DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip Lead-Zinc-Cu.

CONTROLLED DOCUMENT

DMA Docket No. 2217

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

EXPLORATION PROJECT

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To:	Base Metals Br.	Date	11/16/51
To:	[illegible]	Date	1/[illegible]/52
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

2217 - Clark Mines, Inc. - Copy of application held pending examination.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 16 1952

December 8, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket DMEA-2217 (Lead-Zinc)
Clark Mines, Inc.
Powell County, Montana

Dear Mr. Johnson:

The application concerning the captioned property was referred to the field on January 25. Owing to inclement weather the examination was postponed until spring, and on May 14 we interviewed Mr. W. L. Henderson, Secretary of Clark Mines, who reported that the company's lease and option had expired and the owners had granted a lease to another party. We were subsequently informed that Clark Mines had secured a new lease on the property and that the shaft would be pumped at which time we would be advised so that an examination could be made.

On October 29 we wrote the applicant asking whether the shaft had been pumped and whether we could schedule an examination in the near future. We inquired in that letter as to whether the applicant was interested in preparing the property for examination or whether we should consider the application as withdrawn.

No recent communication has been received from Clark Mines, Inc. We therefore conclude that they are no longer interested in the application and suggest that it be removed from the active files.

Sincerely yours,

Thor H. Kiilsgaard

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

cc: USBM(2)

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

Department of the Interior
Defense Minerals Administration
DEC 1952

December 8, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket DMEA-2217 (Lead-Zinc)
Clark Mines, Inc.
Powell County, Montana

Dear Mr. Johnson:

The application concerning the captioned property was referred to the field on January 25. Owing to inclement weather the examination was postponed until spring, and on May 14 we interviewed Mr. W. L. Henderson, Secretary of Clark Mines, who reported that the company's lease and option had expired and the owners had granted a lease to another party. We were subsequently informed that Clark Mines had secured a new lease on the property and that the shaft would be pumped at which time we would be advised so that an examination could be made.

On October 29 we wrote the applicant asking whether the shaft had been pumped and whether we could schedule an examination in the near future. We inquired in that letter as to whether the applicant was interested in preparing the property for examination or whether we should consider the application as withdrawn.

No recent communication has been received from Clark Mines, Inc. We therefore conclude that they are no longer interested in the application and suggest that it be removed from the active files.

Sincerely yours,

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

cc: USBM (2)

500

FILE COPY
SURNAME:

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

DEC 18 1952

Mr. W. L. Henderson
West 618 Spofford Avenue
Spokane, Washington

Re: Docket No. DMEA-2217 (Lead-Zinc)
Clark Mines, Inc.
Powell County, Montana

Dear Mr. Henderson:

Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, Spokane, Washington, wrote you concerning your application for exploration assistance on October 29, 1952. In that letter Mr. Weissenborn asked whether the shaft on your property had been pumped out and whether an examination could be scheduled in the near future. He also stated that your application would be withdrawn from the active files if he did not hear from you within a reasonable time.

Since no further word has been received from you, I regret to inform you that the subject docket is closed and is being placed in the inactive file.

The Government appreciates your interest in bringing your property to its attention. If at some future date you wish to have your application reconsidered, the subject docket will be available for reference.

Sincerely yours,

C. O. Mittendorf
Administrator

(for) 12-18-52

HFKeller/bjl/hmj
(12-16-52)
CC to: Adm. Reading File
Operating Committee
Docket
Mr. Keller (2)
Region II
Mr. Kinkle
Mr. Bishop

2217

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

~~Heber~~
Belly

Jas

October 29, 1952

DMEA 2217

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
[illegible]
[illegible] 1952

Mr. W. L. Henderson
West 618 Spofford Avenue
Spokane, Washington

Dear Mr. Henderson:

In reviewing our file, I note that your application on the exploration contract of Clark Mines, Inc. Docket No. DMEA-2217 is still pending. Our records show that you informed us that the company's lease and option on the property had expired but that a new lease was being obtained. I also note that we were to be informed when the shaft was pumped out so that an inspection could be made.

Will you kindly advise me at once whether the shaft can be pumped out in the immediate future so that an inspection can be made. While the good weather holds out, it will still be possible to make an examination although it will not be feasible within a very short time. You should, therefore, arrange to do this, or we should consider the application as withdrawn.

Sincerely yours

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

cc: DMEA (2)
USBM (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~
No. 157 Howard Street
Spokane 4, Washington

COPY

October 29, 1952

Docket
DMEA-2217

Mr. F. E. Johnson, Chairman
Operating Committee, DMEA
Dept. of the Interior
Washington 25, D. C.

Dear Mr. Johnson:

In a recent phone conversation between Mr. M. E. Volin and Mr. Keller about another matter, Mr. Keller requested information on the status of five dockets which are still pending. Following is the information which Mr. Keller has requested.

Docket No. DMEA-393X, W. A. Noon, Sunrise King. An exploration proposal has been worked out with the Operator and a tentative contract was drawn up on a unit cost basis. This was sent to the Operator some time ago to find out whether he would be agreeable to the costs that were stipulated. There was a long delay while Mr. Noon was apparently taking this up with his board of directors. In response to a very recent letter from me, he has stated that the terms of the proposed contract are satisfactory to his company. The report plus the tentative contract has already gone forward to you.

Docket No. DMEA-2109, The Mineral King. The applicant has shown little interest in discussing this proposal with us presumably because he has been dickering with a mining company for the sale of the property. We have noted recently in the papers that the property has been sold to the A. E. and M. Since then we have been trying to contact the Operator to get written confirmation of this so that the application can be withdrawn. We are writing him again to this effect and will state that if we do not hear from him, we will consider the application withdrawn.

Docket No. DMEA-2379, H. K. O'Neilly, Jo Gulch, Powell Co., Montana. This was denied in July with the proviso that if bulldozing then in progress showed up anything, the application could be reconsidered. Mr. K. H. Klepper of this office has been in the general area and has been keeping an eye on the work at Jo Gulch. As I have not heard from Mr. Klepper recently, I presume that either the bulldozing has not been done, or the results were so unfavorable that Mr. Klepper did not think any further action was required.

Unfortunately, Mr. Alsopp is on leave at the moment. On his return, I will obtain final word so that the matter can be closed.

Docket No. [illegible]-2217, Clark Mines Inc. The applicant was to inform us when the shaft has been unwatered. He has never done so. We will contact him again and either insist on unwatering the shaft so that an examination can be made, or will deny the application.

Docket No. DE A-2496, Golden Anchor Mines Powell County, Montana. The same status as some of the others described above. A proper appraisal of the proposal could not be made until some old workings had been cleaned out. The applicant was to advise us when this was done. One of our men is now in the field checking on this.

In reviewing the situation, it is clear that we have been making an error in our treatment of some of these dockets. Some of them look pretty hopeless, but our field men hesitate to make a negative recommendation because if a shaft were unwatered, an old working cleaned out, or a pit or two dug so that a little definite information were available, there is a bare chance that something might be worked out. The applicant usually states he will do this, but quite as commonly fails to fullfill his promise. As a result, the field man usually makes two or three attempts to find out what has happened, and when no progress is reported, he is inclined to drop the whole matter forgetting that the record is on our book as an unfinished examination. This perhaps does no great harm, but it clutters up our records and makes it appear that we are taking too long to examine a property. I think in most cases this can be avoided by the Field Team making a definite negative recommendation on the basis that the information presented is insufficient to properly appraise the applicant's proposal. A statement can be made that if the applicant will do a certain specified amount of work, say, to pump out a shaft or make workings safe for inspection, the case can be reconsidered. In other words, we should strive to make this the applicant's responsibility to present the necessary information, and if he does not do so, then the docket will be considered dead until and unless he does so. I think this would save us quite a lot of trouble and remove a lot of dead wood from our unfinished files. This is not the only reason for the delay in getting in reports to you, of course, but a number of dockets are in this condition.

I would appreciate your opinion on this matter.

Sincerely yours

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

cc: [illegible](2)
DMEA(2)

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

July 10, 1952

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

Re: Docket DMEA-2217, Lead-Zinc
Clark Mines, Inc.
Powell County, Montana

Dear Mr. Johnson:

The application concerning exploration assistance for the subject company was referred to the field January 25, 1952.

Owing to inclement weather conditions the field examination was postponed until spring. This office talked to Mr. W. L. Henderson, secretary of Clark Mines, on May 14 in regard to a field examination. At that time Mr. Henderson reported that the company's lease and option on the property had expired and the owners had granted a lease to another party.

Since that date Clark Mines has secured a new lease on the property. At the present time the examining team is awaiting pumping of a shaft at the mine in order that an inspection can be made.

Sincerely yours,

K H Gray

Kathryn Gray
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 14 1952

File

FILE COPY
SURNAME:

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

Mr. Alder
Mr. Fitzsimmons
Mr. Wiett

JAN 25 1952

GN

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

Re: Docket No. DMEA 2217
Clark Mines, Inc.
Spokane, Washington

Dear Mr. Weissenborn:

We are transmitting herewith a copy of Review of Application for Exploration Assistance from the Clark Mines, Inc. Your letter of transmittal of November 3, 1951 states that one set of the application forms has been retained for use in field examination.

In event that the field examination of the subject exploration project indicates the possibility of worthwhile Government participation, the following information and material will be necessary to process a contract.

(1) The lease and option is in the name of William L. Henderson while the application is by Clark Mines, Inc. An assignment will be required of the lease and option to Clark Mines, Inc.

(2) An itemized listing of equipment to be purchased or rented with purchase price or rental indicated. For equipment to be furnished, the value of each item is required.

(3) It is believed that a portable compressor rented for the project would result in economy until such time as production was assured. This should be investigated.

(4) Details of size and necessity for compressor, shop and dry room construction.

(5) Clarification of labor and supervision as to whether this is contract basis, what is included in $25.00 estimated cost and necessity for supervision on each shift along with compressor attendant.

(6) Clarification of what is included in engineering services.

We believe that inasmuch as a Field Team examination is necessary to evaluate the project, the applicant could be requested at that time to furnish the foregoing information and material, if examination indicated the possibility of approval of the project for a contract. In this way the processing of a favorable project can be expedited upon review of the field report. Also, if the project appears unfavorable and a denial in order, the applicant will not be involved in the expense and effort of sending material requested by this office, and not used.

Sincerely yours,

(Signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosure-1

AFPROVED:

[illegible] Hedges

Member, Bureau of Mines

Member, Geological Survey

DEMoulds/meh
1/15/52
cc to: Adm. Reading File
Docket File Copy
Mr. Moulds
Mr. Bishop
Mr. McKnight
Region II

500
FILE COPY
SURNAME:

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

Moulds
Henderson
Thayer
Johnson

JAN 25 1952

Mr. W. L. Henderson
W. 618 Spofford Avenue
Spokane, Washington

Dear Mr. Henderson:

Your application for assistance in exploring the Clark Mine in Montana, Docket No. DMEA 2217, has been reviewed by the Base Metals Division of the Defense Minerals Exploration Administration and has been referred to Mr. A. E. Weissenborn, Executive Officer, Region II, South 157 Howard Street, Spokane 8, Washington, for a field examination.

The Region office will contact you at the earliest opportunity in regard to your project.

Sincerely yours,

D. E. Moulds (mst)

D. E. Moulds, Acting Chief
Base Metals Division
Defense Minerals Exploration
Administration.

R.N. 1-25-52

DEMoulds/hmj
1-15-52
cc to: Adm. R. File
Docket File Copy
Mr. Moulds
Region II (2)

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

January 14, 1952

Memorandum

To: Acting Administrator, DMEA

From: D. E. Moulds

Subject: Review of Application, Docket No. DMEA 2217, Clark Mines, Inc. Spokane, Washington

Application:

Application Forms MF-100 and MF-103 filed under date of November 2, 1951 with the Region II office. Region transmitted three copies to this office and retained one set to facilitate field examination, weather permitting.

