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

JUL 15 1960

Mr. Ernest Olson, Jr.
General Manager
Hay Creek Mining & Development Co., Inc.
Box 93
Foley, Minnesota

Re: OME-0071 (Beryl-Mica)
Hay Creek Mining & Development Co., Inc.
Frank Blanchard Property
Morrison County, Minnesota

Dear Mr. Olson:

Your application for aid in an exploration project and other information available to us in Washington concerning the above-named property have been reviewed.

Careful study of all the information available to us indicates that the probability of disclosing significant ore reserves on your property is not sufficiently promising to justify Government participation in the proposed exploration. We regret to advise you that, under these circumstances, your application for exploration assistance is denied.

Enclosed is a list accompanied by eleven documents returned to you as requested.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosures

JWAlt/gla
7-13-60
cc to: Director's Reading File
Review Committee
Region IV (2)
Harold Kirhemo, USGS
Docket
Chron
Code 500

OME-6071

Documents attached to OME application MGX Form 40, dated January 22, 1960, returned to the Applicant

Filed under Art. 1 - (a) Financial Eligibility:

1. Letter, dated November 1, 1959, from The First National Bank, Keewatin, Minnesota, to Mr. Robert N. Kinzer, Pres., Hay Creek Mining & Development Co.

2. Letter, dated December 1, 1959, from State Bank of Foley, Foley, Minn., to Mr. Robert N. Kinzer, President, Hay Creek Mining & Development Co.

3. Letter, dated December 21, 1959, from First State Bank of Gilman, Inc., Gilman, Minnesota, to Mr. Robert Kinzer, Pres., Hay Creek Mining Co.

Filed under Art. 2 - Applicant's Rights in Land:

4. Letter, dated January 22, 1960, from Frank Blanchard to Hay Creek Mining Company.

5. Lease Agreement, dated 4 June, 1959, by and between Frank L. Blanchard and Carolyn Blanchard, and Hay Creek Mining and Development Company, Inc.

Filed under Art. 3 - marked (C), (D), (E), (F), and (G):

6. Letter, dated October 26, 1959, from Goodwin Companies, Mason City, Iowa, to Mr. Robert Kinzer.

7. Letter, dated July 22, 1959, from General Services Administration, Materials Purchase Depot, Box 232, Custer, South Dakota, to Hay Creek Mining Co., Inc.

8. Letter, dated February 17, 1959, from General Services Administration, Materials Purchase Depot, Box 232, Custer, South Dakota, to Mr. Gary Piotrowski.

9. Six-page mimeographed report entitled, "MICA - Its Origin and Uses," - Geology of Mica Kaolin & Beryl.

10. Assay Certificate, dated September 25, 1959, Laboratory No. 24443, from Laucks Testing Laboratories, Inc., Seattle 4, Washington, to Mr. Robert N. Kinzer.

11. Letter, dated September 24, 1959, from the United States Department of the Interior, Bureau of Mines, Minneapolis 14, Minnesota, signed by Robert E. Lubker, Geologist, to Mr. Robert Kinzer.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF ~~MINERALS~~ EXPLORATION
REGION IV

July 6, 1960

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region IV

Subject: Field examination report - OME-6071 (Beryl, Mica)
Hay Creek Mining & Development Co., Inc.
Frank Blanchard Property
Morrison County, Minnesota

Attached are the original and three copies of a report of examination by William A. Beck. I concur with his conclusions and recommend the application be denied.

EXTRA COPY
O. M. E
RECEIVED JUL 6 1960
DATE | INITIALS | COL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION V

MINNEAPOLIS RESEARCH CENTER

P. O. BOX 5665
NOKOMIS STATION
MINNEAPOLIS 17, MINNESOTA

June 29, 1960

Air Mail
Memorandum

To: Lawrence G. Hook, Acting Field Officer, Region IV, Office of Minerals Exploration, Washington 25, D.C.

From: William A. Beck, Mine Examination and Exploration Engineer, Minneapolis Office of Mineral Resources, Region V, Minneapolis

Subject: Report of Examination OME-6071 (Beryl, Mica) Hay Creek Mining & Development Co., Inc. Frank Blanchard Property, Morrison County, Minnesota

Attached are the original and three copies of a report of examination of the subject property. From information gathered on the examination it is recommended that the application be denied.

WILLIAM A. BECK

Attachments/4

cc: G.W. Josephson, Pgh

EXTRA COPY
O. M. E
RECEIVED JUL 6 1960
DATE INITIALS CODE

EXTRA COPY
O. M. E
RECEIVED JUL 6 1960

DATE	INITIALS	CODE

REPORT OF EXAMINATION

OME-6071 (Beryl,Mica)

May Creek Mining & Development Co., Inc.

Frank Blanchard Property

Morrison County, Minnesota

By William A. Beck, Mine Examination and Exploration Engineer
U. S. Bureau of Mines, Minneapolis, Minnesota

The subject property was visited on June 23, 1960. The examiner was accompanied by Robert N. Kinzer, President of the company and Robert E. Lubker, Geologist, U. S. Bureau of Mines, Minneapolis Research Center. About 2 hours were spent on the property and about 2 hours were spent at the home of the applicant near Hillman, Minnesota, where additional information was gathered.

