DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE E-781 DMEA NO. 3626

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

**Left Side**

✓ Interim Royalty Audits
✓ Reports of Royalty Review
✓ Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
✓ Report of Review
Termination Notice or Agreement
Recision Notice
✓ Assignment of Contract
✓ Contract Amendments (latest on top)
✓ Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
✓ Leases and assignments of leases
✓ Application and attachments
(3) Envelope for maps

**Right Side**

✓ Project summary
✓ Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

✓ Final Field Team Report (Tab)
✓ Operator's Final Report
(2R) ✓ Interim Reports
(2R) ✓ Operator's monthly reports and all attachments (latest on top)
✓ On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

**Left Side**

✓ Folder No. 2: (In chron. order) Interim ~~Summary Reports by~~ W. O. Engineers ← 104's

**Right Side**

✓ ~~Operator's Semi~~-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

✓ Folder No. 3: ~~Maps~~ Royalties ~~(Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)~~

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

Inactive all 1960 (2-14-61)

R.C.B.

9774

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E781, Docket DMRA-3626 (Manganese), dated April 12, 1955, with

Mrs. Jennie M. Moore
and the Administrator of her Estate
John J. Walsh
43 East Broadway
Butte, Montana

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Mystery Manganese Mine located in Granite County, Montana, during the period November 9, 1960, through October 25, 1963.

A certification of discovery or development was issued on May 13, 1959, and, in accordance with Article 7 and Amendment No. 7 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 13 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated January 19, 1959, indicated accepted costs under the exploration contract amounting to $79,605.90 with the Government's contribution on a 75 percent basis being $59,704.43.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review found no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through November 8, 1960, to be $301,724.21. The royalty account as of November 8, 1960, was:

| | |
|---|---|
| Total Royalty Payable | $15,086.24 |
| Total Royalty Paid | 15,086.24 |
| Balance of Royalty Due | $ -0- |

As of October 25, 1963, the royalty account of this project was found to be:

| | |
|---|---|
| Total Royalty Payable | $15,086.24 |
| Total Royalty Paid | 15,086.24 |
| Balance of Royalty Due | $ -0- |

November 5, 1963

E. D. Talbert, OME Auditor

Idm-8781 Mrs. Jennie M. Moore DMEA-3626

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the land thereunder. The land consists of four patented claims (N. G., Mountain View, Lucy, and Grey) in sec. 20, T. 7 N., R. 13 W., M.P.M., Philipsburg Mining District. At the time the contract was executed the Operator was the owner of the property.

Exploration work under the contract was completed during August 1958. During the exploration period and thereafter through June 1959 production was sold to the General Services Administration, Tayler-Knapp Company, and Trout Mining Company. The aggregate proceeds of $301,724.21 are covered by a Report of Royalty Review dated November 15, 1960, and Royalty Audit Certificates dated June 9, 1959, and July 3, 1958. All operations of the mine ceased June 25, 1959.

The Operator died in September 1958. Thereafter until June 1959, the mine was operated by her daughter and only heir, Mrs. Lois W. Kelly, 442 E. Foothill Blvd., Glendora, Calif. On November 18, 1958, John J. Walsh was appointed by the District Court of the Third Judicial District of Montana as Administrator of the Estate of Jennie M. Moore, deceased. On October 20, 1960, Mrs. Kelly quit-claimed the property to Phil Salois, Box 812, Philipsburg, Montana.

Examination of the property on November 12, 1959, by an OME regional representative found the workings flooded. A May 17, 1961, letter from Mr. Salois contained the advice that the mine had not been worked since June 1959. In an October 25, 1963, reply to a MME Form 63 inquiry, Mr. Salois advised that neither production nor change in property status had occurred since May 17, 1961.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files indicate that all production since the date of the contract has been reported and proper royalty thereon paid;
(2) The property has been inactive since June 1959; and
(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

Hoe
220

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E781, Docket No. DMEA-3626 (Manganese), dated April 12, 1955, with

Mrs. Jennie M. Moore
43 East Broadway
Butte, Montana

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Mystary Manganese Mine located in Granite County, Montana, during the period June 1, 1959, through November 8, 1960.

A certification of discovery or development was issued on May 13, 1959, and, in accordance with Article 7 and Amendment No. 7 of the contract, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 13 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review in lieu of final audit dated January 19, 1959, indicated accepted costs under the exploration contract amounting to $79,605.90 with the Government's contribution, on a 75 percent basis, being $59,704.43.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established the total sales of manganese ore for the period to be $10,218.37. Royalty due the Government at rates specified in the contract is $510.93.

A prior Royalty Audit Report and Certificate found the sales subject to Government royalty through May 31, 1959, to be $291,505.84 which added to the sales for this subsequent period make a total of $301,724.21. The royalty account as of May 31, 1959, was:

| | |
|---|---|
| Total Royalty Due | $14,575.31 |
| Total Royalty Paid | 14,575.31 |
| Balance of Royalty Due | $ -0- |

At November 8, 1960, the royalty account of this project was found to be:

| | |
|---|---|
| Total Royalty Due | $15,086.24 |
| Total Royalty Paid | 15,086.24 |
| Balance of Royalty Due | $ -0- |

C. E. Fisher

November 15, 1960

C. E. Fisher, OME Auditor

Idm-8781 Mrs. Jannie M. Moore IMEA-3626

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

Mining operations at this property were discontinued June 25, 1959. The last royalty payment received related to a shipment received at the Phillipsburg, Montana, plant of Trout Mining Company on June 23, 1959.

My review included a recomputation and tabulation of copies of settlement documents in the Washington office files supporting royalty payments. A summary of sales and royalty due and paid follows:

| Sold to | Quantity | Value | Royalty due and paid |
|---|---|---|---|
| April 12, 1955, through May 22, 1958 | | | |
| General Services Admin. | 4,326.7178 LDT | $222,191.51 | $11,109.58 |
| May 23, 1958, through May 31, 1959 | | | |
| Taylor-Knapp Company | 47.8630 SDT | 1,548.37 | 77.42 |
| Trout Mining Division | 1,967.5115 SDT | 67,765.96 | 3,388.31 |
| June 1, 1959, through November 8, 1960 | | | |
| Trout Mining Division | 327.8390 SDT | 10,218.37 | 510.93 |
| Totals | | $301,724.21 | $15,086.24 |

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) Inspection reports by field representatives of the Government and other information in the Washington office files indicates that all production has been reported and proper royalty has been paid; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Estate of Jennie M. Moore
% Mrs. Lois Kelly
Address 442 E. Foothill Boulevard
Glendora, California

Exploration Contract No. Idm-E781 Docket No. DMEA-3626

| | | Check One Yes | Check One No. |
|---|---|---|---|
| 1. | (a) Does the Operator stockpile ore subject to royalty repayment? | X | |
| | (b) If so, is segregation and identification procedure adequate? | X | |
| 2. | (a) Does Operator commingle production subject to DMEA or OME royalties with exempt production? | | X |
| | (b) If so, do you consider the allocation of the commingled production equitable? | | |
| 3. | (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period? | | X |
| | (b) If so, are adequate records maintained on such material to protect the Government's interest? | | |
| 4. | Do you consider the assay controls in effect are adequate? | X | |
| 5. | Do you consider that the manner of disposing of production gives the Government its fair royalty returns? | X | |
| 6. | Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties? | X | |
| 7. | Does the Operator buy from or sell to other Operators? | X | |
| 8. | Comment on any item 2 (b) to 6 if answer is No. | | |

3(a) Only ore of shipping grade has been mined.

7. June 23, 1959, one shipment of 110,650 lbs. to Trout Mining Co., Philipsburg, Montana.
Operations ceased June 25, 1959.

11/ 8/60
Date

D.R. Macharen
~~Mining Engineer~~
Acting Field Officer, OME
Region I

53362

Form 7
(10-58)

See attached sheet for surnames

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 5/13 | Holt | 400 |
| 5/13 | Martin | 400 |
| | | |
| | | |
| 5/13 | Selfridge | 130 |
| | | 110 |
| | | 100 |
| | | 2B |
| | | 220 |

**CERTIFICATION BY THE UNITED STATES OF AMERICA OF A DISCOVERY OR DEVELOPMENT UNDER AN EXPLORATION PROJECT CONTRACT**

To: Mr. John J. Walsh, Administrator of the
Estate of Mrs. Jennie M. Moore
43 East Broadway
Butte, Montana

Pursuant to the provisions of Exploration Project Contract No. Idm-E781, executed April 12, 1955, (Docket No. DMEA 3626), as amended, hereinafter called the "Contract", between Mrs. Jennie M. Moore and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien therefor and on the land described in the contract, the Government considers and therefore certifies that a discovery or development from which production may be made has resulted from the exploration.

The nature of said discovery or development is described broadly or indicated as follows:

Shaft sinking, followed by crosscutting and drifting on the 200-foot level of the Mystery mine, has indicated an appreciable tonnage of manganese ore occurring in lenses and tabular bodies of manganese oxides and carbonate along a westerly to northwesterly trending shear zone in altered and marbleised limestone of the Hasmark formation of Cambrian age.

THE UNITED STATES OF AMERICA

Dated: MAY 13 1959

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

SPHOLT:foc:esf
5/13/59
cc to: Codes 400, 110, 800
Director's Read. File
Operating Comm.
FT. REG. I (2)
F. D. Lamb, USBM
C. L. DeHuff, USBM
T. H. Kiilsgaard, USGS
Finance Officer

43683

Form 7
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 5/11 | Holt | 400 |
| 5/11 | Martin | 400 |
| 5/12 | Talbut | 800 |
| | Hoffman | 140 |
| | | ~~140~~ |
| | | 130 |
| 5/12 | Josephson | 130 |
| 5/12 | Kiilsgaard | 130 |
| | | 110 |
| | | 220 |

SOLICITOR

MAY 12 1959

INTERIOR DEPT.

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To: Mr. John J. Walsh, Administrator of the
Estate of Mrs. Jennie M. Moore
43 East Broadway
Butte, Montana

Pursuant to the provisions of Exploration Project No. Idm-K781, executed April 12, 1955, (Docket No. DMEA 3626), as amended, hereinafter called the "Contract", between Mrs. Jennie M. Moore and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien therefor and on the land described in the contract, the Government considers and therefore certifies that a discovery or development from which production may be made has resulted from the exploration.

The nature of said discovery or development is described broadly or indicated as follows:

Shaft sinking, followed by crosscutting and drifting on the 200-foot level of the Mystery mine, has indicated an appreciable tonnage of manganese ore occurring in lenses and tabular bodies of manganese oxides and carbonate along a westerly- to northwesterly-trending shear zone in altered and marbleized limestone of the Hasmark formation of Cambrian age.