Property:

Property consists of all of Section 19, T.9N., R.6W., MPM, except that portion lying East of the Little Blackfoot river road and conveyed under deed to Joseph M. Gabel dated September 25, 1930 and recorded on page 10 in Book 26 of Deeds of Powell County.

Property held by lease and option in name of William L. Henderson for six years. Subordination to Clark Mines, Incorporated and signed by Joseph M. Gabel.

Development:

Vein has been superficially explored by one tunnel 157' long, a 50' deep winze from the tunnel and a shaft 172' with a 31' crosscut. Facilities consist of shaft headframe, 50-ton ore bin and trestle and two cabins.

Geology:

Veins are in undifferentiated limestone, shale and conglomerate of the fissure type well defined. The north vein is the only one on which work has been done.

Samples from the dump averaged $4.85 gold, 9 oz. silver, 2% lead and 14% zinc. Two samples taken in the crosscut showed the following results (1) 28 feet long, 5.9% lead, 5.1% zinc, 2.5 oz. silver, (2) 3 feet long, 20.8% lead, 13.4% zinc, 12.7 oz. silver.

Project: The program is very indefinite as to work to be done, time required and expense breakdown. The program as stated consists of drifting from a point approximately 75' above the river westward on the North vein with crosscuts at intervals to test the South vein. Ultimate plan to drift to a point under the present shaft and raise to it. This can be accomplished well within the two year period. The cost of the project is listed as follows:

Item	Total	Per Foot (1320')
Labor and Supervision	$33,000.00	$25.00
Supplies	8,440.00	6.39
Utilities (power)	4,500.00	3.41
Equipment rental	9,760.00	7.40
Equipment purchase	1,350.00	1.00
Additional facilities - transformers	2,000.00	1.50
" " buildings	2,000.00	1.50
Road	450.00	.34
Engineering services	5,000.00	3.80
	$66,450.00	$50.34

It appears that the labor and supervision includes all explosives and this supply is not specifically mentioned. The cost for electrification for the tunnel appears too high, as the cost of transformers and power amounts to $6,500 on $4.51 per foot. For tunnel work a compressor would be the only equipment necessary as air could power all drills, locomotives and fans. Equipment rental is not broken down into items and appears high per foot. Supervision of one for three men, probably contract, is high. Engineering services are not specified and along with supervision are approximately 15% of the total.

The geological feasibility can only be determined by field referral and clarification of costs appear necessary. The following points are listed as being necessary for processing a contract if the project appears worthy after field examination.

(1) The lease and option is in the name of William L. Henderson while the application is by Clark Mines, Inc. An assignment will be required of the lease and option to Clark Mines, Inc.
(2) An itemized listing of equipment to be purchased or rented with price or rental. For equipment to be furnished, the value of each item is required.
(3) It is believed that a portable compressor rented for the project would be less costly until production was assured. This should be investigated.
(4) Details of size and necessity compressor, shop and dry room construction.
(5) Clarification of labor and supervision as to whether this is contract basis, what is included in $25 estimated cost, necessity of supervisor each shift along with compressor man.
(6) Clarification of what is included in engineering services.

D. E. Moulds

FILE COPY
SURNAME:

Moulds
Bishop

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

January 14, 1952

Memorandum

To: Acting Administrator, DMEA

From: D. E. Moulds

Subject: Review of Application, Docket No. DMEA 2217, Clark Mines, Inc. Spokane, Washington

Application:

Application Forms MF-100 and MF-103 filed under date of November 2, 1951 with the Region II office. Region transmitted three copies to this office and retained one set to facilitate field examination, weather permitting.

Property:

Property consists of all of Section 19, T.9N., R.6W., MPM, except that portion lying East of the Little Blackfoot river road and conveyed under deed to Joseph M. Gabel dated September 25, 1930 and recorded on page 10 in Book 26 of Deeds of Powell County.

Property held by lease and option in name of William L. Henderson for six years. Subordination to Clark Mines, Incorporated and signed by Joseph M. Gabel.

Development:

Vein has been superficially explored by one tunnel 157' long, a 50' deep winze from the tunnel and a shaft 172' with a 31' crosscut. Facilities consist of shaft headframe, 50-ton ore bin and trestle and two cabins.

Geology:

Veins are in undifferentiated limestone, shale and conglomerate of the fissure type well defined. The north vein is the only one on which work has been done.

Samples from the dump averaged $4.85 gold, 9 oz. silver, 2% lead and 14% zinc. Two samples taken in the crosscut showed the following results (1) 28 feet long, 5.9% lead, 5.1% zinc, 2.5 oz. silver, (2) 3 feet long, 20.8% lead, 13.4% zinc, 12.7 oz. silver.

Project: The program is very indefinite as to work to be done, time required and expense breakdown. The program as stated consists of drifting from a point approximately 75' above the river westward on the North vein with crosscuts at intervals to test the South vein. Ultimate plan to drift to a point under the present shaft and raise to it. This can be accomplished well within the two year period. The cost of the project is listed as follows:

Item	Total	Per Foot (1320')
Labor and Supervision	$33,000.00	$25.00
Supplies	8,440.00	6.39
Utilities (power)	4,500.00	3.41
Equipment rental	9,760.00	7.40
Equipment purchase	1,350.00	1.00
Additional facilities - transformers	2,000.00	1.50
" " buildings	2,000.00	1.50
Road	450.00	.34
Engineering services	5,000.00	3.80
	$66,450.00	$50.34

It appears that the labor and supervision includes all explosives and this supply is not specifically mentioned. The cost for electrification for the tunnel appears too high, as the cost of transformers and power amounts to $6,500 on $4.51 per foot. For tunnel work a compressor would be the only equipment necessary as air could power all drills, locomotives and fans. Equipment rental is not broken down into items and appears high per foot. Supervision of one for three men, probably contract, is high. Engineering services are not specified and along with supervision are approximately 15% of the total.

The geological feasibility can only be determined by field referral and clarification of costs appear necessary. The following points are listed as being necessary for processing a contract if the project appears worthy after field examination.

(1) The lease and option is in the name of William L. Henderson while the application is by Clark Mines, Inc. An assignment will be required of the lease and option to Clark Mines, Inc.
(2) An itemized listing of equipment to be purchased or rented with price or rental. For equipment to be furnished, the value of each item is required.
(3) It is believed that a portable compressor rented for the project would be less costly until production was assured. This should be investigated.
(4) Details of size and necessity compressor, shop and dry room construction.
(5) Clarification of labor and supervision as to whether this is contract basis, what is included in $25 estimated cost, necessity of supervisor each shift along with compressor man.
(6) Clarification of what is included in engineering services.

D. E. Moulds

DEMoulds/meh
cc to: Docket File Copy
Mr. Moulds
Chron.

January 14, 1952

Memorandum

To: Acting Administrator, DMEA

From: D. E. Moulds

Subject: Review of Application, Docket No. DMEA 2217, Clark Mines, Inc. Spokane, Washington

Application:

Application Forms MF-100 and MF-103 filed under date of November 2, 1951 with the Region II office. Region transmitted three copies to this office and retained one set to facilitate field examination, weather permitting.

Property:

Property consists of all of Section 19, T.9N., R.6W., MPM, except that portion lying East of the Little Blackfoot river road and conveyed under deed to Joseph M. Gabel dated September 25, 1930 and recorded on page 10 in Book 26 of Deeds of Powell County.

Property held by lease and option in name of William L. Henderson for six years. Subordination to Clark Mines, Incorporated and signed by Joseph M. Gabel.

Development:

Vein has been superficially explored by one tunnel 157' long, a 50' deep winze from the tunnel and a shaft 172' with a 31' crosscut. Facilities consist of shaft headframe, 50-ton ore bin and trestle and two cabins.

Geology:

Veins are in undifferentiated limestone, shale and conglomerate of the fissure type well defined. The north vein is the only one on which work has been done.

Samples from the dump averaged $4.85 gold, 9 oz. silver, 2% lead and 14% zinc. Two samples taken in the crosscut showed the following results (1) 28 feet long, 5.9% lead, 5.1% zinc, 2.5 oz. silver, (2) 3 feet long, 20.8% lead, 13.4% zinc, 12.7 oz. silver.

Project: The program is very indefinite as to work to be done, time required and expense breakdown. The program as stated consists of drifting from a point approximately 75' above the river westward on the North vein with crosscuts at intervals to test the South vein. Ultimate plan to drift to a point under the present shaft and raise to it. This can be accomplished well within the two year period. The cost of the project is listed as follows:

Item	Total	Per Foot (1320')
Labor and Supervision	$33,000.00	$25.00
Supplies	8,440.00	6.39
Utilities (power)	4,500.00	3.41
Equipment rental	9,760.00	7.40
Equipment purchase	1,350.00	1.00
Additional facilities - transformers	2,000.00	1.50
" " buildings	2,000.00	1.50
Road	450.00	.34
Engineering services	5,000.00	3.80
	$66,450.00	$50.34

It appears that the labor and supervision includes all explosives and this supply is not specifically mentioned. The cost for electrification for the tunnel appears too high, as the cost of transformers and power amounts to $6,500 on $4.51 per foot. For tunnel work a compressor would be the only equipment necessary as air could power all drills, locomotives and fans. Equipment rental is not broken down into items and appears high per foot. Supervision of one for three men, probably contract, is high. Engineering services are not specified and along with supervision are approximately 15% of the total.

The geological feasibility can only be determined by field referral and clarification of costs appear necessary. The following points are listed as being necessary for processing a contract if the project appears worthy after field examination.

(1) The lease and option is in the name of William L. Henderson while the application is by Clark Mines, Inc. An assignment will be required of the lease and option to Clark Mines, Inc.
(2) An itemized listing of equipment to be purchased or rented with price or rental. For equipment to be furnished, the value of each item is required.
(3) It is believed that a portable compressor rented for the project would be less costly until production was assured. This should be investigated.
(4) Details of size and necessity compressor, shop and dry room construction.
(5) Clarification of labor and supervision as to whether this is contract basis, what is included in $25 estimated cost, necessity of supervisor each shift along with compressor man.
(6) Clarification of what is included in engineering services.

DEMoulds/meh
cc to: Docket File Copy
Mr. Moulds
Chron.

D. E. Moulds

January 14, 1952

Memorandum

To: Acting Administrator, DMEA

From: D. E. Moulds

Subject: Review of Application, Docket No. DMEA 2217, Clark Mines, Inc. Spokane, Washington

Application:

Application Forms MF-100 and MF-103 filed under date of November 2, 1951 with the Region II office. Region transmitted three copies to this office and retained one set to facilitate field examination, weather permitting.

Property:

Property consists of all of Section 19, T.9N., R.6W., MPM, except that portion lying East of the Little Blackfoot river road and surveyed under deed to Joseph M. Gabel dated September 25, 1930 and recorded on page 10 in Book 26 of Deeds of Powell County.

Property held by lease and option in name of William L. Henderson for six years. Subordination to Clark Mines, Incorporated and signed by Joseph M. Gabel.

Development:

Vein has been superficially explored by one tunnel 157' long, a 50' deep winze from the tunnel and a shaft 172' with a 31' crosscut. Facilities consist of shaft headframe, 50-ton ore bin and trestle and two cabins.

Geology:

Veins are in undifferentiated limestone, shale and conglomerate of the fissure type well defined. The north vein is the only one on which work has been done.

Samples from the dump averaged $4.85 gold, 9 oz. silver, 2% lead and 14% zinc. Two samples taken in the crosscut showed the following results (1) 28 feet long, 5.9% lead, 5.1% zinc, 2.5 oz. silver, (2) 3 feet long, 20.8% lead, 13.4% zinc, 12.7 oz. silver.