Location. - The property is located in the NW¼ NW¼ Sec. 5, T 127N, R29W. It can be reached by driving west on a hard surfaced county road from the Post Office in Royalton, Minnesota for a distance of 3.4 miles, turning right on a gravel road and keeping to the right for a distance of 1.5 miles. As you cross over the bridge at this point the workings can be seen in the creek bed to the right.

The Deposit.- When the mine was visited there were no exposures of pegmatite at any place. The trench that had been dug by a drag line had been completely filled in and the heading of the inclined shaft had caved in.

The pegmatite occurs in a small body of basic intrusive rocks of Algonkian age and is reported to be from 5 feet 4 inches to 15 feet thick. Its length is unknown. From locations supplied by Mr. Kinser, the pegmatite apparently strikes about N 25° W and he reports a dip of 73° NE; however, the appearance of the pegmatite in a photograph supplied with the application shows it practically vertical. Mr. Kinser reports that the country rock on both sides of the pegmatite is a mica schist. Some of this material was seen in the small dump at the portal of the inclined shaft.

To the east of the portal were two piles of material that came from the pegmatite. These were piled up by a drag line. The feldspar in these piles was completely kaolinized. No fresh feldspar was seen at any place on the property. Considerable mica of scrap quality was mixed in this material and by digging, a few crystals of weathered beryl were recovered. The crystals were cream color due to weathering and had tinges of light green. They were coated with tiny concretions of a material that may be siderite and some were impregnated with pieces of quartz. The crystals found were no larger than 1-inch in diameter. Mr. Kinzer reports crystals as large as 4-inches in diameter were recovered.

The mica is a ruby muscovite, clear and free of spots. Most of it has a slight wave and some books display an "A" structure. Being in a weathered material, clay staining is evident

but can be rifted off. No pieces larger than punch were seen. The operator stated that books as large a 4-inches in diameter had been found.

The Operation. - The deposit was discovered in the bed of May Creek in February 1959 by Robert N. Kinser, President of the company, while hunting for staurolite crystals that were quite abundant in that locality. He got the others in the organization interested and the present company was formed. After doing a little test pitting, a drag line was rented at $12.00 per hour for a day and a half. It exposed the pegmatite for about 100 feet. The kaolinized pegmatite material was stockpiled and the trench filled in. At the same time a bank of soil about three feet high was placed along the streams edge to prevent water from coming into the workings.

An 8-foot by 8-foot inclined shaft was sunk at an angle of 22 degrees for a distance of about 30 feet where it cut the pegmatite on the left side. The width of the shaft was reduced to 5 feet and it was turned to the left so that the entire width of the pegmatite was exposed. It was reported that the pegmatite was 5-feet 4-inches thick where last mined. Very little work was done after the pegmatite was exposed.

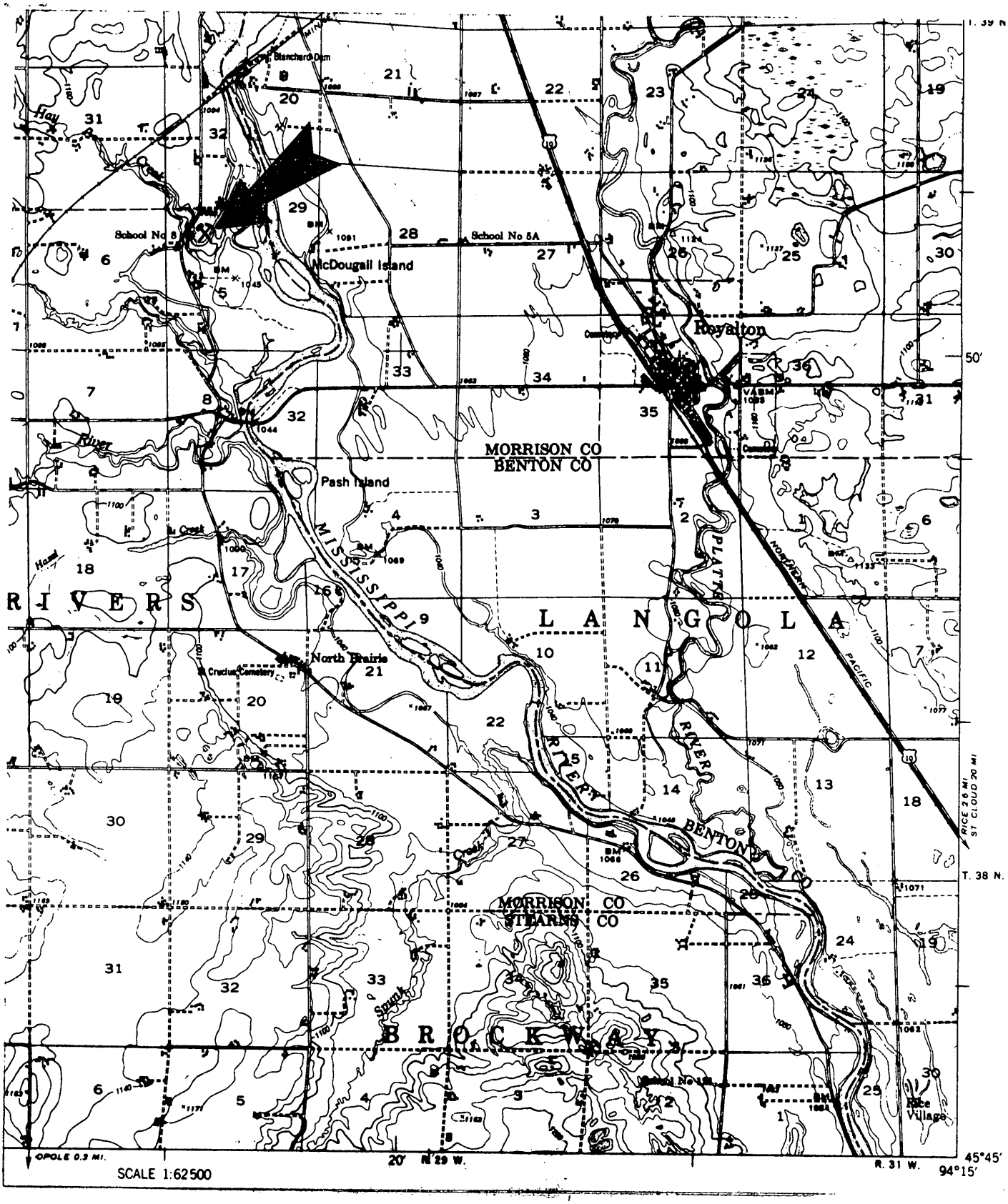
During the entire operation about 1,000 pounds of run-of-mine mica and about 75 pounds of beryl crystals were recovered. No sales of beryl were made other than for mineral specimens.

