UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

~~Terminated~~ (or cancelled) without certification. DMEA No. 202

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit (Final).

Interim Audit(s).

Report of Review.

Termination Notice or Agreement.

✓ Recision Notice.

Assignment of Contract.

Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

✓ Subordination Agreement.

✓ Leases and assignments of leases.

✓ Application and attachments.

Schedule of Collections.

Operator's monthly reports and all attachments (latest on top).

Right Side

Project summary.

Work completed analysis.

✓ All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report. (Tab)

Operator's Final Report.

Interim Reports.

✓ On-site Exam Report(s). (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number _____

Operator's Monthly Reports in folder number _____

7973

_____
Reviewer's Initials

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA No. DMA-202X

This is the official contract file containing all official records of the transaction and from which duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit

Report of Review

✓ Termination Notice

Recision Notice

Assignment of Contract

Contract Amendments (latest on top)

✓ Contract with all exhibits and annexes

Owner's Consent to Lien

✓ Subordination Agreement

✓ Leases and assignments of leases.

✓ Application and attachments

Operator's monthly reports and all attachments (latest on top).

Right Side

Project summary including any supplementary summaries.

Work completed analysis.

All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report

Operator's Final Report

✓ Interim Reports

Settlement Sheets

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number _____

Operator's Monthly Reports in folder number _____

GOVERNMENT'S COPY

TERMINATION OF EXPLORATION PROJECT CONTRACT BY AGREEMENT
AFTER COMMENCEMENT BUT BEFORE COMPLETION OF THE WORK

It is agreed this 3rd day of July, 1952, between the United States of America, acting through the Depatment of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and The Florence Company
505 Montana Standard Building
Butte, Montana
, hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E 56, Docket No. DMEA- 202X, dated July 18, 1951, that the said contract shall be and is hereby terminated as of the first date above written.

Any work prosecuted or costs incurred by the Operator after the date first above written shall be for the sole account of the Operator, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of said Exploration Project Contract, except as herein expressly otherwise provided.

Witness the following signatures as of the day and year first above written.

UNITED STATES OF AMERICA

By A. E. Weissenborn, Executive Officer, DMEA
Field Team, Region II

The Florence Company
(Operator)

By A. D. Rieder, President

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUL 25 1952

MF-200
(April 1951)

Docket No. DMA 202X
Commodity Zinc, Lead & Copper
Idm-E56

Idm-e

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

RECEIVED
JUL 23 1951
G.A.O.

Index Plan
No. Card
Card
Reviewed MC
8/31/51

EXPLORATION PROJECT CONTRACT [1]

It is agreed this ~~[illegible]~~ 18th day of ~~[illegible]~~ July, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] Florence Company, 505 Montana Standard Building, Butte, Montana

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Montana, County of Cascade described as follows: [3] Minute Man claim, Neihart unorganized mining district, T. 14 N, R. 8 E unsurveyed

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: Not applicable

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for Lead-Zinc(copper-silver-gold) ore [5] shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] 2 years from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

JUL 26 1951
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CONTRACT S
G.A.O.

7. *Title to and disposition of prope[illegible]l facilities, buildings, fixtures, equipment, [illegible]ther items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule of existing facilities, buildings, installations, and fixtures, with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator 50 percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $20,690, which is 50 percent of the agreed estimated total cost of this project, $41,380.

12. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

16. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in triplicate the day and year first above written.

The Florence Co.
(Operator)

By E. J. Rieder Pres.

THE UNITED STATES OF AMERICA

By C. D. Mitteudorf

Director
Production Expansion Division
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-1

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JUL 23 1951
G. A. O.

The Florence Company
Exploration Project Contract
Minute Man Claim

EXHIBIT "A"

Exploration Project

*Time Schedule

Month		Stage I
1st to 4th	1.	Sink 200 feet of shaft in the footwall of the Minute Man vein from a collar site approximately 50 feet northeast of the portal of the Minute Man tunnel.
	2.	Crosscut approximately 35 feet to intersect Minute Man vein.
		Stage II
5th to 8th	1.	Drift southeast for 500 feet along Minute Man vein. (See attached sketch section.)

*Time schedule will vary depending upon weather conditions, but in any event project will be completed within 2 years of date of contract.

The work to be performed and the estimated cost thereof is as follows:

Stage I

1.	Rehabilitate 1,000-foot road and install 1/4 mile of power line	$1,000.00
2.	Erect headframe, shafthouse, compressor and tool shed	2,500.00
3.	200 feet of shaft and 10 feet of sump @ $64.00 per ft. (Includes labor, supervision, equipment rental, explosives, sampling, assaying, and 10 percent for contingencies.) Cross section size not to exceed 7'x12'	12,800.00
4.	35 feet crosscut @ $32.00 per foot (Includes labor, supervision, equipment rental, explosives, sampling, assaying, and 10 percent for contingencies.) Cross section size not to exceed 7.5' x 6'	1,120.00
		$17,420.00

The Florence Company
Docket DMA-202

EXHIBIT "A" (con't.)

Stage II

1.	500 feet drift at $32.00 per foot (Includes labor, supervision, equipment rental, explosives, sampling assaying, and 10 percent for contingencies.) Cross section size not to exceed 7.5' x 6'	$16,000.00
	Equipment to be purchased	7,960.00
	Total Cost of Project	$41,380.00

The Florence Company
Exploration Project Contract
Minute Man Claim

EXHIBIT "B"

Fixtures and Improvements

	Cost
Installation of power line	$500.00
Erection of headframe and installation of hoist	1,500.00
Erection of hoist house and compressor-tool shed	1,000.00
	$3,000.00

The Florence Company
Exploration Project Contract
Minute Man Claim

EXHIBIT "C"

Operating Equipment

To be rented	Period	*Monthly rental Allowance	Total
1 315 CFM stationary electric motor driven compressor	6	$375.00	$2,250.00

* 2 shifts per day basis.

