OFFICE OF THE ADMINISTRATOR

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

So. 157 Howard Street
Spokane 4, Washington

rec'd 11/21

November 10, 1951

DMA-1354

Memorandum

To: J. A. Barr, Chief, Nonmetallics Commodity Branch, DMA

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

Subject: Interstate Products Co., Billings, Montana; Chrysotile Asbestos

A memorandum dated June 28, 1951, on the subject property, by M. R. Klepper, was submitted to you concerning chrysotile asbestos deposits in Madison County, Montana. Mr. Klepper made a negative report in which he suggested that "as similar geologic conditions exist over considerable area near this deposit, it is quite possible that careful prospecting might lead to the discovery of other deposits of chrysotile that contain fiber of greater length in greater concentrations".

On October 5, at the company's request, Mr. Elton A. Youngberg made another visit to the deposit. A copy of his report is enclosed herewith. Mr. Youngberg's conclusions are as follows: "Observations at the three localities did not indicate that commercial quantities of chrysotile asbestos were present or would be found by further exploration at these deposits. It is not impossible, however, that further exploration of the gabbro-limestone contacts might disclose small bodies of serpentinized magnesian limestone containing sufficient chrysotile asbestos to be mined commercially. An areal geologic map should be made to determine the presence of other exploration targets before consideration is given to further bulldozing or trenching. There are at present no known feasible exploration targets." At about this same time I was in Washington, D.C. and discussed the property with you and with Mr. Waskey and examined samples in Mr. Waskey's possession, which had been submitted by the applicant. These were the same as samples which we ourselves had already seen and indicated the presence of good quality asbestos, although the fibers generally are rather short.

Mr. Waskey discussed with me some of the asbestos work being done in Vermont and reviewed the requirements of an asbestos property for favorable consideration as a DMA project. He felt at that time that a limited program of geologic mapping followed by bulldozer trenching might well be justified at the Madison County deposits.

A meeting was held on November 9 in Spokane with Mr. Charles Lester, President of the Interstate Products Company, and Mr. Potts of Billings and Mr. Frank Funkhouser of Spokane, who are also interested in the company; Youngberg and Weissenborn represented the DMA. Some criticism was made of the Field Team--that we have been dragging our feet in this matter; however, the fact remains that no specific program had ever been formulated, nor has any formal application for exploration of the Madison County deposits ever been presented. The subject of a program of geologic mapping followed by bulldozing, all under the direction of an experienced nonmetallic geologist, was presented to Mr. Lester, who received the proposal enthusiastically. There was some discussion about how much money would be required for the work; the suggestion was made that the Interstate Products Company should get in touch with a competent geologist and let him make a detailed estimate of the costs. There are, incidentally, about a thousand acres which are controlled by the company.

Inasmuch as the Interstate Products Company has now been officially advised that the DMA would be receptive to a reasonable proposal of geologic mapping and bulldozing, it appears that further action is strictly up to the company, but the Field Team should take no further action until a formal proposal is submitted. However, the purpose of this memorandum is to advise you of the present status of the proposal.

A E Weissenborn

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

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 4, Washington

October 5, 1951

Memorandum

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

From: Elton A. Youngberg, Geologist, U. S. Geological Survey

Subject: Interstate Products Company, Chrysotile Asbestos
Madison County, Montana
Charles Lester, President

The writer visited the chrysotile asbestos deposits of the Interstate Products Company, Bozeman, Montana, October 2, 1951, to appraise the economic possibilities of these deposits. Recent exploration work performed by the Interstate Products Company disclosed three new asbestos-bearing localities which were not visited by Mr. M. R. Klepper in June 1951.

The three new chrysotile asbestos deposits are located along an east-west trending ridge to the north of Little Mile Creek and 2,000 feet in elevation above the deposit visited by Mr. Klepper. A bulldozer road starts from the Mile Creek road approximately one-half mile below the old mill of Montbestos Mining Company. The road works up the west nose of the ridge and then trends easterly along the ridge for about one-half mile. The total length of this new road is about three miles. The three deposits visited are located in sec. 23, 24, 25; T. 12 S., R. 2 E., Madison County.

The chrysotile asbestos occurs in irregular serpentinized bodies in pre-Cambrian magnesian limestone more or less parallel to the bedding. The serpentinized bodies are at the contact of the limestones with a gabbroic intrusive. The limestone bedding was observed to be both parallel and at an angle to the contact. The serpentinized areas in the limestone appear to be localized at points above flat-lying contacts or where small pendants of limestone extend short distances into the intrusive.

The Number 1 locality, which is the first one encountered on the bulldozer road and the most westerly occurrence, is a highly yellow serpentinized body of limestone overlying gabbro. The limestones dip steeply to the east and the bedding is at a high angle to the contact. The limestone has been serpentinized for 15-20 feet from the contact and contains several small areas of cross fiber chrysotile asbestos. An adit 150 feet long explores the deposit on its strike. Two areas 5 and 8 feet wide respectively contained 2 to 3 percent asbestos. The whole area, 50 feet in width, probably will not contain one percent of the mineral. The bulk of the asbestos is short fiber, very little asbestos exceeding 3/8" in thickness. Several individual bands exceed 1" in thickness; however, shearing across the fiber has reduced the recoverable lengths to less than 3/8". It does not appear that important quantities of long fiber chrysotile could be recovered from this deposit.

The Number 2 deposit is located approximately one-half mile east of the Number 1 deposit and two hundred feet east of an old cabin on the crest of the ridge. Bulldozing has exposed here a serpentinized highly sheared limestone in contact with gabbro. A small amount of short slip fiber asbestos was observed along shear planes. An old adit about 100 feet long had been driven parallel to the gabbro-limestone contact to explore the serpentinized zone laterally. Dump material plus inspection of a part of the workings indicated the presence of only small amounts of slip fiber asbestos.

The Number 3 deposit is located on the north side of the ridge approximately one-half mile to the east of the Number 2 deposit and at a slightly higher elevation. A trail has been built from the Number 2 deposit along the north slope of the ridge to the Number 3 deposit.

Two shallow cuts expose a contact of limestone and a fine-grained basic igneous rock. The contact parallels the bedding of the limestone which dips steeply to the northwest. A band of green cross-fiber asbestos, 1-1½ inches in width in the limestone parallels the contact. The asbestos is sheared parallel to the banding reducing the maximum recoverable fiber length to about 3/4". The quality of the fiber does not appear to be as good as that observed in the other localities. It is very brittle and does not have as high a tensile strength. The occurrence of this material appears to be limited to a small favorable area 20 to 30 feet along the contact. There is no indication that commercial quantities of the material exists at this location.

Observations at the three localities did not indicate that commercial quantities of chrysotile asbestos were present or would be found by further exploration at these deposits. It is not

impossible, however, that further exploration of the gabbro-limestone contacts might disclose small bodies of serpentinized magnesian limestone containing sufficient chrysotile asbestos to be mined commercially. An areal geologic map should be made to determine the presence of other exploration targets before consideration is given to further bulldozing or trenching. There are at present no known feasible exploration targets.

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

November 10, 1951

Memorandum

To: J.A. Barr, Chief, Nonmetallics Commodity Branch, DMA

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

Subject: Interstate Products Co., Billings, Montana; Chrysotile Asbestos

A memorandum dated June 28, 1951, on the subject property, by M. R. Klepper, was submitted to you concerning chrysotile asbestos deposits in Madison County, Montana. Mr. Klepper made a negative report in which he suggested that "as similar geologic conditions exist over considerable area near this deposit, it is quite possible that careful prospecting might lead to the discovery of other deposits of chrysotile that contain fiber of greater length in greater concentrations".

On October 5, at the company's request, Mr. Elton A. Youngberg made another visit to the deposit. A copy of his report is enclosed herewith. Mr. Youngberg's conclusions are as follows: "Observations at the three localities did not indicate that commercial quantities of chrysotile asbestos were present or would be found by further exploration at these deposits. It is not impossible, however, that further exploration of the gabbro-limestone contacts might disclose small bodies of serpentinized magnesian limestone containing sufficient chrysotile asbestos to be mined commercially. An areal geologic map should be made to determine the presence of other exploration targets before consideration is given to further bulldozing or trenching. There are at present no known feasible exploration targets." At about this same time I was in Washington, D.C. and discussed the property with you and with Mr. Waskey and examined samples in Mr. Waskey's possession, which had been submitted by the applicant. These were the same as samples which we ourselves had already seen and indicated the presence of good quality asbestos, although the fibers generally are rather short.

