MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. 2291 Docket No. 6812

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

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

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

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab) 6-25-70
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

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

Right Side

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

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

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty Material

72195-65

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/17/71	Emerick	120
		120
		130
		220

MAR 17 1971

AIRMAIL

Mr. Delmer Davies
Rt. #3 Lazy J Ranch
Twin Falls, Idaho 83301

Re: OME-6812 (Gold-Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho
Contract 2291

Dear Mr. Davies:

We requested in a letter to you dated February 10, 1971 that you inform us by March 1, if you could meet certain requirements to continue the work originally planned in the contract. Inasmuch as we have not heard from you, we must assume that you are not interested in reinstating the contract which expired by its own terms on January 14, 1971. We, therefore, are closing our books and records on the contract.

We appreciate your interest in the OME program.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
OME Region I
Mr. Emerick
130

WLEmerick/bsl 3/17/71

Government's copy

MME Form 50
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. GEOLOGICAL SURVEY

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME-6812	Gold-Silver	2291	Blaine	Idaho

It is agreed SEP 14 1970 (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Magic Silver Mining Corporation, an Idaho corporation

whose mailing address is 566 Wirsching Avenue, Twin Falls, Idaho 83301, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before Oct 5, 1970 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 4 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $13,320.00. The Government will contribute 75 percent of the allowable costs as they are incurred, in a total sum not in excess of $9,990.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest at the rate of 9½ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

ARTICLE 2. Operator's right in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

See Annex I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

See Annex I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.-- The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government; however, the original of the Operator's Monthly Voucher shall be supported by documentary evidence, such as certified copies or transcripts of payrolls and invoices, for all costs claimed under Article 6 (a) (1).)

(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 three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs.

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

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

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article, or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

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

CATEGORY (4)--OPERATING EQUIPMENT.

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

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

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

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

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

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

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

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--In addition to the limitations imposed by paragraph (a) of this Article 6 the Government will not contribute to the following costs:

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

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

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

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

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. The provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retains his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or Producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

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

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

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

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 12. Nondiscrimination in Employment. The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961 as amended and supplemented are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 14. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for

liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provision.--

[illegible]

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

MAGIC SILVER MINING CORPORATION
(Operator)

By Emmett A. Yadon

Title President

By Willard H. McCormick

Assistant Director, U. S. Geological Survey
for Administration

I, Delmar Davies (Name), certify that I am the treasurer + secretary of the corporation named as Operator herein; that Emmett A. Yadon (Name), who signed this contract on behalf of the Operator, was then President (Title) of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Martin
Sinclair
Wright
Eardley
Gibbens
WP
DABrew

Apr'd. Sol. Off.

Oct 1, 1970

[CORPORATE SEAL]

EXPLORATION CONTRACT
MAGIC SILVER MINING CORPORATION
OME-6812

ANNEX I

The land including all rights pertaining thereto, referred to in Article 2 of the contract, consists of six (6) unpatented lode mining claims in sec. 30, T. 1 S., R. 18 E., B.M., Mineral Hill mining district, Blaine County, Idaho. It is shown on Figure 1 entitled "Property map - Magic Silver Mining Corporation, Blaine County, Idaho," attached and made part hereof.

The claims are recorded in the office of the County Clerk, Hailey, Idaho, as follows:

Claim	Book	Page
Big John (#126353)	158	545
Big John 1 (#126518)	158	546
Big John 3 (#126519)	158	547
Big John 4 (#126520)	158	548
Big John 5 (#126521)	158	549
Big John 6 (#126522)	158	550

The Operator is the owner of the claims.

EXPLORATION CONTRACT
MAGIC SILVER MINING CORPORATION
OME-6812

EXHIBIT A

The purpose of this project is to explore by diamond core drilling from prepared surface sites for gold- and silver-bearing ore bodies occurring in the down-dip extensions of a vein cutting granitic rock.

General Provisions

All drill holes shall be completed to standard EX core size or equivalent wire line size.

All drill holes shall be cased as necessary. The Government will not contribute to the cost of casing left in a hole at the Operator's request.

Diamond drill core shall be stored in boxes identified by hole numbers with markers in the core sections indicating the depths represented.

Facilities shall be provided for recovering drill sludge, and such sludge shall be retained when drilling in significantly mineralized rock.

All drill core shall be logged and significantly mineralized core shall be split and one split assayed. Whenever core recovery is less than 60 percent, a split of the corresponding retained sludge shall be assayed separately. The remaining core shall be stored in proper sequence with the unsampled core, and the remaining sludge shall be stored in suitable containers properly identified as to hole number and depth.

All splits of samples for assay shall be analyzed for silver and gold.

True copies of assay certificates, copies of drill logs, and maps or sketches showing the work completed during the reporting period, the location and width of all samples taken, and the geological formations and structures traversed by the drill holes shall be furnished monthly to the Government.

Stored samples shall be made available for Government inspection and possible use, and may be disposed of only with prior Government approval.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The Government shall not contribute to the costs of incomplete drill holes.

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

Description of the Work

The work shall consist of drilling five vertical holes totaling an estimated 1,450 feet, including overburden drilling. The approximate locations and depths of the drill holes are shown on Figure 2 entitled "Map showing proposed drill holes, Magic Silver Mine, Sec. 30, T. 1 S., R 18 E., Blaine County, Idaho," attached and made part hereof.

Estimated Costs of the Project

Actual Costs

Category (1) Independent Contracts

Drilling

Diamond core and overburden drilling, includes mobilization, demobilization, and moving between drill sites, 1,450 feet @ $7.25/foot (EX core size)	$10,512.50	
Casing, 100 feet @ $2.00/foot	200.00	
135 cardboard core boxes @ $1.25/each	168.75	
35 sample sacks @ $0.25/each	8.75	
Sludge collecting and sampling supplies	45.00	
		$10,935.00

Category (2) Personal Services

None except:

Subcategory (a) Supervision and Technical Services

Supervisor-Engineer-Consultant, 24 days @ $75.00/day		$1,800.00

Category (7) Miscellaneous

None except:

Payroll taxes, F.I.C.A., Insurance	$ 310.00	
Accounting and office expense, 3 months @ $50.00/month	150.00	
Assaying for gold and silver, 25 samples @ $5.00/sample	125.00	
		585.00

Total Estimated Cost of the Project $13,320.00

S U M M A R Y

Total Estimated Cost	$13,320.00
Government Participation at 75 percent	$ 9,990.00

EXHIBIT B

NONDISCRIMINATION IN EMPLOYMENT

(Section 202, Executive Order 11246, September 24, 1965)

"During the performance of this contract, the contractor agrees as follows:

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

'(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

'(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

'(4) The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

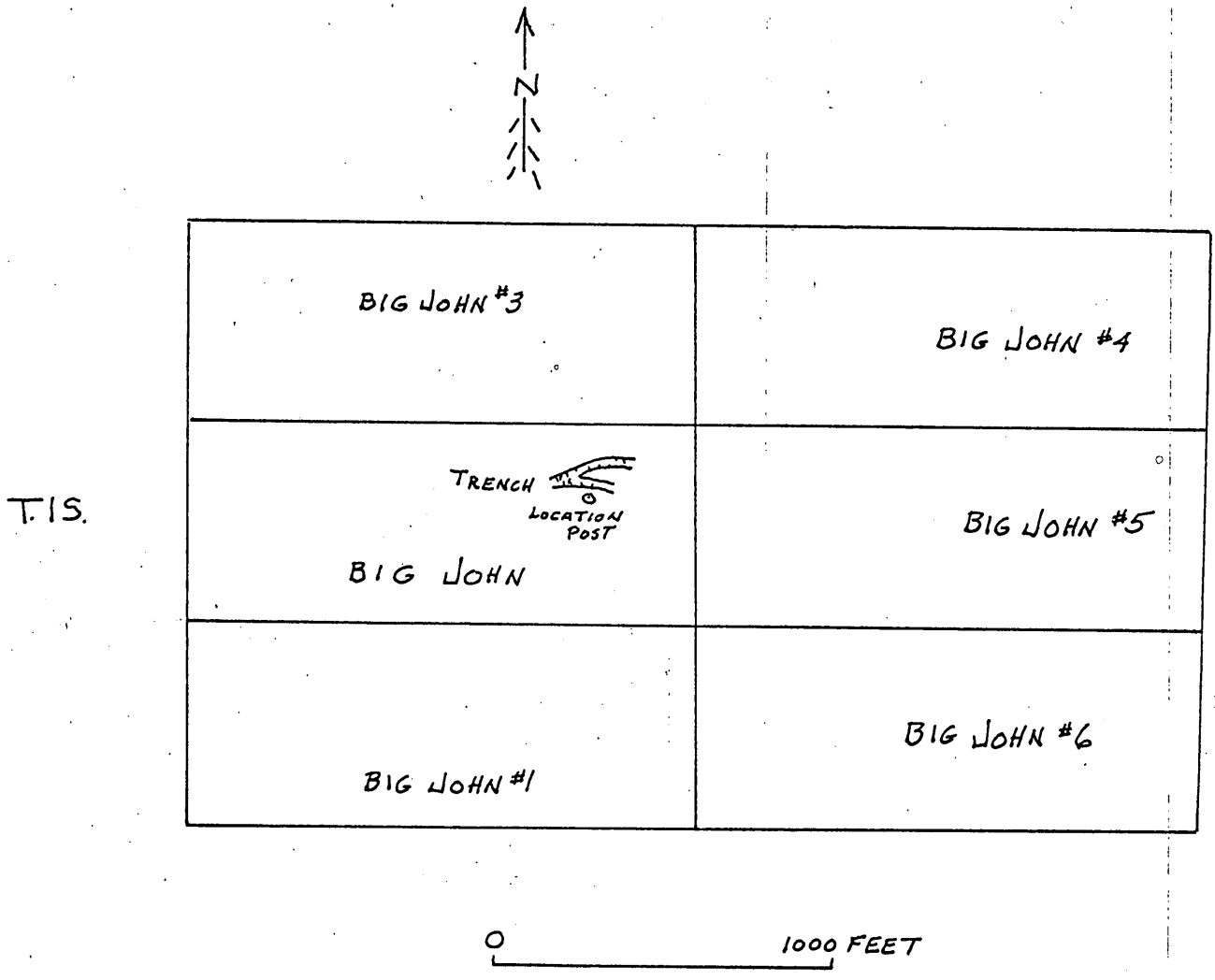
'(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

'(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

'(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.'"

U.S. GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OME 6812 (GOLD-SILVER)



25	30
36	31

R17E. R.18E.

FIGURE 1- PROPERTY MAP- MAGIC SILVER MINING CORPORATION
BLAINE COUNTY, IDAHO

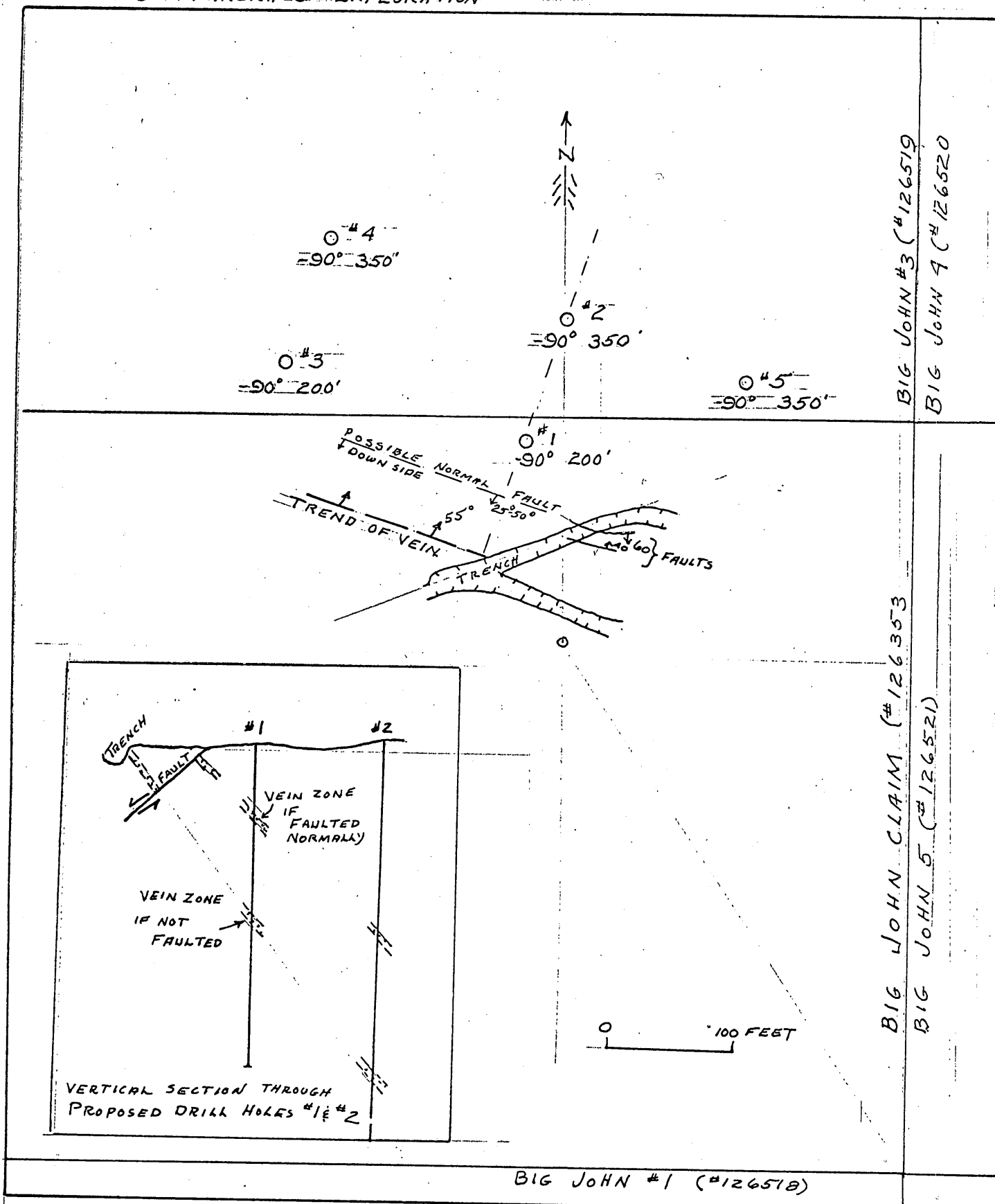


FIGURE 2-MAP SHOWING PROPOSED DRILL HOLES, MAGIC SILVER MINE, SEC. 30, T. 1S., R. 18 E., BLAINE COUNTY, IDAHO

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
656 U. S. Court House
W. 920 Riverside Avenue
Spokane, Washington 99201

February 12, 1970

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 16 1970
INITIALS | CODE

Memorandum

To : Chief, Office of Minerals Exploration

From : Field Officer, Region I

Subject: New application (Gold-Silver)
Magic Silver Mining Corp.
Big John Property
Blaine County, Idaho

Transmitted herewith is an application for OME assistance in exploring a relatively new discovery about 23 miles southwest of Bellevue in Blaine County, Idaho. Included in the application are copies of reports by geologists of Federal Resources Corporation who visited the property on more than one occasion.

The proposed work is to make a rather large excavation to explore extensions of the mineralized zone. If successful, the surface work will be followed by core drilling. Total estimated cost of the project is $20,000.00. Assay data and a smelter settlement sheet of a small shipment of sorted ore indicate promising values in gold and silver.

The applicant's property is in an area about which little geological information is available. Further work in this area might be successful in establishing a new mine or even a new district. I hope that we will be able to take further action on this application, and schedule a field examination.

Enclosure

Willard P. Puffett
Willard P. Puffett

MAGIC SILVER MINING CORPORATION

TWIN FALLS, IDAHO 83301

February 3,1970

Office of Minerals Exploration
U. S. Geological Survey
South 157 Howard Street
Spokane Washington 99204

Dear Sir;

In making this application for exploration assistance we would like to consider the exploration in two parts, phase one & phase two.
Phase one would involve the removal of overburden and build a all weather road to the mine. The would be ideal and keep the mine area from looking unsightly.
The second phase would involve core drilling if enough evidence of mineralization is present.
We figure the cost to be approximately $12,000.00 for phase one and $8,000.00 for phase two.
Our cost would be furnished by the corporation members.
As you can see in the geological report we have a good vein with good value, but its a new discovery located at about 6000 ft elevation with low rolling hills, sage brush, outcroping of lava & about 4 miles south of the most southern observations of A. L. Andersom & others of the Hailey, Bellevue mineral belts. (see maps)

Sincerely,

Delmer Davies

Delmer Davies Sec/Treas.
Magic Silver Mining Corp.
566 Wirsching Ave
Twin Falls Idaho 83301

RECEIVED
FEB 12 1970
O. M. E.
SPOKANE, WASH.

MME Form 40
(Revised Nov. 68)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICIAL COPY O. M. E. FEB 16 1970 WILLIAMS/CO

RECEIVED FEB 12 1970 O. M. E. SPOKANE, WASH

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

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

Magic Silver Mining Corp.
566 Wirsching Ave
Twin Falls Idaho 83301

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER 6812

DATE RECEIVED 2/16/70

REGION 1

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED Idaho

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Emmett Yadon	Rte # 1 Twin Falls Ida.	President
Ed Anderson	PO Box 141 Burley, Ida.	Vice Pres.
Delmer Davies	566 Wirsching Twin Falls	Sec/Treas.
Virgil Tadlock	322 3rd ave W. Twin Falls	Director
Howard Halford	Rte # 1 Burley Ida.	Director

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Gold, Silver & Lead

ESTIMATED COST OF PROJECT: $20,000.00

PROPERTY NAME	LOCATION COUNTY	STATE
Big John	Blaine	Idaho

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. II). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Department of the Interior, U.S. Geological Survey, Office of Minerals Exploration, Washington, D. C., 20242, or with the nearest OME Field Office.*

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

2-10-70
DATED

Delmer Davies
BY *(Signature)*

Secretary, Treasurer
TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

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

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

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

2. Applicant's Rights in Land:

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

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

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

3. Physical Description:

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

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

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

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

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

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

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

4. Accessibility of Property:

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

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

5. Exploration Work:

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

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

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

6. Experience:

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

7. Estimate of Costs:

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

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

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

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

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

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

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

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

State of Idaho

GREAT SEAL OF THE STATE OF IDAHO — ESTO PERPETUA

Department of State

CERTIFICATE OF INCORPORATION

I, ~~ARNOLD WILLIAMS,~~ Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho do hereby certify that the original of the articles of incorporation of

MAGIC SILVER MINING, INC.

was filed in the office of the Secretary of State on the Tenth day of October A.D. One Thousand Nine Hundred Sixty-seven and ~~was~~ will be recorded on Film No. ~~XXXXXX~~microfilm of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for perpetual existence from the date hereof, with its registered office in this State located at Twin Falls, in the County of Twin Falls.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this 10th day of October, A.D., 19 67.

PETE T. CENARRUSA
Secretary of State

Secretary of State.

By Deputy

ARTICLES OF INCORPORATION
OF
MAGIC SILVER MINING, INC.

THE UNDERSIGNED, natural persons of full age, citizens of the United States and residents of the State of Idaho, do this day voluntarily associate themselves together for the purpose of forming a corporation according to the laws of the State of Idaho and to effect that purpose they do hereby adopt and execute the following Articles of Incorporation, and do hereby certify and declare:

ARTICLE I.

CORPORATE NAME.

The corporation shall be known as MAGIC SILVER MINING, INC.

ARTICLE II.

PURPOSES AND POWERS.

The corporation is formed for the following purposes and such other purposes as shall be necessary to implement the purposes stated herein:

1. To purchase, locate, lease or otherwise acquire mines, mining claims, mining rights and lands and any interest therein, and explore, work, exercise, develop and turn to account the same; to quarry, mine, smelt, refine, dress, amalgamate and prepare for market ore, metal and mineral substances of all kinds, and to carry on any other operations or businesses which may seem necessary, convenient or incidental to any of the objects of the company.

2. To buy, sell, manufacture and deal in minerals, plants, machinery, implements, conveniences, provisions and things capable of being used in connection with mining or other

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ATTORNEYS AT LAW
BOX 321
TWIN FALLS, IDAHO
733-2601

operations of this corporation, or required by workmen or others employed by the company; to construct, carry out, maintain, improve, manage, work, control and superintend any roadways, railways, bridges, reservoirs, water courses, mills, crushing works, warehouses and other works and conveniences which may seem necessary, convenient or incidental to any object of the company, and to contribute, to subsidize or otherwise aid or take part in any such operations.

3. The corporation shall have the power to purchase its own shares of stock.

4. In furtherance, and not in limitation of the general powers conferred by the laws of the State of Idaho, and by the principles of the common law upon corporations, this corporation shall also have the following purposes and powers, it being hereby expressly provided that the enumeration of such specific powers shall not be construed to limit or restrict in any manner the aforementioned general powers of the corporation:

(a) To lend money and negotiate loans; to draw, accept, endorse, discount, sell and deliver bills of exchange, promissory notes, bonds, obligations and securities of any government or other authority or company. To form, promote, subsidize and assist companies, firms, and partnerships of all kinds; to act as surety and guarantor in any and all types of engagements; to execute, endorse and deliver contracts; to guarantee the prompt and faithful performance and payment of debts, notes, agreements, contracts and undertakings of any other person, firm, partnership or

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TWIN FALLS, IDAHO
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corporation; to act as an accommodation co-maker or guarantor of obligations either as a primary or secondary obligor; to enter into any arrangements with any and all authorities, municipal, local or otherwise, conducive to the company's objects or any of them; and to obtain from any such government or authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangement, rights, privileges and concessions. To carry on and undertake any business, undertaking, transaction or operation commonly and generally carried on or undertaken by merchants or manufacturers or which may seem to the company capable of being conveniently carried on or calculated directly or indirectly to enhance the value of or render profitable any of the corporation's rights or property.

(b) To acquire the good will, rights, property and assets of all kinds and undertake the whole or any part of the obligations of any persons, firms, association or corporation on such terms and conditions as may be agreed upon and to pay for the same in cash, stocks, bonds or other securities of this corporation or otherwise; and to acquire and take all or any part of the business assets and liabilities of any person, firm, association or corporation.

(c) To engage in any business whatsoever, either as principal or as agent or both, or as a syndicate,

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733-2601

whichever the corporation may deem convenient or proper in furtherance of any of the purposes hereinabove mentioned. To execute, from time to time, general or special powers of attorney to persons, firms, associations or corporations and to revoke the same as and when the Board of Directors may determine; and to do any or all of the things herein set forth to the same extent as natural persons might or could do.

5. Any and all of the rights, powers, privileges or restrictions in these Articles of Incorporation granted and contained, conferred or imposed, may be enlarged, amended, altered, and changed in any manner and to any extent, or repealed by articles of amendment made, executed, authorized and filed in any manner now or hereafter permitted or authorized by the laws of the State of Idaho.

6. Without in any particular limiting or restricting any of the objects and powers of the corporation, it is hereby expressly declared and provided that the corporation shall have the power to issue bonds and other obligations and shares of its capital stock in payment for property purchased or acquired by it, or for any other lawful object in and about its business; to mortgage or pledge any stocks, bonds, or other obligations, or any property which may be acquired by it; to secure any bonds, guarantees or other obligations by it issued or incurred; to guarantee any dividends, bonds, contracts, or other obligations.

7. The several clauses contained in this statement of purposes shall be construed as both purposes and powers, and the

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statements contained in each clause shall be in no way limited or restricted by reference to or inference from the terms of any other clause, but shall be regarded as independent purposes and powers.

ARTICLE III.

CORPORATE DURATION.

Subject to dissolution in the manner provided by law, the duration of this corporation shall be perpetual.

ARTICLE IV.

LOCATION AND POST OFFICE ADDRESS OF REGISTERED OFFICE.

The registered office of this corporation in the State of Idaho shall be located at Twin Falls, Twin Falls County, Idaho, and the post office address shall be 566 Wirsching Ave., Twin Falls, Idaho.

ARTICLE V.

AUTHORIZED SHARES OF STOCK.

The stock of the corporation shall consist of two thousand five hundred (2,500) shares of stock of no par value. All of the stock shall be common stock without classification and all of said stock shall be voting stock without preference or restriction.

ARTICLE VI.

DIRECTORS.

The corporation shall be governed by a Board of Directors. There shall be not less than three (3) directors nor more than nine (9). The exact number of directors shall be specified in the corporate By-Laws. The qualifications, duties, powers, limitations, and other factors relevant to the functioning of the Board of Directors shall be set out in the corporate By-Laws and subject to the laws of the State of Idaho.

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733-2601

ARTICLE VII.

AMENDMENT AND REPEAL OF BY-LAWS.

The Board of Directors of this corporation shall have the power to repeal and amend the By-Laws of this corporation, and shall have the power to adopt new By-Laws; this power may be exercised by the Board of Directors through a majority vote of that Board. By-Laws so repealed, amended or adopted by the Board of Directors shall be subject to re-enactment, amendment or repeal by the shareholders of this corporation at their regular meetings or at any meeting specially called for that purpose. A majority of the shareholders of the corporation may exercise the power of re-enactment, amendment, or repeal heretofore set out.

ARTICLE VIII.

NAMES AND ADDRESSES OF INCORPORATORS.

NAME	ADDRESS	NUMBER OF SHARES
Delmer Davies	566 Wirsching Ave. Twin Falls, Idaho	1
Harris Casperson	Shoshone, Idaho	1
Emmett Yadon	Route Two Kimberly, Idaho	1

IN WITNESS WHEREOF, The parties hereto have hereunto set their hands and seals this 24th day of September, 1967.

Delmer Davies

Emmett Yadon

Harris Casperson

RAYBORN, RAYBORN, WEBB AND PIKE
ATTORNEYS AT LAW
BOX 321
TWIN FALLS, IDAHO
733-2801

STATE OF IDAHO,)
(ss.
County of Twin Falls,)

On this 26th day of September, 1967, personally appeared before me DELMER DAVIES, HARRIS CASPERSON and EMMETT YADON, the signers of the within instrument, who duly acknowledged to me that they executed the same.

Emil F. Pike, Jr.
NOTARY PUBLIC
Residence: Filer, Idaho.

Received and Filed Articles of Incorporation of Magic Silver Mining Inc. at 9:05 o'clock A. M. October 17, 1967, being Instrument No. 128102. This Instrument remains on file in this office.

Fee: $1.00 Paid.

George F. McCoy, County Recorder

By Goldie Ellinger, Deputy.

RAYBORN, RAYBORN, WEBB AND PIKE
ATTORNEYS AT LAW
BOX 321
TWIN FALLS, IDAHO
733-2601

State of Idaho

GREAT SEAL OF THE STATE OF IDAHO — ESTO PERPETUA

Department of State.

CERTIFICATE OF INCORPORATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho do hereby certify that the original of the articles of incorporation of

MAGIC SILVER MINING, INC.

was filed in the office of the Secretary of State on the Tenth day of October A.D. One Thousand Nine Hundred Sixty-seven and will be duly recorded on Microfilm of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for perpetual existence from the date hereof, with its registered office in this State located at Twin Falls, in the County of Twin Falls.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this 10th day of October, A.D., 19 67.

PETE T. CENARRUSA
Secretary of State

Doris Whitaker
Secretary of State.
By Deputy

Domestic

INSTRUMENT No.

REVENUE STAMPS

QUITCLAIM DEED

For Value Received DELMER D. DAVIES and GENEVA G. DAVIES, husband and wife,

do hereby convey, release, remise and forever quit claim unto

MAGIC SILVER MINING, INC.

the following described premises, to-wit:

Claims Nos. 126353, 126518, 126519, 126520, 126521, 126522 Blaine County, Idaho, Mineral Hill Mining District. These claims are also known as Big John 1, 2, 3, 4, 5, and 6, Blaine County, Idaho.

together with their appurtenances.

Dated: January 12, 1970.

Delmer D. Davies

Geneva G. Davies

STATE OF IDAHO, COUNTY OF TWIN FALLS,
On this 12th day of Jan., 1970, before me, a notary public in and for said State, personally appeared

Delmer D. Davies and
Geneva G. Davies,

known to me to be the person s whose name s are subscribed to the within instrument, and acknowledged to me that they executed the same.

Marjorie Holmes
Notary Public
Residing at Twin Falls, Idaho

STATE OF IDAHO, COUNTY OF
I hereby certify that this instrument was field for record at the request of

at minutes past o'clock m.,
this day of
19 , in my office, and duly recorded in Book of Deeds at page

Ex-Officio Recorder

By
Deputy.