About 700 pounds of mine-run mica was taken to the General Services Administration, Materials Purchase Depot at Custer, South Dakota. After culling, twenty pounds of material was recovered that was worthwhile processing. Thetwenty pounds produced 1.50 pounds of saleable mica after being rifted and trimmed. Of this amount 1.16 pounds was "Stained" and .34 pounds was "Heavy Stained". "No good stained and better mica" was recovered and no mica larger than 5½ and 6 was obtained. After paying for the rifting (2½ hrs. @ $1.05 = $2.63) and trimming (4 3/4 hrs. @ $1.05 = $4.99), a total of $7.62. The value of the mica under the "B" program was $3.17.

Mr. Kinser stated the mica was found throughout the entire pegmatite, although it was more heavily concentrated near both contacts with the mica schist wall rock. The beryl crystals were found near both walls.

Conclusions. - Although a considerable quantity of mica may be obtained by mining this pegmatite, the size and quality of the mica does not appear to be large or good enough to make it an economic operation. The beryl crystals are small and do not appear to be in sufficient abundance to be of economic importance. It is, therefore, recommended by this examiner that the application be denied.

WM. A. BECK
Mine Examination and Exploration Engineer
U. S. Bureau of Mines



Location Map OME-6071 (Beryl-Mica), Hay Creek Mining and Development Co., Inc., Morrison County, Minnesota

EXTRA COPY
O. M. E
RECEIVED JUL 13 1960

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION V

MINNEAPOLIS RESEARCH CENTER

EXTRA COPY
O. M. E
RECEIVED JUL 6 1960

DATE	INITIALS	CODE

P. O. BOX 5665
NOKOMIS STATION
MINNEAPOLIS 17, MINNESOTA

June 30, 1960

Air Mail

Memorandum

To: Lawrence G. Houk, Acting Field Officer, Region IV, Office of Minerals Exploration, Washington 25, D.C.

From: William A. Beck, Mine Examination and Exploration Engineer, Minneapolis Office of Mineral Resources, Region V, Minneapolis, Minnesota

Subject: Photos of Hay Creek Mining and Development Co., Inc. operation OME-6071 (Beryl, Mica), Morrison County, Minn.

Enclosed are three photos taken by Bob Lubker during the examination of the subject property. I have a film being developed that has a picture of the interior of the shaft on it. If it turns out I will send it to you.

WILLIAM A. BECK

Enc./3

cc: G.W.Josephson,Pgh

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

February 8, 1960

Memorandum

To: Division of Minerals
Office of Minerals Exploration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: OME-6071 (mica)

Applicant: Hay Creek Mining and Development Co., Inc.