Mr. Waskey discussed with me some of the asbestos work being done in Vermont and reviewed the requirements of an asbestos property for favorable consideration as a DMA project. He felt at that time that a limited program of geologic mapping followed by bulldozer trenching might well be justified at the Madison County deposits.

UNITED STATES
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WASHINGTON, D. C.

A meeting was held on November 9 in Spokane with Mr. Charles Lester, President of the Interstate Products Company, and Mr. Potts of Billings and Mr. Frank Funkhouser of Spokane, who are also interested in the company; Youngberg and Weissenborn represented the DMA. Some criticism was made of the Field Team--that we have been dragging our feet in this matter; however, the fact remains that no specific program had ever been formulated, nor has any formal application for exploration of the Madison County deposits ever been presented. The subject of a program of geologic mapping followed by bulldozing, all under the direction of an experienced nonmetallic geologist, was presented to Mr. Lester, who received the proposal enthusiastically. There was some discussion about how much money would be required for the work; the suggestion was made that the Interstate Products Company should get in touch with a competent geologist and let him make a detailed estimate of the costs. There are, incidentally, about a thousand acres which are controlled by the company.

Inasmuch as the Interstate Products Company has now been officially advised that the DMA would be receptive to a reasonable proposal of geologic mapping and bulldozing, it appears that further action is strictly up to the company, but the Field Team should take no further action until a formal proposal is submitted. However, the purpose of this memorandum is to advise you of the present status of the proposal.

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

Enclosure

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Field Team, Region II

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible] Interstate Products Company, Boston, Mass., October 2, [illegible] to appraise the economic possibilities of these deposits. A [illegible] exploration work performed by the Interstate Products Company disclosed the [illegible] asbestos-bearing localities which were also visited by Mr. [illegible] Hagger in June 2[illegible].

The [illegible] asbestos deposits are located along the [illegible] of Little Hills Creek and 2,000 feet downstream from the deposit visited by Mr. Hagger. [illegible] Mining Company. [illegible] The three deposits visited are located in sec. 29, 30, 31, T. 2 [illegible], Elko County.

The asbestos occurs in irregular serpentinized [illegible] pre-Cambrian [illegible]. Fractures are more or less parallel to the foliation. The serpentinized bodies are at the contact of the limestone with a [illegible] intrusive. The limestone [illegible] to the contact. The [illegible] appear to be localized at points [illegible] of Miocene [illegible].

The Deposit 1 locality, which is the first one encountered on the Deposit 1 and the two nearby occurrences, is a highly sheared serpentinized body of limestone and quartz schist. The limestone dips steeply to the east and the trending is N 5 W to the east. The limestone has been serpentinized for 150 feet from the contact and contains several small areas of green fiber chrysotile asbestos. An adit 150 feet long explores the deposit at its strike. Two zones 7 and 8 feet wide respectively contained 2 to 5 percent asbestos. The whole zone, 50 feet in width, probably will not contain the percent of the mineral. The bulk of the asbestos is short fiber, very little asbestos exceeding 3/8" in length. Several individual veins exceed 2" in thickness, however, scarcity across the fiber has reduced the recoverable length to less than 3/8". It does not appear that important quantities of long fiber chrysotile could be recovered from this deposit.

The Deposit 2 locality is located approximately one-half mile east of the Deposit 1 deposit and the nearest foot east of an old road on the crest of the ridge. Bulldozing has exposed here a serpentinized highly sheared limestone in contact with schist. A small amount of short silky fiber asbestos was observed along shear planes. An old adit about 100 feet long had been driven parallel to the schist-limestone contact to explore the serpentinized zone laterally. Dump material plus inspection of a part of the working indicated the presence of only small amounts of silky fiber asbestos.

The Deposit 3 deposit is located on the north side of the ridge approximately one-half mile to the east of the Deposit 2 deposit and at a slightly higher elevation. A trench has been dug from the Deposit 2 deposit along the north slope of the ridge to the Deposit 3 deposit.

The trench has exposed a contact of limestone and a fine-grained white schist rock. The contact parallels the bedding of the limestone which dips steeply to the northwest. A zone of green fiber asbestos, half inches in width in the limestone parallels the contact. The asbestos is found parallel to the bedding so that the maximum recoverable fiber length is about 3/4". The quality of the fiber does not appear to be as good as that observed in the other localities. It is very brittle and does not have as high a tensile strength. The occurrence of this material appears to limited to a small lenticular zone 20 to 30 feet along the contact. There is no indication that commercial quantities of the material exist at this locality.

Geologists at the three localities did not indicate any commercial quantities of chrysotile asbestos were present or were to exist by further exploration of these deposits. It is not

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cc: U.S.B.M., Spokane
U.S.B.M., Albany

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DEPARTMENT OF THE INTERIOR
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WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

November 10, 1951

Memorandum

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

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

[illegible]
[illegible]

[illegible]

Memorandum

To: [illegible]

From: [illegible] Geological Survey

Subject: Interstate Products Company, Chrysotile Asbestos [illegible] County, Montana [illegible], President

[illegible] the chrysotile asbestos deposits of the Interstate Products Company, Bozeman, Montana, October 2, [illegible], to appraise the economic possibilities of these deposits. Recent exploration work performed by the Interstate Products Company disclosed three new asbestos-bearing localities which were not visited by Mr. A. R. Klepper in June [illegible].

The three new chrysotile asbestos deposits are located along an east-west trending ridge to the north of [illegible] Creek and 2,000 feet in elevation above the deposit visited by Mr. Klepper. A bulldozer road starts [illegible] Creek road approximately one-half mile below the [illegible] mill of [illegible] Mining Company. The road works up the west side of the ridge and then trends easterly along the ridge for about one-half mile. The total length of this new road is about three miles. The three deposits visited are located in sec. 23, 24, [illegible] T. 12 [illegible], R. 2 E., [illegible] County.

The chrysotile asbestos occurs in irregular serpentinized [illegible] in pre-Cambrian [illegible] limestone [illegible] parallel to the bedding. The serpentinized [illegible] are at the contact of the limestone with [illegible]. The limestone bedding was observed to be both parallel and at an angle to the contact. The serpentinized zones [illegible] small pockets of limestone [illegible].

[illegible]

[illegible] The limestone was not serpentinized for [illegible]-2 feet from the contact and contains several small areas of [illegible] fiber chrysotile asbestos. A drill hole [illegible] feet from exposure was deposited on its strike. [illegible] and [illegible] feet wide respectively, averaging [illegible] to [illegible] percent asbestos. [illegible], it does [illegible], probably will not contain [illegible] percent of the fiber. The fiber of the asbestos is short fiber, very little spun asbestos, [illegible] inches. Several individual fibers exceed [illegible] in length; however, [illegible] the fiber [illegible] recovered [illegible] less than [illegible]". It does not appear that commercial quantities of long fiber chrysotile could be recovered from this deposit.

[illegible] number 2 deposit is [illegible] approximately [illegible] [illegible] number 1 deposit [illegible] hundred feet [illegible] [illegible] crest of the ridge. Outcropping [illegible] serpentinized limestone in contact with [illegible]. [illegible] of short fiber asbestos was observed [illegible] [illegible] feet [illegible] and lower drift parallel to the [illegible] contact to explore the serpentinized zone [illegible]. [illegible] inspection of a part of the workings [illegible] [illegible] of very small amounts of short fiber asbestos.

The author's deposit is [illegible] on the [illegible] side of the [illegible] ridge, [illegible] the [illegible] number 2 deposit [illegible] [illegible]. [illegible] drift, number 2 deposit [illegible] [illegible] the ridge to the number 1 deposit.

[illegible] limestone [illegible] fiber [illegible] [illegible] parallel the [illegible] [illegible] stopping [illegible] [illegible]. A bend [illegible] [illegible] drift [illegible] the limestone parallel [illegible]. [illegible] asbestos is [illegible] parallel to the [illegible] [illegible] maximum recovered fiber [illegible] to about [illegible]". [illegible] [illegible] [illegible] observed [illegible] [illegible]. [illegible] [illegible] [illegible] [illegible]. [illegible] of this material appears [illegible] [illegible] feet [illegible] [illegible] [illegible] [illegible] [illegible].

[illegible] [illegible] [illegible] [illegible] were [illegible] [illegible] [illegible] deposits. [illegible]

impossible, however, that further exploration of the [illegible] contacts of the [illegible] small bodies of serpentinized peridotite. Limestone containing sufficient chrysotile asbestos to be mined commercially. An [illegible] geologist may [illegible] to make the [illegible] of the presence of other exploration [illegible] before consideration is given to further bulldozing or drilling. There are at present [illegible] Seattle exploration [illegible].

cc: U.S.B.M., Spokane
U.S.B.M., Albany

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

July 18, 1951

File
Barr

Interstate Products Co.
Davidson & Nikoloric
Cafritz Building
Washington, D. C.