Fees $
Mail to:

Copy

No: 134 780

Quit Claim Deed

Delmer L. Davies
et uxf

to

Magic Silver Mining
Inc

STATE OF IDAHO,
COUNTY OF BLAINE, } SS
I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE AT THE REQUEST OF Rayburn, Webb & Pike
AT 9:45 O'CLOCK A M.
Jan 13, A. D. 1970
RECORDED IN BOOK 191 ON PAGE
OF Deeds
George L. Milton
EX-OFFICIO RECORDER
BY Gladie Ellington
DEPUTY
FEES $1.00 paid.

INSTRUMENT No.

REVENUE STAMPS

QUITCLAIM DEED

For Value Received

DELLA E. YADON and EMMETT A. YADON,

do hereby convey, release, remise and forever quit claim unto

MAGIC SILVER MINING, INC.

the following described premises, to-wit:

Claim Nos. 126353, 126518, 126519, 126520, 126521, 126522, Blaine County, Idaho.

together with their appurtenances.

Dated: November 16, 1967.

Emmett A. Yadon

Della E. Yadon

STATE OF IDAHO, COUNTY OF TWIN FALLS

On this 16th day of Nov., 19 67, before me, a notary public in and for said State, personally appeared

DELLA E. YADON and EMMETT A YADON,

known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

Emmett A. Yadon

Notary Public

Residing at Twin Falls, Idaho

STATE OF IDAHO, COUNTY OF

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

at minutes past o'clock m., this day of , 19 , in my office, and duly recorded in Book of Deeds at page

Ex-Officio Recorder

By

Deputy.

Fees $

Mail to:

No. 135011

Quit Claim Deed

Della E. Jadon
et al

to

Magic Silver Mining
Inc.

STATE OF IDAHO,
COUNTY OF BLAINE, } SS

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE AT THE REQUEST OF Delmer Davis

AT 11:00 O'CLOCK A M.

Feb 11, A. D. 19 76

RECORDED IN BOOK 194 ON PAGE 29 OF Deeds

George S McCoy
EX-OFFICIO RECORDER

BY Hazel Barber
DEPUTY

FEES $ 1.00 pd.

Magic Silver
Mining Corp.
566 Washington Ave
Twin Falls

INSTRUMENT No.

REVENUE STAMPS

QUITCLAIM DEED

For Value Received

ED E. ANDERSON and BEATRICE ANDERSON,

do hereby convey, release, remise and forever quit claim unto

MAGIC SILVER MINING, INC.

the following described premises, to-wit:

Claim Nos. 126353, 126518, 126519, 126520, 126521, 126522
Blaine County, Idaho

together with their appurtenances.

Dated: November 20, 1967.

Ed E. Anderson

Beatrice Anderson

STATE OF IDAHO, COUNTY OF Cassia

On this 20th day of Nov., 1967, before me, a notary public in and for said State, personally appeared

ED E. ANDERSON and BEATRICE ANDERSON,

known to me to be the person s whose name s are subscribed to the within instrument, and acknowledged to me that they executed the same.

Gladel M Rowe

Notary Public

Residing at ~~Twin Falls~~, Idaho
Burley

STATE OF IDAHO, COUNTY OF

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

at minutes past o'clock m., this day of , 19 , in my office, and duly recorded in Book of Deeds at page

Ex-Officio Recorder

By

Deputy.

Fees $

Mail to:

No. - 135012

Quit Claim Deed

Ed E. Anderson
et al

to

Magic Silver Mining,
Inc.

STATE OF IDAHO,
COUNTY OF BLAINE, } SS

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE AT THE REQUEST OF Delmer Davies

AT 11:02 O'CLOCK A. M.

Feb 11, A. D. 19 70

RECORDED IN BOOK 194 ON PAGE 30 OF Deeds

George F. McCoy
EX-OFFICIO RECORDER

BY Hazel Barber
DEPUTY

FEES $ 1.00 pd.

INDEXED ✓ ENTERED ON INDEX ✓
RECORDED ✓ INDEXED 1st PARTY ✓
COMPARED ✓ INDEXED 2nd PARTY ✓

INSTRUMENT No.

REVENUE STAMPS

QUITCLAIM DEED

For Value Received

HOWARD HALFORD and RAIDA HALFORD,

do hereby convey, release, remise and forever quit claim unto

MAGIC SILVER MINING, INC.

the following described premises, to-wit:

Claims No. 126353, 126518, 126519, 126520, 126521, 126522, Blaine County, Idaho.

together with their appurtenances.

Dated: November 6, 1967.

Howard Halford

Raida Halford

STATE OF IDAHO, COUNTY OF Cassia

On this 6th day of Nov., 19 67, before me, a notary public in and for said State, personally appeared

HOWARD HALFORD and RAIDA HALFORD

known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

Emil F. Peke Jr.

Notary Public

Residing at Twin Falls, Idaho

STATE OF IDAHO, COUNTY OF

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

at minutes past o'clock m., this day of , 19 , in my office, and duly recorded in Book of Deeds at page

Ex-Officio Recorder

By

Deputy.

Fees $

Mail to:

No. 135014

Quit Claim Deed

Howard Halford
et al

to

Magic Silver Mining
Inc.

STATE OF IDAHO,
COUNTY OF BLAINE, } SS

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE AT THE REQUEST OF Delmer Davis

AT 11:08 O'CLOCK A M.

Feb 11, A. D. 1970

RECORDED IN BOOK 194 ON PAGE 31 OF Deeds

George L. McCoy
EX-OFFICIO RECORDER

BY Hazel Barber
DEPUTY

FEES $1.00 pd.

INDEXED ☐ ENTERED ON MAP ☐
ABSTRACTED ☑ MAILED IN PARTY ☑
COMPARED ☑ RETURN TO PARTY ☑

INSTRUMENT No.

REVENUE STAMPS

QUITCLAIM DEED

For Value Received HELEN TADLOCK and VIRGIL E. TADLOCK,

do hereby convey, release, remise and forever quit claim unto

MAGIC SILVER MINING, INC.

the following described premises, to-wit:

Claim Nos. 126353, 126518, 126519, 126520, 126521, 126522, Blaine County, Idaho.

together with their appurtenances.

Dated: November 16, 1967.

Virgil E. Tadlock

Helen Tadlock

STATE OF IDAHO, COUNTY OF TWIN FALLS

On this 16th day of Nov., 1967, before me, a notary public in and for said State, personally appeared

HELEN TADLOCK and VIRGIL E. TADLOCK

known to me to be the person s whose name s are subscribed to the within instrument, and acknowledged to me that they executed the same.

Emil J. Fabel

Notary Public

Residing at Twin Falls, Idaho

STATE OF IDAHO, COUNTY OF

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

at minutes past o'clock m., this day of , 19 , in my office, and duly recorded in Book of Deeds at page

Ex-Officio Recorder

By

Deputy.

Fees $

Mail to:

No: 135013

Quit Claim Deed

Helen Radlack
et al

to

Magic Silver Mining,
Inc.

STATE OF IDAHO,
COUNTY OF BLAINE, } ss

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE AT THE REQUEST OF Delmer Davis

AT 11:05 O'CLOCK A. M.

Feb 11, A. D. 1970

RECORDED IN BOOK 194 ON PAGE 30 OF Deeds

George F. McCoy
EX-OFFICIO RECORDER

BY Hazel Bauder
DEPUTY

FEES $ 1.00 pd

INDEXED ✓
RECORDED ✓
COMPARED ✓

ENTERED ON INDEX ✓
INDEXED 1st PARTY ✓
INDEXED 2nd PARTY ✓

TRUSTEE'S DEED

THIS INDENTURE, made this 25 day of June, 1969, between John A. Doerr, as Trustee of the estate of Harris Richard Casperson, a bankrupt, party of the first part, and Delmar L. Davies, party of the second part, witnesseth, that,

WHEREAS, on January 21, 1969, I was appointed Trustee of the estate of said bankrupt by the Honorable Paul S. Boyd, Referee in Bankruptcy, and

WHEREAS, on February 4, 1969 I duly qualified as such Trustee by filing a Trustee's Bond in an amount fixed by the Court, and

WHEREAS, I deemed it to the best interests of said bankrupt estate that the real estate owned by the bankrupt be sold at public sale, and

WHEREAS, notice of said sale was given to all creditors of said bankrupt at least ten days prior to the date of sale, and

WHEREAS, notice of said sale was given by publication in the county of the sale and in the county where the real estate is located.

NOW, THEREFORE, KNOW YE, that I, John A. Doerr, Trustee, by virtue of the power and authority in me vested, as aforesaid, and in consideration of the sum of $300.00 to be paid by the party of the second part, the receipt whereof is hereby acknowledged, do hereby grant, bargain, sell and convey unto the party of the second part, his heirs and assigns, forever, all the interest which the bankrupt Harris Richard Casperson

SCHWARTZ AND DOERR
ATTORNEYS AT LAW
1227 LYNWOOD MALL
TWIN FALLS, IDAHO

had in and to the following described real property:

> An undivided one-sixth interest in and to the following described real property situate in the County of Blaine, State of Idaho:
>
> Mining Claims Nos. 126353, 126518, 126519, 126520, 126521, 126522, Blaine County, Idaho, Mineral Hill Mining District, said claims also known as Big John Nos. 1, 2, 3, 4, 5 and 6, Blaine County, Idaho,

together with all and singular the tenements, hereditaments, and appurtenances thereunto belonging, or in anywise appertaining; and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

To have and to hold the said above-bargained premises, with the appurtenances, and every part thereof, unto the party of the second part, his heirs and assigns, to his and their own proper use and behoof forever; as fully and absolutely as the party of the first part can and ought to do pursuant to the statute and his authority, as aforesaid.

IN WITNESS WHEREOF, I, as such Trustee, have hereunto set my hand this 25 day of June, 1969.

John A. Doerr
Trustee

STATE OF IDAHO)
) ss.
County of Twin Falls)

On this 25 day of June, 1969, before me, the undersigned a Notary Public in and for said County and State, personally appeared John A. Doerr, 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.

Agnes L. Martin
Notary Public for Idaho
Residing at Twin Falls, Idaho

SCHWARTZ AND DOERR
ATTORNEYS AT LAW
1227 LYNWOOD MALL
TWIN FALLS, IDAHO

No - 132920

Trustee's Deed

John A. Dorr, Trustee for
Harris Richard Casperson

To

Delmer F. Davies

STATE OF IDAHO,
COUNTY OF BLAINE, } ss
I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE AT THE REQUEST OF
Mrs. Delmer Davies
AT 11:52 O'CLOCK A M.
July 10, A. D. 1969
RECORDED IN BOOK 191 ON PAGE
168 OF Deeds
George F. McCoy
EX-OFFICIO RECORDER
BY Goldie Ellinger
DEPUTY
FEES $ 1.50 Paid

ENTERED ✓ ENTERED ON IMPSIN ✓
RECORDED ✓ INDEXED 1st PARTY ✓
COMPARED ✓ INDEXED 2nd PARTY ✓

566 Wirsching Ave.
Twin Falls

W.F. 305

INSTRUMENT No.

REVENUE STAMPS

QUITCLAIM DEED

For Value Received HARRIS CASPERSON, an unmarried person,

do hereby convey, release, remise and forever quit claim unto

MAGIC SILVER MINING, INC.

the following described premises, to-wit:

Claim Nos. 126353, 126518, 126519, 126520, 126521, 126522 Blaine County, Idaho, Mineral Hill Mining District. These claims are also known as Big John 1, 2, 3, 4, 5, and 6, Blaine County, Idaho.

together with their appurtenances.

Dated: November 21, 1967.

Harris Casperson

STATE OF IDAHO, COUNTY OF Twin Falls

On this 21st day of Nov., 1967, before me, a notary public in and for said State, personally appeared

HARRIS CASPERSON

known to me to be the person whose name is subscribed to the within instrument, and acknowledged to ~~me~~ that he executed the same.

Emil F. Yoke, Jr.

Notary Public

Residing at Twin Falls, Idaho

STATE OF IDAHO, COUNTY OF

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

at minutes past o'clock m., this day of , 19 , in my office, and duly recorded in Book of Deeds at page

Ex-Officio Recorder

By Deputy.

Fees $

Mail to:

No. 128471

Quitclaim Deed

Harris Casperson

to

Magic Silver Mining Co.

STATE OF IDAHO, }
COUNTY OF BLAINE, } ss

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE AT THE REQUEST OF Rayborn, Rayborn, Webb & Pike

AT 9:00 O'CLOCK A. M.

November 28 A. D. 19 67

RECORDED IN BOOK 185 ON PAGE 412 OF Deeds

George T. McCoy
EX-OFFICIO RECORDER

BY Jacob E. Eckinger
DEPUTY

FEES $ .90 Paid

INDEXED ✓ ENTERED ON PLATS ✓
ABSTRACTED ✓ MAILED 1st PARTY ✓
NUMBERED ✓ MAILED 2nd PARTY ✓

P.O. Box 381
Hailey, Idaho

QUITCLAIM DEED.

FOR VALUE RECEIVED, MAGIC SILVER MINING, INC., a corporation duly organized and existing under the laws of the State of Idaho, does hereby convey, release and remise and forever quit claim unto HARRIS CASPERSON, the following described property, to-wit: an undivided one-sixth (1/6th) interest in and to the following described property situate in Blaine County, Idaho:

> Claim Nos. 126353, 126518, 126519, 126520, 126521, 126522, Blaine County, Idaho, Mineral Hill Mining District.
>
> These claims are also known as Big John No. 1, 2, 3, 4, 5 and 6, Blaine County, Idaho.

together with their appurtenances.

IN WITNESS WHEREOF, Magic Silver Mining, Inc., pursuant to a resolution of its Board has caused its corporate name to be hereunto subscribed by its President.

Dated: March 25, 1969.

MAGIC SILVER MINING, INC.
By Emmett G. Yadon
President.

ATTEST:
Virgil E. Jackson
Secretary

STATE OF IDAHO,)
(ss.
County of Twin Falls,)

On this 25th day of March, 1969, before me, a Notary Public in and for said State, personally appeared EMMETT YADON, known to me to be the President of the corporation that executed the foregoing 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
Residence: Twin Falls, Idaho.

RAYBORN, RAYBORN, WEBB AND PIKE
ATTORNEYS AT LAW
BOX 321
TWIN FALLS, IDAHO
733-2601

No. 132918

Quitclaim Deed

C

Magic Silver Mining Inc.
a Corp.

To

Harris Casperson

C

STATE OF IDAHO,
COUNTY OF BLAINE, } SS

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE AT THE REQUEST OF Mrs. Delmer Davies

AT 11:30 O'CLOCK A.M.

July 10, A. D. 1969

RECORDED IN BOOK 121 ON PAGE 167 OF Deeds

George F. McCoy
EX-OFFICIO RECORDER

BY Goedie Ellinger
DEPUTY

FEES $ 1.30 Paid

PATCHED	O	ENTERED ON MASTER	O
RECORDED	O	INDEXED 1st PARTY	O
COMPARED	O	INDEXED 2nd PARTY	O

Delmer Davies
566 Wirsching Ave
Twin Falls

INSTRUMENT No.

REVENUE STAMPS

QUITCLAIM DEED

For Value Received Phillip Davies and Marie Davies, husband and wife,

do hereby convey, release, remise and forever quit claim unto Virgil E. Tadlock, Howard Halford, Ed Anderson, Emmett Yadon, Delmer Davies and Harris R. Casperson,

the following described premises, to-wit:

All of their rights and interest in the following mining claims entitled:

Big John No. 1, 2, 3, 4, 5 and 6,

Said claims being located and situated in Blaine County, State of Idaho.

together with their appurtenances.

Dated: August 4, 1967.

Phillip Davies

Marie Davies

STATE OF IDAHO, COUNTY OF

On this 4TH day of August, 1967, before me, a notary public in and for said State, personally appeared Phillip Davies and Marie Davies,

known to me to be the person s whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

Notary Public

Residing at ~~Twin Falls~~ ARCO, Idaho

STATE OF IDAHO, COUNTY OF

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

at minutes past o'clock m., this day of , 19 , in my office, and duly recorded in Book of Deeds at page

Ex-Officio Recorder

By

Deputy.

Fees $

Mail to:

No: 127801

Quit Claim Deed

Phillip Davies
et ux

to

Virgil E. Tadlock
et al

STATE OF IDAHO,
COUNTY OF BLAINE, } SS

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE AT THE REQUEST OF Virgil E. Tadlock

AT 10:45 O'CLOCK A M.

Aug 31, A. D. 1967

RECORDED IN BOOK 185 ON PAGE 306 OF Deeds

George S. McCoy
EX-OFFICIO RECORDER

BY Hazel Barber
DEPUTY

FEES $ 1.00 pd

Ret Delman Davies
566 Wirsching St.
Twin Falls

ENTERED ✓ ENTERED ON INDEX ✓
RECORDED ✓ MAILED TO PARTY ✓
COMPARED ✓ MAILED TO PARTY ✓

INSTRUMENT No.

REVENUE STAMPS

QUITCLAIM DEED

For Value Received James W. Davies and Mary Davies, husband and wife

do hereby convey, release, remise and forever quit claim

unto Virgil E. Tadlock, Howard Halford, Ed Anderson, Emmett Yadon, Delmer Davies and Harris R. Casperson,

the following described premises, to-wit:

All of their rights and interest in the following mining claims entitled:

Big John No. 1, 2, 3, 4, 5 and 6,

Said claims being located and situated in Blaine County, State of Idaho.

together with their appurtenances.

Dated: August 26, 1967.

James W Davies

Mary E Davies

STATE OF IDAHO, COUNTY OF

On this day of August, 19 67, before me, a notary public in and for said State, personally appeared

James W. Davies and Mary Davies,

known to me to be the person s whose name s are subscribed to the within instrument, and acknowledged to me that they executed the same.

Bernice E. Gate Moore

Notary Public

Residing at ~~Twin Falls~~, Idaho

STATE OF IDAHO, COUNTY OF

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

at minutes past o'clock m., this day of , 19 , in my office, and duly recorded in Book of Deeds at page

Ex-Officio Recorder

By

Deputy.

Fees $

Mail to:

No: 127800

Quit Claim Deed

James W. Davies
et ux

to

Virgil E. Radlock
et al

STATE OF IDAHO,
COUNTY OF BLAINE, } ss

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE AT THE REQUEST OF
Virgil E. Radlock
AT 10:40 O'CLOCK A M.
Aug 31 A. D. 1967
RECORDED IN BOOK 185 ON PAGE 305 OF Deeds
George L. McCoy
EX-OFFICIO RECORDER
BY Hazel Barber
DEPUTY

FEES $ 1.00 pd.

ENTERED ☐ INDEXED ON MAGIN ☐
RECORDED ☐ INDEXED 1st PARTY ☑
COMPARED ☑ INDEXED 2nd PARTY ☑

MAGIC SILVER MINING CORPORATION

TWIN FALLS, IDAHO 83301

RECEIVED
FEB 12 1970
O.M.E.
SPOKANE, WASH.

January 12,1970

First Federal Savings & Loan
233 Second St North
Twin Falls Idaho 83301
Loan Department.

Dear Sir;

The members of Magic Silver Mining Corp. would like to apply for a loan of $20,000.00 to develope the Big John mining propefty which we own. There are five people involved in this venture. They are Delmer Davies, 566 Wirsching Ave Twin Falls, Virgil Tadlock, 322 3rd Ave West Twin Falls, Emmett Yadon Rte # 1 Twin Falls, Howard Halford, Rte # 1 Burley & Ed Anderson P.O.Box 141 Burley Idaho. We do not have much more than our good name for collateral, but we believe we have a good mining prospect. (see geological & assay reports plus settlement sheet on 23 tons shipped)
If we had the money to develope this property we believe it to be a good risk. Would you consider these unusual terms. At the end of the first year we would pay the interest,the second year the interest plus $5,000.00 the third year the interest plus $5,000.00 the fourth year the interest plus $5,000.00 & the fifth year the balance.

Sincerely,

Delmer Davies

Delmer Davies Sec/Treas.
Magic Silver Mining Corp.
566 Wirsching Ave
Twin Falls Idaho 83301

SERVING MAGIC VALLEY
SINCE 1916

FIRST FEDERAL SAVINGS and Loan Association of Twin Falls
233 Second Street North, Box 249, Twin Falls, Idaho 83301 Phone 733-4222

RECEIVED
FEB 12 1970
O. M. E.
SPOKANE, WASH.

January 13, 1970

Mr. Delmer Davies, Sec.-Treas.
Magic Silver Mining Corporation
566 Wirsching Avenue
Twin Falls, Idaho

Dear Mr. Davies:

With regard to your inquiry of a loan in the amount of $20,000.00 to develop the Big John mining property, please be advised that this Association would be unable to approve a loan of any type for this purpose.

The First Federal Savings and Loan Association is designed primarily for home loans, and I am sure that we could not legally consider any loan involving mining property.

Yours very truly,

Tom E. Lucas

TOM E. LUCAS
Senior Vice-President

TEL;bt

MAGIC SILVER MINING CORPORATION

TWIN FALLS, IDAHO 83301

RECEIVED
FEB 12 1970
O. M. E.
SPOKANE, WASH.

January 12, 1970

First Security Bank Of Idaho
222 Main Ave South
Twin Falls, Idaho 83301
Loan department.

Dear Sir;

We would like to apply for a loan of $20,000.00 (Twenty Thousand Dollars) to develope the Big John mining property which we own. There are five people involved in this venture. They are Delmer Davies, 566 Wirsching Ave Twin Falls, Virgil Tadlock, 322 3rd ave west Twin Falls, Emmett Yadon, Rte # 1 Twin Falls, Howard Halford Rte # 1 Burley & Ed Anderson, P.O.Box 141 Burley Idaho.
We do not have much more than our good name for collateral, but we do believe we have a good mining prospect. (see geological & assay reports plus settlement sheet on 23 tons of ore shipped).
If we had the money to develope this property we believe it to be a good risk. Would you consider these unusual terms. At the end of the first year we would pay the interest, the second year the interest plus $5,000.00 the third year the interest plus $5,000.00 the fourth year the interest plus $5,000.00 & the fifth year the balance.

Sincerely,

Delmer Davies

Delmer Davies Sec/Treas.
Magic Silver Mining Corp.
566 Wirsching Ave
Twin Falls Idaho 83301

First Security Bank of Idaho
NATIONAL ASSOCIATION

TWIN FALLS OFFICE

TWIN FALLS, IDAHO

RECEIVED
FEB 12 1970
O. M. E.
SPOKANE, WASH.

January 20, 1970

Magic Silver Mining Corporation
c/o Delmer Davies
566 Wirsching Avenue
Twin Falls, Idaho 83301

Dear Mr. Davies:

I have reviewed your application for a loan in the amount of $20,000.00 to the Magic Silver Mining Corporation. I find that, inasmuch as this is somewhat a speculative venture and your request of payback is more than our usual term and there appears to be little or no collateral, it would be impossible for us to make a commitment to you.

Although we are not able to help you we thank you for giving us the opportunity to do so.

Sincerely yours,

Russell J. Hall
Assistant Manager

RJH/kw

A. The mineral rights were claimed by staking & filing by,

James Davies, Phillip Davies, Delmer Davies, Virgil Tadlock,

Ed Anderson, Howard Halford, Emmett Yadon, & Harris Casperson.

B. Located in Blaine county, State of Idaho, Section 30

Range 18 East, Township one South, Boise meridian.

Claim # 126353 filed 3:pm Jan. 10,1967. Recorded in book 158 page 545.
Claim # 126518 filed 1:00 pm Feb. 8,1967. book 158 page 546.
Claim # 126519 filed 1:02 pm Feb. 8,1967. book 158 page 547.
Claim # 126520 filed 1:05 pm Feb. 8,1967. book 158 page 548.
Claim # 126521 filed 1:08 pm Feb. 8,1967. book 158 page 549.
Claim # 126522 filed 1:10 pm Feb. 8,1967. book 158 page 550.

This property called Big John by its owners.

Mr. James Davies & Phillip Davies left the group signing quit claim deeds as follows.
James W. Davies & Mary Davies husband & wife signed deed Aug. 26,1967 recorded at 10:40 am Aug. 31,1967 book 185 page 305.
Phillip Davies & Marie Davies husband & wife signed deed Aug. 4,1967 recorded at 10:45 am Aug. 31,1967 book 185 page 306.

Mr. Harris Casperson had his interest in the mine ~~[illegible]~~ possessed by the Idaho bankrupcy court and it was sold to Delmer Davies.
Deed dated 6-25-69 filed 11:52 am 7-10-69 book 191 page 168 instrument # 132920

This gives Mr. Delmer Davies one third of mine other members own one sixth.

Deeds to Magic Silver Mining Corporation signed and recorded as follows.
Delmer Davies & wife signed deed 1-12-70 recorded 9:05 am 1-13-70 book 191 page _____. instrument # 134780
Howard Halford & wife signed deed 11-6-67 recorded _____ book _____ page _____.
Virgil Tadlock & wife signed deed 11-16-67 recorded _____ book & _____ page _____.
Ed Anderson & wife signed deed 11-20-67 recorded _____ book _____ page _____.
Emmett Yadon & wife signed deed 11-16-67 recorded _____ book _____ page _____.

Magic Silver Mining Corporation, ~~[illegible]~~ incorporated Oct. 10,1967 Boise Idaho.
Recorded in Twin Falls & Blaine county Oct. 17,1967.
Instrument # 128102

C. Not applicable

RECEIVED
FEB 12 1970
O. M.
SPOKANE, WASH.

The recording of Halford,
Tadlock, Anderson & Yadon
deeds have been mailed to
the Blaine County Courthouse,
if needed can have information
in about 10 days.

RECEIVED
FEB 12 1970
O. M. E.
SPOKANE, WASH

Re: Deeds on Magic Silver Mining, Inc.

Property described as follows:

Claims Nos. 126353, 126518, 126519, 126520, 126521, 126522, Blaine County, Idaho, Mineral Hill Mining District

These claims are also known as Big John 1, 2, 3, 4, 5 and 6, Blaine County, Idaho.

QUIT CLAIM DEEDS TO MAGIC SILVER MINING, INC.

Della Yadon and Emmett Yadon dated November 16, 1967

Helen Tadlock and Virgil E. Tadlock dated November 16, 1967

Howard Halford and Raida Halford dated November 6, 1967

Ed E. Anderson and Beatrice Anderson dated November 20, 1967

Harris Casperson dated November 21, 1967

Magic Silver Mining, Inc. to Harris Casperson quit claiming one-sixth interest dated March 25, 1969 (see previous page)

Trustees Deed from John Doerr to Delmar L. Davies one-sixth interest dated June 25, 1969

Delmer D. Davies and Geneva G. Davies to Magic Silver Mining, Inc. Quit claim deed dated January 12, 1970

A. See geological survey marked 3-A

B. All work done here by corp. members.

C. See geological survey marked 3-C

D. See geological survey marked 3-D

E. See geological survey marked 3-E

F. See settlement sheet & assay work.

G. We would like the maps returned.

4

A. The o m e representative should contact Mr. Delmer Davies 566 Wirsching Ave Twin Falls, Idaho. Phone 208 733 1732. The property is accessible by a good graded county road within one mile of mining property. Snow and wet weather the real problem. The mine is in low rolling hills some consider it desert. At the present time mining consists of open pit.