Name and Location of Property: Frank Blumhard Property
Morrison County, Minnesota

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: Feb. 2, 1960

Comments:

1. Applicants state that no work has been done on this property by other than applicants.

2. Why is it necessary to retimber 40 feet of old shaft if only 20 feet of shaft has been sunk?

3. Some mica and beryl has been recovered, during exploration work.

4. This deposit appears to have possibilities for the development of strategic mica.

5. Estimated shaft-sinking cost appears to be excessive.

Recommendation:

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

SIGNED

Thomas R. Howard

Copy to: Harold Kirkemo, USGS, Rm. 5227

February 2, 1960

Re: GMX 6071 (Beryl-Mica)
Hay Creek Mining &
Development Co., Inc.
Frank Blanchard Property
Harrison Co., Minnesota

Memorandum

To: W. E. Grimwald, Office of Minerals Exploration

From: Harold Kirkham, U. S. Geological Survey

Subject: Review of application for exploration assistance

The applicant proposes to explore for beryl and mica in a recently discovered pegmatite dike located about 25 miles north of St. Cloud, Minnesota. An inclined shaft would be rehabilitated and extended for 100 feet at a total estimated cost of $16,250.

The prospect occurs in a small body of basic intrusive rocks of Algonkian age surrounded by slate and graywacke. There is no published information regarding the deposit. Data submitted with the application show that the weathered portion of the pegmatite contains scrap quality mica, some strategic grade mica, and possibly recoverable beryl. These data do not indicate whether the pegmatite is zoned. Its ore reserve and production possibilities are likewise unknown. More geologic information is needed to determine whether the deposit warrants exploration and what exploration method or methods might be employed.

I recommend that the application be referred to the Field Team for consideration.

Harold Kirkham

cc: GMX (3)
D. H. Eilertsen, 3649
Director's reading
Branch reading
Chron. file
Docket file

HKirkham/ms
8-MD-6-2-60

MME Form 40
Dec. 1958

III

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Budget Bureau No. 42-R1368
Approval expires Dec. 31, 1963

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.)*

Hay Creek Mining & Development Co.Inc.
Ernest Olson Jr
Box 93
Foley, Minnesota

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: OME-6071

DATE RECEIVED: 1-27-60

REGION: R-V

DIVISION CODE: 500

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED: Minnesota

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Robert N Kinzer	Rt 2 Hillman, Minn,	President
Ernest Olson Jr.	Box 93 Foley, Minn.	General Manager
(Below Officers are inactive)		
Michael Goggins	Foley Minn.	Sec.Tres. (inactive)
Gary Piotrowski	Rt2 Foley Minn.	Vice Pres.(inactive)
Richard Kinzer	Rt2 Hillman Minn.	Director(inactive)

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Beryl & Mica

ESTIMATED COST OF PROJECT: $ 16,250.00

PROPERTY NAME	LOCATION COUNTY	STATE
Frank Blanchard	Morrison	Minnesota

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior, Washington 25, D. C., 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.

Jan 22, 1960
DATED

Ernest Olson Jr
Ernest Olson Jr
BY *(Signature)*

General Manager
TITLE

President Robert N Kinzer
Robert N Kinzer

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

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

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

2. Applicant's Rights in Land:

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

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

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

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

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

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

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

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

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

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

4. Accessibility of Property:

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

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

5. Exploration Work:

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

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

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

6. Experience:

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

7. Estimate of Costs:

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

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

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

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

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

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

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

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

INT.-DUP. SEC., WASH., D.C. 50399

II

HAY CREEK MINING & DEVELOPMENT CO., INC.

FOLEY, MINNESOTA

PRESIDENT
ROBERT KINZER

DIRECTOR
ERNEST OLSON, JR.

VICE PRESIDENT
GARY PIOTROWSKI

DIRECTOR
RICHARD KINZER

MICHAEL GOGGINS, SECRETARY-TREASURER

Article 1 (Financial Eligibility)

A; Attached hereon;

B: Robert N Kinzer President (Active)
Ernest Olson Jr General Manager (Active)

Michael Goggins Sec Tres (Inactive)
Gary Piotrowski Vice Pres (Inactive)
Richard Kinzer Director (Incactive)

These five men hold the common stock of this Co. , Which is the voteing stock. We have 98 shares of Non Voting stock outstanding, value at $10.00 per share.

C: Attached hereon;

HAY CREEK MINING & DEVELOPMENT CO., INC.

FOLEY, MINNESOTA

PRESIDENT
ROBERT KINZER

DIRECTOR
ERNEST OLSON, JR.

VICE PRESIDENT
GARY PIOTROWSKI

DIRECTOR
RICHARD KINZER

MICHAEL GOGGINS, SECRETARY-TREASURER

A under article 1

Copy of letter from The First National Bank Of Keewatin Minn. Dated Nov 1 1959.

Mr. Robert N Kinzer Pres.
Hay Creek Mining & Development Co.
rt2 Hillman Minnesota.

Dear Mr. Kinzer:

RE: Your loan application for $8,000.00
5yr loan at 7% Purpose to sink shaft
and ore exploration Payable 10% royalty
from sale of ores.

The Above loan application has been brought the the attentionof the Board of Directors for their consideration. Due to the rules and regulations governing us we are not able to make this loan becuase it is highly speculative and returns from the ores depend on many economic conditions which make repayment uncertain. The income from this mine depents upon the whether it would be mined to the extent to make it commerically profitable. We understand that this money is to be used for sinking a shaft and exploration of Beryllium Ores and Muscovite Ruby Mica. I am sorry that we could not extend you the loan.