Attention: Mr. G. A. Schmiedigen

Dear Sirs:

This is in reply to your letter of June 25 addressed to the National Production Authority requesting rating assistance to expedite delivery of equipment for expansion of an asbestos mill in Gallatin County, Montana, for processing of ores mined from the Karst district which they referred to us for attention.

The Supply Division of this office advise that, to the best of their knowledge, the Karst district produces an amphibole asbestos for which there has been little demand for the fiber produced, that it is not of spinning quality and that an application for an exploration loan covering this mining operation was denied under date of June 14, 1951.

Therefore, in order to justify rating assistance it will be necessary that you further substantiate the essentiality of need of your production in relation to the defense program. This should include mill tonnage production by type of product and end use.

Very truly yours,

GHRoll:cg

Geo. H. Roll
Requirements Division

Copy to: Mr. James A. Barr
Rm 3628

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 4, Washington

June 28, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 3 - 1951
LANDON F. STROBEL
Executive Secretary

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

Dear Mr. Strobel:

Enclosed are four copies of a report by M. R. Klepper, Field Team, Region II, to Mr. J. A. Barr, Chief, Nonmetallics Commodity Committee, DMA.

Please forward these to Mr. Barr for further perusal.

Sincerely,

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

Enclosures as indicated.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 3 - 1951
LANDON F. STROBEL
Executive Secretary

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

June 28, 1951

DMA 1354X

MEMORANDUM

To: J. A. Barr, Chief, Nonmetallics Commodity Committee, DMA

From: M. R. Klepper, Field Team, Region II

Subject: Interstate Products Company; commodity: Asbestos

On June 19 the writer was instructed by Mr. A. E. Weissenborn in a telephone conversation to examine properties of the Interstate Products Company in Gallatin and Madison Counties, Montana, to determine whether any of the company's properties contained deposits of chrysotile asbestos that warranted Government participation in exploration.

The company controls four groups of claims, three in the vicinity of Karst Camp on the Gallatin River about 35 miles north of Bozeman, Montana, and one on Mile Creek at the south end of the Madison Valley in Madison County, Montana. The three groups of claims near Karst Camp contain tremolite asbestos; the one group on Mile Creek contains chrysotile asbestos.

A brief description of the principal known deposits near Karst Camp prepared by Val Freeman of the U. S. Geological Survey is attached. Similar deposits on Table Mountain in sec. 4(?), T. 6 S., R. 4 E. and along Deer Creek south of Table Mountain, have been prospected by Interstate Products Company, but these were not examined.

Chrysotile asbestos occurs in a deposit on the east slope of Mile Creek Valley in sec. 25, T. 12 S., R. 2 E., Madison County, Montana. Interstate Products Company has an option on this deposit. The deposit consists of irregularly serpentinized zones that more or

less parallel to the bedding of pre-Cambrian magnesian limestone cut by older amphibolitic and younger gabbroic intrusives. Veinlets of cross-fiber chrysotile asbestos, most of which are more or less parallel to the bedding, occur in the serpentinized zones.

Thix deposit was mined intermittently by the Montbestos Mining Company, now defunct, between about 1924 and 1938. A mill of unknown capacity was erected on the property during that period but has since been dismantled. The company is now defunct and no record of its production is available to the writer.

Massive yellowish green serpentine cut by veinlets of chrysotile have been exposed in surface pits for a length of 100 to 150 feet in a stratigraphic unit of carbonate rock about 40 feet thick. The surface exposures appear to lie on the west limit of a syncline, but the underground workings, most of which are now caved, may also have explored the trough and east limb of this structure. At the surface the favorable bed zone is underlain by amphibolite which appears to be underlain (intruded by) unmetamorphosed gabbro.

Measurements of the total thickness of all chrysotile veinlets were made in the best exposures in the open pits and in accessible underground workings. For all exposures in the serpentinized zone (approximately 150 feet long, up to 40 feet thick, and accessible to a depth of about 50 feet beneath the outcrop) the fiber content is estimated to be less than two percent and possibly closer to one percent. The richest zone seen, about three feet thick and thirty feet long, is estimated to contain between three and five percent of chrysotile fiber. No zone ten feet thick contains more than two or three percent of fiber. Furthermore veinlets that contain fibers greater than 3/8 of an inch in length are rare. It is estimated that in the aggregate such fiber forms less than one percent of the total fiber.

In view of the small total content of chrysotile fiber and of the small proportion of this fiber that exceeds 3/8 of an inch in length, I cannot recommend that the Government participate in further exploration of this deposit. However, as similar geologic conditions exist over a considerable area near this deposit, it is quite possible that careful prospecting might lead to the discovery of other deposits of chrysotile that contain fiber of greater length in greater concentrations.

cc: U. S. Bureau of Mines, Spokane
U. S. Bureau of Mines, Albany

KARST AND MONTANA ASBESTOS DEPOSITS

Gallatin County, Montana
SW$\frac{1}{4}$ sec. 26, T. 5 S., R. 4 E.

The Karst and Montana asbestos pits of the Interstate Products Company lie in an extensive area of Archaen rocks which form the core of the Gallatin and Madison ranges of southwestern Montana. The deposit exposed at the Karst pit lies in the crest of an anticline which strikes N. 35° E. and plunges northward. A series of relatively competent quartz-biotite gneiss and schist overlies a central core of incompetent fine-grained schist that has been intensely squeezed in the crest of the anticline with accompanying intrusion by basic and pegmatitic igneous rocks. Serpentinization has altered the basic intrusion and probably part of the schist. Small scale faulting occurred nearly contemporaneously with the folding and introduction of the intrusives. The Montana deposit occupies the crest of an adjacent anticline and is geologically similar to the Karst deposit.

Tremolite asbestos has formed in fractures and as disseminated crystals in areas closely related to the serpentinization. The deposits are limited upward by the overlying gneiss. The depth and the nature of the underlying rock could not be determined from existing exposures. The length of the deposits along the crest of the anticlines probably is limited by the plunge of the anticlines.

At each pit at least 10,000 tons of rock estimated to contain between 30 and 40 percent of amphibole asbestos, principally in the form of slip-fiber but partly as cross-fiber and massive aggregate, can be considered blocked out for immediate mining above the pit floor and a reserve of at least as much can be considered inferred.

The probability of finding other similar deposits near the Karst and Montana pits is considered to be very good.

Val Freeman
U. S. Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 4, Washington

June 28, 1951

DMA1354X

MEMORANDUM

To: J. A. Barr, Chief, Nonmetallics Commodity Committee, DMA

From: M. R. Klepper, Field Team, Region II

Subject: Interstate Products Company; commodity: Asbestos

On June 19 the writer was instructed by Mr. A. E. Weissenborn in a telephone conversation to examine properties of the Interstate Products Company in Gallatin and Madison Counties, Montana, to determine whether any of the company's properties contained deposits of chrysotile asbestos that warranted Government participation in exploration.

The company controls four groups of claims, three in the vicinity of Karst Camp on the Gallatin River about 35 miles north of Bozeman, Montana, and one on Mile Creek at the south end of the Madison Valley in Madison County, Montana. The three groups of claims near Karst Camp contain tremolite asbestos; the one group on Mile Creek contains chrysotile asbestos.

A brief description of the principal known deposits near Karst Camp prepared by Val Freeman of the U. S. Geological Survey is attached. Similar deposits on Table Mountain in sec. 4(?), T. 6 S., R. 4 E. and along Deer Creek south of Table Mountain, have been prospected by Interstate Products Company, but these were not examined.

Chrysotile asbestos occurs in a deposit on the east slope of Mile Creek Valley in sec. 25, T. 12 S., R. 2 E., Madison County, Montana. Interstate Products Company has an option on this deposit. The deposit consists of irregularly serpentinized zones that more or

less parallel to the bedding of pre-Cambrian magnesian limestone cut by older amphibolitic and younger gabbroic intrusives. Veinlets of cross-fiber chrysotile asbestos, most of which are more or less parallel to the bedding, occur in the serpentinized zones.

Thix deposit was mined intermittently by the Montbestos Mining Company, now defunct, between about 1924 and 1938. A mill of unknown capacity was erected on the property during that period but has since been dismantled. The company is now defunct and no record of its production is available to the writer.