THE UNITED STATES OF AMERICA

Dated: _____ 1959

By _____
Acting Director, Office of
Minerals Exploration

SPHOLT:foc
5-11-59
cc to: Codes 400, 110, 800
Director's Read. File
Operating Comm.
FT. REG. I (2)
Messrs. F. D. Lamb, USBM
G. L. DeHuff, USBM
T. H. Kiilsgaard, USGS
Finance Officer
C. A. Fredell

8623

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

| EXTRA COPY O. M. E. RECEIVED JAN 22 19 | | |
|---|---|---|
| DATE | INITIALS | CODE |
| | WEM | |
| | | |
| | | |
| | | |
| | | |

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana
and
John J. Walsh, Administrator of the Estate
43 East Broadway
Butte, Montana

pertaining to Exploration Contract No. I4m-2761, Docket No. DMEA-3626, dated April 12, 1955, including Amendment Nos. 1 to 8 inclusive, for the months of July 1955 to October 1958, inclusive, covering a project for the exploration of Manganese, on property known as the Mystery Manganese Mine, located in Granite County, Montana.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team Reports and correspondence, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

All of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs of work actually performed

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

| | | |
|---|---|---|
| Total cost as billed by the Contractor | | $79,619.67 |
| Exceptions (Schedule attached): | | |
| Prior to this review | $ -0- | |
| Herewith | 13.77 | 13.77 |
| Total accepted Cost (Summary attached) | | $79,605.90 |

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Fifty Nine Thousand Seven Hundred Four and 43/100 Dollars is valid and proper, provided that the Regional Executive Officer, The Director, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

| | |
|---|---|
| Amount payable to Operator | $59,704.43 |
| Amount paid to date | 57,930.86 |
| Balance due Operator | $ 1,773.57 |

Pd 2/2/59

George Mavor
George Mavor, OME Auditor

January 19, 1959

## Schedule of Exceptions

Idm-8781 | Mrs. Jennie M. Moore | DMEA-3806

### Stage III

| | | | Amount |
|---|---|---|---|
| Operator claimed on January 1958 MF-104A Voucher a total footage of work performed for crosscutting | | | |
| | 218.0 ft at $38.00 | $8,284.00 | |
| Should be | 217.7 ft at $38.00 | 8,272.60 | |
| Disallowed | .3 ft at $38.00 | $ 11.40 | $11.40 |
| Operator claimed on June-July-August 1958 MF-104A Voucher the following assays: | | | |
| Manganese Assays | 3 at $2.00 | $6.00 | |
| Copper, Lead, Zinc determinations | 6 at $1.00 | 6.00 | |
| Total claimed | 9 | $12.00 | |
| Should be: | | | |
| Copper, Lead Zinc determinations | 3 at $1.00 | 3.00 | |
| Disallowed | 6 | 9.00 | 9.00 |
| Total Disallowances | | | $20.40 |
| Less: Increase in allowable costs | | | |

### Stage I

| | | | |
|---|---|---|---|
| Operator claimed on January 1957 MF-104A Voucher a total footage of work performed for timbering | | | |
| | 241.38 ft at $6.50 | $1,568.97 | |
| Should be | 242.40 ft at $6.50 | 1,575.60 | |
| Increase allowed | 1.02 ft at $6.50 | $ 6.63 | 6.63 |
| Net Amount Disallowed | | | $13.77 |

Note:

The above adjustments made to agree with Field Team Final Reports.

## Summary of Accepted Costs

Idg-8781 | Mrs. Jennie M. Moore | IMM-3626

| | Totals Oct. MF-104 | Disallowed by Audit | Accepted Costs Total | Stage I | Stage II | Stage III |
|---|---|---|---|---|---|---|
| (1) Fixed Unit Costs | | | | | | |
| Rehabilitate Shaft | $ 7,000.00 | $ | $ 7,000.00 | $ 7,000.00 | $ | $ |
| Sink Ovens shaft | 10,500.00 | | 10,500.00 | 10,500.00 | | |
| Excavate for station 200 ft. Level | 2,478.00 | | 2,478.00 | 2,478.00 | | |
| Rehabilitation of Head Frame | 360.00 | | 360.00 | 360.00 | | |
| Build Change House | 1,250.00 | | 1,250.00 | 1,250.00 | | |
| Build Power Line | 1,625.00 | | 1,625.00 | 1,625.00 | | |
| Crosscutting | 11,241.50 | (a) 11.40 | 11,230.10 | 2,957.50 | | 8,272.60 |
| Drifting | 40,790.00 | | 40,790.00 | 19,890.00 | 5,700.00 | 15,200.00 |
| Timbering | 2,665.17 | (b) ( 6.63) | 2,671.80 | 1,575.60 | 420.00 | 676.20 |
| Long Hole Drilling | 995.00 | | 995.00 | 330.00 | 300.00 | 365.00 |
| Technical Services | 600.00 | | 600.00 | -0- | -0- | 600.00 |
| Sampling and Analysis | 115.00 | (a) 9.00 | 106.00 | 50.00 | 47.00 | 9.00 |
| Totals | $79,619.67 | $ 13.77 | $79,605.90 | $48,016.10 | $6,467.00 | $25,122.80 |

(a) Disallowances Stage III
(b) Increase in allowable costs Stage I

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

ROYALTY AUDIT CERTIFICATE

I have examined the records and sales documents pertaining to the sale of manganese oxide ore for the period of April 12, 1955 to May 22, 1958 by

MRS. JENNIE M. MOORE
Philipsburg, Montana

produced from the Mystery Manganese Mine, located near Philipsburg, in Granite County, State of Montana, under the terms of Exploration Project Contract No. Idm E 781, Docket No. DMEA 3626 (Manganese) dated April 12, 1955, including Amendments Nos. 1 to 7 inclusive.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit established the total sales of manganese oxide ore for this period, subject to DMEA royalties, to be $222,191.51. Royalty due the United States Government at the contract rate of five percent is $11,109.58. The royalty paid and the balance due are as follows:

| | |
|---|---|
| Total Royalty Due | $11,109.58 |
| Total Royalty Paid | 10,987.66 |
| Balance of Royalty Due | $ 121.92 |

C. A. Turner, Auditor.

July 3, 1958

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

# ROYALTY AUDIT REPORT

## I. INTRODUCTION

On June 26, 1958, an audit was made of the production, sales and royalty accounts and records of

MRS. JENNIE M. MOORE
Philipsburg, Montana

pertaining to the sales of manganese oxide ore for the period of April 12, 1955 to May 22, 1958, produced from the Mystery Manganese Mine, located near Philipsburg, in Granite County, State of Montana, on which royalties are due the United States Government under the terms of Exploration Project Contract No. Idm E 781, Docket No. 3626 (Manganese), dated April 12, 1955, including Amendments Nos. 1 to 7 inclusive.

The original accounting records under this Contract are maintained by and are in the possession of Mrs. Jennie M. Moore whose office is in the Pintlar Hotel, Philipsburg, Montana.

During the on-site audit the following representatives of the Operator and the United States Bureau of Mines were present and consulted as necessary:

Mrs. Jennie M. Moore - Operator
Mr. John A. Bowsher - Engineer, U.S. Bureau of Mines.

The cooperation of all greatly facilitated the audit.

## II. GENERAL INFORMATION

The Contract as amended provides for a total cost of exploration work amounting to $83,240.00, with the Government's contribution on a 75 percent basis being $62,430.00. The Operator's total cost of exploration for the period ended May 31, 1958 is $74,468.97 (subject to audit) with the Government's contribution on a 75 percent basis being $55,851.73. The exploration has not been completed and is still in progress. The Contract completion date is August 12, 1958.

The Government has not made a Certification of Discovery or Development. If the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government at any time not later than six months after a sufficient and final report and final account has been rendered by the Operator, may so certify in

writing to the Operator. Article 7 of the Contract provides: The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay the Government a royalty on all minerals mined or produced from the land described in Article 2 of the Contract, regardless of any certification of discovery or development, from the date of the Contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or, if the Government makes a certification of discovery or development, within a period of 13 years (Amendment No. 7) from the date of the Contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

The Operator does not maintain a complete set of records and accounts pertaining to Mining Operations. However, the items of original entry, the production records and the sales records were deemed adequate for the purpose of this audit.

The Operator is conducting exploration operations and the manganese oxide ore mined is sold to the General Services Administration Manganese Purchase Depot, Butte, Montana.

## III. SCOPE OF AUDIT AND FINDINGS

### A. CONFERENCE WITH THE EXAMINING ENGINEER

A conference with the examining engineer, Mr. John A. Bowsher, Engineer, U. S. Bureau of Mines, disclosed the following:

(a) The Operator does not stockpile ore subject to royalty repayment.

(b) The Operator does not commingle production subject to DMEA royalties with exempt production.

(c) The Operator does not stockpile mine or mill rejects (low grade ore, tailings, middlings, etc.) that may have a potential value within the royalty payment period. All waste material is put over the dump.

(d) Assay controls in effect are deemed adequate.

(e) The manner of disposing of production is considered as giving the Government its fair royalty return.

(f) Periodic examinations of operations indicate the Operator is properly reporting the production of ore subject to DMEA royalties.

A. CONFERENCE WITH THE EXAMINING ENGINEER (CONTINUED)

(g) The Operator does not normally buy from or sell to other Operators. However, trial shipments of 50 tons each upon which the returns had not been received by the Operator at the time of the audit, were made to The Taylor-Knapp Co. and The American Machine and Metals Co. of Philipsburg, Montana.

B. AUDIT OF SETTLEMENT SHEETS

A considerable amount of pre-audit work was accomplished in the DMEA office, Region I, Spokane, Washington, prior to the on-site audit. This consisted of a recomputation of the acceptance sheets issued by the General Services Administration, Manganese Purchase Depot at Butte, Montana. This information was tabulated and a reconciliation was made with the amounts of royalty receipts indicated by the records of the Regional Finance Officer. The schedule of tabulations is filed as a part of my audit working papers. A summary analysis of this statement is included in Section IV of this audit report.

The on-site audit included a comparison and reconciliation of the data compiled during the pre-audit work with the Operator's production records and sales records in the Operator's office located in the Pintlar Hotel, Philipsburg, Montana.

## IV. CONCLUSIONS AND RECOMMENDATIONS

A summary analysis of the Operator's Mystery Mine production and sales of manganese oxide ore to the General Services Administration, Manganese Purchase Depot, Butte, Montana, for the period of April 12, 1955 to May 22, 1958, which included lot number 83, with the amount subject to DMEA royalty and royalty paid to June 2, 1958, follows:

SALE OF MANGANESE OXIDE ORE TO GENERAL SERVICES ADMINISTRATION FOR THE PERIOD OF APRIL 12, 1955 TO MAY 22, 1958

| | | | |
|---|---|---|---|
| Sales | 4,326.7178 LDT | @ $51.35(av.) | $222,191.51 |
| Net sales subject to Royalty | $222,191.51 | @ 5% | $ 11,109.58 |
| Royalty Paid | 219,756.51 | @ 5% | 10,987.66 |
| Balance Royalty Due | $ 2,435.00 | @ 5% | $ 121.92 |

It was determined by the audit that the price paid for manganese ore by the General Services Administration was based on a price F.O.B. cars at the point of delivery. Shipments for the period ending October 3, 1957 including lot No. 42 were trucked from the mine to the railroad and loaded on the cars by Fessler Brothers, Hauling Contractors, Philipsburg, Montana,

at a cost of $2,435.00. This hauling and loading cost of $2,435.00 was paid by the Operator and deducted from the sales subject to royalty repayment. It was determined that the hauling and loading expense of $2,435.00 is for the Operator's account and is not deductible for the purpose of computing the royalty.

The audit has confirmed the accuracy and propriety of the royalty payments received by the Regional Office applicable to the sales of manganese oxide ore for the period under audit, April 12, 1955 to May 22, 1958.