To be purchased

	Cost
1 Centrifugal fan	$ 490.00
675 feet vent-tube	600.00
1,200 feet 16# rail, incl. spikes, ties, plates, bolts, etc.	560.00
1 pickup truck	1,700.00
1 electric motor driven centrifugal pump (used)	350.00
1,000 feet 2" pipe	400.00
2 mine cars	200.00
1 set water and air hose	80.00
1 pressure water tank	50.00
1 air receiver	200.00
1 drill (sinker with mounting	570.00
1 stoper	670.00
1 30 H.P. electric Hoist (used)	1,500.00
300 feet 5/8" wire rope	90.00
small tools	500.00
Total	$7,960.00

To be furnished

1 T-9 International tractor with dozer blade (to be used for road rehabilitation and maintenance, timber snaking, etc.)

$4.00 per hour	Maximum 120 hours	$ 480.00

The Florence Company
Exploration Project Contract
Minute Man Claim

EXHIBIT "D"

Labor and Supervision

The wage scale herein listed is the present wage scale in the district and is subject to change for legal overtime and change in union contracts.

		Rate per shift
	miner (shaftman)	12.81
	miner (lead shaftman)	13.81
	hoistman	12.81
Per shift.	surface man	12.00
Will run two	miner	12.31
shifts if labor	miner (lead man)	13.31
is available.	Superintendent	400.00 per month

The Florence Company
Exploration Project Contract
Minute Man Claim

EXHIBIT "E"

Rehabilitation and Repairs

Rehabilitate 1,000 feet of road @ $.50/foot	$500.00

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of [redacted], State of [redacted], described in a certain Exploration Project Contract dated July 18, 1951, between [redacted] Company, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated December 20, 1950, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 20th day of December, 1950

George Spehn
A. A. Rieder
Mrs. Franklin E. Grossell

U. S. GOVERNMENT PRINTING OFFICE 940768

LARGE FORMAT DOCUMENTS AT END OF FILE

Phones { Office: 2-1106
Residence: 2-3986

CARL J. TRAUERMAN
MINING ENGINEER AND METALLURGIST
505 Montana Standard Building
BUTTE, MONTANA

June 26, 1951

Defense Minerals Administration,
Mr. Otto Herres,
Chief, Lead-Zinc Branch,
c/o Department of the Interior,
Washington 25, D. C.

Dear Otto:

In this letter, which I am sending to you by air mail, I am enclosing a copy of the lease from George Spehn, Mrs. Franklin Grossell and A. D. Rieder to the Florence Company. By train mail I am sending you five additional copies of this lease. The lease is the final paper to be filed, so far as I know, with the application of the Florence Company, of which I am secretary, for a government mining loan, the Florence Company application being # DMA 202.

By this time all the other papers with the application have been sent to you from the Spokane office of the DMA, and in one of the papers you will note that the lease was "to follow within a week." On Form MF-202, you will note that the date of the lease was left blank, and I will ask you to kindly fill in the blank, making the date "December 20, 1950."

Thanking you for these favors, with kindest regards, I am

Sincerely yours,

Carl J. Trauerman

CJT-S

Enc.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 28 1951
LANDON F. SIRCBEL
Executive Secretary

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 28 1951
LANDON F. SIRCBEL
Executive Secretary

JUN 2. 1951

5

M I N E L E A S E

This agreement made and entered into this 20th day of December,1950 by and between George Spehn, Mrs Franklin Grossell and A. D. Rieder, to be party of the first part, and the Florence Company, a Montana corporation, party of the second part.

WITNESSETH: That the party of the first part is the owner of unpatented mining claim known as the Minute Man, situated in the Montana (unorganized) mining district in Neihart, Montana, about five miles north east of the town of Neihart, Montana.

WHEREAS: The Lessors(the party of the first part) are willing to lease said Minute Man claim to Lessee (party of the second part) who desires to secure the same on the terms herein stated:

It is agreed that:

61.

Lessors hereby lease said claim to the Lessee for a period of five (5) years and to have the privilege of renewal for an additional five (5) years.

2.

Lessee to have possession all during the term, subject to sooner termination as herein provided, with right to explore for, mine, extract, ship and sell ores and to mill, ship and sell concentrates.

3.

All mining work to be done in a good and workman-like manner,.

4.

The Lessees agree to comply with the Montana Compensation Act. If for any reason fails to do so, it hereby agrees to forfeit any and all claims for compensation from the Lessors.

5.

The Lessors shall receive Five (5) per centum on the net proceeds of ores and/or concentrates shipped as such proceeds shall be determined by the smelter returns. In the event a government loan is granted, the royalty of Five (5) per centum shall be waived by the Lessors until such indebtedness to the Government is fully paid.

6.

On expiration or sooner termination of this lease, Lessee may move any and all machinery and buildings placed by them on or in the claim for use in mining, provided the same shall be removed within sixty (60) days from termination or expiration of the lease.

7.

In case the Lessee fails to start mining operations by the end of December 31, 1951, this lease shall be terminated.

8.

Wherever specified in this lease, time shall be the essence of the

covenants, and the provisions hereof shall bind the parties hereto, their heirs, personal representatives and assigns.

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

George Spehn (Seal)
George Spehn

Mrs. Franklin Grossell (Seal)
Mrs. Franklin Grossell

A. D. Rieder (Seal)
A. D. Rieder

By A. D. Rieder Pres. (Seal)
The Florence Company

(To bear certificates of acknowledgements by lessors before notary)

STATE OF MONTANA)
) ss:
County of Cascade)

On this 25th day of June in the year A. D. one thousand nine hundred and Fifty-one before me W. W. MILLER a Notary Public for the State of Montana, personally appeared George Spehn and Mrs. Franklin Grossell known tome to be the persons whose names subscribed to the within instrument, and acknowledged to me that they, each of them respectively, executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal, the day and year first above written.