Project: The program is very indefinite as to work to be done, time required and expense breakdown. The program as stated consists of drifting from a point approximately 75' above the river westward on the North vein with crosscuts at intervals to test the South vein. Ultimate plan to drift to a point under the present shaft and raise to it. This can be accomplished well within the two year period. The cost of the project is listed as follows:

Item	Total	Per Foot (1320')
Labor and Supervision	$33,000.00	$25.00
Supplies	8,440.00	6.39
Utilities (power)	4,500.00	3.41
Equipment rental	9,760.00	7.40
Equipment purchase	1,350.00	1.00
Additional facilities - transformers	2,000.00	1.50
" " buildings	2,000.00	1.50
Road	450.00	.34
Engineering services	5,000.00	3.80
	$66,450.00	$50.34

It appears that the labor and supervision includes all explosives and this supply is not specifically mentioned. The cost for electrification for the tunnel appears too high, as the cost of transformers and power amounts to $6,500 on $4.51 per foot. For tunnel work a compressor would be the only equipment necessary as air could power all drills, locomotives and fans. Equipment rental is not broken down into items and appears high per foot. Supervision of one for three men, probably contract, is high. Engineering services are not specified and along with supervision are approximately 15% of the total.

The geological feasibility can only be determined by field referral and clarification of costs appear necessary. The following points are listed as being necessary for processing a contract if the project appears worthy after field examination.

(1) The lease and option is in the name of William L. Henderson while the application is by Clark Mines, Inc. An assignment will be required of the lease and option to Clark Mines, Inc.
(2) An itemized listing of equipment to be purchased or rented with price on rental. For equipment to be furnished, the value of each item is required.
(3) It is believed that a portable compressor rented for the project would be less costly until production was assured. This should be investigated.
(4) Details of size and necessity compressor, shop and dry room construction.
(5) Clarification of labor and supervision as to whether this is contract basis, what is included in $25 estimated cost, necessity of supervisor each shift along with compressor man.
(6) Clarification of what is included in engineering services.

D. E. Moulds

DEMoulds/mah
cc to: Docket File Copy
Mr. Moulds
Chron.

I concur with this:
Orll Bishop
U.S. B/M.

Memorandum

To: Acting Administrator, DMEA

From: D. E. Moulds

Subject: Review of application

Re: Docket No. DMEA 2217
Clark Mines, Inc.
Spokane, Washington

Application

Application filed Form MF-100 and MF-103 under date of November 2, 1951 with the Region II office. Region transmitted three copies to this office and retained one set to facilitate field examination, weather permitting.

Property

Property consists of all of Section 19 T 9N, R 6 W MPM, except that portion lying East of the Little Blackfoot river road and conveyed under deed to Joseph M. Gabel dated September 25, 1930 and recorded on page 10 in Book 26 of Deeds of Powell County.

Property held by lease and option in name of William L. Henderson for six years. Subordination to Clark Mines Incorporated and signed by Joseph M. Gabel.

Development

Vein has been superficially explored by one tunnel 157' long, a 50' deep winze from the tunnel and a shaft 172' with a 31' crosscut. Facilities consist of shaft headframe, 50 ton ore bin and trestle and two cabins.

Geology

Veins are in undifferentiated limestone, shale and conglomerate of the fissure type well defined. The north vein is the only one on which work has been done.

Samples from the dump averaged $4.85 gold, 9 oz. silver 2% lead and 14% zinc. Two samples taken in the crosscut showed the following results (1) 28 feet long, 5.9 % lead, 5.1% zinc, 2.5 oz silver (2) 3 feet long, 20.8% lead, 13.4 % zinc, 12.7 oz silver.

Project

The program is very indefinite as to work to be done, time required and expense breakdown. The program as stated consists of drifting from a point approximately 75'above the river westward on the North vein with crosscuts at intervals to test the South vein. Ultimate plan to drift to a point under the present shaft and raise to it. This can be accomplished well within the two year period.

The cost of the project is listed as follows:

Item	Total	Per Foot (1320')
Labor and supervision	$33,000.00	$ 25.00
Supplies	8,440.00	6.39
Utilities (power)	4,500.00	3.41
Equipment rental	9,760.00	7.40
Equipment purchase	1,350.00	1.00
Additional facilites-transformers	2,000.00	1.50
" " buildings	2,000.00	1.50
Road	450.00	.34
Engineering servises	5,000.00	3.80
	66,450.00	$ 50.34

It appears that the labor and supervision includes all explosives and this supply is not specifically mentioned. The cost for electrification for the tunnel appears too high as the cost of transformers and power amounts to $6,500 on $4.51 per foot. For tunnel work a compressor would

be the only equipment necessary as air could power all drills, locomotives and fans. Equipment rental is not broken down into items and appears high per foot. Supervision of one for three men, probably contract, is high. Engineering services are not specified and along with supervision are approximately 15% of the total.

The geological feasibility can only be determined by field referrel and clarification of costs appear necessary. The following points are listed as being necessary for processing a contract if the project appears worthy after field examination.

(1) The lease and option is in the name of William L. Henderson while the application is by Clark Mines, Inc. An assigment will be required of the lease and option to Clark Mines, Incorporated.

(2) An itemized listing of equipment to be purchased on rented with price on rental. For equipment to be furnished the valve of each item is required.

(3) It is believed that a portable compressor rented for the project would be less costly until production was assumed. This should be investigated.

(4) Details of size and necessity compressor, shop and dry room construction.

(5) Clarification of labor and supervision as to whether this is contract basis, what is included in $25 estimated cost, necessity of supervisor each shift along with a compressor man.

(6) Clarification of what is included in engineering services.

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA-2217

Mr. A. E. Weissenborn
Executive Officer, Field Team
Region II
South 157 Howard Street
Spokane 8, Washington

Commodity Lead, zinc

Total Amount $66,450

Govt. Participation 50% - $33,225

1. Name and Address of Applicant W. L. Henderson, W. 618 Spofford Avenue, Spokane, Washington

2. Location of Property 3 miles SE of Elliston, Montana, Sec. 19, T. 9 N., R. 6 W., Powell County

3. Mineral or metal Zinc, lead, copper, silver Is it listed in Section 9 of MO-5?
If not, application will be rejected.

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

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

a) Good

b) Poor

c) None

d) Don't know—needs field examination X

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

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

6. If applicant is a lessee, is a copy of the lease attached? Yes

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

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes

a) MF-201? No

b) MF-202? Attached to application

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

a) Available manpower Yes

b) Equipment and supplies No
(question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? (b) Yes

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Not certain

Is a field check needed on this point? Yes

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

a) Is the project adequately described? Yes

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

b) Is there an adequate map or sketch of the proposed work? Yes

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

If not, what part of it is? _____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Yes

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

e) Are the cost estimates reasonable? Don't know

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

b) If so, are sufficient data furnished? No If so, attach a draft.

c) Is a field check needed? Yes

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

a) Is it applicable? Yes

b) Sufficient data? No If so, attach a draft.

c) Are rents and charges reasonable? Don't know

d) Is a field check needed? Yes

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

a) Are there sufficient data? No

b) Is the schedule adequate for the work proposed? Don't know

c) Is the schedule excessive for the work proposed? Don't know

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? Yes

10. (d) Estimate of costs:

1320'	Drifting at $25/ft	$ 33,000
	Road 3/4 mile	400
	Equipment and supplies, etc	38,050
	Engineering services	5,000
		$ 66,450

14. Exhibit E (question 23-c)*

a) Is it applicable? Don't know

b) Sufficient data? No

c) Reasonable? Don't know

d) Field check needed? Yes

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

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? A field examination is needed in order to appraise the applicant's proposal. A modified and reduced project may be allowable. However, a field investigation will provide the needed information more easily than further correspondence.

Reviewed by: E. L. Newcomb
E.L. Newcomb. 12-19-51 GS
O. M. Bishop
O. M. Bishop. BM

Date 1-18-52

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

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

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma 2217

Date received 11-6-51

Clark Mines, Incorporated
Ellinston, Montana.

Main office, W 618 Spofford Ave.,
Spokane, Washington,

Name and address of applicant

Date Nov. 2, 1951

INSTRUCTIONS

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

GENERAL TECHNICAL DATA

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

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

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

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

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

NOV 6 1951

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

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
Covered by No. 3 Form MF-103							
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock 3,000,000 shares	$300,000.00	$15,000.00	$ 10¢	150,000	none
Preferred stock none	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
Not in production					
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. Can not be answered until commercial ore is developed

12. Ore or Mineral Reserves: 12 to 18 covered by form MF-103

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

Clark Mines, Incorporated.

1. Materials produced,
   a. Property is not in production. Ore in sight is lead, zinc, silver.
   b. No byproducts known yet.

2. Sherman Clark mine, old name. Quartz. Balance of questions- none.
   a.(
   b.(All shown on map accompaning form MF-103
   c.(
   d.(

3. a.b.c.& d. all answered on form MF-103

4. a. Property will be operated under lease and option to purchase by Clark Mines, Inc.
   b. Leasee

5. Never has been in production.

6. Answered by item 4 form MF-103.

7. Answered by items 12, 13, 14, 15, & 16 form MF-103.

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

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

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

TOTAL ORE OR MINERAL RESERVES

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

(*c*) If placer:

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

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

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

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

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

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

13. Access Roads:

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

14. Water Supply:

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

15. Power:

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

16. Labor:

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

17. Equipment and Facilities:

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

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

CERTIFICATION

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

Clark Mines, Inc
(Name of company)

By J. H. Henderson
(Signature of authorized official)

Nov. 2, 1951
(Date)

Secretary
(Title)

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

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

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 21217

Date received 11-6-51

Participation

Clark Mines, Incorporated
Elliston, Montana.
Main office W-618 Spofford Ave, Spokane Wn.

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application

Estimated cost $66,450.00

Mineral or metal Lead, Zinc, Copper, Silver

Percentage of Government participation 50%

Location of mine 3½ miles S.E. of Elliston, Montana.

Date of filing MF-100

DMA Docket Number, if available

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.

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.

Clark Lines, Incorporated
(Name of company)

By W. B. Henderson
(Signature of authorized official)

Nov 2 1951
(Date)

Secretary
(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

THE APPLICANT

1. Clark Mines, Incorporated; Inc. State of Montana, August 13, 1951.

2. Not Applicable.

3. Nolan Brown, Cheney, Washington, Presidend and Director.
Eugene Lyannois, N6902 Regal, Spokane, Wn.,Vice-President & Director.
W.L.Henderson, W618 Spofford, Spokane, Wn., Sec-Treas, & Director
Brown & Holter Motor Co.,Cheney, Wash.....50,000 Shares.
J.C.Ogilvy, W-24 Twentyninth, Spokane,Wash.....30,000 "
W.L.Henderson,W-618 Spofford,Spokane, Wash.....30,000 "
C.F.Davis, E-1018 Glass, Spokane, Wash.....20,000 "
Eugene Lyannois, N-6902 Regal Spokane, Wash....15,000 "

4. a. The directors are all men of wide business experience.
b. W.L.Henderson with several yers experience developing mining projects in the Coeur D'Alene mining district with the aid of Frank Eickelberger & Associates as consulting engineers will manage this project.

5. Lease, copy and assignment as Exhibit 1.

6. Not applicable.

7. Landlord's subordination agreement Exhibit 2.

8.

Recived from stock sales.....		$ 8,300.00
Paid C. Davis for lease.....	$ 2,000.00	
Paid J.M.Gable 1951 payment on lease.....	1,000.00	
Bull Dozed 1 mile of road.....	360.00	
1951 Labor,pumping shaft,rehabiliting shaft,erecting head frame etc.....	2,605.00	
Machinery rental and Misc supplies.....	2,335.00	
Total expenditures.....		8,300.00
Cash assetts.....		0

9. $33,325.00. Yes.

10. The land covered by the lease (exhibit 1) and shown by Map, (exhibit 3)
b. The same as above.

11. Clark Mines,Incorporated, formely known as the Sherman Clark Mine.

12. Property is situate approximately 3 miles S.E. of Elliston, Montana, which is 23 miles S.W. of Helena, Montana. Elliston is on U.S.Highway No.10 and the N.P.Railroad with leading docks. A good graveled County road extends to and beyond the property(water grade)from Highway No.10 to the North line of our property, from which point we Bull Dozed a good grade road 1 mile to the portal of the present shaft.