Massive yellowish green serpentine cut by veinlets of chrysotile have been exposed in surface pits for a length of 100 to 150 feet in a stratigraphic unit of carbonate rock about 40 feet thick. The surface exposures appear to lie on the west limit of a syncline, but the underground workings, most of which are now caved, may also have explored the trough and east limb of this structure. At the surface the favorable bed zone is underlain by amphibolite which appears to be underlain (intruded by) unmetamorphosed gabbro.

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In view of the small total content of chrysotile fiber and of the small proportion of this fiber that exceeds 3/8 of an inch in length, I cannot recommend that the Government participate in further exploration of this deposit. However, as similar geologic conditions exist over a considerable area near this deposit, it is quite possible that careful prospecting might lead to the discovery of other deposits of chrysotile that contain fiber of greater length in greater concentrations.

cc: U. S. Bureau of Mines, Spokane
U. S. Bureau of Mines, Albany

KARST AND MONTANA ASBESTOS DEPOSITS

Gallatin County, Montana
SW¼ sec. 26, T. 5 S., R. 4 E.

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Val Freeman
U. S. Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 4, Washington

June 28, 1951

DMA 1354X

MEMORANDUM

To: J. A. Barr, Chief, Nonmetallics Commodity Committee, DMA

From: M. R. Klepper, Field Team, Region II

Subject: Interstate Products Company; commodity: Asbestos

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cc: U. S. Bureau of Mines, Spokane
U. S. Bureau of Mines, Albany

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Gallatin County, Montana
SW$\frac{1}{4}$ sec. 26, T. 5 S., R. 4 E.

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Val Freeman
U. S. Geological Survey

FILE COPY
SURNAME:

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

June 15, 1951

Miss Mable G. Lester,
Secretary-Treasurer
126 Avenue C
Billings, Montana

Subject: DMA-1354X
Re: Exploration Loan -
Karst Claims

My dear Miss Lester:

Receipt is acknowledged of your application and attachments of May 28, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1354X and referred to Mr. James A. Barr, Chief, Industrial Minerals Branch on May 31, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1354X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

L. F. Strobel:jc
cc: Strobel
File
Barr
Lyon

DMA 1354

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

a.e.c.

June 14, 1951

Memorandum

To: Executive Secretary

From: Chief, Industrial Minerals Branch

Subject: DMA-1354X $250,000 90% Asbestos
Interstate Products Company, Inc.
126 Avenue C
Billings, Montana

It is recommended that subject application be denied for the following reason:

1. Program prepared by applicant is entirely development and production, or preparation for production, and does not come within the scope of exploration as defined in Section 8 of MO-5.

James A. Barr

James A. Barr, Sr.

Approved:

Tom Lyon

Tom Lyon, Director
Supply Division

FILE COPY
SURNAME:

Barr

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

June 14, 1951

Memorandum

To: Executive Secretary

From: Chief, Industrial Minerals Branch

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James Barr

James A. Barr, Sr.

Approved:

Tom Lyon

Tom Lyon, Director
Supply Division

RW:dak

cc: Mr. Strobel
Mr. Lyon
Mr. Barr
Files

FILE COPY
SURNAME:

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

June 13, 1951

Interstate Products Company, Inc.
126 Avenue C
Billings, Montana

Subject: DMA-1354-X

Gentlemen:

Your application for aid for an exploration project on asbestos deposit located in Gallatin Canyon, Montana, and docketed as DMA-1354-X, has been reviewed by this office.

Exploration projects as defined in MO-5, Regulations Governing Government Aid in Defense Exploration Projects, must be confined to work necessary to search for unknown or undeveloped sources of strategic minerals; the work must be confined to a reasonable delineation and sampling of the ore and may not include work prosecuted primarily for mining or preparation for mining.

A very careful study of your proposal revealed the following:

1. The property in question has been rather intensively prospected in the past and a substantial amount of development and mining work has been accomplished. Need for, and justification of, additional exploration work has not been demonstrated.

2. The proposed work program in subject application is essentially development and preparation for mining and does not come within the scope of exploration as defined in Section 8 of MO-5.

Under these circumstances, your application for exploration aid to the extent of 90% of $250,000 is denied. Should additional information become available, we would be glad to have you resubmit your proposal for consideration.

As you probably know, Government loans are available under certain circumstances for development and mining of strategic minerals. Should you wish to apply for Government assistance in this regard on asbestos properties, it is suggested that you submit samples of the mineral and data to substantiate its strategic quality.

Sincerely yours,

Tom Lyon
Tom Lyon, Director
Supply Division

RW:dak

cc: Mr. Strobel
Mr. Lyon
Mr. Barr
Files

June 13, 1951

Memorandum

To: Director, Supply Division

From: Chief, Industrial Minerals Branch

Subject: DMA-1354-I $250,000 90% Asbestos
Interstate Products Company, Inc.
126 Avenue C
Billings, Montana

It is recommended that subject application be denied for the following reason:

1. Program prepared by applicant is entirely development and production, or preparation for production, and does not come within the scope of exploration as defined in Section 8 of MO-5.

James A. Barr, Sr.

RW:dak

cc: Mr. Strobel
Mr. Barr
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

G-MD-JAB
Redden

June 8, 1951

Memorandum

To: James A. Barr, Sr.

From: J. A. Redden

Subject: Application DMA-1354X from Interstate Products Company, Inc., Billings, Montana, requesting a $225,000 loan to explore asbestos deposits near Bozeman, Montana.

Application DMA-1354X is for supposed "exploration" of spinning and cross-fiber asbestos deposit in Gallatin Canyon, 35 miles south of Bozeman, Montana.

This property was examined very briefly by H. L. James and W. R. Jones in 1943, while visiting a reported chromite deposit nearby. In a memo to G. R. Mansfield, James stated that the deposit was mainly anthophyllite (or at least a harsh fiber) asbestos and that the amount of chrysotile was very minor. They also state that asbestos exposed at the surface is soft and fluffy, but at a few feet depth it is typical hard amphibole asbestos.

The applicant makes no statement about the geology of the deposit. He states than an "undetermined amount of spinning asbestos fiber" is present.

The application appears to be almost entirely a development project for by their own statement they have "commercial" ore bodies. Their tabulation of anticipated exploration is essentially all development work.

It is recommended that the application be denied on the grounds that:

1. It is development instead of exploration.

2. There is no evidence presented that the applicant has strategic asbestos.

If the applicant wishes to submit a new application for development, he should submit data on size of deposit, grade of the deposit, quality of asbestos produced, and the acceptability of their product by manufacturers.

The applicant should receive a copy of stockpile specifications for asbestos in the denial of his application.

If the new information was more favorable then the deposit might warrant a brief field examination. It is suspected that product of the mine is amphibole asbestos which will not meet the required specifications.

J. A. Redden

JARedden:jeh
G-6/8/51

copy to: Director's Reading file, Rm. 4212 GS Bldg.
Branch Reading 4212 " "
Redden G-228 GS Bldg.
DMA files

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-1354 X

Date received 5/31/51

Participation

Interstate Products, Co., Inc.
126 Avenue C
Billings, Montana

Name and address of applicant

Date May 28, 1951

FILL IN THIS BLOCK

Date of application May 28, 1951

Estimated cost $250,000.00

Mineral or metal Spinning & cross-fiber asbestos

Percentage of Government participation 90%

Location of mine 35 Miles South of Bozeman in Gallatin Canyon.

Date of filing MF-100

DMA Docket Number, if available DMA-1354

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.

Interstate Products Co. Inc. (Name of company) By Mable G. Lester (Signature of authorized official)

May 28 - 1951 (Date) Secretary Treasurer (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

FORM MF 103

APPENDA

1. Applicant is a Montana Corporation.

2. Not applicable.

3. The names and addresses of the officers and directors and five major stock holders are:

1. C. A. Lester, President, 126 Ave. C., Billings, Montana.
2. Mabel G. Lester, Sec.-Treas., 126 Ave. C., Billings, Mont.
3. E. F. Bunker, V. Pres., Box 543, Bozeman, Montana.

The names of the directors are

1. C. A. Lester
2. Mabel G. Lester
3. E. F. Bunker
4. Samuel Brain
5. F. J. Ferguson

The five major stock holders are

1. C. A. Lester
2. Mabel G. Lester
3. Sam Brain
4. Ford Brown
5. Anna Widmer

4. A. The applicant is a Montana Corporation which has been operating the mines for 4½ years.

B. The persons who will manage the project are C. A. Lester, President, who has had approximately 30 years of mining experience and has been president, director and manager of this Corporation since it's inception. E. F. Bunker is an attorney has been interested in mining as manager, operator and attorney for Mining Company's all for over 33 years.