B. Bellevue Idaho is the nearest shipping point and about 15 miles from the mine.

5

A. We purpose to excavate and remove (by stripping) approximately 20,000 yards of overburden. At present time we have cut with a bulldozer a trench about 20 ft deep in a U shape. (see geological survey by Federal Resources) although this exposes the vien it also collects water. We need to remove and flatten this area about 150 by 250 square ft at a depth of 25 or 30 ft. (some of the material has been moved with bulldozer) We located the vien with a Fisher M-Scope and we believe this stripping will uncover more vien structures.
Most of the material will be used to build road bed, the rest will be pushed over the hill side. The amount of material moved can depend on what is uncovered. If the vien structure remains looking good a core drill will then be used. (see following sheet for drawings)

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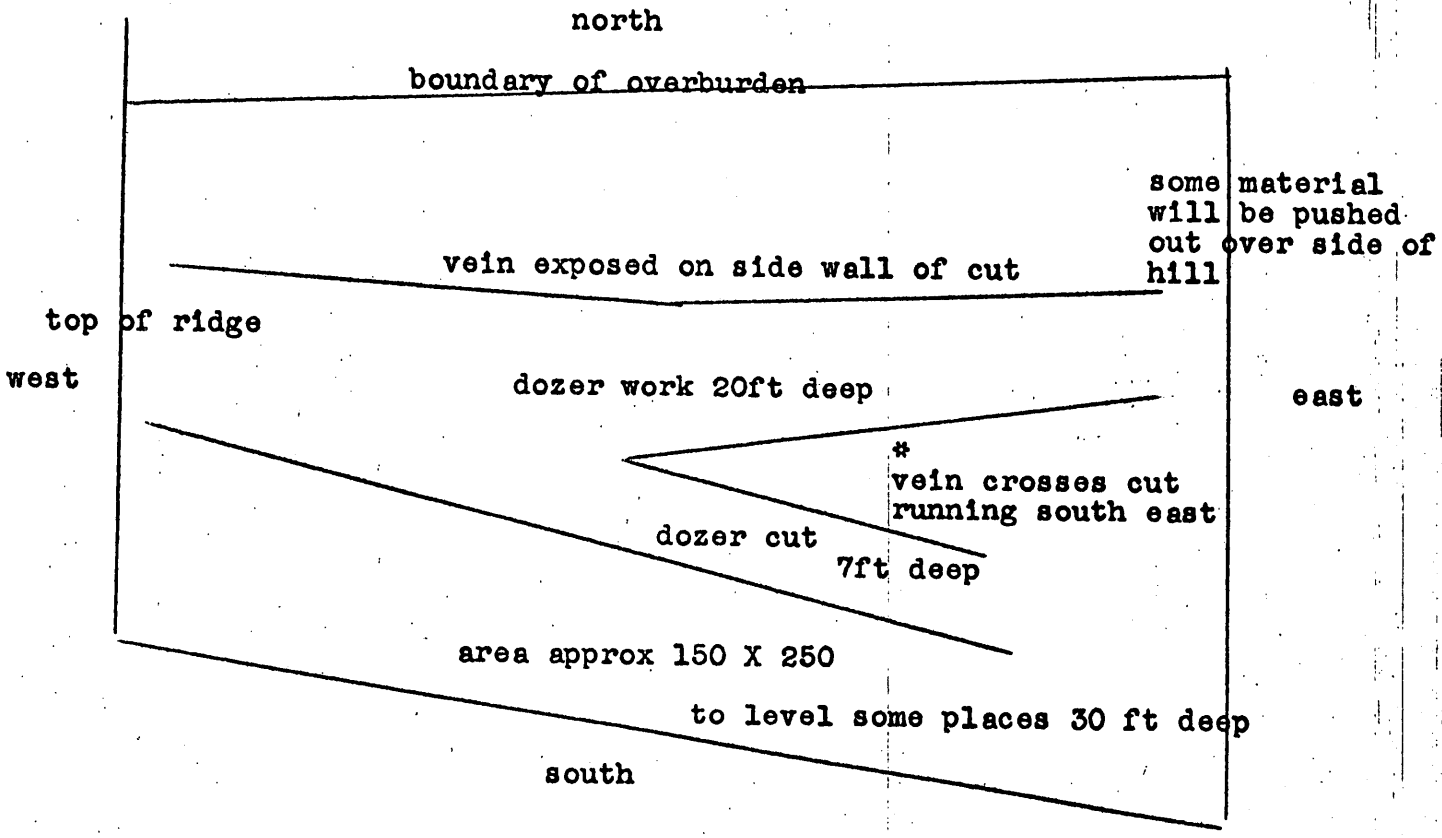
5-A-continued



B. To build an all weather road and remove overburden from the mine site is the main purpose for this loan.
Road approx one mile running north north west as shone in drawing below. most of the material will be used on hill as indicated on map.

C. Work can start as soon as weather will permit and progress as fast as two men with equipment can accomplish.
Work completion about 4 months.

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President
Emmett Yadon Supervisor ;

Mr. Yadon has spent over 40 years mining, working as a miner, supervisor or operating his own mining prospect. He has worked in Nevada & Idaho. Worked several years in the Hailey & Bellevue area. Worked at the Triumph-Parker mine as well as several others. He can and has operated all types of equipment. He has shown good judgment in analyzing ore depoists.

Vice-Pres.
Ed Anderson Supervisors helper:

Mr. Anderson has worked as a carpenter & farmer most of his life, he is experienced in operating all types of equipment & is willing to work.

Sec/Treas.
Delmer Davies Book-keeper :

Mr. Davies is a dis-abled veteran (paraplegic) Worked in California at Bendix Aviation for 11½ years, 6 years groupe leader. 15 years clerk L.D.S. Church. Project clerk on two buildings in excess of a half million dollars paying payrolls, bills, & keeping records.

Director
Virgil Tadlock Member ;

Mr. Tadlock has been ingauged in mining all his adult life, working in California, Nevada & Idaho. He has worked as a miner, Forman & has leased or worked his own mining prospects. He is semi-retired but will give assistance on the project.

Director
Howard Halford Member;

Mr. Halford is a farmer and is engauged in the building trade as a contractor. he will give assistance to the project.

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A. None anticipated

B. Work will be done by corporation members with supervisor salary $150.00 per week, This will require him to stay at the mine site for security reasons. Helper will be paid $22,50 per 8 hr day.

Federal Resources told us they would give us engineering and geological service if needed. (no cost anticipated)

C. Fuel cost approx $400.00 per month, job 1600.00

What water is needed will be hauled by workers except for core drilling.

No power aviable.

D. With two men working these items will be used separate and as needed. All equipment will be rented.

Case 530-D backhoe & loader $450.00 per month, estimate $1500.00

Chevy dump truck $25.00 per month estimate $100.00

D-8 cat with dozer $1000.00 per month estimate $2000.00

Scraper $3000.00 per month estimate $1500.00

Trailer house to live in $125.00 per month estimate $500.00

Core drill $5.00 per ft of drilling estimate $8000.00

E. None

F. None

G. Repairs on rented equipment included in rental fee.

Workmans comp. ins. $6.93 per $100.00 payroll estimate $300.00

Accounting $10.00 per month estimate $40.00

Payroll taxes 4.8% estimate ~~$xxxxxx~~ $200.00

Total estimated cost $20,000.00

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~~A Conference~~ 3-A-3C-3D-3E + 3-F-3-G

FEDERAL RESOURCES CORPORATION

RECONNAISSANCE REPORT

RECEIVED FEB 12 1970 O.M.E. SPOKANE, WASH.

Date MARCH 1, 1967

Property BIG JOHN

Ownership H.R. CASPERSEN, ROUTE 3
TWIN FALLS, IDAHO TEL 733-6542
MAGIC SILVER MINING CO

Claims BIG JOHN claims 6 UNPATENTED CLAIMS

Metal O, Pb, Au, (Cu)

Mining Dist.

County BLAINE

State IDAHO

Fld. Examiner JOHN HALEY

Reviewed by

Location & Access LOCATED 22.6 MILES SW OF BELLEVUE & FROM BELLEVUE PROCEED 15.5 MILES SOUTH ON HIGHWAY 93, THENCE TURN WEST ON MAGIC RESERVOIR ROAD FOR APPROX 6.5 MILES (PROCEEDING 0.1 MILES PAST ESTABLISHED DIRT ROAD HEADING NORTH TO HWY 93); THENCE TRAVEL ON NEW CAT ROAD BEARING NORTH, MORE OR LESS ALONG TOP OF RIDGE, FOR 6.5 MILES.

Conclusions & Recommendations AN UNPROVEN PROPERTY NOT WORTHY OF FEDERAL'S PERSONAL EFFORTS AT THIS TIME. SHOULD KEEP TRACK OF CURRENT ACTIVITIES.

Geology THE PROPERTY LIES AT THE TOP OF A RIDGE WITH GENTLE TO MODERATELY SLOPING SIDES. GRANITIC COUNTRY ROCK IS OVERLAIN AT THE SHALLOW (3½' deep) DISCOVERY HOLE BY A THIN LAYER (approximately one foot thick) OF HIGHLY WEATHERED BASALT. A CONTACT OF GRANITE AND VOLCANICS SEEMS APPARENT IN THIS AREA. THE VOLCANICS APPEAR TO BECOME THICKER SOUTHWARD AND DOWNSLOPE AND ARE VESICULAR IN NEARBY SURFACE OCCURRENCES. THE GRANITE IS PROBABLY AN OUTLIER OF THE IDAHO BATHOLITH (JURASSIC? or CRETACEOUS?) AND THE BASALT IS A MEMBER OF THE CHALLIS VOLCANICS (TERTIARY). THE VEIN IS APPROXIMATELY 1½' FT. THICK, STRIKES E-W, AND DIPS 33° N. THE VEIN MATERIAL IS HIGHLY ALTERED. AT THE DISCOVERY PIT THE THIN ALTERED VOLCANICS MEMBER NOT ONLY COVERS THE VEIN BUT ALSO SEEMS TO BECOME THE HANGING WALL AS WELL. THIS APPARENTLY IS A LOCAL FEATURE PROBABLY DUE TO EROSION OF THE GRANITE BEFORE THE BASALT WAS DEPOSITED, EXPOSING A PORTION OF THE HANGING WALL OF THE VEIN. GRANITE SHOULD APPEAR AS THE HANGING WALL A FEW FEET DOWN DIP (SEE SKETCH). QUARTZ ACCOMPANIES THE VEIN IN SPOTS AND SURFACE OCCURRENCES OF QUARTZ FLOAT WERE OBSERVED. THE ONLY RECOGNIZABLE ECONOMIC MINERAL IS PYROMORPHITE. SECONDARY ENRICHMENT OF PYROMORPHITE HAS OCCURRED ALONG NUMEROUS FRACTURE PLANES OF THE HANGING WALL BASALT. ASSAYS OF THE BASALT SHOW APPRECIABLE Pb, Ag, and Cu. SIMILAR ENRICHMENT IS FOUND IN THE GRANITIC FOOTWALL ROCK ADJACENT TO THE VEIN, HOWEVER, ASSAY RESULTS ARE NOT AS HIGH PROBABLY DUE TO FEWER FRACTURES. GENERALLY THE SAMPLES PICKED FOR ASSAY HAVE SHOWN APPRECIABLE QUANTITIES OF Au, Ag, Pb. THE Ag-Pb ratio RANGES FROM 2:1 to 4:1. ZINC IS PRACTICALLY NIL. THE HIGH NON-SULPHIDE CONTENT, HOWEVER, INDICATES THAT IT WOULD NOT BE FEASIBLE TO MILL THE ORE ASSAYED THUS FAR UNLESS SUBSTANTIAL QUANTITIES OF ORE COULD BE STOCKPILED TO WARRANT

Past Production & Reserves NONE - SURFACE ONLY SCRATCHED BY PRESENT WORK.

FEDERAL SOURCES CORPORATION

RECONNAISSANCE REPORT (CONTINUED)

Property BIG JOHN

Date MARCH 1, 1967

Metal Ag, Pb, Au (Cu)

Ownership H. R. CASPERSEN

Mining Dist.

County BOUNDARY

State IDAHO

Fld. Examiner JOHN HALEY

Claims BIG JOHN CLAIMS — 6 UNPATENTED

Reviewed by

Location & Access

Conclusions & Recommendations

(CONTINUED)

Geology CONVERTING THE BELLVUE MILLING CIRCUIT (CURRENTLY SET UP FOR SULPHIDES) TO A NON-SULPHIDE CIRCUIT CAPABLE OF HANDLING THE ORE, THE HIGH SILVER CONTENT INDICATES THAT SHIPPING DIRECT TO A SMELTER WOULD BE MORE FEASIBLE UNDER CURRENT CIRCUMSTANCES AFTER THE ORE HAS BEEN SELECTIVELY SORTED.

THE OUTLOOK FOR THE VEIN IS QUESTIONABLE. SMALL ISOLATED HIGH GRADE LENSES ARE KNOWN IN THIS AREA. ~~THE SHALLOW PIT OF THE DISCOVERY ADIT~~ BUT NO SIGNIFICANT PRODUCTION IS KNOWN. A deep stable water table (depth unknown) suggests a deep zone of oxidation.

A SECOND STRUCTURE IS EXPOSED IN A SHALLOW CUT NEAR THE DISCOVERY PIT THAT MAY BE A SPLIT FROM THE E-W STRUCTURE. THE TWO VEINS ARE SIMILAR IN NATURE. THE VEIN IS APPROXIMATELY ONE FOOT WIDE, STRIKES N 50°E AND DIPS 55° SE.

Work to date is meager consisting of some scraping of topsoil to bedrock, shallow pits, some trenching, and blasting along vein. Equipment at site consists of jeep, compressor, rock drill. SEVERAL (4) MEN ARE WORKING AT SITE.

Production & Reserves

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File

FEDERAL RESOURCES CORPORATION

RECONNAISSANCE REPORT

Date May 22, 1967

Property: Big John Mine

Metal: Ag, Au, Pb

Mining Dist.: Timmerman Hills

Ownership: H. R. Casperson (Principal), Twin Falls, Idaho Tel. 733-9942, Magic Silver Mining Co.

County: Blaine

State: Idaho

Fld. Examiner: Guy Jones, John Haley

Reviewed by

Claims: 6 unpatented. Filed on Jan 9, 1967, Instrument No's. 126353, 126518, 126519, 126520, 126521, 126522

Location & Access: Co-filers of Big John claims are Howard Halford, Ed Anderson, Harris Casperson, Delmer Davies, ~~James Davies~~, Virgil Tadlock, Emmett Yadon, ~~Phillip Davies~~

Conclusions & Recommendations: Suggested sinking an inclined shaft on vein. Development rock may help defray costs. Gold content good. Lead-silver highly variable. Channel samples gave poor Pb-Ag assays. Keep track of activities.

Geology: A follow-up examination was conducted by Guy Jones & John Haley of Big John Mine on May 22, 1967. A dozer cut, more or less along strike of the vein, has been dug to nearly 15 feet. Two more or less parallel and irregular veins are separated by a volcanic dike 3' to 4' thick. The veins vary in thickness along strike and show pinching & swelling characteristics. Maximum thickness of the hanging wall vein is ± 2½ feet. The footwall vein is not well exposed. The latter vein lies in the floor of the cut and is covered for the most part. The veins strike nearly E-W and dips approx. 40° N. Some offset is apparent. The volcanic dike has been observed to stand vertical in two separated areas. The structure with the accompanying dike cuts biotite granite. A discontinuous alaskit dike? is noted in one area. The granite is capped in adjacent areas by a volcanic flow (basalt). An interesting feature in a nearby cut is the presence of stream deposited? rounded pebbles in a brown matrix of clay into which Fe has been leached and thoroughly mixed. The Fe is derived from overlying decomposing basalt.

Hand cobbed ore samples have been taken from the two veins - the footwall vein is (we are told) the most productive. Two truckloads of 22.5 tons have been shipped to Tooele, Utah (see smelter report). Several samples were assayed and a 100 lb (approx) sample was submitted for mill testing.

Past Production & Reserves: None

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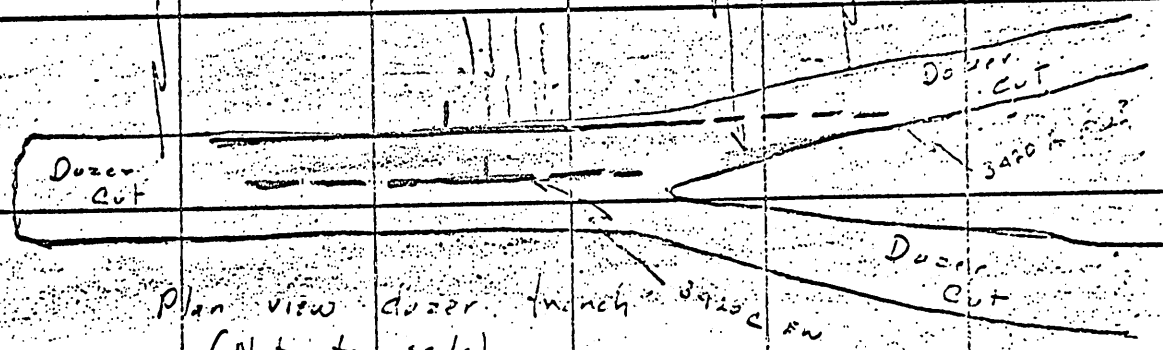
3-A



Assay No.	Type	Width	Au	Ag	Pb	Zn	Assay No.	Type	Width	Zn	Ag	Pb
3419 A	channel	1.2'	Tr	0.04	0.10		3420 C	channel	2.0'	0.17	0.30	0.50
3419 B	channel	1.8	0.11	1.20	0.30		3420 D	Select	—	0.12	15.04	12.1
3419 C	channel	1.0'	0.49	4.08	1.1							
3419 D	channel	1.0'	0.92	0.46	0.40	0.10						
3420 A	channel	3.0'	0.40	3.54	0.90							
3420 B	select	—	0.39	0.72	0.50							

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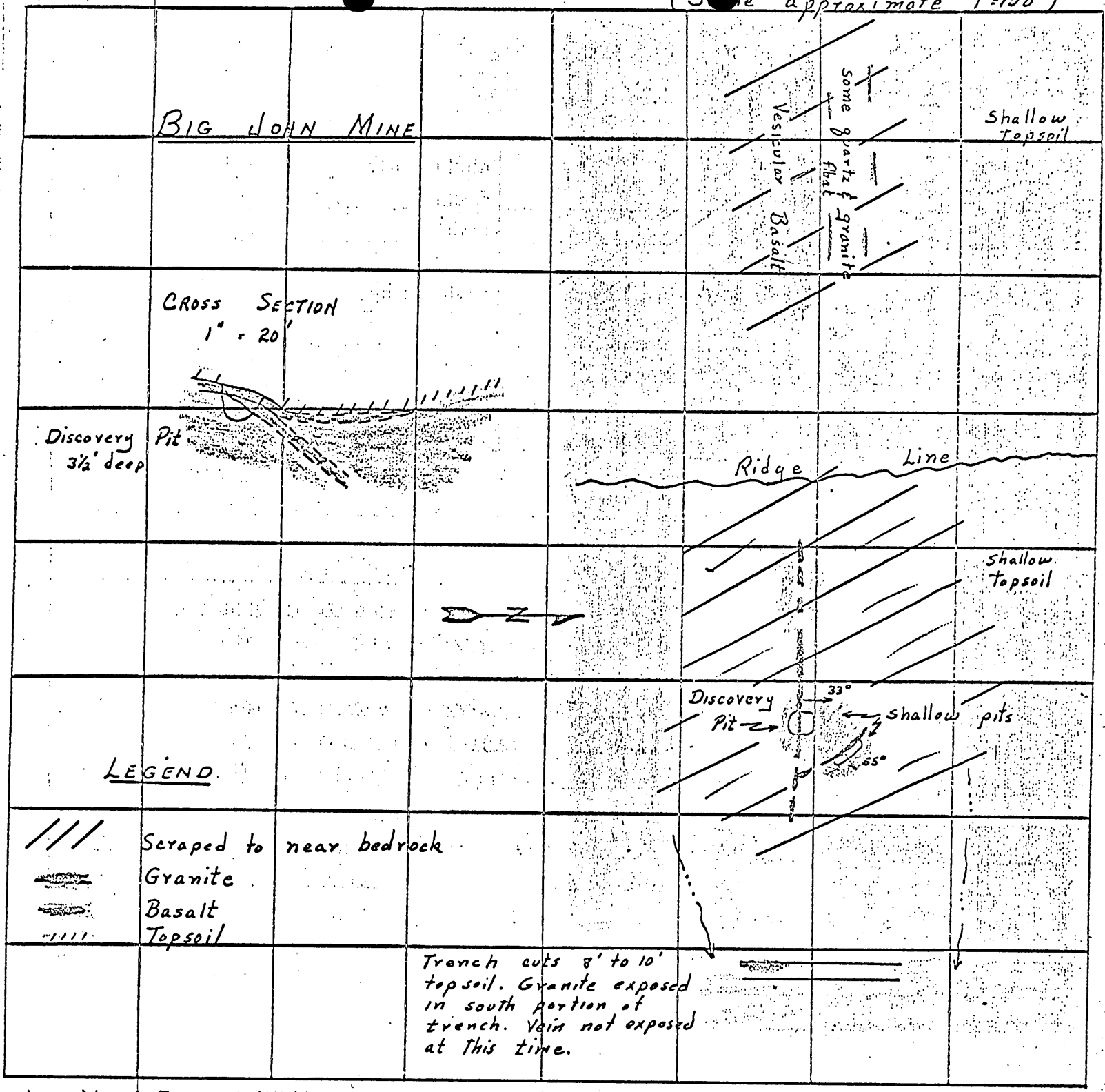
3-A

PLAN VIEW
(Scale approximate 1"=100')



Assay No.	Type	Width	Au	Ag	Pb	Zn	Assay No.			Type	Width
M-329	Picked	Granite Footwall	Nil	0.24	0.50	0.10					
M-330	Picked	Basalt Hanging wall	0.04	0.98	3.20	0.10	Cu	Non Sulfide Pb	Non Sulfide Zn		
M-328	Composite Channel	3½' Basalt Vein Granite	0.62	56.84	16.1	0.10	0.10	13.6			
HRC-1	Picked		0.50	61.70	14.9	0.10	0.2	13.8			
M-321	Picked		0.67	37.33	11.5	0.10	0.3	8.85	0.10		
~~J-20~~	~~Picked~~	~~Basalt?~~	~~0.04~~	~~3.35~~	~~0.2~~	~~0.1~~	23.25	—	←	Not from Pinedale.	
J-21	Picked		0.58	52.15	13.2	0.10	0.80				
J-22	Picked	Altd granite & vein mtl.	0.75	8.85	4.0	0.10	0.65				

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3-C

File

FORM 100 12-62

INTERNATIONAL SMELTING AND REFINING COMPANY

TOOELE PLANT

Bought of Magic Silver Mining Company
Pay: H. R. Chaparson
Route 3,
Twin Falls, Idaho

Tooele, Utah 5-24-1967

Mine

Shipped from Dollview, Idaho

Received 5/20 Sampled 5/16 By Class Carlo Mine Lot 1 Smelter Lot 1-4193

ASSAYS	LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	SILVER OZ. PER TON	GOLD OZ. PER TON	INSOLUBLE PER CENT	IRON PER CENT	SULPHUR PER CENT	LIME PER CENT	ANTIMONY PER CENT	ANTIMONY PER CENT	PER CENT
I.S.&R. CO.	9.60	.30	.50	17.77	.480	68.80	6.40	.70	TR.	1.60	.12	
MINING CO.	9.20			18.50	.502							
UNION UMPIRE				18.29 S	.510 S							
	-1.50											
SETTLEMENT	7.90	.30	.50	18.29	.502							

E. & M. J. METAL QUOTATIONS

Copper	(Average for Week Ending)		
Lead	(Average for Week Ending) 5/13	14	000
Zinc	(Average for Week Ending)		
Silver	(Average for Week Ending) 5/13	120	900
Gold		$35	000

VALUES PER TON

Copper	@		
Lead 93%	@ .113	16	353
Zinc	@		
Silver 97%	@ 1.269	22	050
Gold 97%	@ 35.000	15	989
Gross Metal Payment		54	392
Less Treatment		19	600
Net Value Per Ton		34	792

TREATMENT

Base		18 880
As $ 50 0.72 $ @ $1.00		720
Insoluble	% @	
Sulphur	% @	
Zinc	% @	
Iron	% @	
Lime	% @	
Manganese	% @	
Net Treatment		19 600

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INITIAL	CAR NUMBER	WEIGHT
Total Freight Weight		50320
Less Weight of Sacks		
Net Wet Weight		
Moisture 9.57		
Dry Weight		45553

PAYMENT

22.8425 Dry Tons @ 34.792 Per Ton		794 74
Handling Charge		
Assaying, Black & Dozzen	9 00	
Umpire		
Representation, pay		
Hauling 29.26 Wet Tons @ $ Per Ton, pay Glen Clark, Route 3, Fall Ave., Twin Falls, Idaho. Vo. # 64031	300 00	
Royalty % of $ pay		
Freight @ Per Ton (R. R. Value not over $)		
Shipped By		
Mine Lot 1		
Smelter Lot 1-4193 Voucher No. 64032	Total	309 00
	Net Proceeds	485 74

An extra charge made for sampling all lots less than carload. Rates, except on contracts for specified time or specified tonnage, subject to change without notice.

No assent, express or implied, by this Company to any breach or waiver of any covenant contained in any agreement shall be deemed a waiver of any succeeding breach of the same covenant.

$ 21.26/ton net

3-D
3-E
3-F
3-G

Silver AG
Zinc ZN
Lead PB
Gold AU
Copper CU

STEPHEN E. QUAYLE
CONSULTANT GEOLOGICAL ENGINEER
615 WEST KOCH STREET
BOZEMAN, MONTANA 59715

July 16, 1969

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O. M. E.
SPOKANE, WASH.

THE DELMER DAVIES AND ENVIRONS REPORT

LOCATION

The Delmer Davies, "Big John," and other claims are located in Section 30, Township 1S, Range 18E, Blaine County, Idaho.

INTRODUCTION

Six "Big John" and "Homestead" claims owned by Mr. Davies of 566 Wirshing Avenue, Twin Falls, Idaho...one claim owned by Mr. Cliff Myers of Box I, Bellevue, Idaho...and two other properties lying on strike owned by persons unknown at this writing, were examined on June 23, 1969. A gravel pit located some two miles to the south of the Big John cut was also sampled.

HISTORY

It is only within recent years that any work was done in this area. On March 1, 1967, the Federal Resources Corporation of Bellevue, Idaho, conducted a "reconnaissance" of this area, and a copy of their report is at hand.

The Federal Resources Corporation turned down further work in the area for the following reasons: (a) Their Bellevue mill circuit is set for sulphides and that they believed the zone of oxidation extended to greater depths than is in evidence- (b) That they believed that the below noted lenses were too limited in area to warrant further study and-(c) That they were thinking only in terms of "sinking operations."

A twenty five ton (50328 lb) shipment of ore from the Big John cut was made to the International Smelting and Refining Company, Tooele, Utah smelter on May 24, 1967. (See below)

SUMMARY AND CONCLUSIONS

It is the opinion of this writer that the owners of the claims herein described be placed under agreement. It is also my opinion that in the light of the high values obtained from here in Au,Ag,Pb and Cu and because of the ease and apparent economies of carrying out a placering operation here, that this area deserves additional study. That even if (but this has not been proven) this area is made up of "small, rich lenses," a small operation could be very profitable! Nor are we certain that the lenses as described herein are the only ones in this area.

That the overlying granites, basalts, pegmatites, etc. are so weathered that they have acted as natural riffles in the collection of values, but it is recommended that further checks be made because of this great import and in the case of the Myers fresh quartz vein at least, the zone of oxidation is not as deep as previously thought.

Although the mineralized veins are from the horizontal to steeply dipping in the Big John cut, it is believed that this is but a local phenomenon and that they are generally flat lying.

In addition, due to the terrain and types of deposits, there are several methods of cheaply prospecting the area of geophysics followed with truck-mounted augers.

PLACERING CONSIDERATIONS

A successful placering operation on these claims is feasible for the following reasons:

Advantages

a- There is no timber, nor is there any evidence of large boulders.
b- The depths of overburden is limited. (perhaps 30 feet maximum?)
c- The terrain is in the main gently rolling.
d- Water is available nearby.
e- The overburden carrys values.
f- The presence of visible free gold immediately above the quartz vein. (Myers)
g- That the zone of overburden is limited and that copper sulphides may be found in quantity.
h- There are a number of different types of equipment available, which could be used in a stripping and milling operation.

i- That a mill circuit would not be complicated for such ores.

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Disadvantages

a- It may be found that these lenses are too limited to be considered.
b- The sheepmen in here will have to be kept "mollified" in regards to the use of water.
c- Care will have to be exercised in the matter of tailings.

DESCRIPTIONS AND SAMPLE CORRELATION OF PROPERTIES

Some five cuts or pits and a gravel pit, generally lying along a strike of N 50 E and extending over a distance of circa two to two and a half miles, were visited and sampled. These are listed in order from north to south as follows:

(1) The Myers Claim. A cut running northeast for a distance of some 125 feet at depths from 15 feet on the NW and 30 feet on the SE. Mr. Myers is stock-piling vein material obtained along the floor of this cut. The vein is from six inches to fifteen inches in thickness. The upper six inches or so is highly oxidized and contained visible free gold. The lower portion is relatively fresh quartz containing turquoise, the copper carbonates and chalcopyrite at its base.