Yours very truly

Pres.

HAY CREEK MINING & DEVELOPMENT CO., INC.

FOLEY, MINNESOTA

PRESIDENT
ROBERT KINZER

DIRECTOR
ERNEST OLSON, JR.

VICE PRESIDENT
GARY PIOTROWSKI

DIRECTOR
RICHARD KINZER

MICHAEL GOGGINS, SECRETARY-TREASURER

A under Article 1

State Bank Of Foley

(copy)

Mr. Robert N Kinzer Pres.
Hay Creek Mining & Development Co.
rfd 2 Hillman Minn.

Dear Sir;

Re: Your loan Application for $8,000.00 5 year loan at 7% Purpose to sink shaft and ore exploration. Payable 10% Royalty from sale of ore.

The above application has been broght to the attention of the board of Directors for their consideration. Due to the regulations governing us we are not able to make this loan becuase it is highly speculative and the returns from the ores depend on many economic conditions which make repayment uncertain. The income from this mine depends upon whether it would be mined to the extent to make it commercially profitable. We understand that this money is to be used for sinking a shaft and exploration of Beryllium Ores and Muscovite Ruby Mica. I regret that we are unable to be of service to you.

Very Truly Yours

Foley State Bank

HAY CREEK MINING & DEVELOPMENT CO., INC.

FOLEY, MINNESOTA

PRESIDENT
ROBERT KINZER

DIRECTOR
ERNEST OLSON, JR.

VICE PRESIDENT
GARY PIOTROWSKI

DIRECTOR
RICHARD KINZER

MICHAEL GOGGINS, SECRETARY-TREASURER

****Copy****** Dec 21 1959

First State Bank of Gilman Minnesota Inc.

Mr. Robert Kinzer Pres.
Hay Creek Mining Co.
Hillman Minn.

Dear Sir;

Your application for a loan in the amount of $7500.00 for your mining development has been presented to the board.

This is to advise you that the board did not approve the loan.

Very Truly Yours,

First State Bank Of Gilman Minn

Roman Niedzielski President.

HAY CREEK MINING & DEVELOPMENT CO., INC.

FOLEY, MINNESOTA

PRESIDENT
ROBERT KINZER

DIRECTOR
ERNEST OLSON, JR.

VICE PRESIDENT
GARY PIOTROWSKI

DIRECTOR
ROBERT KINZER

MICHAEL GOGGINS, SECRETARY-TREASURER

C under article 1

How Hay Creek Mining Co purposes to furnish its 50% of Exploration costs.

1. Water pumps and hoses, We agree to furnish two 1¼ electric sump pumps along with a new gasoline Jager pump. Capacity 10,500 Gals per hour. 2¼ inch size. These pumps should handle any water problem that may arise Cost of pumps and hoses $600.00

2. We agree to furnish ore car and tracks, spikes, ties, Size of ore car one ton cap. Total cost $700.00

3. We agree to install electicty in shaft and pay all light bills which may arise Cost $650.00

4. We agree to furnish a chain saw for notching timbers along with a drill attachment for test drilling. Cost 700.00

5. We agree to purchase or rent a tractor to be used for a winch along with gas and oil and repairs Cost $650.00

6. Skill saw for sawing lumber and floor jacks Cost $125.00

7. We agree to petimber forty feet of old shaft furnishing all labor for a total cost of 1,225.00

8. We agree to take out an insurance policy on workers Cost $125.00

9. We agree to do the work of timbering , laying track, operating tractor and conveyor furnishing two or three men Wages would be miners scale eight hours per day cost. 2,250.00

10. We agree to rent or purchase a conveyor for piling of ore. $425.00

11. We agree to put up a suitable house for storing tools and shelter for crew cost $300.00

~~12.~~

12. We agree to purchase or furnish a pikup truck to use at mine site Cost $500.00

Total est. 8,250.00

HAY CREEK MINING & DEVELOPMENT CO., INC.

FOLEY, MINNESOTA

PRESIDENT
ROBERT KINZER

DIRECTOR
ERNEST OLSON, JR.

VICE PRESIDENT
GARY PIOTROWSKI

DIRECTOR
RICHARD KINZER

MICHAEL GOGGINS, SECRETARY-TREASURER

Article 8 (applicants Rights in Land)
Letter 6

Copy of letter of refusal of Form 4A2 form 52 From Frank Blanchard owner of land. Under lease to us.

Jan 23 1960

Hay Creek Mining Co
Foley Minnesota

Gentlemen;

This is to advise you that for personal reasons I have no Desire to sign Form 4A2 form 52.

Signed

Frank Blanchard

Article 8 (applicants Rights in Land)
Letter 6

Lease Attached (One copy only)

No Liens Mortgages etc. on land.

HAY CREEK MINING & DEVELOPMENT CO., INC.

FOLEY, MINNESOTA

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VICE PRESIDENT
GARY PIOTROWSKI

DIRECTOR
ERNEST OLSON, JR.