At the conclusion of the audit, the findings were discussed with Mrs. Jennie M. Moore, Operator.

The audit report and findings were discussed with Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, July 7, 1958.

C. A. Turner

C. A. Turner - Auditor

July 3, 1958.

Check Sheet of Examining Engineer

Operator's Name Mrs. Jennie M. Moore

Address P. O. Box 523

Philipsburg, Montana

Exploration Contract No. Idm-E781 Docket No. DMEA-3626 (manganese)

| | Check One Yes | No |
|---|---|---|
| 1. (a) Does the Operator stockpile ore subject to royalty repayment? | | x |
| (b) If so, is segregation and identification procedure adequate? | | |
| 2. (a) Does Operator commingle production subject to DMEA royalties with exempt production? | | x |
| (b) If so, do you consider the allocation of the commingled production equitable? | | |
| 3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period? | | x |
| (b) If so, are adequate records maintained on such material to protect the Government's interest? | | |
| 4. Do you consider the assay controls in effect are adequate? | x | |
| 5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns? | x | |
| 6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties? | x | |
| 7. Does the Operator buy from or sell to other Operators? | x | |

8. Comment on any item 2 (b) to 6 if answer is No.

John A. Boustead
Mining Engineer

Date June 26, 1958

82448

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDITS DIVISION

ROYALTY AUDIT CERTIFICATE

I have examined the records and sales documents pertaining to sales of manganese ore for the period May 23, 1958 through May 31, 1959, by

Estate of Mrs. Jennie M. Moore
43 East Broadway
Butte, Montana

produced from Mystery Manganese Mine located near Philipsburg, Granite County, Montana, under the terms of Contract Idm-E761, Docket No. DMEA-3626 (manganese) dated April 12, 1955, as amended.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit established the net sales of manganese ore for this period to be $69,314.33. Royalty due the U. S. Government at the contract rate of 5 percent is $3,465.73.

A prior audit for the period April 12, 1955 through May 22, 1958, found the sales as of the last date to be $222,191.51 which, added to the sales for this period, make a total of $291,505.84. The royalty account as of May 22, 1958 was:

| | |
|---|---|
| Total Royalty Due | $11,109.58 |
| Total Royalty Paid | 10,987.66 |
| Balance of Royalty Due | $ 121.92 |

As of May 31, 1959, the royalty account of this project was found to be:

| | |
|---|---|
| Total Royalty Due | $14,575.31 |
| Total Royalty Paid | 14,575.31 |
| Balance of Royalty Due | -0- |

C. E. Fisher

C. E. Fisher, OME Auditor

June 9, 1959

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDITS DIVISION

ROYALTY AUDIT REPORT

## I. INTRODUCTION

On June 1, 1959, an audit was made of the sales and royalty accounts and records of

ESTATE OF MRS. JENNIE M. MOORE
43 East Broadway
Butte, Montana

pertaining to the sale of manganese concentrates during the period May 23, 1958 through May 31, 1959, produced from the Mystery Manganese Mine located in Granite County, (near Philipsburg) Montana, on which royalty is due the U. S. Government under terms of Contract Idm-3781, Docket No. DMEA-3626 (Manganese) dated April 12, 1955, as amended.

The sales records were made available to this auditor by Robert L. Briggs in the office of John J. Walsh, Certified Public Accountant, 43 East Broadway, Butte, Montana. Mr. Walsh is the Administrator of the Estate of Mrs. Jennie M. Moore for which probate proceedings are expected to be completed in September 1959.

## II. GENERAL INFORMATION

The exploration contract, as amended by Amendment No. 7, provides that in the event the Government certifies that a discovery or development has resulted from the exploration work, a royalty shall be payable to the Government on the value of production from the land described in Article 2 of the contract for a period of 13 years from the date of the contract or until the amount of the Government's contribution to the exploration costs has been repaid without interest, whichever occurs first. A certification of discovery or development was issued on May 14, 1959.

According to a report of review in lieu of final audit dated January 19, 1959, the total accepted costs of the exploration amounted to $79,605.90 with the Government's contribution, on a 75 percent basis, being $59,704.43.

A prior royalty audit was made of this contract as shown by royalty audit report and certificate dated July 3, 1958, covering the period April 12, 1955 through May 22, 1958. The present audit extends the period covered by audit to May 31, 1959.

The mine is presently being operated by Phil Salois under a verbal agreement with the Administrator and Mrs. Moore's sole heir, her daughter.

## III. SCOPE OF AUDIT AND FINDINGS

### A. Conference with Examining Engineer

A conference with S. W. Zoldok, mining engineer, U. S. Bureau of Mines, Spokane, Washington, who is thoroughly familiar with operation of this property, disclosed the following:

(a) The Operator does not stockpile ore subject to royalty repayment.

(b) The Operator does not commingle production subject to OME royalty with exempt production.

(c) The Operator does not stockpile mine or mill rejects that may have a potential value within the royalty repayment period.

(d) Assay controls in effect are deemed adequate.

(e) The manner of disposing of production is considered as giving the Government its fair royalty return.

(f) Periodic examinations of operations indicate the Operator is properly reporting the production of ore subject to OME royalty.

(g) During the period covered by this audit all production was sold to other operators of mining properties.

### B. Audit of Settlement Sheets

A considerable amount of preaudit work was accomplished in the OME office, Washington, D.C. prior to the on-site audit. This consisted of a recomputation and tabulation of settlement data furnished by the purchasers of manganese concentrates in support of remittances made by them of royalty withheld from the Operator and paid directly to the Executive Officer, OME Field Team, Region I, Spokane, Washington. This information was reconciled with the records of the Administrator of the estate and subsequently with the records of deposits made by the Regional Finance Officer. The tabulation is filed as a part of my audit work papers.

## IV. CONCLUSION

All sales included in the prior royalty audit report consisted of manganese oxide ore sold to General Services Administration. The balance of royalty due, $121.92, indicated by that report, was paid in August 1958.

During the period covered by this audit one sale of manganese ore was made to The Taylor-Knapp Company and 30 sales were made to Trout Mining Division - American Machine and Metals, Inc., both of Philipsburg, Montana.

A summary of sales and royalty due and paid follows:

| Sold to | Quantity | Value | Royalty due and paid |
|---|---|---|---|
| April 12, 1955 through May 22, 1958 | | | |
| Gen. Services Admin. | 4,326.7178 LDT | $222,191.51 | $11,109.58 |
| May 23, 1958 through May 31, 1959 | | | |
| Taylor-Knapp Co. | 47.8630 SDT | 1,548.37 | 77.42 |
| Trout Mining Division | 1,967.5115 SDT | 67,765.96 | 3,388.31 |
| Totals | | $291,505.84 | $14,575.31 |

The audits have confirmed the accuracy and propriety of the royalty payments received by the Regional Finance Officer which are applicable to sales during the period April 12, 1955 through May 31, 1959. It has also determined that all indicated sales of ore during that period have been properly accounted for.

C. E. Fisher

C. E. Fisher, OME Auditor

June 9, 1959

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Mrs. Jennie M. Moore

Address Philipsburg, Montana

Exploration Contract No. Idm-E781 Docket No. DMEA-3626

| | | Check One: Yes | No. |
|---|---|---|---|
| 1. | (a) Does the Operator stockpile ore subject to royalty repayment? | | x |
| | (b) If so, is segregation and identification procedure adequate? | | |
| 2. | (a) Does Operator commingle production subject to DMEA or OME royalties with exempt production? | | x |
| | (b) If so, do you consider the allocation of the commingled production equitable? | | |
| 3. | (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period? | | x |
| | (b) If so, are adequate records maintained on such material to protect the Government's interest? | | |
| 4. | Do you consider the assay controls in effect are adequate? | x | |
| 5. | Do you consider that the manner of disposing of production gives the Government its fair royalty returns? | x | |
| 6. | Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties? | x | |
| 7. | Does the Operator buy from or sell to other Operators? | x | |
| 8. | Comment on any item 2 (b) to 6 if answer is No. | | |

June 9, 1959
Date

S. W. Zoldok
Mining Engineer
S. W. Zoldok

53362

JUSTIFICATION
DOCKET NO. DMEA-3626
MRS. JENNIE M. MOORE

AMENDMENT NO. 5

The following data are submitted from Memorandum dated October 26, 1956, by D. D. Walker and M. R. Lickes, Bureau of Mines, pertaining to costs at the American Machine and Metals, Inc. Docket No. DMEA-3076: This property adjoins the above ~~xxxxxxxx~~ noted property and working conditions are practically the same.

In the second paragraph and last sentence of above memorandum they state as follows: "Undoubtedly there has been an increase in mining costs since the original contract was written in December 1953, and an upward revision is justified."

The Operator requests an increase for drifting from $32.20 perfoot to $46.43 per foot and for timbering from $6.50 to $9.00 per foot.

In the memorandum the Bureau of Mines engineers submit the following costs:

"300 feet of drift/crosscut 5' X 7' ( inside timber)
Estimated daily advance 4 feet
Estimated completion time 3 months"

(1) Independent Contracts — None

(2) Labor and Supervision

Labor

| | | | | | |
|---|---|---|---|---|---|
| 2 contract miners | X 75 days X | $20.00 X 1.083 | ( 6 day week) | | $3,249.00 |
| ½ hoistman | X75 days X | 20.00 X 1.083 | " | | 812.25 |
| ½ topman | X 75 days X | 16.00 X 1.083 | " | | 649.80 |
| ½ trammer | X 75 days X | 16.00 X 1.083 | " | | 649.80 |
| ¼ mechanic | X 75 days X | 20.00 X 1.083 | " | | 406.13 |
| | | | | | $5.766.98 |

Supervision

| | |
|---|---|
| ½ Foreman X 3 months X$550.00 | 825.00 |
| Total labor and supervision | $6,591.98 |

(3) Operating Materials and Supplies

Explosives

| | | |
|---|---|---|
| 1,200 caps at $2.39/100 | $ 28.68 | |
| 12,000 feet fuse at $1.37/100 ft. | 164.40 | |
| 3,000 lbs. powder at $24.90/100 | 747.00 | |
| Total | | 940.08 |

DMEA Operating Committee Minutes
Meeting No. 682
June 20, 1956

Miscellaneous (continued)

The Minutes for June 18, 1956, were approved. The next meeting will be held on June 22, 1956.