5. The Corporation is the owner of the properties.

6. There are no claims, liens or encumberances of any kind against the property.

7. Not applicable.

8. Current financial statement showing assets and liability and profit and loss statement is attached hereto as Exhibit A. In this connection up to the present time this corporation has

been expending monies in exploration, building roads, bridges and opening up the mineral deposit.

9. Applicant is prepared to invest $25,000.00 in the project. That the sum is sufficient to pay the Company's cost as detailed in question 23 of the application form, as we understand the government participation of 90%, BUT we do not have Sec. 9 of Mineral Order 5 so we cannot check.

10. A. The real property consists of 22 mining claims and 3 mill sites in 2 separate clusters of claims. The 18 claims and 3 mill sites are located on Sections 35 and 36, T5S, r4E and known as the Karst group of claims. The other 4 claims are located on what is known as Table Mountain in what is believed to be Sec. 4, T6S, R4E (unsurveyed). Exploration work and mining and operating have been done on the "Karst", "Discovery", "Montana", "Utah", "Elk", "Buck", and "Six Bit" claims. Exploration work only has been done on the Table Mountain claims. The 2 areas are separated by about 2½ miles of rugged mountains.

B. Legal description is given below and exploration work will be done on all other claims except those named in 10.A., both in the Karst Group and the Table Mountain Group.

11. The present names and former names of the property are as follows:

KARST CLAIMS

(1) KARST'S ASBESTOS LODE MINING CLAIM, as filed in Book 2 of Lode Locations, Page 610.
(2) Buck, as filed in Book 2 of Lode Locations, p. 618.
(3) Six Bit as filed in Book 2 of Lode Locations, p. 620.
(4) Elk as filed in Book 5 of Mining Claims, December 1937
(5) Millsite as filed in Book 5 of Mining Claims, p. 53.
(6) Utah No. 14 as filed in Book 5 of Lode Locations, p. 135.
(7) Idaho, No. 13 as filed in Book 5 of Lode Locations, p. 137.
(8) Spruce No. 12 as filed in Book 5 of Lode Locations, P. 139.
(9) Creek Claim No. 11 as filed in Bk. 5 of Lode Locations p.142
(10) Mountain Top No. 10 as filed in Bk. 5 of Lode Locationsp.144
(11) Fallatin No. 9 as filed in Bk 5 of Lode Locations, p. 146
(12) Montana No. 8 as filed in Bk. 5 of Lode Locations, p. 148
(13) Discovery No. 7 as filed in Bk. 5 of Lode Locations, p. 150
(14) Last Chance No. 6 as filed in Bk. 5 of Lode Locations, p. 152
(15) Texas No. 5 as filed in Bk. 5 of Lode Locations, p. 154
(16) Blue Jay No. 4 as filed in Bk. 5 of Lode Locations, p. 157
(17) Ash No. 3 as filed in Bk. 5 of Lode Locations, p. 159
(18) Pine No. 2 as filed in Bk. 5 of Lode Locations, p. 161
(19) Riverside No. 1 as filed in Bk. 5 of Lode Locations, p. 163

(20) Millsite Lode Mining Claim a filed in Book 5 of Lode Locations P. 165
(21) Millsite No. 2 Lode Mining Claim as filed in Bk. 5 of Lode Locations, p. 167; all in Gallatin County, State of Montana, and filing as of record in the office of the County Clerk and Recorder of Gallatin County, Montana, Bozeman, Montana.

TABLE MOUNTAIN CLAIMS

(1) Deer
(2) Elk
(3) Hope
(4) Discovery

12. The Karst Claims are located 35 miles Southerly from Bozeman, Montana and 22 miles Southerly from Gallatin Gateway, the Milwaukee Railroad goes into Gallatin Gateway and the Milwaukee and Northern Pacific comes into Bozeman, Montana. There is a hard surfaced road between Bozeman and Gallatin Gateway and the mines. Shipping points are both Bozeman, and Gallatin Gateway; the road from Karst mines is practically all down hill into both Gallatin Gateway and Bozeman, Montana. There is a 3 mile switch back road from the mine cabins on the Black Top road, to the open mining pits. A road from the present mining operations to Table Mountain of between 4 and 5 miles is contemplated, all roads are in excellant condition.

13. Allwater that is required at the mines is immediately available and is sufficient at all seasons. The power used is gasoline and diesel power, electric power is available at mine buildings but is not used in the mining.

14. The existing facility, equipment, buildings will be devoted to the exploration work are:

1 Catipillar tractor bulldozer
1 wagon drill
1 pick-up truck
1 hoist attachment
Misc. drills
Hand operated mining drills
1 large compressor and receiver
hose, picks, shovels and misc. necessary tools
the buildings and shop at the workings
5 dwellings
2 bridges across the Gallatin river

15. The ore is now and should be taken from the mine to Bozeman, Montana where it can be milled, by truck.

16. A. The mine was first opened by Pete Karst about 40 years ago. His exploration consisted of numerous pits and one short tunnel. This property was sold by Pete Karst to O. E. Sheppard and O. E. Sheppard sold this property to the present corporation. The present corporation has built one bridge and approximately 3 miles of road that raises something over 700 feet in the 3 miles. The development of the mines has been by bulldozing open pits, faces of asbestos of between 250 and 300 feet have been opened by the exploration work.

B. There are no adjoining or neighboring properties which have been in production.

C. Attached hereto are private reports that apply to this application.

17. The mine is not in production. The Company has stock piled between 8 and 10,000 tons of asbestos ore in Bozeman and at Gallatin Gateway. No ore has been sold.

18. Not applicable as the property is not actually operating.

19. With our certain knowledge of spinning and cross-fiber asbestos we desire to explor for the purpose of finding the best veins of those two (2) products for use by the government in accordance with their desire and necessity at this time.

20. We now know that we have an undetermined per cent of spinning asbestos fiber. We desire and it is the purpose of this application to do approximately $250,000.00 worth of exploration work to open, develop and put in shape for mining and milling spinning fiber asbestos and cross fiber asbestos.

development

21. The proposed work and estimated time required to complete the work is as follows:

(1) rebuilding of one bridge
(2) erection of work shop and storage sheds
(3) erection of one 500 tone (or more) storage bin and chutes,
(4) building upwards of 4 miles of road
(5) building roads and opening faces on known deposits, sampling and working various types of ores discovered.

To make this clear this mining operation is a terrace mining operation and will be worked in steps, the height of which is in each case determined by the slope of the ground. The estimated time required to complete the work is 22 months.

22. There is no expectation of finding commercial ore bodies; we have them. We only wish to do exploration work for expanding the amount of commercial, spinning, and cross-fiber ore bodies and making the mine more exonomical of operations on the discoveries and of operating to the point where the milling can be made continuous.

23. A. Labor:-

2 bulldozer men at $40.00 per day - 312 days		$12,480.00
2 helpers men at $25.00 per day - 312 days		7,800.00
1 mechanic at $18.00 per day- 312 days		5,616.00
1 mine boss at $750.00 per month		5,280.00
B. Supervisors:-		
1 Bookkeeper at $340.00 per month		4,760.00
1 General Mgr. at $750.00 per month		9,000.00
1 Asst. Mgr. at $300.00 per month		3,600.00
		48,536.00
C. Cost of necessary repairs:-		
1 machinery	Est $6,000.00	
2 Bldgs.	Est. 1,000.00	7,000.00
D. Instalations:-		
Bridge	10,000.00	
Roads	12,000.00	
New Bldgs. (4)	7,600.00	29,600.00
E. 1 Bulldozer	15,000.00	15,000.00
F. Rental Machinery		60,000.00
G. Rental value of present Machinery to be used		62,000.00
H. Powder, drill steel, Misc. Tools.		18,214.00
I. Gas, Oil Diesel Fuel, Phone, etc. Misc.		9,650.00
TOTAL		$250,600.00

24. The time shhedule of the project, if the project is approved, is variable depending upon the time the government approves the project. This is true for the reason that a part of the road work and a part of the development operations may be

stopped by winter weather conditions, operations can continue uninterrupted during months of the winter but road building and developemtn work would be expensive and greatly hampered by winter weather. If the project is not approved before November then 2 winters will intervene and about 10 months of time will be lost; if the project is approved by the 1st of July, 5 months of work in this year can be completed and 6½ months can be completed in 1952 and the whole of the project should be completed before the end of November, 1952.

AMENDMENT TO FORM MF 100 APPENDA

This amendment goes to Interstate Manufacturing Company, Inc., application for D.O. number.