W. W. Miller

(SEAL)

W. W. MILLER, Notary Public for the State of Montana
Residing at Great Falls, Montana
My Commission expires on August 6, 1952.

FORM 8--NOTARY ACKNOWLEDGMENT

The Huffman General Supply House, Lincoln, Nebr.

STATE OF Montana
Flathead County } ss.

On this 22nd day of June, A. D. 1951, before me, the undersigned E.H. Wright a Notary Public, duly commissioned and qualified for and residing in said county, personally came A. D. NIEDER, President of THE FLORENCE COMPANY

to me known to be the identical person whose name is affixed to the foregoing instrument and acknowledged the same to be his voluntary act and deed.

Witness my hand and Notarial Seal the day and year last above written.

E H Wright Notary Public.

My Commission expires the 16th day of December, 1951.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. Dma-202X

Date received 6/25/51

Participation

The Florence Company
505 Montana Standard Building
Butte, Montana

Name and address of applicant

Supplement to application submitted Dec. 15, 1950.

Date June 20, 1951

FILL IN THIS BLOCK

Date of application Original--Dec. 15, 1950 Supplement--June 20, 1951

Estimated cost $41,380

Mineral or metal Zinc-Lead-(Copper-Silver)

Percentage of Government participation 50

Location of mine Neihart Mining District

Cascade County, Montana

Date of filing MF-100 June 20, 1951

DMA Docket Number, if available DMA 202

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

The Florence Co. (Name of company) By A. C. Rieder (Signature of authorized official)

6-20-51 (Date) Pres. (Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

MF-103

1. Corporation

2. Not applicable

3. A. D. Rieder, Big Fork, Montana, President
George Spehn, 1817-6th Avenue N., Great Falls, Montana, Vice President
Carl Trauerman, 505 Montana Standard Bldg., Butte, Mont., Sec'y.
Mary Rieder, Big Fork, Montana, Treasurer

At present all stock is held by above mentioned four people.

4(a) The Florence Company operated Florence mine in Neihart Dist. from 1935-1943, incl., producing during this period approximately 5,000 tons of concentrate (Zn and Pb).

(b) Mr. Rieder, who plans to manage the project, has been active in mining in Montana for eight years operating as manager of the Florence Company.

5. Lessee

6. Not applicable.

7. Copies of lease, which is in good standing, will be forwarded within a week.

8.

9. $20,000. Yes.

10.(a) Minute Man claim

(b) same as (a).

11. Minute Man claim

12.

13. Water--unnamed branch of Carpenter Creek to which Florence Company has water right. Branch flows within 1,200 feet of proposed exploration shaft site.

Power--power to be furnished by Montana Power Company, which has 44,000 volt line within 1,200 feet of property. Estimated cost of tapping this power source is about $500. Actual cost of power to be consumed has not been exactly determined but will be prevailing rate in area.

14. None

15. If shipped, would be trucked to railhead at Armington, thence to either Great Falls or East Helena Smelters. There are at present two inactive mills within five miles of the Minute Man, and it is believed that arrangements could be made to custom mill exploration and development ore at one or the other of these mills.

16. History (a) On the Minute Man there is a tunnel which is 640 feet long, which is caved. There is a record of a shipment of 13 tons on the 500 foot point of the Minute Man tunnel. This shipment assayed 18 percent zinc, 8 percent lead, 1-1/2 percent copper with 31 oz. of silver and $3.00 in gold per ton. Operations were suspended as the operators were looking for high-grade silver ores at a time when the prices of lead and zinc were low.

(b) The Silver Dike, about 3/4 miles northeast of the Minute Man, was a very large producer, having been operated by the American Zinc, Lead, and Smelting Company.

(c) Report by Carl Trauerman was attached to original application submitted December 15, 1950.

17. Not currently in production

18. (a) Strong fissure vein in gneiss. Outcrop of vein consists of quartz and gossan from which sulfides have been leached. In inaccessible 640 foot drift containuous vein with shoots of Pb-Zn sulfide ore were found.

(b) None available

(c) No basis for estimate. Purpose of this exploratory project is to develop reserve.

19. None

20. Lead-Zinc with subordinate copper, silver, and gold in strong vein structures.

21. It is proposed to sink a shaft in the footwall of the Minute Man vein to a depth of approximately 200 feet from a collar site approximately 50 feet northeast of the portal of the Minute Man tunnel. From the shaft bottom a crosscut will be driven to the Minute Man vein and a drift will be driven 500 feet southeast along Minute Man vein. A 200-foot raise will then be driven to the Minute Man tunnel from about the 500 foot point. The proposed exploration is shown on the sketch section attached.

22. Property was examined by DMA Examination Team who will submit separate geologic statement.

23. (a) Labor

1 miner (shaftman)	12.31
1 miner (lead shaftman)	13.81
1 hoistman	12.81
1 surface man	12.00
1 drift miner	12.31
1 drift miner (lead man)	13.31

Above is for each shift.
Drift miners and shaft man will not be working concurrently.

(b) 1 Superintendent 400.00 per month.

(c) Rehabilitate access road 500.00

(d)

Power line	$ 500.00
Erect head frame and install hoist	1,500.00
Erect hoist house and compressor-tool shed	1,000.00
	$3,000.00

(e)

1 Centrifugal fan	$ 490.00
675 feet Vent-tube	600.00
1,200 feet 16# rail, incl. spikes, ties, plates, bolts, etc.	560.00
1 pickup truck	1,700.00
1 electric motor driven Centrifugal pump (used)	350.00
1,000 feet 2" pipe	400.00

2 mine cars	200.00
1 set water and air hose	80.00
1 pressure water tank	50.00
1 air receiver	200.00
1 drill (sinker with mounting)	570.00
1 stoper	670.00
1 30 H.P. electric hoist (used)	1,500.00
300 feet 5/8" wire rope	90.00
small tools	500.00
	$7,960.00

(f)

	Period	*Monthly rental Allowance	Total
1-315 CFM stationary electric motor driven compressor	6	$375.00	$2,250.00

* 2 shifts per day basis.