13. The West Fork of the Little Blackfoot River, a sizeable stream in all seasons, traverses the property for a distance of over 1 mile and is about 100 feet from site of proposed exploration. The Montana Power Company has a Transmition line accross this property for more than a mile and it is stipulated in their Right of Way contract that we are th receive power any time we desire. This power is available about 75 feet from proposed site of exploration.

14. 50 ton ore bin, 172 ft 45 degree incline shaft, 5 x 8, New head frame, trestle to ore bin and two cabins at shaft. 1 16 x 36 log cabin in usable condition.

15. By truck to Basin Metals Company at Basin, Montana, a distance of 64 miles via Helena. If a large tonage is developed the Forestry service has agreed to construct approximately 6 miles of road which would reduce the distance about 30 miles. The milling chargs will be about $3.50 per ton and the Basin Metals Co has arrangements with ore buyers to purchase the ore at the mill. Can also ship by rail if desired.

16. a. The late W.A.Clark of Butte, Montana, "Grub Staked" a prospector who located this property about 1890. Upon the death of W. A. Clark Sherman Clark fell heir to the property and he and associates ran a tunnell, which is now caved at the portal, about 60 feet above the river level at the East end of the ridge that traverses the property from east to West. some ore is visable on this dump. They then moved about 1,300 West and almost on top of this ridge and drove a tunnel Easterly on the vein a distance of 175 feet and sunk a winze some 15 or 18 feet. Then they moved about 200 feet West from this tunnel portal and sunk an eight by five, 45 degree, shaft a distance of 172 feet, (120 ft. vertical) in ore all the way. At the bottom a 31 ft, cross cut failed to cross the vein. Owing to low metal prices at that time and stiff penalty on zinc, no ore was shipped. About this time Sherman Clark died and no further development was done. In May and June 1951 we pumped the shaft dry and samples taken from the cross cut assayed as follows;

	Lead	Zinc	Silver
Sample 1. 28 ft	5.9%	5.1%	2.5 oz
Sample 2. 3 ft	20.8%	13.4%	12.7 oz

b. There are several mines from 1 to 7 miles of our property but we have no data or history on them.

c. From surface examinations we deem it advisable to start exploration at the River tunnel where it is easy of access and if commercial ore is discovered we would have about 500 feet of backs. See Lancasters report Exhibit 4.

17. Not in production

18. No ore reserves have been blocked out. There is ore every place work has been done on the North vein, the South vein has not been explored as yet.

19. None

20. Lead, Zinc, Silver and indications of some copper.

21. Starting approximately 75 feet above the River level, about 1,000 feet West of the West boundry of the property and drift West on the North vein until commercial ore is found. Drill or cross cut at intervals to test the South vein. Commercial ore could be encountered at any point, however we desire to drift to a point under the present shaft and raise to it. This can be accomplished well within the two year period.

22. See Lancasters report Exhibit 5.

23. a. each shift , 2 miners, 1 compressor man, 1 supervisor @ $15.00 ea.
b. 1 suprevisor listed abovel
c. $1,000.00
d. 2,000.00
e. Plan to rent equipment
f. Approximately $400.00 per month
g. $ 50.00 per month
h. $7,000.00
i. $4,500.00

24. Two months to install machinery and erect buildings.
1 shift basis, 125 feet per month; 2 shifts 250 ft per month.
Total time 1 shift per day would require 13 months
2 shifts per day would require 8 1/2 months.

1,320 ft of drift @ $25.00	$33,000.00
3/4 mile of road along the river	400.00
Transformers	2,000.00
1,320 ft vent pipe	1,500.00
1,320 ft 3in air line pipe	2,640.00
1,320 ft 1 in water line	400.00
1,320 ft track , 16# rails	1,800.00
1,320 ft Elect wire	240.00
1,320 ft Messenger cable	600.00
700 ties and spikes	260.00
Machine rental	9,760.00
Electric power	4,500.00
Drill Bits and Steel	1,000.00
Receiver Tank	500.00
Compressor, Shop & dry room	2,000.00
Purchase 1 Copto Drill	850.00
Engineeing services	5,000.00
Total	66,450.00

EXHIBIT #
Clark Mines, Incorporated.

HENRY M. LANCASTER
Mining Engineer
HELENA, MONTANA.

Report on SHERMAN CLARK MINING PROPERTY, Powell County, Montana.
September 14, 1934.

::

On September First at the request of Mr. J.M.Gabel, I visited and examined what is known and generally called the SHERMAN CLARK MINING PROPERTY the result of my visit and examination is embodied in my report,as follows.

I N T R O D U C T I O N

The extent of the mining area surrounding Helena, Montana, is so extensive that it becomes necessary for one to confine his remrks on an individual property more or less, to one specific district. The property under examination is situated in what is designated and known as the Elliston Mining District.

L O C A T I O N

The property is located in Section 19, Township 9 North, Range 6 West, in Powell County, Montana, Three and a half miles from Elliston, the first station west of the Continental Divide on the main line of the N.P.R.R.

A C C E S S I B I L I T Y

The property is recahed from Helena, Montana, over U.S.Highway No.10, after crossing the Continental Divide by way of McDonald pass. At a distance of twenty three miles from Helena and nine-tenths of a mile east of Elliston, we leave the paved highway and follow up the Little Blackfoot River over a graveled county road a distance of three miles and reach the mine workings over a private road leading to the mine camp. After reaching the property, the last quarter mile approaching the mine is rather steep, a matter that may eaisly be eliminated at small expense. Note, We dozed a new good grade road in June 1951 to the workings.

P R O P E R T Y

The property embraced is all that portion of Section 19,Township 9 North, Range 6 West, which lies west of the Little Blackfoot river road. The easterly boundry of the property is described a traverse line begining on the south side of the section, ~~xxxxxxxxxxxx~~ at a point 1048.50 feet westerly from the southeast corner of the section, and following the general course of the road by sourses and distances to an intersection with the north boundry line of the section at a point 280.9 ft east of the quarter section corner, between section 18 and 19. The property under examination covers a total area of 502.36 acres.

T O P O G R A P H Y

The Little Blackfoot River traverses the property, flowing in a direction a little west of north, approximately parallel to the eastern boundry line. The river bottom is covered to a considerable depth by glacial drift, and possibility of its containing placer deposits of importance is worthy of some consideration. The elevation of the river bottom, or the eastern boundry of the property, is approximatly 5200 feet above sea level. From the river bottom the ground ascends rather sharply to the west and southwest, and at the point where the mine workings are located, which is near the center of the area, the elevation is approximately 400 ft higher than river bottom, and I estimate the southwest corner of the property to be approximately 600 feet higher than the river level.

T I T L E

Mr. J. M. Gabel of Helena, Montana, who is now sole owner, acquired title to the property under examination in the year 1929, and he assures me that the abstract has been brought up to date and has been examined by competent legal talent.

G E O L O G Y

The vein occurs in what is classified by the United States Geological Survey as undifferentiated shale, limestone and conglomerate. Thevalley to the east of the property is covered by deep glacial drift and is undoubtedly underlain by quartz monzonite of the Boulder Batholite. The formation to the south of the property is the andesite lava flows, while east of the property ia a large area of shyolite. North is the quadrant quartzite and lime stones.

V E I N S T R U C T U R E

The vein is a characteristic east-west fissure and outcrops very prominently at the tunnel and shaft, and can readily be traced on the surface for some considerable distance both easterly and westerly from the shaft. It ~~is~~ undoubtly traverses the full east-west width of the property, approximately three-fourth of a mile. The vein is remarkably well defined as to strike and dip. The foot wall of the vein is more especially well defined, yet it does not represent the limit of mineralization. As a metter of fact, it is rather difficult for me to arrive at a decision as to the width of the vein, from what I can see in the tullel and shaft, in so far as it is exposed, as the present development does not expose the full width of the vein.

P R E S E N T D E V E L O P M E N T

The mining development on this property up to the present time is rather superficial and does not extend far from the surface. A tunnel driven as a drift on the vein in an easterly direction as indicated on the sketch map for a total distance of 157 feet. This tunnel in its easterly direction follows under a ravine and gains but little depth from the surface ~~at~~ it face. Nineteen feet back from the face of this tunnel a winze has been sunk on the vein for a slope distance of 50 feet, on a dip of approximately 50 degrees. From the bottom of this a drift has been extended 50 feet easterly.

Just west of the portal of the tunnel an incline shaft has been sunk following the vein downward at an angle of 50 degrees for an incline distance of 125 feet. I was able to go down this ahaft only about 45 feet below the collar on account of water. From what I could see thru the lagging and timbers of the shaft, it would be my opinion that this incline is on the foot wall of the vein. The shaft is well timbered and in good shape in every respect. My comments on what might be in the bottom will be determined by the material on the dump which undoubtly came out of the shaft.

O R E

Ore at a depth of any of the workings I examined is not of much importance, as it is realy not to be expected in a vein of this nature. Near the surface the vein is altered, and the values that were formely near the surface are usually redopisited at slightly greater depth.

To me the pleasing feature of the property is the improvment in the value and nature of the ore extracted from the shaft, which is the most convincing proof that I have been able to observe, as to what may be expected if the shaft is extended from 200 to 500 feet deeper. This statement is based on the visible evidence and the nature of the material on the dump. What I consider a fair averagesample of the material on the dump, assayed; $4.85 per ton in gold, 9 Oz of silver, 2% lead and 14% zinc. Flaked samples from the dump ore may be taken that will run in excess of $5.00 in gold, 15 Oz silver, 18% lead and 20% zinc.

The nature of this material would indicate an ideal mill feed. The width and extent of the present development indicates a large deposit, The improvment in the grade of the ore with slight depth obtained, indicates an increased value that at slightly grester depth should mean an important body of milling ore.

N A T U R A L A D V A N T A G E S

Under this heading is listed paragraphically a few of the points that are of importance in the development of any mining property.

TIMBER; The entire acerage of this property is covered with heavy groth of virgin timber. I am informed that the National Forest people have estimated the value of the saw timber alone at $8000.00. The amount of timber suitable for underground mining is adequate to supply any requirement that might ever be needed for that purpose.

WATER; The Little Blackfoot river which, at most seasons of the year is a sizeable stream, would furnish sufficient water for any milling uses that might ever be needed on the property. Water for domestic and camp uses is supplied by numerous mountain springs. Numerous side hill sites are available on the property at most convenient places.

ROADS; This subject has been covered under previous headings. Less than a mile of new road would be the only requirement.

POWER; One of the high voltage transmission lines of the Montana Power Co., is within five miles of the property, and ample electric power would be available at all times should the property develope into a mine.
Note. Since this report was written the Montana Power Co. has been granted an easment accross the property and a pransmission line cronstructed accross the east part of the property and passes less the 100 feet from the proposed exploration site.

BUILDINGS; There are several well built log cabins at the mine that would furnish ample accomodations for a small crew during the further development of the property. There is also a log ore bin with a capisity of fifty to seventy-five tons that would be available in case high grade ore might be encountered that could be shipped directly during development.

PRESENT
EQUIPMENT; In addition to the above outlined buildings and other advantages the property has at present time a well constructed hoist-house the machinery enclosed therein consists of a Fairbanks-Morse gasoline engin belted to a hoist, a jack pump, cable, pullies and other tools.
The overhead expenses required to start the further development of this property would be very small, and the amount required to ~~exsand~~the present shaft an additional 200 feet would be a modest sum.

C O N C L U S I O N

My conclusion concerning this property is a favorable one. Finally I would say that I consider the present showing abundently justifies vigorous development, and offers a reasonable prospect for profit on the expenditures required.

Signed. HENRY M. LANCASTER.

