the self-potential survey was not completed.

Although an amendment suspended the contract work from October 15, 1958 to July 1, 1959, a mild winter permitted the resumption of work in March. Work continued through May when the Operator announced that, because of the low price of cobalt, the company was discontinuing operations, including DMEA work on the Sunshine claims. Clean-up operations at the Blackbird open-pit still continue as of November 1959, but no cobalt is being recovered; only the copper content of the ore is being saved.

During the period from March through May 1959, a total of eleven trenches for an aggregate of 7,740 cubic yards had been excavated or cleaned out and deepened by a D-8 Caterpillar with a ripper. The cuts were 14 feet wide.

The gossan capping of a mineralized zone was encountered in several of the trenches. It was especially prominent in cut Nos. 2 and 3. The gossan contains quartz, limonite, and some yellow arsenates. Cobalt in place was seen in cuts 2 and 3 where it occurs as disseminated sulphides. Along the trench wall are several thin cobaltite stringers in garnet schist. According to the Operator the mineralized zone appeared to have an average width of about 25 feet over a distance of about 750 feet.

One chip sample was taken from Cut No. 1 and four from Cut No. 2 (fig. 2). The assays are:

Cut No.	Coordinates	Width (feet)	Percent Cobalt	Percent Copper
1	17,650N-960E	3	0.07	Tr
2	16,466N-640E	9	0.11	0.15
2	16,465N-635E	5	0.05	0.06
2	16,464N-630E	5	0.24	0.10
2	16,464N-625E	5	0.07	0.07

Though only part of Stage I work was completed the results obtained from the geophysical and geochemical investigations and the trenching are very encouraging.

The contract was amended twice; however, the first amendment was rescinded as of the date of its execution by the second amendment. The amendments were:

Amendment No. 1, dated February 3, 1959, provided for a recess period from October 15, 1958 to July 1, 1959. The royalty payment period was extended from 10 to 11 years from the date of the contract.

Amendment No. 2, dated March 18, 1959, rescinded Amendment No. 1 as of the date of its execution; provided for a recess period from October 15, 1958 to July 1, 1959. The royalty payment period was extended from 15 to 16 years from the date of the contract.

Summary of Factual Data

Only part of Stage I work was completed under the project contract. The allowable costs of the project were:

Stage I	Authorized	Completed	Unit Cost	Total Cost
Geophysical survey	6 mi.	1.57 mi.	$125/mi.	$ 196.25
Trenching, bulldozing with a D-8 Caterpillar with ripper	15,000 cu. yds.	7,740 cu. yds.	0.25 cu. yd.	1935.00
300 samples assayed for cobalt and copper	300 samples	5 samples	3.75/ea.	18.75
Engineer-geologist	10 days	10 days	30.00/day	300.00
		Total cost - Stage I		$2,450.00

Stage II (not started)

Total amount of contract	$104,200.00
Government's participation at 62.5 percent	65,125.00
Total amount expended	2,450.00
Government's participation at 62.5 percent	1,531.25
Total amount unexpended	101,750.00
Government's share unexpended	63,593.75

There was no production from the project during the exploration.

The Government had no equity in supplies or equipment used on the project.

Discussion of Conclusions

The work was performed in a competent manner and the progress made was excellent when the project was active. The geophysical work and the trenching revealed a structure significant in both size and cobalt and copper mineralization. Government participation is warranted if assistance is ever requested for more exploration on the Sunshine and adjacent claims.

Enclosures
Distribution:
- OME (3)
- USBM (3)
- USGS (SRO)
- Docket
- Albee

PREPARED FOR
OFFICE OF MINERALS EXPLORATION

UNITED STATES
DEPARTMENT OF THE INTERIOR

Docket No DMEA 5020

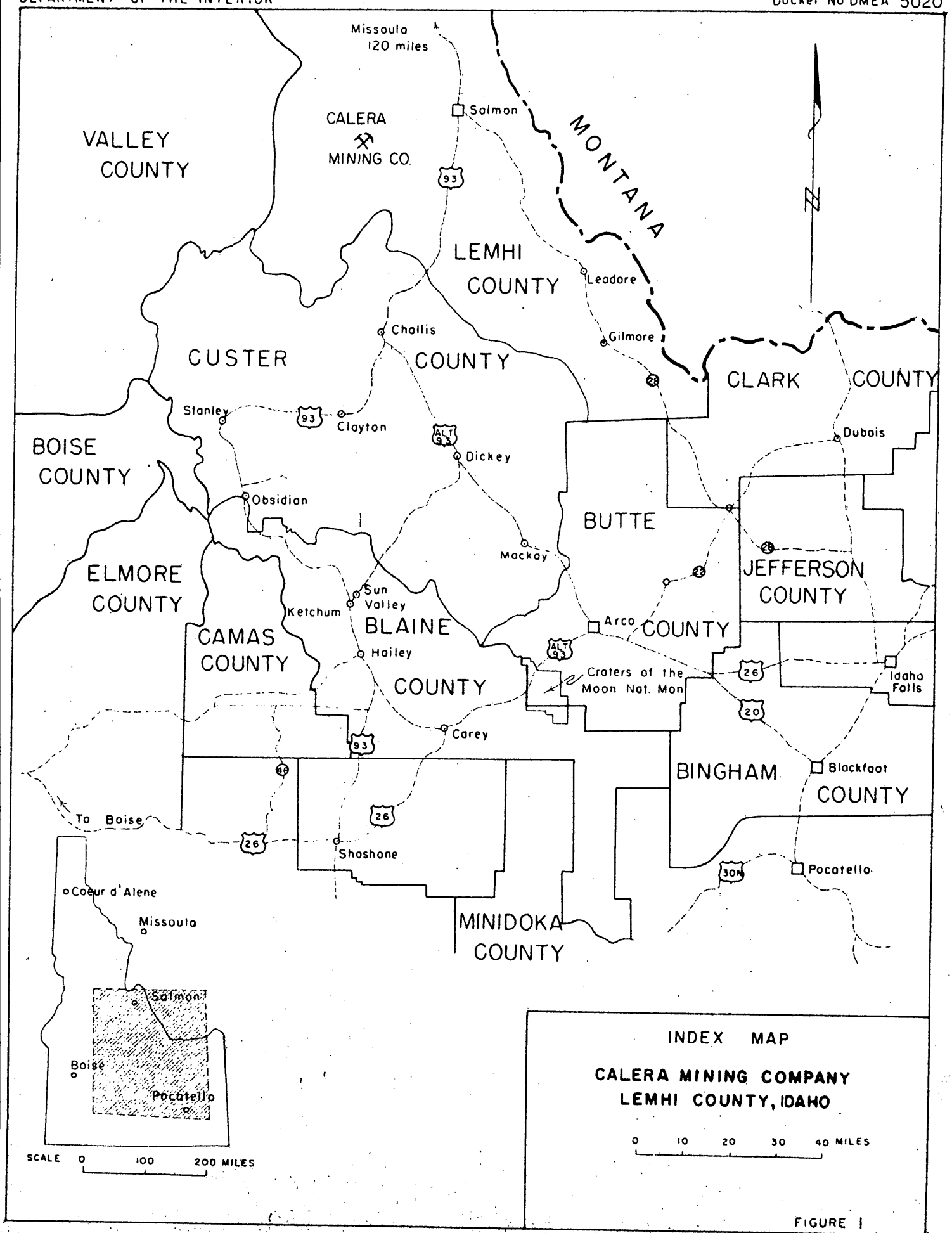

FIGURE 1

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UNITED STATES
DEPARTMENT OF THE INTERIOR

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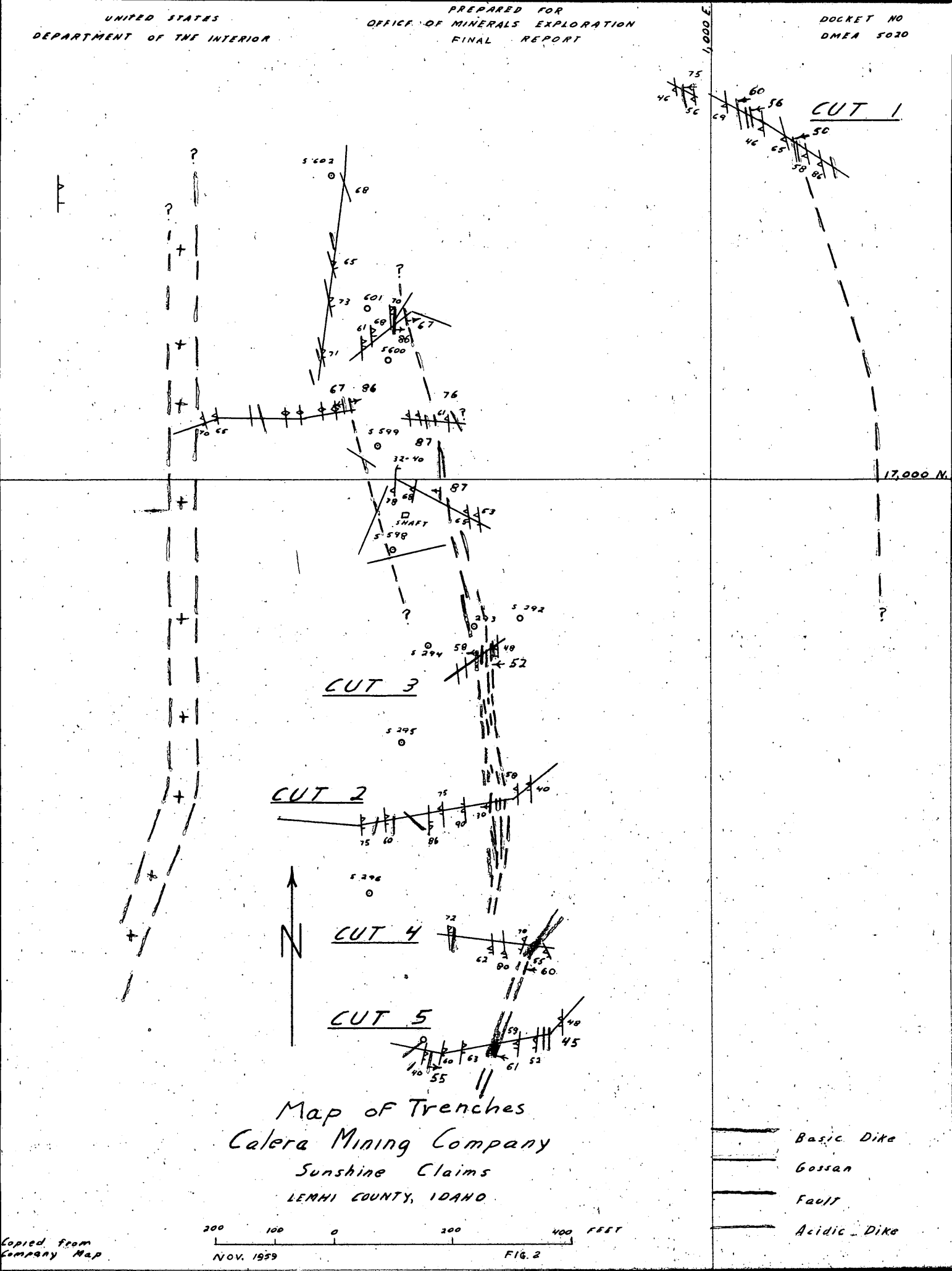
OFFICE OF MINERALS EXPLORATION
FINAL REPORT

DOCKET NO
DMEA 5020



Map of Trenches
Calera Mining Company
Sunshine Claims
LEMHI COUNTY, IDAHO

Copied from Company Map

NOV. 1959

FIG. 2

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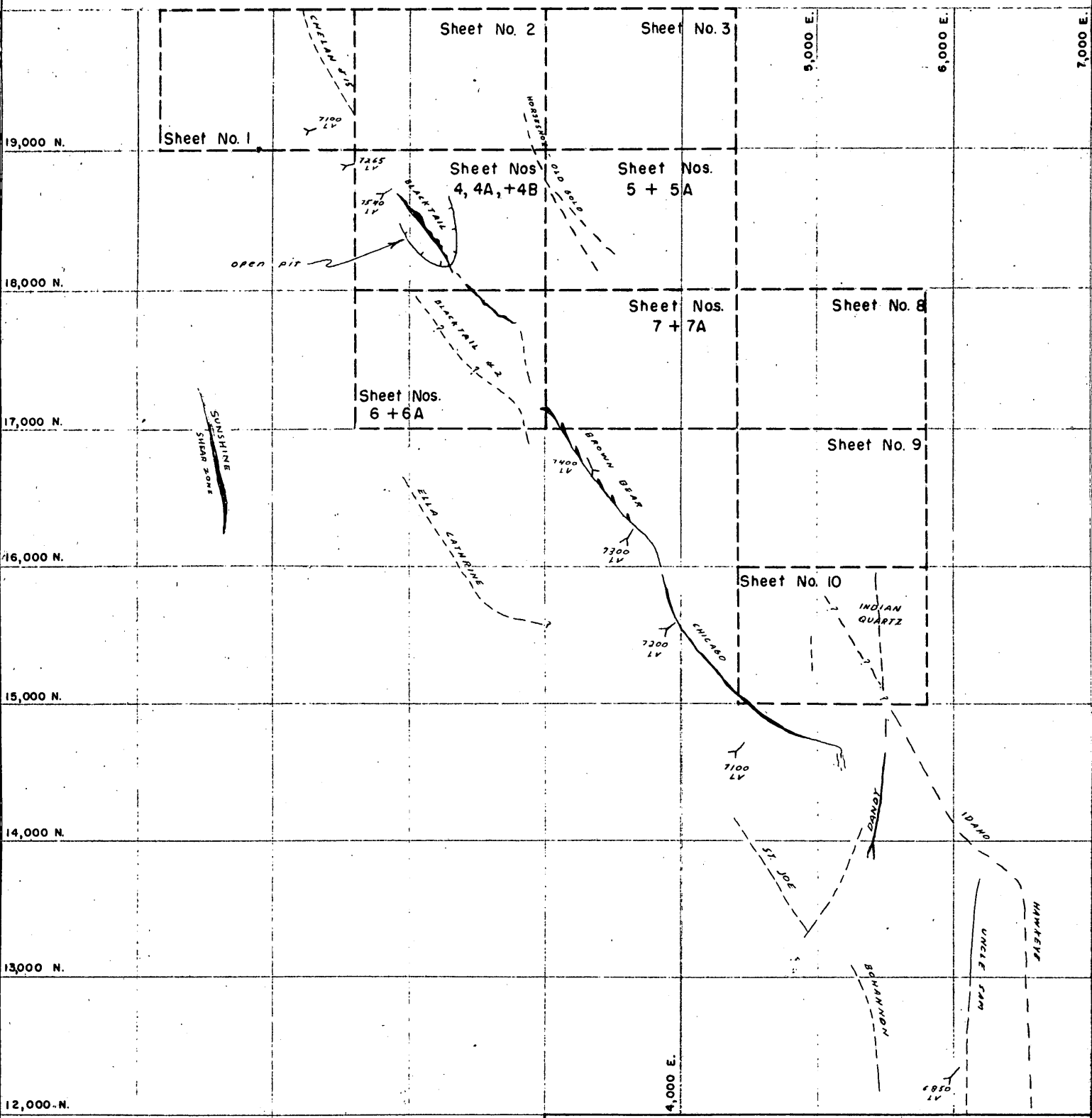
UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
OFFICE OF MINERALS EXPLORATION
FINAL REPORT

DOCKET NO.
DMEA 5020



PRINCIPAL COBALT-COPPER ZONES

Blackbird Mine

Calera Mining Company

LEMHI COUNTY, IDAHO

1,000 500 0 1,000 2,000 FEET

Figure 3

OFFICIAL FILE COPY
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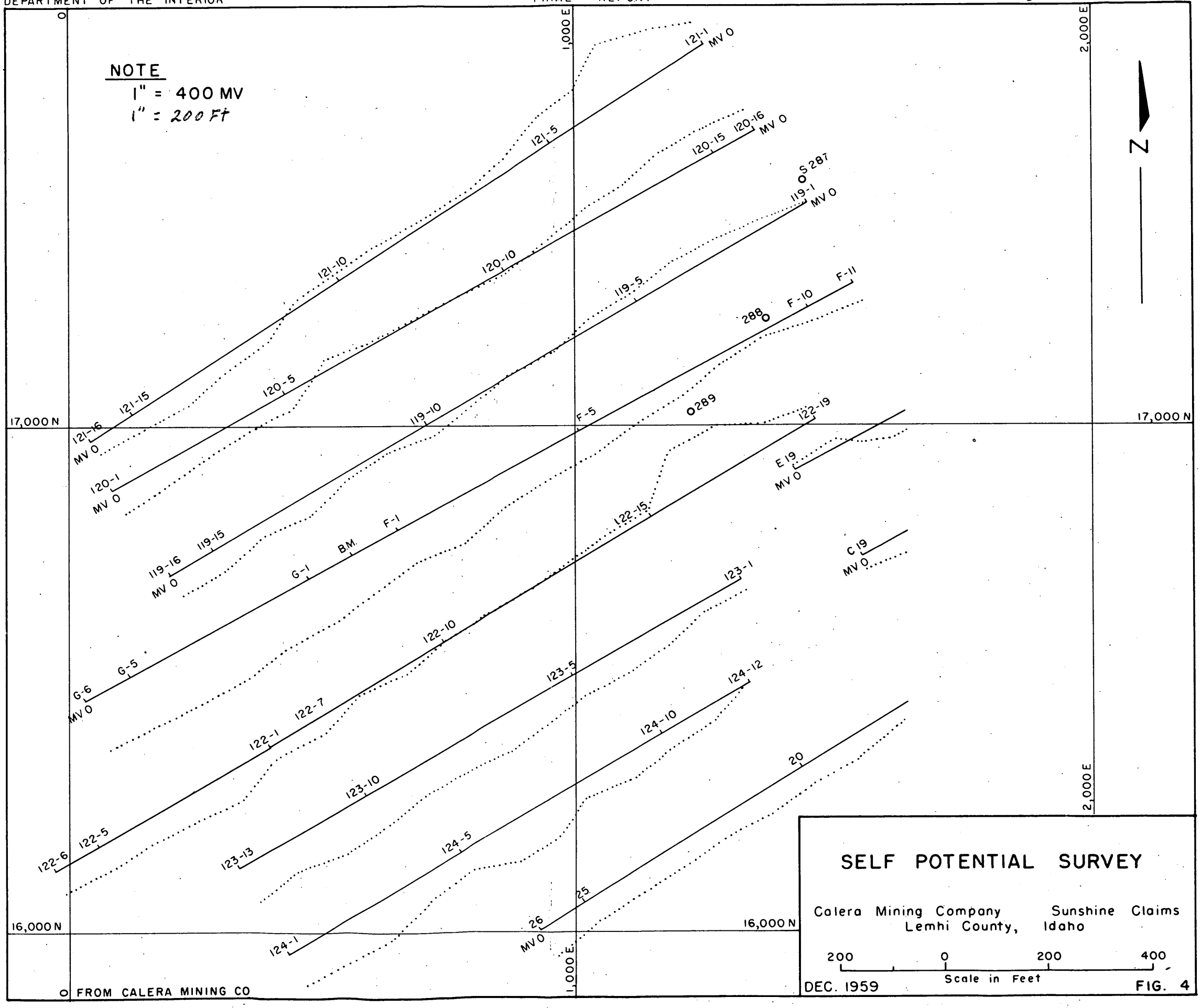
DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
OFFICE OF MINERALS EXPLORATION
FINAL REPORT

Docket No. DMEA 5020



SELF POTENTIAL SURVEY

Calera Mining Company Sunshine Claims
Lemhi County, Idaho

200 0 200 400
Scale in Feet

DEC. 1959

FIG. 4

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DATE
INITIALS
CODE

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O. M. E.
RECEIVED OCT 26 1959

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10-26	gad	990
10/26	[illegible]	800
10/26	[illegible]	500

S.P.H.

1201 N. Division St.
Spokane 2, Washington

October 21, 1959

Mrs. Dorothy Long, Certifying Officer
OME Field Team, Region I
1201 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-E1223

Dear Mrs. Long:

The work completed under the contract was done to the satisfaction of the Government. The contract was terminated by mutual agreement, effective June 15, 1959. A final report evaluating the results of the exploration program has been presented by the Operator and accepted by the Executive Officer.

The Government has no interest in supplies or equipment purchased for use on the project.

A pseudo-certification is incorporated in the Termination Agreement.

A final Report of Review dated October 6, 1959, by OME Auditor E. D. Talbert, has been received.

As all contract requirements have been met, it is requested that final settlement of our account with the Operator be made.

Sincerely yours,

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

cc: OME (2)
USGS (2)
Contract Admin. & Audit Div. (2)
Docket

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 23 1959

DATE	INITIALS	CODE
10-23	gad	VVC
10-23	Holt	FGC

S.I.P.H.

No. 137 Howard Street
Spokane 4, Washington
October 23, 1959

Mr. E. H. Douglas, Manager
Blackbird Division
Calera Mining Company
Cobalt, Idaho

Re: Docket No. [illegible]-7000 (Cobalt-Copper)
Sunshine Claims
Lemhi County, Idaho
Contract No. [illegible]-R1833

Dear Mr. Douglas:

Enclosed for your information and files is a Report of Review dated October 6, 1959, for August 1958 to May 1959, inclusive, covering a cobalt-copper project on the Sunshine Claims.

The audit discloses that there is a balance due you in the amount of $[illegible] which is being scheduled for payment.

Sincerely yours,

A. E. Weissenburn
Executive Officer, OGR
Field Team, Region I

Enclosure

cc: [illegible](2)
Contr. Adm. & Audit, D. E.
Mr. Talbert
[illegible]
[illegible]

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. 2327

U. S. .....
(Department, bureau, or establishment)

Voucher prepared at Spokane, Washington 10/22/59
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E1223

To Calera Mining Company
(Payee)

Cobalt, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	May 1959	As per attached certified form MF-104 dated June 12, 1959, and Report of Review by OME Auditor E. D. Talbert, dated October 6, 1959				843	43
PAYMENT: Complete ☐ Partial ☐ Final ☐		FINAL PAYMENT					
		Use continuation sheet(s) if necessary					

Shipped from to Weight Government B/L No. Total 843 43

(Payee must NOT use this space)

Differences .....

Account verified; correct for 843 43

(Signature or initials) A.L.

Contract No. Date Req. No. Date Invoice Rec'd.

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐.
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1959 Docket No. DMEA 5020 Contract No. Idm-R 1223
Operator's Name Calera Mining Company Minerals Cobalt & Copper
Address Cobalt, Idaho
Contract Amount, $ 104,200.00 Government Participation: 62½ % Amount, $ 65,125.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Stage 1 Drilling Geophysical Survey		196.25	196.25		196.25	196.25
Stage 2 Bulldozing Engineer-Geologist		300.00	300.00		300.00	300.00
Stage 1 Crosscutting Trenching	1,330.75	604.25	1,935.00	1330.75	604.25	1935.00
Stage 1 Drifting Sampling & Assaying		18.75	18.75	18.75	—	18.75
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,330.75	1,119.25	2,450.00	1349.50	1100.50	2450.00

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

Date June 12, 59 *Payee Calera Mining Company

Per E. B. Naughton Title Manager

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

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.

(Instructions on reverse)

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

$ 843.43

Signature Dorothy F. Lowe
(Authorized Certifying Officer)

Date 10/22/59 Vou. No. 2367
(See other side)

MF-104A - Narrative - Assay record, 2 copies to Wash. 7-31-59

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E1223 in accordance with the terms of the contract.

Signature /s/ William M. Romeiche Title Mining Engr. Date 4/18/59

APPROVAL BY ~~DMEA~~ OME EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ A. E. Weissenborn Title Exec. Officer Date Oct. 21, 1959

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/6	C	220
	Notif	500

OCT 6 1959

Memorandum

To: Executive Officer, OME Field Team, Region I

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

Subject: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-E1223

Attached are the original and three copies of a Report of Review in lieu of a final audit of the subject project. If you concur with the facts stated therein, normal distribution is in order. If for any reason you do not concur, please return the original and all copies to this Division with your comments.

The Certifying Officer's contract and correspondence file and voucher file are being returned to her by certified mail with a copy of this memorandum.

Attention is invited to the fact that, under the audit and review procedure promulgated by the Operating Committee's Memorandum No. 6, the Certifying Officer's contract and correspondence file need not be forwarded to this Division with any request for a cost review. The corresponding Washington office files are available to this Division for audit review purposes.

Attachments

EDTalbert/ama
October 6, 1959

Copy to: Docket
Director's Reading File
CA & A Division
Mrs. Dorothy F. Long

43683

OFFICIAL FILE COPY O. M. E. RECEIVED OCT 5 1959		
DATE	INITIALS	CODE
10/5	C	220
10/5	Hatt	500

1,74

arig to 800

1201 N. Division St.
Spokane 2, Washington

October 1, 1959

CERTIFIED MAIL

MEMORANDUM

To: Contract Administration and Audit Division, OME

From: Certifying Officer, OME Field Team, Region I

Subject: Docket No. DMRA-5020 (cobalt-copper)
Calera Mining Company
Lemhi County, Idaho
Contract No. Idm-E1223

Enclosed herewith is a memorandum from the Field Team, Region I, requesting a Report of Review, in lieu of final audit, of the subject contract. In addition, we are transmitting the following material needed to complete your review:

1. Contract and Correspondence File
(Includes Contract, Annex I and II, Exhibit "A", Amendments Nos. 1 and 2)

2. Voucher File
(MF-104 and 104A's, with attachments)

We have withheld the May 1959 voucher pending final audit.

Dorothy F. Long

cc: OME (2)
USGS (2)
USBM (AD)

arig to 800

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

DATE	INITIALS	CODE
10/5	C	230
10/5	Holt	500

1201 N. Division St.
Spokane 2, Washington

October 1, 1959

MEMORANDUM

To: Contract Administration and Audit Division, OME

From: Executive Officer, OME Field Team, Region I

Subject: Docket No. DMEA-5020 (cobalt-copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-E1223

The subject contract was terminated by mutual agreement, effective August 28, 1959.

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

Stage I

Item	Authorized	Completed
Geo-physical survey @ $125/mi.	6 miles	1.57 mi.
Bulldozing trenches @ $0.25/cu.yd.	15,000 cu.yds.	7,740 cu.yds.
Samples from trenches @ $3.75/ea.	300	5
Engineer-geologist @ $30/day	$300.00	$300.00

Stage II

Not started.

An acceptable final engineering and geological report dated September 22, 1959, was received from the Operator.

The total amount of $687.82 has been paid to date to the Operator. The May 1959 voucher, in the amount of $1,349.50, is being withheld pending final audit or review.

A Report of Review, in lieu of final audit, is in order and requested.

A. E. Weissenborn

cc: OME (2) Docket
USGS (2) Df
USBM (AD)

OFFICIAL FILE COPY O. M. E. RECEIVED OCT 5 1959		
DATE	INITIALS	CODE
10/5	C	220
10/5	Halt	500, 4H

1201 N. Division St.
Spokane 2, Washington

September 30, 1959

MEMORANDUM

To: Donald T. Finch, OME Auditor

From: Executive Officer, OME Field Team, Region I

Subject: Docket No. DMEA-5020 (cobalt-copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-E1223

The subject contract was terminated by mutual agreement, effective August 28, 1959.

The work completed by the Operator and accepted by the Field Team as conforming to contract specifications was:

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Bulldozing trenches @ $0.25/cu.yd.	15,000 cu.yds.	7,740 cu.yds.
Samples from trenches @ $3.75/ea.	300	5
Engineer-geologist @ $30/day	$300.00	$300.00

Stage II

Not started.

An acceptable final engineering and geological report dated September 22, 1959, was received from the Operator.

The total amount of $687.82 has been paid to date to the Operator. The May 1959 voucher, in the amount of $1,349.50, is being withheld pending final audit or review.

A Report of Review, in lieu of final audit, is in order and requested.

A. E. Weissenborn

cc: Mr. Talbert USBM (AD)
OME (2) Docket
USGS (2) Bf

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

September 29, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 2 1959

DATE	INITIALS	CODE
10/2	RCW	225
10/9	[illegible]	800
10/2	Holt	500

Memorandum

To: Chairman, Operating Committee, OME

From: OME Field Team, Region I

Subject: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-E1223

Enclosed are the original and one copy of the operator's final report, received in this office on September 28. This report is acceptable to the Field Team.

A pseudo-certification is included in the Termination Agreement, the Government and Audit copies of which are also enclosed.