(g) 1 T-9 International tractor with dozer blade (to be used for road rehabilitation and maintenance, timber snaking, etc.)

$4.00 per hour Maximum 120 hours -- $ 480.00

(h) Not figured--included in cost per foot of drifting and shaft.

(i) Not figured--included in cost per foot of drifting and shaft.

24. *Time Schedule

Month		Stage I
1st to 4th	1.	Sink 200 feet of shaft in the footwall of the Minute Man vein from a collar site approximately 50 feet northeast of the portal of the Minute Man tunnel.
	2.	Crosscut approximately 35 feet to intersect Minute Man vein.
		Stage II
5th to 8th	1.	Drift southeast for 500 feet along Minute Man vein. (see attached sketch section).

*Time schedule will vary depending upon weather conditions, but in any event project will be completed within 2 years of date of contract.

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMA-202X

Date received 6/25/51

The Florence Co.
505 Montana Standard Building
Butte, Montana

Name and address of applicant

Date June 20, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products? Zinc and Lead
   (*b*) What are the byproducts, if any? Copper, gold and silver.
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point. 5 miles from Niehart, Mont.
   (*b*) Mining district. Neihart unorganized mining district
   (*c*) Township, Section, Range. T. 14 N. R. 8 E.
   (*d*) County, State. Cascade Co., Mont.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	Zinc and Lead Concs	None	None	None	None
2. Quantity of product processed (specify unit of measure and type of process)	Expect to produce 50 tons of ore a day if planned				
3. Quantity and grade of product sold or shipped (specify units of measure)	exploration is successful.				

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

None employed now; expect to employ 6 to 8 miners and muckers during exploration period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

The Florence Co.
(Name of company)

By F. D. Rieder
(Signature of authorized official)

6-20-51
(Date)

Pres.
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

June 5, 1956

Nick V. Garloff
c/o John C. Hoyt
715 First National Bank Bldg.
Great Falls, Montana

Re: Docket No. DMA-202X (Lead-Zinc)
Florence Mining Company
Cascade County, Montana
Rescinded Contract No. Idm-E56

Dear Mr. Garlock:

An exploration contract for work on the Minute Man claim was rescinded in July 1952, before any work was done. The cost of the project was to have been $41,380.00.

Should you obtain a lease on the Minute Man claim and make an application for DMEA assistance, our field examiners could discuss the property with you but we would not be able to make any unpublished reports on the property available to you.

In case you wish to submit a new application for work at the property I am enclosing a copy of DMEA Order-1 Amended, a pamphlet of questions and answers on the Defense Minerals Exploration Program, and five copies of Form MF-103, "Application for Aid in an Exploration Project."

An application consists of four copies of Form MF-103, completed in detail, and the fifth copy is for your file. Each copy of the completed application form submitted should answer all questions in detail. This, no doubt, will require supplemental sheets, attached to the forms and referred to the specific questions. The applicant should also include in quadruplicate a scale map or sketch showing owned property tied to a section corner and showing the following:

1. Location and extent of mineralized exposures such as vein outcrops, rim exposures, etc.

2. Location of any samples taken with chemical assays and certified copies of assay certificates.

3. Location and extent of previous work performed on the property. If drill holes are included, suitable geologic and radiometric logs should be provided with certified copies of assays of cores or cuttings.

4. Location of your proposed exploration such as drill holes, tunnels, shafts, etc.

Both the prior and the proposed exploration work should be shown on the map or sketch in relation to property boundaries.

A narrative description of the mineralized exposures should be included, such as length, width, and type of minerals, etc. Also included should be an itemized breakdown of estimated costs of performing the proposed work. If drilling is contemplated the costs can best be supported by the attachment of bids from three independent contractors.

You will note from DMEA Order-1 Amended, Section 2, that loans are not available for prospecting, development of known ore reserves, or for mining, or preparation for mining.

Sincerely yours,

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

Enclosures

cc: DMEA (2) w/incoming
USBM (2) do.

JOHN C. HOYT
ATTORNEY AT LAW
715 FIRST NATIONAL BANK BUILDING
GREAT FALLS, MONTANA
PHONE 2-9333

al
Verne
Tom

May 29 1956

Mr. A. E. Weissenborn
Regional Geologist
U.S.G.S.
157 South Howard
Spokane, Washington

Dear Mr. Weissenborn:

I would like any information you have available on Government subsidies for development of a mineral claim.

It is my understanding that a Government loan has been approved for the Minute Man claim in the Neihart-Carpenter Creek District, Cascade County, Montana. I would like to know of the amount of the loan and any pertinent information on the channels that one must go through.

As prospective lessor of this and three adjoining claims, I would like to know of the availability of any geological report that has been done on these claims through your office. It is my understanding that this information is not generally available to the public. I would like to know if this information could be made available in any manner to the lessor of the claim without of course, disclosing any information on adjoining or competing properties.

Thanking you in advance for your early reply, I remain,

Yours very truly,

NVG/bw

NICK V. GARLOFF

FILE COPY
506 SURNAME:

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

Mr. Keller before

AUG 4 1952

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-202X (Lead-Zinc)
Contract No. Idm-E56
Florence Mining Company
Cascade County, Montana

Dear Mr. Weissenborn:

We have your letter of July 18, 1952, to which were attached the original and three copies of a form rescinding the exploration contract with the Florence Mining Company, Contract No. Idm-E56, Docket No. DMEA-202X.

We are in agreement with the rescission of this contract, but regret that the Applicant was unable to fulfill his part of the contract because of his inability to raise the necessary funds to carry out the exploration project.