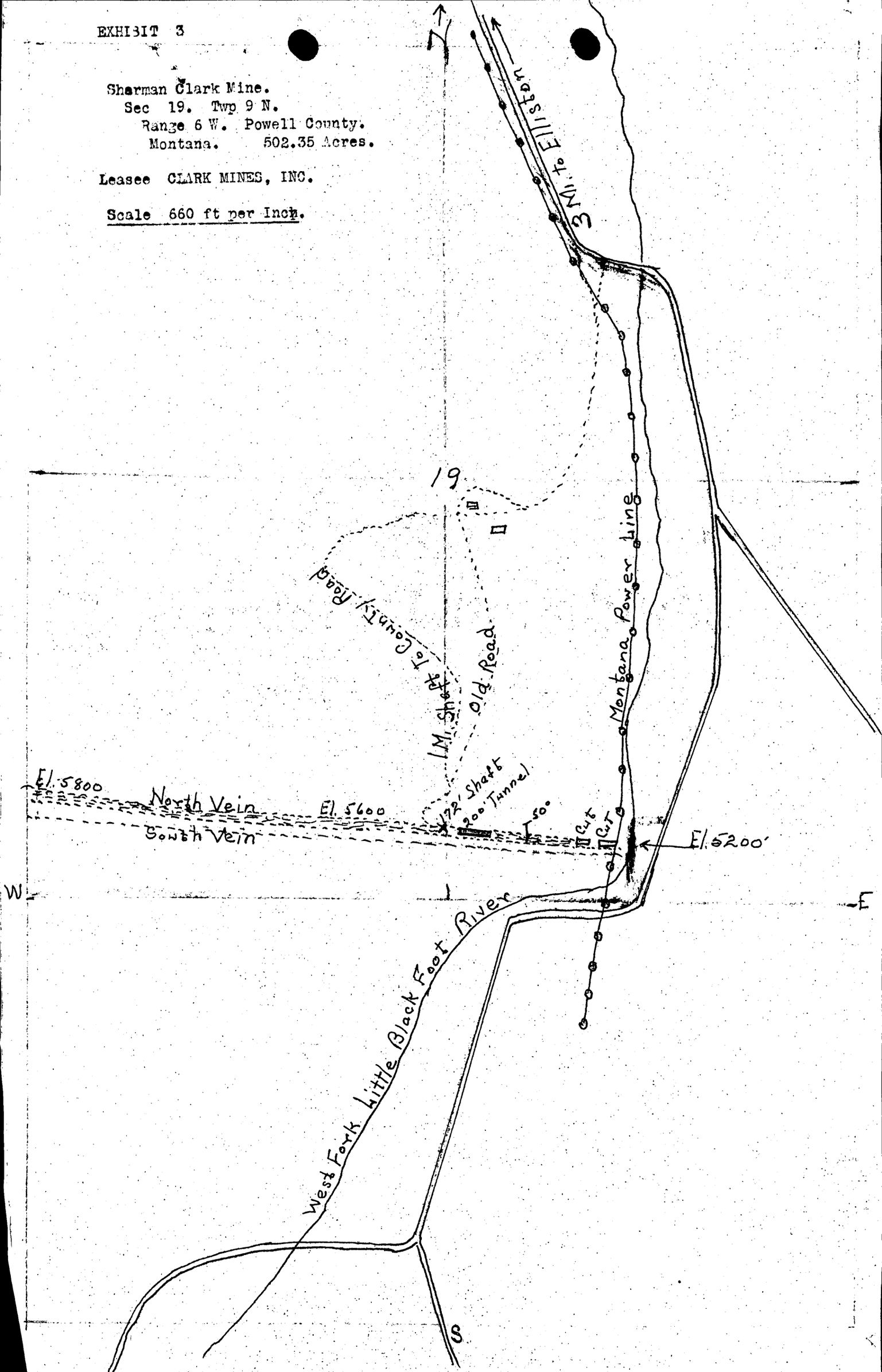
September 14, 1934.

EXHIBIT 3

Sherman Clark Mine.
Sec 19. Twp 9 N.
Range 6 W. Powell County.
Montana. 502.35 Acres.

Leasee CLARK MINES, INC.

Scale 660 ft per Inch.



Clark Mines, Incorporated
Main Office: W-618 Spofford Ave.,
Spokane, Washington

Subject: DMA-2217
Re: Exploration Loan
Clark Mines

My dear Sirs:

This will acknowledge receipt of your application dated November 2, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMA-2217 and referred to the Base Metals Branch.

Kindly refer to DMA-2217 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams

Robert E. Adams, Chief
Reports and Records Unit

2463

dma 2217

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 4, Washington

November 2, 1951

OFFICIAL FILE COPY

To	Initials	Date
210		

Mr. Tom Lyon, Chairman
Coordinating Committee
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Dear Mr. Lyon:

Enclosed are three copies of an application for exploration loan submitted by Clark Mines, Incorporated of Powell County, Montana.

One copy of the application has been retained by this office to facilitate a field examination, weather permitting.

Sincerely yours,

A. E. Weissenborn KG

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 6 1951

Enclosures

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 2217

Date received 11-6-51

Participation

Clark Mines, Incorporated

Elliston, Montana.

Main office W-618 Spofford Ave, Spokane Wn.

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application

Estimated cost $66,450.00

Mineral or metal Lead, Zinc, Copper, Silver

Percentage of Government participation 50%

Location of mine 3½ miles S.E. of Elliston, Montana.

Date of filing MF-100

DMA Docket Number, if available

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.

RECEIVED
NOV 6 1951

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.

Clark Mines, Incorporated
(Name of company)

By W. H. Henderson
(Signature of authorized official)

Nov 2 1951
(Date)

Secretary
(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

THE APPLICANT

1. Clark Mines, Incorporated; Inc. State of Montana, August 13, 1951.

2. Not Applicable.

3. Nolan Brown, Cheney, Washington, Presidend and Director.
   Eugene Lyannois, N6902 Regal, Spokane, Wn.,Vice-President & Director.
   W.L.Henderson, W618 Spofford, Spokane, Wn., Sec-Treas, & Director
   Brown & Holter Motor Co.,Cheney, Wash.....50,000 Shares.
   J.C.Ogilvy, W-24 Twentyninth, Spokane,Wash.....30,000 "
   W.L.Henderson,W-618 Spofford,Spokane, Wash.....30,000 "
   C.F.Davis, E-1018 Glass, Spokane, Wash.....20,000 "
   Eugene Lyannois, N-6902 Regal Spokane, Wash....15,000 "

4. a. The directors are all men of wide business experience.
   b. W.L.Henderson with several yers experience developing mining projects in the Coeur D'Alene mining district with the aid of Frank Eickelberger & Associates as consulting engineers will manage this project.

5. Lease, copy and assignment as Exhibit 1.

6. Not applicable.

7. Landlord's subordination agreement Exhibit 2.

8.

Recived from stock sales.....		$ 8,300.00
Paid C. Davis for lease.....	$ 2,000.00	
Paid J.M.Gable 1951 payment on lease.....	1,000.00	
Bull Dozed 1 mile of road.....	360.00	
1951 Labor,pumping shaft,rehabiliting shaft,erecting head frame etc.....	2,605.00	
Machinery rental and Misc supplies.....	2,335.00	
Total expenditures.....		8,300.00
Cash assetts.....		0

9. $33,325.00. Yes.

10. The land covered by the lease (exhibit 1) and shown by Map, (exhibit 3)
    b. The same as above.

11. Clark Mines,Incorporated, formely known as the Sherman Clark Mine.

12. Proprty is situate approximately 3 miles S.E. of Elliston, Montana, which is 23 miles S.W. of Helena, Montana. Elliston is on U.S.Highway No.10 and the N.P.Railroad with loading docks. A good graveled County road extends to and beyond the property(water grade)from Highway No.10 to the North line of our property, from which point we Bull Dozed a good grade road 1 mile to the portal of the present shaft.

13. The West Fork of the Little Blackfoot River, a sizeable stream in all seasons, traverses the property for a distance of over 1 mile and is about 100 feet from site of proposed exploration. The Montana Power Company has a Transmition line accross this property for more than a mile and it is stipulated in their Right of Way contract that we are th receive power any time we desire. This power is available about 75 feet from proposed site of exploration.

14. 50 ton ore bin, 172 ft 45 degree incline shaft, 5 x 8, New head frame, trestle to ore bin and two cabins at shaft. 1 16 x 36 log cabin in usable condition.

15. By truck to Basin Metals Company at Basin, Montana, a distance of 64 miles via Helena. If a large tonage is developed the Forestry service has agreed to construct approximately 6 miles of road which would reduce the distance about 30 miles. The milling chargs will be about $3.50 per ton and the Basin Metals Co has arrangements with ore buyers to purchase the ore at the mill. Can also ship by rail if desired.

16. a. The late W.A.Clark of Butte, Montana, "Grub Staked" a prospector who located this property about 1890. Upon the death of W. A. Clark Sherman Clark fell heir to the property and he and associates ran a tunnell, which is now caved at the portal, about 60 feet above the river level at the East end of the ridge that traverses the property from east to West. some ore is visable on this dump. They then moved about 1,300 West and almost on top of this ridge and drove a tunnel Easterly on the vein a distance of 175 feet and sunk a winze some 15 or 18 feet. Then they moved about 200 feet West from this tunnel portal and sunk an eight by five, 45 degree, shaft a distance of 172 feet, (120 ft. vertical) in ore all the way. At the bottom a 31 ft, cross cut failed to cross the vein. Owing to low metal prices at that time and stiff penalty on zinc, no ore was shipped. About this time Sherman Clark died and no further development was done. In May and June 1951 we pumped the shaft dry and samples taken from the cross cut assayed as follows:

	Lead	Zinc	Silver
Sample 1. 28 ft	5.9%	5.1%	2.5 oz
Sample 2. 3 ft	20.8%	13.4%	12.7 oz

b. There are several mines from 1 to 7 miles of our property but we have no data or history on them.

c. From surface examinations we deem it advisable to start exploration at the River tunnel where it is easy of access and if commercial ore is discovered we would have about 500 feet of backs. See Lancasters report Exhibit 4.

17. Not in production

18. No ore reserves have been blocked out. There is ore rvery place work has been done on the North vein, the South vein has not been explored as yet.

19. None

20. Lead, Zinc, Silver and indications of some copper.

21. Starting approximately 75 feet above the River level, about 1,000 feet West of the West boundry of the property and drift West on the North vein until commercial ore is found. Drill or cross cut at intervals to test the South vein. Commercial ore could be encountered at any point, however we desire to drift to a point under the present shaft and raise to it. This can be accomplished well within the two year period.

22. See Lancasters report Exhibit $.

23. a. each shift , 2 miners, 1 compressor man, 1 supervisor @ $15.00 ea.
b. 1 suprevisor listed abovel
c. $1,000.00
d. 2,000.00
e. Plan to rent equipment
f. Approximately $400.00 per month
g. $ 50.00 per month
h. $7,000.00
i. $4,500.00

24. Two months to install machinery and erect buildings.
1 shift basis, 125 feet per month; 2 shifts 250 ft per month.
Total time 1 shift per day would require 13 months
2 shifts per day would require 8 1/2 months.

1,320 ft of drift @ $25.00	$33,000.00
3/4 mile of road along the river	400.00
Transformers	2,000.00
1,320 ft vent pipe	1,500.00
1,320 ft 3in air line pipe	2,640.00
1,320 ft 1 in water line	400.00
1,320 ft track , 16# rails	1,800.00
1,320 ft Elect wire	240.00
1,320 ft Messenger cable	600.00
700 ties and spikes	260.00
Machine rental	9,760.00
Electric power	4,500.00
Drill Bits and Steel	1,000.00
Receiver Tank	500.00
Compressor, Shop & dry room	2,000.00
Purchase 1 Copto Drill	850.00
Engineering services	5,000.00
Total	66,450.00

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

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

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma 2217

Date received 11-6-51

Clark Mines, Incorporated
Billiston, Montana.