The overburden is the deepest here being from two to six feet in depth which overlies the decomposed basalt-granites, which, in turn, overlie the "base vein." This property is also perhaps some 100 feet lower in elevation, lying in a gully (with water) some ½ mile to the north of the Big John.

Vein Sample- #4541 Au 0.51, Ag 23.3, Wet Pb 2.8, Cu 1.6

(2) The Big John claims lie along a ridge which looks down on the Myers Claim. Around 250 feet of bulldozing in the form of a "Y" and down to depths of from 5 to 15 feet was done here. The sides of this cut consists of highly weathered basalts and granites which are probably an outlier of the Idaho Batholith. (F. R. C.)

The main fork of this cut strikes N50 E and intersects a highly altered silicious vein which is from one to four feet in thickness. Although this vein rolls from the horizontal to some 45 degrees..striking E-W, (locally) the general dip is to the north.

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RECEIVED FEB 12 O. ATOMIC

Although the only recognizable mineral present here is pyromorphite, more are present as witnessed by the 1967 shipment of some 25 tons of hand-picked material from this vein to the I.S.&R. Tooele smelter, which netted the owners some $21.26 per ton! The values contained are carried upon settlement as 7.90 Pb, 0.30 Cu, 0.50 Zn, 18.29 Ag and 0.502 Au !

Sample # 4542 containing Au 0.23, Ag 3.6 and Pb 2.6 was taken from this vein.

However, as one cannot be so selective in carrying out a placering operation and as everything must be milled, samples of the surface material as well as a vertical channel sample of one of the shoulders of this cut were taken.

As the granite is so decomposed, sampling consists of running a pick over the desired areas and either scooping the loosened "sand" into a bag or holding the bag under the "running pick!"

Accordingly, we have:

Sample # 4251- vertical 4'; Au trace, Ag 0.2 and 0.4 (w) Pb
4252- horizontal 12' surface; Au trace, Ag 0.2, Pb not called

It is to be noted that the above sample #4252 was taken immediately beneath the sage bushes and contained the sage "holding material," as well as "rotten granite!" Patently, the lateral extensions of this area should be traced!

(3) Some 300 yards or so to the southeast and on the Davies Homestead a short cut was made to a depth up to 10 feet. Sampling here consisted of bagging the running sides of the cut and the hi-grading of pieces of galena and rusted "gob" material from the "overburden."

Sample # 4547- Au trace, Ag 0.1, Pb (w) 0.2
2530- Au trace, Ag 0.3
4253- Au trace, Ag trace, Pb (w) 3.0
4544- Au 0.02, Ag 3.0, Pb (w) 3.0

4543- Au 0.09, Ag 14.5, Pb (w) 11.0---Hi-Graded

There has been an apparent collapse of this cut since 1967, however, as Federal Resources reports a 3½ ft. granitic vein "striking N50E," and dipping"55 SE"in here. Two of their eight samples taken from here are carried as:

"Composite channel, 3½' Basalt granitic vein
Au 0.62, Ag 56.84, Pb 16.1, Zn 0.10, non-sulphide Pb 13.6"

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A "picked" sample of "Altered granitic and vein material" is listed as:

Au 0.75, Ag 8.85, Pb 4.0, Zn 0.10, Cu 0.65

(4) Some 100 yards SW from the above, another small pit exhibiting similar geology was visited. Sample # 4545 was taken from this pit. It is carried at: Au 0.12, Ag 4.0, and Pb(w) 11.4. The owners of this claim are not known.

(5) A thousand yards or so further on strike SW from the Davies Homestead, another open cut was visited. The owners of this claim are also unknown and my sample from here was evidently left in Mr. Davies's truck. This is unfortunate, for it was noted that picked specimens from here were heavy with galena and also high in the copper carbonates. This pit also represents an overall distance of circa 1½ miles from the Myers Claim, which is at the northern end of the apparent mineralized structure.

(6) Further south, perhaps two miles from the Davies Homestead, a small gravel pit was examined and sampled. The same running granite is present and was sampled as well as a vertically running pegmatite dike. Sample # 4548 represents a 10 foot vertical channel cut of the decomposed granite. No mineralization was found. Sample # 4546 taken from this two foot pegmatite dike does report Ag as 0.2.

CONCLUSIONS

To re-capitulate in part and to conclude, this writer again urges that a thorough sampling operation be carried out by means of auger drills and the results plotted before contemplating any further work. The borders of the above-described lenses must be delineated by geophysics and then followed by auger drilling.

Respectfully submitted,

Stephen E. Quayle

Stephen E. Quayle
Registered Professional Engineer
Province of Ontario
Canada

RECEIVED
FEB 12 1970
O. M. E.
SPOKANE, WASH.

P. O. BOX 1888
165 SOUTH WEST TEMPLE ST.

CERTIFICATE OF ASSAY

TELEPHONE EM 3-2563

BLACK & DEASON

ASSAYERS AND CHEMISTS

Delmer L. Davies

SALT LAKE CITY, UTAH 84110 February 10, 1967

ASSAY PER TON OF 2000 POUNDS

NAME	NO.	GOLD OUNCES	VALUE GOLD PER TON	SILVER OUNCES	WET LEAD %	COPPER %	INSOLUBLE %	ZINC %	%	IRON %	%
		0.36		87.6							

P. O. BOX 1888
165 SOUTH WEST TEMPLE ST.

CERTIFICATE OF ASSAY

TELEPHONE EM 3-2563

BLACK & DEASON

ASSAYERS AND CHEMISTS

Delmer L. Davies

SALT LAKE CITY, UTAH 84110 March 13, 1967

ASSAY PER TON OF 2000 POUNDS

NAME	NO.	GOLD OUNCES	VALUE GOLD PER TON	SILVER OUNCES	WET LEAD %	COPPER %	INSOLUBLE %	ZINC %	%	IRON %	%
#1 A Green		0.04		6.0	4.2						
#2 B Brown		0.40		2.2	1.2						

P. O. BOX 1888
165 SOUTH WEST TEMPLE ST.

CERTIFICATE OF ASSAY

TELEPHONE EM 3-2563

BLACK & DEASON

ASSAYERS AND CHEMISTS

Delmer L. Davies.

SALT LAKE CITY, UTAH 84110 March 21,1967

ASSAY PER TON OF 2000 POUNDS

NAME	NO.	GOLD OUNCES	VALUE GOLD PER TON	SILVER OUNCES	WET LEAD %	COPPER %	INSOLUBLE %	ZINC %	%	IRON %	%
		1.28		5.0							

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SPOKANE, WASH

FEDERAL RESOURCES CORPORATION

CERTIFICATE OF ASSAY

DELMER L. DAVIES
566 Wirsching Avenue
Twin Falls, Idaho 83301

H on Date Assayed 1-11-66 Hailey, Idaho

Description		Gold Oz. Per Ton	Silver Oz. Per Ton	Lead %	Non-Sulfide Lead %	Zinc %	Non-Sulfide Zinc %	Copper %			H_2O %
HRC-1		0.50	61.70	14.9	13.8	0.1		0.2			

FEDERAL RESOURCES CORPORATION

CERTIFICATE OF ASSAY

DELMER L. DAVIES
566 Wirsching Avenue
Twin Falls, Idaho 83301

H on Date Assayed 2-2-67 Hailey, Idaho

Description		Gold Oz. Per Ton	Silver Oz. Per Ton	Lead %	Non-Sulfide Lead %	Zinc %	Non-Sulfide Zinc %	Copper %			H_2O %
M-321		0.67	37.33	11.5	8.5	0.10	0.10	0.3			

CO-980
10M 9-64

6085

ASSAY CERTIFICATE

UNITED STATES SMELTING REFINING AND MINING COMPANY

Name Delmar Davies

566 Wirsching, Twin Falls, Idaho

Midvale, Utah, February 20, 1967

LOT NO.	Oz. Gold Per Ton	Oz. Silver Per Ton	Per Cent Copper	Per Cent Lead	Per Cent Silica	Per Cent Iron	Per Cent Zinc	Per Cent Sulphur	Per Cent Lime	Per Cent Antimony	Per Cent Bismuth	Per Cent Arsenic	Per Cent Cadmium	Per Cent ox Pb	Per Cent ox Zn
HS-A	.410	20.6	.40	5.4	70.8	7.2	Tr	1.3	.9						
HS-B	.34	40.1		8.5											

R. J. Marshall
Chief Chemist

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ROGERS RESEARCH & ANALYSIS CO.

X-ray Spectographic & Diffraction Specialists

1009 WEST 5TH SOUTH WEST BOUNTIFUL PHONE 295-4402

P. O. BOX 6, WOODS CROSS, UTAH 84087

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Customer's Name Ed. E. Anderson Date Aug 28, 1967

Address Route 3 Box 167, Burley, Idaho Phone 654-2128

REPORT OF X-RAY SPECTOGRAPHIC (FLUORESCENCE) ANALYSIS — COMPLETE

Type:** Qualitative ☐ Semi-Quantitative ☒ Semi-Quantitative ☐ Quantitative ☐

R.R.A No. 82867-1 Customer's Identification of Sample

Elements in Sample:

Tr	Antimony		Germanium		Osmium*		Thallium
.5%	Arsenic	Tr	Gold*		Palladium*		Thulium
.8%	Barium		Hafnium		Platinum*		Thorium
.2%	Bismuth		Holmium		Praseodymium	Tr	Tin
	Cadmium		Indium		Rhenium	.6%	Titanium
	Cerium		Iodine		Rhodium	.2%	Tungsten*
	Cesium		Iridium	.1%	Rubidium	✓	Uranium
~~1%~~ .1%	Chromium	10.8%	Iron		Ruthenium*	✓	Vanadium
Tr	Cobalt		Lanthanum		Samarium		Ytterbium
	Columbium (Niobium)	4.6%	Lead		Scandium*		Yttrium
3.5%	Copper		Lutecium*		Selenium	.6%	Zinc
	Dysprosium	.1%	Manganese	2oz/Ton	Silver*	.1%	Zirconium
	Erbium		Mercury	.2%	Strontium		
	Europium	Tr	Molybdenum		Tantalum		
	Gadolinium		Neodymium		Tellerium		
	Gallium	.2%	Nickel		Terbium		

* Limited detection

COMPLETE ANALYSIS: An identification of all the detectable elements present in the sample with an atomic number of 22 or higher.

By E. W. Rogers
ROGERS RESEARCH & ANALYSIS CO.

** REPORT SYMBOLS:

☐ Qualitative — P = Present, Blank = Non-Present

☐ Semi-Quantitative Qualitative — T = Below .03%, W = .03% to .3%, S = .3% to 3.0%, L = 3.0% to 30.0%, Q = Above 30.0%

☐ Semi-Quantitative — Given in % within + 10% to 25% of the Element's Concentration

☐ Quantitative — Given in %

TOTAL SERVICE CHARGE $ 16.00 Pd

Mariposa Spectrographic Laboratory

Mariposa, California 95338

WOodland 6-2591

Mr. Delmer L. Davies
566 Wirsching Avenue
Twin Falls, Idaho 83301

February 17th, 1967 PM

Dear Mr. Davies:

Enclosed, find spectrographic analysis report #9633, covering the analysis of your submitted ore sample.

The submitted sample is essentially composed of hydrothermal Quartz vein matter Mr. Davies. The material contains exemplary mineralization in an Argentiferous Galena and possibly some Tetrahedrite.

The Silver and Lead content is certainly a phenomenal occurrence Mr. Davies. It is rare indeed that we have such samples sent to us for assay and analysis. Our congratulations on this discovery.

Our most sincere thanks to you Mr. Davis. If we can serve your future analytical needs, please call on us. Our good wishes in your mining.

Sincerely,

George R. Graves

George R. Graves

lcc

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Mariposa Spectrographic Laboratory

Mariposa, California 95338

WOodland 6-2591

Mr. Delmer L. Davies
566 Wirsching Avenue
Twin Falls, Idaho 83301

February 17th, 1967 PM

Fire assay report: Gold-Silver. No mark. Prepaid, $7.50(includes spectrographic analysis)

Gold		Silver	
Amount ounces per ton 2000 lbs	Value @ $35.00	Amount ounces per ton 2000 lbs	Value @ $1.285
0.405	$14.75	87.80	$112. 823

Thank you kindly

mmh;grg/msl

lcc

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SPOKANE, WASH

LABORATORY REPORT

Mariposa Spectrographic Laboratory

Star Route, Mariposa, California 95338
Telephone WOodland 6-2591

CHARGES: $7.50 (includes Au-Ag assay)
LAB NO. 9633
SUBMITTED BY:

Date 2/17/67 PM

Qualitative Spectrographic Analysis

Mr. Delmer L. Davies
566 Wirsching Avenue
Twin Falls, Idaho 83301

ELEMENTS FOUND
AND ESTIMATED PERCENTAGE RANGE
OF CONCENTRATION

SAMPLE MARK

No mark

ELEMENT	Not Less Than %	Not More Than %	ELEMENT	Not Less Than %	Not More Than %	ELEMENT	Not Less Than %	Not More Than %
Aluminum	0.20	0.60	Lithium			Thallium		
Antimony	0.10	0.40	Magnesium	.007	0.03	Thorium		
Arsenic	0.01	0.04	Manganese	.005	0.02	Tin		
Barium	0.03	0.10	Mercury			Titanium	.002	.008
Beryllium			Molybdenum	.008	0.04	Tungsten		
Bismuth	0.01	0.06	Nickel	.003	0.01	Uranium		
Boron			Osmium			Vanadium	0.03	0.10
Calcium	0.10	0.35	Palladium			Zinc	0.10	0.35
Cadmium			Phosphorus	0.10	0.40	Zirconium		
Cesium			Platinum	Not detected in	sample	RARE EARTHS:		
Chromium	0.10	0.25	Potassium			Cerium		
Cobalt	.0004	.0009	Rhenium			Dysprosium		
Columbium			Rhodium			Erbium		
Copper	0.10	0.25	Rubidium			Europium		
Gallium			Ruthenium			Gadolinium		
Germanium			Scandium			Holmium		
Gold	.001	.004	Silicon (as Si02)	45.0	65.0	Lanthanum		
Hafnium			Silver	0.10	0.40	Neodymium		
Indium			Sodium			Praseodymium		
Iridium			Strontium	.0008	.004	Samarium		
Iron	4.0	12.0	Tantalum			Ytterbium		
Lead	3.0	8.0	Tellurium			Yttrium		

Remarks: See letter.

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Respectfully Submitted
George R. Grauer (Spectrographer)
MARIPOSA SPECTROGRAPHIC LABORATORY

percent to ton (2,000 lbs.)
1.0% = 20.0 Lbs. AVOIR.
0.10% = 2.0 Lbs. AVOIR.
0.01% = 3.2 oz. AVOIR.
0.001% = 0.32 oz. AVOIR.
0.0001% = 0.032 oz. AVOIR.

Mariposa Spectrographic Laboratory

Mariposa, California 95338

WOodland 6-2591

Mr. D. L. Davies
566 Wirsching
Twin Falls, Idaho 83301

November 9th, 1968 PM

Dear Mr. Davies:

Enclosed, find spectrographic analysis report #12398, covering the analysis of your submitted rock sample.

Our apologies for this very late report Mr. Davies. Between the flu and a very heavy work load, we have temporarily fallen behind our normal scheduling.

This material is a fine-granular Quartz and some Plagioclase feldspar. Minor epidotization has taken place causing the pistachio green color in a portion of the rock.

The sample submitted does not appear to be well mineralized Mr. Davies, although, we did note small amounts of Lead and Silver, along with minor amounts of two Rare Earth elements: Ytterbium and Yttrium.

Our sincere thanks to you Mr. Davies and our good wishes in your mining.

Sincerely,

George R. Graves

George R. Graves

1cc

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FEB 12 1970
O. M. E.
SPOKANE, WASH.

LABORATORY REPORT

Mariposa Spectrographic Laboratory

Star Route, Mariposa, California 95338
Telephone WOodland 6-2591

CHARGES: $7.50(includes Au-Ag assay)

LAB NO. 12398

Date 11/9/68 PM

SUBMITTED BY:

Qualitative Spectrographic Analysis

Mr. D. L. Davies
566 Wirsching
Twin Falls, Idaho 83301

ELEMENTS FOUND
AND ESTIMATED PERCENTAGE RANGE
OF CONCENTRATION

SAMPLE MARK

No mark

ELEMENT	Not Less Than %	Not More Than %	ELEMENT	Not Less Than %	Not More Than %	ELEMENT	Not Less Than %	Not More Than %
Aluminum	3.0	8.0	Lithium			Thallium		
Antimony			Magnesium	.001	.006	Thorium		
Arsenic			Manganese	.0006	.002	Tin		
Barium	.0007	.003	Mercury			Titanium	.0007	.003
Beryllium			Molybdenum			Tungsten		
Bismuth			Nickel	.0005	.001	Uranium		
Boron			Osmium			Vanadium	.0005	.001
Calcium	1.0	2.5	Palladium			Zinc		
Cadmium			Phosphorus			Zirconium	.0008	.004
Cesium			PlatinumNot detected in		sample	RARE EARTHS:		
Chromium	.0005	.001	Potassium	0.20	0.50	Cerium		
Cobalt	-----	.0004	Rhenium			Dysprosium		
Columbium			Rhodium			Erbium		
Copper	.002	.008	Rubidium			Europium		
Gallium	.002	.006	Ruthenium			Gadolinium		
Germanium			Scandium			Holmium		
Gold	Below detection	limit	Silicon (as Si02)	60.0	80.0	Lanthanum		
Hafnium			Silver	.0006	.002	Neodymium		
Indium			Sodium	1.0	3.0	Praseodymium		
Iridium			Strontium	.0008	.004	Samarium		
Iron	1.0	3.0	Tantalum			Ytterbium	.0005	.0009
Lead	0.03	0.10	Tellurium			Yttrium	.002	.005

Remarks: See letter.

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O. M. E.
SPOKANE, WASH.

Respectfully Submitted

George D. Travis (Spectrographer)

MARIPOSA SPECTROGRAPHIC LABORATORY

percent to ton (2,000 lbs.)
1.0% = 20.0 Lbs. AVOIR.
0.10% = 2.0 Lbs. AVOIR.
0.01% = 3.2 oz. AVOIR.
0.001% = 0.32 oz. AVOIR.
0.0001% = 0.032 oz. AVOIR.

Mariposa Spectrographic Laboratory

Mariposa, California 95338

WOodland 6-2591

Mr. Delmer Davies
566 Wirsching Avenue
Twin Falls, Idaho 83301

January 28th, 1969 PM

Dear Mr. Davies:

Enclosed, find spectrographic analysis report #12765. covering the analysis of your submitted sample.

Sorry to hold you up for so very long for this report Mr. Davies. The Flu has kept both Mr. Hanna and myself out of commission for three weeks.

The sample submitted is an interesting mineralization. Besides the very good Silver and Gold values, we noted some microscopic acicular crystals that we are certain are a phosphate mineral approximating Libethenite. Since we did not analize the crystals separately, we cannot be absolutely certain.

With the amount of Phosphate found in the sample, you might consider prospecting the area for phosphate minerals. They can have great value. Also, with the Copper present, you may find Turquois in this area, since it is a phosphate mineral.

Some Lead is present, but here again, it is possible that part of the Lead is due to a Phosphate, possibly a Lead-Copper-Phosphate.

Silver values are exceedingly high in the sample and Good Gold values are also present.

Our sincere thanks to you and our good wishes in your mining.

Sincerely,

George R. Graves

George R. Graves

1cc

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O.
SPOKANE, WASH.

LABORATORY REPORT

Mariposa Spectrographic Laboratory

Star Route, Mariposa, California 95338
Telephone WOodland 6-2591

CHARGES: $7.50(includes Au-Ag assay)
LAB NO. 12765
SUBMITTED BY:

Date 1/28/69 PM

Qualitative Spectrographic Analysis

Mr. Delmer Davies
566 Wirsching Avenue
Twin Falls, Idaho 83301

ELEMENTS FOUND
AND ESTIMATED PERCENTAGE RANGE
OF CONCENTRATION

SAMPLE MARK

No mark

ELEMENT	Not Less Than %	Not More Than %	ELEMENT	Not Less Than %	Not More Than %	ELEMENT	Not Less Than %	Not More Than %
Aluminum	0.03	0.10	Lithium			Thallium		
Antimony	0.03	0.10	Magnesium	.008	0.04	Thorium		
Arsenic			Manganese	.0007	.003	Tin		
Barium	.0005	.001	Mercury			Titanium	.0006	.002
Beryllium			Molybdenum	.001	.006	Tungsten		
Bismuth	----	.002	Nickel	.0006	.002	Uranium		
Boron			Osmium			Vanadium	.0008	.004
Calcium	0.04	0.12	Palladium			Zinc	0.10	0.25
Cadmium			Phosphorus	0.5	2.0	Zirconium		
Cesium			Platinum Not detected in sample			RARE EARTHS:		
Chromium	.001	.006	Potassium			Cerium		
Cobalt	.0005	.001	Rhenium			Dysprosium		
Columbium			Rhodium			Erbium		
Copper	0.30	0.60	Rubidium			Europium		
Gallium			Ruthenium			Gadolinium		
Germanium			Scandium			Holmium		
Gold	.0015	.004	Silicon (as Si02)	65.0	85.0	Lanthanum		
Hafnium			Silver	0.10	0.25	Neodymium		
Indium			Sodium			Praseodymium		
Iridium			Strontium			Samarium		
Iron	3.0	8.0	Tantalum			Ytterbium		
Lead	1.5	4.0	Tellurium			Yttrium		

Remarks: See letter.

RECEIVED FEB 12 1969 O. Mt. SPOKANE, WASH

Respectfully Submitted
Joseph R. Graves (Spectrographer)
MARIPOSA SPECTROGRAPHIC LABORATORY

percent to ton (2,000 lbs.)
1.0% = 20.0 Lbs. AVOIR.
0.10% = 2.0 Lbs. AVOIR.
0.01% = 3.2 oz. AVOIR.
0.001% = 0.32 oz. AVOIR.
0.0001% = 0.032 oz. AVOIR.

Mariposa Spectrographic Laboratory

Mariposa, California 95338

WOodland 6-2591

Mr. Delmer Davies
566 Wirching Avenue
Twin Falls, Idaho 83301

December 12th, 1968 PM

Fire assay report: Gold-Silver. No mark. Prepaid, $7.50(includes spectrographic analysis)

Gold		Silver	
Amount ounces per ton 2000 lbs	Value @ $35.00	Amount ounces per ton 2000 lbs	Value @ $2.46
0.805	$28.175	67.55	$166.173

Note: Due to a very heavy work load in our spectrographic department, we will be quite late with the analysis report of this material Mr. Davies. We will know more about the ore upon completion of the analysis.

Thank you kindly

George R. Graves
mmb;grg/mal

1cc

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SPOKANE, WASH.

Our mine is about 4 miles
south of this area.

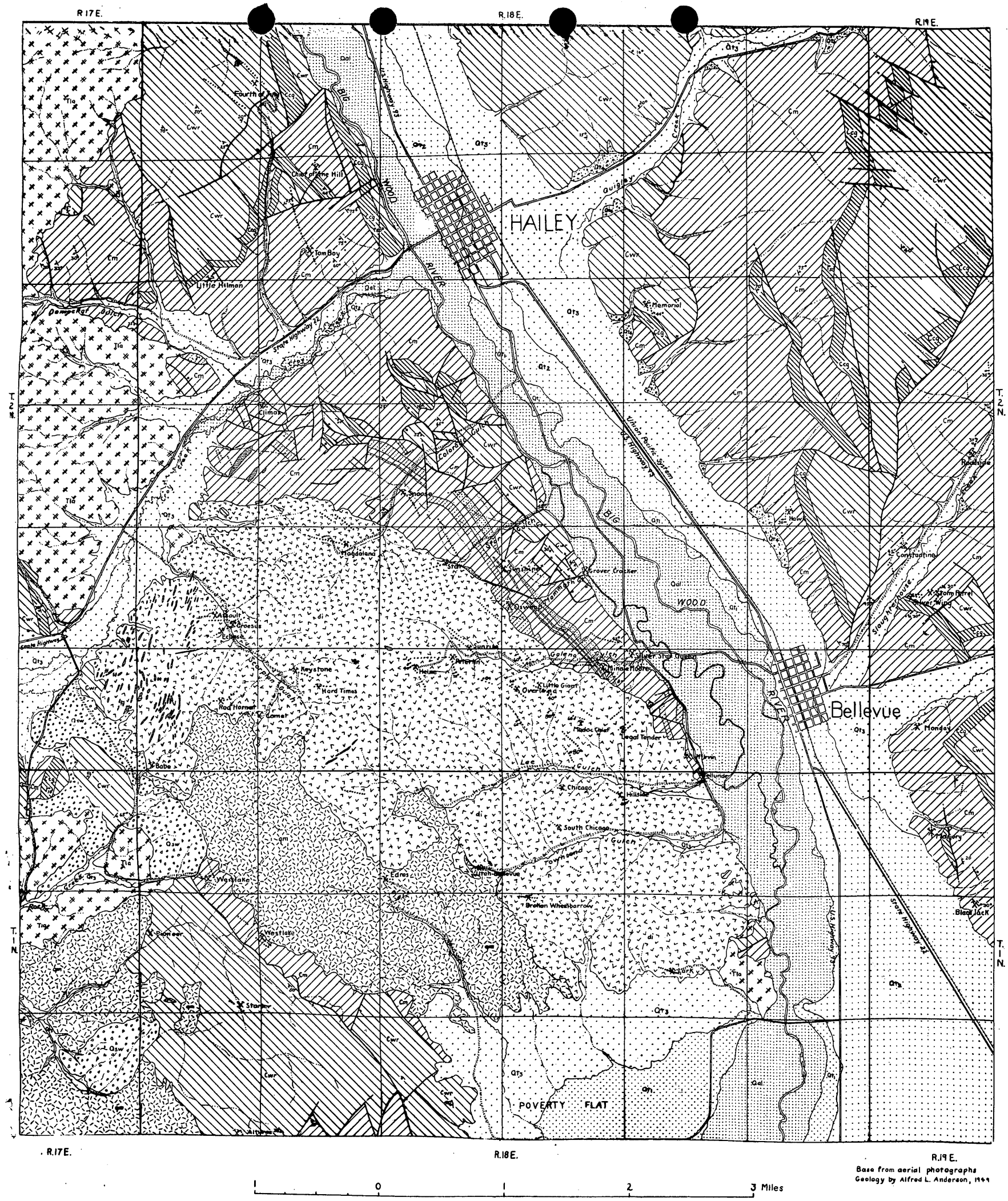

Fig. 2 Geologic map of the Hailey—Bellevue Mineral Belt

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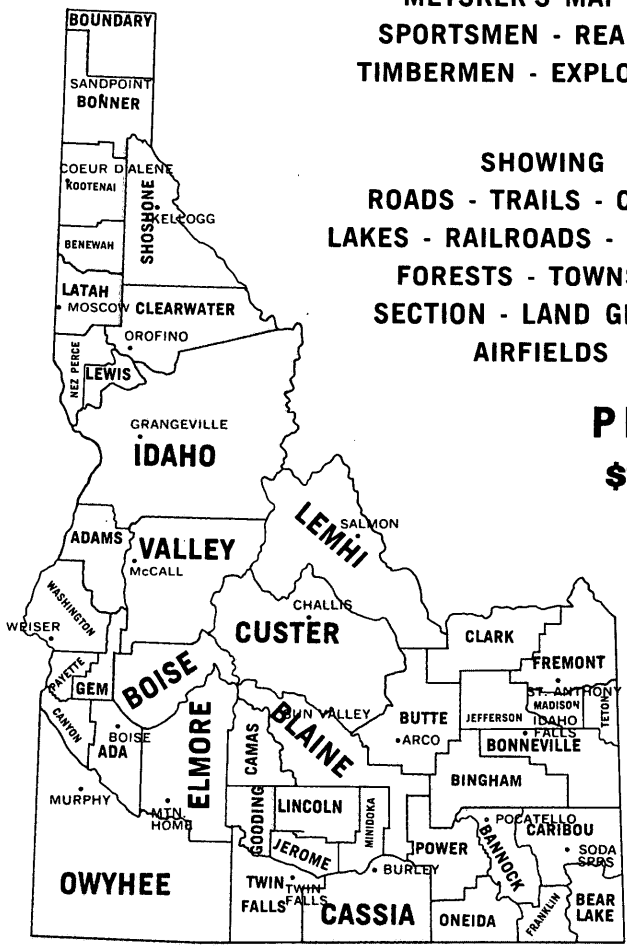
METSKER'S BLAINE COUNTY MAP

THE BEST IN THE WEST
METSKER'S MAP FOR
SPORTSMEN - REALTORS
TIMBERMEN - EXPLORATION

SHOWING
ROADS - TRAILS - CREEKS
LAKES - RAILROADS - NATIONAL
FORESTS - TOWNSHIP
SECTION - LAND GRANTS
AIRFIELDS

PRICE
$1.50



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FROM
The Explorer
1207 EL CAMINO REAL
SANTA CLARA, CALIF. 95050

SOLD AT ALL LEADING SPORTS AND STATIONERY STORES

METSKER COUNTY MAPS—THE SPORTSMEN'S GUIDE

The following list of County maps shows all roads, trails, creeks, rivers, lakes, railroads, towns, schools, camps, ranger stations, sections, townships, ranges, everything of value to the sportsman or anyone having use for a county map. The price list is for best quality paper prints. Cloth prints by order. The maps can be had in any scale at an additional price. Most maps listed below are drawn to the scale of one-half inch to the mile. Two prices indicate two sizes of same map.