J.N. 8-4-52

Sincerely yours,

(signed) FRANK E. JOHNSON (NB)

Chairman, Operating Committee

HFKeller/bjl/mb
July 31, 1952
cc to: Docket
Adm. R. File
Oper. Comm.
Mr. Keller (2)
Mr. Bishop
Mr. McKnight
Region II
Chron

APPROVED:

J. H. Hedges (NB)
Member, Bureau of Mines

D. M. Lemmon (NB)
Member, Geological Survey

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

So. 157 Howard Street
Spokane 4, Washington

July 18, 1952

Mr. Frank E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Florence Mining Co.
Cascade Co., Montana
Docket DMEA-202X
Contract Idm-E56 (Lead-Zinc)

Dear Mr. Johnson:

Enclosed are the original and three copies of a form rescinding the exploration contract with the Florence Company, Contract Idm-E56, Docket DMEA-202X.

The company has never been able to raise its share of the funds as required for the carrying out of the exploration contract and after several extensions of time it was necessary for the Field Team to rescind the contract.

One copy of the recission form is being retained in our files and one has been sent to the former contractor.

Sincerely yours,

A. E. Weissenborn

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

Enclosure
cc: USBM, Spokane, w/encl.
USBM, Albany, w/encl.

SDS
7-29-52

WRC

M. E. Volin, Member, DMEA Field Team, Reg. II July 10, 1952

E. G. Erickson, Mining Engineer, Bureau of Mines

Florence Mining Co.'s exploration project Contract Idm-256, Minute Man claim, Cascade County, Mont., Docket No. DMEA 202X (lead-zinc)

I attempted to contact Mr. A. D. Rieder, president of the company, but was unsuccessful. Mr. Trauerman, an associate, was contacted in Butte, Mont., July 3, 1952, and he will get in touch with Mr. Rieder. He believed they would not be able to raise the necessary capital to finance their share of the program and that they would return the contract in the very near future.

E. G. Erickson

Orig. to files
cc: USGS (2)
Wash (2)
EGE

Dmea-202 to

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

No. 157 Howard Street
Spokane 4, Washington

July 3, 1952

JUL 14 1952

Mr. A. D. Rieder, President
The Florence Company
305 Montana Standard Building
Butte, Montana

Dear Mr. Rieder:

We regret to learn that The Florence Company will be unable to follow through with the contract which had been obtained for it under the Defense Minerals Exploration program. In order to officially rescind the contract without prejudice to either party, I am requesting that you sign the original and five copies of the enclosed form and return them to me at your earliest convenience.

Sincerely yours,

Thor H. Kiilsgaard
For: A. E. Weissenborn,
Executive Officer, DMEA
Field Team, Region II

Enclosures
cc: USBM, Albany
USBM, Spokane
Carl J. Trauerman
DMEA (2)

202

MONTANA

CASCADE COUNTY

February 1, 1952

Florence Company, Idm-E56, Pb-Zn-Cu

50-50 of $41,380.00

2 years

The work of this exploration consists of sinking a 200 foot shaft in the footwall of the Minute Man vein, crosscutting to the vein and drifting 500 feet along the vein.

The company has not been able to arrange its finances and an amendment granting an extension until spring has been granted.

Work has not been started.

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.

Nov 26 11 43 AM '51

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25 Ward Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
RECEIVED
NOV 2 (1951
Defense Minerals Administration,
Production Expansion Division.

November 21, 1951

Mr. Carl J. Trauerman
505 Montana Standard Building
Butte, Montana

Dear Mr. Trauerman:

We are in receipt of your letter of November 5 in which you request that the starting date of your contract for the Florence Company be extended until weather conditions permit, presumably next spring. We wish to advise that such an extension of the starting date of the contract is acceptable to the Field Team. In the event the Florence Company is unable to provide their share of the funds for the project by the date work on the contract commences, the contract will have to be terminated.

Sincerely,

Thor H. Kiilsgaard
for A. E. Weissenborn
Executive Officer
DMEA, Field Team
Region II

cc: C. O. Mittendorf
cc: U. S. Bureau of Mines
Spokane

BL

FILE COPY
SURNAME:

Mittendorf
Olund (jm)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

AUG - 9 1951

My dear Senator Murray:

I am pleased to report to you that the Defense Minerals Administration of this Department has recently entered into a contract with the Florence Company, operating in your state for the exploration of possible sources of lead, zinc and copper.

The contract provides that the Government will participate in the expense of this work up to 50% of the cost thereof.

This type of assistance is provided for under Section 303 of the Defense Production Act.

The Defense Minerals Administration will be glad to furnish you any further details you may desire regarding the matter.

Sincerely yours,

(sgd) R. D. Searles

Acting Secretary of the Interior

cc to: Secy's Reading File
Adm. Reading File
Mr. Mittendorf-Mr. Olund
Mr. Kanouse
Reports & Records
Docket

Hon. James E. Murray
United States Senate
Washington 25, D.C.

Identical letter to: Hon. Zales Ecton
Mr. Wesley Dewart

FLKanouse;mej
8-3-51

RETURN TO THE BUREAU OF MINES

BUREAU OF MINES
WASHINGTON, D. C.

AUG 14 5 59 PM '51

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

F.L.K.

July 18, 1951

Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket DMA 202-X
Exploration Project Contract
Idm-E56
The Florence Company
Butte, Montana

a.E.C.