A. E. Weissenborn by [illegible]
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Stephen W. Zolebok
for Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures as above

cc: USBM (2)
USBM(AD)

OPR'S FINAL REPORT

MISCO P. C. INC.
~~CALERA MINING COMPANY~~
~~BLACKBIRD DIVISION~~
COBALT, IDAHO

September 22, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 2 1959

DATE	INITIALS	CODE

Mr. A. E. Weissenborn
Executive Office - Regional
D.M.E.A. Field Team
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. D.M.E.A. 5020
Contract No. Idm E-1223

Dear Mr. Weissenborn:

Enclosed are the maps pertinent to the final report of the D.M.E.A. Project No. 5020 on the Sunshine Claims near the Blackbird Mines.

Self potential and geochemical surveys followed by surface trenching uncovered a north trending gossan in the garnetiferous schist. A few thin cobaltite stringers were observed along the hanging wall of this zone. The rock appears to have been mineralized along steep-west dipping shears striking north-South. This shearing is obviously associated with the large fault occupied by a quartz-latite dike a short distance to the west. Structurally the Sunshine area seems to be on the west limb of a broad anticlinal fold which has an axes about 1200 feet to the east.

Following termination of the contract three diamond drill holes failed to find more than a small high grade pod of cobaltite and a few minor stringers of chalcopyrite. Examination of the drill core indicated that much of the surface iron staining might have been caused by the weathering of chlorite and garnets rather than the oxidation of sulfides. Extreme depth of leaching is also a possibility, since the area is quite elevated and the fracture surfaces in the drill core were iron stained generally throughout the holes.

Sincerely,

E. B. Douglas

E. B. Douglas

EBD:abd

Enclosure

RECEIVED
SEP 28 1959
U. S. G. S.
SPOKANE, WASH.

FINAL ACCOUNTING OF EXPENDITURES UNDER DOCKET NO. D.M.E.A.-5020 (COBALT-COPPER)
SUNSHINE CLAIMS, LEMHI COUNTY, IDAHO
CONTRACT NO. Idm-E1223

DESCRIPTION	OUR EXPENSE	BILLED UNDER CONTRACT
August and September, 1958		
Stage 1		
Geophysical Survey	$ 112.92	$ 196.25
Engineer Geologist	501.56	300.00
Total August & Sept. 1958	$ 614.48	$ 496.25
April, 1959		
Stage 1		
Trenching	$ 325.77	$ 604.25
Sampling & Assaying	10.00	18.75
Engineer & Geologist	681.25	-
Total April, 1959	$ 1,017.02	$ 623.00
May, 1959		
Trenching	$ 1,376.59	$ 1,330.75
Engineer & Geologist	592.50	-
Total May, 1959	$ 1,969.09	$ 1,330.75
Total	$ 3,600.59	$ 2,450.00

Recorded company expense does not include any cost for the following items:
(1) Overhead or Supervision
(2) Use of company equipment
(3) Diamond drilling subsequent to contract cancellation

Certified a correct statement of actual expenditure by the company on the above contract.

F. B. Deacon
Chief Accountant

OCT 2 1959 O.M.E.
RECEIVED SEP 1959 U.S.G. SPOKANE

OMK

OFFICIAL FILE COPY O. M. E. RECEIVED SEP 25 1959		
DATE	INITIALS	CODE
9-25	gad	200
9/25	(illegible)	800
9/25	Hart	500

S.P.H.

So. 157 Howard Street
Spokane 4, Washington

September 22, 1959

Mr. E. B. Douglas, Manager
Blackbird Division
Calera Mining Company
Cobalt, Idaho

Re: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-81223

Dear Mr. Douglas:

Our letter of September 4, 1959 sending you a proposed termination agreement undoubtedly crossed in the mails yours of September 8 and probably answers most of your questions.

By way of further explanation, because the contract is being terminated, we cannot release any funds due you until we make a final audit; this cannot be done until we receive the signed termination agreement and an operator's final report as provided for in Article 7 of the contract.

Just as soon as we receive the termination agreement and your final report, we will proceed immediately with the final closing so that any money due you can be released with a minimum of delay.

Sincerely yours,

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

cc: OME (2)
USBM (2)
USBM(AD)

REFERENCE FILE COPY
DO NOT
RECEIVED 31 JUL 1998
DATE

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

DATE	INITIALS	CODE
9-8	gad	220
		120
9/8		800
9/9	Halt	500

So. 157 Howard Street
Spokane 4, Washington

September 4, 1959

Mr. A. B. Douglas, Manager
Blackbird Division
Calera Mining Company
Cobalt, Idaho

Re: Docket No. DMA-5020 (Cobalt-Copper)
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-21223

Dear Mr. Douglas:

In accordance with your request of June 10, our Washington office has prepared the original and four copies of a termination agreement, which are enclosed. If it meets with your approval, will you please sign all copies, retain that copy marked for the Operator, and return the rest to this office. If it does not meet with your approval, please return all copies unsigned, including the Operator's copy, with your comments.

Your attention is called to item 3 of the termination agreement which calls for the rendering of a final report and final account. Article 7 of the contract dealing with reports, accounts, and audits explains about the final report and compliance with requirements. It would be to your advantage to get your final report in just as soon as possible so that an audit can be made and any money due you from money being withheld, can be released.

Sincerely yours,

Wing G. Agnew
Acting Executive Officer
OME Field Team, Region I

Enclosure

cc: OME (2)
USBM (2)
USBM(AD)

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/25	Holt	500
	[illegible]	500
	[illegible]	800
		130
8/28	Selfridge	100
8/28	gold	220
8/28		500

AUG 28 1959

Memorandum

To: Executive Officer, OME Field Team, Region I

From: ACTING Chairman, Operating Committee, OME

Subject: Docket No. DMEA-5020 (Cobalt and Copper)
Calera Mining Company
Sunshine, et al., claims
Lemhi County, Idaho
Contract No. Idm-E1223

In accordance with the request of the Operator, dated June 10, 1959, that the contract be terminated, and with the recommendation of the Field Team of June 16, 1959 that the contract be terminated by an agreement containing a pseudo-certification, enclosed are the original and four copies of a proposed Termination Agreement for the above-referenced contract, signed by the Acting Director for the Government. Two extra copies are enclosed for the use of the Field Team.

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

/s/
W. R. Griswold

Enclosures

APPROVED:

Frank D. Lamb (SPH)
Member, Bureau of Mines

Harold Kirkemo (SPH)
Member, Geological Survey

SPHolt/gla 8-25-59
cc to: Director's Reading File
Operating Committee
JHBilbrey, Jr., USBM
Harold Kirkemo, USGS
Docket
Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/13	Holt	500
	[illegible]	500
8/13	GCS	130
8/13	Johnson	110
8/13	gad	220
		500

Department of the Interior

OME

14X0103, Salaries and Expenses,
Office of Minerals Exploration,
Interior

AUG 13 1959

TELETYPE

A. E. WEISSENBORN, EXECUTIVE OFFICER
OME FIELD TEAM, REGION I
SOUTH 157 HOWARD STREET
SPOKANE, WASHINGTON

REURTT AUGUST 11 DOCKET DMEA-5020, CALERA MINING COMPANY, SUNSHINE CLAIMS, PROPOSED TERMINATION AGREEMENT INCLUDING PSEUDO CERTIFICATION DRAFTED, WILL BE FORWARDED NEXT WEEK FOR YOUR APPROVAL AND PRESENTATION TO OPERATOR FOR EXECUTION.

George C. Selfridge

CHAIRMAN, OPERATING COMMITTEE

SPHolt/gla 8-13-59
cc to: Director's Reading File
Operating Committee
J. H. Bilbrey, Jr., USBM
Harold Kirkemo, USGS
Docket
Chron
Confirmation to OME Field Team, Region I

43683

RECEIVED
AUG 11 12 16 PM '59
GENERAL SERVICES ADMIN.
PUBLIC BLDGS. SERVICE
GMD - COMMUNICATIONS

AXXXXXXXB053K

XDXXXXXXB054K

YWA061 WAF SP 04 I-GS-G

SPOKANE WASH 8-11-59 0838U

MR. GEORGE C. SELFRIDGE CHAIRMAN OPERATING COMMITTEE OME

DEPARTMENT OF INTERIOR, WA

RE OUR MEMO JUNE 16, 1959 DOCKET DMEA NUMBER 5020 CALERA MINING COMPANY, SUNSHINE CLAIMS LEMHI COUNTY IDAHO CONTRACT IDM-E1223 WILL TERMINATION AGREEMENT BE PREPARED.

A. E. WEISSENBORN, EXEC OFFICER OME FIELD TEAM REGION 1

16 1959 5020 IDM-E1223

SLP 0840U

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 12 1959

DATE	INITIALS	CODE
8-12	gad	220
8/12	Hue	130
	Smith	500

BUREAU OF MINES
WASHINGTON, D. C.
Aug 11 1 26 PM '59

OFFICIAL FILE COPY

Date	Surname	Code
8/13	Holt	500
		500
8/14	J. Lynch	140

SOLICITOR
AUG 13 1959
INTERIOR DEPT.

August 13, 1959

Memorandum

To: Associate Solicitor
Division of Mineral Resources

From: Division of Minerals, OME

Subject: Docket No. DMEA-5020 (Cobalt and copper)
Calera Mining Company
Sunshine, et al., claims
Lemhi County, Idaho
Contract No. Idm-E1223

Attached is a rough draft of a proposed Termination Agreement to the above-captioned contract for your use in preparing it in final form.

Attachment

43683

DRAFT
8/13/59
GPMolt/gla

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. MMA-5020

TERMINATION AGREEMENT

It is agreed this _____ day of _____, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and Calera Mining Company, hereinafter called the "Operator", parties to that certain Exploration Project Contract No. Idm-81223 (Docket No. MMA-5020), dated June 27, 1958, as amended, hereinafter called the "Contract", that:

1. Effective June 15, 1959, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

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

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided for in this Termination Agreement.

5. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in

[illegible]

[illegible]

[illegible]

the land), shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount, and for the same period, and subject to the same conditions provided in the Contract, as if certification of discovery or development had been made, such certification being hereby waived by the Operator.

4. All rights of the Government respecting reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayment, are preserved.

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

THE UNITED STATES OF AMERICA

By_____
Acting Director, Office of
Minerals Exploration

CALERA MINING COMPANY

By_____

Title_____

m-MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

AUG 3 1959 D.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1959 Docket No. DMEA 5020 Contract No. Idm-E 1223
Operator's Name Calera Mining Company Minerals Cobalt & Copper
Address Cobalt, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Stage I								
Drifting Geophysical Sur.	Mile			196.25	1.57	125.00	6	125.00
Stage II Crosscutting Engineer-	Day			300.00	10	30.00	10	30.00
Raising Geologist								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Stage I Trenching	Cu. Yd.	1,330.75	5,323	1,935.00	7,740	0.25	15,000	3,750.00
Stage I Samplers	Each			18.75	5	3.75	300	3.75
Roads and Trails								
Total Distributed Costs		1,330.75		2,450.00				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 June 12, 1959 Operator Calera Mining Company

Per E. B. Vaughan Title Manager

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)

Voucher held, pending final audit.

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

June 12, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 3 1959

DATE	INITIALS	CODE

Mr. A. E. Weissenborn
Executive Office - Regional
BMEA Field Team
South 157 Howard Street
Spokane 4, Washington

Dear Mr. Weissenborn:

Enclosed is the information pertinent to the BMEA Project No. 5020 for the month of May, 1959.

Additional trenching has intersected at about 200 ft. intervals, the gossan capping of a mineralized zone. The gossan contains much quartz and limonite with some yellow arsenates. Along the hanging wall are several thin cobaltite stringers in silicified schist. The mineralized zone appears to have an average width of about 25 ft. over a distance of about 750 ft. Trenches were also dug north and south of this zone to delimit it.

Trenching this month amounted to 5,323 cubic yards.

Sincerely,

E. B. Douglas

E. B. Douglas

EBD:bh

Enclosures

ASSAY RECORD
CALERA MINING CO.

Level: Surface

Working: Sunshine Area

Date	Sample Number	Location From	Location To	Kind	Wth.	% Co	% Cu	Oz. Au		REMARKS
4/20/59	4077A	Surface		Chip	9Ft.	11	15			16,466N 640N
"	4077B	"		"	5Ft.	05	06			16,465N - 635E
"	4077C	"		"	5Ft.	24	10			16,464N - 630E
"	4091A	"		"	5Ft.	07	07			16,464N - 625E
3/26/59	NO No.	"		"	3Ft.	07	tv			17,650N - 960E

MME FORM 6 REFERENCE SLIP

REV. 2-5 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. 110	10/27	[illegible]
2. √00		
3. Mr. Hart	10/27	S.P.H.
4.		
5.		
FROM:		

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

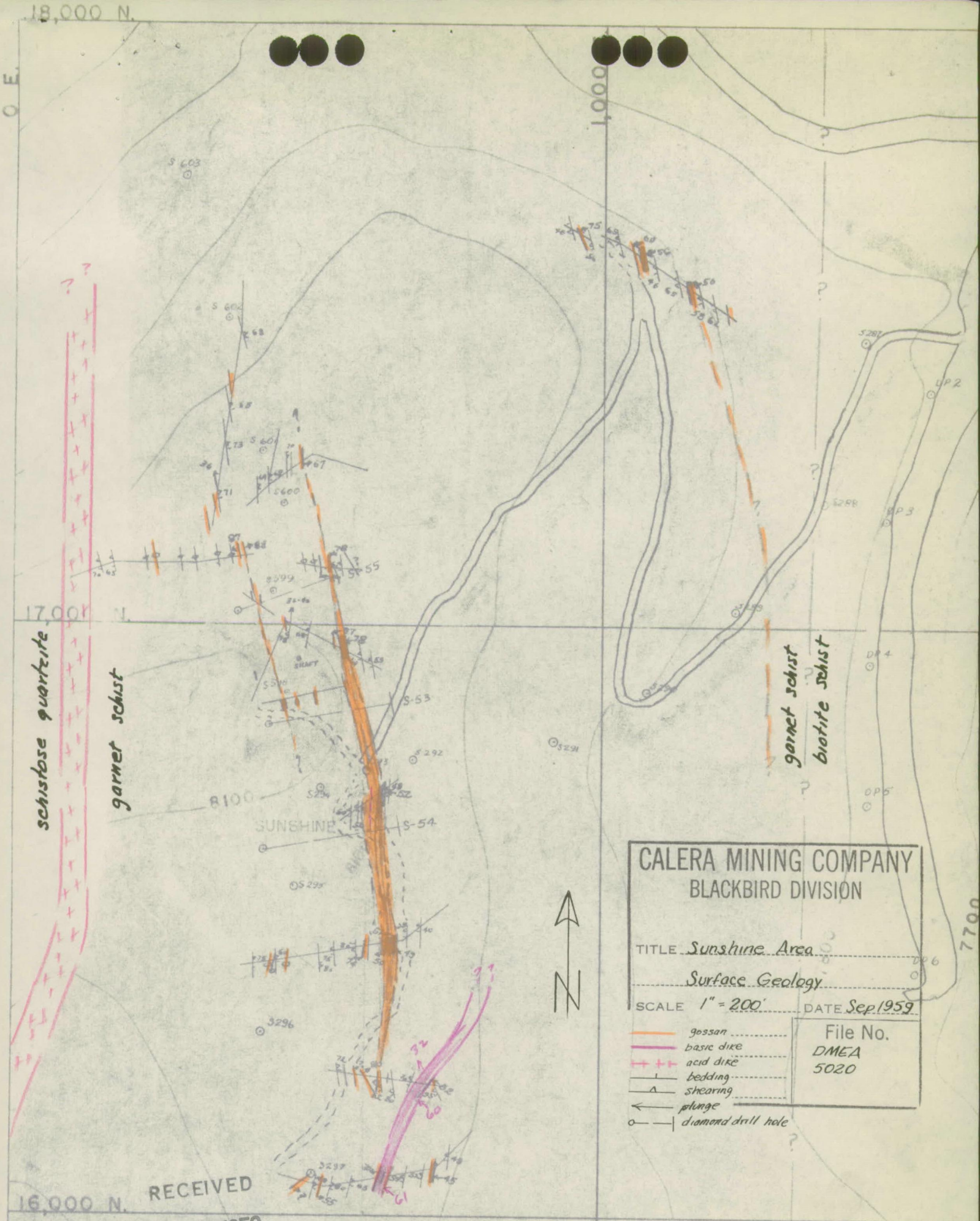
____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

[illegible] 5020

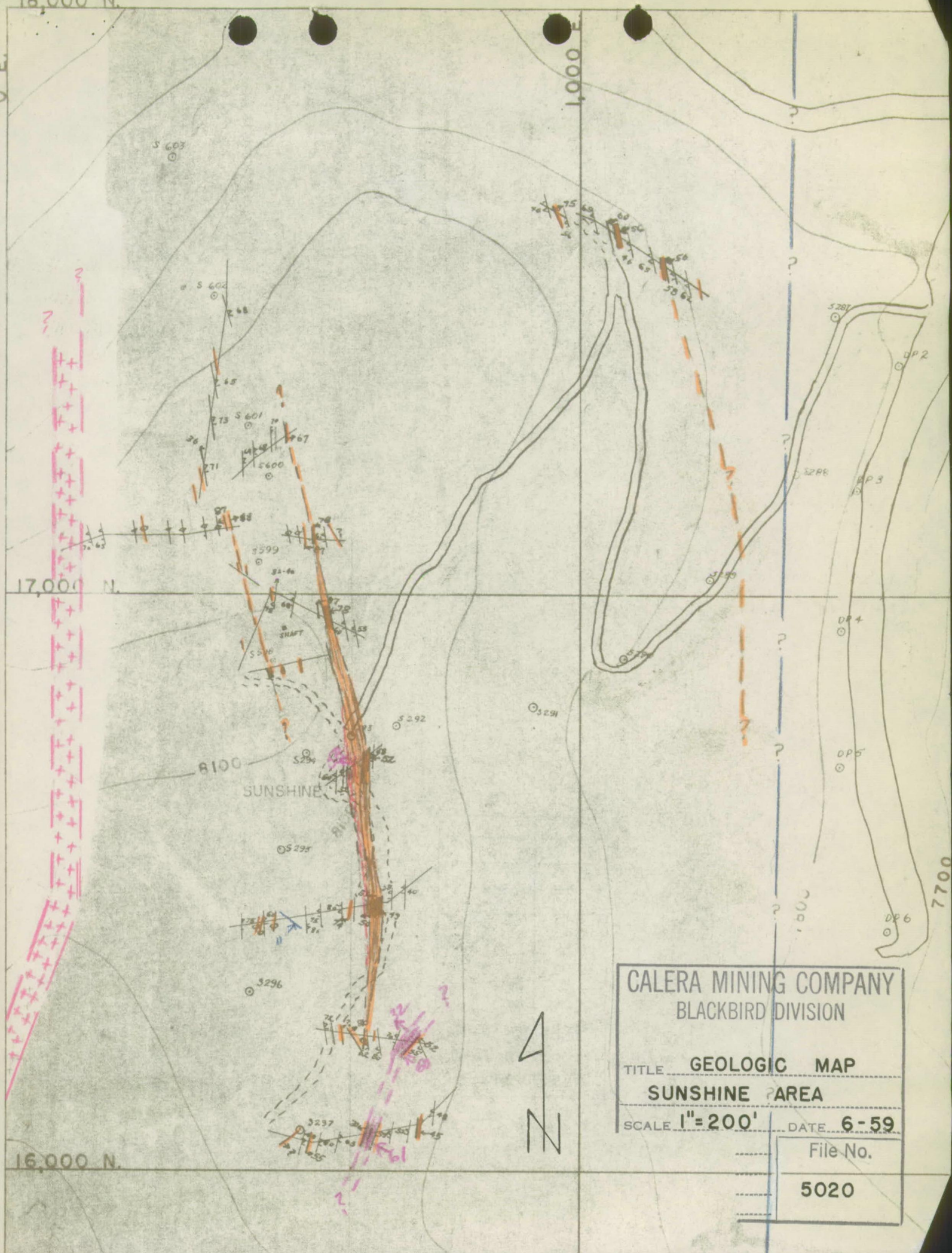
INT.-DUP. SEC., WASH., D.C. M50943



RECEIVED
SEP 28 1959
U. S. G. S.
SPOKANE, WASH.

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 2 1959

DATE	INITIALS	CODE


18,000 N.
0 E.
1,000 E.
17,000 N.
16,000 N.
8100
SUNSHINE
SHAFT
7700
CALERA MINING COMPANY
BLACKBIRD DIVISION
TITLE GEOLOGIC MAP
SUNSHINE AREA
SCALE 1"=200'
DATE 6-59
File No.
5020

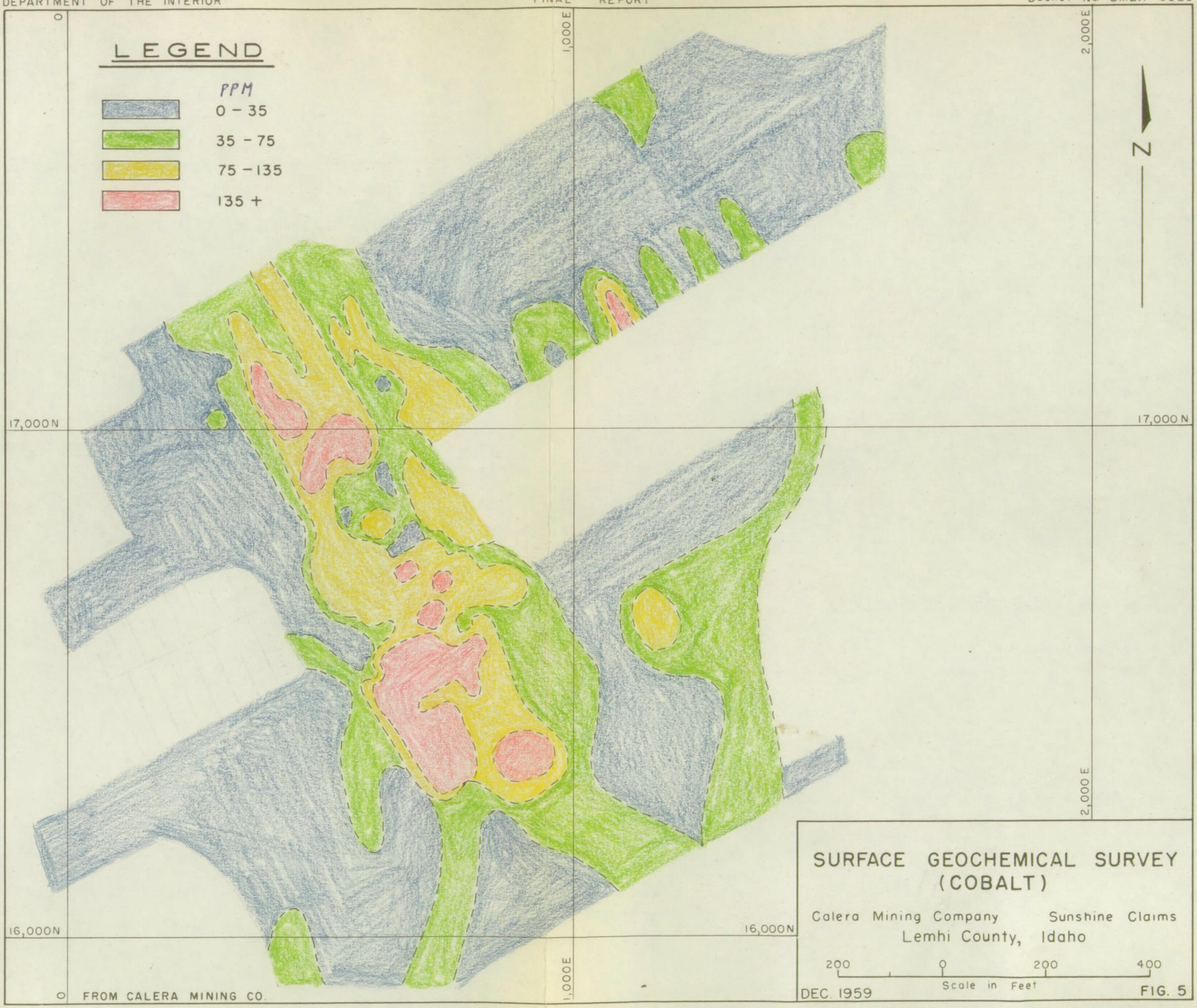
OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 3 1959

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
OFFICE OF MINERALS EXPLORATION
FINAL REPORT

Docket No DMEA 5020



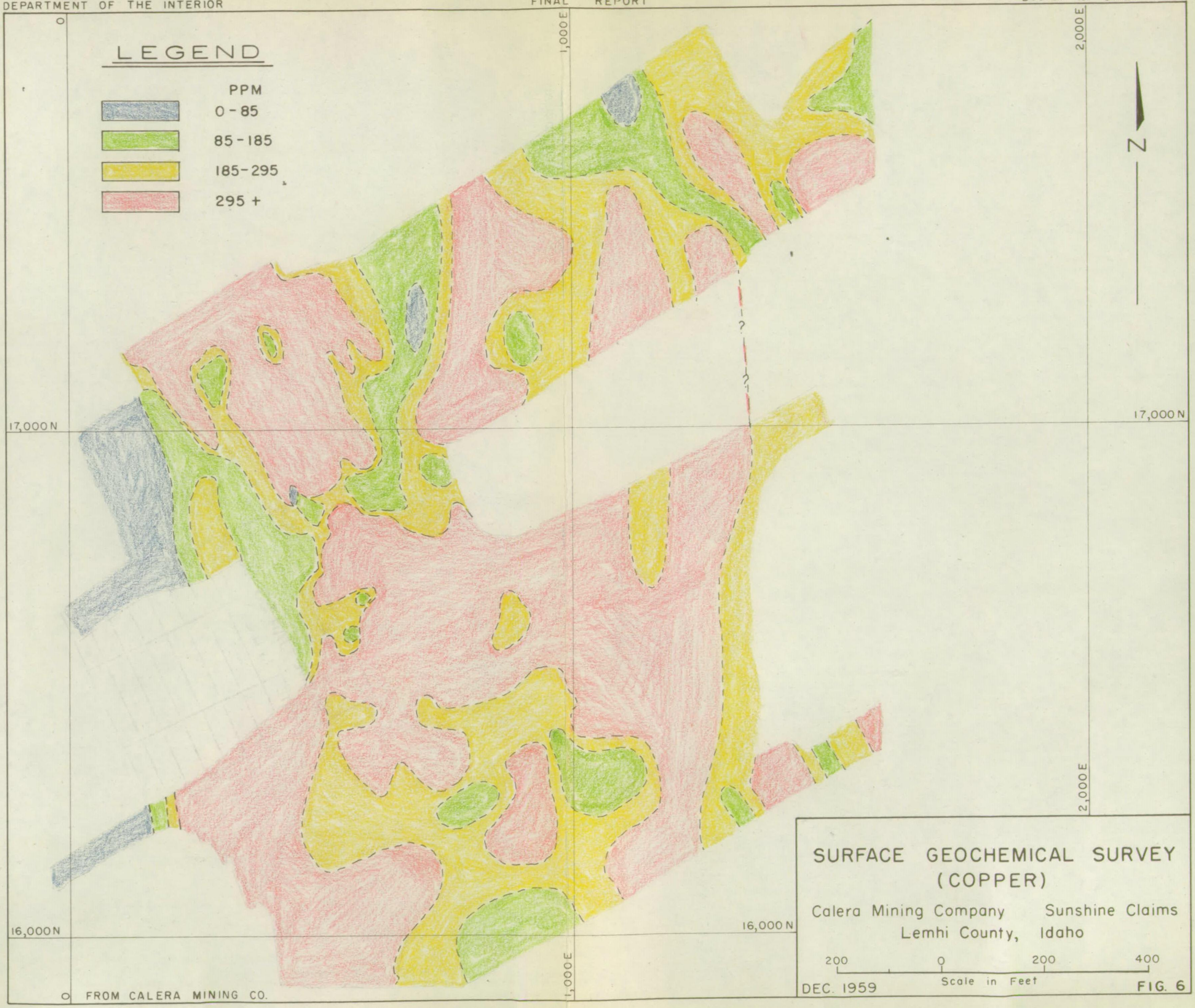
OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 25 1960