APPROVED:

W S Martin
Acting Chairman, Operating Committee

For Bureau of Mines

Thor H Kiilsgaard
For Geological Survey

Drill Accessories

| | | |
|---|---|---|
| 300 ft. steel and bits at $1.50/ft. | $ 450.00 | |
| 2- 50 ft. ½ water hose at $28.80 each | 57.60 | |
| 2 - 50 ft. air hose 3/4 inch at $34.40 | 68.80 | |
| 2 - line oilers at $21.00 each (50% salvage) | 21.00 | |
| Total | | $ 597.40 |

Track

| | | |
|---|---|---|
| 600 ft. 16# rail (3,200#) at $11.65/100#(50% salvage | 186.40 | |
| 36 pairs fishplates(50% salvage) $0.49/pr. | 8.82 | |
| 144 bolts (50% salvage) $25.30/450 | 4.05 | |
| 800 spikes $17.00/625 | 21.76 | |
| 200 ties at 0.30 each | 60.00 | |
| Total | | 281.03 |

Pipe

| | | |
|---|---|---|
| 300 ft. 2" air line (50% salvage) at $43.65/100 | 65.48 | |
| 300 ft. 1" water line " at $21.00/100 | 31.50 | |
| Fittings | 19.40 | |
| Total | | 116.38 |

Ventilation

| | | |
|---|---|---|
| 300 ft. 12" vent tube (50% salvage) $1.25/ft. | | 187.50 |

Repair parts 225.00

Power and Fuel

| | | |
|---|---|---|
| 100 H.P. daily , prorated $153.33/month, 3 mo. | 460.00 | |
| 300 gal gas, Truck at $0.35/gal | 105.00 | |
| Grease, oil, etc. | 63.00 | |
| Total | | 628.00 |

(4) Operating equipment (to be furnished)

| | Month Deprec. | Use Period | | |
|---|---|---|---|---|
| 1 - 365 cu/ ft. Compr. | 165.667 | 3 mo. | 497.00 | |
| 1 - 2 H.P. fan | 4.933 | 3 mo. | 14.80 | |
| 2 - Copco drills w/legs | 18.00 | 3 mo. | 54.00 | |
| 5 - 20 cu.ft. cars | 25.00 | 3 mo. | 75.00 | |
| 4 - lamps(incl. chg.) | 4.333 | 3 mo. | 13.00 | |
| 1 - 1 ton pickup | 33.333 | 3 mo. | 100.00 | |
| 1 - hoist | 58.333 | 3 mo. | 175.00 | |
| Total | 309.599 | | | 928.80 |

(5) Rehabilitation and Repairs None

(6) New Buildings, etc. none

(7) Miscellaneous

| | | |
|---|---|---|
| Unemployment, etc. 12.7% of $6.591.98 | 837.18 | |
| Total | | 837.18 |
| Estimated total cost 300 ft. drift | | $11,333.35 |

Cost per foot of drift. $37.78

B

## Final Field Reports on Project Contracts (contd.)

DMEA-3565
Idm-E778
Uranium
Region III

GOLDEN CYCLE CORPORATION, COLORADO SPRINGS, COLORADO. Harrison-Burnett and Small-Lee Groups of Claims, Montrose and San Miguel Counties, Colorado.

Final Field Report recommending that no certification be issued on the project. The report was referred to the Commodity Group.

## Miscellaneous

DMEA-654
Idm-E58
Tin, Columbium, Tantalum, and Tungsten
Region III

NORTHWEST DEFENSE MINERALS, INC., ASSIGNEE, NEW YORK, NEW YORK. Keenan Properties, Lawrence County, South Dakota.

Letter to the Field forwarding executed copies of Amendment No. 13 for the Field Team and the Finance Office. Two additional copies of the amendment were sent to the Field.

DMEA-1447
Idm-E54
Tungsten
Region III

COLD SPRING TUNGSTEN, INC., BOULDER, COLORADO. Cold Spring Mine, Boulder County, Colorado.

Letter to the Operator denying request for additional exploration assistance.

DMEA-3162
Idm-E660
Manganese
Region III

LAURENCE HAMMOND D/B/A SOUTHWEST MANGANESE, DEMING, NEW MEXICO. Manganese Valley Mine, Luna County, New Mexico.

Letter to the Field forwarding an assignment of contract for execution. This assignment effects transfer of interest in the contract to Florida Manganese, Inc., Deming, New Mexico.

DMEA-3994
Idm-E898
Mica
Region V

C & D MINING COMPANY, PLUMTREE, NORTH CAROLINA. C & D Mine, Avery County, North Carolina.

Letter to the Field forwarding a proposed Termination Agreement for signatures of the Executive Officer and the Operator.

DMEA-4092
Copper
Region II

SHASTA COPPER AND URANIUM COMPANY, INC., SALT LAKE CITY, UTAH. Balaklala Mine, Shasta County, California.

Letter to the Field with reference to its memorandum of May 8, 1956. The Field was asked to request the Applicant to (1) submit copies of its lease or other instrument under which it has right to possession of claims listed in the application and (2) obtain proper Consent to Lien executed by the Walker Engineering Corporation.

Timbering- 200 sets or 40 feet

Estimated advance: 2 miners, ½ hoistman, ½ topman, ½ trammer, ½ foreman, (will frame) will stand, block and lag 4 sets,(20 feet) per 8 hour shift.

(2) Labor and Supervision

| | | |
|---|---|---|
| 2 miners, 10 days at $20.00/day X 1.083 | $ 433.20 | |
| ½ hoistman 10 days at $20.00/day X 1.083 | 108.30 | |
| ½ topman 10 days at $16.00/day X 1.083 | 86.64 | |
| ½ trammer 10 days at $16.00/day X 1.083 | 86.64 | |
| ½ supervisor $\frac{10 \times 26 \times \$550}{2}$ | 105.77 | |
| Total | 820.55 | |
| Unemployment, taxes, - 12.7% of $820.55 | 104.21 | |
| Total labor and supervision | | $ 924.76 |

(3) Operating Materials and Supplies

| | | | |
|---|---|---|---|
| 82 posts, 8" X 8" X 7' | 3,034 bd. ft. | | |
| 41 caps, 8" X 8" X 6'4" | 1,394 | | |
| 80 girths 5" X 6" X 4'4" | 866 | | |
| Lagging | 5,760 | | |
| Total board feet | 11,054 | | |
| 11,054 bd. ft. at $65.00/M | | 718.51 | |
| Blocks, wedges, nails, etc. | | 36.00 | |
| Total | | | 754.51 |
| Total cost 200 feet timbering | | | $1,679.27 |

Cost per foot of timbering $8.40

Letter from Field Team, dated November 21, 1957, concerning Docket No. DMEA-3626, Mrs. Jennie M. Moore, in last two paragraphs of page 2, makes the following statents in regard to costs:

"The Bureau of Mines has recently made a reappraisal of costs for contemplated additional work at the neighboring Mullen mine, of American Machine and Metals, Inc. where nature of the ground and other conditions are comparable. The estimated cost for drifting is $37.80 per foot, for timbering $8.40 per foot, and for long hole drilling $1.00 per foot. While Mrs. Moore's request that she be allowed $47.00 per foot for drifting and timbering is too high, the presently allowed $32.50 for drifting, $6.50 for timbering, and $0.75 per foot for long hole drilling is too low.

The Field Team recommends that an amended contract be proposed in two stages. Stage I should include all the work completed under the present contract. Stage II should provide for 150 feet of drifting westerly from the face of the Horton drift at a unit cost of $37.80 per foot; long hole drilling 300 feet at a cost of $1.00 per foot; and 50 feet of timbering at $8.40 per foot. Provision should be made for 100 assay determinations for gold, silver, lead, zinc, copper and manganese at a cost not to exceed $2.00 per determination. Provisions should be made to allow for 6 days at $50.00 per day or $300.00 for technical services."

For Government Use Only

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

No. 681

Minutes
OPERATING COMMITTEE
June 18, 1956

## Denial

DMEA-4316
Uranium
Region III

GREAT WESTERN MINERALS COMPANY, ENID, OKLAHOMA. Polsent Claims, Grand County, Utah.
Letter to the Applicant denying the application.

## Amendment to Contract

DMEA-3687
Idm-2786
Tungsten
Region I
(N.W. District)

SALMON RIVER SCHEELITE CORPORATION, SALMON, IDAHO. Tungsten Jim Claims, et al., Custer County, Idaho.
Letter to the Field forwarding proposed Amendment No. 1, signed by the Administrator, for execution. Two additional copies of the amendment were sent to the Field. Approved for referral.

## Field Reports

DMEA-4093
Nickel, Cobalt, and Chrome
Region II

RARE METALS CORPORATION OF AMERICA, SALT LAKE CITY, UTAH. Rare Nos. 1 through 12 Claims, Del Norte County, California.
Field Examination Report recommending denial. The report was referred to the Commodity Group.

DMEA-4172
Uranium
Region II

HOLIDAY MINES, INC., BREMERTON, WASHINGTON. Holiday and and Falcon Claims, Mineral County, Nevada.
Field Examination Report recommending denial. The report was referred to the Commodity Group.

DMEA-4194
Uranium and Selenium
Region III

SHAWANO DEVELOPMENT CORPORATION, NEW YORK, NEW YORK. Shawano Poison Basin Mine, Carbon County, Wyoming.
Field Examination Report recommending approval. The report was referred to the Commodity Group.

DMEA-4241
Beryl
Region III

SILVER ROCKER M & D COMPANY, SALIDA, COLORADO. Saville Queen No. 2 and Blue Brute Claims, Chaffee County, Colorado.
Field Examination Report recommending denial. The report was referred to the Commodity Group.

DMEA-4261
Copper, Lead, and Zinc
Region III

PAN-AM MINING COMPANY, INC., PANHANDLE, TEXAS. Starlight Mine, Graham County, Arizona.
Field Geologic Examination Report recommending denial. The report was referred to the Commodity Group.

Memorandum, dated June 24, 1957, from John A. Bowsher, Bureau of Mines, in paragraph one of page two recommends as follows:

"It is recommended that the present unit cost, Stage II, for drifting and/or crosscutting, timbering, and assaying be approved for the additionsl work outlined bove. (work included in Amendment No. 5) These unit costs are respectively $38.00/ft. , $8.40/ft., and $2.00 (manganese), $1.00 each for copper, lead and zinc. However,the item for long hole drilling and technical services should be increased respectively, from $1.00 to $1.25/ft. and $50.00 to $75.00/day. The actual consulting rates for fully competent engineeer-geologists in the Northwest is $100.00/day plus expenses."

On the basis of higher labor and material costs the raise of long hole drilling from $1.00 to $1.25 per foot. Labor is the main cost in this work.

## Field Referrals - Applications (continued)

DMEA-4300
Uranium
Region III

E. E. LEWIS AND ASSOCIATES, GRAND JUNCTION, COLORADO. Early Morn Mine, San Miguel County, Colorado.

Letter to the Field requesting a field examination and recommendation. Copies of memoranda dated June 8 and 14, 1956, by James Paone, USBM, and N. E. Nelson, USGS, respectively, relating to the application were sent to the Field.

Letter to the Applicant.

## Amendments to Contracts

DMEA-3428(89)
Idm-E774
Lead and Zinc
Region II

MT. WHEELER MINES, INC., SALT LAKE CITY, UTAH. Pole Adit, White Pine County, Nevada.

Letter to the Field forwarding proposed Amendment No. 1, signed by the Administrator, for execution. Two additional copies of the amendment were sent to the Field. Approved for referral.

DMEA-3924
Idm-E882
Mica
Region V

J. R. BEAM AND JOHN PHILLIPS, SPRUCE PINE, NORTH CAROLINA. Little Ray Prospect, Yancey County, North Carolina.

Letter to the Field forwarding proposed Amendment No. 2, signed by the Administrator, for execution. Two additional copies of the amendment were sent to the Field. Approved for referral.

## Field Reports

DMEA-4144(4005)
Uranium
Region III

NEPTUNE URANIUM CORPORATION, DENVER, COLORADO. Piper-Shamrock-Kingpin Group, Montrose County, Colorado.

Field Examination Report recommending denial. The report was referred to the Commodity Group.

DMEA-4215
Tungsten
Region II

BEAR CREEK MINING COMPANY, SANGER, CALIFORNIA. Bear Creek Mine, Fresno County, California.