Main office, W 618 Spofford Ave.,
Spokane, Washington.

Name and address of applicant

Date Nov. 2, 1951

INSTRUCTIONS

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

GENERAL TECHNICAL DATA

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

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

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

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

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

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

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
Covered by No. 3 Form UF-103							
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock 3,000,000 shares	$300,000.00	$15,000.00	$ 10¢	150,000	none
Preferred stock none	$	$	$		

*Indicate period covered.

10. Production:

Item: Not in production	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. Can not be answered until commercial ore is developed

12. Ore or Mineral Reserves: 12 to 18 covered by form UF-103

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

Clark Mines, Incorporated.

1. Materials produced,
   a. Property is not in production. Ore in sight is lead, zinc, silver.
   b. No byproducts known yet.

2. Sherman Clark mine, old name. Quartz. Balance of questions- none.
   a.{
   b.(All shown on map accompaning form MF-103
   c.(
   d.(

3. a.b.c.& d. all answered on form MF-103

4. a. Property will be operated under lease and option to purchase by Clark Mines, Inc.
   b. Lessee

5. Never has been in production.

6. Answered by item 4 form MF-103.

7. Answered by items 12, 13, 14, 15, & 16 form MF-103.

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

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

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

TOTAL ORE OR MINERAL RESERVES

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

(*c*) If placer:

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

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

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

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

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

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

13. Access Roads:

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

14. Water Supply:

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

15. Power:

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

16. Labor:

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

17. Equipment and Facilities:

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

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

CERTIFICATION

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

Clark Mines, Inc
(Name of company)

By J. H. Henderson
(Signature of authorized official)

Nov. 2, 1951
(Date)

Secretary
(Title)

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

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

MF-202 Clark Mines, Inc. EXHIBIT 2.

LANDLORD'S SUBORDINATION AGREEMENT

Know All Men By These Presents:

Whereas, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Powell, State of Montana, described in a certain Exploration Project Contract dated _____, 195__, between Clark Mines, Incorporated _____, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated May, 5, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this 2 day of November, 1951

Joseph M. Gabel

Clark Mines, Inc. EXHIBIT 2.

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

Know All Men By These Presents:

Whereas, the undersigned is the owner in fee simple of that certain parcel of ground in the county of _____, State of _____, described in a certain Exploration Project Contract dated _____, 195__, between _____, the Lessee of said property, and the United States of America;

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

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

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

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

Dated this 2 day of Nkvember, 1951

Joseph M. Gabel

Clark Mines, Inc. EXHIBIT 2.

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

Know All Men By These Presents:

Whereas, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Powell, State of Montana, described in a certain Exploration Project Contract dated No, 195__, between Clark Mines, Incorporated, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated May, 8, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this 2 day of November, 1951

Joseph M. Gabel

EXHIBIT $
Clark Mines, Incorporated.

HENRY M. LANCASTER
Mining Engineer
HELENA, MONTANA.

Report on SHERMAN CLARK MINING PROPERTY, Powell County, Montana.
September 14, 1934.

::

On September First at the request of Mr. J.M.Gabel, I visited and examined what is known and generally called the SHERMAN CLARK MINING PROPERTY the result of my visit and examination is embodied in my report,as follows.

I N T R O D U C T I O N

The extent of the mining area surrounding Helena, Montana, is so extensive that it becomes necessary for one to confine his remarks on an individual property more or less, to one specific district. The property under examination is situated in what is designated and known as the Elliston Mining District.

L O C A T I O N

The property is located in Section 19, Township 9 North, Range 6 West, in Powell County, Montana, Three and a half miles from Elliston, the first station west of the Continental Divide on the main line of the N.P.R.R.

A C C E S S I B I L I T Y

The property is reached from Helena, Montana, over U.S.Highway No.10, after crossing the Continental Divide by way of McDonald pass. At a distance of twenty three miles from Helena and nine-tenths of a mile east of Elliston, we leave the paved highway and follow up the Little Blackfoot River over a graveled county road a distance of three miles and reach the mine workings over a private road leading to the mine camp. After reaching the property, the last quarter mile approaching the mine is rather steep, a matter that may easily be eliminated at small expense. Note, We dozed a new good grade road in June 1951 to the workings.

P R O P E R T Y

The property embraced is all that portion of Section 19,Township 9 North, Range 6 West, which lies west of the Little Blackfoot river road. The easterly boundry of the property is described a traverse line begining on the south side of the section, ~~xxxfollowing~~ at a point 1048.50 feet westerly from the southeast corner of the section, and following the general course of the road by sourses and distances to an intersection with the north boundry line of the section at a point 280.9 ft east of the Quarter section corner, between section 18 and 19. The property under examination covers a total area of 502.36 acres.

T O P O G R A P H Y

The Little Blackfoot River traverses the property, flowing in a direction a little west of north, approximately parallel to the eastern boundry line. The river bottom is covered to a considerable depth by glacial drift, and possibility of its containing placer deposits of importance is worthy of some consideration. The elevation of the river bottom, or the eastern boundry of the property, is approximatly 5200 feet above sea level. From the river bottom the ground ascends rather sharply to the west and southwest, and at the point where the mine workings are located, which is near the center of the area, the elevation is approximately 400 ft higher than river bottom, and I estimate the southwest corner of the property to be approximately 600 feet higher than the river level.

T I T L E

Mr. J. M. Gabel of Helena, Montana, who is now sole owner, acquired title to the property under examination in the year 1929, and he assures me that the abstract has been brought up to date and has been examined by competent legal talent.

G E O L O G Y

The vein occurs in what is classified by the United States Geological Survey as undifferentiated shale, limestone and conglomerate. Thevalley to the east of the property is covered by deep glacial drift and is undoubtedly underlain by quarts monzonite of the Boulder Batholite. The formation to the south of the property is the andesite lava flows, while east of the property is a large area of shyolite. North is the quadrant quartzite and lime stones.

M A I N S T R U C T U R E

The vein is a characteristic east-west fissure and outcrops very prominently at the tunnel and shaft, and can readily be traced on the surface for some considerable distance both easterly and westerly from the shaft. It ~~is~~ undoubtly traverses the full east-west width of the property, approximately three-fourth of a mile. The vein is remarkably well defined as to strike and dip. The foot wall of the vein is more especially well defined, yet it does not represent the limit of mineralization. As a matter of fact, it is rather difficult for me to arrive at a decision as to the width of the vein, from what I can see in the tullel and shaft, in so far as it is exposed, as the present development does not expose the full width of the vein.

P R E S E N T D E V E L O P M E N T

The mining development on this property up to the present time is rather superficial and does not extend far from the surface. A tunnel driven as a drift on the vein in an easterly direction as indicated on the sketch map for a total distance of 157 feet. This tunnel in its easterly direction follows under a ravine and gains but little depth from the surface ~~as~~ it face. Nineteen feet back from the face of this tunnel a winze has been sunk on the vein for a slope distance of 50 feet, on a dip of approximately 50 degrees. From the bottom of this a drift has been extended 50 feet easterly.

Just west of the portal of the tunnel an incline shaft has been sunk following the vein downward at an angle of 50 degrees for an incline distance of 125 feet. I was able to go down this shaft only about 45 feet below the collar on account of water. From what I could see thru the lagging and timbers of the shaft, it would be my opinion that this incline is on the foot wall of the vein. The shaft is well timbered and in good shape in every respect. My comments on what might be in the bottom will be determined by the material on the dump which undoubtly came out of the shaft.

O R E

Ore at a depth of any of the workings I examined is not of much importance, as it is realy not to be expected in a vein of this nature. Near the surface the vein is altered, and the values that were formely near the surface are usually redopisited at slightly greater depth.

To me the pleasing feature of the property is the improvment in the value and nature of the ore extracted from the shaft, which is the most convincing proof that I have been able to observe, as to what may be expected if the shaft is extended from 200 to 500 feet deeper. This statement is based on the visible evidence and the nature of the material on the dump. What I consider a fair averagesample of the material on the dump, assayed; $4.35 per ton in gold, 9 Oz of silver, 2% lead and 14% zinc. Flaked samples from the dump ore may be taken that will run in excess of $5.00 in gold, 15 Oz silver, 18% lead and 20% zinc.

The nature of this material would indicate an ideal mill feed. The width and extent of the present development indicates a large deposit, The improvment in the grade of the ore with slight depth obtained, indicates an increased value that at slightly greater depth should mean an important body of milling ore.

N A T U R A L A D V A N T A G E S

Under this heading is listed paragraphically a few of the points that are of importance in the development of any mining property.

TIMBER; The entire acerage of this property is covered with heavy groth of virgin timber. I am informed that the National Forest people have estimated the value of the saw timber alone at $8000.00. The amount of timber suitable for underground mining is adequate to supply any requirement that might ever be needed for that purpose.

WATER; The Little Blackfoot river which, at most seasons of the year is a sizeable stream, would furnish sufficient water for any milling uses that might ever be needed on the property. Water for domestic and camp uses is supplied by numerous mountain springs. Numerous side hill sites are available on the property at most convenient places.

ROADS; This subject has been covered under previous headings. Less than a mile of new road would be the only requirement.

POWER; One of the high voltage transmission lines of the Montana Power Co., is within five miles of the property, and ample electric power would be available at all times should the property develope into a mine.
Note. Since this report was written the Montana Power Co. has been granted an easment accross the property and a transmission line cronstructed accross the east part of the property and passes less the 100 feet from the proposed exploration site.

BUILDINGS; There are several well built log cabins at the mine that would furnish ample accomodations for a small crew during the further development of the property. There is also a log ore bin with a capisity of fifty to seventy-five tons that would be available in case high grade ore might be encountered that could be shipped directly during development.

PRESENT EQUIPMENT; In addition to the above outlined buildings and other advantages the property has at present time a well constructed hoist-house the machinery enclosed therein consists of a Fairbanks-Morse gasoline engin belted to a hoist, a jack pump, cable, pullies and other tools.

The overhead expenses required to start the further development of this property would be very small, and the amount required to extend the present shaft an additional 200 feet would be a modest sum.

C O N C L U S I O N

My conclusion concerning this property is a favorable one. Finally I would say that I consider the present showing abundently justifies vigorous development, and offers a reasonable prospect for profit on the expenditures required.

Signed. HENRY M. LANCASTER.

September 14, 1934.

,Clark Mines, Inc. EXHIBIT 1.

LEASE AND OPTION AGREEMENT

THIS AGREEMENT, made and entered into this 9th day of May, 1951, by and between Joseph M. Gabel, of Helena, Montana, party of the first part, and William L. Henderson, of Spokane, Washington, party of the second part.

WITNESSETH: That for and in consideration of the sum of one dollar, to him in hand paid, by the Second party, the receipt whereof is hereby acknowledged, and payment of the purchase price hereinafter designated, and the agreements and covenants herein contained to be done and preformed by the said Second Party, the First Party hereby covenants and agrees to convey and transfer to said Second Party, in fee simple, clear of all incumbrances whatsoever, by a good deed, the following described property, situate and lying and being in the County of Powell, State of Montana, to-wit:

All of Section 19, in township 9 north, Range 6 West, M.P.M., except that portion of said Section 19 lying east of what is generally known as the Little Blackfoot river road, being approximately 502.36 acres, being the same property conveyed to the said First Party by the sheriff of Powell County, by deed dated September 25th, 1930, and recorded in book 26 of deeds page 10, records of said county; together with all and singular, the tenements, hereditments, and appurtenances thereunto belonging and in any way appertaining.

The purchase price of said property is to be the sum of Thirty-five Thousand Dollars, ($35,000.00) lawful money of the United States, to be paid by the Party of the Second part to the said Frist Party, his heirs and assigns, at the time and in the manner as follows, to-wit:

One Hundred Dollars ($100.00) upon execution of this agreement, receipt whereof is hereby acknowledged by First Party.

Nine Hundred Dollars ($900.00) to be paid on or before May 15,1951, or at such time as the Mine has been pumped out if such job is completed prior to May 15, 1951.