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR

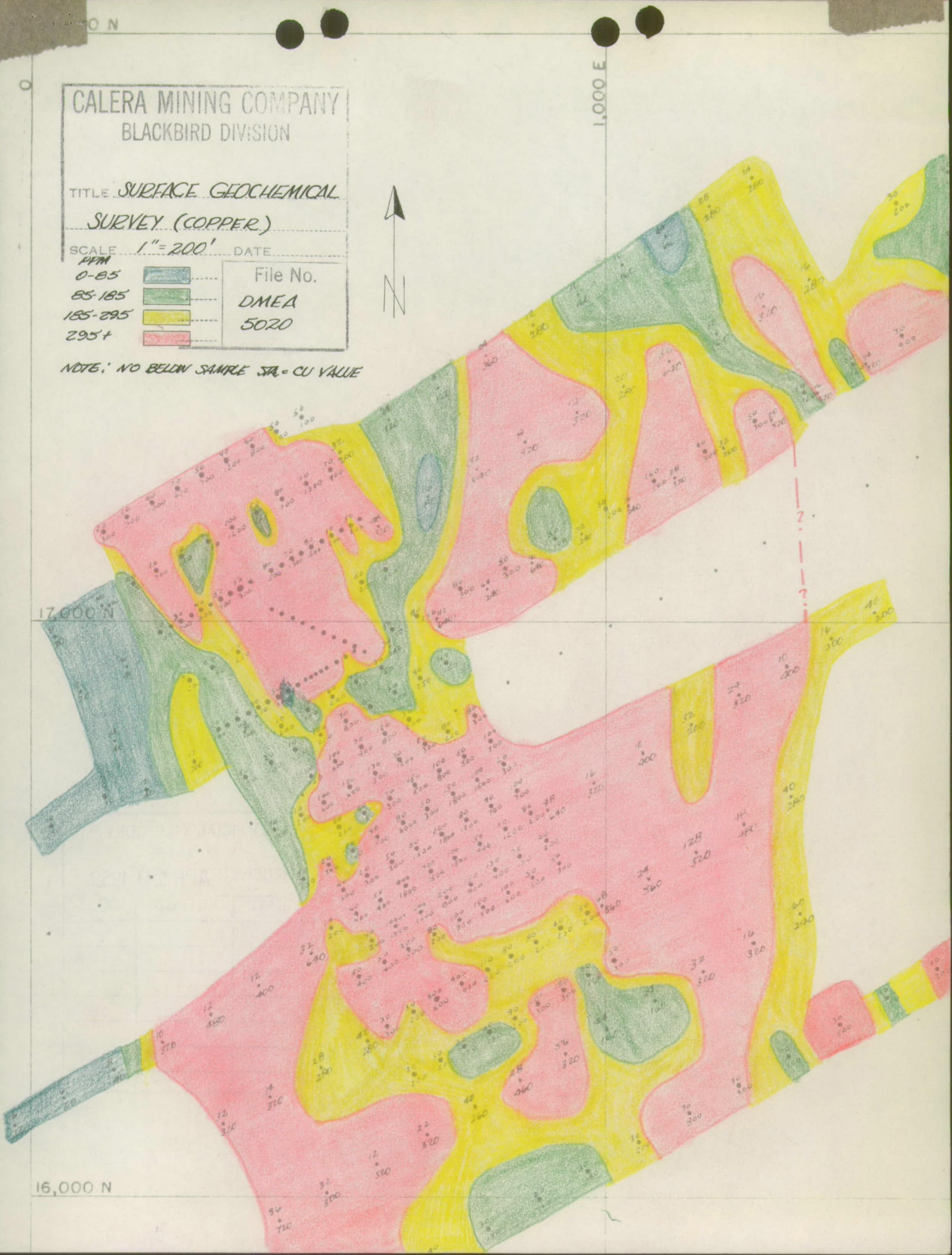
PREPARED FOR
OFFICE OF MINERALS EXPLORATION
FINAL REPORT

Docket No. DMEA 5020



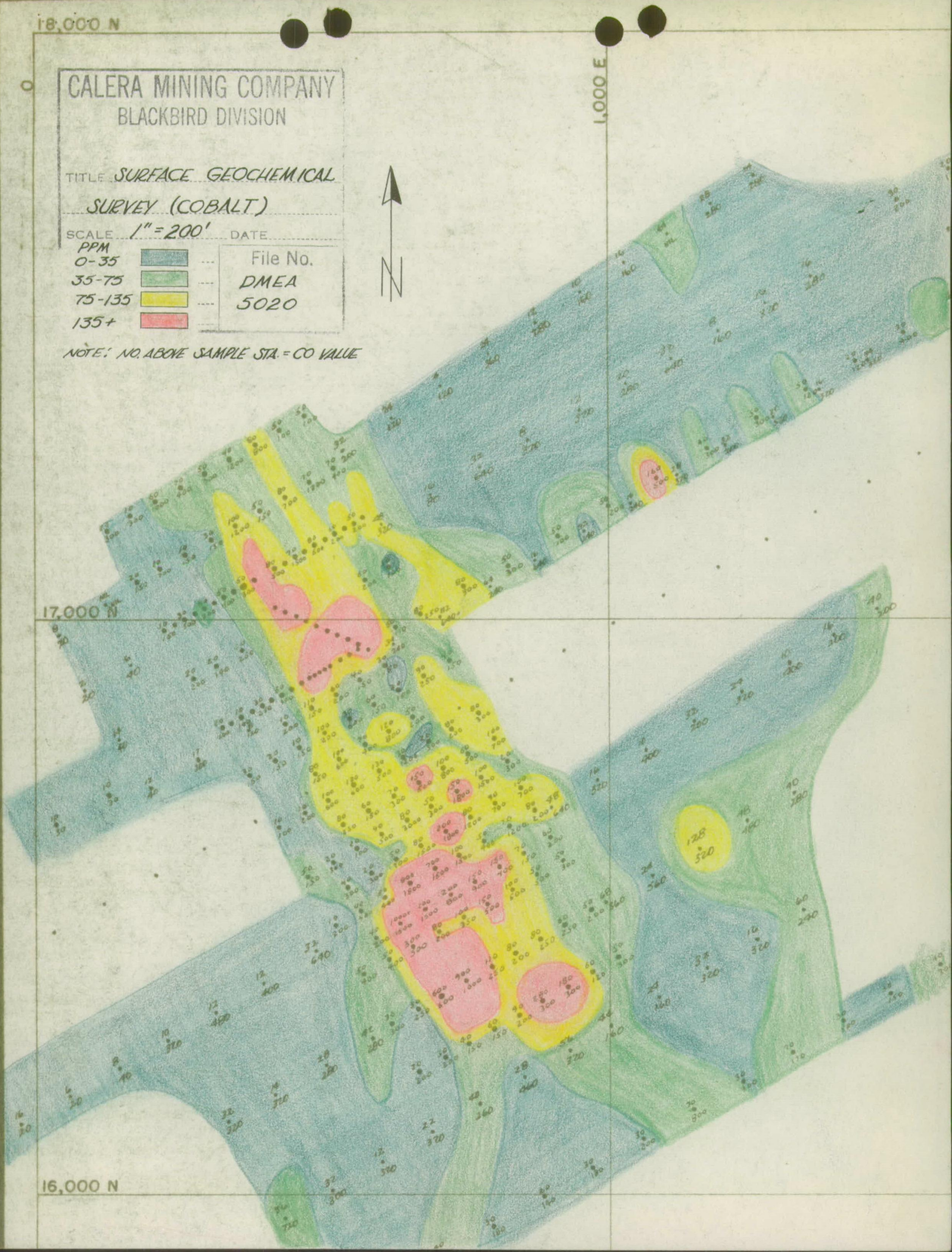
OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 25 1960

DATE	INITIALS	CODE


CALERA MINING COMPANY
BLACKBIRD DIVISION
TITLE SURFACE GEOCHEMICAL SURVEY (COPPER)
SCALE 1" = 200'
DATE
PPM
0-85
85-185
185-295
295+
File No.
DMEA
5020
NOTE: NO BELOW SAMPLE STA = CU VALUE
N
1,000 E
17,000 N
16,000 N

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

DATE	INITIALS	CODE


18,000 N
0
1,000 E
CALERA MINING COMPANY
BLACKBIRD DIVISION
TITLE SURFACE GEOCHEMICAL SURVEY (COBALT)
SCALE 1" = 200'
DATE
PPM
0-35
35-75
75-135
135+
File No.
DMEA
5020
NOTE: NO. ABOVE SAMPLE STA. = CO VALUE
N
17,000 N
16,000 N

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

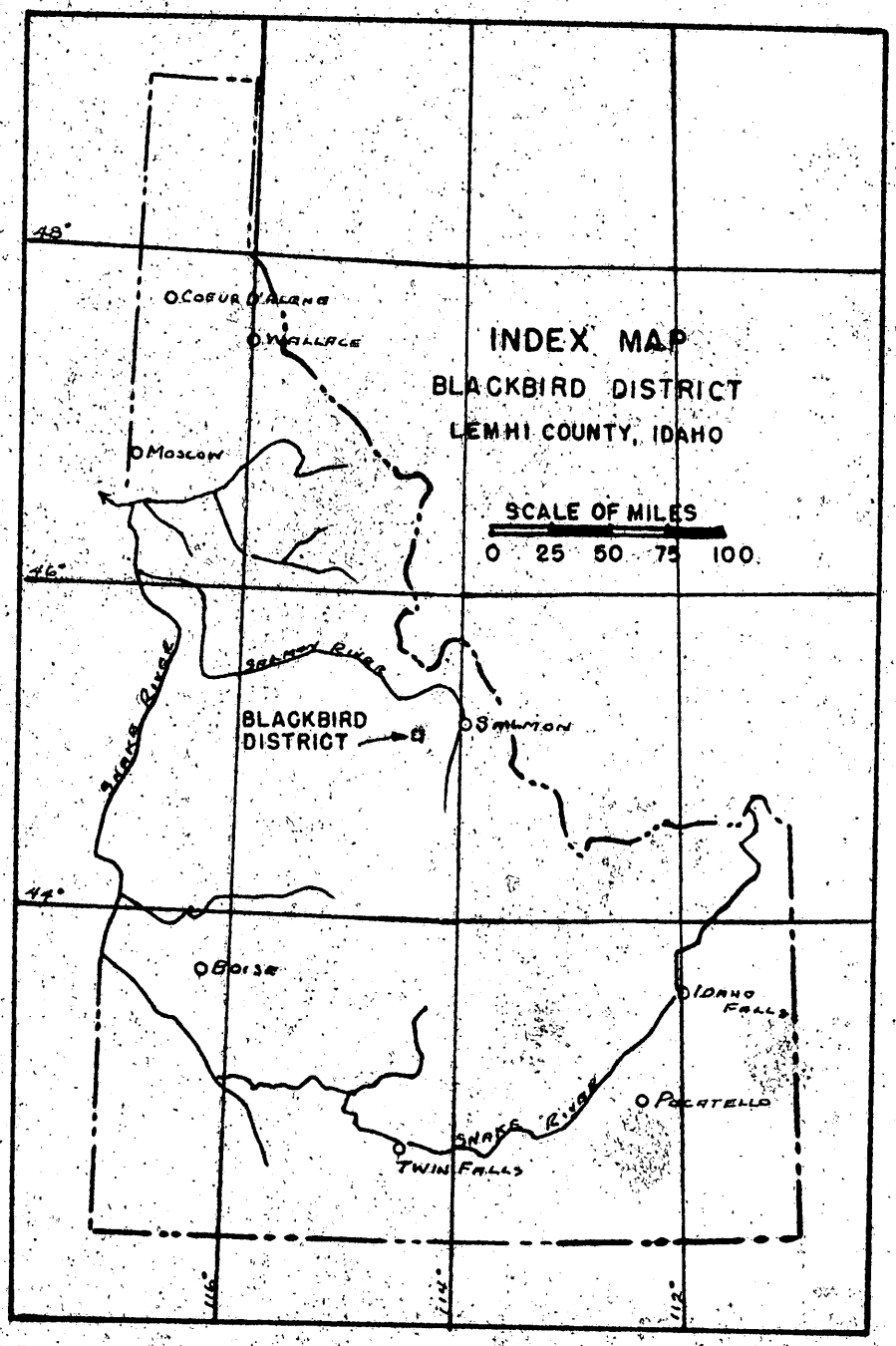
DATE	INITIALS	CODE

Maps for
DMEA-5020-
Operator's Report
MF104-for May 1959

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

OFFICIAL BUSINESS

PEN



CALERA MINING COMPANY
BLACKBIRD DIVISION
COBALT, IDAHO

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 16 1958.

DATE	INITIALS	CODE

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

June 17, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 13 1959

DATE	INITIALS	CODE
7-13	gad	220
"	[illegible]	110
7/14	[illegible]	800
7-15	H	500

MEMORANDUM

To: OME Field Team, Region I

From: Wm. M. Romischer, Mining Engineer, Bureau of Mines

Subject: Final inspection, Docket No. DMEA-5020 (cobalt-copper), Calera Mining Company, Sunshine Claims, Lemhi County, Idaho, Contract No. Idm-E1223

The property was visited June 11, 1959. My previous inspection was made on April 30, 1959. The last inspection of the property was made by Howard F. Albee, geologist, U. S. Geological Survey on May 26, 1959. Mr. William C. Cole, geologist, accompanied me on the inspection.

No contract work had been done since Mr. Albee's last inspection. A total of eleven trenches for an aggregate of nearly 8,000 cubic yards had been excavated or cleaned out and deepened by a D-8 caterpillar with a ripper. The cuts were 14 feet wide. The significant cobalt-bearing mineralized zone encountered by the cuts have been reported in previous interim inspection reports and by the Operator in his monthly reports.

The Operator is discontinuing operations in the Calera district, including the OME exploration contract work on the Sunshine claims and has requested the termination of the contract with only part of the Stage I work completed. The work under the project was divided into two stages. The work completed was all on a fixed unit cost basis. The International Nickel Company has examined the Calera mine for the purpose of possibly buying the property.

The Government has no equity in supplies or equipment used for the project.

Because of the encouraging results of the geo-physical work and the trenching, it was recommended that the Termination Agreement include a pseudo-certification.

The status of the contract is:

Date of contract: June 27, 1958
Termination date: November 1, 1959
Amount of contract: $104,200.00
Amount spent: $ 2,450.00 (thru May 1959)

Under Stage I	Authorized	Completed	Vouchered
Geo-physical survey @ $125/mi	6 miles	1.57 mi.	1.57 mi.
Bulldozing trenches @ $0.25/cu.yd.	15,000 cu.yds.	7,740 cu.yds.	7,740 cu.yds.
Samples from trenches @ $3.75/each	300	5	5
Engineer-geologist @ $30/day	$300.00	$300.00	$300.00

There was no OME production.

Wm M. Romischer

Wm. M. Romischer

Distribution:
OME (4)
USGS (2)
USBM (AD)
Docket
Romischer

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
June 16, 1959

OFFICIAL FILE COPY O. M. E. RECEIVED JUN 19 1959		
DATE	INITIALS	CODE
6/19	G	220
6/22	WSM	130
		400

Memorandum

To: Chairman, Operating Committee, OME

From: OME Field Team, Region I

Subject: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-E1223

Enclosed are two copies of a letter, dated June 10, 1959, from E. B. Douglas, manager of the Blackbird Division, Calera Mining Company, requesting that this contract be terminated. Also enclosed are copies of other correspondence leading up to this letter.

Although Amendment No. 2 suspended the contract work from October 15, 1958, to July 1, 1959, a mild winter permitted resumption of work in March 1959. Since then, five new trenches have been bulldozed across the geophysical anomaly found last fall and seven old trenches in the same area have been deepened.

As the company is closing down all operations in the Calera district, we recommend that the contract be terminated. However, in view of the encouraging results of the geophysical work and the trenching, we recommend that the Termination Agreement include a pseudo-certification.

Stephen W. Zolcak
for Wing G. Agnew, Acting Executive Officer
U. S. Bureau of Mines

Donald R. MacLaren
Donald R. MacLaren, Acting Member
U. S. Geological Survey

Enclosures
cc: USBM(2)
USBM(AD)
Albee

CALERA MINING COMPANY
BLACKBIRD DIVISION
COBALT, IDAHO
June 19, 1959

OFFICIAL FILE COPY O. M. E. RECEIVED JUN 19 1959		
DATE	INITIALS	CODE

Mr. A. E. Weissenborn,
Executive Officer, OME
Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re. Docket No. DMEA - 5020 (Cobalt-Copper)
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-E1223

Dear Mr. Weissenborn:

Thank you for your letter of June 2.

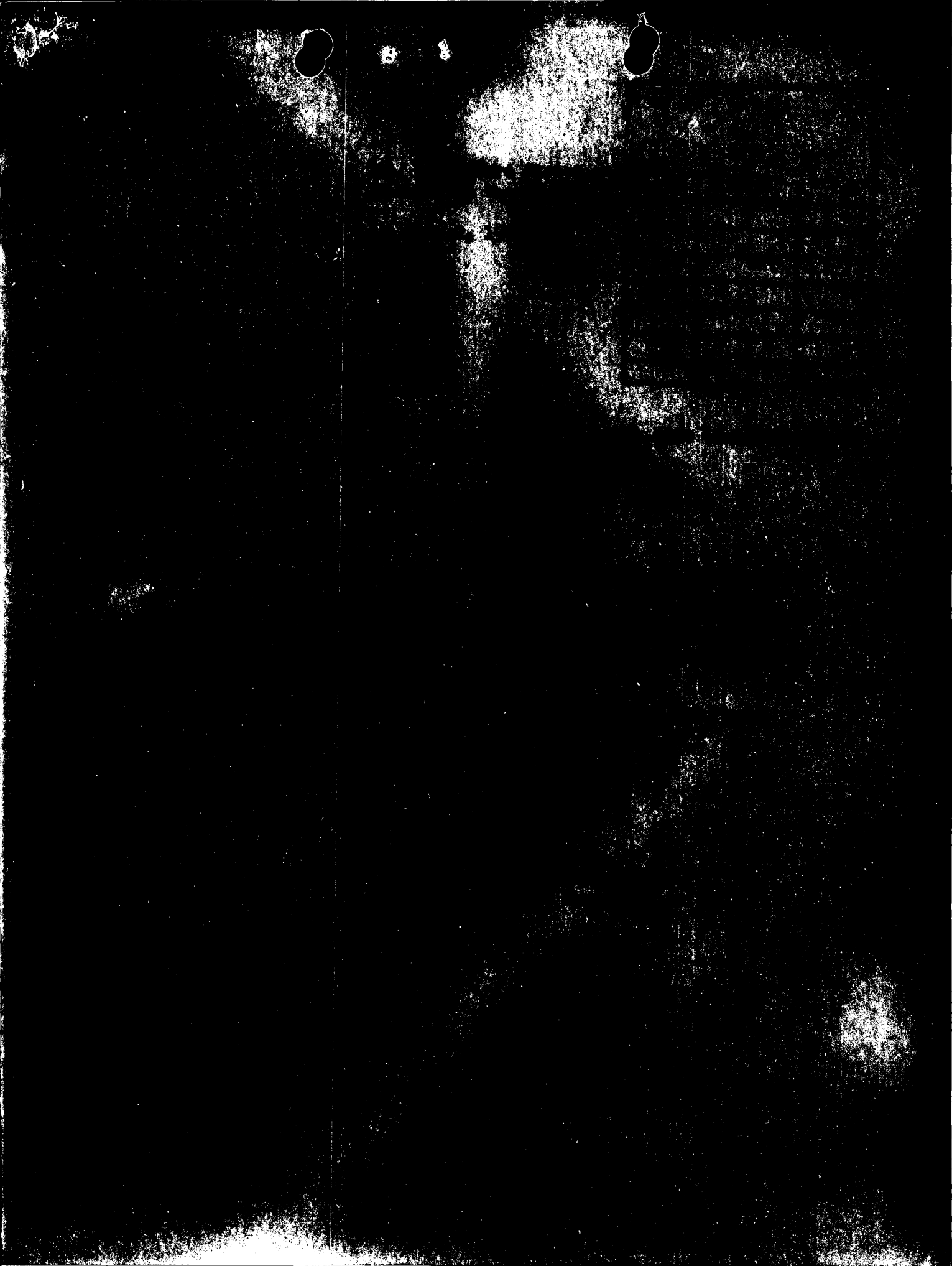
Because of the favorable showing we had found on the Sunshine Claims, I felt the project would be continued by the Company should they be successful in obtaining another sales contract for cobalt or in case the lease under which we held the land was canceled, that the owners of the claims, namely: Stevenson, Boynton and King might want to explore the ground further under the favorable terms of the contract. However, it now seems certain that the Calera Mining Company does not plan further work in the district so you may consider this your authority to proceed with canceling the contract.

With kindest regards,

Sincerely,

E. B. Douglas

EBD:bh



GALENA MINING COMPANY
BLACKBIRD DIVISION
COBALT, IDAHO

May 26, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 19 1959

DATE	INITIALS	CODE

Mr. A. E. Weissenborn, Executive Officer
Office of Minerals Exploration
South 157 Howard Street
Spokane 4, Washington

Re: Docket No.D.M.E.A.-5020 (Cobalt-Copper)
Sunshine Claims
Lemhi County, Idaho
Contract No. Ida-21223

Dear Al:

I appreciate very much your letter of May 22 regarding the above referred to D.M.E.A. Contract.

Present plans are to continue to run the mill on a month to month basis, until low grade ores left from open pit operations are exhausted. This ore may be sufficient to last until October or November. Only copper would be recovered as matters now stand.

Because the Company is undecided as to what disposition will be made of this property, including the Sunshine Claims, we would appreciate a years postponement of the work requirements under the contract.

As Jack Vhay may have told you, our surface trenching on the Sunshine Claims has disclosed surface oxidation over some 700 feet in length and up to 25 feet in width and further exploration is warranted.

Your kind thoughts about the disbandment of this staff are very much appreciated. I can assure you it has been a privilege to work with you and other members of the U.S.G.S. on our problems than the years.

With kindest personal regards.

Sincerely,

HHD:abd

RECEIVED
JUN 1 1959
SPOKANE, WASH.

OMEB)

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 19 1959

DATE	INITIALS	CODE

No. 157 Howard Street
Spokane 4, Washington

May 22, 1959

Mr. E. B. Douglas, Manager
Blackbird Division
Calera Mining Company
Cobalt, Idaho

Re: Project No. MMA-5080 (Cobalt-Copper)
Sunshine claims
Lemhi County, Idaho
Contract No. Idm-81223

Dear Ed:

I am sorry indeed to learn from Jack Vhay that mining operations at Calera have been or are about to be terminated and the camp shut down. I knew, of course, that the threat of closure hung over Blackbird like the sword of Damocles but I have hoped that something could be worked out so that a shut down would not actually come to pass.

I presume that under the circumstances Rare Earth will find it impossible to complete the current MMA exploration project. If this is so, would you write the Field Team a letter, explaining that because the property is closing the company finds itself unable to complete the contract, and request that the contract be terminated by mutual consent. This will keep the record straight. Your letter should give the date you wish the termination to be effective. We will forward your request to Washington for consideration by the Office of Minerals Exploration.

The closing of a good mine and the dismantlement of an efficient staff is always a sad thing to contemplate and it is particularly so in this instance where the humps is not the usual one of exhaustion of the ore. The best of luck to you and your staff in getting relocated with a minimum of delay.

Sincerely,

A. E. Weissenborn

cc: MMM (1)
no other

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

June 1, 1959

Memorandum

To: OME Field Team, Region I

From: Howard F. Albee, Geologist, U. S. Geological Survey

Subject: Interim inspection, Docket No. DMEA-5020 (Cobalt-Copper) Calera Mining Company, Sunshine Claims, Lemhi County, Idaho, Contract No. Idm-E1223

The property was visited May 26, 1959. Mr. LaVerne Nelson, geologist, accompanied me to the bulldozer cuts shown on the accompanying map.

Cuts 3, 4, and 5 were completed, cut 2 was extended, and the cuts to the north of cut 3 were cleaned out and deepened since William Romischer's visit on April 30, 1959. The cobaltiferous zone in cut 3 is about 50 feet wide and in cut 2 about 10 feet wide, according to Mr. Nelson. The 50-foot width includes the gossan. It is unlikely that the gossan contains much if any cobalt at present. Cobalt in place was seen, however, in cuts 2 and 3 where it occurs as disseminated sulfides in garnet schist.

Howard F. Albee

Attachment

Distribution:
OME (4)
USBM (2)
AD
Docket
Albee

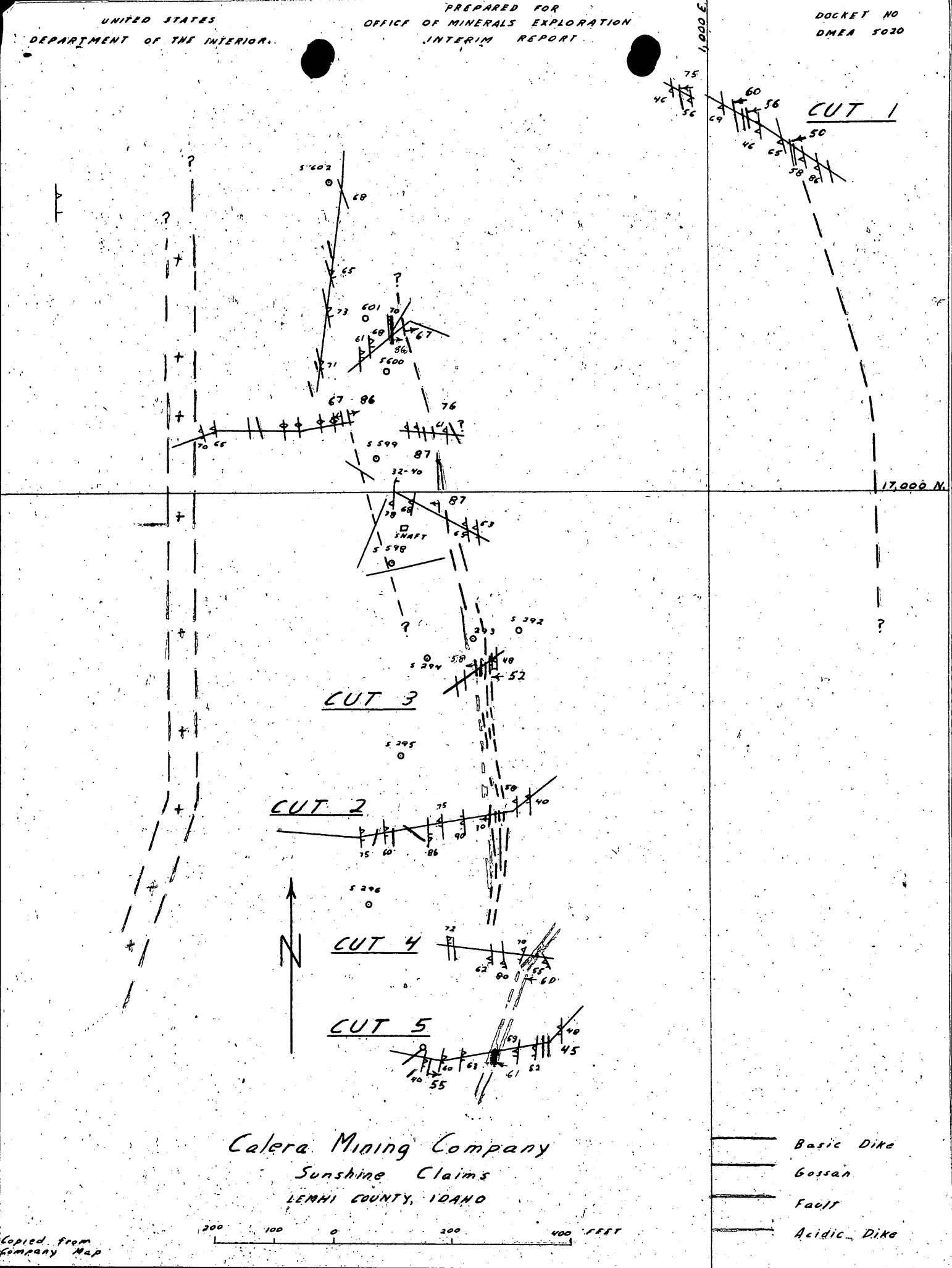
OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 15 1959

DATE	INITIALS	CODE
6/15	G	220
6/16	FEJ	110
		800
6/17	WSM	400

UNITED STATES
DEPARTMENT OF THE INTERIOR.