Field Examination Report recommending denial. The report was referred to the Commodity Group.

## Final Field Reports on Project Contracts

DMEA-2984
Idm-E580
Uranium
Region III

OXIDE METALS CORPORATION, BOULDER, COLORADO. South View - Valley View Claims, Fall River County, Dakota.

Final Field Report recommending that no certification be issued on the project. The report was referred to the Commodity Group.

Government's copy

Long
Dougherty
App'd. Sol. Off.
Hopkins
Martin
Talbutt
Selfridge
Johnson

10/18
10/13
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NOM
220
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EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

AMENDMENT NO. 8

It is agreed this 23d day of September, 1958, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA-3626), dated April 12, 1955, as amended, is further amended as follows:

1. In Article 3, the time for completion of the work is further extended from August 12, 1958 (Amendment No. 7), to October 12, 1958.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government shall be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mitchell
ACTING Director, Office of Minerals Exploration

Mrs. Jennie M. Moore (deceased)
Mrs. Jennie M. Moore (Operator)
by Lois W. Kelly (administratrix)

Rubin
Mangan
Chapman
Chambers
Martin
Selfridge
Johnson

Government's copy

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 17 1958
DATE | INITIALS | CODE

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

AMENDMENT NO. 7

It is agreed this 31st day of January, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA-3626), dated April 12, 1955, as amended, is further amended as follows:

1. In Article 3, the time for completion of the work is further extended from February 12, 1958 (Amendment No. 5), to August 12, 1958.

2. In Article 7, the maximum period for royalty payments and liens to secure the payments is further extended from 12 years (Amendment No. 5) to 13 years.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mittendorf
Administrator, Defense Minerals
Exploration Administration

Mrs. Jennie M. Moore
MRS. JENNIE M. MOORE (operator)

Government's copy

Rubin
Hoffbeck
Chapman
Martin
Selfridge
Johnson
Talbot

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

AMENDMENT NO. 6

It is agreed this 23d day of September, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781, (Docket No. DMEA-3626), dated April 12, 1955, as amended, is further amended as follows:

In Exhibit "A", under Description of the Work, the following provision is added:

Timbering requirements and costs estimated under Stage III may be transferred to Stage II, as approved by the Government.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Mitchell Ross
Administrator, Defense Minerals
Exploration Administration

Mrs. Jennie M. Moore
Mrs. Jennie M. Moore, Operator

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EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

AMENDMENT NO. 5

It is agreed this 27th day of August, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA-3626), dated April 12, 1955, as amended, is further amended effective June 7, 1957, as follows:

1. In Article 3 of the Contract, the time for completion of the work is further extended from June 12, 1957 (Amendment No. 4), to February 12, 1958.

2. In Article 5 of the Contract, the estimated total cost of the project is further increased from $55,620.00 (Amendment No. 3) to $83,240.00, and the amount of Government participation at 75 percent is increased from $41,715.00 to $62,430.00.

3. The maximum period for royalty payments and liens to secure the payments is further extended from 11 years (Amendment No. 2) to 12 years.

4. In Exhibit "A" under the heading Description of the Work, new work is added under a new Stage III, as follows:

(a) Crosscut approximately 220 feet north from the present face of Owens 200 level crosscut north to intersect the "True" (Huffman) vein.

(b) Drift 300 feet east and/or west on the "True" vein.

(c) Extend the 200 level drift west on the "Moore" (Horton) vein 100 feet from the face existing on June 7, 1957, at the completion of Stage II.

(d) Timber crosscut and drifts as necessary. It is estimated that 300 feet of timbering will be required, but this amount may be increased by amendment to the Contract if determined by both parties to be necessary.

(e) Test the walls of drifts by long hole drilling, not more than 500 feet.

(f) Sample mineralized zones, and assay samples for manganese and for lead, zinc, and copper as necessary.

(g) Provide necessary engineering and geological technical services.

Drifts and crosscut shall be not less than 4½ feet by 6½ feet in the clear. Plate 3, showing the proposed work, is attached and made a part hereof.

5. In Exhibit A, under Fixed Unit Costs, add costs under a Stage III, as follows:

Stage III

| | | |
|---|---|---|
| Crosscut and drift, 620 feet @ $38.00/ft. | $23,560.00 | |
| Timbering 300 feet @ $8.40/ft. | 2,520.00 | |
| Long Hole Drilling, 500 feet @ $1.25/ft. | 625.00 | |
| Assaying 200 samples for manganese at $2.00 per determination, and for lead, zinc and copper at $1.00 per determination, provided that not more than 200 assays shall be made for not more than | 315.00 | |
| Technical services, 8 days @ $75.00/day | 600.00 | |
| Estimated Total Cost of Stage III | | $27,620.00 |

S U M M A R Y

| | |
|---|---|
| Estimated Total Cost of Stage I | $48,700.00 |
| Estimated Total Cost of Stage II | $ 6,920.00 |
| Estimated Total Cost of Stage III | $27,620.00 |
| Estimated Total Cost of Project | $83,240.00 |
| Government participation, 75 percent | $62,430.00 |

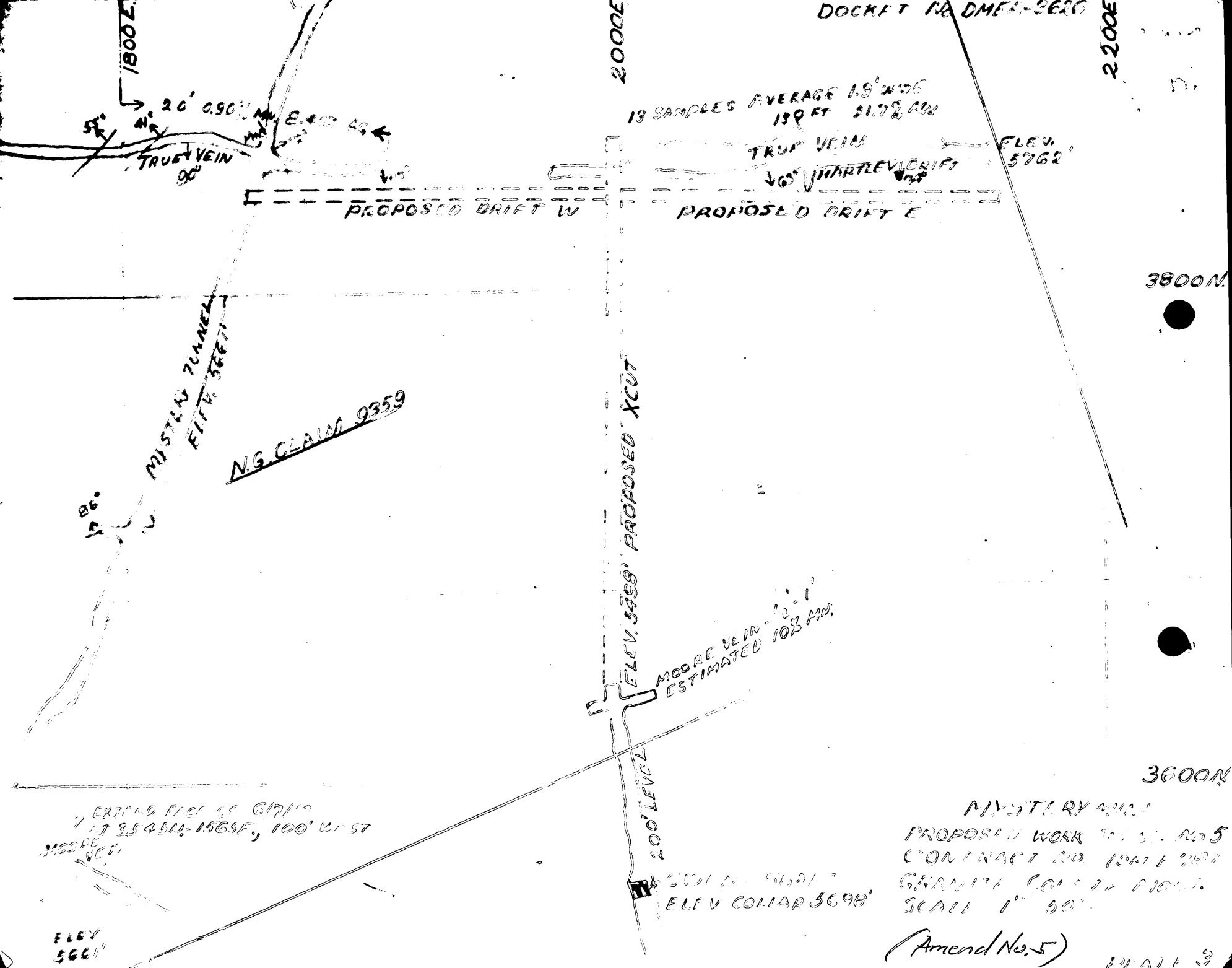
Rubin
Lawyer
Appr. Sol. Off.
Chapman
Martin
Selfridge
Johnson

IN WITNESS WHEREOF, the parties have executed this amendment in quintuplicate as of the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Mittendorf
Administrator, Defense Minerals
Exploration Administration

Mrs Jennie M. Moore
MRS. JENNIE M. MOORE (Operator)


DOCKET NO. DMEA-3626
1800E
2000E
2200E
20' 0.90 Au
TRUE VEIN
90°
13 SAMPLES AVERAGE 1.9' WIDE
19 FT 21.72 Au
TRUE VEIN
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PROPOSED DRIFT W
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PROPOSED XCUT
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MOORE VEIN
ESTIMATED 10% Au
100' LEVEL
3600N.
MOORE VEIN
ELEV COLLAR 5698'
MISTERY MINE
PROPOSED WORK
CONTRACT NO.
SCALE 1" 50'
(Amend No. 5)
ELEV
5661'

Affidavit to personal file

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Government's Copy

Long
Seager
Chapman
Martin
Chambers
Selfridge
Johnson

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

Amendment No. 4

It is agreed this 22nd day of April, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA-3626), dated April 12, 1955, as amended, is further amended as follows:

The time for completion of the work, specified in Amendment No. 2 of the Contract, is extended from April 12, 1957, to June 12, 1957.

This amendment shall not be construed to increase the total estimated cost of the project, the aggregate amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mitchell Dorp
Administrator, Defense Minerals
Exploration Administration

Mrs. Jennie M. Moore
Mrs. Jennie M. Moore

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| OFFICIAL COPY DMEA RECEIVED JAN 22 1957 | | |
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EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

Amendment No. 3

It is agreed this 27th day of December, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-5781 (Docket No. DMEA-3626), dated April 12, 1955, as amended, is further amended as follows:

A. In Article 5 of the Contract, the total estimated cost of the project is changed from $48,700.00 to $55,620.00 and the amount of the Government participation at 75 percent is changed from $36,525.00 to $41,715.00

B. In Exhibit "A" under the heading Description of the Work, the following changes are made:

(a) The words "Stage I" are inserted immediately preceding the first paragraph.

(b) The eighth paragraph is amended to read as follows:

"Mineralized areas in drifts and drill holes shall be sampled and assayed for manganese and for lead, zinc, and copper when so indicated."