DIRECTOR
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MICHAEL GOGGINS, SECRETARY-TREASURER

Article 3 (Physical Description)

A; Attached Hereon;

B; We are the only ones that have done any Exploration on this property. No other Co. has been their. All work that has been done is under (A) (D) (E) (F) & (G)

C; Under letter (d)

D; Attached Hereon;

E; Attached Hereon;

F; Attached Hereon;

G; Attached Hereon;

ITEM = 3 = (F)

HAY CREEK MINING & DEVELOPMENT CO., INC.

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REASONS FOR EXPECTING TO FIND ORE

I. According to the attached information that we received from the General Service Administration in Custer South Dakota the Geology is very Favorable. How ever this to my knowledge is the first pegmatite dyke that has ever been invesitagted in Minnesota and at the present their isn't to much Known about them.

2. Having examined the following Mica Mines in South Dakota RED DEER MICA MINE?, BOB INGERSOLE MINE, PEERLESS MINE we was informed by these mine operators that your best Mica comes from a greater depth than the first 20 feet. At the present we are not through the oxidazation or weathering zones and therefore it is reasonable to anticipate that if and exploration loan is provided future exploration work may prove successful .

3. According to the North Centeral Experiment Station's Geologis t ROBERT E. LUBKER he quoted a book "tittle" MINNERALOG Y BY KRAUS HUNT & RANSDELL 1951 4th Edition, Page, 370 BERYL ALTERS TO MICA AND KAOLINITE AT THE SURFACE.

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Article # 3 (A)&B

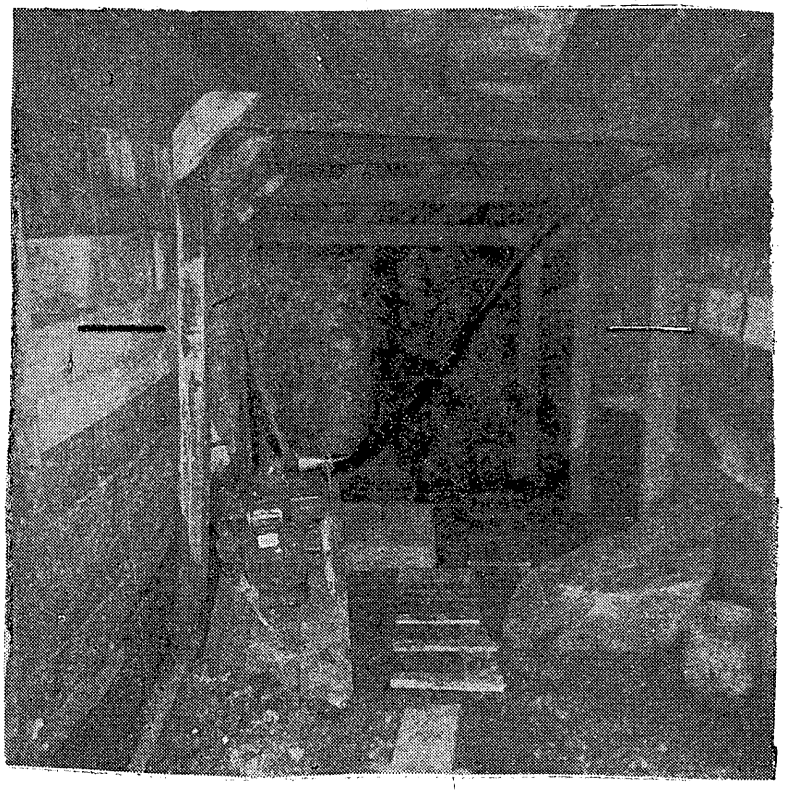
Geology of the prospect

Algonkian age

Basic intrusive gabbro into Animikian slate and graywacke

1. The prospect consists of what the Geological Map of Minnesota describes has basic intrusives Keweenawan and older.

2. In May of 1959 a pegmatite dyke was discovered and has been exposed with a drag line for a length of 100 ft. The dyke is five to seven feet wide at the surface and consist of Kaolin, Mica, "ruby Muscovite" type and Beryl along with quartz and a little feldspar. To date 700lbs of mica was taken to South Dakota & 75 lbs of green beryl crystals was discovered. Kaolin is being tested by various brick firms and the tests are not completed at the present time. Pegmatite rock at the contact zone assay 3.86 as you can see by the report. Crystals are beleived to be around 14 to 19 percent in beryllium content. due to weathering the Mica taken to South Dakota was pretty well deteriated. Having did most of the exploration it is my beleife that the Mica and beryl is increasing in quality as well as quanity as you go to a greater depth. A exploration shaft has been put down at a 22 degree angle to a depth of 20 ft.



Drag line digging through the center of a small portion of exposed dike on Hay Creek's MICA-BERYL PROSPECT

This is not the most recent picture vein at present is 5 ft. 4 inches wide.

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(Letter copy)
Article #3 (C)

July 22, 1959

From.
General services administration

Hay Creek Mining Co. Inc.
Rt 2 Hillman Minn.