PREPARED FOR
OFFICE OF MINERALS EXPLORATION
INTERIM REPORT

DOCKET NO
DMEA 5020



Calera Mining Company
Sunshine Claims
LEMHI COUNTY, IDAHO

Copied from Company Map

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 15 1959

DATE	INITIALS	CODE

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 10 1959

DATE	INITIALS	CODE
6/10	C	220
6/10		120
6/10		800
6/10	WBM	400

1201 N. Division St.
Spokane 2, Washington

June 2, 1959

Mr. E. B. Douglas, Manager
Calera Mining Company
Blackbird Division
Cobalt, Idaho

Re: Docket No. DMEA-5020 (cobalt-copper)
Sunshine Claims
Contract No. Idm-M1223
Monthly operating report for
April 1959

Dear Mr. Douglas:

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

The deletion is explained in the attached copy of a letter to the Field Team from the Certifying Officer, Region I.

By Field Team, Region I

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

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

Attachment
cc: OME (2)
USGS (2)
USBM (AD)

OME Field Team, Region I

June 2, 1959

OME Certifying Officer, Region I

Calera Mining Company, Idm-21223
Monthly operating report for April 1959

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

We have deleted $18.75 for 5 assays at $3.75 each claimed by the Operator because the assay reports did not accompany this claim. Upon receipt of these assay reports, this item will be reinstated.

Dorothy F. Long

cc: OME (2)
USGS (2)

OME Field Team, Region I

June 2, 1959

OME Certifying Officer, Region I

Calera Mining Company, I&m-M1983
Monthly operating report for April 1959

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

We have deleted $18.75 for 5 assays at $3.75 each claimed by the Operator because the assay reports did not accompany this claim. Upon receipt of these assay reports, this item will be reinstated.

Dorothy F. Long

cc: OME (2)
USGS (2)
Contract Admin. & Audit Div. (2)
Romisher
USBM (AD)

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

JUN 8 1959
O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April 1959 Docket No. DMEA 5020 Contract No. DM-E 1223
Operator's Name Calera Mining Company Minerals Cobalt & Copper
Address Cobalt, Idaho
Contract Amount, $ 104,200.00 Government Participation: 62½ % Amount, $ 65,125.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Stage I Geophysical Survey		196.25	196.25		196.25	196.25
Stage II Engineer-Geologist		300.00	300.00		300.00	300.00
Stage III Trenching	604.25		604.25	604.25	—	604.25
Stage IV Sampling & Assaying	18.75		18.75			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	623.00	496.25	1,119.25	604.25	496.25	1100.50

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

Date May 12, 1959 *Payee Calera Mining Company

Per E. B. Vaughn Title Manager

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

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.

(Instructions on reverse)

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

$ 377.66

Signature Dorothy F. Long
(Authorized Certifying Officer)

Date 6/2/59 Vou. No. 2299

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1223 in accordance with the terms of the contract.

Signature /s/ William M. Remischer Title Mining Engr. Date 5/25/59

APPROVAL BY ~~DMEA~~ ONE EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ A. E. Weissenborn Title Exec. Officer Date June 1, 1959

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

D.M.E. JUN 8 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1959 Docket No. DMEA 5020 Contract No. Idm - E 1223
Operator's Name Calera Mining Company Minerals Cobalt & Copper
Address Cobalt, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Stage I Geophysical Survey	Mile			196.25	1.57	125.00	6	125.00
Stage I Engineer	Day			300.00	10	30.00	10	30.00
Geologist								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Stage I Trenching	cu yd	604.25	2,417	604.25	2,417	0.25	15,000	3,750.00
Stage I Sample	ea	18.75	5	18.75	5	3.75	300	3.75
Roads and Trails								
TOTAL DISTRIBUTED COSTS		623.00		1,119.25				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 May 8, 1959 Operator Calera Mining Company

Per E. B. Vaughan Title Manager

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)

/s/ William M. Konischer, 5/25/59

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

May 12, 1959

Mr. A. E. Weissenborn
Executive Office - Regional
D. M. E. A. Field Team
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA 5020
Contract No. Idm - N 1223

Dear Mr. Weissenborn:

Enclosed is the information pertinent to the DMEA Project No. 5020 for the month of April, 1959.

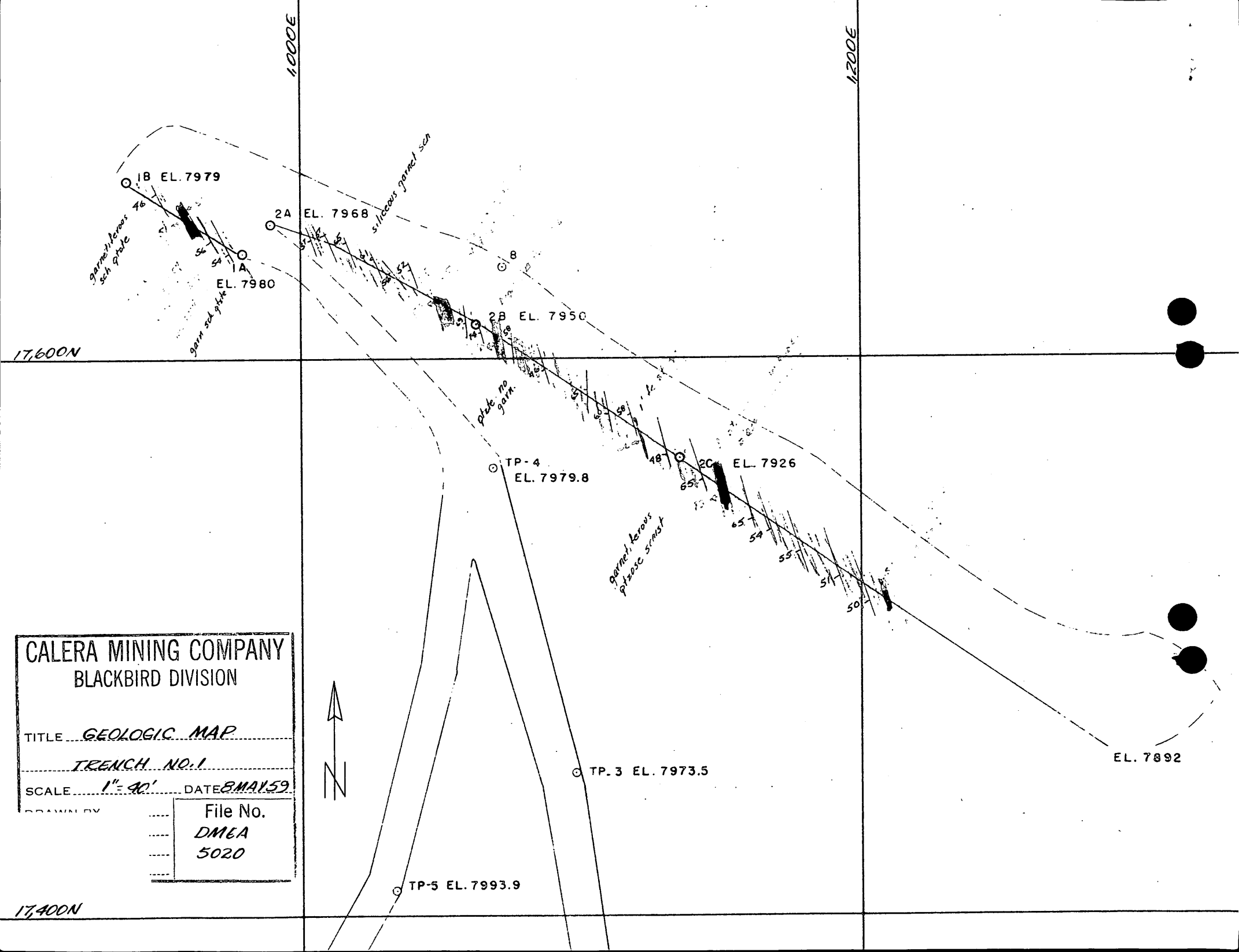
A trench on the geophysical anomaly several hundred feet east of the Sunshine shaft produced rather disappointing results. However, the second trench on the ridge south of the shaft uncovered evidence of a mineralized zone. More trenches are planned on the ridge along the strike of this zone both to the north and to the south.

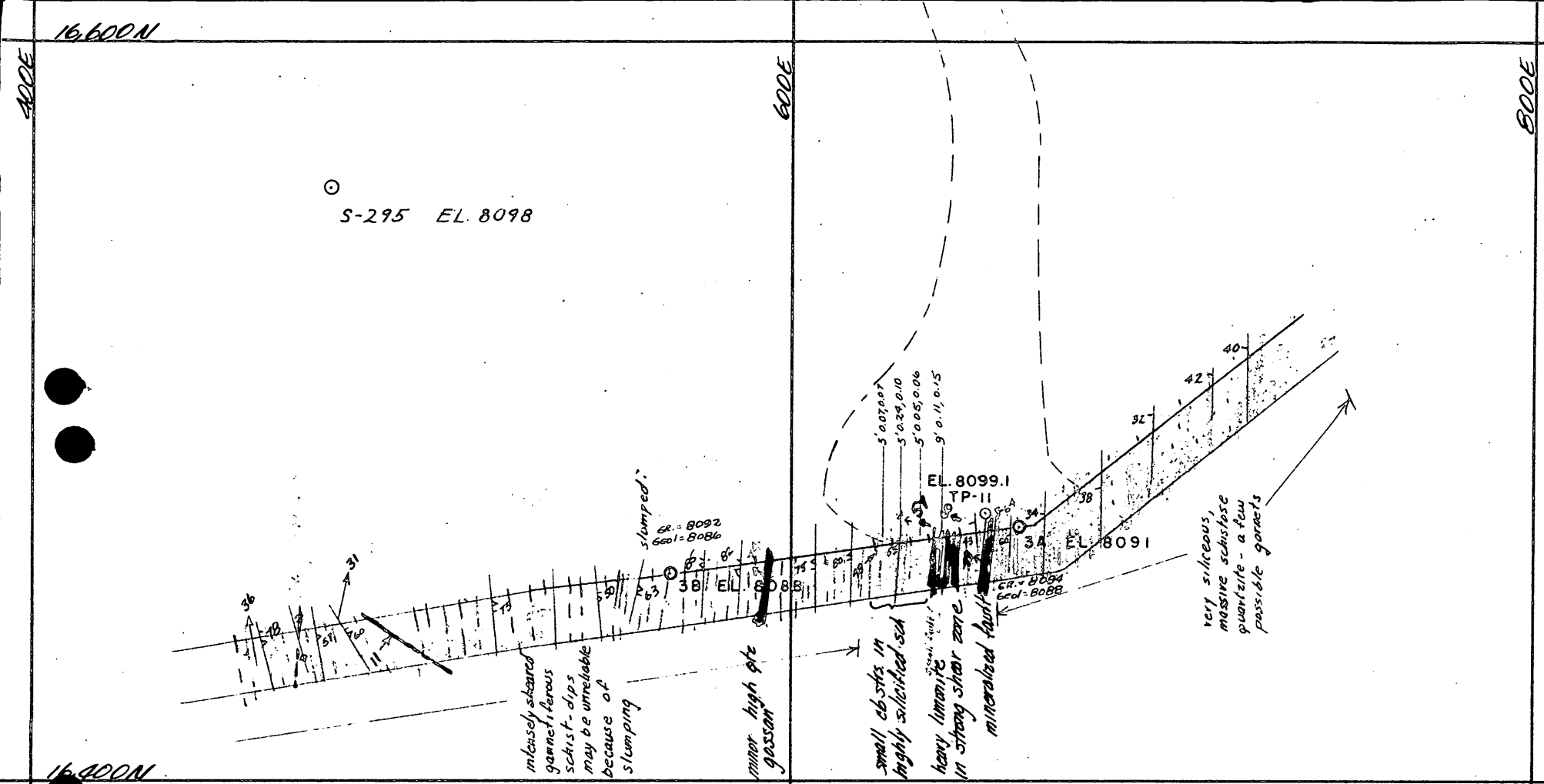
Sincerely yours,

E. B. Douglas

EBD:bh

Enclosures


1,000E
1,200E
17,600N
17,400N
1B EL. 7979
1A
EL. 7980
2A EL. 7968
2B EL. 7950
2C EL. 7926
8
TP-4
EL. 7979.8
TP-3 EL. 7973.5
TP-5 EL. 7993.9
EL. 7892
N
CALERA MINING COMPANY
BLACKBIRD DIVISION
TITLE GEOLOGIC MAP
TRENCH NO. 1
SCALE 1" = 40'
DATE 8 MAY 59
File No.
DMEA
5020



CALERA MINING COMPANY
BLACKBIRD DIVISION

TITLE GEOLOGIC MAP
TRENCH NO. 2

SCALE 1"=40' DATE 8 MAY 59

File No.
DMEA
5020

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

May 7, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 25 1959

DATE	INITIALS	CODE
5/25	G	220
"	[illegible]	110
5/26	[illegible]	800
5/27	WSM	400

MEMORANDUM

To: OME Field Team, Region I

From: Wm. M. Romischer, Mining Engineer, Bureau of Mines

Subject: Interim inspection, Docket No. DMEA-5020 (cobalt-copper), Calera Mining Company, Sunshine Claims, Lemhi County, Idaho, Contract No. Idm-E1223

The property was visited April 30, 1959. The previous inspection was made on October 16, 1958. The contract work had been suspended since October 15, 1958, as authorized under Amendment No. 2. Mr. William C. Cole, geologist, accompanied me on the inspection of the contract work completed on the property since my last inspection.

Two trenches had been excavated by a D-7 and a D-8 caterpillar with a ripper. The larger bulldozer with the ripper performed much more satisfactorily. The locations of trench Nos. 1 and 2 are shown on the accompanying map.

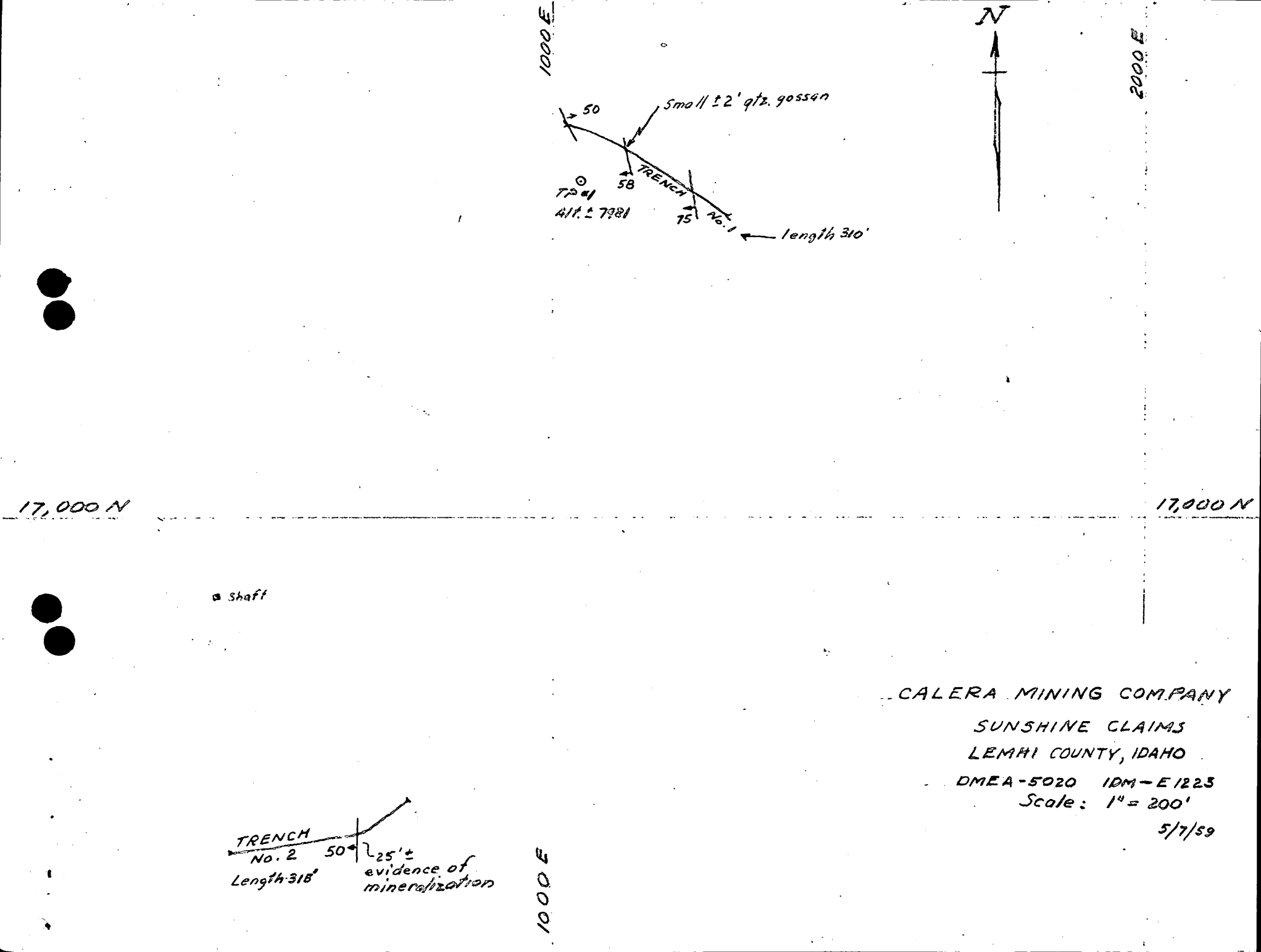
Trench No. 1 was 310 feet in length and averaged 6 feet deep and 10 feet wide. No significant mineralization was encountered. About 2 feet of quartz and gossan was exposed about 100 feet easterly from the west end of the trench. Two other smaller exposures of quartz occurred, one at the west end and the other about 70 feet from the east end of the trench.

Trench No. 2 was about 315 feet in length and averaged 6 to 7 feet deep and 10 feet wide. This trench may be lengthened from 50 to 100 feet westerly. A zone ± 25 feet wide cut by the trench showed evidence of mineralization. This zone is a little over 100 feet westerly from the east end of the trench. Both an oxidation and a sulpharsenide mineral of cobalt were identified in the exposure. Mr. Cole agreed it was a likely looking exposure for so close to the surface.

Wm. M. Romischer

Wm. M. Romischer

Distribution:
OME (4)
USGS (2)
USBM (AD)
Docket
Romischer


1000 E
2000 E
N
50
Small ± 2' qtz. gossan
TRENCH
58
TP #1
Alt. ± 7981
75
No. 1
length 310'
17,000 N
17,000 N
Shaft
TRENCH
No. 2
50
25' ±
evidence of
mineralization
Length 318'
1000 E
CALERA MINING COMPANY
SUNSHINE CLAIMS
LEMHI COUNTY, IDAHO
DMEA-5020 IDM-E 1223
Scale: 1" = 200'
5/7/59

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 25 1959

DATE	INITIALS	CODE

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

OFFICIAL FILE COPY O. M. E. RECEIVED APR 20 1959		
DATE	INITIALS	CODE
4/20	C	200
4/20	WSM	1500

April 15, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team Region I

Subject: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Idm-E1223

Enclosed, for your information and files, are two copies each of maps of a surface geochemical survey for copper and cobalt at the Sunshine claims. The geochemical anomalies are certainly very interesting.

We asked Mr. Douglas for these in our letter to him of January 13.

A. E. Weissenborn

A. E. Weissenborn

Attachments

cc: USBM (2) w/1 set attach.
USBM(AD) w/1 set attach.
Albee

CALERA MINING COMPANY

BLACKBIRD DIVISION

COBALT, IDAHO

March 25, 1959

Mr. A. E. Weissenborn
Executive Officer, OME
Field Team Region I
South 157 Howard Street
Spokane,4, Washington

RE: Docket No. DMEA - 5020 (Cobalt-Copper)
Contract No. Idm - 11223

Dear Mr. Weissenborn:

Enclosed are the geochemical maps with assays pertinent to the DMEA project in the Sunshine area. Some samples, which were taken only to confirm previous U.S.G.S. results, are omitted.

The abnormal concentration of copper in the soil is much more widespread than that of cobalt. As pointed out previously, the self potential information agrees with neither. However, a few preliminary trenches should simplify the picture.

Sincerely yours,

E. L. Douglas, Manager

Enclosures: 10
jms

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

DATE	INITIALS	CODE

OMF

So. 157 Howard Street
Spokane 4, Washington

April 8, 1959

E COPY
M. E.
APR 10 1959

DATE	INITIALS	
4-10	C	220
4-10		800
4-10		400

Mr. R. H. Douglas, Manager
Blackbird Division
Calera Mining Company
Cobalt, Idaho

Re: Docket No. IDMA-5080 (Cobalt-Copper)
Sunshine claims
Lemhi County, Idaho
Contract No. Idm-[illegible]

Dear Mr. Douglas:

Thank you for returning Amendment No. 2, and for informing us that contract work has been resumed.

We expect to have an engineer in Idaho the latter part of April; he will make an inspection of the trench at that time. You may submit your voucher for that work at your convenience.

Sincerely yours,

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

cc: OMF (2)
USBM (2)
USBM(AD)
Albee

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 4/6/59

REFERRED TO:

1. OME Operating Committee,
2. Wash., D.C.
3.
4.

OFFICIAL FILE
O M E
RECEIVED APR 9 1959

FOR:

Action	Recommendation
Approval	Record
Comment	of
Conference	Referring
Consideration	to
Filing	Reply for signature of
Instructions	
Investigation	Rewriting
Initials	Signature
Mailing	Suggestions
Previous correspondence	Your information

4/9 C 220
49 WSM 400

REMARKS:
Amendment No. 2, Callera Mining Co., Docket 5020. (Per Op. Com. to Field Team 3/18/59.)

Check (X) before the items needing attention.

Region I
Spokane

Initials of sender.
EMR

GPO 16—63815-1

CALERA MINING COMPANY

BLACKBIRD DIVISION

COBALT, IDAHO

April 1, 1959

original

O. M. E.

RECEIVED APR 9 1959

DATE		CODE
4/9	C	220
4/9		800
4/9	WSM	400

Mr. A. E. Weissenborn
Executive Officer, OME
Field Team Region 1
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. IMEA-5020 (Cobalt & Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Ism-E 1223

Dear Mr. Weissenborn

With reference to your letter of March 25, concerning the above subject, we are returning, herewith, the signed copies of the amendment.

Regarding the recess which you kindly extended on the contract, an exceptionally mild winter has permitted us to start cutting bulldozer trenches across the geophysical anomaly which was shown with the work performed last fall. If you have an engineer who is available to inspect this work, he may do so at his convenience. If you prefer, we can delay billing the government for their portion of this expense until the recess has expired July 1, 1959.

Sincerely yours,

CALERA MINING COMPANY
BLACKBIRD DIVISION

E. B. Douglas, Manager

EBD:bh

Enclosures

E Form 7
10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/17	Holt	400
3/17	Martin	400
3-17	Chamberlin	800
3/17	Field	130
"	Johnson	110
		~~100~~
		~~110~~
3/18		225
		400

MAR 18 1959

MEMORANDUM

To: Executive Officer, OME Field Team, Region I

From: Chairman, Operating Committee, OME

Subject: Docket No. MMA 5020 - Cobalt and Copper
Cabera Mining Company
Sunshine, et al., claims
Lemhi County, Idaho
Contract No. Ida-K1223

Enclosed are the original and four copies of a proposed Amendment No. 2 to the above-referenced contract, signed by the Acting Director for the Government. Two extra copies are enclosed for the use of the Field Team.

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

/s/ George C. Selfridge (GCS)

APPROVED:

H. G. Iverson (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

SPHOLT:foc 3-17-59
cc to: Code 400
Director's Read. File
Operating Comm.
FT. REG. I
J. H. Bilbrey, Jr., USBM
T. H. Kiilsgaard, USGS

Enclosure

P. S. This amendment corrects an inadvertent error in the period for royalty payments stated in Item 2 of Amendment No. 1.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/5	Holt	400
3/5	Martin	400
3/13	J. Lynch	140
	Hoffman	140

FROM SOLICITOR

C

MAR 1959

FOR SIGNATURE

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, OMM

Subject: Preparation of Amendment
Docket No. DMMA 5020 - Cobalt and Copper
Calera Mining Company
Sunshine, et al., claims
Lemhi County, Idaho
Contract No. Ids-K1223

Attached is a rough draft of a proposed Amendment No. 2 to the above-captioned contract for your use in preparing it in final form.

W. S. MARTIN

W. S. Martin, Chief
Division of Iron and Ferro-Alloys

Attachment

SPHOLT:foc
3-4-59
cc to: Docket
Code 400

RECEIVED
MAR 5 1959
ASSOC. SOLICITOR
MINERAL RESOURCES

43683

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. IMBA 5020

AMENDMENT NO. 2

It is agreed this _____ day of _____ 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and Calera Mining Company, hereinafter called the "Operator", that Exploration Project Contract No. Idm-X1223 (Docket No. IMBA 5020), dated June 27, 1958, as amended, hereinafter called the "Contract", is further amended, effective October 15, 1958, as follows:

1. Amendment No. 1, executed February 3, 1959, is hereby revoked and rescinded in its entirety, as of the date of its execution.

2. (a) Work under the contract shall be suspended during the period beginning October 15, 1958, and ending not later than July 1, 1959.

(b) The Government will not contribute to any costs incurred by the Operator during the period of suspension or to any costs of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

(c) The Operator at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

3. The maximum period for royalty payments and the lien to secure the payment thereof, provided for in the Contract, is extended from fifteen (15) years to sixteen (16) years from the date of the Contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Director, Office of Minerals Exploration

CALERA MINING COMPANY

By_____

Title_____

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. [illegible]

AMENDMENT No. 2

Justification

By inadvertence, when preparing Amendment No. 1, the royalty repayment was increased from ten (10) years to eleven (11) years from the date of the contract, instead of, as intended, from the fifteen years provided in item (f) of Annex II of the contract, to sixteen years.

Amendment No. 2 has been prepared to correct this error.

OME

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 13 1959

DATE	INITIALS	CODE
2/16	C	220
2/16	[illegible]	800
2/17	WSM	400

So. 157 Howard Street
Spokane 4, Washington
February 10, 1959

Mr. R. B. Douglas, Manager
Calera Mining Company
Blackbird Division
Cobalt, Idaho

Re: Docket No. DMRA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. Ida-81225

Dear Mr. Douglas:

Enclosed are the original and four copies of Amendment No. 1 to your contract providing for a recess of this contract until July 1, 1959. This amendment has been prepared by our Washington office in accordance with the request contained in your letter of January 6, 1959.

If this amendment is satisfactory to you, please sign all copies, retain the one marked "Operator's Copy" and return the others to this office. If it does not meet with your approval, please return all copies to this office with your comments.

Sincerely yours,

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

Enclosures

cc: OME(2)
OMM(1)
AO
Albuq

CENTRAL FILE COPY
F. M. F.
RECEIVED FEB 13 1973
DATE

m 7

OFFICIAL FILE COPY

Date	Surname	Code
1-30	Holt	400
1-30	Martin	400
2-2	Crumb	800
2/3	[illegible]	130
"	[illegible]	110
		~~400~~
		~~225~~
2/4	C	225
	[illegible]	400

FEB 3 1959

Mr. A. E. Weissenborn
Executive Officer
GME Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 5020 - Cobalt and Copper
Calera Mining Company
Sunshine, et al., claims
Lemhi County, Idaho
Contract No. Idm-E1223

Dear Mr. Weissenborn:

Enclosed are the original and four copies of a proposed Amendment No. 1 to the above-referenced contract, signed by the Acting Director for the Government. Two extra copies are enclosed for the use of the Field Team.

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHS)

APPROVED:

Member, Bureau of Mines

N. E. Nelson (NE)

Member, Geological Survey

Enclosure

SPHOLT:foc 1-30-59
cc to: Code 400
Director's Read. File
Operating Comm.
FT. REG. I
Messrs. H. W. Davis, USBM
T. H. Kiilsgaard, USGS

43683

OFFICIAL FILE COPY

Date	Surname	Code
1/21	Holt	400
1/21	Martin	400
		140
		140

C ✓

INTERIOR DEPT.
JAN 22 1959
SOLICITOR

January 21, 1959

MEMORANDUM

To: Acting Director, Office of Minerals Exploration

From: Division of Iron and Ferro-Alloys, OME

Subject: Preparation of Amendment
Docket No. DMEA 5020 - Cobalt and Copper
Calera Mining Company
Sunshine, et al., claims
Lemhi County, Idaho
Contract No. Idm-K1223

Attached is a rough draft of a proposed Amendment No. 1 to the above-captioned contract for your use in preparing it in final form.

W. S. MARTIN

W. S. Martin, Chief
Division of Iron and Ferro-Alloys

Attachment

1-21-59
cc to: Docket
Chron File

43683

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. IMEA 5020

R.W.S.