(c) The following paragraphs are added immediately following the last paragraph under the heading Description of the Work:

"Stage II

"1. From west face of drift on Horton vein at end of Stage I, continue to drift westerly for an additional 150 feet. Drifts shall be timbered as necessary. It is estimated that 50 feet of timbering will be sufficient, but the Government may, in its discretion, provide funds for necessary timbering in excess of 50 feet.

"2. Drill approximately 300 feet of long holes from each side and end of the drift to prospect for parallel or en-echelon ore bodies. These holes shall be drilled at approximately 50-foot intervals, and shall average approximately 30 feet in length.

"3. Provide necessary technical service for work in this Stage II.

"4. The location, direction, and extent of all work are subject to the approval of the Government.

"5. Make assay determinations for manganese and for lead, zinc, and copper when so indicated."

C. In Exhibit "A" under the heading Fixed Unit Costs, the following changes are made:

(a) The words "Stage I" are inserted immediately preceding the first item.

(b) The tenth item which reads as follows:

"Assay 125 samples for Manganese at $2.00 ea. $250.00"

is deleted and the following is substituted:

"Assay for manganese at $2.00 per sample, and assay for lead, zinc, and/or copper at $1.00 per determination, provided that not more than 250 assays shall be made for a total of not more than $250.00."

(c) The summaries reading as follows:

| | |
|---|---|
| "Estimated Total Cost of Project | $48,700.00 |
| Government Participation @ 75% | $36,525.00" |

are deleted, and the following provisions are substituted:

| | |
|---|---|
| "Estimated Total Cost of Stage I | $48,700.00 |
| Estimated Government Participation in Stage I @ 75% | $36,525.00 |

Stage II

| | | |
|---|---|---|
| Drift 150 feet | @ $38.00/ft. | $ 5,700.00 |
| Timber 50 feet | @ $8.40/ft. | 420.00 |
| Long hole drill 300 feet | @ $1.00/ft. | 300.00 |
| Technical Service, 6 days | @ $50.00/day | 300.00 |
| Assay for manganese @ $2.00 per sample, and assay for lead, zinc, and/or copper @ $1.00 per determination, provided that not more than 200 assays shall be made for a total of not more than | | 200.00 |
| Estimated Total Cost of Stage II | | $ 6,920.00 |

Estimated Total Cost of the Project $55,620.00

Government Participation @ 75% $41,715.00"

IN WITNESS WHEREOF, the parties have executed this amendment in sextuplicate as of the day and year first above written.

THE UNITED STATES OF AMERICA

By O P Metcalfe
Administrator, Defense Minerals
Exploration Administration

Mrs. Jennie M. Moore
Mrs. Jennie M. Moore

Indrs 12/12/56
Bunger
Appd. Sol. Off."
Chapman
Martin
Stoker
Selfridge
Chambers

Docket copy

**EXPLORATION PROJECT CONTRACT**
**MRS. JENNIE M. MOORE**
**DOCKET NO. DMRA-3626**

**AMENDMENT NO. 2**

It is agreed this 24th day of October, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMRA-3626), dated April 12, 1955, as amended, is further amended as follows:

1. The time for completion of the work, specified in Article 3 of the contract, is extended from October 1, 1956, to April 12, 1957.

2. The maximum period for royalty payments and lien to secure the payment thereof, as provided in the contract, is extended to eleven (11) years.

3. In Exhibit "A" of the contract, under the heading Description of the Work, the following changes are made:

(a) In the fifth paragraph, the phrase "3,150 cu/ft." is changed to read "2,478 cu/ft."

(b) In the sixth paragraph, as amended by Amendment No. 1, the phrase "617 feet" is changed to read "612 feet."

4. In Exhibit "A" of the contract, under the heading Fixed Unit Costs, the following three changes are made:

(a) The sixth item which reads:

"Excavate for station at 200-foot level,
3,150 cu. ft. of excavation at $1.00/cu. ft. 3,150.00"

is revised to read as follows:

"Excavate for station at 200-foot level,
2,478 cu. ft. of excavation at $1.00/cu. ft. 2,478.00."

(b) The seventh item which reads:

"Crosscut and drift 710 feet at $32.50/ft. 23,075.00"

is revised to read as follows:

"Crosscut and drift 705 feet at $32.50/ft. 22,912.50."

(c) The eighth item which reads:

"Timber 160 feet at $6.50/ft. 1,040.00"

is revised to read as follows:

"Timber 288.38 feet at $6.50/ft. 1,874.50."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

BY C O Mitterdorf
Administrator, Defense Minerals
Exploration Administration

Mrs. Jennie M. Moore
MRS. JENNIE M. MOORE

Indritz 10/17/56
Assigned
Appd. Sol. Off.
Chairman
Martin
Chambers
Selfridge

FROM SOLICITOR
OCT 18 1956
FOR SIGNATURE

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626
JUSTIFICATION OF
AMENDMENT NO. 2

See attached memorandum of October 10, 1956, to Mr. C. O. Mittendorf from the undersigned.

W. S. Martin, Chief
Iron & Ferro-Alloys Division
DMEA

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AMENDMENT NO. 1

It is agreed this 8th day of February 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and

Mrs. Jennie M. Moore

(Docket No. DMEA-3626, manganese)

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E 781 of April 12 1955 between the parties hereto be modified and amended as described in Exhibit "F" attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be April 12 1955.

This amendment is made by authority granted the Executive Officer, DMEA Field Team, Region ~~II~~ I, NW Dist., in Order No. ~~2684~~ 2608 by the ~~Acting~~ Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable Maximum."

Executed in sextuplicate the day and year first above written.

MRS. JENNIE M. MOORE
(Operator)

By Mrs Jennie M. Moore

THE UNITED STATES OF AMERICA

By A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region ~~II~~ I,
Northwest District

Obtain 3/7/6

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FEB 14 1967

Exploration Project Contract No. Idm-E781
Mrs. Jennie M. Moore
Granite County, Montana

Amendment No. 1

Exhibit "F"

Changes and modifications:

In Exhibit "A" of the contract, under Description of the work, delete the 6th paragraph, as follows:

> From the end of the station on the 200 foot level, crosscut 60 feet to the Horton vein, and then drift 250 feet easterly and 400 feet westerly on the Horton vein, timbering as necessary. The drifts and crosscuts shall be not less than 4 1/2 feet by 6 1/2 feet in the clear of timber.

and substitute:

> From the end of the station on the 200 foot level, crosscut 93 feet to the Horton vein, and then drift 617 feet easterly and/or westerly on the Horton vein, timbering as necessary. The drifts and crosscuts shall be not less than 4 1/2 feet by 6 1/2 feet in the clear of timber.

Exploration Project Contract No. Idm-E781
Mrs. Jennie M. Moore
Granite County, Montana

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## Justification of Amendment No. 1

The crosscut south from the 200 level shaft station cut several east-trending shears containing sparse amounts of vein material, and it was not possible to correlate any of the shears with the "Horton" vein exposed in the upper workings. As a consequence, it was necessary to crosscut 93 feet in the event the dip of the Horton vein flattened.

John A. Bowsher

Docket Copy

Defense Minerals Administration
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MAY 16 1955

MF-200A
(Revised June 1954)

Docket No. DMEA 3825

Commodity Manganese

Contract No. Idm-E - 781

# UNITED STATES OF AMERICA
# DEPARTMENT OF THE INTERIOR
## DEFENSE MINERALS EXPLORATION ADMINISTRATION
## EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this 12th day of April, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Mrs. Jennie K. Moore, whose mailing address is 442 East Foothill Boulevard, Glendora, California, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and .....

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Montana, County of Granite, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] owner of [5] the entire interest in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] ---, [7] recorded in Book ---, page ---, official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: none

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

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of manganese. The work to be performed is described in Exhibit "A." The Operator on or before July 1, 1955 shall commence the work, and on or before October 1, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $[illegible],700.00. The Government will contribute [illegible] percent of the fixed unit costs as work is performed, in a total sum not in excess of $36,525.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

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

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

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

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Executed in sextuplicate the day and year first above written.

MRS. JENNIE M. MOORE
(Operator)

By Mrs. Jennie M. Moore
Owner

THE UNITED STATES OF AMERICA

By C. O. Mitchelson
Administrator, Defense
Mineral Exploration
Administration

Bruhn
Hoffman
Chapman
Martin
~~Chesnyak~~
Selfridge

I, ....., certify that I am the ..... secretary of the corporation named as Operator herein; that ..... who signed this contract on behalf of the Operator, was then ..... of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

J. J. Johnson

.....

[ CORPORATE SEAL ]

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

MAY 16 1985

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

ANNEX I

The land referred to in Article 2 of the contract form consists of four patented lode mining claims, owned by the Applicant, as follows:

N. G., Survey No. 9359
Mountain View, Survey No. 9359
Lucy, Survey No. 10,851
Grey, Survey No. 10,851

These claims are located in Sec. 30, T. 7 N., R. 13 W. Montana Principal Meridian, Philipsburg Mining District, Granite County, Montana, and are shown on a map, Fig. 1, entitled "Mystery Manganese Mine, Granite County, Montana," attached hereto and made a part hereof.

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

RECEIVED

## EXHIBIT "A"

### Description of the Work

Rehabilitate head-frame, shaft house, and hoist and compressor house.

Install foundations for compressor and hoist; and construct a change house and storage room, approximately 12 feet by 20 feet. Install compressor and hoist.

Construct 1/2 mile of power line (2300 volt).

Rehabilitate the Owens shaft to the 100 foot level, including straightening and timbering, and then extend the Owens shaft 100 feet from the 100 foot level, to the 200 foot level. The entire shaft shall be 1 1/2 compartment, and approximately 6 feet by 10 feet in rock section.

On the 200 foot level, excavate for a station approximately 9 feet by 10 feet by 35 feet, or approximately 3,150 cu/ft. of excavation.

From the end of the station on the 200 foot level, crosscut 60 feet to the Horton vein, and then drift 250 feet easterly and 400 feet westerly on the Horton vein, timbering as necessary. The drifts and crosscuts shall be not less than 4 1/2 feet by 6 1/2 feet in the clear of timber.

Drill approximately 600 feet of long holes from each side of the drifts to prospect for parallel or echelon ore bodies. These holes shall be drilled at approximately 50 foot intervals, and shall average about 20 feet in length.

Mineralized areas in drifts and drill holes shall be sampled and assayed.

The work is shown in part on Figure 1 and on the map, Figure 2, entitled "Map. No. 8 Mystery Manganese Mine . . .November, 1954."

The location, direction, and extent of all work are subject to the approval of the Government' and all work shall be timbered as necessary.

## Fixed Unit Costs

| | | |
|---|---|---|
| Rehabilitate headframe, shaft house, and hoist and compressor building 1/ | $ 360.00 | |
| Build change and storage room, pour foundations, and install compressor and hoist 1/ | 1,250.00 | |
| Build 1/2 mile of 2,300 volt power line 1/ | 1,625.00 | |
| Rehabilitate Owens shaft, 100 feet at $70.00/ft. | 7,000.00 | |
| Sink Owens shaft 100 feet at $105.00/ft. | 10,500.00 | |
| Excavate for station at 200-foot level, 3,150 cu. ft. of excavation at $1.00/cu. ft. | 3,150.00 | |
| Crosscut and drift 710 feet at $32.50/ft. | 23,075.00 | |
| Timber 160 feet at $6.50/ft. | 1,040.00 | |
| Long hole drill 600 feet at $0.75/ft. | 450.00 | |
| Assay 125 samples for manganese at $2.00/ea. | 250.00 | |
| Estimated total cost of project | | $48,700.00 |
| Government participation at 75% | | $36,525.00 |

1/ The completed work constitutes the unit.