The Manufacturing Company has this day been notified by the Interstate Products Company, which supplies the ore for this Company that it is preparing to do exploration and development looking toward the production of crisotile spinning fiber; and the Interstate Production Company has notified this Company that the milling must be prepared for crisotile spinning asbestos, as it expects to produce a quanity thereof during this year, if our machinery is ready for it.

It is requested that this amendment be attached to the General Technical Appenda Form MF 100 for INTERSTATE MANUFACTURING COMPANY, INC., filed application made May 8, 1951.

May 29, 1951.

INTERSTATE MANUFACTURING COMPANY, INC.

By M. G. Lester Sec. Treas.
~~President.~~

AMENDMENT TO FORM MF 103 APPENDA

The following amendment is desired to the application made by Interstate Products Company, May 28, 1951, for a loan, that was omitted by inadvertance. Property hereinafter described which applicant intends to prospect and develop for chrysotile spinning asbestos. Prospect work has been done on the claim hereinafter named and it was intended to include the same in the development program under 10-A of the form and 11, which was intended to state that prospecting on Section 5 and 8, T3S, R6E (private property under lease) and on Section 36, T2S, R6E (private property under lease) and on Section 1 and 2, T3S, R6E (government property upon which claims are posted) to do exploration and development work in known chrysotile spinning asbestos veins under 23 which work, labor, supervision, repairs and machinery, purchased and rented and the powder and fuel under 23 of Form MF 103 was intended to include work on the above location and for the above purposes.

May 29, 1951.

INTERSTATE PRODUCTS COMPANY

By Mable G. Lester
~~President~~ Sec. Treas.

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INTERSTATE MANUFACTURING COMPANY, INC.

By ~~President~~ M. G. Lester
~~President~~ Sec Treas.

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May 29, 1951.

INTERSTATE PRODUCTS COMPANY

By Mable G. Lester
~~President~~ Sec. Treas.

Dr. Bowles knows this
Hospital well — says it contains
little, if any, obstetrics.

GHW

Return Doctor
To File

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-1354X

Date received 5/31/51

Participation

Interstate Products, Co., Inc.
126 Avenue C
Billings, Montana

Name and address of applicant

Date May 28, 1951

FILL IN THIS BLOCK

Date of application May 28, 1951

Estimated cost $250,000.00

Mineral or metal ~~Spinning & cross-fiber~~ asbestos

Percentage of Government participation 90%

Location of mine ~~35 Miles South of Bozeman~~ in Gallatin Canyon.

Date of filing MF-100

DMA Docket Number, if available DMA-1354X

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.

Interstate Products Co. Inc.
(Name of company)

By Mable G. Lester
(Signature of authorized official)

May 28 1951
(Date)

Secretary - Treasurer
(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

FORM MF 103

APPENDA

1. Applicant is a Montana Corporation.

2. Not applicable.

3. The names and addresses of the officers and directors and five major stock holders are:

   1. C. A. Lester, President, 126 Ave. C., Billings, Montana.
   2. Mabel G. Lester, Sec.-Treas., 126 Ave. C., Billings, Mont.
   3. E. F. Bunker, V. Pres., Box 543, Bozeman, Montana.

   The names of the directors are

   1. C. A. Lester
   2. Mabel G. Lester
   3. E. F. Bunker
   4. Samuel Brain
   5. F. J. Ferguson

   The five major stock holders are

   1. C. A. Lester
   2. Mabel G. Lester
   3. Sam Brain
   4. Ford Brown
   5. Anna Widmer

4. A. The applicant is a Montana Corporation which has been operating the mines for 4½ years.

   B. The persons who will manage the project are C. A. Lester, President, who has had approximately 30 years of mining experience and has been president, director and manager of this Corporation since it's inception. E. F. Bunker is an attorney has been interested in mining as manager, operator and attorney for Mining Company's all for over 33 years.

5. The Corporation is the owner of the properties.

6. There are no claims, liens or encumberances of any kind against the property.

7. Not applicable.

8. Current financial statement showing assets and liability and profit and loss statement is attached hereto as Exhibit A. In this connection up to the present time this corporation has

been expending monies in exploration, building roads, bridges and opening up the mineral deposit.

9. Applicant is prepared to invest $25,000.00 in the project. That the sum is sufficient to pay the Company's cost as detailed in question 23 of the application form, as we understand the government participation of 90%, BUT we do not have Sec. 9 of Mineral Order 5 so we cannot check.

10. A. The real property consists of 22 mining claims and 3 mill sites in 2 separate clusters of claims. The 18 claims and 3 mill sites are located on Sections 35 and 36, T5S, r4E and known as the Karst group of claims. The other 4 claims are located on what is known as Table Mountain in what is believed to be Sec. 4, T6S, R4E (unsurveyed). Exploration work and mining and operating have been done on the "Karst", "Discovery", "Montana", "Utah", "Elk", "Buck", and "Six Bit" claims. Exploration work only has been done on the Table Mountain claims. The 2 areas are separated by about 2½ miles of rugged mountains.

B. Legal description is given below and exploration work will be done on all other claims except those named in 10.A., both in the Karst Group and the Table Mountain Group.

11. The present names and former names of the property are as follows:

KARST CLAIMS

(1) KARST'S ASBESTOS LODE MINING CLAIM, as filed in Book 2 of Lode Locations, Page 610.
(2) Buck, as filed in Book 2 of Lode Locations, p. 618.
(3) Six Bit as filed in Book 2 of Lode Locations, p. 620.
(4) Elk as filed in Book 5 of Mining Claims, December 1937
(5) Millsite as filed in Book 5 of Mining Claims, p. 53.
(6) Utah No. 14 as filed in Book 5 of Lode Locations, p. 135.
(7) Idaho, No. 13 as filed in Book 5 of Lode Locations, p. 137.
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	48,536.00

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2 Bldgs.	Est. 1,000.00	7,000.00

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It is requested that this amendment be attached to the General Technical Appenda Form MF 100 for INTERSTATE MANUFACTURING COMPANY, INC., filed application made May 8, 1951.

May 29, 1951.

INTERSTATE MANUFACTURING COMPANY, INC.

By M. G. Lester Sec. Treas.
President

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May 29, 1951.

INTERSTATE PRODUCTS COMPANY

By Mable G. Lester
~~President~~ Sec. Treas.

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-1354 X

Date received 5/21/51

Participation

Interstate Products, Co., Inc.
125 Avenue C
Billings, Montana

Name and address of applicant

Date May 28, 1951

FILL IN THIS BLOCK

Date of application May 28, 1951

Estimated cost $250,000.00

Mineral or metal Spinning Cross-fiber asbestos

Percentage of Government participation 90%

Location of mine 35 miles South of Bozeman in Valentin Canyon.

Date of filing MF-100

DMA Docket Number, if available dma-1354 X

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.

Interstate Products Co. Inc.
(Name of company)

By Mable G. Lester
(Signature of authorized official)

May 28, 1951
(Date)

Secretary Treasurer
(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

FORM MF 103

APPENDA

1. Applicant is a Montana Corporation.

2. Not applicable.

3. The names and addresses of the officers and directors and five major stock holders are:

1. C. A. Lester, President, 126 Ave. C., Billings, Montana.
2. Mabel C. Lester, Sec.-Treas., 126 Ave. C., Billings, Mont.
3. E. F. Bunker, V. Pres., Box 543, Bozeman, Montana.

The names of the directors are

1. C. A. Lester
2. Mabel C. Lester
3. E. F. Bunker
4. Samuel Brain
5. F. J. Ferguson

The five major stock holders are

1. C. A. Lester
2. Mabel C. Lester
3. Sam Brain
4. Ford Brown
5. Anna Widmer

4. A. The applicant is a Montana Corporation which has been operating the mines for 4½ years.

B. The persons who will manage the project are C. A. Lester, President, who has had approximately 30 years of mining experience and has been president, director and manager of this Corporation since it's inception. E. F. Bunker is an attorney has been interested in mining as manager, operator and attorney for Mining Company's all for over 33 years.

5. The Corporation is the owner of the properties.

6. There are no claims, liens or encumberances of any kind against the property.

7. Not applicable.

8. Current financial statement showing assets and liability and profit and loss statement is attached hereto as Exhibit A. In this connection up to the present time this corporation has

been expending monies in exploration, building roads, bridge and opening up the mineral deposit.

9. Applicant is prepared to invest $25,000.00 in the project. That the sum is sufficient to pay the Company's cost as detailed in question 23 of the application form, as we understand the government participation of 90%, BUT we do not have Sec. 9 of Mineral Order 5 so we cannot check.