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government" and Calera Mining Company, h/a called the "Operator", that Exploration Project Contract No. Idm-81223 (Docket No. IMEA 5020), dated June 27, 1958, h/a called the "Contract", is amended, effective October 15, 1958, as follows:

1 (a) Work under the contract shall be suspended during the period beginning October 15, 1958, and ending not later than July 1, 1959.

~~(a) No costs~~ incurred by the Operator during the period of suspension ~~shall be allowable for contribution by the Government.~~

(b) The Government ~~shall~~ will not contribute to any costs ~~of~~ or to any costs of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

(c) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

2. The maximum period for royalty payments and the lien to secure the payment thereof, provided for in the contract, is extended from ten (10) years to eleven (11) years from the date of the Contract

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which

the Government may be required to contribute, nor the agreed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Acting Director, Office of
Minerals Exploration

CALERA MINING COMPANY

By_____

Title_____

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. IMRA 5020

JUSTIFICATION

The Operator, by letter of January 6, 1959, requested that work under the above-captioned contract be recessed from October 15, 1958, to July 1, 1959, because of the difficulty of doing work in inclement (winter) weather and depressed metal prices.

The Field Team transmitted the Operator's request by memorandum of January 13, 1959, noting that after completing 1.57 miles of geophysical surveying involving self-potential and geochemical work during August and September, all contract work was suspended early in October for the reasons given by the Operator.

The Field Team recommended that the project be recessed from October 15, 1958, to July 1, 1959, and stated that extension of the termination date of the contract was not recommended at this time, because the Field Team believed that Stage I work could be completed before November 1, (1959), the completion date of the contract, and that if results of Stage I work justified authorization of Stage II work, extension of the completion date would be requested at that time.

This Division believes that inclement weather is in itself sufficient reason for requesting a recess, because of the greater difficulty, higher cost, and less reliable results of geophysical and/or geochemical surveying done under winter conditions, and that postonement of such work until next summer will be to the interest of the Government. Accordingly, Amendment No. 1 to the contract has been prepared to authorize a recess in contract work during the period beginning October 15, 1958, and ending not later than July 1, 1959.

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

OFFICIAL FILE COPY O. M. E. RECEIVED JAN 19 1959		
DATE	INITIALS	CODE
1-19	C	220
		130
1/19	WSM	400

January 13, 1959

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

Re: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine claims
Lemhi County, Idaho
Contract No. Idm-E1223

Dear Mr. Selfridge:

Enclosed are two copies of a letter dated January 6, 1959 from Mr. E. B. Douglas, Manager, Calera Mining Company, requesting that the referenced contract be recessed until July 1, 1959.

During August and September 1958, 1.57 miles of geophysical surveying involving self-potential and geochemical methods were completed. Early in October all contract work was suspended for the reasons given in Mr. Douglas' letter.

We recommend that the project be recessed from October 15, 1958 to July 1, 1959. We are not recommending an extension of the termination date at this time because we believe that Stage I can be completed by November 1. Should the results of Stage I justify authorization of Stage II work, we will request an extension of the completion date at that time.

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

cc: USBM (2)
USBM(AD)
Albee

January 6, 1950

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 19 1950

DATE	INITIALS	CODE

Mr. Wing C. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Mr. Donald E. Nusbaum, Acting Director
U. S. Geological Survey

Re: Docket No. [illegible]
Silver Mining Company
Shoshone County
Idaho County, Idaho
Contract No. [illegible]

Gentlemen:

Work on the above referred to contract has been suspended since early October, because of the inclement weather and [illegible]. Therefore, we respectfully request a period of [illegible] at which time, we will be able to continue the mining [illegible].

Very truly yours,

Silver Mining Company
Kellogg, Idaho

E. A. Douglas, Manager

EAD:bh

OFFICIAL FILE COPY O. M. E. RECEIVED JAN 19 1959		
DATE	INITIALS	CODE
1-19	C	220
1/19	[illegible]	800
1/19	WSM	400

So. 157 Howard Street
Spokane 4, Washington

January 13, 1959

Mr. E. B. Douglas, Manager
Calera Mining Company
Blackbird Division
Cobalt, Idaho

Re: Docket No. DMEA-5020 (Cobalt-Copper)
Calera Mining Company
Sunshine claims
Lemhi County, Idaho
Contract No. Idm-E1223

Dear Mr. Douglas:

This will acknowledge your letter of January 6, 1959, requesting a recess of your DMEA contract until July 1, 1959. We have referred your request to our Washington office for consideration and will advise you as soon as we hear their decision.

In your letter of October 16, 1958, we note your statement that "work is in progress to determine a satisfactory method of analyzing the soil samples." We would appreciate receiving these assays and five copies of a geochemical anomaly map to bring our files up to date.

Sincerely yours,

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

cc: OME (2)
USBM(2)
USBM(AD)
Albee

FILE copy
M E
JAN 19 1959
CODE

OFFICIAL FILE COPY O. M. E. RECEIVED DEC 29 1958		
DATE	INITIALS	CODE
12/29	C	220
12/30	EEF	800
12/30	WSG	400

No. 157 Howard Street
Spokane 4, Washington

December 17, 1958

Mr. E. B. Douglas
Calera Mining Company
Cobalt, Idaho

Re: Docket No. [illegible] (Cobalt-Copper)
Calera Mining Company
Sunshine Claims
Lemhi County, Idaho
Contract No. [illegible]

Dear Mr. Douglas:

According to our field man, work under the referenced contract has been discontinued since some time prior to October 16, 1958.

On October 16 Mr. Gale indicated to William M. Ramischer, one of our engineers, that work might be suspended until spring. If this is the case, will you please request a recess, stating the reason therefor, the date it should start, and the date on or before which work will be resumed.

By Field Team Region I

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. Whitaker, Acting Member
U. S. Geological Survey

cc: OME (2)
USBM (2)
USGS (AD)
Albuq

RECEIVED DEC 29 1958
O. M. E.
OFFICIAL FILE COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1201 N. Division St.
Spokane 2, Washington

October 27, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 13 1958

DATE	INITIALS	CODE
11/18	J. g.	225
		100
"		110
11/18		800
11/19	WGM	400

MEMORANDUM

To: OME Field Team, Region I

From: Wm. M. Romischer, Mining Engineer, Bureau of Mines

Subject: Interim inspection, Docket No. DMEA-5020 (cobalt-copper), Calera Mining Company, Sunshine Claims, Lemhi County, Idaho, Contract No. Idm-E1223

The property was visited October 16. The previous inspection was made on August 3.

Mr. William C. Cole, geologist, accompanied me on the inspection to the vicinity of the Old shaft on the Sunshine No. 2 claim where 8,300 lineal feet of traverse had been completed since the last inspection. According to Mr. Cole, the cross lines for the self-potential survey strike about N. 60° E. and were spaced from 150 to 200 feet apart.

No high anomalies were obtained in the vicinity of the Old shaft on the Sunshine No. 2 claim; however, about 800 feet east some significant crests were obtained. The results from the samples for geochemical analysis were not yet available.

Mr. Cole stated that they may suspend work until spring. It was suggested that the Operator request a recess if the work is not continued at this time. University students made up most of the personnel on the crew doing the geophysical work completed in August and September.

Wm. M. Romischer
Wm. M. Romischer

Distribution:
OME (4)
USGS (2)
USBM (AD)
Docket
Romischer

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED NOV 12 1958 O.M.E.

Month of August & September, 1958 Docket No. DMEA 5020 Contract No. IDM-R1223
Operator's Name Calera Mining Company Minerals Cobalt & Copper
Address Cobalt, Idaho
Contract Amount, $ 104,200.00 Government Participation: 62½% Amount, $ 65,125.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY 11/12/58 WEM: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Stage 1 Geophysical survey	196.25		196.25	196.25	—	196.25
Stage 1 Engineer-Geologist	300.00		300.00	300.00	—	300.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	496.25		496.25	496.25	—	496.25

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

Date October 16, 1958 payee Calera Mining Company

Per E. B. Douglas Title Manager

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

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.

(Instructions on reverse)

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

$ 310.16

Signature Dorothy F. Long
(Authorized Certifying Officer)

Date 11/4/58 Vou. No. 2241

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 61223 in accordance with the terms of the contract.

Signature /s/ William M. Romesch Title Mining Engr. Date 10/27/58

APPROVAL BY ~~DMEA~~ OME EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ A. E. Weissenborn Title Exec. Officer Date Oct. 28, 1958

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED NOV 10 1958 D.M.E.

Month of ~~August~~ September & 195~~8~~ Docket No. DMEA 5020 Contract No. ~~IDM-8~~ 1223

Operator's Name Calera Mining Company Minerals Cobalt & Copper

Address Cobalt, Idaho

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
Stage 1 Geophysical ~~Stage 1 Survey~~	Mile	196.25	1.57	196.25	1.57	125.00	6	125.00
~~Stage 1 Engineer-Geologist~~	Day	300.00	10	300.00	10	30.00	10	30.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		496.25		496.25				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 October 16, 1958 Operator Calera Mining Company

Per E. B. Vaughan Title Manager

Remarks:

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.

(Instructions on reverse)

(For Government use only)

/s/ William M. Romesser, 10/27/58

INSTRUCTIONS

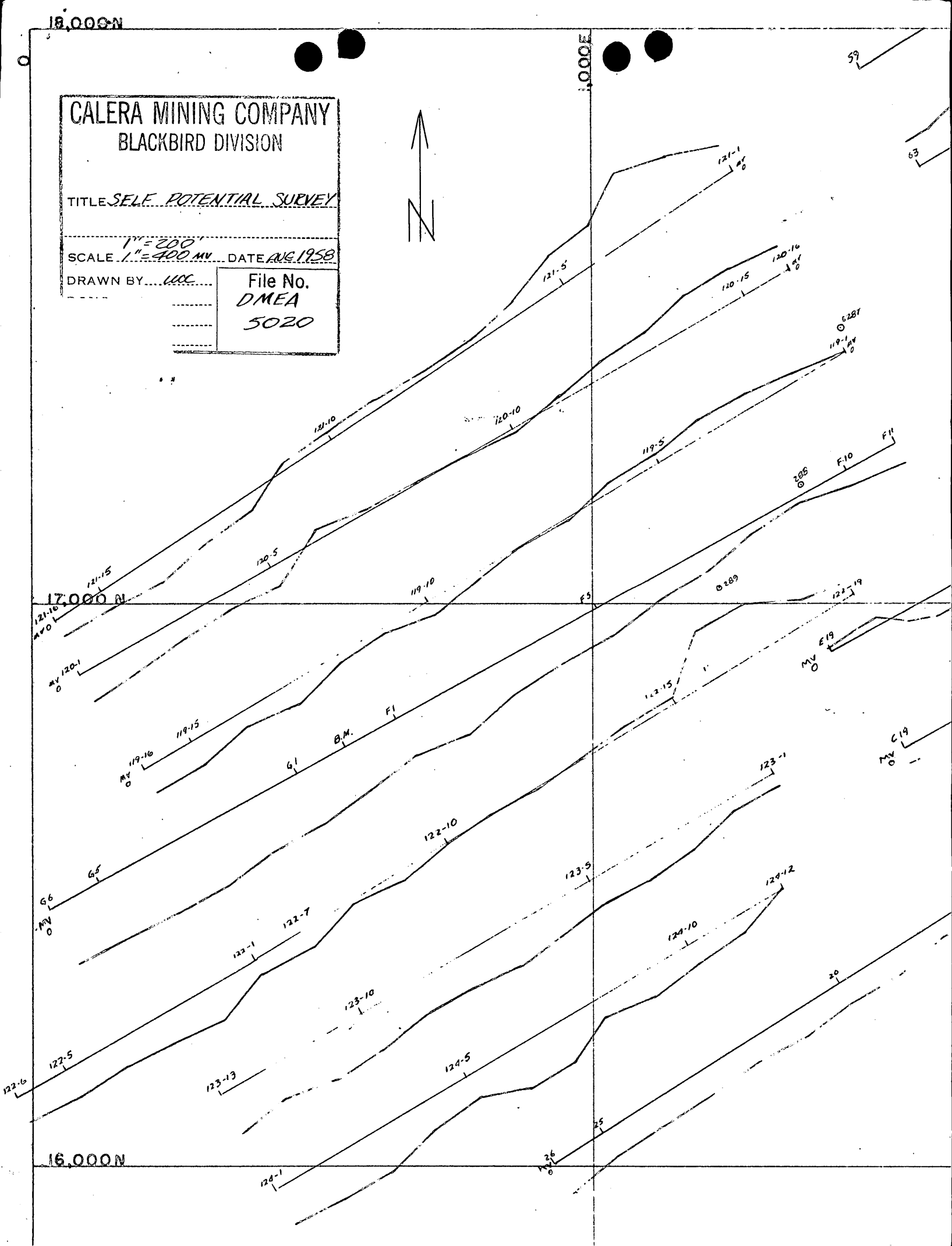
Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better 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

[illegible]


CALERA MINING COMPANY
BLACKBIRD DIVISION
TITLE SELF POTENTIAL SURVEY
SCALE 1" = 200' 1" = 400 MV
DATE AUG 1958
DRAWN BY LCC
File No. DMEA 5020
18,000 N
17,000 N
16,000 N
1,000 E
3,000 E
N
121-1
121-5
120-15
120-16
119-1
121-10
120-10
119-5
F.10
F11
121-15
120-5
119-10
F5
122-19
E19
121-10
120-1
122-15
119-15
119-16
B.M.
F1
G1
C19
123-1
122-10
G5
G6
123-5
124-12
122-7
123-1
124-10
20
123-10
122-5
122-6
123-13
124-5
25
26
124-1

EXTRA COPY
O. M. B.
RECEIVED NOV 12 1958

DATE	INIT.	CODE

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	[illegible]	100
"	[illegible]	110
10/8	[illegible]	800
10/8	WSM	400

September 8, 1958

MEMORANDUM

To: OME Field Team, Region I

From: William C. Prinz and Donald R. MacLaren, Geologists, U. S. Geological Survey

Subject: Interim Inspection Report, Docket No. DMEA-5020 (Cobalt-Copper), Calera Mining Company, Sunshine Claims, Lemhi County, Idaho, Contract No. Idm-E1223

The status of DMEA exploration on the Sunshine claims was discussed with William C. Cole, Geologist, at the Calera engineering offices on September 8, 1958. Six self-potential lines have been completed in the vicinity of the old shaft on the Sunshine No. 2 claim; a seventh line in this area had been completed before the start of DMEA contract work. The lines strike east-northeast and are spaced at intervals of about 150 to 200 feet. A total of 8,300 lineal feet of traverse has been completed (excluding the pre-existing non-DMEA traverse). The results have been plotted on work sheets which were examined in the company offices; a narrative report including this data will be submitted by the company at a later date. Samples for geochemical analysis were collected along the traverse. The rubeanic acid method used in the field was unsatisfactory so the samples are being re-run and different field analytical methods are being tested.

The self-potential data showed negative results in the vicinity of the old shaft on the Sunshine No. 2 claim. However, significant crests were found toward the east side of this claim where a north-striking shear zone has been mapped.

The operator stated that he may suspend DMEA work until spring and we suggested that he request a recess if he decided to stop work at this time.

Distribution:
OME (4)
USBM(2)
USBM(AD)
Docket
Prinz

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1201 N. Division St.
Spokane 2, Washington

August 18, 1957

DATE	INITIALS	COST
8/26	C	220
26	Com	100
"	74	110
8/27	6.89	800
8/27	WSA	400

MEMORANDUM

To: DMEA Field Team, Region I

From: Wm. M. Romischer, Mining Engineer, U. S. Bureau of Mines

Subject: Initial inspection, Docket No. DMEA-5020 (cobalt-copper), Calera Mining Company, Sunshine Claims, Lemhi County, Idaho, Contract No. Idm-E1223

On August 3, Mr. Cecil Whitley, chief engineer, was interviewed by the writer. Mr. G. B. Deacon, chief accountant, was consulted over the phone by Mr. Whitley.

The surface control traverse for a self-potential survey to detect cobalt-copper mineralization has been partly completed. The Operator desires to conduct the survey under favorable conditions, which is when the ground is saturated with moisture. This condition does not occur at the present time; it may occur later this fall or not until the following spring.

Wm M. Romischer

Wm. M. Romischer

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
Docket
Romischer

EA Form 7
(2-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/1	Selfridge	120
"	Johnson	110
"	Secretary	100
7/1	C	220
	WSay	400

June 30, 1958

MEMORANDUM

To: Administrator, DMEA

From: George C. Selfridge, Special Assistant

Subject: Docket No. DMEA-5020 - Cobalt and Copper
Calera Mining Company
Sunshine, et al., Claims
Lemhi County, Idaho

By telephone Mr. MacLaren informed the writer today that the Spokane office had received the required Consents to Lien and Subordination Agreements. He mentioned that they had been signed by both of the Boyntons, Kings, and Stevensons.

GCS/esf
cc to: Docket
Admr. R. File
Code 120

George C. Selfridge

8623

Kinca
File 5020

Excerpt from Mr. Mittendorf's diary, 6/26/58:

WSM

Fritz McGonigle phoned from New York this morning to tell me he had received a phone call from Douglas, of Calera Mining. I didn't know it, but Fritz is vice-president of Calera. Douglas, of course, had been in contact with MacLaren, of our field team, regarding the question of authority to sign the contract. Fritz said he was coming to Washington anyway and would drop in my office and sign the contract before the close of the day.

I asked him about the Owners' Consents, but he didn't know they were a requirement. Obviously he got hold of Douglas again because in a couple hours MacLaren phoned George to advise that he had just talked with Douglas and the OCLs were mailed from Salmon, Idaho, to Spokane on Wednesday.

McGonigle arrived about 2 p.m. and left for John Morgan's office. I phoned him shortly after 4 o'clock, when the contract finally reached me. He came over to pick up the copies and take them to New York where he will sign them Monday.

He told me the secretary of his company resides up the Hudson River about 100 miles. He also phoned the secretary from Morgan's office and learned that the seal was in Salt Lake City. He then phoned Salt Lake City and had it put on an airplane for delivery to New York.

Excerpt from Mr. Mittendorf's diary, 6/30/58:

We received a phone message from McGonigle, from New York, advising that the Calera contract, DMEA-5020, was signed and the appropriate copies mailed to us today. Also today, we received word from MacLaren at Spokane that he had received the Owners' Consents. This was one of the pre-requisites according to arrangements I had with Dwyer.

EA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7-3	Chapman	400
7-3	Martin	400
7-3	Chambers	800
7-3	GCS	130
"	Brown	110
"	Southwick	100
7/7	C	520
		400

JUL 3 1958

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 5020 - Cobalt-Copper
Calera Mining Company
Sunshine, et al., claims
Lemhi County, Idaho
Contract No. Idm-K1223

Dear Mr. Weissenborn:

Enclosed are three copies (Finance Office, Field Team's and Extra) of the above-noted Contract; the two named first are signed by the Administrator for the Government and executed by the Applicant. The contract consists of Annex I (2 pages), Annex II (1 page), Exhibit "A" (5 pages), and 2 maps. Two extra copies of Exhibit "A" and the Annexes and maps are enclosed for the use of the Field Team.

The executed Consent to Lien and Subordination Agreement forms submitted with your letter of July 1, 1958, have been attached to the corresponding copies of the contract here, except for the Operator's copy, which we enclose. Since all our copies are carbons it seems likely that the Operator has kept the original, in which event you may want the enclosed copy for the Finance office. If not, please deliver this copy to the Operator.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (HB)

APPROVED:

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

Thor H. Kiilsgaard (HB)
Member, Geological Survey

WSMartin/TLChapman 7-3-58
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
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

July 1, 1958

RECEIVED JUL 3 1958		
DATE		CODE
7/3	C	220
	WSM	400

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

Re: Docket No. DMEA 5020 - Cobalt,Copper
Calera Mining Company
Sunshine et al. claims
Lemhi County, Idaho

Dear Mr. Selfridge:

Enclosed are three carbon copies of Consent to Lien and Subordination Agreement (marked Government, Audit, and Operator) signed by the Boyntons, the Kings, and the Stevensons, covering the Sunshine, Sunshine No. 1, and Sunshine No. 2 mining claims. As mentioned to you in our telephone conversation of June 30, 1958, the consent was received at 10:00 a.m. that day.

We received only four carbon copies. We have retained one copy to attach to the Field Team Copy of the contract and are forwarding the other three for your distribution. We will make a thermofax copy for the Finance Office Copy of the contract.

Sincerely yours,

D. R. MacLaren
D. R. MacLaren
For: Wing G. Agnew
Acting Executive Officer
DMEA Field Team Region I

Enclosures as above

cc: USBM (2)
USBM(AD)
Prinz

Mr. Selfridge -

Add paragraph to letter re: "The contract must be executed complete with all attachments and mailed before midnight June 30, 1958."

Make repayment period 15 years.

Why was electric blasting eliminated?

Stage II - Dependent on results of Stage I, or to be done concurrently? 14 months not long enough if Stage II dependent on Stage I.

Bull dozing should be 25¢ per cu. yd.

Your other points.

FEJohnson

FEJ

Letter
not to be sent

A Form 7
12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/25	Chapman	400
6/25	Martin	400
6/25	Talbot	800
6/27	[illegible]	130
		110
		108
		220
6-27	Chamberlin	900

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Wwashington

Re: Docket No. DMEA 5020 - Cobalt, Copper
Calera Mining Company
Sunshine, et al., 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 I (2 pages), Annex II (1 page), Exhibit "A" (5 pages), 1 Consent to Lien and Subordination Agreement (to be obtained and attached by you), and two maps.

You will note that costs of drifting have been reduced to $39.00 per foot from $41.00 per foot. These costs are arrived at by reducing the cost of drill steel and bits from $3,500.00 to $2,250.00 and eliminating electric blasting caps and using caps and fuse, changing the cost from $3,220.00 to $632.00. Some other minor changes gives a final cost of $39.00 per foot for a 6 foot by 8 foot drift.

If the conditions and terms 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.

The contract must be executed complete with all attachments and mailed before midnight June 30, 1958.

APPROVED:

Frank D. Lamb (JLB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JLB)
Member, Geological Survey

Sincerely yours,

George C. Selfridge (JLB)
Chairman, Operating Committee

cc to: H. W. Davis, USBM
T. H. Kiilsgaard, USGS

TLCHAPMAN:foc 6-25-58
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. I

8623

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

JUN 25 1958

Memorandum

To: Administrator, DMEA
Attention: Director, Division of Iron and Ferro-Alloys

From: Associate Solicitor, Division of Mineral Resources

Subject: Calera Mining Company, Docket No. DMEA-5020
Sunshine, et al., claims, Lemhi County, Idaho

As requested in Mr. Martin's memorandum dated June 19, 1958, we have prepared the attached contract.

The Consents to Lien and Subordination Agreements of the lessors of the Sunshine claims are required prior to execution.

The recording data for the two claims added to Annex I on recommendation of field team, should be inserted.

Robert P. Dwyer

Robert P. Dwyer

Attachments

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/19	Chapman	400
6/19	Martin	400
		146
		140

June 19, 1958

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys

Subject: Preparation of Contract
Docket No. DMEA 5020 - Cobalt and Copper
Calera Mining Company
Sunshine, et al., 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:foc
6-19-58
cc to: Code 400
Chron File

8623

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. [illegible]-5020

The following maps are attached to the contract:

Fig. 1, Calera Property outlining Contract [illegible]-5645 & Proposed Contract.

Fig. 2, Sketch showing claims and approximate locations of proposed trenches, drill holes and drift. [illegible] mining et al. claims. Calera Mining Co., Lemhi County, Idaho.

Description of the Work

The operation shall be divided into 2 stages. The Operator shall perform the work described in Stage I and as much of the work described in Stage II as the Government approves.

Stage I

Fig. 1

Bulldoze approximately 12 trenches averaging 400 to 500 feet in length and about 5 feet deep and estimated not to exceed 15,000 cubic yards. This to include drill sites for surface drilling. Bulldozer to be D7 or equivalent of another make.

Diamond drill about 6 holes, each not to exceed 250 feet in length or a total of 2,500 feet. The holes shall not be less than AXN size and the location, course and inclination shall have the approval of the Government. Holes shall be examined and redrilled or reamed and cased as necessary.

A self potential survey shall be run and samples taken for a geochemical analysis for cobalt, copper. This survey shall have a traverse of about 6 miles. The traverse shall be sampled at 50 foot interval and the primary analysis shall be on samples on 100 foot intervals. In case the analysis show good results then the 50 foot intermediate samples shall be analyzed. It is estimated the total shall be about 400 samples to be analyzed.

All mineralized zones in trenches shall be sampled at 5 foot intervals and assayed for cobalt and copper. It is estimated that there will be a total of 300 samples from the trenches and 300 samples from the diamond drill holes.

Mineralized diamond drill cores shall be split for samples and all cores shall be stored for examination.

Page 2

Independent on receipt of Page 1 drive an adit along the channel and at intervals cross to a point approved by the Government, not to exceed 1,000 feet. The drift shall not exceed 6 feet by 8 feet in the clear and shall be timbered as necessary. [illegible] may be used in lieu of timber at some cost.

To test veins of drift, diamond drill not to exceed 1,500 feet of EX holes. [illegible] locations of holes shall have the approval of the Government.

Mineralized zones in drift shall be sampled and assayed for silver and copper. [illegible]

Diamond drill cores to be split in mineralized zones and split cores to be assayed for silver and copper. Cores shall be stored for inspection.

It is estimated that there will be 200 samples from adit and 200 samples from diamond drill holes.

ESTIMATED COST OF THE PROJECT

Actual Costs

Category (1)
Independent Contractor

Diamond drill 2,000 feet of EX bore hole.
EX hole at $7.00/ft. $14,000.00
Cementing and redrilling or reaming cell casing, 300 feet at $2.00/ft. 600.00
Transportation [illegible]
Total [illegible]

Category (2)
Labor, Supervision and Transportation.

Superintendent, 1 man at $[illegible]/month [illegible]
3 months [illegible]

Category (3)
Operating Material and Supplies.
Oil, gas, repairs etc for pickup, 1 month $[illegible]
[illegible] cost hours at $[illegible]/hr [illegible]

Category (4)
Operating Equipment.

Rentals - none
Purchases - none
Depreciation, pick up, 100.00/mo. 3 mo. [illegible]

Schedule (d)

[illegible]

Schedule (e)

[illegible], Transportation and Installation

None

Schedule (f)

Miscellaneous

300 samples from channel [illegible] at $3.75 each sample [illegible]1,125.00

Compensation Ins. Social Security [illegible] x 10.6 percent 212.00

Total miscellaneous [illegible] [illegible]

Total estimated cost of surface [illegible] building [illegible]

[illegible]

Underground survey, 6 miles at [illegible] [illegible]

[illegible] samples [illegible] at [illegible] each sample [illegible]

[illegible] trenching, 15,000 [illegible] at [illegible] cubic yard [illegible]

[illegible] [illegible]

[illegible] [illegible]

Total [illegible] [illegible]

[illegible]

[illegible] [illegible]

[illegible] [illegible]

[illegible] [illegible]

[illegible] [illegible]

[illegible] [illegible]

Assay 500 samples from cuts and diamond drill holes at [illegible] per sample [illegible]

Total estimated cost of stage [illegible] [illegible]

Total estimated cost of project [illegible]

Government participation, 50 percent [illegible]

3

EXPLORATION PROJECT CONTRACT
CALERA MINING COMPANY
DOCKET NO. DMEA-5020

ANNEX NO. 1

The land referred to in in Article 2 of the contract form consists of lode mining claims as shown on Fig. 2,"Sketch showing claims and approximate locations of proposed trenches, drill holes and drift. Sunshine et al. Claims. Calera Mining Company, Lemhi County, Idaho."and is owned and recorded as follows:

Three patented lode mining claims are owned by the Calera Mining Company are as follows:

Broad Gauge, Mineral Survey No. 1592. May 23, 1901
Klondike, Mineral Survey No. 1592, May 23, 1901
Bauman, Mineral Survey No. 1592, May 23, 1901

Fourteen unpatented lode mining claims owned by the Calera Mining Company are as follows.

Claim Name	Book No.	Page No.
Chelan 18	2	286
Chelan 20	2	288
Chelan 21	3	521
Chelan 22	2	289
Chelan 131	5	88
Chelan 151	8	350
Chelan 19		
Chelan 84		
Diane	2	280
Cougar 106	8	95
Cougar 107	8	96
Calera 5	2	244
Calera 8	2	247
Calera 11	2	248
Calera 12	2	249
Calera 13	2	250

Three unpatented lode mining claims are held under a lease dated December 1, 1957, from K. S. Boynton and Edith L. Boynton, husband and wife, K. V. King and Alice King, husband and wife, Floyd W. Stevenson and Merle Stevenson, husband and wife.