BUREAU OF MINES
RECEIVED
DEC 20 1954
SPOKANE, WASHINGTON

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

RECEIVED
JUN 3 1955

# APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

*Not to be filled in by applicant*

Docket No. 3626
Metal or Mineral MANGANESE
Date Received
Estimated Cost $42,000
Participation (Government %)

## INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

Mrs. Jennie M. Moore
992 E. Foothill Blvd.
Glendora, California

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract The following patented mining claims located in Section 30, T-7-N, R-13-W, Granite County, Montana

Sur. No. 9359 - N.G. Sur. No. 10851 - Lucy
Sur. No. 9359 - Mountain View Sur. No. 10851 - Grey

(*b*) State any mine name by which the property is known. Mystery Manganese Mine

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Owner

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it None

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.



Report already submitted by applicant.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Manganese (black dioxide)

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 30 days and be completed within 12 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

(*b*) How do you propose to furnish your share of the costs?

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

## CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated Dec. 20, 1954

Mrs. Jennie M. Moore
(Applicant)

By Peter H. Toepfer
(Peter H. Toepfer)

Philipsburg, Montana

**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—66551-1

Revised
as of Dec. 20, 1954

Docket No. 3186 - manganese
Mystery manganese mine
Granite County, Montana.

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(5a) Mineral: Manganese (black dioxide)

(5b) The proposed program is fully shown in Map No. 8 accompanying this revised application. Work will be confined to exploration of the Horton vein, exploration being conducted from the Owens shaft. The geology is outlined in detail in the report accompanying the original application.

As shown in Map No. 8, the proposed program consists of:
(1) Straightening and widening the Owens shaft so as to accomodate a cage for hoisting ore cars. Present shaft is offset and twisted, and can only be used for hoisting buckets. (see map #8)
(2) Sinking Owens shaft an additional 100 feet to a total depth of 200 feet, at which level no exploration has been conducted on the Mystery property.
(3) Crosscutting southward a distance of 90 feet from the bottom of the Owens shaft, to intercept the Horton vein. (see map #8)
(4) Drifting west and east a distance of 260 feet in each direction on the Horton vein. (see map #8)

In drifting west, high-grade manganese ore, reportedly 3 to 5 sets wide, is expected to be encountered below the caved stope under the Powder tunnel, and the geological conditions are favorable for the discovery of other new and similar ore-bodies below the sheeted zone. The west drift will extend to a point below the westernmost known ore-body within the sheeted zone.

In drifting east, the Horton vein will be explored within an area whose surface outcrops are deeply concealed by the alluvium of Camp Creek. This area is between the productive surface stoping on the Mystery property, and the productive stopes on the same vein within the Taylor-Knapp property which extend close to the eastern Mystery property line.
(5) Bulldozing two trenches across the projected outcrop of the Horton vein, between the Taylor-Knapp property line and the easternmost point of the proposed drifting. (see map #8) As the valley alluvium may be as much as 20 feet deep, 40 hours of bulldozing may be required. The surface projection of the outcrop can be determined with accuracy from the very regular strike and dip of the vein shown in the adjoining Taylor-Knapp workings.

(5c) The work will start within 30 days and be completed within 12 months from the date of the exploration contract.

(5d) The work will be carried out under the management and supervision of Peter H. Toepfer, a mining engineer formerly with the Spokane office of the U.S. Bureau of Mines. In this capacity, he has had experience in DMEA work; was assistant engineer at the Bureau's experimental mining project at the Benbow chromite mine, Stillwater County, Montana; was project engineer at the Sunset copper mine, Snohomish County, Washington (RI-4989); and reported upon the advanced stoping system used at the Dayrock mine, Wallace, Idaho (IC-7649). Previous to and following his Government employment, his work has been primarily examination and exploration of mineral properties.

Revised application - Mystery Manganese Mine

**ESTIMATES OF COST**

| | | |
|---|---|---|
| (6a) (Independant Contracts) | | |
| (1) Straightening, widening, and timbering Owens Shaft | | |
| 100 ft of shaft straightening, etc. @ $43.24 | | $ 4,324.00 |
| (2) Additional sinking on Owens Shaft | | |
| 100 ft of shaft sinking @ $72.77 | | 7,277.00 |
| (3) Crosscutting from Owens Shaft (incl. shaft station) | | |
| 90 ft of crosscutting @ $42.39 | | 3,815.10 |
| (4) Drifting on Horton vein. (two Headings) | | |
| 520 ft of drifting @ $28.21 | | 14,669.20 |
| (5) Bulldozer Trenching. | | |
| 40 hrs @ $12.50 | | 500.00 |
| Total of Independant Contracts | | $ 30,585.30 |
| (6b) (Labor, Supervision, Consultants) | | |
| Mine Manager & Superintendant | | |
| 8 months @ $600.00 | | $ 4,800.00 |
| (6c) (Operating Materials and Supplies) | | |
| Figured in contract work prices | | |
| (6d) (Operating Equipment) | | |
| Figured in contract work prices | | |
| (6e) (Rehabilitation and Repairs) | | |
| Repair of compressor house and hoist house | | |
| Total, material and labor | | $ 353.50 |
| (6f) (New Buildings, Improvements, Installations) | | |
| (1) Building of change house and tool room | | |
| Total; leveling, material, and labor | | $ 962.20 |
| (2) Power line installation | | |
| Total, material and labor | | 1,625.00 |
| (3) Installation of compressor and hoist | | |
| Total; transportation, material, and labor | | 347.80 |
| Total; New Buildings, Improvements, etc | | $ 2,935.00 |
| (6g) (Miscellaneous) | | |
| Assays | $ 75.00 | |
| Insurance, etc. | 600.00 | |
| Accounting | 400.00 | |
| Total, Miscellaneous | | $ 1,075.00 |
| (6h) (Contingencies) | | |
| Unexpected contingencies | | $ 2,251.20 |

NOTE: Detailed specifications and cost breakdowns are listed in pages 4 - 11 of this application. Work is shown on map #8.

Revised application - Mystery Manganese Mine

ESTIMATES OF COST

SUMMATION

| | | |
|---|---|---|
| (6a) | Independant Contracts | $ 30,585.30 |
| (6b) | Labor, Supervision, Consultants | 4,800.00 |
| (6c) | Operating Materials and Supplies | 0.00 |
| (6d) | Operating Equipment | 0.00 |
| (6e) | Rehabilitation and Repairs | 353.50 |
| (6f) | New Buildings, Improvements, Installations | 2,935.00 |
| (6g) | Miscellaneous | 1,075.00 |
| (6h) | Contingencies | 2,251.20 |
| | Total estimated direct costs | $ 42,000.00 |

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(7) The applicant, together with associates and the engineer preparing this application, will furnish the money required for initiating this program. As the work progresses, the Government will furnish funds covering 75% of the approved costs of the program outlined above. Repayment of the Government money loaned will be on the regular DMEA program basis.

Mrs. Jennie M. Moore

per Peter H. Toepfer

Peter H. Toepfer
Philipsburg, Montana.

Revised application - Mystery Manganese Mine

BREAKDOWN OF COSTS

Cost of Equipment for 7.6 month program.
(For determining pro rata cost per month of operation)

| | |
|---|---|
| Mine hoist, reconditioned, 30 hp electric motor and reducer. Price $3,100.00 | |
| Rental, 8 months @ $310.00 | $ 2,480.00 |
| Shaft cage, reconditioned, 4' x 4'. Price $500.00 | |
| Rental, 4 months @ $50.00 | 200.00 |
| Sinking bucket, 10 cu ft, used | 25.00 |
| Head sheave assembly, used | 30.00 |
| 300 ft of 3/4" mine hoist cable @ 61¢ per ft | 183.00 |
| Hoist signal bell and cable | 25.00 |
| 3 Ore cars, 16 cu ft, reconditioned. Price $200.00 each | |
| Rental, 5 months @ $20.00 each | 300.00 |
| 600 ft of 14-lb mine rail, used. Includes fish plates. (for use on mine dump) | |
| 1.4 tons @ $130.00 per T | 182.00 |
| 300 lbs, track spikes, bolts, etc, @ 19¢ per lb | 57.00 |
| 120 Track ties @ 35¢ | 42.00 |
| Air Compressor, Worthington, 125 cfm with 25 hp motor. (electric). Price reconditioned $1,750.00 | |
| Rental, 8 months @ $144.00 | 1,152.00 |
| Receiver tank, 32 cu ft, used | 200.00 |
| 2 water tanks, (submarines), used. Price $40.00 each | 80.00 |
| 1 Stoper, Thor Pneumatic medium, price new $735.00 | |
| Rental, 2 months @ $70.00 | 140.00 |
| 2 Sets, stoper drill steel, carbide insert bits 30"-48"-66" set @ $45.00 each set 12' = 3 | 90.00 |
| 2 Jackhammers, 55-lb. Price new $400.00 each | |
| Rental, 3 months @ $40.50 each | 243.00 |
| 3 Sets, jackhammer drill steel, carbide insert bits 18"-36" sets @ $25.00 each | 75.00 |
| 2 Jackleg Drifters, Thor Pneumatic, Price new $665.00 each | |
| Rental, 4 months @ $70.00 each | 560.00 |
| 6 Jackleg drill steels, 6-ft, carbide insert bits, @ $20.50 | 123.00 |
| Bit Sharpener with electric motor. Price new $120.00 | 120.00 |
| 100 ft Air line hose (with couplings) @ $25.00 per 50' | 50.00 |
| 100 ft Water line hose with couplings @ $21.00 per 50' | 42.00 |
| 4 mucking sheets, steel, 1/4" x 3.5' x 5.0' @ $15.00 each | 60.00 |
| Blower, Coppus TM-4, with 1 hp motor. Price new $255.00 | |
| Rental, 7 months @ $30.00 | 210.00 |
| Pickup truck, 1/2 ton, used. Estimated $1,000.00 | |
| Rental estimate, 8 months @ $80.00 | 640.00 |
| Small tools and miscellaneous hardware (Picks, shovels, bars, wrenches, blow torch, grease guns, jim crow, crow bars, double & single jacks, axes, saws, hammers, block and tackle, pipe dies, pipe vise, etc.) | 500.00 |
| Total cost of equipment used for contract work | $ 7,809.00 |
| Pro rata cost per month of operation | $ 1,027.50 |

Revised application - Mystery Manganese Mine

BREAKDOWN OF COSTS

(6a)(INDEPENDANT CONTRACTS)
(1) Straightening, widening, and timbering Owens Shaft to present depth of 100 feet. Shaft to be 4.5' x 7.5' in section, timbered to accomodate 4' x 4' cage, and manway. (See map #8 for vertical and horizontal sections of present shaft).