Gentlemen:

Enclosed for recording in your office is the original, signed copy of an Exploration Project Contract executed between the operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1

FLKnouse/meh
cc to: Adm. Reading File
Field Team, Reg. II (2)
Mr. Herres
Mr. McKnight
Mr. Lyon
Messrs. Mittendorf, Olund
Mr. Knouse
FILES

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

FLK

July 18, 1951

Mr. A. E. Weissenborn
Executive Officer
Region II
South 157 Howard Street
Spokane, Washington

Re: Docket No. DMA 202X - Idm-E56
Florence Company
Exploration Contract

Dear Mr. Weissenborn:

We are enclosing one signed and approved copy of Exploration Contract No. DMA 202X - Idm-E56, Florence Company, 505 Montana Standard Building, Butte, Montana. A copy of this contract will be forwarded to the Region Finance Officer by the Washington Finance Officer together with their accounting instructions.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosures-1

FLKnouse/meh
cc to: Adm. Reading File
Messrs. Mittendorf, Olund
Mr. Knouse
Miss Terry
Mr. Herres
Mr. Kyon
Mr. McKnight
FILES ✓

FILE COPY
SURNAME:

72k

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

July 17, 1951

The Florence Company
505 Montana Standard Building
Butte, Montana

Re: Docket No. DMA-202X - Idm-E56
The Florence Company
Exploration Contract

Gentlemen:

We are enclosing one signed and approved copy of Exploration Contract No. DMA-202X - Idm-E56, together with five copies of Form MF-104 monthly reports and our copy of Int. 3337 "Questions and Answers on the Mineral Exploration Program" Four copies of Form MF-104 are to be completed monthly and transmitted to the office of Executive Director, Region II, South 157 Howard Street, Spokane, Washington. Additional copies of Form MF-104 may be obtained from the office of Region II.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosures

FLKnouse/ecl

cc to: Admr's. Reading File
Messrs. Mittendorf - Olund
R. & R. Br.
A. E. Weissenborn, Reg. II
Lyon
Herres
McKnight
Knouse
F I L E S

FILE COPY
SURNAME:

Guthrie

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

July 13, 1951

Memorandum

To: C. O. Mittendorf

From: J. L. Hofflund

Subject: Florence Company exploration contract -- Docket N. DMA-202X

The subject contract is approved as to form and legality for signature by the Government.

At the time of signature by the Government the date should be inserted in the contract and at the appropriate point in the subordination agreement.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment

RRGuthrie/ema

Copy to: L. F. Strobel
R. R. Guthrie
J. L. Hofflund
Chron.
Files

DMA 202

858

Brokaw for McKnight
Herzog
6/5/51 MOB

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 202X

To: Director, Production Expansion Division

Commodity Zinc-lead (copper)

From: Director, Supply Division

Total Amount $ 41,380

Govt. Participation 50%

1. Name and Address of Applicant The Florence ~~Standard~~ Company, 505 Montana Standard Building

2. Location of Property Minute Man Claim, Neihart Mining District, Cascade County, Montana (near Armington, Montana)

3. Mineral or metal Zinc-lead (copper) Is it listed in Section 9 of MO-5?

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good See field team Region II memo, June 20, 1951

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project? (If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes (question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? To be forwarded

Does the lease have sufficient time to run to cover a future productive period?

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202 Attached to exploration contract

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies _____
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* _____

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? _____

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

_____

Is a field check needed on this point? _____

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Yes - attached to MF-200

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

_____

_____

_____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Yes

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data?_____ If so, attach a draft.

e) Are the cost estimates reasonable? Yes

f) Should more information be requested from applicant? No

g) Is a field examination necessary to complete Exhibit A? Has been examined

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

b) If so, are sufficient data furnished? Yes If so, attach a draft.

c) Is a field check needed? Has been checked

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? Yes If so, attach a draft.

c) Are rents and charges reasonable? Yes

d) Is a field check needed? Has been checked

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? Has been checked

14. Exhibit E (question 23-c)*

a) Is it applicable? Yes

b) Sufficient data? _____

c) Reasonable? _____

d) Field check needed? _____

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.
Recommended in concurrence with Field Team Memo, 6/20/51

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? _____

approved
Tom Lyon

Reviewed by: A. J. Bodenlos GS
G. A. Apell BM

Date 6-29-51

INT.-DUP. SEC., WASH., D.C. 99009

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Herres
Parlows
Mote

June 29, 1951

Mr. Carl J. Trauerman
305 Montana Standard Building
Butte, Montana

Dear Carl:

I wish to acknowledge receipt of your letter of June 26 enclosing a copy of lease to the Florence Company which is to be included in the file of application DMA-202 for an exploration loan. The additional copies which you are sending by regular mail will also be included with the application. The date of the lease will be filled in on Form MF-202 as you requested.

I hope that we shall be able to handle your application within the next few days.

With kindest regards.

Sincerely yours,

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

OHERRES:ks

cc: Strobel
Mote
McKnight
Herres
Files

DMA 202

#526

DEFENSE MINERALS ADMINISTRATION

PRODUCTION EXPANSION DIVISION

97022

EXPLORATION LOANS

Name of Company and Address: Florence Standard Co, 505 Montana Standard Bldg. Butte, Montana

Name of Mine and Location

Docket No. D.M.A. 202-X Date received by P.E.D. 6-29-51

Metals or Minerals involved Zinc Lead Copper

Amount of Total Project: $41,380 —

Government participation, percent and amount 50% — $20,690 —

Number of subprojects in total application 3

Type of Exploration	Feet	Cost per foot	Total cost
Preparatory & Rehabilitation			1,000 —
Equipment			7960 —
Shaft sinking & winzes	200'	$64 —	$ 12,800 —
Drifts and crosscuts	535'		17,120
Raises			
Diamond or churn drilling			
Other			

Comments on Contract 1) Rehibilitating 1000' road and installing 1/4 mi power line.

Date sent to Applicant for signature Rec Signed by applicant

Date returned to P.E.D.

Date sent to Legal 7/12/51

Date signed by Administrator 7/18/51

Additional remarks:

Signed F Z Kuowe

Interior—Duplicating Section, Washington, D. C.

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

June 26, 1951

Mr. A. D. Rieder
Florence Company
505 Montana Standard Building
Butte, Montana

Subject: DMA-202X
Re: Exploration loan
Minute-Man Group

My dear Mr. Rieder:

Receipt is acknowledged of your application and attachments of June 25, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-202X and was referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on June 25, 1951.