Two Thousand Dollars ($2,000.00) to be paid on or before the 15th day of April, 1952.

Three Thousand Five Hundred Dollars ($3,500.00) to be paid on or before April 15, 1953.

Nine Thousand Five Hundred Dollars ($9,500.00) to be paid on or before April 15, 1954.

Nine Thousand Five Hundred Dollars ($9,500.00) to be paid on or before April 15, 1955.

Nine Thousand Five Hundred Dollars ($9,500.00) to be paid on or before April 15, 1956, being in all the total sum of Thirty-five Thousand Dollars ($35,000.00) to be paid by the Second Party to the First Party, his heirs or assigns as the purchase price for said property within six (6) years from the date hereof.

In the event that purchase price, and the payments to be made thereon are not paid in the amounts and within the time herein provided, then this agreement shall be and become terminated and void, and in the event of the failure of said Second Party to make such payments or any thereof, or to preform any of the conenants on his part hereby made and entered into, then thw whole of any payments theretofore made shall, at the option of siad First Party, be forfeited by giving said Second Party, ten (10) days notice in writing, of the intention of the First Party to cancel and terminate this contract, if within said ten days the covenants is complied with, contract to remain in full force and effect.

It is agreed however, that unless, or until such time as Second Party takes possession, and commences work and operations upon said property as herein provided, no notice of termination shall be required, it being intended that if Second Party fails to enter upon said premises, or to commence work thereon by May 15, 1951, this Lease Agreement shall forthwith terminate without any notice shatsoever, and of no further force and effect.

It is understood and agreed that this is a mining Lease and Option to purchase, and that it is intended to extend for a period of six (6) years from the date hereof. Said Second Party shall enter upon said premises on or before May 15, 1951, and begin working the same, and shall thereafter preform or have preformed upon said premises at least Seventy-eight (78) shifts per month from April 15, to December 15, of each year.

It is further understood and agreed that said Second Party will, at his own expense, place upon said premises all necessary and adequate equipment for proper mining operations thereon, and that he shall have full control and managment of the mining operations conducted upon said premises under the terms of this agreement, provided however that the party of the First Part, or his agent, may from time to time, enter upon and into all parts of said premises for purposes of inspection.

Second Party shall pay all taxes levied or assessed upon said property during the term of this agreement and agrees that he will keep posted in conspicous places upon said premises, notices advising the public and each and every person, that the First Party hrerein is not liable for any indebtness contracted by Second Party during the term of this agreement, and is not liable for any injury to ant workman or other person.

It is also understood and agreed that said Second Party shall pay for all work and labor preformed, and material used on said premises, and shall suffer no lein or encumberance to be placed on said property during the term of this agreement, and further that said Second Party, his successors and asignes shall comply with the Workmen's Compensation Laws of Montana, and all other laws of the United States and State of Montana pretaining to the operation of mines and mining.

It is further agreed that during the life of this agreement, the Party of the First part shall be paid twelve (12) per cent of the net smelter returns from all ores or minerals taken, shipped or treated from said property, less transporation and treatment charges, as royalties and rents for the use and occupation of said premises, and Second Party shall furnish First Party with the name of the smelter or place where same is shipped, and such smelter or othe place of treatment shall deduct said twelve per cent (12%) royalty and pay the same direct to the First Party, and that the amount of any and all of said royalty paid by Second Party to First Party shall be credited on the purchase price of said property in the case Second Party shall exercise his option to purchase the same, otherwise such royalty shall be retained by First Party as reasonable compensation for the use of said premises by said Second Party and as liquidated damages.

It is agreed that Second Party shall make all payments on the purchase price as herein specified, directly to First Party at Helena, Montana, and that upon full and final payment of said purchase price as hereim designated said First party shall make, exicute and deliver to Second Party a good and sufficient deed, transferring, selling and conveying, unto Second Party, all of the property and premises hereinabove described, free of any incumberances. Second Party shall be entitled to and shall receive from First Party, proper receipts for all payments made upon said purchase price herein.

It is further agreed that this agreement may be assigned by either of the parties hereto, and that any such assignment shall carry with it all the rights, conditions and obligations given to or imposed upon the assignor by the terms of this agreement.

It is agreed that time is the essence of this agreement, and that all of the covenants and agreements herein contained shall extend to and be obligatory upon the heirs, administrators, executors and assigns of the parties hereto.

IN WITNESS WHEREOF, the said Parties hereto have hereunto set their hands and seals the day and year first above written, and Ethel M. Gabel wife of said First Party herein, has also signed the same as evidence that she will join in a deed and convey her dower rights in said property in case the option hereby given to said Second Party to purchase the same shall be exercised by him.

Joseph M. Gable

Ethel M. Gable
First Party

W. L. Henderson
Second Party.

STATE OF MONTANA)
) ss
County of Lewis & Clark)

On this 9th day of May, 1951, before me , Floyd O. Small, a Notary Public for the State of Montana, personally appeared Joseph M. Gable and Ethel M. Gable, his wife, and William L. Henderson, and acknowledged to me that they executed the foregoing agreement to which their names are respectively subscribed.

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

Floyd O. Small
Notary Public for the State of Montana Residing at Helena, Montana. My commission expires Jan. 6, 1952.

SEAL

This Lease and Option agreement was assigned by W. L. Henderson to Clark Mines, Incorporated said assignment recorded on page 328 of Book 9 of Miscellaneous Records of Powell County, Montana, at 4:15 p. m. August 27, 1951.

LEASE AND OPTION AGREEMENT

THIS AGREEMENT, made and entered into this 8th day of May, 1951, by and between Joseph M. Gabel, of Helena, Montana, party of the first part, and William L. Henderson, of Spokane, Washington, party of the second part.

WITNESSETH; That for and in consideration of the sum of one dollar, to him in hand paid, by the Second party, the receipt whereof is hereby acknowledged, and payment of the purchase price hereinafter designated, and the agreements and covenants herein contained to be done and preformed by the said Second Party, the First Party hereby covenants and agrees to convey and transfer to said Second Party, in fee simple, clear of all incumbrances whatsoever, by a good deed, the following described property, situate and lying and being in the County of Powell, State of Montana, to-wit;

All of Section 19, in township 9 north, Range 6 West, M.P.M., except that portion of said Section 19 lying east of what is generally known as the Little Blackfoot river road, being approximately 502.36 acres, being the same property conveyed to the said First Party by the sheriff of Powell County, by deed dated September 25th, 1930, and recorded in book 26 of deeds page 10, records of said county; togather with all and singular, the tenements, hereditments, and appurtenances thereunto belonging and in any way appertaining.

The purchase price of said property is to be the sum of Thirty-five Thousand Dollars, ($35,000.00) lawful money of the United States, to be paid by the Party of the Second part to the said Frist Party, his heirs and assigns, at the time and in the manner as follows, to-wit;

One Hundred Dollars ($100.00) upon execution of this agreement, receipt whereof is hereby acknowledged by First Party.

Nine Hundred Dollars ($900.00) to be paid on or before May 15,1951, or at such time as the Mine has been pumped out if such job is completed prior to May 15, 1951.

Two Thousand Dollars ($2,000.00) to be paid on or before the 15th day of April, 1952.

Three Thousand Five Hundred Dollars ($3,500.00) to be paid on or before April 15, 1953.

Nine Thousand Five Hundred Dollars ($9,500.00) to be paid on or before April 15, 1954.

Nine Thousand Five Hundred Dollars ($9,500.00) to be paid on or before April 15, 1955.

Nine Thousand Five Hundred Dollars ($9,500.00) to be paid on or before April 15, 1956, being in all the total sum of Thirty-five Thousand Dollars ($35,000.00) to be paid by the Second Party to the First Party, his heirs or assigns as the purchase price for said property within six (6) years from the date hereof.

In the event that purchase price, and the payments to be made thereon are not paid in the amounts and within the time herein provided, then this agreement shall be and become terminated and void, and in the event of the failure of said Second Party to make such payments or any thereof, or to preform any of the conenants on his part hereby made and entered into, then thw whole of any payments theretofore made shall, at the option of siad First Party, be forfeited by giving said Second Party, ten (10) days notice in writing, of the intention of the First Party to cancel and terminate this contract, if within said ten days the covenants is complied with, contract to remain in full force and effect.

It is agreed however, that unless, or until such time as Second Party takes possession, and commences work and operations upon said property as herein provided, no notice of termination shall be required, it being intended that if Second Party fails to enter upon said premises, or to commence work thereon by May 15, 1951, this Lease Agreement shall forthwith terminate without any notice ahatsoever, and of no further force and effect.

It is understood and agreed that this is a mining Lease and Option to purchase, and that it is intended to extend for a period of six (6) years from the date hereof. Said Second Party shall enter upon said premises on or before May 15, 1951, and begin working the same, and shall thereafter preform or have preformed upon said premises at least Seventy-eight (78) shifts per month from April 15, to December 15, of each year.

It is further understood and agreed that said Second Party will, at his own expense, place upon said premises all necessary and adequate equipment for proper mining operations thereon, and that he shall have full control and managment of the mining operations conducted upon said premises under the terms of this agreement, provided however that the party of the First Part, or his agent, may from time to time, enter upon and into all parts of said premises for purposes of inspection.

Second Party shall pey all taxes levied or assessed upon said property during the term of this agreement and agrees that he will keep posted in conspicous places upon said premises, notices advising the public and each and every person, that the First Party hrerein is not liable for any indebtness contracted by Second Party during the term of this agreement, and is not liable for any injury to ant workman or other person.

It is also understood and agreed that said Second Party shall pay for all work and labor preformed, and material used on said premises, and shall suffer no lein or encumberance to be placed on said property during the term of this agreement, and further that said Second Party, his successors and asignes shall comply with the Workmen's Compensation Laws of Montana, and all other laws of the United States and State of Montana pretaining to the operation of mines and mining.

It is further agreed that during the life of this agreement, the Party of the First part shall be paid twelve (12) per cent of the net smelter returns from all ores or minerals taken, shipped or treated from said prpperty, less transporation and treatment charges, as royalties and rents for the use and occupation of said premises, and Second Party shall furnish First Party with the name of the smelter or place where same is shipped, and such smelter or othe place of treatment shall deduct said twelve per cent (12%0 royalty and pay the same direct to the First Party, and that the amount of any and all of said royalty paid by Second Party to First Party shall be credited on the purchase price of said property in the case Second Party shall exercise his option to purchase the same, otherwise such royalty shall be retained by First Party as reasonable compensation for the use of said premises by said Second Party and as liquidated damages.

It is agreed that Second Party shall make all payments on the purchase price as herein specified, directly to First Party at Helena, Montana, and that upon full and final payment of said purchase price as herein designated said First party shall make, exicute and deliver to Second Party a good and sufficient deed, transferring, selling and conveying, unto Second Party, all of the property and premises hereinabove described, free of any incumberances, Second Party shall be entitled to and shall receive from First Party, prpper receipts for all payments made upon said purchase price herein.

It is further agreed that this agreement may be assigned by either of the parties hereto, and that any such assigament shall carry with it all the rights, conditions and oblogations given to or imposed upon the assignor by the terms of this agreement.

It is agreed that time is the essence of this agreement, and that all of the covenants and agreements herein contained shall extend to and be obligatory upon the heirs, admistrators, executors and assigns of the parties hereto.

IN WITNESS WHEREOF, the said Parties hereto have hereunto set their hands and seals the dan and year first above written, and Ethel M. Gabel wife of said First Party herein, has also signed the same as evidence that she will join in a deed and convey her dower rights in said property in case the option hereby given to said Second Party to purchase the same shall be exercised by him.

Joseph M. Gable

Ethel M. Gable
First Party

W. L. Henderson
Second Party.

STATE OF MONTANA)
ss
County of Lewis & Clark)

On this 8th day of May, 1951, before me , Floyd O. Small, a Notary Public for the State of Montana, personally appeared Joseph M. Gable and Ethel M. Gable, his wife, and William L. Henderson, and acknowledged to me that they executed the foregoing agreement to which their names are respectively subscribed.