Claim Name	Book No.	Page No.
Sunshine	1	529
Sunshine No. 1	1	530
Sunshine No. 2	1	531

All situated in Lemhi County, Idaho.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

IN REPLY REFER TO:

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 16 1958

DATE	INITIALS	CODE
6/16	C	220
	WSM	400

June 13, 1958

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: T. H. Kiilsgaard, U. S. Geological Survey

Subject: Review of Field Team Report, DMEA 5020, Calera Mining Company, Sunshine Group, Lemhi County, Idaho

In a previous review on the application, N. E. Nelson concurred with the field examiners and recommended approval of an exploration project. He recommended, however, that the project not be considered as a new and separate contract but that it be made part of the original Howe Sound contract, Idm-E645. His reason for this recommendation was that he thought the Blackbird and Sunshine deposits might not be on separate structures. Furthermore, that the applicant was demanding a separate project and that he apparently had attempted to separate the property with two groups of claims by withdrawing an intervening strip of property from contract obligations.

I concur with Mr. Nelson in recommending approval of the project. I concur with the Field Team, however, in recommending that this be a separate project in no way obligated to terms of the preceding Calera project.

I have been on both the Blackbird and Sunshine properties and am convinced that these are two completely separate and distinct deposits. The Blackbird may be said to consist of the Brown Bear and Chicago vein systems. These strike northwest and follow, more or less, the bottom or eastern side of the gulch in which Meadow Creek flows. This gulch is believed to represent the surface expression of the vein system. To the northwest, the veins passed through a saddle in the ridge and then drop into the Deer Creek drainage where they currently are being mined from an open pit.

On the other hand, the Sunshine vein follows a high ridge that is parallel but roughly 2,000 feet west of the Blackbird outcrop, or area where the Blackbird should outcrop. When I was there in 1953, the vein had been explored only by the shallow shaft

and by an open cut north of the shaft. There was considerable cobalt "bloom" at the outcrop and some areas where specimen-quality cobaltite was easily obtained. I remember at that time discussing with Wayne Roberts, the Survey geologist mapping the area, the excellent exploration opportunities the outcrop presented.

All known cobalt-copper-bearing deposits in the Blackbird area are more or less parallel, en-esecelon deposits occurring in the Blackbird structural block. Characteristics determined by exploration of one of these deposits often may be used in exploring another one; however, the actual exploration of one has no bearing on determining the grade or extent of another. For this reason, it seems only logical to me to consider the Sunshine deposit quite apart from the Blackbird, and as deserving a separate exploration program. I therefore recommend approval of the project proposed by the Field Team, rather than the one proposed by Mr. Nelson.

T. H. Kiilsgaard

T. H. Kiilsgaard

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

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DMEA
RECEIVED JUN 4 1958

DATE	INITIALS	CODE
6/5	C	220
	WSM	400

June 3, 1958

Re: DMEA - 5020
Calera Mining Company
Sunshine, et al claims
Lemhi County, Idaho
$102,917 - cobalt-copper

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 $102,917 to explore for cobalt and copper in an area west of the company's Blackbird deposit, Lemhi County, Idaho.

As the opportunity for making a significant discovery of cobalt-copper ore is favorable, I concur with the recommendation of the Field Team that the application be approved.

Hubert W. Davis

Hubert W. Davis

Attachments

Copy to: Ferrous Metals (2)
Div. of Minerals
Frank D. Lamb
Thor H. Kiilsgaard, U.S.Geol.Survey
Files

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

5/29 C 220
6/2 WSay 400

May 28, 1958
Re: DMEA 5020
Calera Mining Company
Sunshine Group
Lemhi County, Idaho
$102,917 Appl. Est.
109,035 Rec'd Est.
Cobalt-Copper

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application and Field Team Report

The applicant requested assistance in exploring an area practically contiguous, in part, to the Blackbird area explored under Contract Idm-E645, DMEA 3143. The Blackbird orebody originally estimated to contain an estimated 700,000 tons of ore, is now taken to contain an estimated 945,000 tons. The ore is being mined at the rate of about 21,000 tons monthly. The grade averages 0.80% cobalt and 3% copper.

The Blackbird project cost $265,519.83, of which the Government contributed 70% or $185,863.88. Royalty payments through March, 1958, have reduced the obligation $98,603.01.

The Sunshine project area originally adjoined the Blackbird project area and extended to within 300 feet of the open cut, but by 'cutting out' a 35-60-foot claim and part of another claim, the groups are made to lack contiguity. The applicant-operator demands that the apparently successful Blackbird project not be made liable for Government contributions to the Sunshine project. The examiners and Field Team consider the Sunshine Group as a separate and distinct block and entitled to a separate contract. That the Blackbird and assumed Sunshine ore bodies are separate and distinct has not been determined. Whether true or not, physically, the assistance, if given and ore is found, makes them common so far as Government money is concerned and, if possible, such money should be protected.

The block is separated physically from the Blackbird block as a result of second thought design. That it is separate

otherwise is not too apparent. 'Geology' may effect the separation but comparison of the PPM 's of the strip connecting the Sunshine shaft area and the PPM opencut suggests a geologic separation is not too distinct.

Inasmuch as the locations of the proposed trenches, drill holes and drift are approximate, it appears unbusiness-like to increase the drift length to 1,400 feet from the 1,100 feet requested by the applicant.

I concur with the recommendations of the examiners and Field Team, but recommend that a contract, if granted, be made a part of the original contract Idm-E645 and the drift length be left as requested, that is, 1,100 feet.

N. E. Nelson

N. E. Nelson

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

ORIGINAL FILE COPY
DMEA
RECEIVED MAY 26 1958

DATE		CODE
5/26	C	220
5/28	JHB	130
5/28	C	220
	WSM	400

May 22, 1958

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

Re: Docket No. DMEA 5020 (Cobalt-Copper)
Calera Mining Company
Sunshine, et al. claims
Lemhi County, Idaho

Dear Mr. Selfridge:

Enclosed are three copies each of memoranda on the referenced application by D. R. MacLaren, Geologist, U. S. Geological Survey, and G. G. Waddell, Mining Engineer, U. S. Bureau of Mines. MacLaren discusses the geologic and general aspects of the project and Waddell discusses the costs. Because of the wealth of material in our files the memoranda were prepared without a special field examination. However, the project was discussed in the Spokane office with E. B. Douglas, Manager, G. B. Deacon, Chief Accountant, and W. C. Cole, Chief Geologist, Calera Mining Company. J. S. Vhay of the U. S. Geological Survey, who has done extensive mapping in the area including the Sunshine claims, was also consulted. Soil samples taken by Hawkes of the Geological Survey about 1951 are also available and indicate strong anomalies for cobalt and copper.

MacLaren concludes that the chance of making a significant discovery of cobalt-copper ore is good and recommends that the applicant's proposed program be approved. Waddell estimates that the total cost of the project will be $109,035.40.

We concur with the conclusions and recommendations of MacLaren and Waddell. In addition, we recommend that this be considered as a new project rather than as an addition to the former Calera contract.

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

Reviewed by
DMEA OPERATING COMMITTEE
5-28-58
(date)

Enclosures

cc: USBM (2)
USGS (SRO)
Alvord

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 26 1958

DATE	INITIALS	CODE
5/28	[illegible]	130
		220

May 21, 1958

MEMORANDUM

To: DMEA Field Team, Region I

From: Galen G. Waddell, Mining Engineer, ~~Bureau of Mines~~

Subject: Cost analysis, Docket No. DMEA-502 (cobalt-copper), Calera Mining Company, Sunshine et al Claims, Lemhi County, Idaho

INTRODUCTION

The Calera Mining Company representatives met with DMEA Field Team representatives in Spokane on May 8, 1958, when the company's application for a DMEA loan to explore for cobalt and copper ores was discussed.

The applicant proposed dozer trenching, geochemical and geophysical surveys, surface and underground diamond drilling, and an 1100-ft. drift. The project cost was estimated at $102,917.00.

Calera previously had a DMEA loan (Contract Idm-E645, December 9, 1953) which they completed in December 1956 at a total expenditure of $265,519.83. The Government's share @ 70 percent was $185,863.88. Royalties through March 1958 have reimbursed the Government in the amount of $98,603.01.

Approximately 21,000 tons of ore averaging .80% cobalt and 3.0% copper are produced monthly from the company's underground and open pit operation at the Blackbird mine. Cobalt values account for over 60% of the net smelter return.

RECOMMENDATION

It is recommended that the two-stage exploration program be approved.

Reviewed by
DMEA OPERATING COMMITTEE
5-28-58

PROPERTY RIGHTS

In the company's application they indicated that they wished to subordinate 14 unpatented mining claims which they own, 3 claims they lease, and an unspecified amount of patented ground. However, they failed to list Chelan 19 and 84 which fall within the proposed project area. 1/

All claims are recorded in the Recorder's office, Lemhi County Courthouse, Salmon, Idaho.

OPERATOR'S ESTIMATE OF COSTS

The application states: "The following cost breakdown follows the form of the former DMEA Contract, Docket No. DMEA 3143 Contract No. Idm-E645. The proposed work is similar and will follow much the same sequence of the former contract."

Operation	Price under Contract Idm-E645	Incr. in cost of labor & suppl.	Prop. cost	Units required	Total cost
Drifting	$35.535/ft.	25%	$44.45	1,100 ft.	$48,895.
Norm. Timbering	7.00/ft.		8.75	700 ft.	6,737.
Heavy Timbering	7.00/ft.(extra)		8.75	330 ft.	2,888.
Spiling	20.00/ft.		25.00	165 ft.	4,125.
Framing	5.48/ft.(set)		6.85	400 sets	2,740.
Assaying, Stg.II	3.00/determ.		3.75	720 det.	2,700.
Core Drill, " II	3.3822/ft.		4.23	1,730 ft.	7,318.
Trenching	11.878/hr.		14.85	384 hrs.	5,702.
Drilling, Stg.I	6.96/ft.		8.70	2,000 ft.	17,400.
Rock-bolting	3.54/ft. (incl. in timber cost)		3.90	0	0
Assaying, Stg.I	3.00/determ.		3.75	750 det.	2,812.
Reaming, " I	2.50/ft.		3.15	270 ft.	850.
*Geochemical and self potential survey			125.00/mi.	6 miles	750.
Total Expense					$102,917.

*Includes 75 cents per cobalt-copper trace analysis.

1/ A letter from the applicant received May 19, 1958 specified the patented land and listed Chelan 19 and 84 claims that they wished to include in the subordinated property.

DISCUSSION OF APPLICANT'S PROPOSAL

The applicant's proposal appears to be well planned and the unit costs are comparable to those recommended for the Capital-Seaboard Corp., Docket No. DMEA-4906 (cobalt-copper). The increase of 25% in unit costs above Calera's last contract (Dec. 9, 1953) is based upon the average wage increase for the company. As an example, the union wage for a drift miner in 1953 was $15.04/day against $19.23/day beginning July 1, 1958, an increase of 27.9%. However, because the drifting in the proposed program will be done under more favorable operating conditions and being only 1,400 feet as against 6,000 feet in the prior contract, a direct 25% increase in drifting cost is considered somewhat high. Framing is included in the cost of timbering and an extra allowance has been recommended for helper sets. The 25% increase for timbering is very reasonable for the mine, as the cost analysis indicates.

The applicant's listed cost for rock bolt installation is in line with Coeur d'Alene district costs. It should be stipulated in the contract that the cost of installing rock bolts should not exceed the per foot cost of regular drift timbering. Rock bolting and drift timbering are overlapping costs but the total amount allowable is included in the timbering total.

The spiling cost of $25/ft. in addition to the drifting cost ($41/ft.) is very reasonable. Often this cost exceeds $100/ft.

RECOMMENDED PROGRAM

Two stages of work are proposed for the recommended contract. In Stage I, 14,000 cu. yds. of dozer trenching (5,700 lateral feet of trenches averaging 5 feet deep), 2,000 feet of core drilling from the surface, and a geochemical and geophysical survey are proposed.

A cost on a cubic yard basis is recommended in lieu of the cost per hour for dozer trenching as proposed by the applicant. The reason is, the applicant will do his own dozing, and thus will not be able to show a cost statement. At $0.35/cu. yd. a D-7 cat normally will make $15/hr. This measurement of work accomplished can easily be measured by the inspecting engineer.

If Stage I work reveals adequate mineralization it should be followed by Stage II work. The recommended program is 1,400 feet of drifting to gain 300 feet of depth beneath the surface of the favorable prospected area. In addition, 1,730 feet of underground core drilling requested by the applicant to test for parallel structures is recommended.

It should be noted that the applicant requested only 1,100 feet of drift. However, in plotting the proposed work on the map it was found that the drift would not penetrate the promising zone. If Stage I reveals that less than 1,400 feet of drifting is needed, only the necessary amount should be approved for Stage II. This factor explains why the recommended total cost of the project exceeds the applicant's requested cost by $6,118.40.

ESTIMATED COSTS OF PROJECT

Stage I

Independent contracts

Surface core drilling, AX or larger 2,000 feet @ $7/ft.	$14,000.00
Reaming or cementing and drilling out, 300 feet @ $3/ft.	900.00
Drilling incidentals (core boxes, change set-ups, surveying, supervision, delays and other items not covered elsewhere) 2,000 feet @ $0.50/ft. ?	1,000.00

Agreed Unit Costs

Geo-chemical analysis and survey @ $0.75/ cobalt-copper analysis and self potential survey, or $125/mile of survey traverse for 6 miles	750.00	
Assaying for cobalt ~~and copper~~ 750 determinations @ ~~$2.75~~/determ. 2.00	2,812.50	1,500.00
Dozer trenching to bedrock 15,000 cu. yds. @ $0.35/yd. or 350 hrs. @ $15/hr. (D-7 or equivalent)	5,250.00	
Total	$24,712.50	

Stage II

Drifting - 1,400 feet
5'x7' in clear
Advance: 4 ft/shift, 350 shifts or 14 months

1. Independent contracts	
Core drilling (EX size) underground 1,730 feet @ $4.23/ft.	$7,317.90
2. Labor, supervision, engineering	
Engineer-geologist and sampler 33-1/3% of time @ $700/mo. - 14 months @ $233/mo.	3,262.00
Shift boss 33-1/3% of time @ $600/mo. - 14 months @ $200/mo.	2,800.00
2 drift miners @ $19.23/shift, 350 shifts ea.	13,461.00
1 trammer @ 17.73/shift, 350 shifts	6,205.50
Overtime - 8.3% of total for miners and trammer ($19,666.50)	1,632.32
Agreed union bonus - $2.50/shift for miners and trammers - 1,050 shifts	2,625.00
	$29,985.82
3. Operating materials and supplies (no salvage)	
Drill steel and bits, 140 @ $25.00/set 90 sets.	3,500.00
air hose (complete), 1"x50', 3 @ $44/ea.	132.00
Water hose (complete), 1/2"x50', 3 @ $25/ea.	75.00
Powder @ 10#/ft. of drift, total 14,000# @ $23/100#	3,220.00
Electric blasting caps, 5,600 @ $0.30/ea. 350 rounds 16 holes round	1,680.00
Lead wire, duplex, 500 feet @ $4.60/100 ft.	23.00
Connecting wire, 200# @ $1.15/lb.	230.00
Small tools	250.00
Green grinding wheels, 14 @ $7/ea.	98.00
Ties - 700 @ $0.35/ea.	245.00
Diesel fuel for compressor, 35 gal/day, 350 gals. @ $0.22/gal.	2,695.00
Gasoline pump and travel on property, 5 gal/day, 350 gals. @ $0.35/gal.	612.50
Grease and lub. oil - 20% of fuel ($3,307.50)	661.50
Repair parts, all equipment, @ $0.75/ft. adv.	1,050.00
Track and accessories - 15% of track cost ($1,933.38)	290.00
	$14,762.00

2,250
112
320
838

3. Operating materials and supplies - 50% salvage

16# rail, 2900 lin. ft. = 15,467# @ $12.50/100#	$1,933.38
Switch and stand - 2 @ $81.20/ea.	162.40
Air line - 2 in. - 700 ft.@ $0.43/ft.	301.00
Air line - 3 in. - 700 ft.@ 0.93/ft.	651.00
Water line - 1 in. - 1400 ft. @ $0.20/ft.	180.00
Pipe fittings - 20% of pipe costs ($1,132.00)	226.40
Vent tube, incl. fittings - 1350 ft. @ $112.85/100'	1,523.47
1 blasting machine	~~68.00~~ out
Galvanometer	~~37.50~~ out
	5,083.15
Less 50% salvage	2,541.58

4. Operating equipment - to be furnished

	Value	Mo. deprec.	
6 C.S. cars - 30 cu.ft. @ $300/ea.	$1,800		
1 10-h.p., 24 ga. air locomotive	2,175		
1 10-h.p. blower	516		
1 air receiver	500		
1 trackjack and rail bender	190		
2 jackleg drills and assembly @ $558/ ea.	1,116	broken down	
1 air compressor diesel, 250 cfm	7,525		
1 portable bit sharpener	185		
1 jeep for transportation on property	2,000		
1 truck	2,000		
1 Eimco 12-B mucking machine	3,435		
Total value	$21,442		
60 mo. or 5 yr. complete		$357.37	
14 months =			5,003.18

5. Rehabilitation and repairs — none

6. New buildings and improvements, etc.
Initial preparation of dump and adit — 300.00

7. Miscellaneous

Unempl. comp., Indust. insur., etc. 14.9% of payroll ($29,985.82)	4,467.89
Freight on equip. and supplies to property	500.00
Assaying 720 determinations for cobalt and copper @ $3.75/determination	2,700.00
Total	$67,578.37
Less - Core drilling ($7,317.90) and Assaying (2,700.00)	- 10,017.90
Total cost	$57,560.47
Cost/ft. for 1400 feet drift - $41.11/ft. SAY	41.00/ft.

Timbering - 5'x7' in the clear

5 sets/day = 48 days 1200 feet @ regular 5' sets = 240 sets

1. Independent contracts		none
2. Labor and supervision		
Shift boss - 1/3 time @ $600/mo. for 2 mos.		$ 400.00
2 miners @ $21.73/shift, incl. bonus - 48 shifts each		2,086.08
1 nipper @ $20.23/shift, incl. bonus - 48 shifts		971.04
Overtime for miners and nipper - 8.3% of $3,057.12		253.74
		$3,710.86
3. Operating materials and supplies		
Timber		
3" lagging on back, 6' wide 5' long for 240 sets	21,600 bd.ft.	
2" lagging part sides, 8' wide 5' long for 240 sets	19,200	
480 girts 4"x6"x4.2'	4,032	
482 posts 8"x8"x7.5'	19,280	
241 caps 8"x8"x7.5'	9,640	
482 blocks 12"x12"x1'	5,784	
	79,536 bd.ft.	
Cost @ $70/M delivered		5,567.52
241 bundles of wedges @ $1/bun.		241.00
Nails, 1200# @ $16/100#		197.00
Diesel fuel, 5 gal/day, 48 days @ 22¢/gal.		52.80
Gasoline 5 gal/day, 48 days @ 35¢/gal.		84.00
Grease and lub. oil - 20% of fuel		27.36
		$6,169.68
4. Operating equipment		
Same equipment as for drifting although all of it is not used in timbering. The timbering work is kept in cycle with drifting because of the danger of caving if timber is more than 5 feet behind the face; thus, the idle equipment is depreciating at approximately 1/2 the regular rate		
1/2 of $281.53/mo. for 2 months		281.53
5. and 6.		none
7. Miscellaneous		
Unempl. comp., etc. - 14.9% of payroll ($3,710.86)		552.92
Total		$10,714.99

Cost per foot - $8.93 SAY $8.90/ft.

Support Timber

Support timber was requested every 2½ feet in extra heavy ground. The labor to install these half sets is about the same but the material is only 1/2 that of a regular set; therefore, an additional $6.00/ft. is recommended for the support sets. An estimated 350 feet is needed.

Recommend $6.00/ft. for 350 feet = $2,100.00

Spiling

The applicant requested 165 feet of spiling @ $25.00/ft. in addition to the cost of drifting. This is a reasonable figure as our past experience has shown spiling costs between $20 and $75/ft. extra. A spiled area should include back spiling and at least partial side spiling.

Spiling 165 feet @ $25/ft. = $4,125.00

Rock bolts

In the applicant's last contract, rock bolting was partially substituted for timbering. The cost of $3.90/installation is in line with the prices paid in the Coeur d'Alene district. In no instance should the rock bolting in a section of drift exceed the per foot cost of complete normal timbering. The cost of rock bolts can be substituted for timber and be included in the total cost of timbering.

RECAPITULATION OF RECOMMENDED COSTS

Stage I

Dozer trenching 15,000 cu. yd. @ $0.35/yd.	$5,250.00	
Surface core drilling, AX or larger 2,000 feet @ 7.00/ft.	14,000.00	
Reaming or cementing and drilling out cement 300 feet @ 3.00/ft.	900.00	
Drilling incidentals (core boxes, change of setups, surveying, supervision, and other not covered elsewhere) 2,000 feet @ 0.50/ft.	1,000.00	
Geochemical analysis and self-potential survey @ $125/mile of survey traverse for 6 miles	750.00	
Assaying 750 determinations for cobalt and copper @ $3.75/determination	2,812.50	
Total - Stage I		$24,712.50

Stage II

Core drilling underground 1,730 feet @ $4.23/ft.	$7,317.90	
Assaying 720 determinations for cobalt and copper @ 3.75/determination	2,700.00	
Drifting (5'x7' in the clear) 1,400 feet @ 41.00/ft.	57,400.00	
Timbering - regular sets on approx. 5' centers 1,200 feet @ 8.90/ft.	10,680.00	
Substitute rock bolting for regular timber @ rate of $3.90/installation; price not to exceed total cost of timbering.		
Helper timbering (includes 2 extra posts and 1 cap within a 5' set of timber) paid in addition to regular timbering 350 feet @ 6.00/ft.	2,100.00	
Spiling (on back and at least part or one side) in addition to regular cost of drifting 165 feet @ 25.00/ft. 160	4,125.00	4,000.00
Total - Stage II		$84,322.90
Total cost of project, Stages I and II		$109,035.40

Distribution:
DMEA (3)
USGS (2)
Docket
Engineer

DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
So. 157 Howard Street
Spokane 4, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 26 1958

DATE	INITIALS	CODE
5/28	2/B	130
		220

May 20, 1958

MEMORANDUM

To: DMEA Field Team, Region I

From: D. R. MacLaren, Geologist, U. S. Geological Survey

Subject: Application for DMEA assistance, Docket No. DMEA-5020 (Cobalt-Copper), Calera Mining Company, Sunshine, et al. claims, Blackbird District, Lemhi County, Idaho.

Calera Mining Company, Blackbird Division, Cobalt, Idaho, has applied for DMEA aid to explore for cobalt-copper ore on the Sunshine and adjacent claims in Lemhi County, Idaho. The applicant proposes a two-stage program, estimated to cost $102,917, of which the Government's share would be 62.5 percent or $64,323.12. Stage I includes geophysical and geochemical work, trenching, diamond drilling, and Stage II includes crosscutting, drifting and underground diamond drilling.

The proposal was reviewed in the Spokane office with E. B. Douglas, Manager, G. B. Deacon, Chief Accountant, and W. C. Cole, Chief Geologist, Calera Mining Company. A. E. Weissenborn and J. S. Vhay of the Geological Survey, and S. W. Zoldok and G. G. Waddell of the Bureau of Mines, were also present. Vhay has mapped the Blackbird district intermittently since 1940, and a recently completed contract with Calera has made available considerable additional information on the area. A former application, Docket No. DMA-1609X, submitted by K. S. Boynton and K. V. King requested aid to explore the Sunshine claims, and a memorandum report by Wayne A. Roberts and Vhay of the Geological Survey describes the geology in some detail. Therefore, no field examination was made especially for this application and this memorandum, prepared from data in the files and furnished by Vhay, will consider only the general and geological aspects of the proposed project.

ON SITE EXAM

The area to be explored is in the western portion of the district, about 2,000 feet southwest of the north Blacktail open pit and 2,900 feet west of the portal of the 7400 level of the Calera mine. Mr. Douglas stated that Calera would be unwilling to subordinate the certified ground to this proposed project. Any ore found by this project would be a new discovery in no way connected to the previously discovered ore bodies. Had Calera

Reviewed by
DMEA OPERATING COMMITTEE
5-28-58
(date)

proposed to explore this area before the other ore bodies had been discovered, it is unlikely that additional ground would have been required and this proposal would have been a separate contract.

The area to be explored is adequately covered by the claims listed in the application, plus the Chelan 19 and Chelan 84. At our request Mr. Douglas sent us the book and page numbers of these two claims. He has also sent us a sketch showing the location of the three patented claims which are to be included. The attached claim map shows all the claims that are to be included in the contract.

The geology of the area is discussed by J. S. Vhay in "Cobalt-Copper Deposits of the Blackbird District," USGS Strategic Minerals Investigations, Preliminary Report 3-219, March 1948, and by H. E. Hawkes and F. C. Canney in "Preliminary Report of Geochemical Investigations in the Blackbird District," USGS unpublished. The geology of the area in which it is proposed to explore is described in a memorandum dated December 27, 1931, by Wayne A. Roberts and John S. Vhay of the Geological Survey on the Sunshine mine, Lemhi County, Idaho, Docket No. DMA-1609X. An exploration program was proposed in this report, but the application was removed from the active files after the applicants' failure to reply to letters from the Field Team concerning the proposed program.

In the Blackbird district there are three main structural blocks -- the Haynes-Stellite block, the Blackbird block, and the Lookout block. The prior Calera contract explored the central part of the Blackbird block; the present proposed work will explore the western part of the same block. Rocks in the Blackbird block are quartzite, biotite phyllite, biotite schist, garnet-quartz-biotite schist and chloritoid-quartz-biotite schist. With the exception of quartzite and biotite schist all the rock units contain copper and cobalt minerals. So far all the ore bodies have been found in phyllite-quartzite beds and in the garnet and chloritoid-bearing rocks.

On the Sunshine and adjacent claims, the rocks are garnet schist, garnet-chloritoid-quartz schist, and some quartzite. Indications of mineralization are numerous consisting of massive quartz, gossan, and some fresh cobaltite. The west side of an ore body consisting almost entirely of cobaltite replacing quartz and garnet-biotite schist is exposed in a 20-foot shaft on the Sunshine No. 2 claim. Fairly large masses of pure cobaltite may be seen in this exposure. Based on the known habits of ore bodies elsewhere in the district, it is probable that this ore body is an irregularly shaped lens plunging 35° to 40° N. 10° to 20° W. It is not known how large this body may be. In a pit north of the shaft garnet schist and thin bands of micaceous quartzite are

exposed. In another pit about 175 feet northwest of the shaft there is leached quartz stained with iron arsenates. The iron arsenates are believed to be a sure indication of the former presence of cobaltite. There are many other exposures on the Sunshine and adjacent claims that indicate the presence or former presence of cobaltite.

In addition to the above observation a geochemical map of the vicinity of the shaft shows an area of significant cobalt anomalies that extends about 350 feet north, over 700 feet south and at least 200 feet east of the shaft. A similar map of the same vicinity shows an area of significant copper anomalies extending over 400 feet north, at least 650 feet south, and over 200 feet east of the shaft. These maps were prepared from geochemical samples taken by H. E. Hawkes of the U. S. Geological Survey in 1950 or 1951 and are included with the application. Hawkes' samples are in addition to preliminary soil samples taken by Wayne Roberts at the time of the previous examination, which also indicated cobalt anomalies. In the nearby Blacktail area geochemical anomalies, also based on Hawkes' soil samples, lead directly to the important ore body discovered by DMEA contract (E643, Docket No. DMEA-3143). The ore body is now being mined by open pit and is estimated to contain in excess of 700,000 tons of ore assaying 0.80 percent cobalt and 2.83 percent copper. Although this ore body has been in production only since last fall (1957), it has already repaid $98,603.01 in royalty and by the end of this year may very well repay the entire amount contributed by the Government. It is hoped that the Sunshine project will be equally successful, that this ore will be found near the surface, and that it can be mined by open-pit methods.