In any future correspondence relating to your application, kindly refer to DMA-202X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:Jeb
cc: Strobel-2
Files
Herres
Lyon

DMA 202

Dma-202X

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

So. 157 Howard Street
Spokane 4, Washington

June 21, 1951

Mr. Landon F. Strobel
Executive Secretary
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Dear Mr. Strobel:

Enclosed herewith are six signed copies of the Exploration Project Contract on the Minute Man Group, Cascade County, Montana. Also enclosed is a set of exploration application form MF-103 on this property and a set of Form MF-100.

Please see that the above data is forwarded to the proper committee.

Yours very truly,

Thor H. Kiilsgaard
Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures

cc: U.S.B.M.

DMA-202X

return to DMEA - Rm. 4539

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

June 20, 1951

Memorandum

To: Otto Herres, Chairman
Lead-Zinc Branch
Defense Minerals Administration
Department of Interior
Washington 25, D.C.

From: A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Subject: Application of Florence Company
Docket DMA-202

The application of the Florence Company was first submitted on December 15, 1950. Because the DMA program had not been worked out at that time, the application did not state specifically whether a production loan or an exploration contract was being sought. Two attempts were made to examine the property by the DMA Examination Team but because of snow conditions it was impossible to complete the examination at that time. The property was examined by M. R. Klepper of the Geological Survey about June 19. Because of lack of time no formal report from Klepper has been prepared, but his findings are summarized herewith.

The vein to be explored is a strong structure in preCambrian gneiss which can be traced on the surface by natural exposures and shallow pits for at least 1,000 feet. It has been explored by a 640-foot adit now caved. Old samples taken when the adit was open lead the applicants to believe that the ore might average about 12 percent zinc, 8 percent lead, 1.5 percent copper, 6 ounces of silver, and $3.00 in gold per ton. Ore on the dump and surface exposures tends to confirm old reports that zinc-lead ore was found in the aidt. A confidential report in the files of the American Smelting and Refining Company at Helena, which was examined by Klepper but which cannot be quoted, leads to the belief that the property is worth exploration at present prices of lead and zinc.

FIELD Team

The existing adit is so badly caved that the applicant does not wish to attempt to open it. Even if it were opened, it attains a maximum depth below the surface of only 175 feet and far much of its length is much shallower. Applicants state that this is not sufficient depth to be worth opening in view of the fact that the ore can be expected to be oxidized in part above the adit level.

The Florence Company proposes to explore the vein at depth by sinking a 200-foot shaft and drifting for 500 feet on the vein. An alternate method ~~would~~ to attain the same depth by means of an adit from lower down on the hillside, ~~as~~ was discussed with the applicant. This would explore a greater length of structure but would require an additional 1,000 feet of drifting to reach the same point as the original proposal. The cost would probably be equal to or greater than the cost of exploration through the proposed shaft. Furthermore, the adit would pass through ground not controlled by the Florence Company.

Assuming a vein width of 3 feet, the proposed shaft and 500-foot drift would explore 25,000 tons of vein material without defining either the vertical or lateral limits of the ore. It is not possible to determine how much of the vein would be ore, but if only 10,000 tons of ore were found and if the ore had a gross value of only $40 per ton, a profitable operation might result.

In view of the various unknowns, Klepper regards the proposal of something of a long-shot but one that is justified under the DMA exploration program, and on this basis it is recommended for favorable action.

A contract form complete with all exhibits has been worked out in conference with the applicant; costs have been determined by Bureau of Mines engineers. A copy of the lease and 6 copies of Subordination Agreement will be forwarded by the Florence Company.

Enclosures

cc: U.S. Bur. Mines
Spokane, Wash.

P.S. 6 copies of MF-202 are attached. Copies of the lease are not available, but will be forwarded by the applicants direct to you. Will you please enter the date of the lease on MF-202.

Because of the topography and steep dip of the vein, it is not possible to find drilling sites that would intersect the vein at a reasonable angle without drilling inordinately long holes. Furthermore, the gneiss has been badly sheared near the vein, and it is dubious ~~where~~ a satisfactory core recovery could be obtained. Therefore, exploration at depth by diamond drilling is not considered practicable.

FILE COPY
SURNAME:

Lyons
Herres

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

January 25, 1951

Dma 202

Mr. Carl J. Trauerman
505 Montana Standard Building
Butte, Montana

Dear Mr. Trauerman:

The application for a government loan submitted by you in behalf of the Florence Company of Butte, Montana has been reviewed by the Lead-Zinc Branch of the Defense Minerals Administration.

The application has been referred to the field for information and advice.

Enclosed are five copies of N.S.R.B. form 146, Application for Government Loan. Please supply the data requested and return four of these schedules to Dr. James Boyd, Administrator, Defense Minerals Administration, Department of the Interior, Washington 25, D. C. A prompt return of this form will be appreciated.

Very truly yours,

S. H. WILLISTON

S. H. WILLISTON, Chief
Supply Division
Defense Minerals Administration

Enclosures 5

SHWilliston:sp
G-1/25/51

Copy to: Chief Lead-Zinc Branch
Geological Survey-McKnight
C. W. Merrill
S. H. Williston
J. H. Hedges
R. H. Mote
2 copies to Executive Officer,
Regional Field Team, Region II
Base Metals Files
Files

Dma 202

856

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

From McKnight Herres

A. E. Weissenborn

January 25, 1951

Memorandum

To: Executive Officer of Field Team, Region II

From: Lead-Zinc Branch, DMA

Subject: Docket DMA 202, Florence Company, Butte, Montana

The Florence Company application, as presented by Carl J. Trauerman, has been reviewed by the Lead-Zinc Branch, DMA.

As stated in the application, the company plans to drive a tunnel for 1000 ft. along the vein to determine if the property warrants development. Production rate is planned to start at 50 tons a day and be increased to 100 tons a day. According to the applicant the ore will assay 12% Zn, 8% Pb, 1.5% Cu, and 6 ounces of silver and $3.00 in gold per ton, but the dimensions of the ore body are not known. No estimate of ore reserves is given.