IN WITNESS WHEREOF, I have hrereunto set my hand and seal, the day and year first above written.

Floyd O. Small
Notary Public for the State of Montana Residing at Helena, Montana. My commission expires Jan, 6, 1952.

SEAL

This Lease and Option agreement was assigned by W. L. Henderson to Clark Mines, Incorporated said assignment recorded on page 325 of Book 9 of Miscellaneous Records of Pwell County, Montana, at 4:15 P. M. August 27, 1951.

Clark Mines, Inc. EXHIBIT E.

LEASE AND OPTION AGREEMENT

THIS AGREEMENT, made and entered into this 8th day of May, 1951, by and between Joseph M. Gabel, of Helena, Montana, party of the first part, and William L. Henderson, of Spokane, Washington, party of the second part.

WITNESSETH; That for and in consideration of the sum of one dollar, to him in hand paid, by the Second party, the receipt whereof is hereby acknowledged, and payment of the purchase price hereinafter designated, and the agreements and covenants herein contained to be done and preformed by the said Second Party, the First Party hereby covenants and agrees to convey and transfer to said Second Party, in fee simple, clear of all incumbrances whatsoever, by a good deed, the following described property, situate and lying and being in the County of Powell, State of Montana, to-wit;

All of Section 19, in township 9 north, Range 6 West, M.P.M., except that portion of said Section 19 lying east of what is generally known as the Little Blackfoot river road, being approximately 502.36 acres, being the same property conveyed to the said First Party by the sheriff of Powell County, by deed dated September 25th, 1930, and recorded in book 26 of deeds page 10, records of said county; togather with all and singular, the tenements, hereditments, and appurtenances thereunto belonging and in any way appertaining.

The purchase price of said property is to be the sum of Thirty-five Thousand Dollars, ($35,000.00) lawful money of the United States, to be paid by the Party of the Second part to the said Frist Party, his heirs and assigns, at the time and in the manner as follows, to-wit;

One Hundred Dollars ($100.00) upon execution of this agreement, receipt whereof is hereby acknowledged by First Party.

Nine Hundred Dollars ($900.00) to be paid on or before May 15,1951, or at such time as the Mine has been pumped out if such job is completed prior to May 15, 1951.

Two Thousand Dollars ($2,000.00) to be paid on or before the 15th day of April, 1952.

Three Thousand Five Hundred Dollars ($3,500.00) to be paid on or before April 15, 1953.

Nine Thousand Five Hundred Dollars ($9,500.00) to be paid on or before April 15, 1954.

Nine Thousand Five Hundred Dollars ($9,500.00) to be paid on or before April 15, 1955.

Nine Thousand Five Hundred Dollars ($9,500.00) to be paid on or before April 15, 1956, being in all the total sum of Thirty-five Thousand Dollars ($35,000.00) to be paid by the Second Party to the First Party, his heirs or assigns as the purchase price for said property within six (6) years from the date hereof.

In the event that purchase price, and the payments to be made thereon are not paid in the amounts and within the time herein provided, then this agreement shall be and become terminated and void, and in the event of the failure of said Second Party to make such payments or any thereof, or to preform any of the conenants on his part hereby made and entered into, then thw whole of any payments theretofore made shall, at the option of siad First Party, be forfeited by giving said Second Party, ten (10) days notice in writing, of the intention of the First Party to cancel and terminate this contract, if within said ten days the covenants is complied with, contract to remain in full force and effect.

It is agreed however, that unless, or until such time as Second Party takes possession, and commences work and operations upon said property as herein provided, no notice of termination shall be required, it being intended that if Second Party fails to enter upon said premises, or to commence work thereon by May 15, 1951, this Lease Agreement shall forthwith terminate without any notice ahatsoever, and of no further force and effect.

It is understood and agreed that this is a mining Lease and Option to purchase, and that it is intended to extend for a period of six (6) years from the date hereof. Said Second Party shall enter upon said premises on or before May 15, 1951, and begin working the same, and shall thereafter preform or have preformed upon said premises at least Seventy-eight (78) shifts per month from April 15, to December L5, of each year.

It is further understood and agreed that said Second Party will, at his own expense, place upon said premises all necessary and adequate equipment for proper mining operations thereon, and that he shall have full control and managment of the mining operations conducted upon said premises under the terms of this agreement, provided however that the party of the First Part, or his agent, may from time to time, enter upon and into all parts of said premises for purposes of inspection.

Second Party shall pey all taxes levied or assessed upon said property during the term of this agreement and agrees that he will keep posted in conspicous places upon said premises, notices advising the public and each and every person, that the First Party hrerein is not liable for any indebtness contracted by Second Party during the term of this agreement, and is not liable for any injury to ant workman or other person.

It is also understood and agreed that said Second Party shall pay for all work and labor preformed, and material used on said premises, and shall suffer no lein or encumberance to be placed on said property during the term of this agreement, and further that said Second Party, his successors and asignes shall comply with the Workmen's Compensation Laws of Montana, and all other laws of the United States and State of Montana pretaining to the operation of mines and mining.

It is further agreed that during the life of this agreement, the Party of the First part shall be paid twelve (12) per cent of the net smelter returns from all ores or minerals taken, shipped or treated from said prpperty, less transporation and treatment charges, as royalties and rents for the use and occupation of said premises, and Second Party shall furnish First Party with the name of the smelter or place where same is shipped, and such smelter or othe place of treatment shall deduct said twelve per cent (12%0 royalty and pay the same direct to the First Party, and that the amount of any and all of said royalty paid by Second Party to First Party shall be credited on the purchase price of said property in the case Second Party shall exercise his option to purchase the same, otherwise such royalty shall be retained by First Party as reasonable compensation for the use of said premises by said Second Party and as liquidated damages.

It is agreed that Second Party shall make all payments on the purchase price as herein specified, directly to First Party at Helena, Montana, and that upon full and final payment of said purchase price as herein designated said First party shall make, exicute and deliver to Second Party a good and sufficient deed, transferring,selling and conveying, unto Second Party, all of the property and premises hereinabove described, free of any incumberances, Second Party shall be entitled to and shall receive from First Party, prpper receipts for all payments made upon said purchase price herein.

It is further agreed that this agreement may be assigned by either of the parties hereto, and that any such assignment shall carry with it all the rights, conditions and oblogations given to or imposed upon the assignor by the terms of this agreement.

It is agreed that time is the essence of this agreement, and that all of the covenants and agreements herein contained shall extend to and be obligatory upon the heirs, admistrators, executors and assigns of the parties hereto.

IN WITNESS WHEREOF, the said Parties hereto have hereunto set their hands and seals the dan and year first above written, and Ethel M. Gabel wife of said First Party herein, has also signed the same as evidence that she will join in a deed and convey her dower rights in said property in case the option hereby given to said Second Party to purchase the same shall be exercised by him.

Joseph M. Gable

Ethel M. Gable
First Party

W. L. Henderson
Second Party.

STATE OF MONTANA)
ss
County of Lewis & Clark)

On this 8th day of May, 1951, before me , Floyd O. Small, a Notary Public for the State of Montana, personally appeared Joseph M. Gable and Ethel M. Gable, his wife, and William L. Henderson, and acknowledged to me that they executed the foregoing agreement to which their names are respectively subscribed.

IN WITNESS WHEREOF, I have hrereunto set my hand and seal, the day and year first above written.

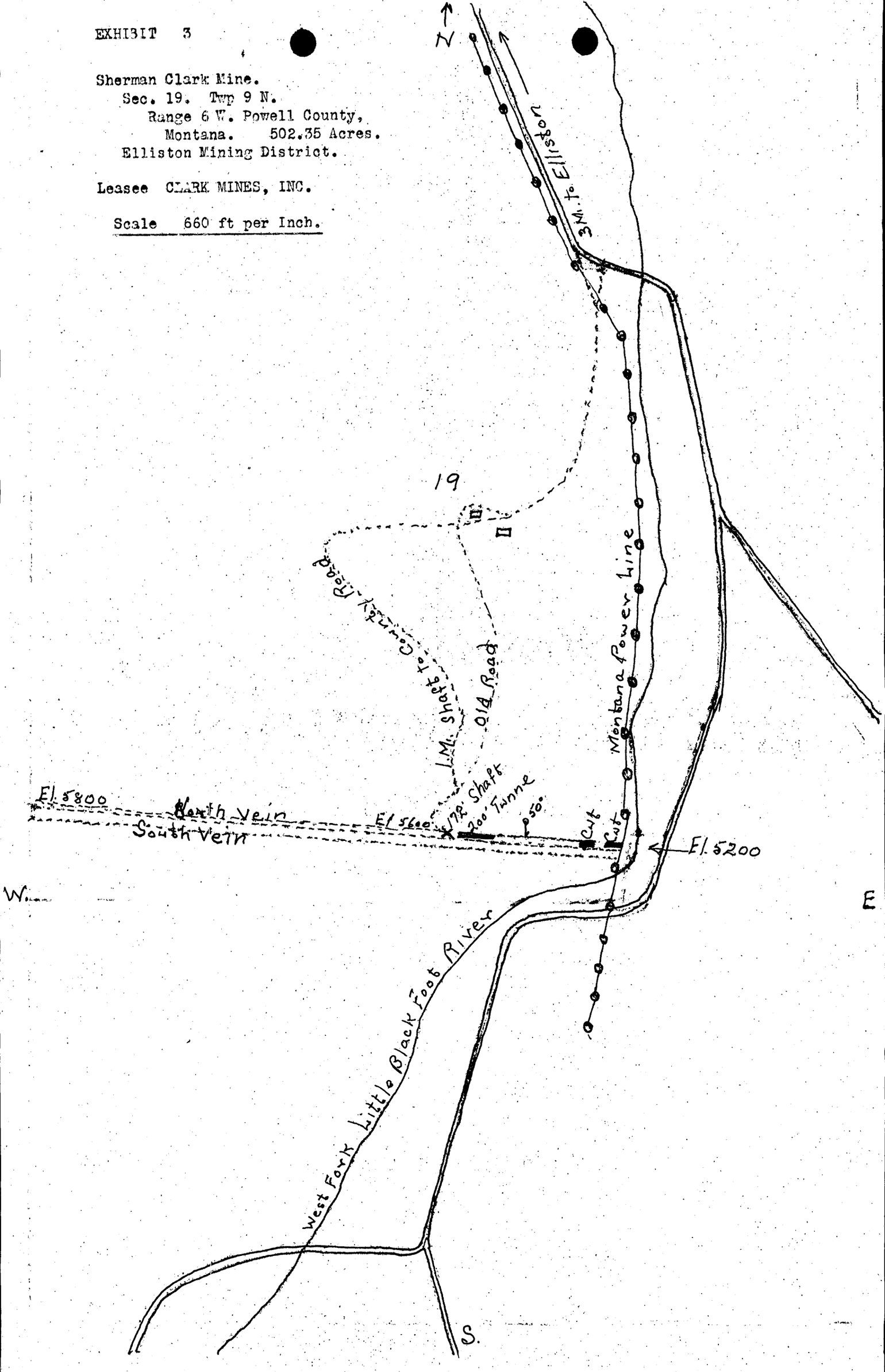
Floyd O. Small
Notary Public for the State of Montana Residing at Helena, Montana. My commission expires Jan, 6, 1952.

SEAL

This Lease and Option agreement was assigned by W. L. Henderson to Clark Mines,Incorporated said assignment recorded on page 325 of Book 9 of Miscellaneous Records of Powell County, Montana, at 4;15 P. M. August 27, 1951.

EXHIBIT 3

Sherman Clark Mine.
Sec. 19. Twp 9 N.
Range 6 W. Powell County,
Montana. 502.35 Acres.
Elliston Mining District.

Leasee CLARK MINES, INC.

Scale 660 ft per Inch.