10. A. The real property consists of 22 mining claims and 3 mill sites in 2 separate clusters of claims. The 18 claims and 3 mill sites are located on Sections 35 and 36, T5S, R4E and known as the Karst group of claims. The other 4 claims are located on what is known as Table Mountain in what is believed to be Sec. 4, T6S, R4E (unsurveyed). Exploration work and mining and operating have been done on the "Karst", "Discovery", "Montana", "Utah", "Elk", "Buck", and "Six Bit" claims. Exploration work only has been done on the Table Mountain claims. The 2 areas are separated by about 2½ miles of rugged mountains.

B. Legal description is given below and exploration work will be done on all other claims except those named in 10.A., both in the Karst Group and the Table Mountain Group.

11. The present names and former names of the property are as follows:

KARST CLAIMS

(1) KARST'S ASBESTOS LODE MINING CLAIM, as filed in Book 2 of Lode Locations, Page 610.
(2) Buck, as filed in Book 2 of Lode Locations, p. 618.
(3) Six Bit as filed in Book 2 of Lode Locations, p. 620.
(4) Elk as filed in Book 5 of Mining Claims, December 1937
(5) Milleite as filed in Book 5 of Mining Claims, p. 53.
(6) Utah No. 14 as filed in Book 5 of Lode Locations, p. 135.
(7) Idaho, No. 13 as filed in Book 5 of Lode Locations, p. 137.
(8) Spruce No. 12 as filed in Book 5 of Lode Locations, P. 139.
(9) Creek Claim No. 11 as filed in Bk. 5 of Lode Locations p.142
(10) Mountain Top No. 10 as filed in Bk. 5 of Lode Locationsp.144
(11) Fallatin No. 9 as filed in Bk 5 of Lode Locations, p. 146
(12) Montana No. 8 as filed in Bk. 5 of Lode Locations, p. 148
(13) Discovery No. 7 as filed in Bk. 5 of Lode Locations, p. 150
(14) Last Chance No. 6 as filed in Bk. 5 of Lode Locations, p. 152
(15) Texas No. 5 as filed in Bk. 5 of Lode Locations, p. 154
(16) Blue Jay No. 4 as filed in Bk. 5 of Lode Locations, p. 157
(17) Ash No. 3 as filed in Bk. 5 of Lode Locations, p. 159
(18) Pine No. 2 as filed in Bk. 5 of Lode Locations, p. 161
(19) Riverside No. 1 as filed in Bk. 5 of Lode Locations, p. 163

(20) Millsite Lode Mining Claim a filed in Book 5 of Lode Locations P. 165

(21) Millsite No. 2 Lode Mining Claim as filed in Bk. 5 of Lode Locations, p. 167; all in Gallatin County, State of Montana, and filing as of record in the office of the County Clerk and Recorder of Gallatin County, Montana, Bozeman, Montana.

TABLE MOUNTAIN CLAIMS

(1) Deer
(2) Elk
(3) Hope
(4) Discovery

12. The Karet Claims are located 35 miles Southerly from Bozeman, Montana and 22 miles Southerly from Gallatin Gateway, the Milwaukee Railroad goes into Gallatin Gateway and the Milwaukee and Northern Pacific comes into Bozeman, Montana. There is a hard surfaced road between Bozeman and Gallatin Gateway and the mines. Shipping points are both Bozeman, and Gallatin Gateway; the road from Karet mines is practically all down hill into both Gallatin Gateway and Bozeman, Montana. There is a 3 mile switch back road from the mine cabins on the Black Top road, to the open mining pits. A road from the present mining operations to Table Mountain of between 4 and 5 miles is contemplated, all roads are in excellent condition.

13. All water that is required at the mines is immediately available and is sufficient at all seasons. The power used is gasoline and diesel power, electric power is available at mine buildings but is not used in the mining.

14. The existing facility, equipment, buildings will be devoted to the exploration work are:

1 Catipillar tractor bulldozer
1 wagon drill
1 pick-up truck
1 hoist attachment
Misc. drills
Hand operated mining drills
1 large compressor and receiver
hose, picks, shovels and misc. necessary tools
the buildings and shop at the workings
5 dwellings
2 bridges across the Gallatin river

15. The ore is now and should be taken from the mine to Bozeman, Montana where it can be milled, by truck.

16. A. The mine was first opened by Pete Karst about 40 years ago. His exploration consisted of numerous pits and one short tunnel. This property was sold by Pete Karst to O. E. Sheppard and O. E. Sheppard sold this property to the present corporation. The present corporation has built one bridge and approximately 3 miles of road that raises something over 700 feet in the 3 miles. The development of the mines has been by bulldozing open pits, faces of asbestos of between 250 and 300 feet have been opened by the exploration work.

B. There are no adjoining or neighboring properties which have been in production.

C. Attached hereto are private reports that apply to this application.

17. The mine is not in production. The Company has stock piled between 8 and 10,000 tons of asbestos ore in Bozeman and at Gallatin Gateway. No ore has been sold.

18. Not applicable as the property is not actually operating.

19. With our certain knowledge of spinning and cross-fiber asbestos we desire to explor for the purpose of finding the best veins of those two (2) products for use by the government in accordance with their desire and necessity at this time.

20. We now know that we have an undetermined per cent of spinning asbestos fiber. We desire and it is the purpose of this application to do approximately $250,000.00 worth of exploration work to open, develop and put in shape for mining and milling spinning fiber asbestos and cross fiber asbestos.

21. The proposed work and estimated time required to complete the work is as follows:

(1) rebuilding of one bridge
(2) erection of work shop and storage sheds
(3) erection of one 500 tons (or more) storage bin and chutes,
(4) building upwards of 4 miles of road
(5) building roads and opening faces on known deposits, sampling and working various types of ores discovered.

To make this clear this mining operation is a terrace mining operation and will be worked in steps, the height of which is in each case determined by the slope of the ground. The estimated time required to complete the work is 22 months.

22. There is no expectation of finding commercial ore bodies; we have them. We only wish to do exploration work for expanding the amount of commercial, spinning, and cross-fiber ore bodies and making the mine more economical of operations on the discoveries and of operating to the point where the milling can be made continuous.

23. A. Labor:-

2 bulldozer men at $40.00 per day - 312 days	$12,480.00
2 helpers men at $25.00 per day - 312 days	7,800.00
1 mechanic at $18.00 per day- 312 days	5,616.00
1 mine boss at $750.00 per month	5,280.00

B. Supervisors:-

1 Bookkeeper at $340.00 per month	4,760.00
1 General Mgr. at $750.00 per month	9,000.00
1 Asst. Mgr. at $300.00 per month	3,600.00
	48,536.00

C. Cost of necessary repairs:-

1 machinery	Est $6,000.00	
2 Bldgs.	Est. 1,000.00	7,000.00

D. Instalations:-

Bridge	10,000.00	
Roads	12,000.00	
New Bldgs. (4)	7,600.00	29,600.00

E. 1 Bulldozer	15,000.00	15,000.00
F. Rental Machinery		60,000.00
G. Rental value of present Machinery to be used		62,000.00
H. Powder, drill steel, Misc. Tools.		18,214.00
I. Gas, Oil Diesel Fuel, Phone, etc. Misc.		9,650.00
TOTAL		$250,600.00

24. The time shhedule of the project, if the project is approved, is variable depending upon the time the government approves the project. This is true for the reason that a part of the road work and a part of the development operations may be

stopped by winter weather conditions, operations can continue uninterrupted during months of the winter but road building and developemtn work would be expensive and greatly hampered by winter weather. If the project is not approved before November then 2 winters will intervene and about 10 months of time will be lost; if the project is approved by the 1st of July, 5 months of work in this year can be completed and 6½ months can be completed in 1952 and the whole of the project should be completed before the end of November, 1952.

AMENDMENT TO FORM MP 100 APPENDA

This amendment goes to Interstate Manufacturing Company, Inc., application for D.O. number.

The Manufacturing Company has this day been notified by the Interstate Products Company, which supplies the ore for this Company that it is preparing to do exploration and development looking toward the production of crisotile spinning fiber; and the Interstate Production Company has notified this Company that the milling must be prepared for crisotile spinning asbestos, as it expects to produce a quanity thereof during this year, if our machinery is ready for it.

It is requested that this amendment be attached to the General Technical Appenda Form MP 100 for INTERSTATE MANUFACTURING COMPANY, INC., filed application made May 8, 1951.

May 29, 1951. INTERSTATE MANUFACTURING COMPANY, INC.