The Lead-Zinc Branch, DMA, therefore, recommends that:

(1) The information submitted by the applicant be referred to the field team for investigation and advice.

Review of the application by the Lead-Zinc Branch, DMA indicates that a geological examination of the property is desirable to determine if an exploration grant should be made.

OTTO HERRES, Chief
Lead-Zinc Branch, DMA

Approved:
DMA Operating Committee

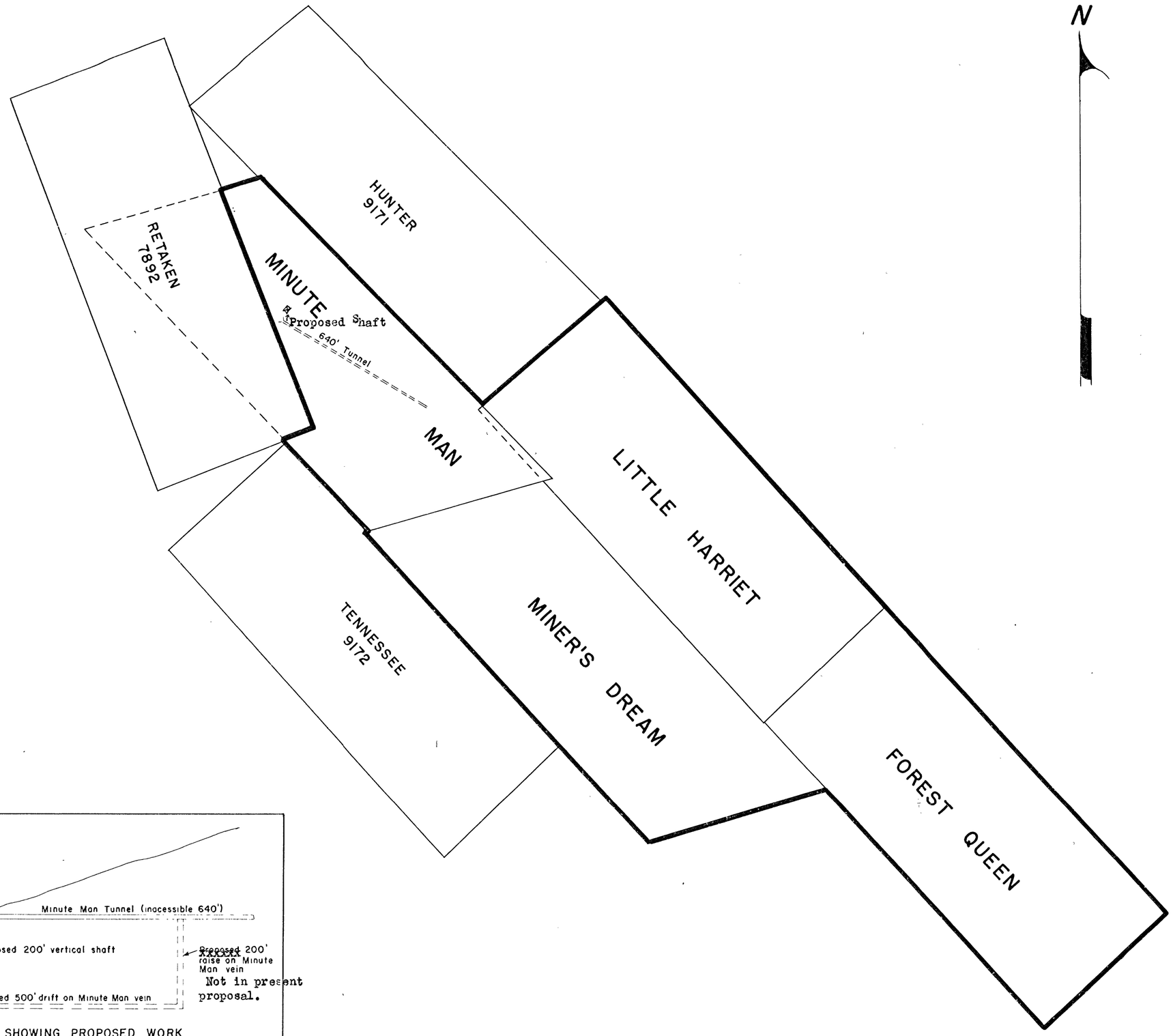
_____ Chairman

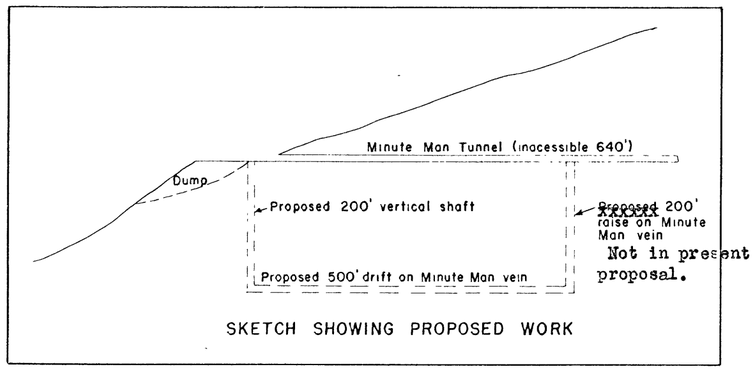
_____
J. H. Hedges

_____
Olaf N. Rove

OHerres:sp G-1/25/51

cepy to: Chief Lead-Zinc Branch
Geological Survey-McKnight
C. W. Merrill
S. H. Williston
J. H. Hedges
R. H. Mote
A. E. Weissenborn (2)Region II
Base Metals Files
Files





SKETCH SHOWING PROPOSED WORK

Data obtained from company maps

MAP SHOWING HOLDINGS OF THE FLORENCE COMPANY, NEIHART DISTRICT, CASCADE COUNTY, MONTANA

0 300 600 900 1200 1500 1800 Feet