Mr. Douglas pointed out that the proposed exploration is directed to what is believed to be a similar but distinct zone trending parallel or subparallel to the Blacktail zone. Consequently, any ore found in the new project would be a new discovery, in no way connected with previously known ore bodies, and very definitely not a continuation of the Blacktail ore bodies. For this reason, Mr. Douglas proposes that the new project be treated as a new contract and stated that Calera would be unwilling to subjugate the ground in the previous contract to the new contract.

It appears to the writer that the proposed project will indeed explore a separate target in no way connected with any other known ore body and consequently that the proposed project should be the subject of a new contract and not made an extension of Contract No. Idm-E643. In fact, the ground is near to but physically separated from the ground explored in the prior contract. Just as in the prior contract the then known ore bodies were excluded from the payment of royalty, so should the Blacktail ore body, discovered in the prior contract, not be subjected to payment of an additional royalty resulting from work done on the Sunshine claims.

It is concluded that there is a very good chance of making a significant discovery of cobalt ore on the Sunshine and adjacent claims. There is, moreover, a good possibility that this ore may lie at shallow depth and be minable by open-pit methods. It is recommended, therefore, that the application be approved.

Attachment
Distribution:
DMEA(3)
USBM(2)
USGS(SRO)
Docket
Alvord

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPL[illegible]TION ADMINISTRATION

TO:	INITIALS	DATE
1. ~~Mr. Robert Wooge~~		
2. Code 400		
3.		
4.		
5.		
FROM: W. S. MARTIN		

FOR: Check items for action desired

____ Action ____ Reply for signature of ____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS: Item 5, page 3, of lease seems to be gurbled. Believe that "Lessee", 4th word in 3rd line should be followed by a period, and a new sentence starting something like this: "The same agreement shall absolve Lessee" to be followed by "from all" etc (5th & 6th words in 3rd line". Should we do anything about it?

No, Not our worry

INT.-DUP. SEC., WASH., D.C. M8278

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 16 1958

DATE		
5/19	C	220
	WSM	400

May 13, 1958

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

Re: New Application (Cobalt-Copper)
Calera Mining Company
Sunshine, et al. claims
Lemhi County, Idaho

Dear Mr. Selfridge:

Enclosed are two thermofax copies of a Mining Lease dated December 1, 1957 between K. S. and Edith Boynton, K. V. and Alice King, Floyd and Merle Stevenson, and Calera Mining Company, which are to accompany Calera's application.

The carbon copy from which these copies were made was unsigned. The carbon copy was returned to the applicant.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
Alvord

P. S. Mr. Douglas advised us that if signed copies of this lease are necessary they may be obtained by writing to: Mr. F. A. McGonigle, Vice-President, Howe Sound Co., c/o Haile Mines, Inc., 500 - 5th Avenue, New York 36, N. Y.

CALERA MINING COMPANY

BLACKBIRD DIVISION

COBALT, IDAHO

DME

5020

6|9 C 220
WSM 400

Mr. Dr. MacLoren
U. S. Geological Survey
157 Howard Street
Spokane, Washington

Dear Mr. MacLoren:

With reference to your telephone call at noon today, the following is the information requested on the Chelan 19 and 84 claims

	Recorded	Book	Page
Chelan No. 19	6-29-46	2	287
Chelan No. 84	9- 6-51	-	700

Recorded in Lemhi County Court House, Salmon Idaho.

Enclosed herewith are four copies showing the relative positions of the Broad Gage, Sunshine and Redman patented claims.

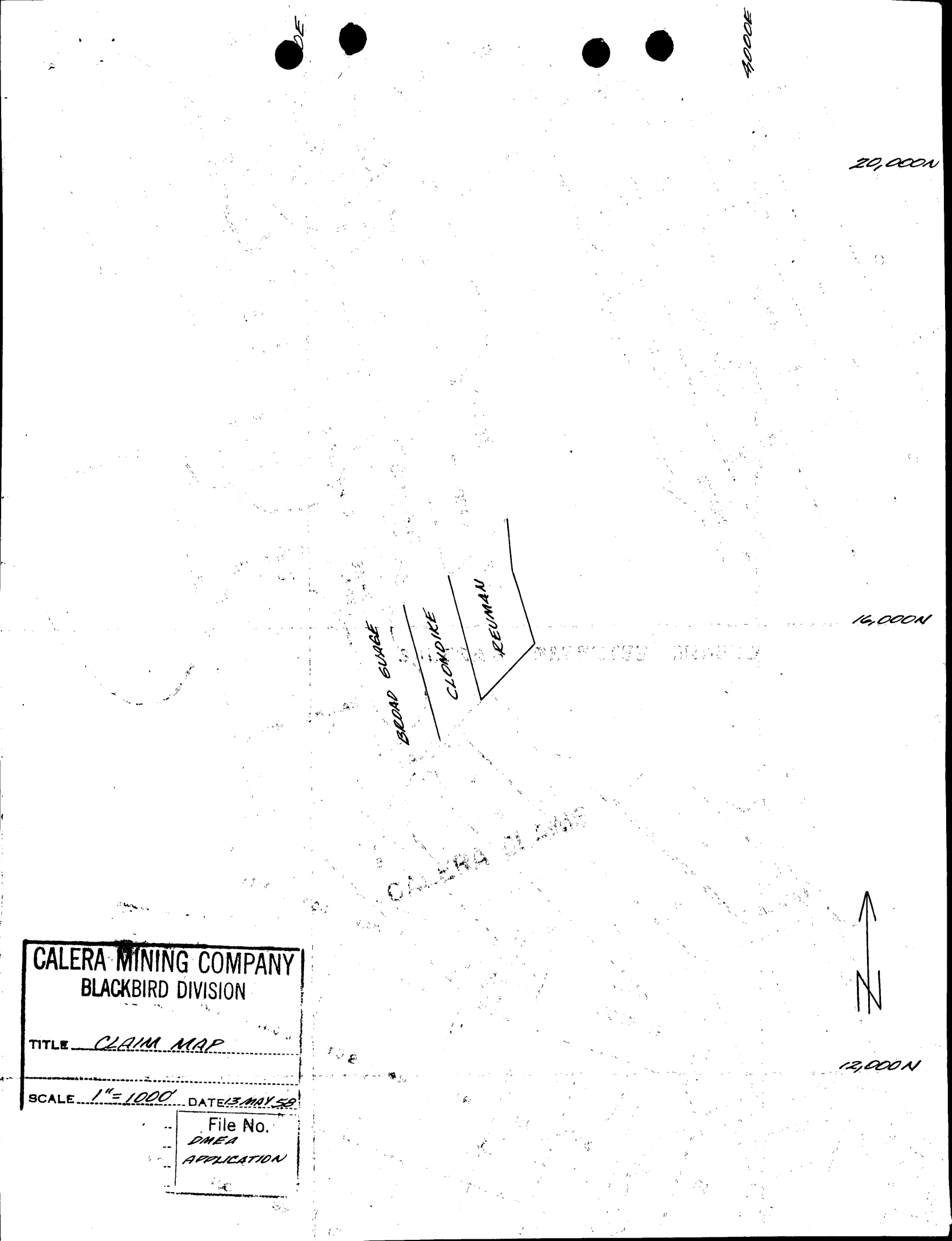
Yours very truly,

CALERA MINING COMPANY
BLACKBIRD DIVISION

E. B. Douglas, Manager

EBD jm
enclosures

MAY 1958

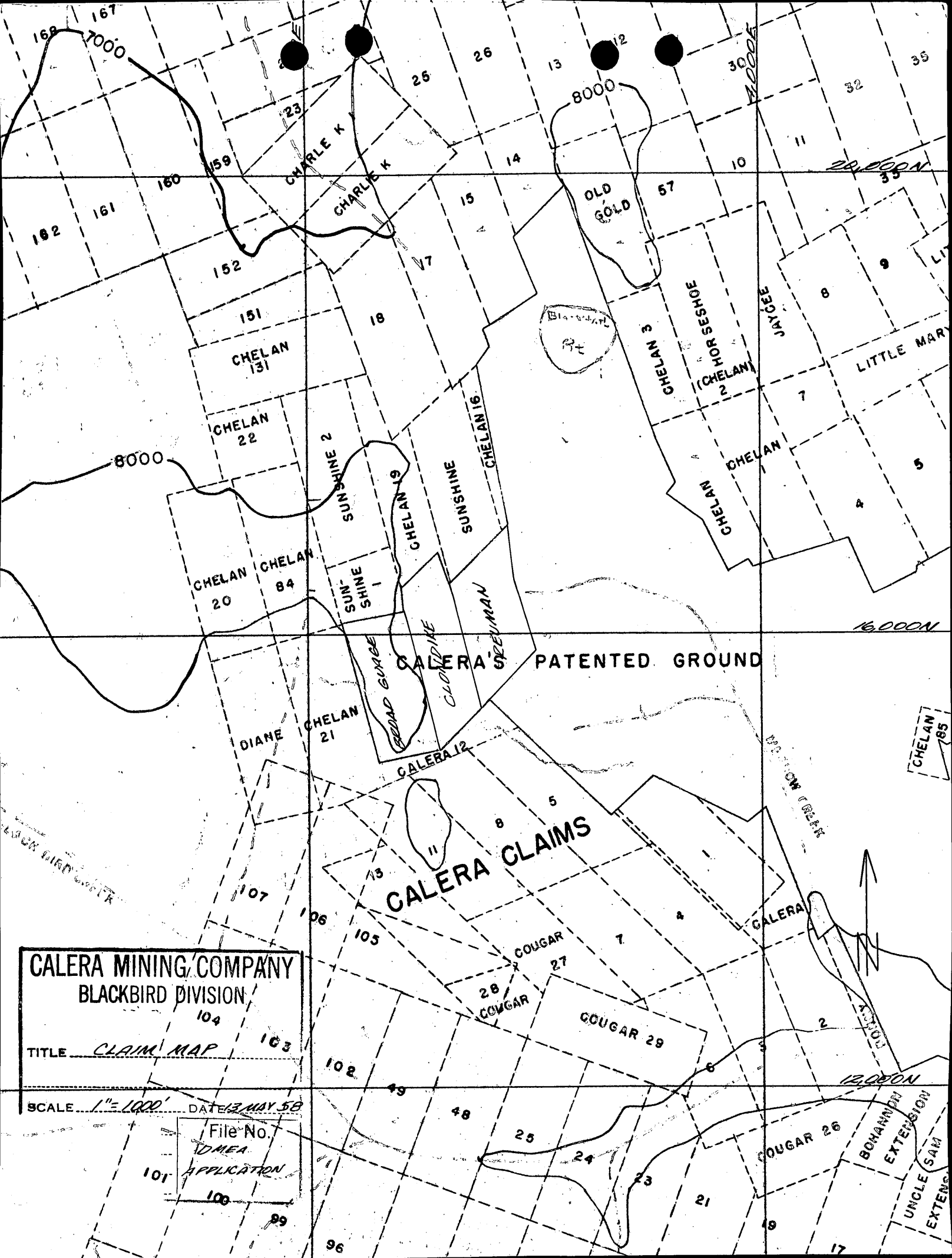


CALERA MINING COMPANY
BLACKBIRD DIVISION

TITLE CLAIM MAP

SCALE 1" = 1000' DATE 13 MAY 58

File No.
DMEA
APPLICATION


CALERA MINING COMPANY
BLACKBIRD DIVISION
TITLE CLAIM MAP
SCALE 1" = 1000' DATE 13 MAY 58
File No.
TOMEA
APPLICATION
CALERA'S PATENTED GROUND
CALERA CLAIMS
CHARLE K
OLD GOLD
CHELAN 131
CHELAN 22
CHELAN 20
CHELAN 84
SUNSHINE 2
SUN-SHINE 1
CHELAN 19
SUNSHINE
CHELAN 16
CHELAN 3
HORSESHOE
CHELAN 2
JAYCEE
LITTLE MAR
CHELAN
DIANE
CHELAN 21
CALERA 12
CLONDYKE
SPEUMAN
COUGAR
COUGAR 27
COUGAR 28
COUGAR 29
COUGAR 26
CALERA
CHELAN 85
BOHANNON EXTENSION
UNCLE SAM EXTENSION
28,000N
16,000N
12,000N
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7000
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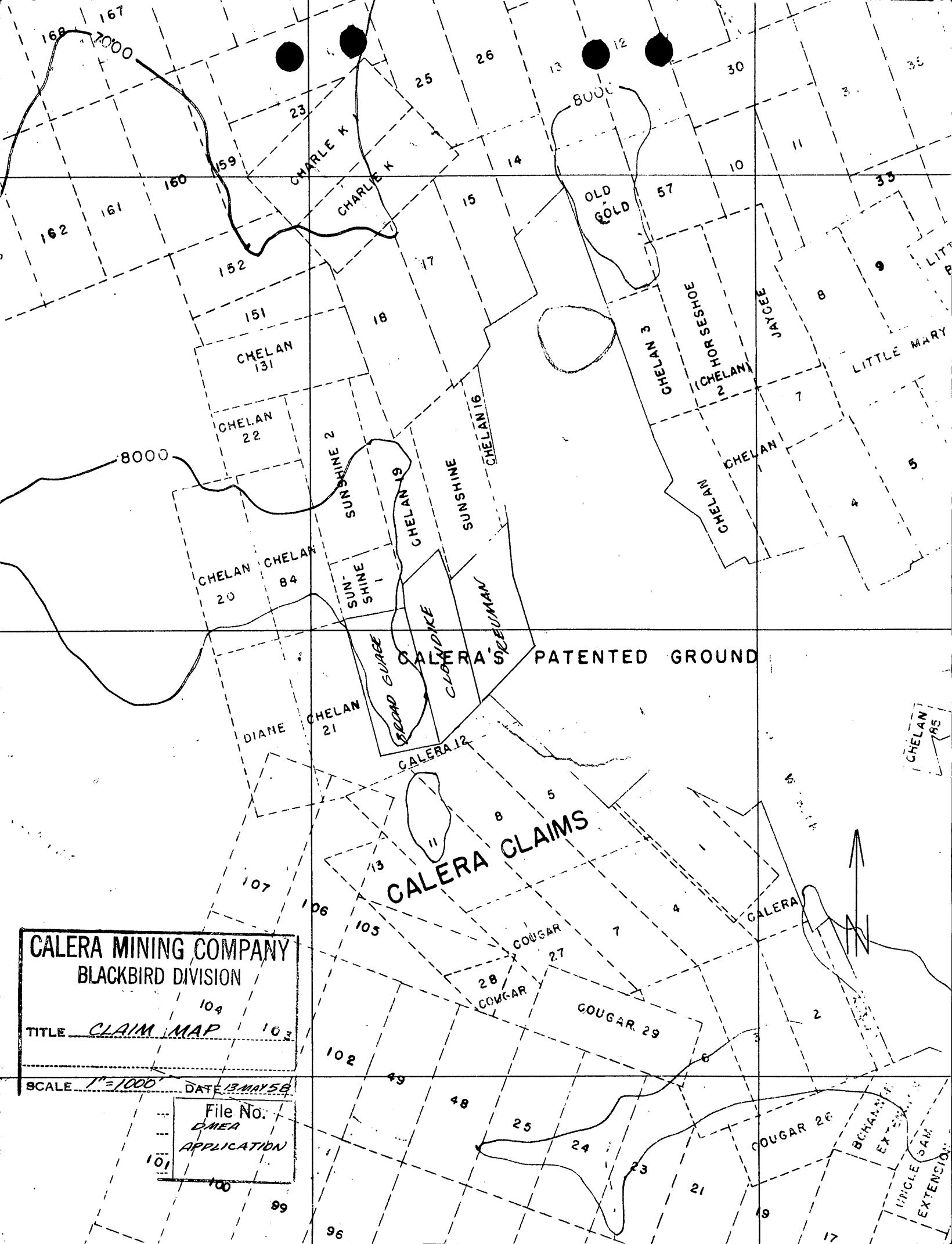
DMEA
RECEIVED JUN 9 1958
DATE INITIAL CODE


CALERA MINING COMPANY
BLACKBIRD DIVISION
TITLE CLAIM MAP
SCALE 1"=1000'
DATE 13 MAY 58
File No.
DMEA
APPLICATION
CALERA'S PATENTED GROUND
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CHARLE K
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CHELAN 19
SUNSHINE
CHELAN 16
CHELAN 3
CHELAN 2
HORSESHOE
JAYCEE
LITTLE MARY
CHELAN 1
CHELAN 4
CHELAN 5
CHELAN 85
BROAD GUAGE
KLONDIKE
SKEUMAN
CALERA 12
CALERA
COUGAR 27
COUGAR 28
COUGAR 29
COUGAR 26
BOHAMIAN EXTENSION
UNCLE SAM EXTENSION
8000
7000

EXTRA COPY
DMEA
RECEIVED JUN 9 1958

DATE	INITIALS	CODE

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

May 16, 1958

Calera Mining Company
Blackbird Division
Cobalt, Idaho

Subject: DMEA-5020

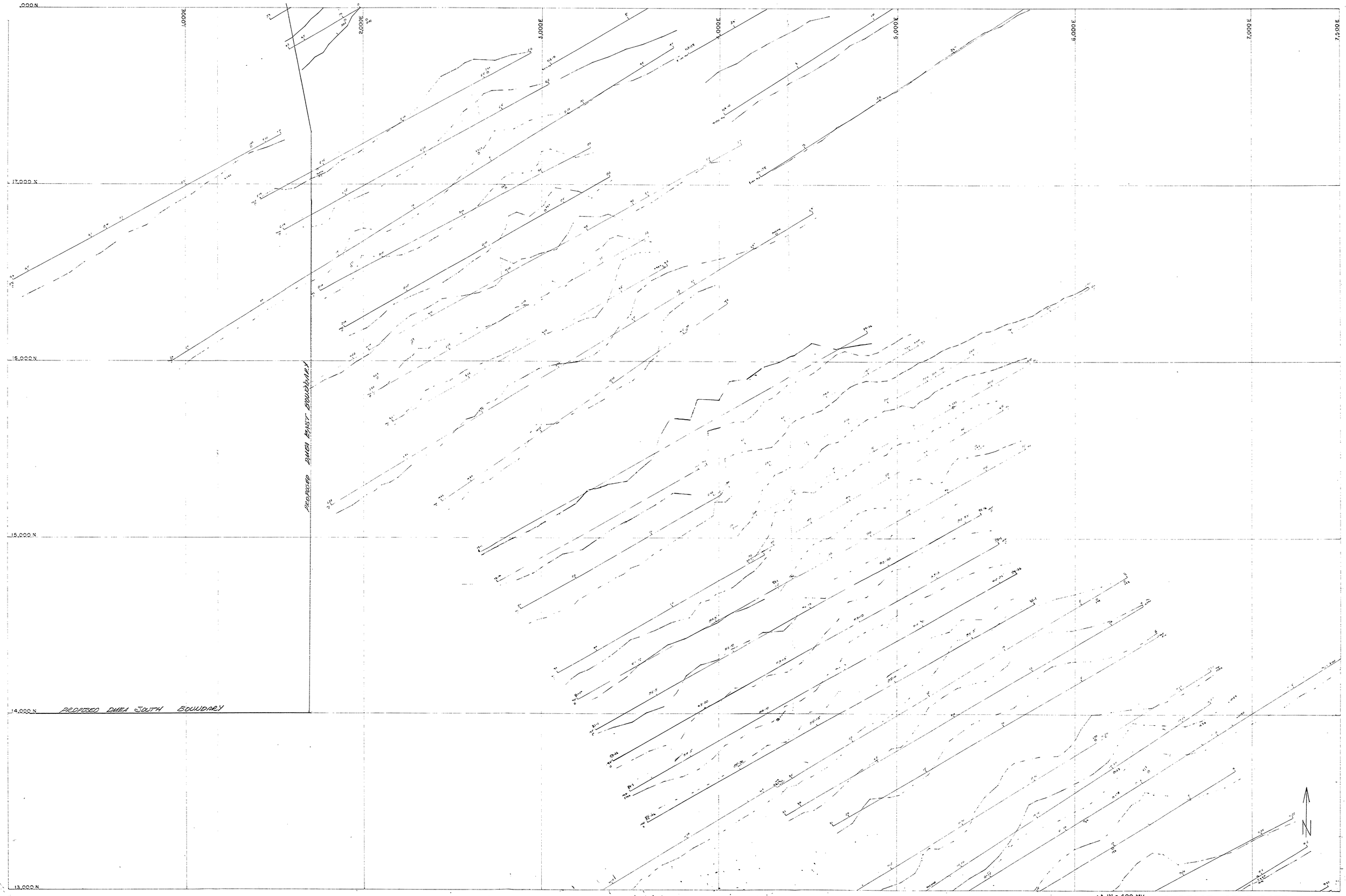
Gentlemen:

Your application for exploration assistance, dated May 6, 1958 submitted to our office at Spokane, Washington has been assigned Docket Number DMEA-5020 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

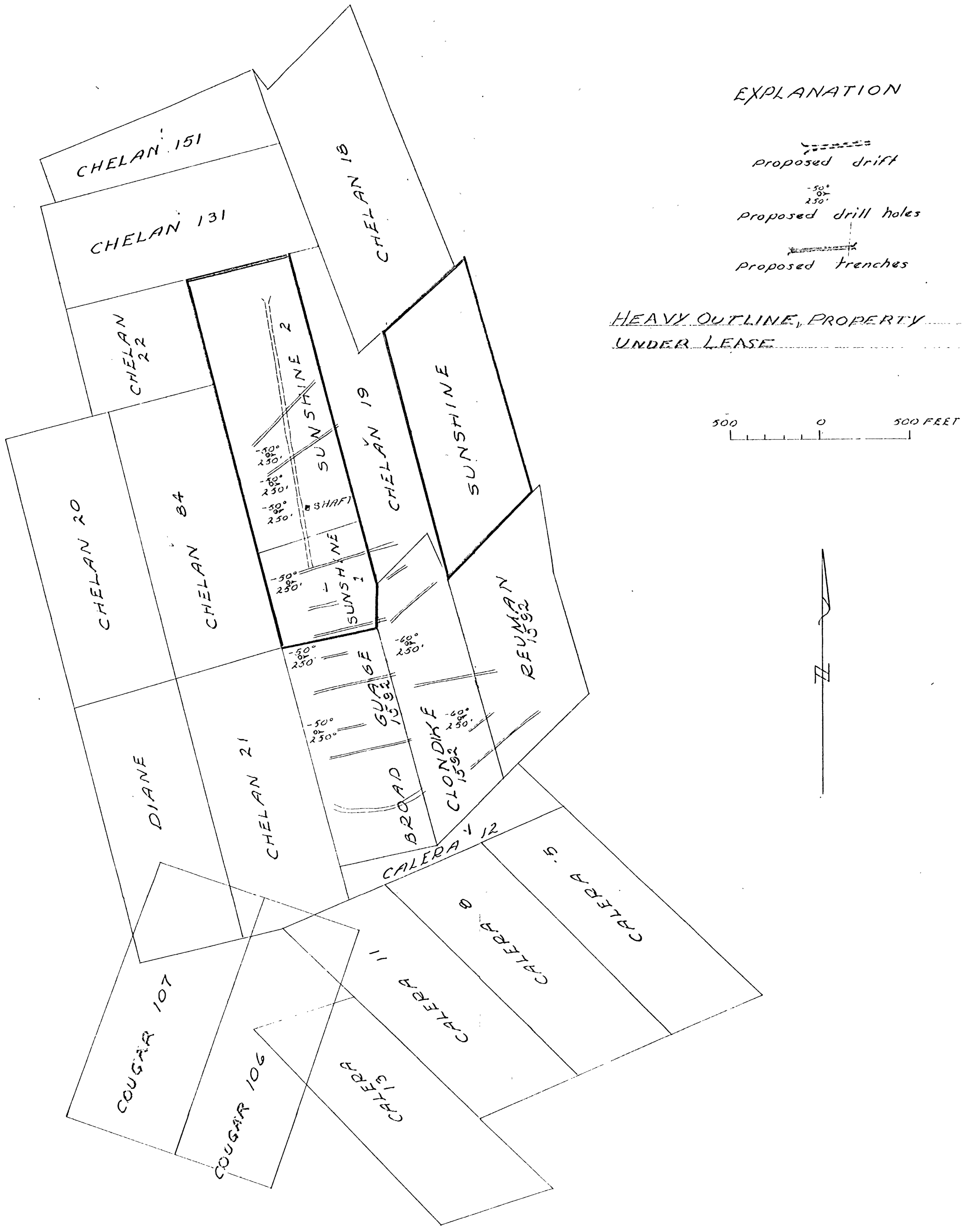
Copy to: Region I.



SCALE: 1 IN. = 400 MV.
1 IN = 200 FT.

SURFACE SELF POTENTIAL

FIG. 2



Note: prepared from applicants maps

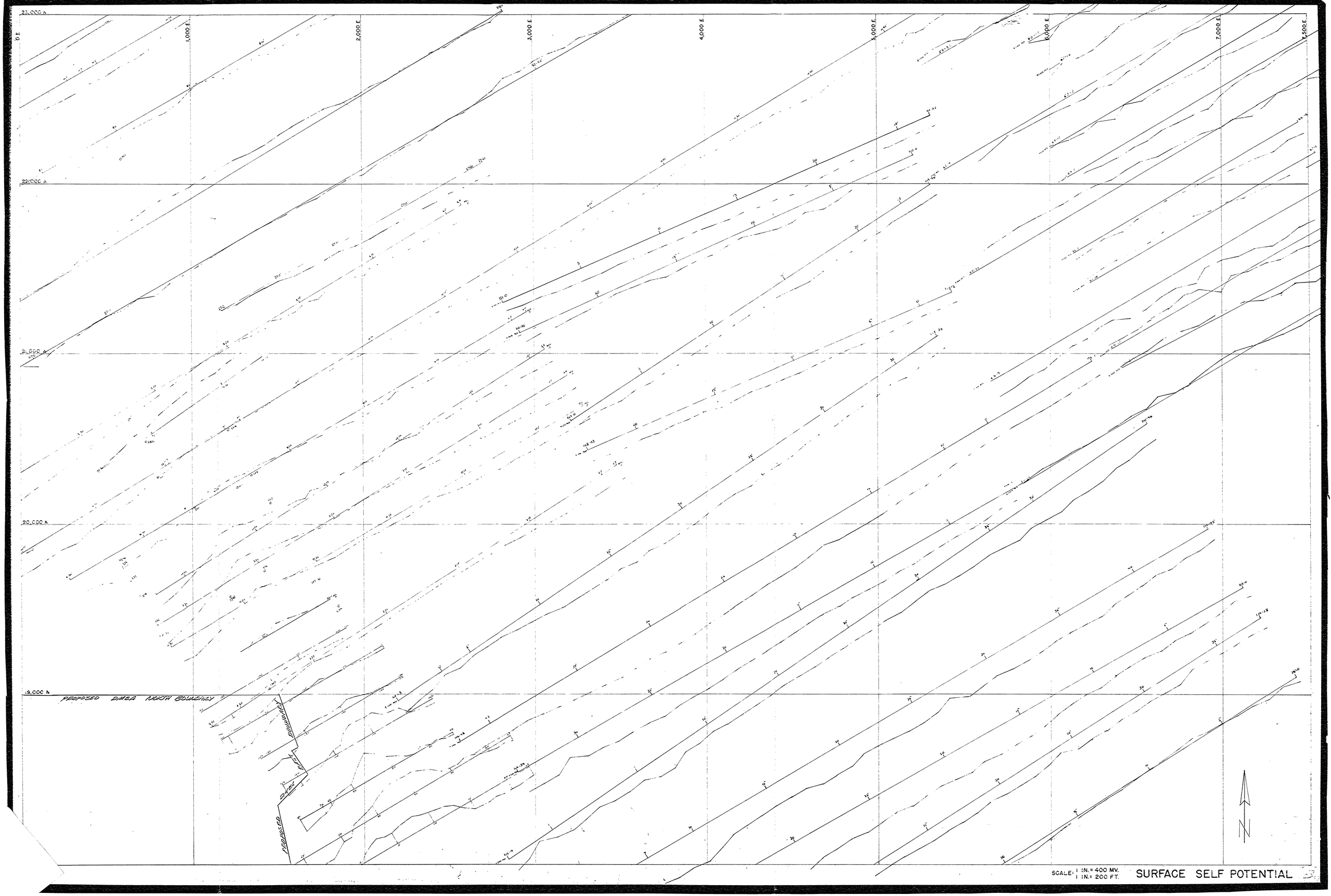
D.R. MacLaren, May 1958

SKETCH SHOWING CLAIMS AND APPROXIMATE LOCATIONS OF PROPOSED TRENCHES, DRILL HOLES, AND DRIFT

SUNSHINE et al. CLAIMS

CALERA MINING CO.