Dear Mr. Kinzer;

We have your letter of the 20th instant relative to a test lot of mica that you brought to this depot.
Before we discuss the results of the test, we think it best to recall to you the condition of the mica that you delivered to us and out of the total load that there was only 20lbs that could be retrieved for testing. And this 20 lbs was far from being of a quality from which you could expect very encour--aging results. To discuss the results of the analysis, settlement sheet for which we enclose. the yield was 7½5 which isgood, but same was evidenced mostly if not wholly in size 5½ and 6 and no good stained quality was present Your mica as we cobbed it would produce approzimately 20¢ per pound.
We believe that your trip to this depot and your inspection of our operation has indicated to you the type of Mica that must be delivered in order that a producer can produce strategic Mica at a profit. We want to recall to you that most of the mica that we kept for tests was wet and soft and had cons--iderable clay stain in same. We cannot tell you that if you go to a greater depth that your mica will increase in size, but we can say, you will get away from the elements that were the chief trouble with you Mica. We cannot say either that in gaining greater depth, that your mica will not increase in quality

below water level will get away from clay staining.

Your mica as delivered to us will net you $3.17 The trimmed mica from this test lot will be kept for your disposal and can be added to any subsequent lot that you deliver to this depot.
Please feel free to write us after you have studied the enclosed settlemtn sheet.

Yours Very Truly,
General services administration
Materials purchase depot
J F McGinness
Deppt Manager

Scrap
$ 25 mine
+ 30/ton mill

25
$ 1200/ton

Scrap possibilities

40
50/100

3.17
40
6.8
$ 12

HAY CREEK MINING & DEVELOPMENT CO., INC.

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Article #3 letter (G)

Letter from General Services Admisistration Custer South Dakota. Dated Feb. 17th 1959

Mr. Piotrowski;

We have your letter of Feb 10 together with a small sample of Mica the sample that you enclosed with your letter was evidently taken from 2 or 3 small books of mica.

We cannot be too emphatic in saying that is is almost impossible to give you a relibale opinion on a deposti of mica from such asmall sample.

The mica that you sent us show promise of producing Mica of Stratsgic grade; but for us to advise you one way or another on your sample would be doing you an injustice.

We would suggest that you send us a 50lbsample of your run of the mine hand Cobbed mica. Hand cobbed mica is mica from which all evident scrap rock and foreign material has been removed. The sample that we received from you was predominently small and would not produce over size six which is the lowest acceptable size for strategic mica.

For us to set a value per pound on the mica that we received from you would not be warranted from sample that we received.

We are enclosing a copy of the mica regulations together with some informsational pamphlets which may be helpful to you. After you have read this letter and you find that you can ship us a sample of 50 lbs such as described above ; we will be only too happy to run an analysis and give you a fairly accurate analysis as to what you may expect from your mica deposit

Very Tryly yours

J F McGinness
Depot Manager
General services administration.

HAY CREEK MINING & DEVELOPMENT CO., INC.

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Article #3 Letter (g)

Letter Dated September 24 1959 From United States Department of the Interior Bureau of Mines Minneapolis 14 Minn 107 Mines experiment Bldg. University Campus

Mr. Robert Kinzer

This is in reference to two samples, one beryl and one Muscovite, recently left at this laboratory for evaluation.

The beryl is in the form of crystals roughly ½ to 1½ inches in over all dimension. The crystals are light greenish-gray in color, frequently intergrown with quartz and muscovite, and have small nodular accretions of carbonate covering weathered surfaces. Kaolin also associated with the beryl may be an alteration product of iintergrown feldspar or of the beryl itself.

Your beryl is of economic importance, if present in sufficient quantities.

The 3-½ square inch muscovite sample, if representative of any quantity of this grade of mica, is of economic significance.

Copy of this letter will be sent to Mr. W a Grosh supervising Mine examr and explor. engineer, bureau of Mines 2008 Colfax Avenue so Minn. S He will contact you if, on the basis of this report he wishes to make further investigation.

Enclosed is an information booklet on the Mine als exploration program.

Sincerely Yours,

Robert R Lubker
Geologist
Minneapolis Metallurgy Research Center.

Magnetite - hematite stain not mentioned.

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Article #3 letter (f)

Assay Report (copy)

Laucks testing laboratories
Seattle 4 Washington

Sept 25 1959

Mr. Robert N Kinzer
route 2
Hillman Minnesota

Report on Ore

Beryllium calculated as bao----------3.86%

(This was a Pegmatite rock at contact zone)

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Article 4 (Accessibility of Property)

A; Ome representative may contact Ernest Olson Jr at Foley Minnesota by phone (102) or by letter (Box 93) Foley. Ernest Olson Jr will either meet him here in Foley or at the mine site as to best suited by him. Its only about a 30 Minute ride to the mine site from Foley.

Little Falls Quadrangle 1948

Location of Mine site; One and a half miles west of Royalton across river the first road leading north (gravel) keeping to the right all the way for anouther Mile and a Half across second creek . Mine site just off Creek on right side of Gravel road(Can be seen from Road)

3½ miles airline NW of Royalton on west side of Miss. River

B; Shipping point would be Royalton as only about three miles away and have siding their. (RailRoad)

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Articl 5 (Exploration Work)

A: We propose a 100 foot shaft be put down 8x8 feet in size and at a 22 degree angle. Vein is known to be from Five to Fifteen feet in width. (Attached in more detail of exploration shaft) in Articl #3 A&B

B: A road is now built directly up to mine site , but may have to be improved.