Maps will be sent folded unless ordered f[illegible] ordering mention your preference.

COUNTY MAPS

IDAHO

	Size	Price
Ada	17x34	1.50
Adams	24x33	1.50
Bannock	31x32	1.50
Bear Lake	17x24	1.50
Benewah	17x21	1.50
Bingham	30x40	1.50
Blaine	31x52	2.50 & 1.50
Boise	30x36	1.50
Bonner	26x37	1.50
Bonneville	24x40	1.50
Boundary	21x26	1.50
Butte	30x36	1.50
Camas	22x27	1.50
Canyon	18x24	1.50
Caribou	22x27	1.50
Cassia	27x36	1.50
Clark	23x38	1.50
Clearwater	27x44	1.50
Custer	46x50	3.50 & 1.50
Elmore	28x50	1.50
Franklin	15x19	1.50
Fremont	31x33	1.50
Gem	19x28	1.50
Gooding	17x23	1.50
Idaho	36x42	1.50
Idaho	54x64	10.00
Jefferson	18x30	1.50
Jerome	16x22	1.50
Kootenai	21x26	1.50
Latah	20x24	1.50
Lemhi	52x54	7.50 & 1.50
Lewis	19x20	1.50
Lincoln	19x26	1.50
Madison	14x18	1.50
Minidoka	17x27	1.50
Nez Perce	19x20	1.50
Oneida	21x27	1.50
Owyhee	56x62	7.50 & 1.50
Payette	17x18	1.50
Power	25x30	1.50
Shoshone	36x43	1.50
Teton	12x20	1.50
Twin Falls	30x35	1.50
Valley	41x42	1.50
Washington	27x27	1.50

WASHINGTON

	Size	Price
Adams	23x38	1.50
Asotin	18x22	1.50
Benton	27x36	1.50
Chelan	23x33	1.50
Clallam	20x46	1.50
Clark	18x23	1.50
Columbia	18x25	1.50
Cowlitz	24x27	1.50
Douglas	24x36	1.50
Ferry	17x35	1.50
Franklin	23x34	1.50
Garfield	18x29	1.50
Grant	20x35	1.50
Grays Harbor	30x32	1.50
Island	23x34	1.50
Jefferson	24x48	1.50
King	27x40	1.50
Kitsap	22x33	1.50
Kittitas	23x27	1.50
Klickitat	18x46	1.50
Lewis	18x51	1.50
Lincoln	30x33	1.50
Mason	27x32	1.50
Okanogan	29x35	1.50
Pacific	21x22	1.50
Pend Oreille	13x28	1.50
Pierce	26x38	1.50
San Juan	21x24	1.50
Skagit	16x50	1.50
Skamania	22x36	1.50
Snohomish	22x40	1.50
Spokane	24x33	1.50
Stevens	19x35	1.50
Thurston	19x28	1.50
Wahkiakum	16x24	1.50
Walla Walla	24x31	1.50
Whatcom	16x35	1.50
Whitman	33x33	1.50
Yakima	40x42	2.00 & 1.50

OREGON

	Size	Price
Baker	33x48	1.50
Benton	20x22	1.50
Clackamas	25x38	1.50
Clatsop	21x24	1.50
Columbia	21x21	1.50
Coos	24x40	1.50
Crook	34x40	1.50
Curry	26x40	1.50
Deschutes	31x45	1.50
Douglas	33x41	1.50
Gilliam	25x30	1.50
Grant	41x43	1.50
Harney	34x54	5.00 & 1.50
Hood River	15x22	1.50
Jackson	29x40	1.50
Jefferson	19x40	1.50
Josephine	26x36	1.50
Klamath	28x42	1.50
Lake	38x42	1.50
Lane	23x44	1.50
Lincoln	23x32	1.50
Linn	24x42	1.50
Malheur	33x68	5.00 & 1.50
Marion	25x40	1.50
Morrow	25x36	1.50
Multnomah	23x40	1.50
Polk	16x23	1.50
Sherman	20x28	1.50
Tillamook	24x31	1.50
Umatilla	40x40	1.50
Union	36x39	1.50
Wallowa	36x41	1.50
Wasco	36x38	1.50
Washington	21x27	1.50
Wheeler	24x33	1.50
Yamhill	17x27	1.50

METSKER COUNTY ATLASES

IDAHO

Ada	$ 45.00
Adams	40.00
Bannock	45.00
Bear Lake	35.00
Benewah	45.00
Bingham	65.00
Blaine	65.00
Boise	55.00
Bonner	65.00
Bonneville	60.00
Boundary	45.00
Butte	60.00
Camas	35.00
Canyon	30.00
Cassia	$ 65.00
Clark	50.00
Clearwater	75.00
Custer	90.00
Elmore	85.00
Franklin	35.00
Fremont	65.00
Gem	30.00
Gooding	30.00
Idaho	95.00
Jefferson	40.00
Jerome	30.00
Kootenai	50.00
Latah	45.00
Lewis	$ 25.00
Lincoln	40.00
Madison	25.00
Minidoka	30.00
Nez Perce	45.00
Oneida	40.00
Owyhee	135.00
Payette	25.00
Power	50.00
Shoshone	85.00
Teton	25.00
Twin Falls	80.00
Valley	90.00
Washington	50.00

The Metsker County Atlases are the most complete maps made of a county. They come properly indexed in book form, with flexible red imitation leather cover. Each page is a township map, drawn to a scale of two inches to the mile, showing ownerships of property. plats, roads, trails, creeks, rivers, lakes, railroads, towns, schools, camps, government lot numbers, donation land claims, sections, townships, range — everything. We cover Washington, Oregon, Idaho and Northern California with these maps.

WE MAKE PROPERTY OWNERSHIP ATLASES OF ALL COUNTIES IN WASHINGTON, OREGON, IDAHO, and NORTHERN CALIFORNIA. WRITE FOR PRICES.

WE MAKE COUNTY MAPS FOR ALL COUNTIES IN CALIFORNIA, IDAHO, OREGON, AND WASHINGTON — $1.50 EACH.

FORM 9-1648
MARCH 1968

OFFICIAL COPY O. M. E. FEB 19 1971 INITIAL CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

RECEIVED NOV 1 1 1970

OK-OME 2/8/71

OPERATOR'S MONTHLY VOUCHER

For Month of October 1970

Docket No. OME- 6812
Contract 14-08-0001 2291
Contract Amount $ 13,320.00
Gov't. Participation % 75 $ 9,990.00

Operator's Name Magic Silver Mining Corporation
Address 566 Wirsching Ave. Twin Falls, Idaho 83301

COST ITEMS (FROM EXHIBIT A)	FOR OPERATOR'S USE: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS	FOR GOVERNMENT USE ONLY: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS
		$		$		$		$
Category # 1								
Drilling	176ft		176ft					
@$5.00 per ft		$880.00		$880.00	—	—	—	—
Sludge collecting smaple supplies								
1 pint jars	4doz	$6.76	4doz	$6.76	4 doz	6.76	4 doz	6.76
Category # 2								
Subcategory (A)								
Supervision	3Days	$225.00	3days	$225.00	—	—	—	—
Category V11								
Accounting	1 Mo	$50.00	1 MO	$50.00	—	—	—	—
Assaying	4	$12.00	4	$12.00	—	—	—	—
TOTALS		$ 1,173.76		$ 1,173.76		$ 6.76		$ 6.76

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

Date 11-6-70 *Payee Magic Silver Mining Corp.

Per Delmar Davis Title Secretary-Treasurer

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

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

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature Wellard P. Pfeffer 2/5/71
OME Field Officer Date

(63) 14X0804

Approved for: $ 5.07
(SUBJECT TO AUDIT)

Signature mo

Date FEB 19 1971 Vou. No. 15190

(SEE OTHER SIDE)

FOR OPERATOR'S USE 2 1 3 4 1

REMARKS

RECEIVED
U.S. GEOLOGICAL SURVEY
FEB 9 8 32 AM '71
BUDGET & FINANCE

FOR GOVERNMENT USE

REMARKS

1/ Drag bit drilling not allowable under contract. Other disallowed costs are related directly to the drilling which was not performed in accordance with contract provisions.

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

15190

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee:

Magic Silver Mining Corp.
566 Wirsching Ave.
Twin Falls, Idaho 83301

Amount Claimed:	Differences (Explained Below)	Amount Approved
1,173.76	1,167.00	6.76 5.07 Gov. Part.
Bu. Voucher No.	**Payee's Invoice No.**	**Period**
	Docket 6812 Contract #2291	Oct. 1970

EXPLANATION

Disallowing:	Drilling	800.00
	Supervision	225.00
	Accounting	50.00
	Assaying	12.00
		1,167.00

The above costs were related directly to Drag bit drilling which was not allowable under this contract.

Any reclaim for items deducted must be included as a separate item on subsequent monthly voucher and supported by the original of this statement.

RB

Branch of Budget and Finance

NARRATIVE REPORT ON DRILLING
BIG JOHN MINING PROPERTY
OME 6812 CONTRACT # 2291

Drilling started Tuesday October 6, 1970 and good progress was achieved. We started taking sludge samples after 20 ft.
We run into some yellow color at 36 ft and run a test for lead with hydrochloric acid. It showed a possible small amount.
We worked untill 7:30 pm and reached a 60 ft depth.
Wednesday October 7, we had 3 inches of snow on the ground. Because of a small hill to climb it was 11:00 am before we got started to drill. We did not see anything except granite untill we reached 140 ft. We found a small amount of lime or talc. (white material) At 148ft we hit something solid but it was only one foot thick and there was no change in sludge material. We reached 155 ft at 8:00 pm.
Thursday October 8, there was a cold wet wind and it looked like a storm was near. We got started drilling about 9:00 am. We drilled about 10 ft and the drill got plugged. Water would not circulate and we had to pull the drill steel out to clean it. It was about 1:00 pm when we got the drill back in the hole and started to drill again. We hit three other hard spots. (either rocks or thin shelves) one at 161 ft, 167 ft, and 170 ft. We reached 176 feet and lost our water again. Either the drill had got plugged or the granite had caved in and blocked the water return.
Because of the stormy weather and not finding anything of the vein structure which is either faulted or it turns and goes back underneath and to the south. With this evidence we have suspended drilling for the present time and would ask for an extension on the completion date and resume drilling next spring weather permitting.

Report by Emmett Yadon & Delmer Davies
President & Sec/ Treas
Magic Silver Mining Corp.

RECEIVED
NOV 10 1970
O. M. E.
SPOKANE, WASH.

STATEMENT

FROM Emmett A. Yadon
Kimberly, Idaho

October 19 70

TO Magic Silver Mining Corp.

ADDRESS 566 Wirsching Ave

CITY Twin Falls, Idaho 83301

TERMS

		Supervision & Geological survey of drilling on Big John Mining property 3 Days @ 75.00	225	00

Certified copy
Delmar Davis

RECEIVED
NOV 10 1970
O. M. EDWARDS
SPOKANE, WASH.

GLENN FORDYCE
P.O. Box 253
Twin Falls, Idaho 83301

STATEMENT

FROM Glenn Fordyce
Box 253
Twin Falls Idaho 10-23 1970

TO Big John Mining Claims
SILVER
ADDRESS Magic ~~Valley~~ Mining Corporation

CITY Twin Falls Idaho

TERMS Cash

		176' Drilling Dry Holes @ 5.00	880	00

Certified copy
Delmar Davis

RECEIVED
NOV 10 1970
O. M. EDWARDS
SPOKANE, WASH.

880 00

STATEMENT

FROM Delmer Davies Sec/Treas
Magic Silver Mining Corp.

October 1970

TO Magic Silver Mining Corp.

ADDRESS 566 Wirsching Ave.

CITY Twin Falls, Idaho 83301

TERMS

Sludge collecting & sample supplies 4 doz pint jars			$6.76
Record keeping & reports 1 mo.			$50.00
Assaying 4 samples @ $3.00			$12.00
	Total		$68.76

Certified copy
Delmer Davies

NOV 10 1970
O.M.E.
SPOKANE, WASH.

11

MAGIC SILVER MINING CORP.
566 WIRS[illegible]
TWIN FALLS, IDA[illegible] 83301

92-316
1241

Oct 15 1970

PAY TO THE ORDER OF Utah Managing Systems Dallas Inc. $16.00

DOLLARS

PROCESSED
FIRST SECURITY BANK OF IDAHO
OCT 29 1970
TWIN FALLS, IDAHO

FIRST SECURITY BANK OF IDAHO
NATIONAL ASSOCIATION
TWIN FALLS, IDAHO

Everett A. Yadon
Delma Davis

⑆1241⑆0316⑆101 00147 34⑈ ⑈0000001600⑈

ROCKY MT. BANK NOTE CO. K

10-5-70

SAFEWAY STORES
INCORPORATED

STORE NUMBER 444

DATE 10 5 1970

SOLD TO

ADDRESS

QUAN.	DESCRIPTION	PRICE	AMOUNT
4	Cases	16.96	67.84
	Tax		.21
		TOTAL	68.05

406252

PAYMENT SHOULD BE MADE TO ZONE OFFICE FROM WHICH A STATEMENT WILL BE ISSUED

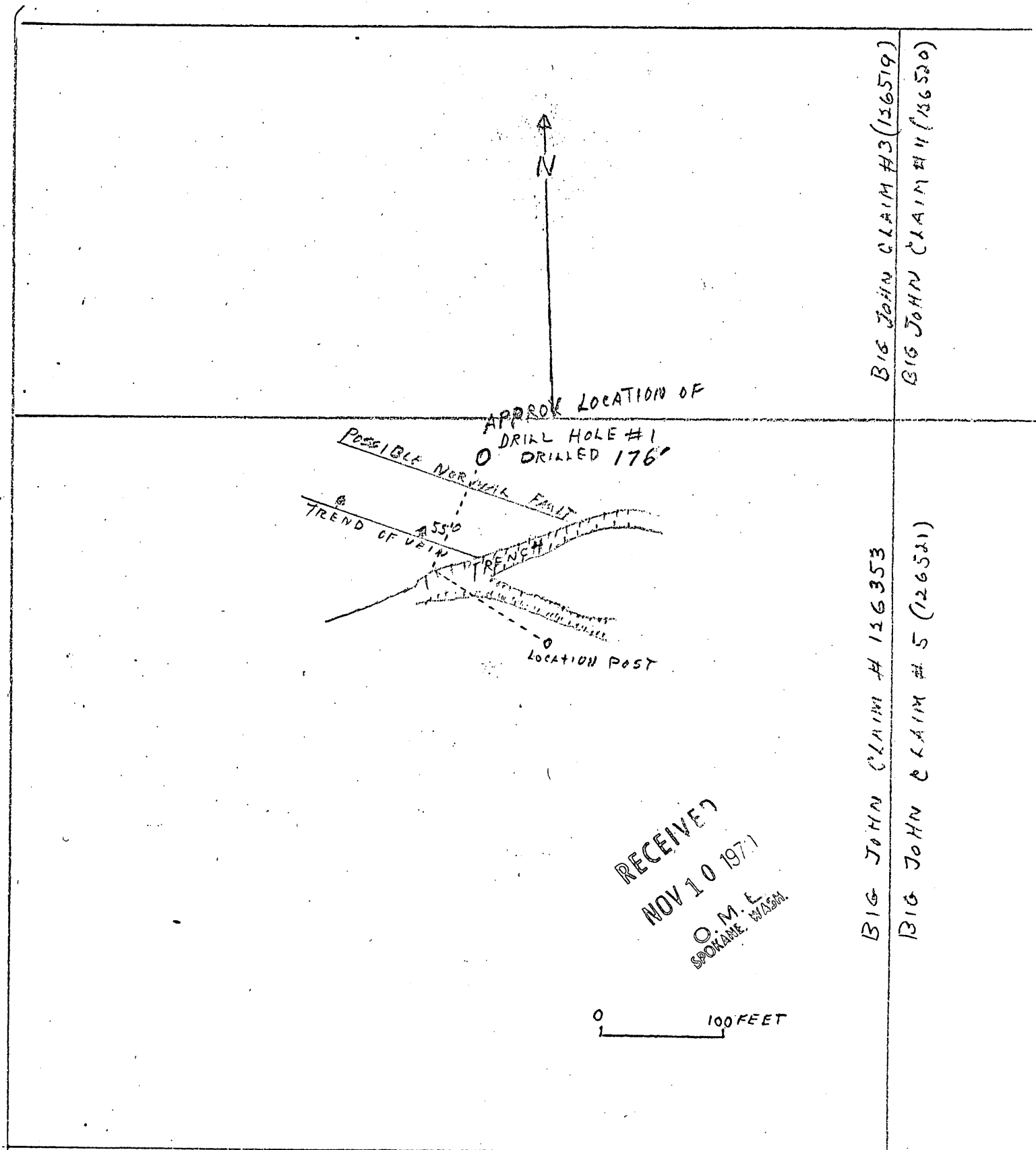
RECEIVED THE ABOVE MERCHANDISE

SIGNATURE

FORM 71B (REV. 9-61) 3-70-250-20 ⓟ PRINTED U.S.A.

Certified Copy
Delma Davis

RECEIVED
NOV 1 [illegible] 1970

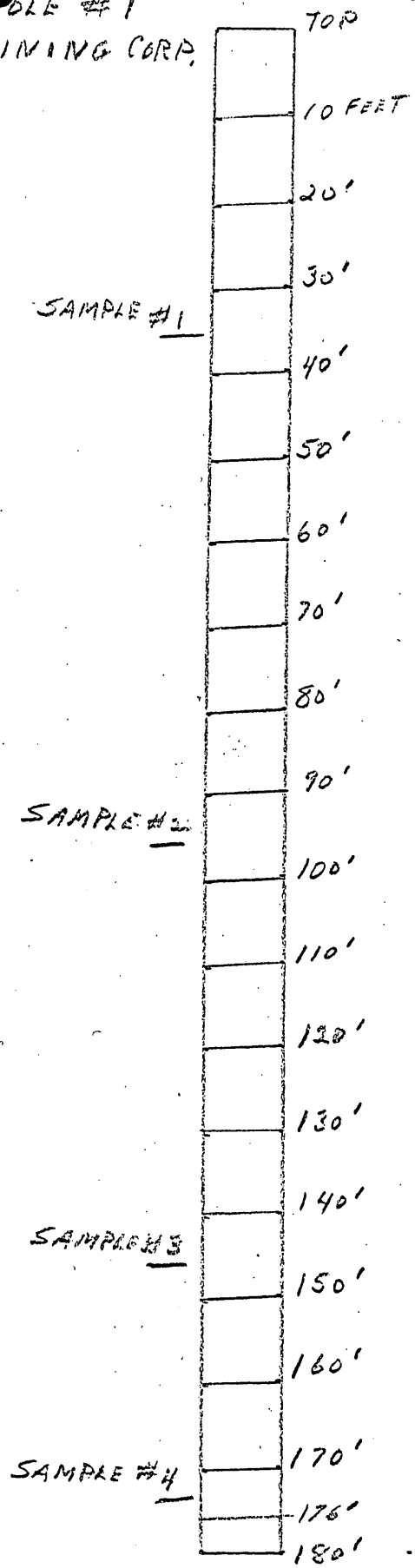


RECEIVED
NOV 10 1971
O.M.E.
SPOKANE, WASH.

DRILLED HOLE #1 AS PROPOSED MAGIC SILVER MINING CORP
DOCKET # OME 6812 CONTRACT # 2591

VERTICAL DRILL HOLE #1
MAGIC SILVER MINING CORP.

RECEIVED
NOV 10 1970
O.M.E.
SPOKANE, WASH.



LEGEND

#1 - 30 TO 40 - AU - 0
AG - 0

#2 - 90 TO 100 - AU - 0
AG - 0

#3 - 140 TO 150 - AU - TRACE
AG - 0

#4 170 TO 176 - AU - .02
AG - 0

SEE ASSAY REPORT

0 20'

MAGIC SILVER MINING CORP.
566 WIRSO[illegible]
TWIN FALLS, IDAHO 83301

11

92-316
1241

Oct 15 1970

PAY TO THE ORDER OF Utah Coaging $ 16.00

Sixteen Dollars no Cents DOLLARS

PROCESSED
FIRST SECURITY BANK OF IDAHO
OCT 29 1970
TWIN FALLS, IDAHO

FIRST SECURITY BANK OF IDAHO
NATIONAL ASSOCIATION
TWIN FALLS, IDAHO

Garnett A. Vadom
Delsen Davies

⑆124600316⑆ 101 00647 34⑈ ⑈0000001600⑈

ROCKY MT. BANK NOTE CO. K

10-5-70

SAFEWAY STORES
INCORPORATED

STORE NUMBER 444

DATE 10 5 1970

SOLD TO

ADDRESS

QUAN.	DESCRIPTION	PRICE	AMOUNT
4	Gases	169	676
	Tax		21
		TOTAL	697

406252

PAYMENT SHOULD BE MADE TO ZONE OFFICE FROM WHICH A STATEMENT WILL BE ISSUED

RECEIVED THE ABOVE MERCHANDISE

SIGNATURE

FORM 718 (REV. 9-61) 3-70-250-20 PRINTED U.S.A.

Certified copy
Delsen Davies

GOLD & SILVER---$3.00 PLATINUM---$5.00 SPECTROGRAPH---$5.00
GOLD-SILVER-LEAD & COPPER---$4.00

RECEIVED NOV 10 1970 O. M. E. SPOKANE, WASH.

REPORTS MADE PROMPTLY
SPECIAL ASSAYS: AS PER PRICE LIST

UTAH ASSAYING CO.
BOX---674
GRANTSVILLE, UTAH
84029

NAME --DELMER DAVIES
DATE --10-23-70

SAMPLE--# ---(4)--FOR GOLD-SILVER-LEAD & COPPER
#
#
#
(PLEASE TURN SHEET OVER)

[$16.00]

RESULTS: ARE PER TON IN-
OZ.---OUNCES
%-----PERCENT
TR.----TRACE
P------PRESENT
**-----INDICATES--CHEMICAL OR FIRE ASSAY
SAMPLE SIZE---I--OUNCE TO--½--POUND

#-I---(30-40)------FOR GOLD---NONE
SILVER---NONE
COPPER---NONE
LEAD---NONE

#-2---(90-100)-----FOR GOLD---NONE
SILVER---NONE
COPPER---NONE
LEAD---NONE

#-3---(140-150)----FOR GOLD---TRACE
SILVER---NONE
COPPER---NONE
LEAD---NONE

#-4---(170-176)----FOR GOLD---(.02)---OZ.
SILVER---NONE
COPPER---NONE
LEAD---NONE

Certified Copy
Delmer Davies

OFFICIAL FILE COPY

2/10/71 120

AIRMAIL 220

Mr. Delmer Davies
Rt. #3 Lazy J Ranch
Twin Falls, Idaho 83301 120M

Re: OME-6812 (Gold-Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho
Contract 2291

Dear Mr. Davies:

This is in reply to your letter of January 29, 1971, to Mr. Willard P. Puffett, Field Officer, OME Region I, inquiring about payment for work done at the project and suggesting continuing the project by core drilling.

We are now processing your voucher for October 1970 and you will soon receive the Government's share of approved costs for items claimed. Unfortunately, the payment will be only a small fraction of the amount claimed because the work was not done in conformance with provisions of the contract. The only item for which payment is recommended is the Government's share of the cost of glass jars used by the Field Officer to transport sludge samples to Spokane.

The contract specifically provides for diamond core drilling, collecting, storing, mapping and sampling core. However, without the prior approval of the Government, drilling was done with a drag bit and no core was recovered. Therefore, none of the drilling costs or any of the costs directly related to the drilling are allowable.

The terms of the contract were materially breached during the operations last fall and the Government has no obligation to contribute to the costs of such drilling.

With respect to amending the contract and continuing the work as originally planned, we first would need positive assurance from you that:

1. A competent, recognized drilling firm would be retained for diamond core drilling;

2. A qualified professional geologist or mining engineer would supervise the project; and

3. All other provisions of the contract would be adhered to.

You would have to furnish bids from core drilling contractors, three if possible, and evidence of the operating experience and background of the person who would supervise the project. The estimated cost of the project cannot exceed the total of $13,320.00 established in the subject contract.

Please let us know by March 1, 1971 if you can meet the above requirements, and, if so, we will consider amending the contract to extend the completion date. Otherwise, we will assume that you are not interested in reinstating the contract which expired by its own terms as of January 14, 1971.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

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

HKirkemo/bsl 2/10/71

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Chief, Office of Minerals Explor.		
2. Re: OME-6812 (Gold-Silver) Magic Silver Mining Corp.		
3. Big John Property Blaine County, Idaho Contract 2291		
4.		
5. Willard P. Puffett		WPP
FROM: Field Officer, Region I	2/1/71	

FOR: Check items for action desired

____ Action X Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS: Attached is letter from Delmer Davies wondering what we are going to do about his contract. I hope that you will be able to answer it.

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

MAGIC SILVER MINING CORPORATION

TWIN FALLS, IDAHO 83301

RECEIVED
FEB 1 1971
O. M.
SPOKANE, WASH.

January 29,1971

Mr. Willard P. Puffett
Office of Minerals Exploration
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Washington 99201

Re: OME 6812

Dear Mr. Puffett:

I have heard of the saying no news is good news, but in our case I am afraid this is not true. We have got to settle with Mr. Fordyce and if the Government is not going to honor the work done please let us know.

We are also wondering if the contract is still in force and if strickly core drilling was done would the Gov. still be in favor of continueing the work.

Mr. Fordyce has indicated to me that he would get another drill to do the job if the contract is still in force. This drill would have the core coming from inside of the drill in a continuious core. May we hear from you?

Sincerely,

Delmer Davies

Delmer Davies
Rt # 3 Lazy J Ranch
Twin Falls, Idaho

OFFICIAL
COPY
O. M. E.
RECEIVED
FEB 4 1971

INITIALS	CODE
	~~120~~
Gal	120
	120

OFFICIAL FILE COPY

2/1/71 Emerick 120E

120

FEB 1 1971 Cl - 220

AIRMAIL

Memorandum 130

To: Field Officer, Region I ~~220~~

From: Chief, Office of Minerals Exploration 120M

Subject: OME-6812 (Gold-Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho
Contract 2291

Returned are the three vouchers for October 1970 for your processing as discussed by telephone and as indicated in the enclosed memorandum from the Assistant Solicitor.

Harold Kirkemo

Harold Kirkemo

Enclosures

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

WLEmerick/bsl 2/1/71

IN REPLY REFER TO:

W2/20E
120

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON, D.C. 20240

February 1, 1971

Memorandum

To: Chief, Office of Minerals Exploration

From: Assistant Solicitor
Mines and Minerals Exploration

Subject: OME-6812 (Gold-Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho
Contract 2291

We have considered the questions presented in your memorandum of December 17, 1970, as to whether the Government may properly approve some or any of the items claimed by the Operator on a voucher for October, 1970, and your request for our opinion regarding possible termination of the subject contract or amendment to allow a recess in operations and resumption of the work at a later date.