Lemhi County, Idaho



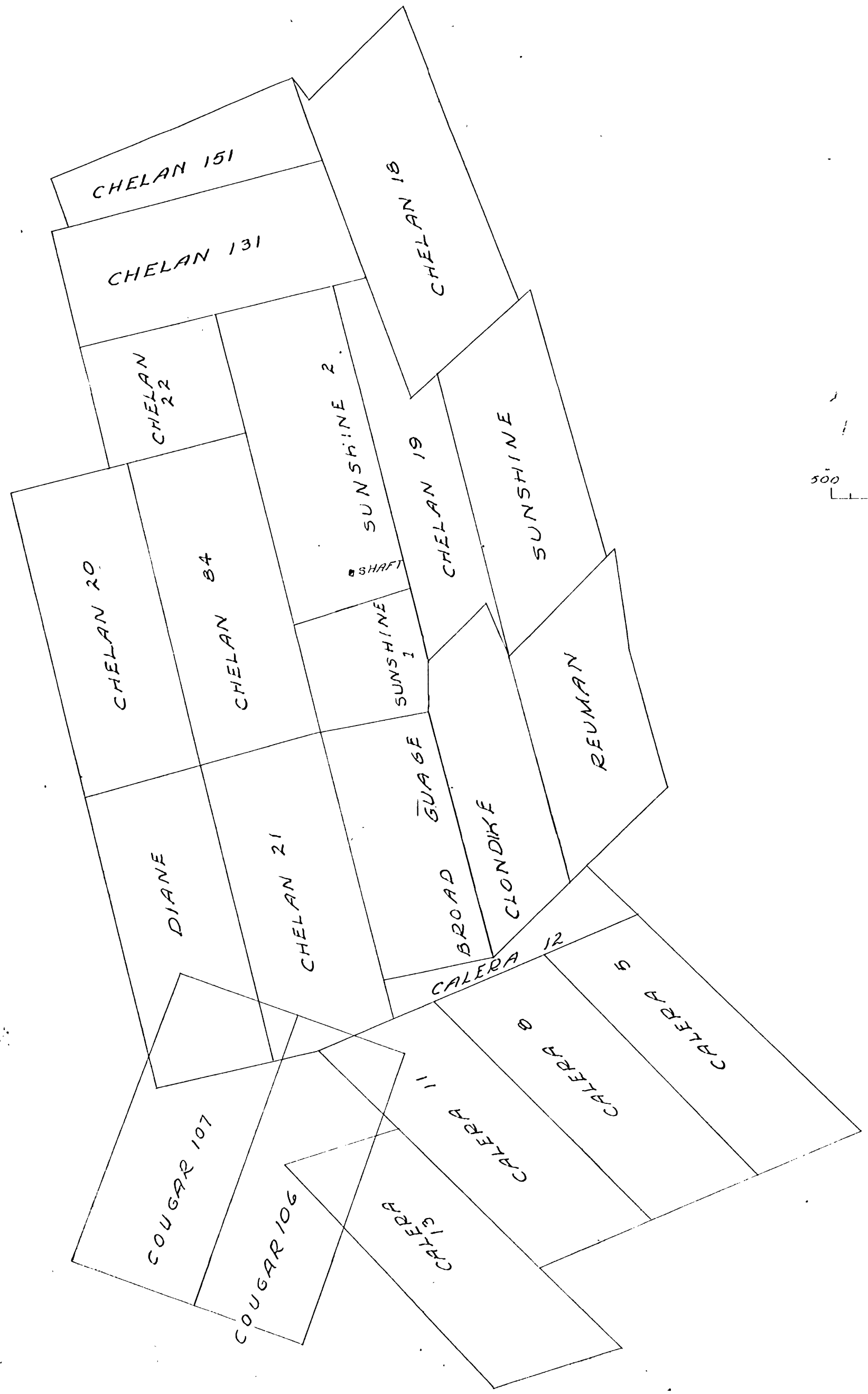
SCALE: 1 IN. = 400 MV.
1 IN. = 200 FT.

SURFACE SELF POTENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR

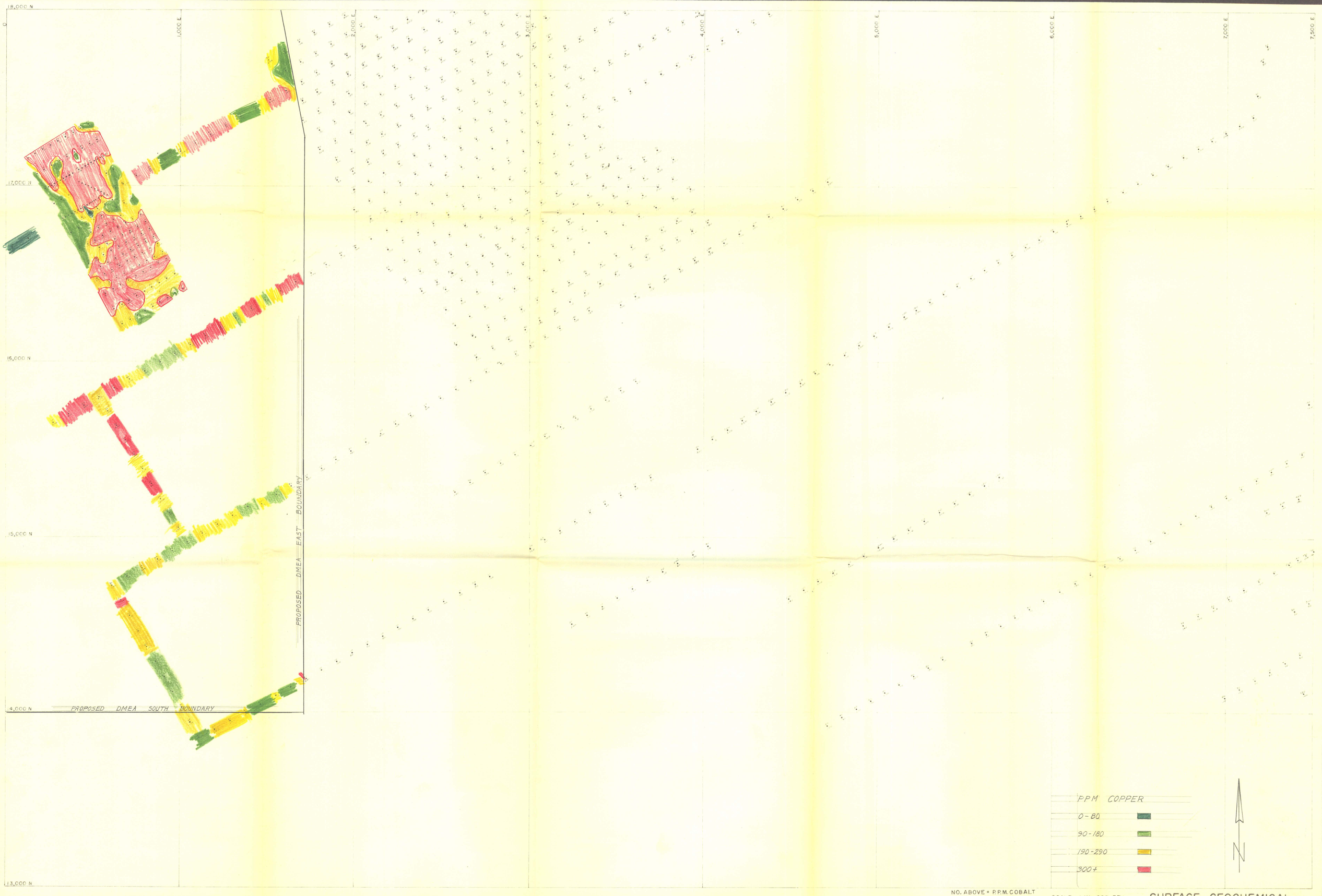
PREPARED FOR
OFFICE OF MINERALS EXPLORATION
FINAL REPORT

DOCKET NO DMEA 5020



CLAIM MAP
CALERA MINING COMPANY
LEMHI COUNTY, IDAHO
Nov. 1959 Plate 1

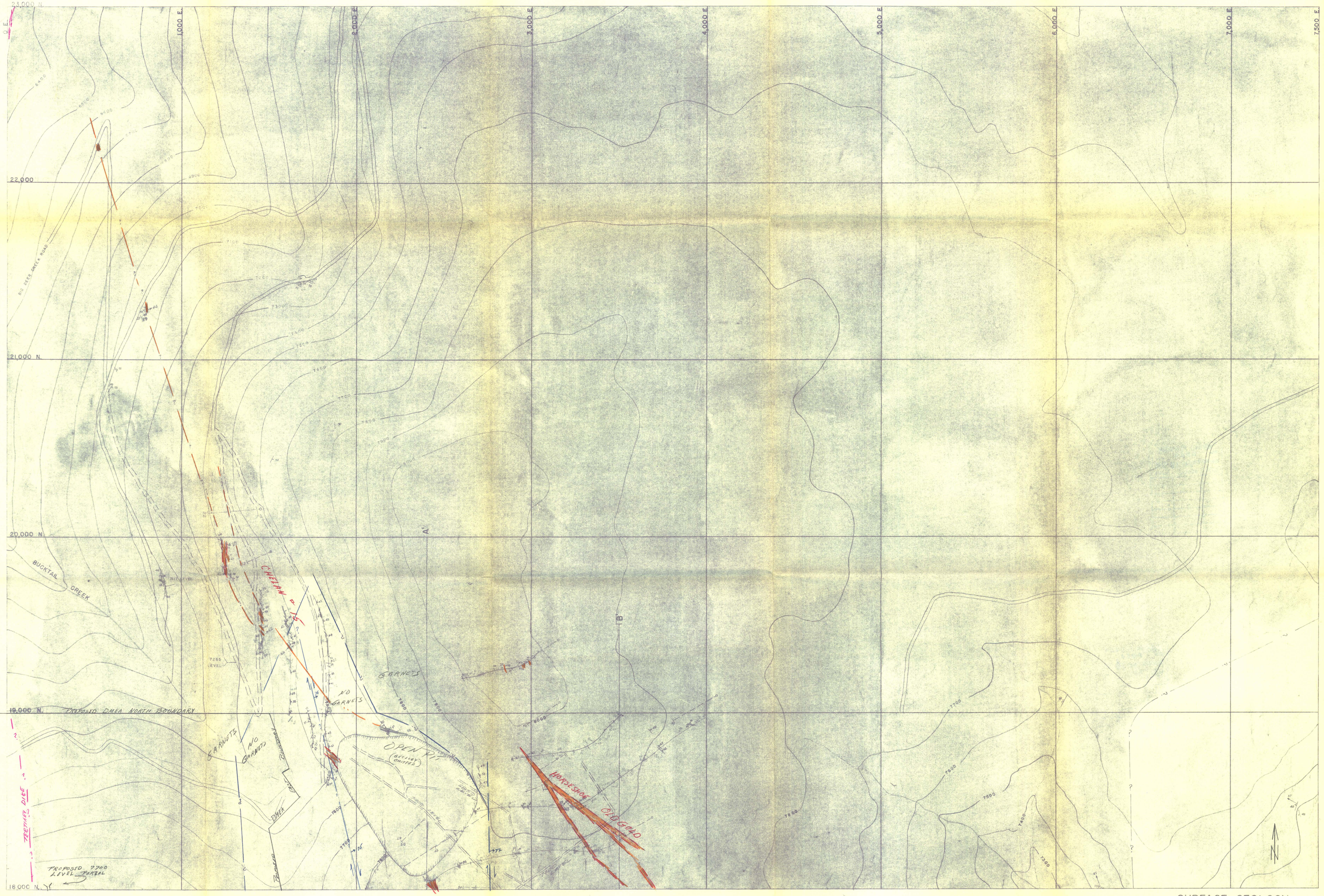
Note: prepared from applicants maps



NO. ABOVE = P.P.M. COBALT
NO. BELOW = P.P.M. COPPER

SCALE: 1 IN. = 200 FT.

SURFACE GEOCHEMICAL



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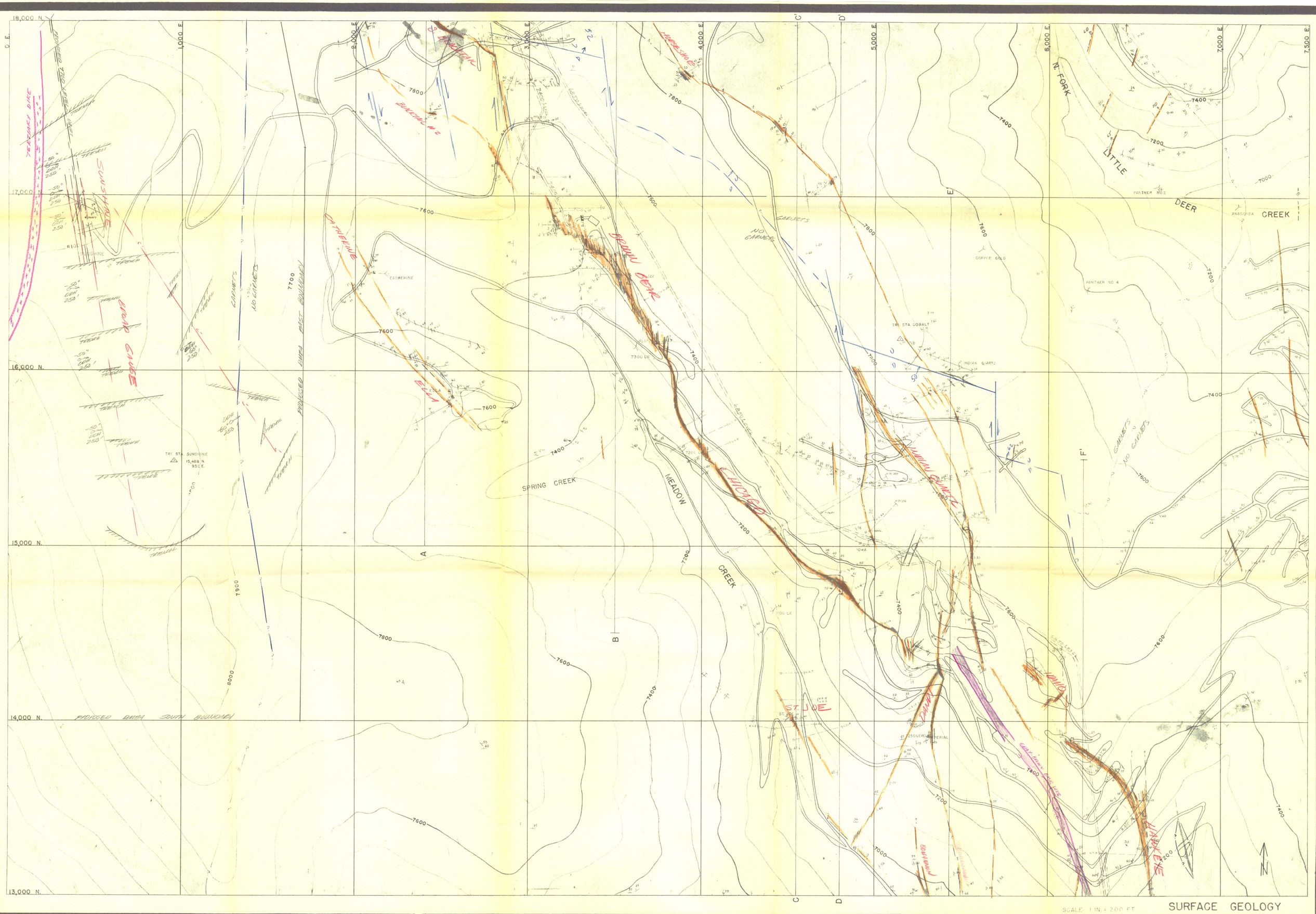
SURFACE GEOLOGY



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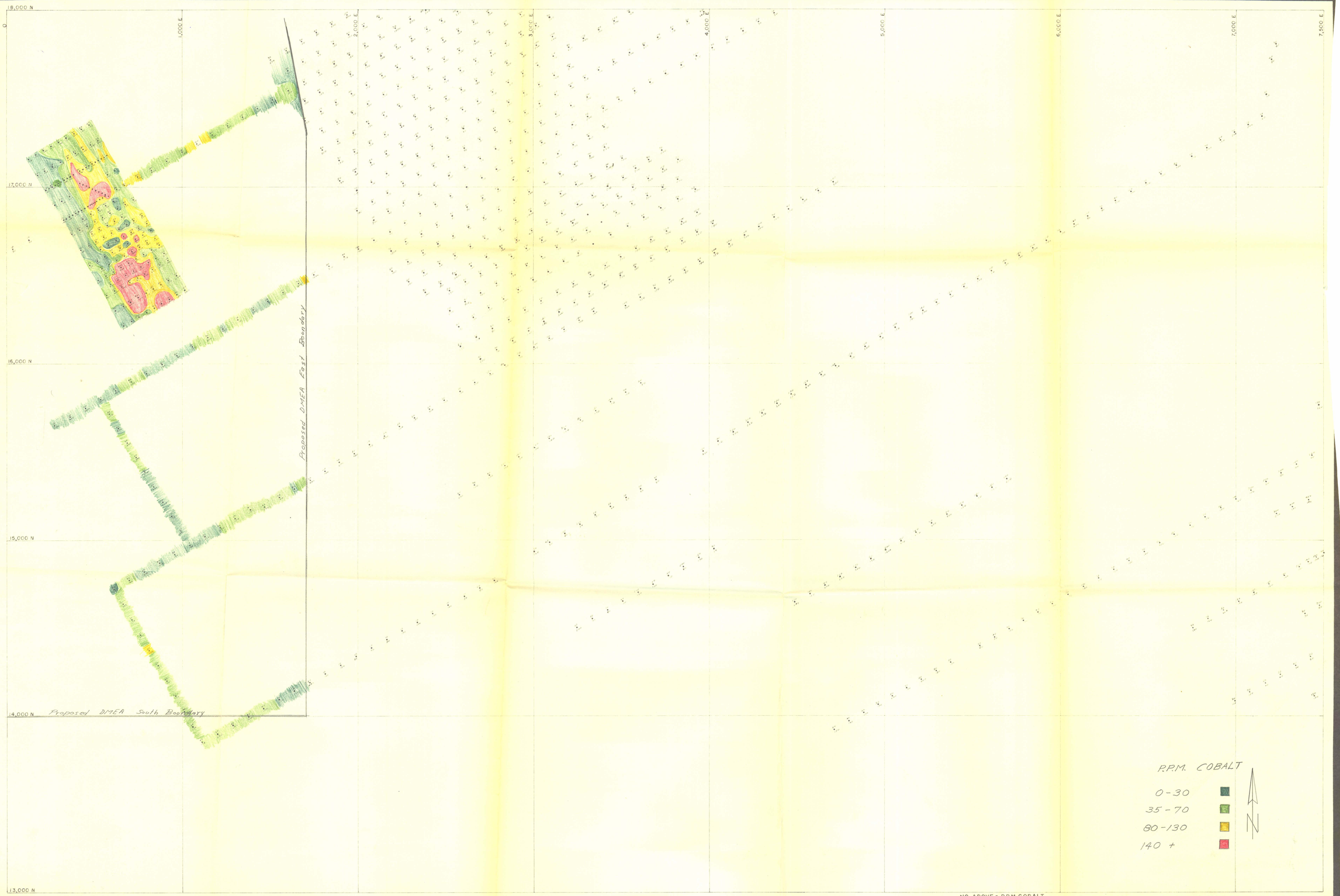
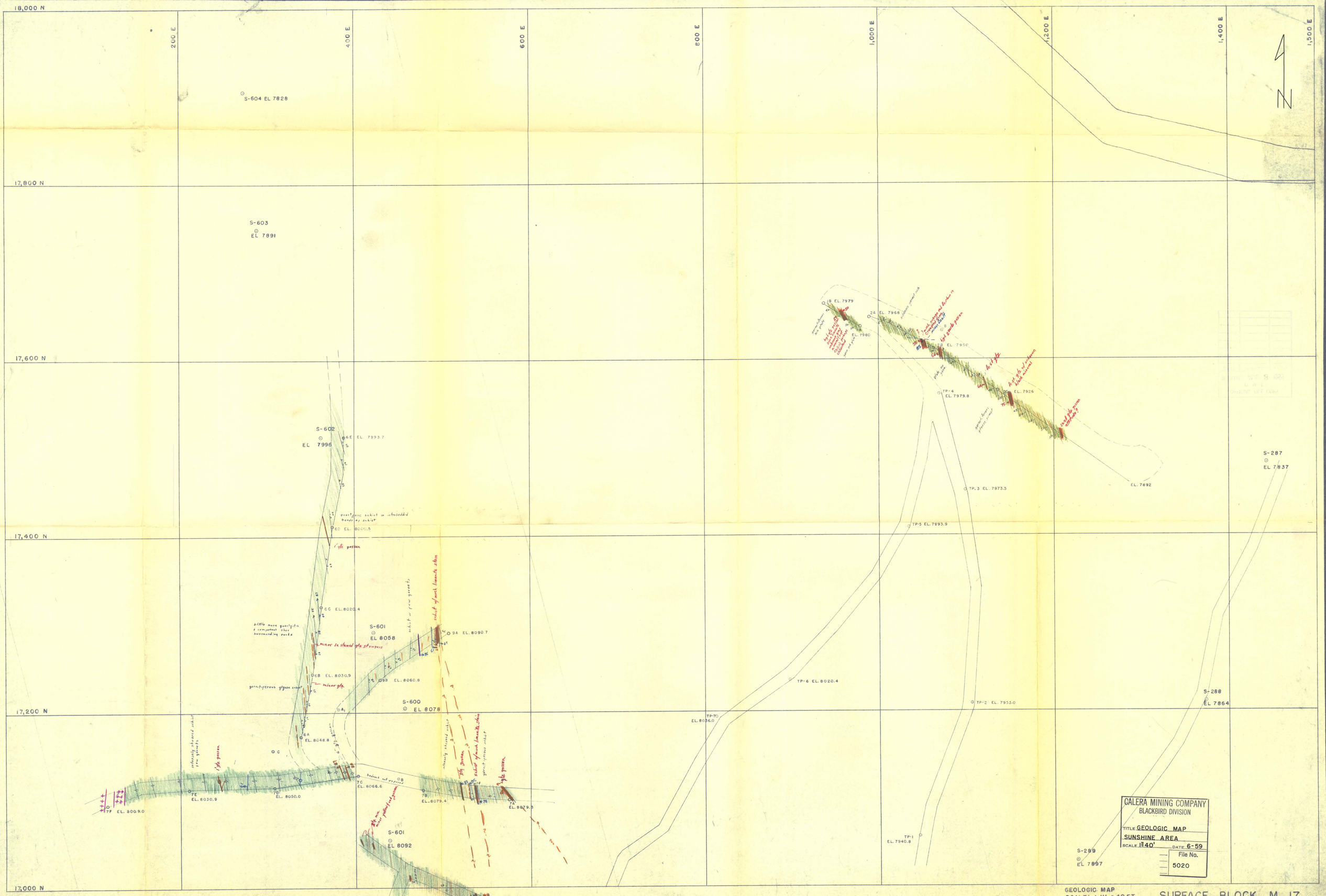
SURFACE GEOLOGY



NO. ABOVE = P.P.M. COBALT
NO. BELOW = P.P.M. COPPER

SCALE: 1 IN. = 200 FT.

SURFACE GEOCHEMICAL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17,800 N
17,600 N
17,400 N
17,200 N
17,000 N
200 E
400 E
600 E
800 E
1,000 E
1,200 E
1,400 E
1,500 E
N
S-604 EL 7828
S-603
EL 7891
S-602
EL 7996
6E EL 7993.7
6D EL. 8000.5
6C EL. 8020.4
S-601
EL 8058
9A EL. 8090.7
6B EL. 8030.9
9B EL. 8060.8
S-600
EL 8078
6A
EL. 8048.8
7E
EL. 8030.9
7D
EL. 8050.0
7C
EL. 8066.6
7B
EL. 8079.4
7A
EL. 8079.3
7F EL. 8009.0
S-601
EL 8092
18 EL. 7979
2A EL. 7968
EL. 7980
2B EL. 7950
TP-4
EL. 7979.8
EL. 7926
TP. 3 EL. 7973.5
TP-5 EL. 7893.9
EL. 7892
TP-6 EL. 8020.4
TP-2 EL. 7953.0
TP-7
EL. 8036.0
TP-1
EL. 7940.8
S-287
EL 7837
S-288
EL 7864
S-289
EL 7897
CALERA MINING COMPANY
BLACKBIRD DIVISION
TITLE GEOLOGIC MAP
SUNSHINE AREA
SCALE 1" = 40'
DATE 6-59
File No.
5020
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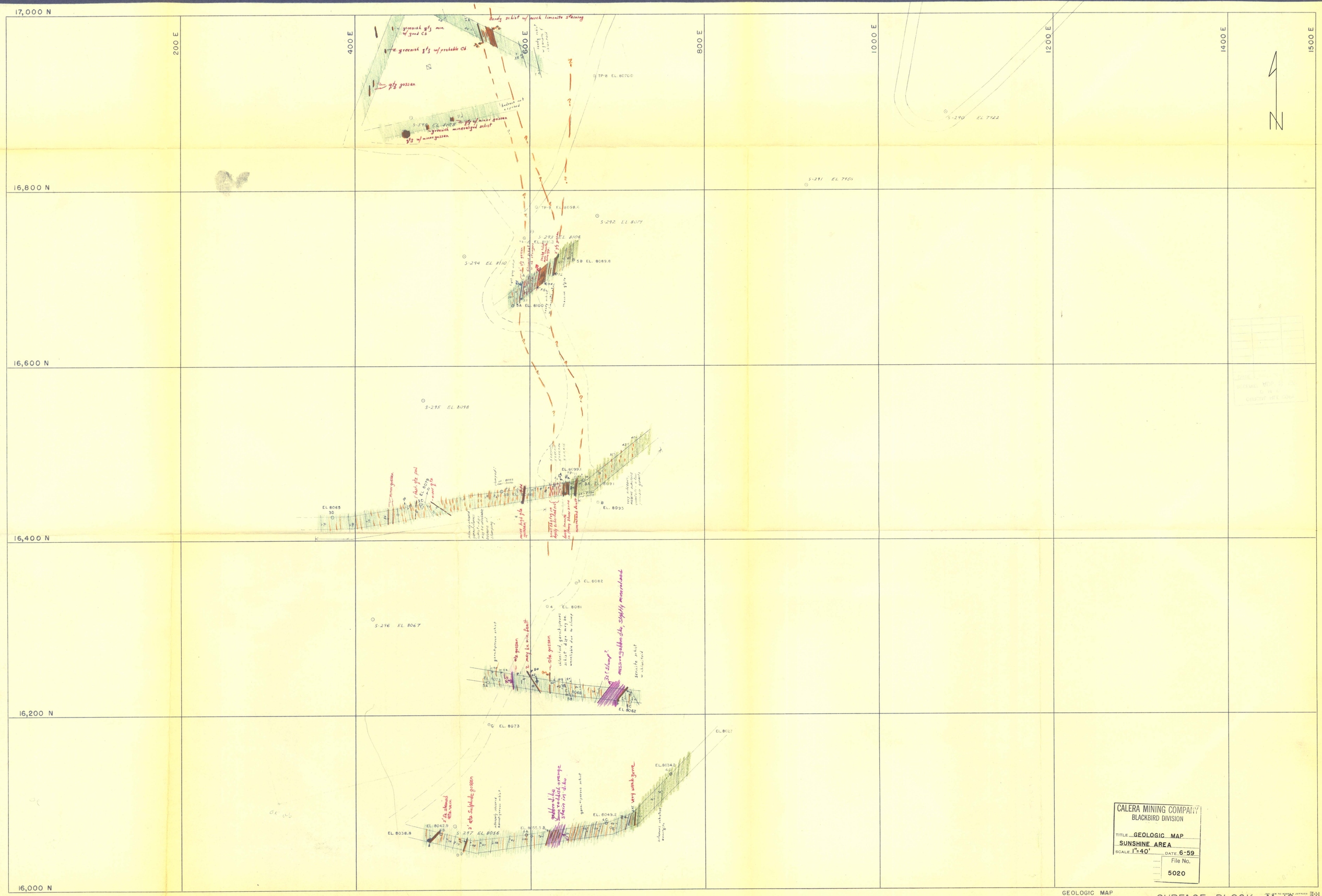
SURFACE, BLOCK M-17



GEOLOGIC MAP
SCALE: 1 IN. = 40 FT.

SURFACE, BLOCK M-16