C: Work would be started upon OMF contract at once, and the 100 ft shaft should be completed in six weeks, depending upon weather and what season of the year this would be.

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Article Six

Applicants Mining Experience.

1. Robert H Kinzer Age 29, Have been employed by the M.A.Hanna Mining Co. At Hibbing, Minnesota since Dec 1 1961 Various Mining job titles held while employed for this firm are as follows Blasters Helper, Maintenance Mechanic's Helper, Diesel Truckman, Drill Runner, Plant Operator, Heavy Media Operator , Warehousman , and at the present Ore Sampler.

2. Will be granted a leave of absence if the loan is approved and the work will be under mine and Mr. Olson's Supervision .We are also willing to put up a performance bond if required.

3. Have high school education along with a basic diploma in Mineralogy. I AM a charter member of the Midwest Geological Society and a member of the Mesabbi Rock and Mineral Club at Hibbing Minnesota

4. Was inducted in the U.S. Army in Aug 1952 and served with the 109th engineer Combat Battalion . Highest Rank Obtained was Corporal. Honorable Discharged In Aug 1954.

5. Have did part time prospecting for five years and feel I am well qualified and have the necessary experience for this work of putting down an exploratio shaft.

Age 31

1. Ernest Olson Jr.; Have four years experience in Iron Mining for Cleveland Cliffs Mining co Bovey Minnesota. Various Mining job titles held while employed for this firm are as follows :Blastery Helper, Operator of Voulids. ((Diesel Truckman) Drill Runner & Mechanic's Helper.

2. Have a High School Education Majoring in Metal math. At the present am an experienced Electronic Tech.

3. have did part time prospecting for 7 years and feel I am qualified for doing this exploration on Beryl & Mica.

4. Have served three years in the U.S.Coast Guard as Radio Tech. from 1945 to 1948 Honorable Discharge.

5. We have also done all the present work on this exploration.

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Article 7 (Estimate of Costs)

A; No independent contracts are expected to be put out.

B: Under No's 7,9,13,18

C: Under No's 3, 20

D; Under No's 1,2,4,5,6,10,14,17,19

E; Under No' 7

F; Under No's 11

G Under No's 8

(Attached Heron)

We agree to do this exploration under a fixed cost of $16,250.00 a 100ft shaft 8x8 at a 22 degree angle.

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Total exploration cost

1. water pumps and hoses. two 1½ electric sump pumps along with a new gasoline Jager pump capacity 10,500 gals per hour	$600.00
2. Ore car ,tracks , spikes, ties	$700.00
3. Shaft wired for electric and light bills	$650.00
4. Chain saw with drilling attachment and bits (new)	$700.00
5. Tractor to be used as winch plus gas & oil (used)	$650.00
6. Skill saw for lumber and building (new)	$125.00
7. Retimberin of forty feet of old shaft and labor	$1,225.00
8. Insurance on workers	$125.00
9. Two to three men labor for timbering, laying track, winch and conveyor operators. Wages would be miners scale, eight hour day five day week.	$2,250.00
10. Conveyor for piling of ore (rent)or (used Purchase)	$425.00
11. Building for storing of tools and shelter for crew.	$300.00
12. Pickup truck for use at mine site (used)	$500.00
13. Two men for digging with Jack hammer & compressor (leased) less bits and dyamite.	$3,000.00
14. Dyamite and blasting equipment	750.00
15. Timber and beams 200 8x8 timbers & 6,000 feet lumber	$1,000.00
16. Ventalation system in shaft	$750.00
17. Bulldozing and building conveyor pocket (rented Bulldozer)	$1,000.00
18. Geologist consulation	$500.00
19. Jack Hammer and Drill bits	$750.00
20. Misc. (tools) Picks, sholves, hammers, saws, nails, etc.	$250.00

Total cost of exploration$16,250.00

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(C) of Article 3 Letter from Goodwin Companies Mason City Iowa.
Dated Oct. 26 1959

(Copy)

Mr. Robert Kinzer
Rural Route "
Milaca Minn.

Dear Mr. Kinzer;

I wish to acknowledge your letter of Oct. 19th with reference to the deposit of Fire Clay near St. Cloud Minn. Presumed to be of a kaolin type.

It is entirely possible we would be interested in a clay of this type depending on whether or not the analysis as well as characteristics of same would fit into our manufacturing program.

We would be pleased to have you send a ten pound typical sample of this clay to our production engineer, Mr. John Hill Des Moines Clay Co; West 28th and Aurora Avenue. ~~[illegible]~~ Des Moines Iowa together with such other information as may be available concerning this clay including chemical analysis. extent of deposit. etc.

After testing in our laboratories we will be glad to communicate with you further as regards our future interest in this deposit.

Very truly yours

A C Frisk
President.

10 lb Sample Sent
Nov 1959