It is our opinion after examining the case file that actions and omissions made by the Operator in the performance of that portion of the work prescribed by the contract which is covered by the subject voucher constituted a substantial and material departure from the provisions of the contract, and therefore, the Government is not obligated to contribute any sums of money toward the payment of the items claimed by the Operator, except for the costs of the glass jars used for collecting samples. In this connection we call to your attention the provisions of Article 3(b) of the contract which provide that the Government will participate in payments to independent contractors "only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable." The contract specifically provides for diamond core drilling.1/ Drilling by the diamond core method is a material requirement of the contract, however, the Operator, without the prior approval of the Government, elected to utilize a "drag-bit" instead. Since the drilling is the main object of the contract and since it was not performed as clearly required by the contract, it is our opinion that the terms of the contract

1/ See Exhibit A, pp. 1 and 2.

have been materially breached and the Government has no obligation to contribute to costs of such drilling. The purchase of the jars appears to be consistent with the last line of paragraph 2 of Exhibit A.

It is also our opinion that the Government is not obligated to contribute toward the cost of the other claims since these costs are related directly to the drilling which was not performed in accordance with the provisions of the contract.

With respect to the question of whether the contract should be terminated we note that the contract expired by its own terms on January 14, 1971. Consequently, the question of whether or not the contract should be terminated for breach is now moot. However, inasmuch as the Operator did request an extension of time to complete the contract and a recess in operations until next Spring prior to January 14, 1971, there are no legal obstacles barring an amendment to the contract to extend the time for completion of the work if you should conclude that it is in the Government's interest to continue the project. As you suggest an amendment could contain any terms and conditions you deem necessary to assure satisfactory results from the work. Please call us if we can be of further assistance to you.

DRTindal

Donald R. Tindal
Assistant Solicitor
Mines and Minerals Exploration

m 7

OFFICIAL FILE COPY

Date	Surname	Code
12/17/70	Kirkemo	120
	Emerade	120E
12/21	cal	220
		140
		120

December 17, 1970

Memorandum

To: Assistant Solicitor, Mines and Mineral Exploration
Attention: Mr. C. L. Martin

From: Chief, Office of Minerals Exploration

Subject: OME-6812 (Gold-Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho
Contract 2291

We doubt that we should approve some or any of the items claimed by the Operator on the enclosed voucher for October 1970, and request your opinion before we send the voucher to the Branch of Budget and Finance for review and payment. We also would appreciate your opinion regarding possibly terminating the contract or amending it to allow a recess in operations and resumption of work under provisions of the contract.

To expedite review of this memorandum, we suggest that you indicate in the margins your approval or disapproval of our recommendations or comments on each item for which reimbursement is claimed, and your opinion on whether or not to terminate the contract.

The Operator claims reimbursement (Government's share @ 75% would total $880.32) for five items under three categories. W. P. Puffett, Field Officer, Region I, was uncertain about approving the voucher, and at our suggestion sent it to us for review. We agree with the Field Officer that few, if any, of the items claimed should be approved for payment.

The items claimed and our comments are as follows:

<u>Category (1)</u> <u>Drilling</u> <u>176 Feet @ $5.00/ft. $880.00</u>

The drilling was done with a non-coring drag bit which yields rock chips and finely ground rock cuttings but no core. The contract specifies EX size or equivalent wire line size diamond core drilling. The Field Officer was told by the driller that he saw no reason for coring as the rock was fairly soft and there was no indication of vein material in the cuttings. This indicates lack of contract enforcement by the supervisor.

Core drilling was specified in the contract because it was considered essential to examine and sample drill core in order to evaluate the geology and ore potential of the deposit. Cuttings from drag bit drilling do not offer an opportunity to closely examine, measure, and sample geologic structures.

We recommend denial of the claim for drilling.

Sludge collecting sample supplies	4 doz. pint jars	$6.76

We question the judgment of the Operator in selecting small glass jars for this purpose, but since the Field Officer used some of them later, we would approve this claim.

Category (2) Subcategory (a). Supervision	3 days @ $75	$225.00

Mr. Emmett A. Yadon, president, Magic Silver Mining Corporation, claims to have supervised work on the project, and prepared the voucher and accompanying material. Mr. Yadon's credentials furnished with the application indicated over 40 years of practical experience as a miner, mine supervisor, and mine operator. Supervisors of many OME projects have similar credentials and conduct excellent projects. Unfortunately, as our comments on the drilling have indicated, Mr. Yadon ignored the terms of the contract with respect to drilling, used poor judgment in the sludge collecting operation, and prepared a poor report on work done in October.

The Field Officer could not prejudge that Mr. Yadon would not properly supervise the project, and, in addition, he was unable to inspect the project and determine the poor performance until after work was discontinued in October.

As the Operator did not provide satisfactory supervision and technical services as required by the contract, we recommend denial of this claim.

Category (7)	Accounting	1 month	$50.00
	Assaying	4 samples @ $3	12.00

Three days of actual work on the project and processing three bills do not warrant claimfor a full month for accounting. Allowance of $5.00 would be adequate in our opinion.

The assayer's bill is acceptable, but the material sent for assay was not obtained as required by the contract.

Whether either of these claims should be allowed probably depends upon the legal interpretation of performance on this contract.

Of the five items claimed, we recommend denial of the claim for drilling and supervision, approval of claims for sludge collecting sample

supplies and assaying, and approval of part of the claim for accounting, all of which would result in allowable reimbursement to the Operator of $17.82 (75% of $23.76).

The Operator requests an extension of time to complete the contract and a recess in operations until next spring. The Field Officer recommends terminating the contract because of the inadequacy of supervision and the negative results of the drilling to date. If the contract cannot be terminated, the Field Officer recommends a recess but only if the Operator agrees to proper supervision and core drilling upon resumption of work.

On the basis of results obtained to date, the property would be considered to have little potential primarily because of inadequate supervision and use of an improper drilling method. If the contract is extended and recessed with the provisos recommended by the Field Officer, the Government may have an opportunity to adequately test the ore potential of the deposit. In view of the small investment by the Government in the project to date (if our recommendations for payment on the October 1970 voucher are approved), we believe it would be in the Government's interest to continue this project but resumed essentially as a new venture providing the Operator complies with the terms of the contract. If the contract is continued, bids from competent drilling firms would be required in order to determine current prices for core drilling. The total cost of the contract probably would remain unchanged, but less drilling would be possible as core drilling costs no doubt will be greater than the contract presently allows.

Harold Kirkemo (gla)

Harold Kirkemo

Enclosure

In duplicate

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

HKirkemo/gla 12-17-70

UNITED STATES
DEPARTMENT OF THE INTERIOR

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

OFFICIAL
COPY
C. M. E.
RECEIVED
DEC 11 1970
INITIALS CO R
gfs 1 30
1 20

December 8, 1970

Memorandum:

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Change of Address
OME-8812 (Gold-Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho
Contract 2291

Mr. Delmer Davies, Secretary-Treasurer, Magic Silver Mining Corporation, telephone me on December 4, 1970, that he was moving, on December 14, 1970, to the Lazy J Ranch, near Twin Falls, Idaho. His new address and that of the corportion will be:

c/o Lazy J Ranch
Route 3
Twin Falls, Idaho 83301

Willard P. Puffett

Willard P. Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

December 2, 1970

OFFICIAL COPY

INITIALS

Memorandum:

To : Chief, Office of Minerals Exploration

From : Field Officer, Region I

Subject: Assay results of drill cuttings samples
OME-6812 (Gold-Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho
Contract 2291

Assay results of five samples of drill cuttings from the drag bit hole at the Big John property are as follows:

Hole Interval feet	Gold oz/ton	Silver oz/ton
130-140	nil	nil
140-150	nil	nil
150-160	nil	nil
160-170	nil	nil
170-176	nil	nil

The samples were splits of sludge samples collected by the Operator. There were no indications of mafic dike, sulfides, or radioactive minerals in the samples.

The negative evidence from the hole suggests that further drilling is not strongly justified. The failure of the Operator to have the driller recover core was unfortunate, for there might have been evidence in the core on which to base a recommendation for more drilling.

Willard P. Puffett

Willard P. Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

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November 17, 1970

Memorandum

To : Chief, Office of Minerals Exploration

From : Field Officer, Region I

Subject: Monthly voucher and request for recess of contract
OME 6812 (Gold-Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho
Contract 2291

The Operator has requested a recess of contract work with drilling to resume on or before May 15, 1970, and to be completed within 60 days. This request accompanied the Operator's monthly voucher for contract work done in October 1970. The first voucher was returned to the Operator, who then resubmitted the enclosed voucher.

The work done for which a claim is made includes 176 feet of drag bit drilling, $6.76 worth of sampling supplies, 3 days of supervision, 1 month of accounting, and 4 assays for gold and silver.

The contract specifies that the purpose of the project is to explore by diamond core drilling. Under Description of the Work, it states that the work shall consist of drilling five vertical holes and does not specifically state that they should be core holes. Under Estimated Costs of the Project, the contract very clearly specifies diamond core and overburden drilling.

The driller did not attempt to core any of the 176 feet of hole. He said that bedrock was reached within a foot or two of the surface but that he saw no reason to core any of the bedrock until the drill cuttings indicated the need. Obviously the Operator did not insist that core should be recovered. It seems extremely doubtful to me that the 176 feet of drag bit drilling qualifies for participation by the Government.

Drill cuttings from each ten-foot length of hole were segregated and saved. Splits of these samples were collected by the OME Field Officer at the time of his visit to the Operator on November 5, 1970. The Operator had four of the samples assayed for gold, silver, and copper, with negative results.

Examination of the drill cuttings failed to detect positive evidence of an ore zone or of the mafic dike with which it is assumed the ore is associated.

The claims for sludge collecting supplies, i.e., pint fruit jars, are supported by a bill from Safeway Stores, and qualify for participation by the Government.

The claim for supervision is supported by a statement from Emmett A. Yadon to Magic Silver Mining Corp. However, to me it seems doubtful that Mr. Yadon is fully qualified to provide the supervision and geological surveying allowed at a cost of $75/day. This is somewhat subjective and I am not certain what positive test a Field Officer should require to insure that such claims for supervision is by qualified personnel. The Operator did not submit a geologic description of the drill cuttings, and this in part suggests a lack of qualified supervision and engineering.

The brief amount of work done to date suggests to me that we cannot expect satisfactory results from the contract unless new personnel are directing the work and a different driller is employed. It is doubtful to me that any of the work done can qualify for Government participation, except for the sludge sampling material.

The negative results from the one hole drilled suggests that the ore exposed by the trench does not extend far into the bedrock.

I recommend, therefore, that the contract be terminated because of the inadequacy of the supervision and the negative results of the drilling that has been done. If the contract cannot be terminated, then I recommend the contract be recessed, but the amendment permitting recess should reaffirm the kind of drilling and supervision required when work once again resumes.

I am enclosing the voucher and supporting documents for your study. I have not signed the voucher but will wait your decision as to just what part of the costs can be allowed under the contract.

Willard P. Puffett

Willard P. Puffett

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

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November 17, 1970

Memorandum

To : Chief, Office of Minerals Exploration

From : Field Officer, Region I

Subject: Interim Inspection
OME-6812 (Gold-Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho
Contract 2291

I conferred with Mr. Delmer Davies in Twin Falls, Idaho, on Thursday, November 5, 1970, to learn first hand the justification for the items listed on Magic Silver Mining Co.'s first voucher which arrived in the Spokane office on Tuesday, November 3, 1970. Mr. Davies and I visited the contract driller who had drilled one hole at the Big John property, and then we visited briefly with Mr. Emmett A. Yadon, President of Magic Silver Mining Corporation. That afternoon, I drove to the Big John property to confirm the location of the drill hole and to re-examine the exposures in the open cuts.

There was a statement with the voucher from Mr. Glenn Fordyce for 176 feet of drag bit drilling at $5.00 per foot. The "drag" bit is a fish-tail type of bit with carbide inserts. The contract specifies that the hole should be cored; however, the driller did not attempt to core. He told me that he did not see any reason for coring until there was some need for coring, as the granitic rock through which he drilled was fairly "soft" and there were no indications of vein material in the drill cuttings. Drill cuttings were collected and samples saved from each 10-foot interval.

The drill cuttings were stored in pint-size mason jars; two jars were filled from each sample representing 10 feet of hole. From these cuttings, four samples were assayed for gold, silver, lead, and copper. Assay data indicate all samples were barren with the exception of one which assayed 0.02 ounces per ton gold. The samples were assayed at the Utah Assaying Company, Grantsville, Utah.

Also with the voucher was a statement for 3-days' service at $75.00 per day from Mr. Emmett A. Yadon, for supervision, geology, and engineering. On my visit, I learned that Mr. Yadon had been a miner most of his life; however, I doubt seriously that he is qualified to perform engineering or geological services other than the most rudimentary kind. He had not submitted a geological report and had not made a log of the drill cuttings. I returned the voucher and supporting statements to Mr. Davies and advised him to revise some of the items on form 9-1648, because he had mistakenly inserted the wrong figures in the units column.

I collected one pint-size fruit jar sample from each ten-foot of drill cuttings to study upon my return to the office in Spokane.

In the afternoon, I visited the Big John property and located the drill hole with respect to the trenches. It is 75 feet north of the west end of the trench and is in the correct position to test for downward extensions of the zone exposed in the trench. Further examination of the area surrounding the trench found much basalt and there are indications that basalt is faulted down against the granitic rock a few feet west of the trench.

I have dried the seventeen samples of drill cuttings and examined splits of each under the binocular microscope. I also tested each sample with a geiger counter because the ore in the trench was weakly radioactive. I did not find any fragments of mafic dike in the cuttings. A few pieces of rusty-stained rock might represent oxidized material, similar to that in the ore zone in the trench. Most of the drill cuttings consist of quartz, biotite, and feldspar; tiny magnetite crystals are present. Splits of five samples have been sent out for gold-silver assay; results should be available within a week.

Willard P. Puffett

Willard P. Puffett

MAGIC SILVER MINING CORPORATION

TWIN FALLS, IDAHO 83301

November 6, 1970

RECEIVED
NOV 10 1970
O. M. E.
SPOKANE. WASH.

RE: OME 6812 (Gold-Silver)
Contract # 2291
Big John Property
Blaine County, Idaho

Mr. Willard P. Puffett
Field Officer, OME Region I

Office Of Minerals Exploration
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Washington 99201

Dear Mr. Puffett:

Because of weather conditions we would like to ask for an amplification on the completion date of our contract. We would like to continue drilling on or before May 15, 1971 and complete the contract within 60 days.

Sincerely,

Delmer Davies

Delmer Davies Sec/Treas
Magic Silver Mining Corp.
566 Wirsching Ave.
Twin Falls, Idaho 83301

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

October 6, 1970

OFFICIAL COPY
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Mr. Delmer Davies
Secretary-Treasurer
Magic Silver Mining Corporation
566 Wirsching Avenue
Twin Falls, Idaho 83301

Re: OME 6812 (Gold-Silver)
Big John Property
Blaine County, Idaho
Contract 2291

Dear Mr. Davies:

We are enclosing a three-month supply of the Operator's Monthly Voucher, Form 9-1648. The original and three copies of the completed report forms as well as the narrative, maps, assays, and all technical data, should be submitted for each month in which costs have been incurred under the contract. However, in the event that you do not wish to submit a voucher for any month, the narrative report for the work done in that month is required. Delay in processing can be avoided if reports are submitted promptly to this office.

Also enclosed are three copies of Standard Form 38, entitled "Notice of Nondiscrimination in Employment." In accordance with Executive Order 11246, which is Exhibit B of your contract, you should complete one copy and send it to any labor union that may be involved in your OME contract work and should post one or more copies in conspicuous places available to employees or applicants for employment. The enclosed poster should be exhibited in a conspicuous place available to both employees and applicants for employment.

We would appreciate your advising us when the OME contract work has started.

Sincerely,

Enclosures

Willard P. Puffett
Field Officer, OME
Region I

cc: OME ✓

OFFICIAL COPY

Vol 1 Form
HK 120

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

September 18, 1970

Mr. Delmer Davies
Secretary-Treasurer
Magic Silver Mining Corp.
566 Wirsching Avenue
Twin Falls, Idaho 83301

Re: OME 6812 (Gold-Silver)
Big John Property
Blaine County, Idaho
Contract No. 2291

Dear Mr. Davies:

Enclosed are the original and three copies of a proposed contract on the subject property. The contract consists of MME Form 50 (7 pages), Annex I (one page), Exhibit A (3 pages), Exhibit B (one page), and two maps (Figures 1 and 2). All copies of the contract have been signed for by the Government. You should insert the date for commencement of the work.

You or whoever will be in charge of carrying out the project work under this contract are urged to read carefully all the specifications set forth in Exhibit A. Without prior Government approval subsequently confirmed in writing, the Government may refuse to contribute to the cost of any work that does not conform to these specifications.

Appropriate forms to meet the compliance requirements in Exhibit B will be sent with forms for reporting monthly progress and vouchering, after we have received the signed contracts.

If the terms and conditions are satisfactory, sign all copies, keep the Operator's copy, and return the other copies to this office. If any part of the proposed contract is not satisfactory, please return all copies unsigned to this office with a statement of your proposed changes for consideration.

The 9½ percent interest accrues from the dates on which the individual payments are made by the Government and, like the principal, is payable from royalty on production.

Sincerely,

Willard P. Puffett
Field Officer, OME
Region I

Enclosures

cc: OME

Form 7
2/63)

OFFICIAL FILE COPY

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AIRMAIL

SEP 15 1970

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6812 (Gold-Silver)
Magic Silver Mining Corp.
Big John Property
Blaine County, Idaho

Enclosed are the original and three copies of the first page of the proposed contract for the subject property. Please substitute these for the first page of the proposed contract sent to you on September 14, 1970. The new page shows the correct interest rate to be 9-1/2 percent.

Harold Kirkemo (bsl)
Harold Kirkemo

Enclosures

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

HKirkemo/bsl 9/15/70

Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/10/70	Emerick	120
9/10/70	Kirkemo	
9/11/70	[illegible]	
9/11/70	D. A. Brew	
9/14	Cal	220
		120M

AIRMAIL

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6812 (Gold-Silver)
Magic Silver Mining Corp.
Big John Property
Blaine County, Idaho

Enclosed are the original and three copies of a proposed contract for the subject property. The contract consists of MME Form 50 (7 pages), Annex I (one page), Exhibit A (3 pages), Exhibit B (one page), and two maps (Figures 1 and 2). All copies of the contract have been signed for the Government. You should insert the date for commencement of the work. Also enclosed is an extra copy of the contract for field use.

If the proposed contract is satisfactory to you and the Applicant, all four copies should be signed by an authorized representative of the Applicant. Thereafter, please distribute the copies as usual.

Please advise the Applicant that the 9 1/2 percent interest accrues from the dates on which individual payments are made by the Government and like the principal is repayable from royalty on production.

If any part of the proposed contract does not have your approval or that of the Applicant, the original and all copies should be returned to this office together with the proposed changes for consideration.

Harold Kirkemo cal

Harold Kirkemo

Enclosures

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

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IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON, D.C. 20240

SEP 8 1970

Memorandum

To: Chief, Office of Minerals Exploration

From: Associate Solicitor--Mineral Resources and General Legal Services

Subject: OME-6812 (Gold-Silver)
Blaine County, Idaho

We have reviewed the application and the proposed exploration contract between Geological Survey and the subject corporation. We have approved the proposed contract as to legal form and it has been typed in final.

We assume that you will satisfy yourself of the applicant's ability to pay its share of the costs of exploration.

The proposed contract and your file is returned herewith.

Bruce Wright
Associate Solicitor
Mineral Resources and
General Legal Services

Enclosure

DRAFT 7/16/70
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MME Form 50
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. GEOLOGICAL SURVEY

Draft copy

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME-6812	Gold-Silver		Blaine	Idaho

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Magic Silver Mining Corporation, an Idaho corporation

whose mailing address is 566 Wirsching Avenue, Twin Falls, Idaho 83301, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 4 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $ 13,320.00 . The Government will contribute ~~50~~ 75 percent of the allowable costs as they are incurred, in a total sum not in excess of $ 9,990.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest at the rate of 9½ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

ARTICLE 2. Operator's right in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

See Annex I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

See Annex I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.-- The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government; however, the original of the Operator's Monthly Voucher shall be supported by documentary evidence, such as certified copies or transcripts of payrolls and invoices, for all costs claimed under Article 6 (a) (1).)

(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 three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs.

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

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

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article, or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

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

CATEGORY (4)--OPERATING EQUIPMENT.

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

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

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

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

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

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

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

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--In addition to the limitations imposed by paragraph (a) of this Article 6 the Government will not contribute to the following costs:

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

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

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

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

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. The provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retains his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or Producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

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

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

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

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 12. Nondiscrimination in Employment. The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961 as amended and supplemented are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 14. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for

liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provision.--

_____

_____

_____

_____

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

MAGIC SILVER MINING CORPORATION
(Operator)

By_____

Title_____

By_____
Director, U. S. Geological Survey

I, _____ (Name), certify that I am the

_____ secretary of the corporation named as Operator herein; that

_____ (Name), who signed this contract on behalf of the Operator, was then

_____ (Title) of said corporation; that said contract was duly signed for

and in behalf of said corporation by authority of its governing body, and is within the scope of its

corporate powers.

_____

[CORPORATE SEAL]

DRAFT 7/16/70
WLEmerick/gla

EXPLORATION CONTRACT
MAGIC SILVER MINING CORPORATION
OME-6812

ANNEX I

The land including all rights pertaining thereto, referred to in Article 2 of the contract, consists of six (6) unpatented lode mining claims in sec. 30, T. 1 S., R. 18 E., B.M., Mineral Hill mining district, Blaine County, Idaho. It is shown on Figure 1 entitled "Property map - Magic Silver Mining Corporation, Blaine County, Idaho," attached and made part hereof.

The claims are recorded in the office of the County Clerk, Hailey, Idaho, as follows:

Claim	Book	Page
Big John (#126353)	158	545
Big John 1 (#126518)	158	546
Big John 3 (#126519)	158	547
Big John 4 (#126520)	158	548
Big John 5 (#126521)	158	549
Big John 6 (#126522)	158	550

The Operator is the owner of the claims.

EXPLORATION CONTRACT
MAGIC SILVER MINING CORPORATION
OME-6812

EXHIBIT A

The purpose of this project is to explore by diamond core drilling from prepared surface sites for gold- and silver-bearing ore bodies occurring in the down-dip extensions of a vein cutting granitic rock.

General Provisions

All drill holes shall be completed with standard EX core size or equivalent wire line size.

All drill holes shall be cased as necessary. The Government will not contribute to the cost of casing left in a hole at the Operator's request.

Diamond drill core shall be stored in boxes identified by hole numbers with markers in the core sections indicating the depths represented.

Facilities shall be provided for recovering drill sludge, and such sludge shall be retained when drilling in significantly mineralized rock.

All drill core shall be logged and significantly mineralized core shall be split and one split assayed. Whenever core recovery is less than 60 percent, a split of the corresponding retained sludge shall be assayed separately. The remaining core shall be stored in proper sequence with the unsampled core, and the remaining sludge shall be stored in suitable containers properly identified as to hole number and depth.

All splits of samples for assay shall be analyzed for silver and gold.

True copies of assay certificates, copies of drill logs, and maps or sketches showing the work completed during the reporting period, the location and width of all samples taken, and the geological formations and structures traversed by the drill holes shall be furnished monthly to the Government.

Stored samples shall be made available for Government inspection and possible use, and may be disposed of only with prior Government approval.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The Government shall not contribute to the costs of incomplete drill holes.

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

Description of the Work

The work shall consist of drilling five vertical holes totalling an estimated 1,450 feet, including overburden drilling. The approximate locations and depths of the drill holes are shown on Figure 2 entitled "Map showing proposed drill holes, Magic Silver Mine, Sec. 30, T. 1 S., R. 18 E., Blaine County, Idaho," attached and made part hereof.

Estimated Costs of the Project

Actual Costs

Category (1) Independent Contracts

Drilling

Diamond core and overburden drilling, includes mobilization, demobilization, and moving between drill sites, 1,450 feet @ $7.25/foot (EX core size)	$10,512.50	
Casing, 100 feet @ $2.00/foot	200.00	
135 cardboard core boxes @ $1.25/each	168.75	
35 sample sacks @ $0.25/each	8.75	
Sludge collecting and sampling supplies	45.00	
		$10,935.00

Category (2) Personal Services

None except:

Subcategory (a) Supervision and Technical Services

Supervisor-Engineer-Consultant, 24 days @ $75.00/day		1,800.00

Category (7) Miscellaneous

None except:

Payroll taxes, F.I.C.A., Insurance	$ 310.00	
Accounting and office expense, 3 months @ $50.00/month	150.00	
Assaying for gold and silver, 25 samples @ $5.00/sample	125.00	
		585.00
Total Estimated Cost of the Project		$13,320.00

S U M M A R Y

Total Estimated Cost	$13,320.00
Government Participation at 75 percent	$ 9,990.00

Subject : Magic Silver Mining Corp. OME-6812

Applicant should be asked to supply the following documents:

1. Copy of articles of incorporation, dated 10 Oct. 1967 recorded Oct. 17, 1967
2. Copy of quit claim deed James & Mary Davis, dated August 26, 1967 & recorded August 31, 1967
3. Copy of quit claim deed Phillip & Marie Davis, dated August 4, 1967 and recorded August 31, 1967
4. Copy of quit claim deed Magic Silver Mining, Inc to Harris Casperson, dated March 25, 1969
5. Copy of Trustee's deed from John Poer to Delmar L. Davies dated June 25, 1969 recorded July 10, 1969
6. Copies of deeds to Magic Silver Mining Corp.
   a. Delmar Davis & wife, dated January 12, 1970, recorded Jun. 13, 1970
   b. Howard Halford & wife, dated November 6, 1967, recorded ?
   c. Virgil Tadford & wife, dated Nov. 16, 1967, recorded ?
   d. Ed Anderson & wife, dated Nov. 20, 1967, recorded?
   e. Emmett Yadon & wife, dated Nov. 16, 1967 recorded ?

A total of 10 documents.

8/8 th.

?	1/4 1/8 James Davis	— Q/C Aug. 31, 1967 = To whom ?*
?	1/8 Phillip Davis	— Q/C Aug 31, 1967 = To whom ?
Orig. Owners	1/4 1/8 Virgil Jadlock	
	1/8 Ed Anderson	
	1/4 1/8 Emmet Yadon	
?	1/4 1/8 Harris Cosperson	— Sold to Delmer Davis by Bankruptcy Ct. 6/25/69
	1/4 1/8 Delmer Davis	*Couldn't be Magic Silver Mine Corp,
	1/8 Howard Halford	because not incorp until Oct 10, 1967
(after Aug. 1967	1/6 Virg. Jadlock	— Deed to Corp. 1/12/70
	1/6 Ed Anderson	— " " " 11/20/67
	1/6 Emmet Yadon	— " " " 11/16/69
1/6 + 1/6 + 1/6 + 1/6 = 2/3	1/6 Delmer Davis	— " " " 1/12/70
	1/6 Howard Halford	— " " " 11/6/67

Questions

1. To whom did James + Phillip Davis quit claim their 1/8 th. interest on August 31, 1967 which was over a month before Magic Silver was incorporated on Oct. 10, 1967?

Comment: It is not possible to deed a claim to an unincorporated corporation.
If the deeds were to the corporation before it was incorporated, they are not valid.
If the claims were deed to individuals, who are they?

2. What do the deeds from Davis, Tadlock, Halford et al. provide?

3. What is meant by the statement that Magic Silver, Inc. made a deed to Harris Casperson on March 25, 1969 in light of the fact that there is no reference to a deed from Casperson to Magic Silver in the first instance

MAGIC SILVER MINING CORPORATION

TWIN FALLS, IDAHO 83301

September 3, 1970

O.M.E. 6812

Mr. Harold Kirkemo
U.S. Dept. of Interior
Geological survey
Washington D. C. 20000

Dear Mr. Kirkemo:

Our cost of exploration will be furnished by the corporate members on a personal loan and will be deposited in the First Security Bank of Idaho here in Twin Falls, Idaho on receipt of contract for exploration assistance.

Sincerely,

Delmer Davies

Delmer Davies Secretary
Magic Silver Mining Corp.
566 Wirsching Ave
Twin Falls, Idaho 83301

ORIGINAL
COPY
O. M. E.
RECEIVED
SEP 8 1970
INITIAL CODE
Osl/20 M
HK 7/20
WE 7/20

western union

Telefax

FAX FAX

PRA202 PR TFA033 BD NL PDB TWIN FALLS IDA 3

HAROLD KIRKEMO US DEPT OF INTERIOR

GEOLOGICAL SURVEY WASHDC

REFERENCE OME-6812

OUR COST OF EXPIRATION WILL BE FURNISHED BY THE CORPORATION

MEMBERS ON A PERSONAL LOAN. LETTER WILL FOLLOW

DELMER DAVIES SECY MAGIC SILVER MINING CORP.