By M. G. Lester Sec. Treas
President

AMENDMENT TO FORM MF 103 APPENDA

The following amendment is desired to the application made by Interstate Products Company, May 28, 1951, for a loan, that was omitted by inadvertance. Property hereinafter described which applicant intends to prospect and develop for chrysotile spinning asbestos. Prospect work has been done on the claim hereinafter named and it was intended to include the same in the development program under 10-A of the form and 11, which was intended to state that prospecting on Section 5 and 8, T3S, R6E (private property under lease) and on Section 36, T2S, R6E (private property under lease) and on Section 1 and 2, T3S, R6E (government property upon which claims are posted) to do exploration and development work in known chrysotile spinning asbestos veins under 23 which work, labor, supervision, repairs and machinery, purchased and rented and the powder and fuel under 23 of Form MF 103 was intended to include work on the above location and for the above purposes.

May 29, 1951.

INTERSTATE PRODUCTS COMPANY

By Mable G. Lester
~~President~~ Sec. Treas.

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-1354X

Date received 5/31/51

Participation

Interstate Products, Co., Inc.
126 Avenue C
Billings, Montana

Name and address of applicant

Date May 28, 1951

FILL IN THIS BLOCK

Date of application May 28, 1951

Estimated cost $250,000.00

Mineral or metal Spinning & cross-fiber asbestos

Percentage of Government participation 90%

Location of mine 35 Miles South of Bozeman in Gallatin Canyon.

Date of filing MF-100

DMA Docket Number, if available DMA-1354X

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?
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*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
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(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

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(Name of company)

By Mable G. Lester
(Signature of authorized official)

May 28, 1951
(Date)

Secretary - Treasurer
(Title)

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

FORM MF 103

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(3) Hope
(4) Discovery

12. The Karst Claims are located 35 miles Southerly from Bozeman, Montana and 22 miles Southerly from Gallatin Gateway, the Milwaukee Railroad goes into Gallatin Gateway and the Milwaukee and Northern Pacific comes into Bozeman, Montana. There is a hard surfaced road between Bozeman and Gallatin Gateway and the mines. Shipping points are both Bozeman, and Gallatin Gateway; the road from Karst mines is practically all down hill into both Gallatin Gateway and Bozeman, Montana. There is a 3 mile switch back road from the mine cabins on the Black Top road, to the open mining pits. A road from the present mining operations to Table Mountain of between 4 and 5 miles is contemplated, all roads are in excellant condition.

13. Allwater that is required at the mines is immediately available and is sufficient at all seasons. The power used is gasoline and diesel power, electric power is available at mine buildings but is not used in the mining.

14. The existing facility, equipment, buildings will be devoted to the exploration work are:

1 Catipillar tractor bulldozer
1 wagon drill
1 pick-up truck
1 hoist attachment
Misc. drills
Hand operated mining drills
1 large compressor and receiver
hose, picks, shovels and misc. necessary tools
the buildings and shop at the workings
5 dwellings
2 bridges across the Gallatin river

15. The ore is now and should be taken from the mine to Bozeman, Montana where it can be milled, by truck.

16. A. The mine was first opened by Pete Karst about 40 years ago. His exploration consisted of numerous pits and one short tunnel. This property was sold by Pete Karst to O. E. Sheppard and O. E. Sheppard sold this property to the present corporation. The present corporation has built one bridge and approximately 3 miles of road that raises something over 700 feet in the 3 miles. The development of the mines has been by bulldozing open pits, faces of asbestos of between 250 and 300 feet have been opened by the exploration work.

B. There are no adjoining or neighboring properties which have been in production.

C. Attached hereto are private reports that apply to this application.

17. The mine is not in production. The Company has stock piled between 8 and 10,000 tons of asbestos ore in Bozeman and at Gallatin Gateway. No ore has been sold.

18. Not applicable as the property is not actually operating.

19. With our certain knowledge of spinning and cross-fiber asbestos we desire to explor for the purpose of finding the best veins of those two (2) products for use by the government in accordance with their desire and necessity at this time.

20. We now know that we have an undetermined per cent of spinning asbestos fiber. We desire and it is the purpose of this application to do approximately $250,000.00 worth of exploration work to open, develop and put in shape for mining and milling spinning fiber asbestos and cross fiber asbestos.

21. The proposed work and estimated time required to complete the work is as follows:

(1) rebuilding of one bridge
(2) erection of work shop and storage sheds
(3) erection of one 500 tone (or more) storage bin and chutes,
(4) building upwards of 4 miles of road
(5) building roads and opening faces on known deposits, sampling and working various types of ores discovered.

If the project is not approved before November then 2 winters will intervene andabout 10 months of the time will be lost; if the project is approved by the 1st of July, 5 months of work in this year can be completed and 6½ months can be completed in 1952 and the whole of the project should be completed before the end of November, 1952.

To make this clear this mining operation is a terrace mining operation and will be worked in steps, the height of which is in each case determined by the slope of the ground. The estimated time required to complete the work is 22 months.

22. There is no expectation of finding commercial ore bodies; we have them. We only wish to do exploration work for expanding the amount of commercial, spinning, and cross-fiber ore bodies and making the mine more economical of operations on the discoveries and of operating to the point where the milling can be made continuous.

23. A. Labor:-

2 bulldozer men at $40.00 per day - 312 days		$12,480.00
2 helpers men at $25.00 per day - 312 days		7,800.00
1 mechanic at $18.00 per day- 312 days		5,616.00
1 mine boss at $750.00 per month		5,280.00
B. Supervisors:-		
1 Bookkeeper at $340.00 per month		4,760.00
1 General Mgr. at $750.00 per month		9,000.00
1 Asst. Mgr. at $300.00 per month		3,600.00
		48,536.00
C. Cost of necessary repairs:-		
1 machinery	Est $6,000.00	
2 Bldgs.	Est. 1,000.00	7,000.00
D. Instalations:-		
Bridge	10,000.00	
Roads	12,000.00	
New Bldgs. (4)	7,600.00	29,600.00
E. 1 Bulldozer	15,000.00	15,000.00
F. Rental Machinery		60,000.00
G. Rental value of present Machinery to be used		62,000.00
H. Powder, drill steel, Misc. Tools.		18,214.00
I. Gas, Oil Diesel Fuel, Phone, etc. Misc.		9,650.00
TOTAL		$250,600.00

24. The time shhedule of the project, if the project is approved, is variable depending upon the time the government approves the project. This is true for the reason that a part of the road work and a part of the development operations may be

stopped by winter weather conditions, operations can continue uninterrupted during months of the winter but road building and developemtn work would be expensive and greatly hampered by winter weather. If the project is not approved before November then 2 winters will intervene and about 10 months of time will be lost; if the project is approved by the 1st of July, 5 months of work in this year can be completed and 6½ months can be completed in 1952 and the whole of the project should be completed before the end of November, 1952.

LANDON F. STROBEL

1354X

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington

May 23, 1951

Air Mail

Mr. James Boyd
Deputy Administrator
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

attach to Interstate application
B

Dear Mr. Boyd:

Enclosed is a letter from E. F. Bunker to Frank Funkhowser. This letter should have accompanied the application of the Interstate Manufacturing Company (through the Interstate Mining Company), with a mine in the Karst district, Montana. Four copies of Form MF-100 were forwarded to you from this office on May 10, 1951.

Very truly yours,

A E Weissenborn

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

Enclosure

1354X.
Bern

EUGENE F. BUNKER
ATTORNEY AT LAW
BOZEMAN, MONTANA

May 8, 1951

Mr. Frank Funkhowser
Attorney at Law
Spokane, Washington

Re: Application Interstate Manufacturing Company for D.O. number for Expansion.

Dear Mr. Funkhowser:

On Mr. C. A. Lester's request I am enclosing herewith four form MF 100 with the Appenda correlated to the number of the form. I am also enclosing 2 Photostatic copies of Mr. Ray E. Morris report and also one flow sheet showing our proposed milling operation. We are holding up commitments on orders for materials and orders on our machinery until we can get our D.O. number to protect the Manufacturing Company on materials and machinery and would like to have this expedited as much as possible. Mr. Lester misunderstood me and did not get me 4 copies of Mr. Morris's report and only got me one copy of the flow sheet. Mr. Lester is in the Northern part of the State at the present time and may be a few days before I could get extra copies of the report and flow sheet, if you believe it is necessary that they be sent in. If you do so believe and wish to send on what I am enclosing will you kindly write me to whom and how to address the extra copies of the report and flow sheets in Washington, where I understand these applications will go. If you wish to call me long distance, please do so and charge to our account so that I may get these copies as quickly as possible.

On Mr. Lester's instructions I have made and am signing the applications for the preference number.

You will note at the present time we are not requesting any financial assistance.

Very truly yours,

E. F. Bunker

E. F. Bunker

E. F. B./dmp