SEP 9 22

WU 1270 (R 5-69)

OME-6812

It is generally recognized that expiration is extremely costly in the United States. I hope that corporate expiration is less so.

MAGIC SILVER MINING CORPORATION

TWIN FALLS, IDAHO 83301

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 31 1970

INITIALS	CODE
	130
	100
HK	120
WE	100

7-27-70

Office of Minerals Exploration
Washington D. C. 20242
Mr. William L. Emerick
Assistant Chief
Geological Survey

OME - 6812

Dear Mr. Emerick:

Enclosed find copies requested in letter dated 7-22-70.

Sincerely

Delmer Davies

Delmer Davies
Secretary-Treasurer
Magic Silver Mining Corp.
566 Wirsching Ave
Twin Falls Idaho 83301

See left side of docket

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Chief, OME		
2. Re: ~~OME-6812 (Gold, Silver)~~ Magic Silver Mining Corp. ~~Big John Property~~ Blaine County, Idaho		
3.		
4.		
5.		
FROM: Willard P. Puffett, Field Officer, Region 1	7/15/70	

FOR: Check items for action desired

____ Action ____ Reply for signature of ____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions X Your information

REMARKS: Attached is my signed final page of the original of the application examination for the cited docket. Thanks for ~~the~~ good typing ~~job~~.

The docket must be found to exist. The land was

OFFICIAL COPY

O. & G.

JUL 17 1970

RECEIVED

INTERIOR

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

7. Miscellaneous

Samples assayed for gold and silver,		
25 at $5/sample	$125.00	
F. I. C. A. and Insurance	306.00	
Accounting and office expense,		
3 months at $50/mo.	150.00	581.00
Total Estimated Cost		$13,312.25
Government Participation at 75 percent		9,984.20

REFERENCES CITED

Anderson, A. L., Kiilsgaard, T. H., and Fryklund, V. C., Jr., 1950, Detailed geology of certain areas in the Mineral Hill and Warm Springs mining districts, Blaine County, Idaho: Idaho Bur. Mines and Geology, Pamph. 90, 73 p.

Anderson, A. L., and Wagner, W. R., 1946, A geologic reconnaissance of the Hailey gold belt (Camas district), Blaine County, Idaho: Idaho Bur. Mines and Geology, Pamph. 76, 26 p.

Stearns, H. T., Crandall, Lynn, and Steward, W. G., 1938, Geology and ground-water resources of the Snake River plain in southeastern Idaho: U. S. Geol. Survey Water-Supply paper 774, 268 p.

Weis, P. L, Armstrong, F. C., Rosenblum, Samuel, 1958, Reconnaissance for radioactive minerals in Washington, Idaho, and western Montana, 1952-1955: U. S. Geol. Survey Bull. 1074-B, 48 p.

Willard P. Puffett

Willard P. Puffett

Enclosures:

Figure 1.-Geologic, Topographic, and Index maps, Magic Silver Mine, Blaine County, Idaho.

Figure 2.-Map showing proposed drill holes, Magic Silver Mine, Sec. 30, T. 1 S., R. 18 E., Blaine County, Idaho.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/21/70	Everick	120
7/22	cac	220
		120M

JUL 22 1970

AIRMAIL

Mr. Delmer Davies
Secretary-Treasurer
Magic Silver Mining Corp.
566 Wirsching Avenue
Twin Falls, Idaho 83301

Re: OME-6812 (Gold-Silver)
Magic Silver Mining Corp.
Big John Property
Blaine County, Idaho

Dear Mr. Davies:

We are processing your application for exploration assistance on the Big John property and find that additional information is needed. Would you please furnish this office with the following ten documents:

(1) Copy of articles of incorporation, dated October 10, 1967 and recorded October 17, 1967.

(2) Copy of quit claim deed James and Mary Davis, dated August 26, 1967 and recorded August 31, 1967.

(3) Copy of quit claim deed Phillip and Marie Davis, dated August 4, 1967 and recorded August 31, 1967.

(4) Copy of quit claim deed Magic Silver Mining, Inc., to Harris Casperson, dated March 25, 1969.

(5) Copy of Trustee's deed from John Doerr to Delmer L. Davies, dated June 25, 1969 and recorded July 10, 1969.

(6) Copies of deeds to Magic Silver Mining Corporation from:

(a) Delmer Davies and wife, dated January 12, 1970 and recorded June 13, 1970.
(b) Howard Halford and wife, dated November 6, 1967 and recorded?.
(c) Virgil E. Tadlock and wife, dated November 16, 1967 and recorded?.

(d) Ed Anderson and wife, dated November 20, 1967 and recorded?.

(e) Emmett Yadon and wife, dated November 16, 1967 and recorded?.

Sincerely yours,

William L. Emerick

William L. Emerick
Assistant Chief
Office of Minerals Exploration

cc: Director's Reading File
Mineral Resources File
OME Docket
OME RegionI
Mr. Emerick

WLEmerick/bsl 7/21/70

orm 7
3)

OFFICIAL FILE COPY

Date	Surname	Code
7/10/70		120
		220
		120M

JUL 13 1970

AIRMAIL
CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: Application Examination Report
OME-6812 (Gold, Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho

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

Your draft copy of the report is returned herewith.

Harold Kirkemo (gla)

Harold Kirkemo

Enclosures

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

GLAult/a 7/10/70

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
Room 656, U. S. Courthouse
West 920 Riverside Avenue
Spokane, Washington 99201

JUL 13 1970

June 25, 1970

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Application Examination Report
OME-6812 (Gold, Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho

INTRODUCTION

The Magic Silver Mining Corporation has applied for OME assistance to explore downward extensions of a gold-silver-bearing vein in granite that they have exposed in a bulldozed trench. I examined the property on June 17, 1970, in the company of Mr. Delmer Davies and Mr. Ed Anderson, officers of the corporation, and mapped the trenches, sampled the vein, and discussed the proposed work with the two men. The examination took about 4 hours.

RECOMMENDATION

I recommend that OME approve a contract to explore downdip extensions of the gold-silver-bearing vein by diamond drilling vertical holes from the surface. Five holes with a maximum aggregate footage of 1,450 feet should adequately test the vein to a projected depth of about 250 feet, along a strike length of 400 feet. The estimated cost of the work is $13,312.25. At the surface the vein contains commercial quantities of gold, silver, and lead. Tests show that some radioactive minerals are also present. The vein is similar to productive veins in the Hailey Gold Belt about 9 miles to the northwest in containing similar minerals and being associated in space with mafic dikes cutting granite. Successful exploration should be of significance in extending the Hailey Gold Belt to the southeast, or to opening up a hitherto unknown productive area.

APPLICANT

Magic Silver Mining Corporation
566 Wirsching Avenue
Twin Falls, Idaho 83301

ON-SITE EXAM. RPT.

The Magic Silver Mining Corporation was incorporated October 10, 1967, in Idaho.

Officers are as follows:

President:	Emmett Yadon	Route 1, Twin Falls, Idaho 83301
Vice-President:	Ed Anderson	Box 141, Burley, Idaho 83318
Secretary-Treasurer:	Delmer Davies	566 Wirsching, Twin Falls, Idaho 83301
Director:	Virgil Tadlock	322 3rd Ave. W., Twin Falls, Idaho 83301
Director:	Howard Halford	Route 1, Burley, Idaho 83318

PROPERTY

The applicant's property consists of six unpatented claims. These were originally located as the Big John, Big John 1, 3, 4, 5, and 6. The applicant now refers to them by the reception number under which they were recorded in the County Clerk's office, Hailey, Idaho. The application details the history of change of ownership of the claims from the time they were staked until they were all finally deeded to Magic Silver Mining Corporation. The documents of change in ownership are recorded in the County Clerk's office in Hailey, Idaho. I visited the office and confirmed that the deeds had been recorded but I did not personally examine the deeds. Perhaps copies of the several deeds (see page 2 of the application) should be requested; however, I have no doubt that Magic Silver Mining Corporation has legal title to the claims. I think that, on a contract, the claims should be referred to as the Big John, etc., as is indicated on Figure 1. (Geologic, Topographic, and Index Maps, Magic Silver Mine, Blaine County, Idaho.).

LOCATION AND ACCESSIBILITY

The Big John claims are in the S½ Sec. 30, T. 1 S., R. 18 E., B. M., Blaine County, Idaho. (fig. 1). The bulldozed trenches, in which the vein is exposed, are on the eastern side of a shallow saddle between smooth-sloped sage-covered hills. To reach the trenches from Hailey, Idaho, drive south on U. S. Highway for 18 miles to the gravelled Magic Valley road. Follow this road west and northwest for 3.5 miles, to a junction with an access road that branches to the north. The mine or trenches are about a mile, by road, from this junction. The junction of U. S. Highway 93 and the Magic Valley road is 3.5 miles south of the junction of U. S. Highway 93 and Idaho State Highway 68. The road to the mine is easily traversible with an ordinary sedan; during rainy periods, the road might be slick. The altitude, at the mine, according to the Bellevue, Idaho, 15' quadrangle sheet, is approximately 5300 feet. The development consists of about 300 feet of bulldozer trenches with a maximum depth of about 20 feet (fig. 1). There are no buildings on the property.

GEOLOGY

General

The mineralized zone, referred to as the vein, on the Big John property is mineralized and iron-stained granitic rock overlain by alaskite and cut by an altered fine-grained dike. Shipments of vein material prove that the vein contains commercial quantities of gold-silver-lead ore. No sulfides are present and apparently the ore minerals are oxidized to depths greater than have been explored. The vein is similar to those that have been productive in the Hailey Gold Belt, about 9 miles to the northwest of the claims.

Bedrock Geology

Published geologic maps (small scale) show that the applicant's property is underlain by Tertiary volcanic rocks, commonly rhyolitic (Stearns, et al., 1938, Pl. 4; Geologic Map of State of Idaho). Most of the landscape is composed of smooth-sloped hills covered with a thin soil that supports sage brush and little else; bedrock outcrops are rare. The rocks exposed in the trenches excavated by the applicant, however, are definitely not volcanic, but are several varieties of intrusive rocks. Coarse- to medium-grained biotite granite, pinkish-gray alaskitic rock, and an altered fine-grained mafic dike are present (fig. 1). Perhaps these are extensions of crystalline rocks exposed near Bellevue (Anderson, et al., 1950, fig. 2), and are in a window of Idaho Batholith rocks that have been exposed by erosion of Tertiary volcanic rocks or have never been covered by the volcanics.

The alaskitic rock is the freshest appearing of the three types. It is pinkish gray, and composed of tightly interlocking feldspars, some of which are creamy gray. There are scattered small flakes of hematite, but no other recognizable dark minerals. The rock breaks along subparallel partings, and this gives the rock a bedded aspect in walls of the trench. This rock rests directly on the vein material, and where the vein material is absent, rests on a fault, below which is brecciated granitic rock. Perhaps the alaskite is a dike, but exposures are too small to prove this.

The granitic rock is considerably altered and some of the feldspars are completely altered to sericite, even though they retain their crystal shape. Other feldspars are argillized to a fine-grained greenish clay-like mineral. Dark minerals include sparse biotite and leucoxene. The granitic rock is exposed in the south walls of the trench, either below the mafic dike or below a fault. Beneath the fault in the eastern part of the east-west trench (fig. 1) the

granitic rock appears to be finely brecciated. Beneath the mafic dike on the north side of the east-west trench, the granitic rock is bleached and argillized, and is white with streaks of brown iron stain. In general, the granitic rock is not as compact as the alaskite, due in part to the alteration of the feldspars to clay.

The mafic dike is light- to medium-gray with scattered specks of brown iron stain. Under manification, the small brown spots appear to be altered feldspars. Tiny black minerals are probably pyroxene. Tiny voids are lined with banded silica, obviously a secondary product. Probably this rock is basaltic in composition--however, it might be lamprophyre, similar to those in the Hailey Gold Belt (Anderson and Wagner, 1946, p. 6). The mafic dike occurs below the alaskite, and cuts across the granitic rock. A fragment of dike material is exposed along the west-dipping fault on the south side of the east-west trench (fig. 1). In the north wall of the trench, the dike trends northwest and dips to the northeast. In the south, sloughed wall of the trench, the dike appears contorted, and dips at various angles. The east-dipping fault apparently cuts and offsets the dike (fig. 1).

Vein

The mineralized zone, hereafter referred to as the vein, is deeply iron-stained granitic rock in which are thin stringers and pods of dark gray material that, as seen under the microscope, is banded chalcedony containing dusty black minerals. No sulfides are present, but a yellowish-buff mineral is tentatively identified as pyromorphite. A bright green mineral is perhaps fluorite, but this has not been verified. Heavy minerals, panned from a selected sample of the vein, contain two irregular-shaped, tiny grains of gold. The geiger counter indicated anomalously high radioactivity in the vein on the north side of the trench. Heavy mineral concentrates from this area contain 0.07% eU. as measured by the calibrated geiger counter in our office. Perhaps the radioactive mineral is fine-grained uraninite in the chert or it might be thorium. Radioactive minerals are known to be in nearby areas to the north of the Magic Silver property (Weis, et al., 1958, p. 13-14, 40-41).

The vein is exposed along about 110 feet of the trench. In the north wall of the trench, the vein strikes N. 70° W. and dips 55° N., and is 6-32 inches thick. It is truncated against the more flatly-dipping mafic dike; the applicant asserts that the vein extends to the east below the dike, but I could not verify this as the bottom of the trench was partially filled with sloughed material. I could see that the vein in the south wall of the trench is truncated by the east-dipping fault. The Federal Resources Corporation reconnaissance report of May 22, 1967, that accompanies the application, describes two more or less parallel

veins separated by a volcanic dike. There is, therefore, reason to believe that in parts of the explored area the vein material is both above and below the mafic dike, although in the only exposure I was able to examine, the vein is above the dike (fig. 1).

The applicant shipped about 35 tons of vein material to the International Smelting and Refining Company, Tooele, Utah, in May 1967. The settlement sheet, with the application, indicates this material contained 0.5 ounces gold and 18 ounces silver per ton, 9 percent lead, 0.5 percent zinc, and 0.3 percent copper. Selected samples assayed for the applicant and others indicate about 0.5 ounces gold and 5-60 ounces silver per ton.

I collected three samples for assay; two channel cuts across the wider parts of the exposed vein, and one of selected material I assumed to represent the richest part of the vein. The assay data, also shown on Figure 1, are as follows:

Sample Number	Length inches	Gold oz/ton	Silver oz/ton	Lead %	Copper %
858B	32	0.42	4.3	5.8	
859B	32	0.56	0.6	17.8	
860B	Selected high grade ore (?)	0.17	11.4	35.9	0.76

It is obvious from the assay data that the selected high grade which, though high in silver and lead, is not high in gold. Assay data of samples taken by Federal Resources Corporation and submitted with the application also show lower gold values in the selected samples than in the channel samples across the vein. This might reflect the oxidized character of the vein in some manner, but there seems no simple solution. In the assay data of my samples, there is no consistent correlation between gold and silver, gold and lead, or silver and lead. The bulk sample, represented by the 35-ton shipment to the smelter by the applicant, probably reflects more accurately than individual samples the general average metal content of the vein.

Comparison with veins in Hailey Gold Belt

The veins in the Hailey Gold Belt are fissure fillings of lenticular habit and occupy moderately low-angle reverse faults that strike WNW and dip NE (Anderson and Wagner, 1946, p. 1). They are associated with lamprophyre dikes that lie along and across the veins. Anderson and Wagner (1946, p. 7) think the dikes were intruded along the same fractures as the veins and were formed as ore mineralization came to a close. Sulfides form only a small part of the vein filling and the veins are most important for their precious metals.

The vein on the Big John claim has some similarities to the veins described in the Hailey Gold Belt. The Big John vein strikes WNW, dips NE, and is associated with a fine-grained mafic dike that might be lamprophyre. The dike cuts across the vein and appears to be younger than the ore mineralization. Sulfides are not present; however, oxidation is obvious in the shallow depths explored.

The Big John vein, however, is not primarily a quartz vein; in fact, other than the pods or stringers of dark colored chalcedony, there is little evidence of quartz.

I'm intrigued by the similarities in strike and dip, and the association with lamprophyre, of the Big John vein with those in the Hailey Gold Belt. Perhaps the mineralization at the Big John occurred at the same time and from the same source as that in the Hailey Gold Belt. Some of the mines in the Hailey Gold Belt extended to several levels below the surface, and although the individual shoots were only 200 to 400 feet long, some mines produced more than a million dollars worth of ore (Anderson and Wagner, 1946, p. 9). The exposed parts of the Big John vein indicate a promising amount of ore minerals, and additional exploration appears to be justified.

APPLICANT'S PROPOSAL

The applicant originally proposed bulldozing about 20,000 yards of overburden to expose more of the vein, after which diamond core drilling would test for extensions of the ore at depth. In a letter of June 19, 1970, written after my field examination, the applicant proposes diamond core drilling several shallow holes only and submitted a map on which the proposed holes are shown.

Two bids for diamond drilling accompanied the letter of June 19, 1970. Neither bids were as detailed as those ordinarily submitted by commercial diamond drillers. I contacted Mr. Delmer Davies by telephone on Thursday, June 25, to encourage him to obtain some bids from other drillers. He said that he had talked to several people for whom Glenn Fordyce had drilled and they had been very satisfied. Mr. Fordyce's equipment is a jeep-mounted drill with which he has successfully drilled to depths of 500 feet. Core recovery reportedly was very satisfactory.

Mr. Davies said that Mr. Fordyce had recently visited the Big John property and he (Mr. Fordyce) believed his equipment could satisfactorily drill the granitic rock. Fordyce's bid does not include casing cost, and such cost would be in addition to the $7.25 per foot bid. Mr. Fordyce would not charge for moving onto the property or for moving between holes and he would supply his own water.

My concern, as I explained to Mr. Davies on the telephone, was whether Mr. Fordyce could obtain satisfactory core recovery. All Mr. Davies could reply was that the several people for whom Fordyce drilled had been satisfied.

The target for the drilling will be not only the vein but a wider interval of altered granitic rock, for in the trench there is a bleached zone below part of the vein, and I assume this will extend to depth. Hence, if core recovery is not 100 percent in the vein, there surely will be sufficient core recovery to indicate the altered zone. Ideally, of course, 100 percent core recovery of the vein is to be hoped for. I believe, therefore, that Mr. Fordyce will be able to satisfactorily fulfill the specifications of a drilling contract if the holes are not more than 350 feet deep.

RECOMMENDED PROPOSAL

I recommend that approval be given to diamond core drill five vertical holes as shown on Figure 2 (Map showing proposed drill holes, Magic Silver Mine, Sec. 30, T. 1 S., R. 18 E., Blaine County, Idaho). Holes Nos. 1 and 3 will test for continuation of the vein to depths of 100-150 feet and holes 2, 4, and 5 will test the vein at depths of 250-300 feet. Normal or reverse faults, of unknown displacement, might have offset the vein several tens of feet, and if these can be correctly interpreted after completion of the first one or two holes, location and depths of the other holes can be changed accordingly. The holes, as shown on Figure 2, will be collared in fairly flat country, with thin soil cover, and there should be no costly drill site preparation. The jeep-mounted drill rig of Mr. Fordyce should be able to successfully move between drill sites with ease.

Possible results of exploration

A shipment of 35 tons of vein material contained 0.5 ounces gold, 18 ounces silver, and 9 percent lead. Assay data of samples of the vein indicate similar values for the ore. The vein in the trench is 6-32 inches thick, and, according to the applicant and to a geologist's report for a private company, occurs both above and below a mafic dike, forming a rather thick target zone.

The drilling, as proposed, will test the vein to a projected depth of about 250 feet along a strike length of 400 feet. If the vein persists as a single vein averaging 24 inches thick, the total tonnage to a depth of 250 feet, or a downdip depth of 300 feet (assuming a constant 55° dip) is calculated to be 20,000 tons (assuming a tonnage factor of 12 cubic feet per ton). If the average contained precious

metal is 0.5 ounces gold and 15 ounces silver per ton, the total indicated metal content will be 10,000 ounces of gold and 300,000 ounces of gold that at present prices of $35.00 an ounce for gold and $1.60 per ounce for silver, will total $830,000. Five percent of the total amount is $41,500 or about three times the estimated cost of the proposed drilling.

ESTIMATED COST OF PROJECT

The work will consist of diamond core drilling five vertical holes north of the vein to test for downdip extensions of ore exposed in a bulldozed trench. Depth of hole will depend on dip of vein and possible faulting, and will range from 100 feet to a maximum of 350 feet. Diamond drilling will be by contract and the contract driller will furnish water and will not charge extra for moving onto or off property or for moves between drill sites. Length of project is estimated to be three months. Supervision will be furnished by the applicant. Ore intersections will be split and sampled; maximum length of ore intercept per sample is 5 feet.

Actual Cost

1. Independent Contract

Diamond drilling

Includes mobilization and demobilization and moves between a maximum of 5 holes.

1,450 feet at $7.25 per foot (7/8 inch diameter)		$10,512.50

2. Personal Services

Engineer-supervisor-consultant

Two days per week, or total of 24 days at $75/day		1,800.00

3. Operating Materials and Supplies

Casing, 100 feet at $2.00/ft.	$200.00	
Core boxes, cardboard, 135 at $1.25/box	168.75	
Sample sacks, 25 at $0.25/sack	5.00	
Sludge catching and sampling supplies	45.00	418.75

U.S. GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OME 681Z (GOLD-SILVER)

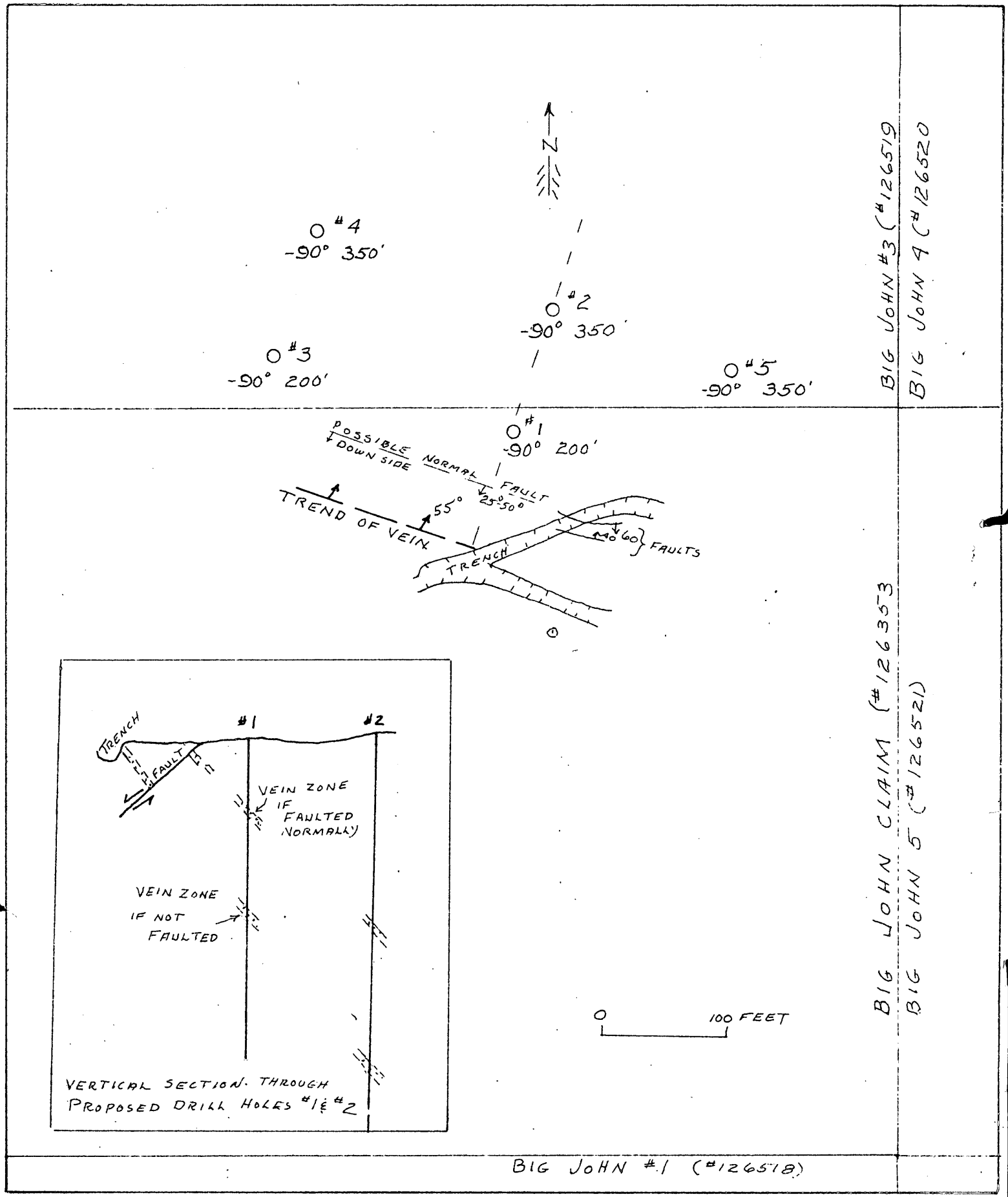


FIGURE 2-MAP SHOWING PROPOSED DRILL HOLES, MAGIC SILVER MINE, SEC. 30, T. 1S., R. 18 E., BLAINE COUNTY, IDAHO

7. Miscellaneous

Samples assayed for gold and silver,		
25 at $5/sample	$125.00	
F. I. C. A. and Insurance	306.00	
Accounting and office expense,		
3 months at $50/mo.	150.00	581.00
Total Estimated Cost		$13,312.25
Government Participation at 75 percent		9,984.20

REFERENCES CITED

Anderson, A. L., Kiilsgaard, T. H., and Fryklund, V. C., Jr., 1950, Detailed geology of certain areas in the Mineral Hill and Warm Springs mining districts, Blaine County, Idaho: Idaho Bur. Mines and Geology, Pamph. 90, 73 p.

Anderson, A. L., and Wagner, W. R., 1946, A geologic reconnaissance of the Hailey gold belt (Camas district), Blaine County, Idaho: Idaho Bur. Mines and Geology, Pamph. 76, 26 p.

Stearns, H. T., Crandall, Lynn, and Steward, W. G., 1938, Geology and ground-water resources of the Snake River plain in southeastern Idaho: U. S. Geol. Survey Water-Supply paper 774, 268 p.

Weis, P. L, Armstrong, F. C., Rosenblum, Samuel, 1958, Reconnaissance for radioactive minerals in Washington, Idaho, and western Montana, 1952-1955: U. S. Geol. Survey Bull. 1074-B, 48 p.

Willard P. Puffett

Enclosures:

Figure 1.-Geologic, Topographic, and Index maps, Magic Silver Mine, Blaine County, Idaho.

Figure 2.-Map showing proposed drill holes, Magic Silver Mine, Sec. 30, T. 1 S., R. 18 E., Blaine County, Idaho.

✓ HK

June 26, 1970

Memorandum:

To: Chief, OME

From: Field Officer, Region I

Subject: ~~Summary Final Report~~ Field Application Report--rough draft

OME 6812 (Gold, Silver)
Magic Silver Mining Corporation
Big John Property
Blaine County, Idaho

Enclosed is my rough draft of the application examination report on the subject property. Included with this draft are copies of two maps to accompany the report. I will need three xerox copies for our files here--will attach photos to maps here.

I hope you will agree with my recommendation--I'm quite enthused about the possibilities for successful exploration on this prospect.

Have attached a couple of photos to the one map--thought it'd be more appropriate to put them on the map rather than in the body of the report--what do you think?

Great!

Willard

Will ard P. Puffett.

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXP. ATION

TO: Chief, OME

1.

Re: OME 6812 (Gold, Silver)

2. ~~Magic Silver Mining Co.~~

Big John Property

3. ~~Blaine County, Idaho~~

4.

Willard P. Puffett

5. Field Officer, Region 1

FROM:

DATE	INITIALS
COPY	
O. M. E.	
RECEIVED	
JUN 26 1970	
INITIALS	CODE
6/24/70	WPP
6/26/70	W

FOR: Check items for action desired

___ Action ___ Reply for signature of ___ Surname

___ Approval ___ Investigate ___ Signature

___ Comment ___ Recommendations ___ File

___ Conference ___ Rewrite

___ Instructions X Your information

REMARKS: Attached are two unsatisfactory drilling bids obtained by applicant. I will contact applicant to advise him to get other and more complete bids. Report in preparation--if satisfactory bids received, I will recommend approval of contract to permit drilling 500-1,000 feet.

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

MAGIC SILVER MINING CORPORATION

TWIN FALLS, IDAHO 83301

RECEIVED

JUN 24 1970

O. M. E.
SPOKANE, WASH.

June 19, 1970

United States Department of the Interior
United States Geological Survey
Office of Minerals Exploration
Room 656
West 920 Riverside Ave.
Spokane, Washington 99201

O. M. E. - 6812

Gentlemen

We would like to have our application for exploration assistance changed and to allow for core drilling only. We believe this to best suit our purpose and will prove or disprove the worth of our claims.

We had a very good,informative visit with your field representive We hope that when funds are available, our application can be revaluated.

Enclosed is a drawing of our mining area and the purposed sites of drilling, with costs.

Yours truly

Delmer Davies

Delmer Davies
Sec/Tres.
566 Wirsching
Twin Falls, Idaho 83301

mat

Enclosure

RECEIVED
JUN 24 1970
O. M. E.
SPOKANE, WASH.

Donald Labrum & Sons.
Addison Ave West
P.O.Box 281
Twin Falls Idaho 83301

June 22,1970

Magic Silver Mining Corp.
566 Wirsching Ave
Twin Falls Idaho 83301

Sect/ treas. Mr. Davies:

We examined your property by Magic reservoir and find it in our judgment to be hard to core drill. The material & decomposed granite will wash away and not stay in core barrel. But we believe we can get the same results by sampling the material that is washed out as we drill.
At least we can tell if the vein of ore is cut and as I understand you wont to know if the vein continues to the north as it indicates where it is exposed. If the vein is cut we will core it or any material that you might wont cored.
We would need a guarantee of $1,000.00 to move in & out.
Drilling cost $7.00 per ft Including the coring of the vein as we see it now. Casing needed extra.

Sincerely,

Donald Labrum & Sons

Bid good for 60 days.

GLENN FORDYCE
P. O. Box 253
Twin Falls, Idaho 83301

Twin Falls, Idaho.
June, 22, 1970.

Gentelman, S
Below Prices For Drilling Test Holes On Big John Mining Clames, For Magic ~~Valley~~ SILVER Mining Corpration. Test Holes To Be From 50 Feet To 200 Feet Appr, 3 To 8 Holes. Appr, 1200 Feet.
Core Drilling, 7/8. Core. $7.25. Pr, Foot. No Casing.
Drag Bit Drilling, 1, 3/4". $5.00. Pr, Foot. No Casing.
The Above Prices With Water, And Moving In And Out.

Sinc, Yours.

Glenn Fordyce

Glenn Fordyce
Box. 253
Twin Falls, Idaho. 83301.

RECEIVED
JUN 24 1970
M. E.
SPOKANE, WASH.

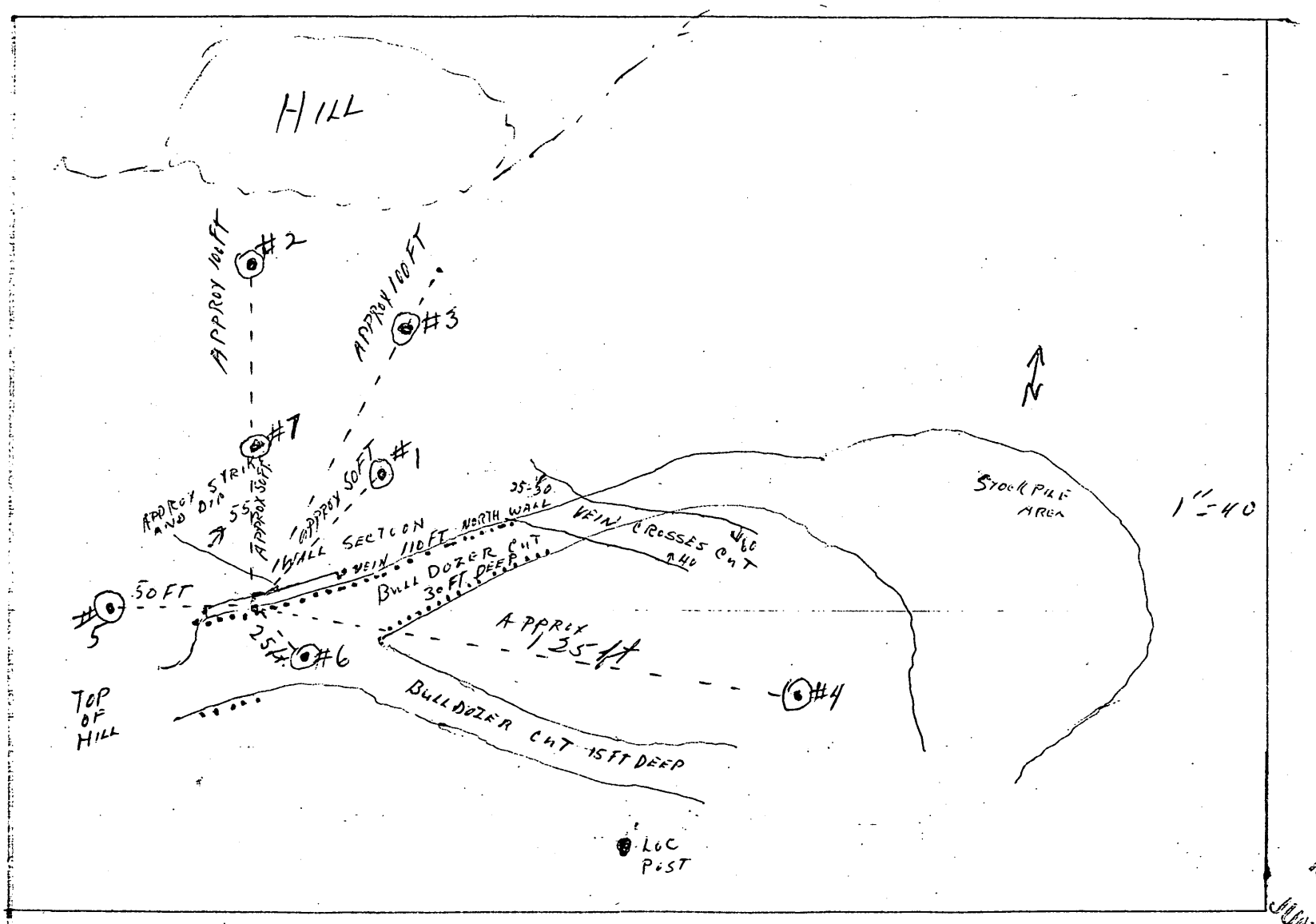
RECEIVED JUN 24 1970 SPOKANE, WASH.

Core Drilling

In core drilling we believe if we can find the vein and show it continues on to the north or south where drilling is purposed. We can revaluate and plan our mining of this area to get the most out of it. We would purpose to drill only as deep as to cut the vein. ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~ Maximum depth 250ft.

Site # 1 We would drill to cut the vein which should be at about 80 ft. Maximum depth 250 ft. If the vein was not cut at this depth we would purpose to drill at site # 7. If site # 1 was successful site # 7 would not be used at this time and we would proceed with # 2. If site # 7 was drilled and it did not cut the vein,we would then drill site # 4 on the south side of the bulldozer cut. Here the vein should be cut at 50 ft or less and several holes could be drilled depending on how successful each site was.
We know this outline is amateurish but probably the minimum that would do the job. also let us keep in mind that this drilling could be doubled or tripled depending on the drilling results.

Extimated cost of drilling & coring:	$ 7,200.00
Extimated cost of sampling----------	$ 600.00
Extimated cost of supervision ------	$ 400.00



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JUN 24 1970
SPOKANE, WASH.

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(2/63)

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APR 1 1970

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6812 (Gold, Silver)
Magic Silver Mining Corp.
Big John property
Blaine County, Idaho

In response to the Applicant's letter of March 24, 1970, we are resuming the processing of the subject application for exploration assistance, and are referring it to you for further study, a field examination if warranted when you are in the vicinity of the property on other field work of the program, and recommendations.

Please note the comments in our letter, dated March 4, 1970, to the Applicant--particularly those in paragraph 2.

Harold Kirkemo (gla)

Harold Kirkemo

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

HKirkemo/gla 4-1-70

MME Form 7
(2/63)

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AIRMAIL

APR 1 1970

Mr. Delmer Davies
Secretary-Treasurer
Magic Silver Mining Corp.
566 Wirsching Avenue
Twin Falls, Idaho 83301

Re: OME-6812 (Gold, Silver)
Magic Silver Mining Corp.
Big John property
Blaine County, Idaho

Dear Mr. Davies:

Thank you for your letter of March 24, 1970, stating that you wish to keep your application active until the OME Field Officer has an opportunity to examine the property.

The Field Officer does not plan a trip into your district in the near future, however, we will consider the application in active status and an examination will be made as soon as practicable in the course of field work on active projects on the program.

Under these conditions, we are referring your application to Mr. Willard P. Puffett, OME Field Officer, Region I, U. S. Geological Survey, U. S. Courthouse, Room 656, West 920 Riverside Avenue, Spokane, Washington 99201. When Mr. Puffett's schedule permits, he will contact you concerning a field examination.

This is not to be construed as a commitment that a contract will be granted as a result of an examination. There has been no change in the OME funding situation since our letter to you dated March 4.

Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo
Chief, Office of
Minerals Exploration

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

HKirkemo/gla 4-1-70

MAGIC SILVER MINING CORPORATION

TWIN FALLS, IDAHO 83301

DIV. OF
GEN
O. M. E.
RECEIVED
MAR 30 1970
INITIALS CODE
JLa 130
Bol 120
HK 120

March 24,1970

Ref: OME 6812

United States Department Of The Interior
U. S. Geological Survey
Office of Minerals Exploration
Washington, D.C. 20242

Mr. Harold Kirkemo

Dear Sir:

We would like to have your field officer visit us when he is in our district if possible, We can determine at that time if there is any need to keep our application on active status.

Sincerely,

Delmer Davies

Delmer Davies Sec/Treas
Magic Silver Mining Corp
566 Wirsching Ave
Twin Falls Idaho 83301
Phone 208 733 1732

copy to R-I

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/4/70		120
3/4	Case	220
		120M

AIRMAIL

MAR 4 1970

Magic Silver Mining Corp.
566 Wirsching Avenue
Twin Falls, Idaho 83301

Re: OME-6812 (Gold, Silver)
Magic Silver Mining Corp.
Big John property
Blaine County, Idaho

Gentlemen:

We have reviewed your application for financial assistance to explore the Big John property by excavating approximately 20,000 cubic yards of overburden in order to expose a vein and, if the results warrant, to test the vein at depth by diamond drilling.

Until we have an opportunity to examine the property, we cannot further consider the merits of this plan. We can advise, however, that OME contracts involving trenching or extensive stripping operations must include provisions for backfilling of trenches and restoration of the surface area. Such work is provided for in an exploration contract and must be completed before the Government will certify completion of the contract and share the cost with the operator. Perhaps the vein on your property can be explored adequately by diamond drilling from the surface, thereby eliminating the proposed excavation work.

We would appreciate an opportunity to examine your property as is customary before a decision is reached on an application, but at the present time field examinations are made largely in connection with field work on active contracts. In the event Mr. Willard P. Puffett, OME Field Officer, Region I, should be in the district sometime this spring or summer, we are suggesting that he try to make arrangements to visit your property. In due course of time following his visit, we would inform you whether or not your application can be approved for a contract when funds are available.

At the present time, funds for contracts are fully committed. Under these circumstances, should you wish to withdraw your application, please so advise. If you wish to keep it in active status, we will process it as explained above.

We regret that this action is necessary, but under present funding circumstances we cannot offer better service at this time.

Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo
Chief, Office of
Minerals Exploration

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

HKirkemo/gla 3-4-70

February 16, 1970

Magic Silver Mining Corp.
566 Wirsching Avenue
Twin Falls, Idaho 83301

Subject: OME-6812

Gentlemen:

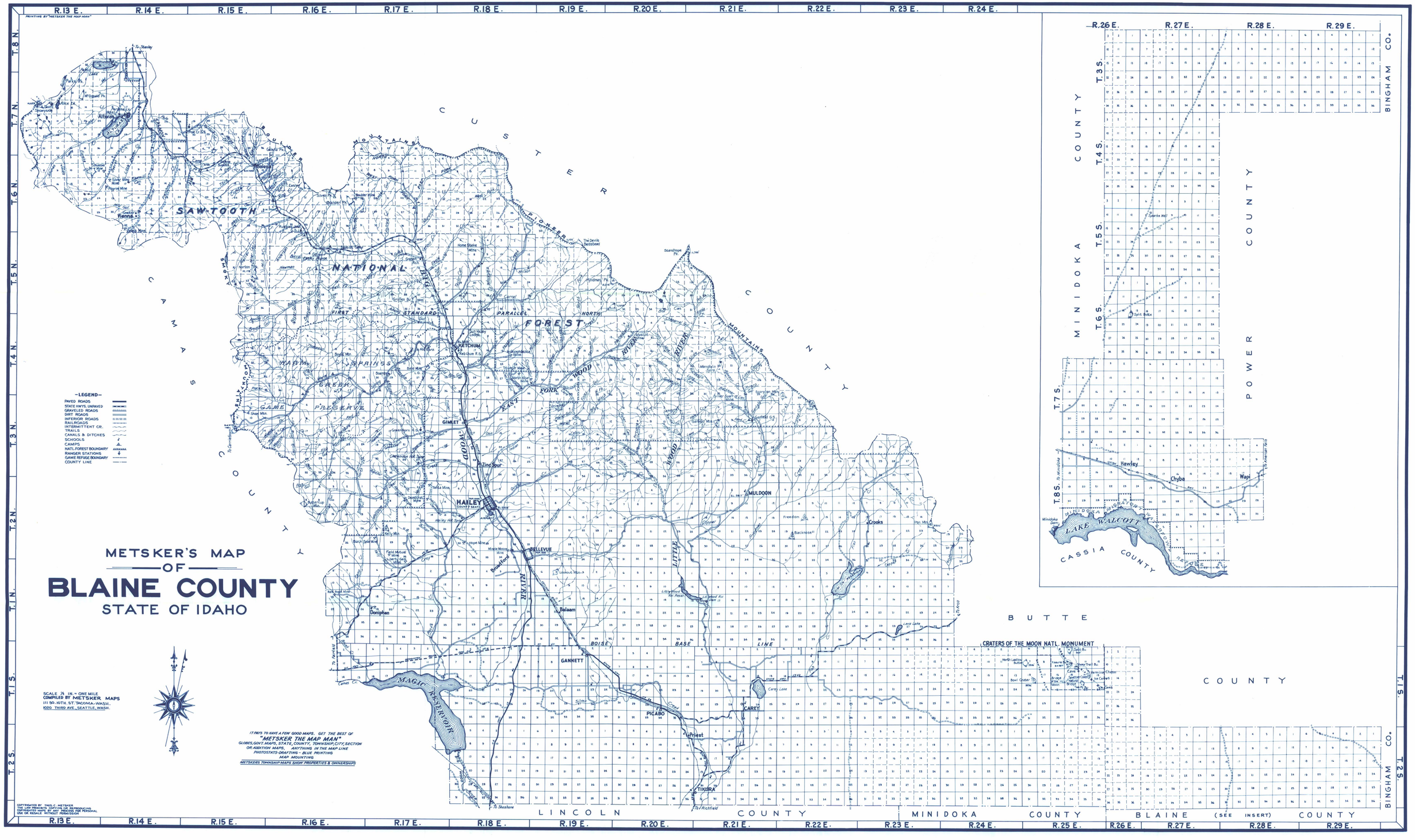
Your application for exploration assistance, dated February 10, 1970, submitted to our office at Spokane, Washington, has been assigned Docket No. OME-6812.

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

Sincerely yours,

W. L. Emerick
For: Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy for Region I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COUNTY
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POWER COUNTY
CASSIA COUNTY
LAKE WALCOTT
SALMON RIVER MOUNTAINS
PIONEER MOUNTAINS
BOULDER MOUNTAINS
SAWTOOTH MOUNTAINS
FIRST STANDARD PARALLEL NORTH
BOISE BASE LINE
WOOD RIVER
EAST FORK
LITTLE WOOD RIVER
BIG WOOD RIVER
SALMON RIVER
MAGIC RESERVOIR
SUN VALLEY
KETCHUM
HAILEY
COUNTY SEAT
BELLEVUE
GIMLET
ZING SPUR
MULDOON
CROOKS
GANNETT
PICABO
CAREY
TIKURA
Hawley
Chybe
Wapi
Bellevue
Hailey
Ketchum
Sun Valley
Gimlet
Zing Spur
Muldoon
Croaks
Gannett
Picabo
Carey
Tikura
Hailey (COUNTY SEAT)
CRATERS OF THE MOON NATL. MONUMENT
GAME PRESERVE
-LEGEND-
PAVED ROADS
STATE HWYS. UNPAVED
GRAVELED ROADS
DIRT ROADS
INFERIOR ROADS
RAILROADS
INTERMITTENT CR.
TRAILS
CANALS & DITCHES
SCHOOLS
CAMPS
NATL. FOREST BOUNDARY
RANGER STATIONS
GAME REFUGE BOUNDARY
COUNTY LINE
METSKER'S MAP
OF
BLAINE COUNTY
STATE OF IDAHO
SCALE 1/2 IN. = ONE MILE
COMPILED BY METSKER MAPS
111 S.9-10TH. ST. TACOMA, WASH.
1020 THIRD AVE., SEATTLE, WASH.
IT PAYS TO HAVE A FEW GOOD MAPS. GET THE BEST OF
"METSKER THE MAP MAN"
GLOBES, GOVT. MAPS, STATE, COUNTY, TOWNSHIP, CITY, SECTION
OR ADDITION MAPS. ANYTHING IN THE MAP LINE
PHOTOSTATS-DRAFTING - BLUE PRINTING
MAP MOUNTING
METSKER'S TOWNSHIP MAPS SHOW PROPERTIES & OWNERSHIPS
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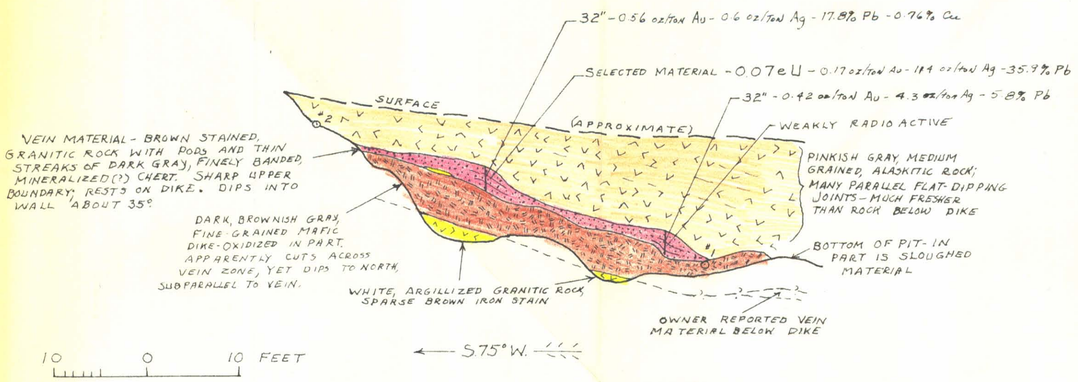
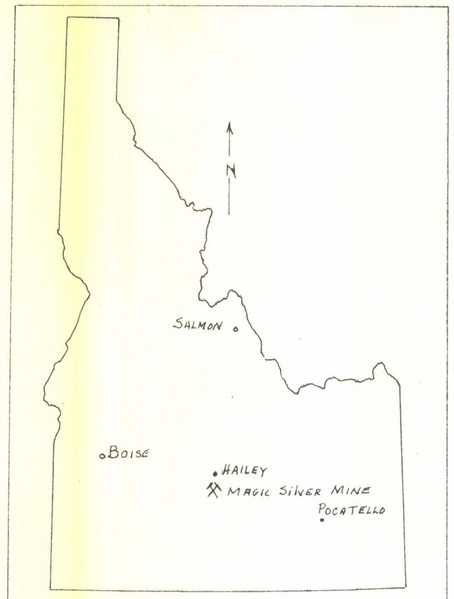
View looking down toward north wall of trench--shows same area as 1"=10' map. Man (Ed Anderson) standing on mafic dike. Dark brown material is vein. Base of dike resting on bleached granite shown in lower left hand part of photo.

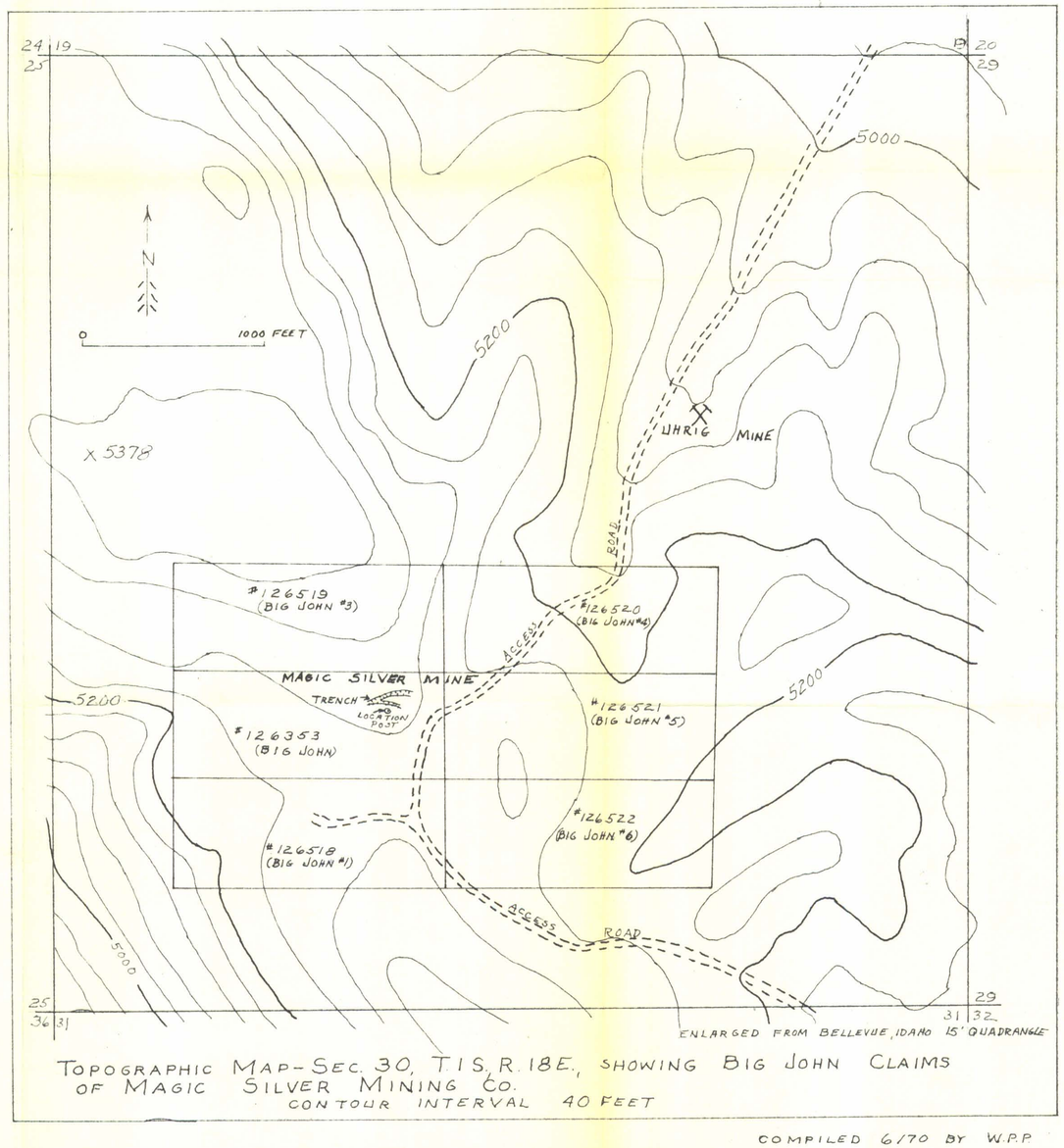
Looking easterly along length of trench. Note sloughed wall (south). Faintly shown on left wall of trench is fault dipping toward observer--lighter alaskite on top of fault--brecciated granite below (darker).



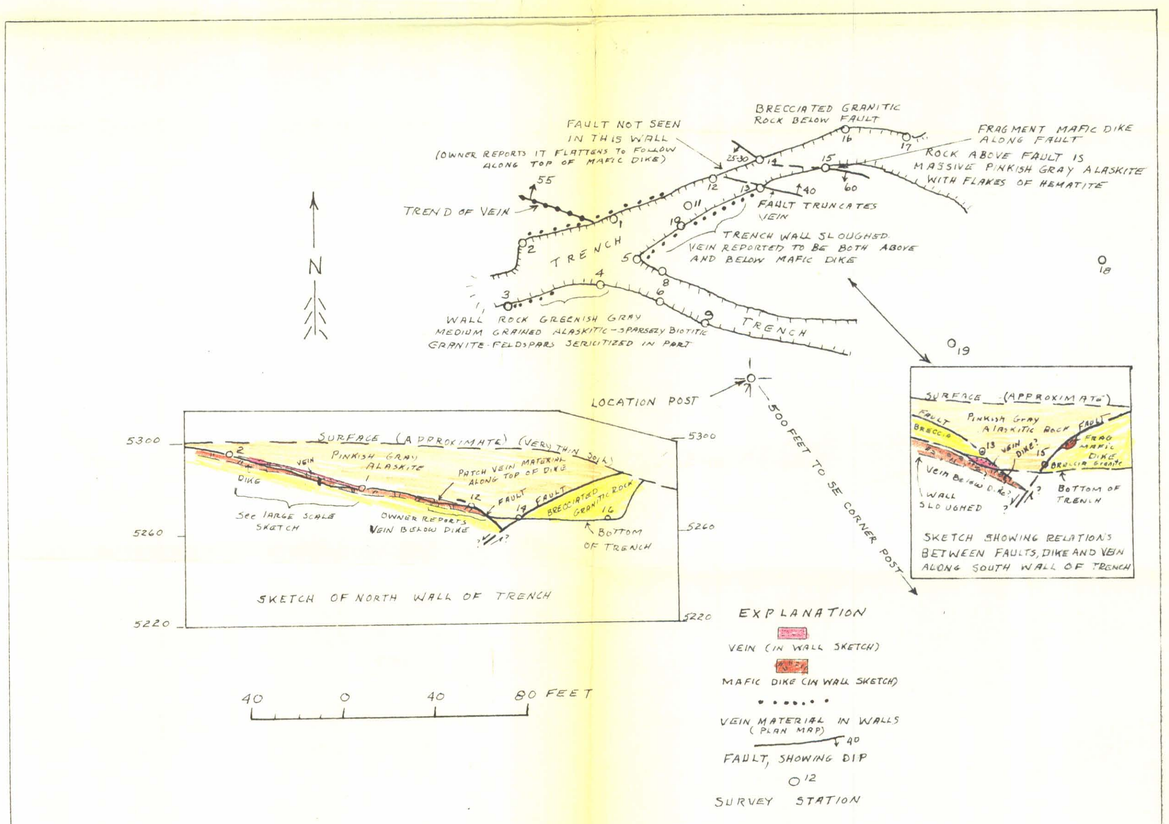
GEOLOGY OF NORTH WALL OF BULLDOZED PIT BETWEEN STATIONS #1 & #2.



INDEX MAP OF IDAHO



TOPOGRAPHIC MAP - SEC. 30, T.1 S., R. 18 E., SHOWING BIG JOHN CLAIMS OF MAGIC SILVER MINING CO.
CONTOUR INTERVAL 40 FEET



PLAN MAP AND WALL SKETCHES OF BULLDOZED TRENCHES

BRUNTON AND TAPE SURVEY 6/17/70 W.P.P.

COMPILED 6/70 BY W.P.P.

FIGURE 1- GEOLOGIC, TOPOGRAPHIC, AND INDEX MAPS, MAGIC SILVER MINE, BLAINE COUNTY, IDAHO