Time Schedule: 0.0 months - 1.2 months. (30 working days)
Scheduled rate of advance: 3.33 ft per working day.

| | | |
|---|---|---|
| (1a) Pro rata cost of equipment. (page 4) | | |
| 1.2 months @ $1,027.50 per month | | $ 1,233.00 |
| (1b) Labor cost. (including Saturday overtime) | | |
| 2 miners & 1 hoistman, 30 days @ $16.48 | $1,483.20 | |
| Insurance, soc. sec., etc @ 12.5% labor | 185.40 | |
| | | 1,668.60 |
| (1c) Materials and Supplies | | |
| Round timber, 1,142 lin ft @ 18¢ | $ 205.56 | |
| Sawed timber, 7,080 bd ft @ $55.00 | 389.40 | |
| Wedges, spikes, etc. (10% of timber cost) | 59.50 | |
| 130 ft, 2" std pipe (air) @ 55¢ | 71.50 | |
| 200 ft, 1" std pipe (water) @ 20¢ | 40.00 | |
| Valves, fittings, couplings (20% of pipe cost) | 22.30 | |
| 120 ft, 12" ventilation tubing @ $1.00 | 120.00 | |
| Dynamite (40%), 8 #/ft @ $12.25 per 50 lbs | 196.00 | |
| Caps, 225 @ 2.6¢ each | 5.85 | |
| Fuse, 2,250 ft @ $1.20 per 100 ft | 27.00 | |
| Carbide and lamps | 10.00 | |
| | | 1,147.11 |
| (1d) Power and Maintenance | | |
| Electric power, 1.2 months @ $90.00 (average for similar operations here) | $ 108.00 | |
| Repair, replacement, sharpening (figured at 10% of labor cost) | 166.86 | |
| | | 274.86 |
| Total estimated cost: Straightening, etc. of Owens Shaft | | $ 4,323.57 |

Depth of Shaft = 100 ft

Contract price per foot = $ 43.24

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Revised application - Mystery Manganese Mine

BREAKDOWN OF COSTS

(6a)(INDEPENDANT CONTRACTS)
(2) Sinking Owens Shaft 100 feet to a total depth of 200 feet. Same specifications for shaft.

Time Schedule: 1.2 months - 3.6 months. (60 working days)
Scheduled rate of advance: 1.67 ft per working shift.

| | | |
|---|---|---|
| (2a) Pro rata cost of equipment. (page 4) | | |
| 2.4 months @ $1,027.50 per month | | $ 2,466.00 |
| (2b) Labor cost. (including Saturday overtime) | | |
| 2 miners & 1 hoistman, 60 days @ $16.48 | $2,966.40 | |
| Insurance, soc. sec., etc @ 12.5% labor | 370.80 | |
| | | 3,337.20 |
| (2c) Materials and Supplies | | |
| Round timber, 710 lin ft @ 18¢ | $ 127.80 | |
| Sawed timber, 800 bd ft @ $55.00 | 44.00 | |
| Wedges, spikes, etc. (10% of timber cost) | 17.18 | |
| 100 ft, 2" std pipe (air) @ 55¢ | 55.00 | |
| 100 ft, 1" std pipe (water) @ 20¢ | 20.00 | |
| Valves, fittings, couplings (20% of pipe cost) | 15.00 | |
| 100 ft, 12" ventilation tubing @ $1.00 | 100.00 | |
| Dynamite (40%) 15 #/ft @ $12.25 per 50 lbs | 367.50 | |
| Caps (electric), 450 @ 25¢ | 112.50 | |
| Galvanometer (used) | 20.00 | |
| Detonator (used) | 25.00 | |
| Carbide and lamps | 20.00 | |
| | | 923.98 |
| (2d) Power and Maintenance | | |
| Electric power, 2.4 months @ $90.00 (average for similar operations here) | $ 216.00 | |
| Repair, replacement, tool sharpening (figured at 10% of labor cost) | 333.72 | |
| | | 549.72 |
| Total estimated cost: Sinking of Owens Shaft | | $ 7,276.90 |

Amount of sinking = 100 feet

Contract price per foot = $ 72.77

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Revised application - Mystery Manganese Mine

BREAKDOWN OF COSTS

(6a)(INDEPENDANT CONTRACTS)
(3) Crosscutting from bottom of Owens Shaft 90 feet to Horton vein, including cutting of shaft station. (Crosscut 5' x 7.5' in section, with rail, and air, water, and vent lines.)

Time Schedule: 3.6 months - 4.8 months. (30 working days)
Sceduled rate of advance: 3.00 ft. per working day.

| | | |
|---|---|---|
| (3a) Pro rata cost of equipment. (page 4) | | |
| 1.2 months @ $1,027.50 | | $ 1,233.00 |
| (3b) Labor cost. (including Saturday overtime) | | |
| 2 miners & 1 hoistman, 30 days @ $16.48 | $1,483.20 | |
| Insurance, soc. sec., etc @ 12.5% labor | 185.40 | |
| | | 1,668.60 |
| (3c) Materials and Supplies | | |
| Round timber, 160 lin ft @ 18¢ | $ 28.80 | |
| Dynamite (40%), 10 #/ft @ $12.25 per 50 lbs | 294.00 | |
| Caps, 330 @ 2.6¢ each | 8.58 | |
| Fuse, 2,600 ft @ $1.20 per 100 ft | 31.20 | |
| Carbide and lamps | 10.00 | |
| 180 ft, 14-lb used mine rail with fish plates 0.5 tons @ $130.00 per T | 65.00 | |
| 90 lbs, track spikes, bolts, etc @ 19¢ | 17.10 | |
| 36 Track ties @ 35¢ each | 12.60 | |
| 90 ft, 2" std pipe (air) @ 55¢ | 49.50 | |
| 90 ft, 1" std pipe (water) @ 20¢ | 18.00 | |
| Valves, fittings, couplings (20% of pipe cost) | 13.50 | |
| 90 ft, 12" ventilation tubing @ $1.00 | 90.00 | |
| | | 638.28 |
| (3d) Power and Maintenance | | |
| Electric power, 1.2 months @ $90.00 (average for similar operations here) | $ 108.00 | |
| Repair, replacement, tool sharpening (figured at 10% of labor cost) | 166.86 | |
| | | 274.86 |

Total estimated cost:
Crosscutting from Owens Shaft (inc. shaft station) $ 3,814.74

Amount of crosscutting = 90 ft

Contract price per foot = $ 42.39

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Revised application - Mystery Manganese Mine

BREAKDOWN OF COSTS

(6a)(INDEPENDANT CONTRACTS)
(4) Drifting on Horton vein, 260 feet eastward and 260 feet westward.
(5' x 7.5' in section, with rail, and air, water, and vent lines.)

Time Schedule: 4.8 months - 7.6 months. (70 working days)
Scheduled rate of advance; each heading: 3.71 ft. per working day.

| | | |
|---|---|---|
| (4a) Pro rata cost of equipment. (page 4) | | |
| 2.8 months @ $1,027.50 per month | | $ 2,877.00 |
| (4b) Labor cost. (including Saturday overtime) | | |
| 4 miners & 1 hoistman, 70 days @ 16.48 | $5,668.00 | |
| 1 timberman, 70 days @ $16.48 | 1,133.60 | |
| Insurance, Soc. Sec., etc @ 12.5% labor | 850.20 | |
| | | 7,651.80 |
| (4c) Materials and Supplies | | |
| Round timber, 860 lin ft @ 18¢ | $ 154.80 | |
| Sawed timber, 1,300 bd ft @ $55.00 | 71.50 | |
| Wedges, spikes, etc (10% of timber cost) | 22.63 | |
| Dynamite (40%), 8.5 #/ft @ $12.25 per 50# | 1,082.90 | |
| Caps, 1500 @ 2.6¢ each | 39.00 | |
| Fuse, 12,000 ft @ $1.20 per 100 ft | 144.00 | |
| Carbide and lamps | 60.00 | |
| 1040 ft, 14-lb used mine rail with fish plates 2.5 tons @ $130.00 per T | 325.00 | |
| 520 lbs, track spikes, bolts, etc, @ 19¢ | 98.80 | |
| 208 Track ties @ 35¢ each | 72.80 | |
| 420 ft, 2" std pipe (air) @ 55¢ | 231.00 | |
| 420 ft, 1" std pipe (water) @ 20¢ | 84.00 | |
| Valves, fittings, couplings (20% of pipe cost) | 63.00 | |
| 420 ft, 12" ventilation tubing @ $1.00 | 420.00 | |
| | | 2,869.43 |
| (4d) Power and Maintenance | | |
| Electric power, 2.8 months @ $90.00 x 2 (average for similar operations here) | $ 504.00 | |
| Repair, replacement, tool sharpening (figured at 10% of labor cost) | 765.18 | |
| | | 1,269.18 |
| Total estimated cost: Drifting on Horton vein | | $ 14,667.41 |

Amount of drifting = 520 feet (two headings)

Contract price per foot = $ 28.21

---

Revised application - Mystery Manganese Mine

BREAKDOWN OF COSTS

(6a)(INDEPENDANT CONTRACTS)
(5) Bulldozer Trenching. Two trenches on Horton vein. (Estimated 100 ft long with maximum depth of 20 feet)(See map #8 for location)

Time Schedule: To be done when weather conditions permit.

D-6 Bulldozer or larger.
40 hrs bulldozing @ $12.50 per hr. $ 500.00

---

SUMMATION

(6a)(INDEPENDANT CONTRACTS)

| | |
|---|---|
| (1) Straightening, etc. of Owens Shaft<br>100 ft @ $43.24 per ft | $ 4,324.00 |
| (2) Sinking of Owens Shaft<br>100 ft @ $72.77 | 7,277.00 |
| (3) Crosscutting from Owens Shaft (inc. shaft station)<br>90 ft @ $42.39 | 3,815.10 |
| (4) Drifting on Horton vein<br>520 ft @ $28.21 | 14,669.20 |
| (5) Bulldozer Trenching<br>40 hrs @ $12.50 per hr | 500.00 |
| Total of Independant Contracts | $ 30,585.30 |

---

(6b)(LABOR, SUPERVISION, CONSULTANTS)

Labor figured in contract work prices.
(rate is $15.21 per day, $16.48 average with Saturday overtime)

Mine Manager & Supervisor. (Qualified to act as engineer & geologist)
8 months @ $600.00

Total of Labor, Supervision, Consultants $ 4,800.00

---

(6c)(OPERATING MATERIALS AND SUPPLIES)

Figured in Contract Work prices.

---

(6d)(OPERATING EQUIPMENT)

Figured in Contract Work prices.

---

Revised Application - Mystery Manganese Mine

BREAKDOWN OF COSTS

(6e)(REHABILITATION AND REPAIRS)

Repair of Compressor House and Hoist House.

| | | |
|---|---|---|
| Lumber, 400 bd ft @ $120.00/1,000 | $ 48.00 | |
| 2 doors @ $12.00 each | 24.00 | |
| 5 windows @ $5.00 each | 25.00 | |
| 5 65-lb rolls of roofing paper @ $4.90 | 24.50 | |
| 8 45-lb rolls of roofing paper @ $3.40 | 27.20 | |
| 1 Oil Drum stove & pipe | 15.00 | |
| Nails, hardware, locks, | 25.00 | |
| Total material | | $ 188.70 |
| Labor, 10 days @ $16.48 | | 164.80 |
| Total Rehabilitation and Repairs | | $ 353.50 |

---

(6f)(NEW BUILDINGS, IMPROVEMENTS, INSTALLATIONS)

(1) Building of Change House & Tool Room.
(12 ft x 20 ft with partition. Fully equipped)

| | | |
|---|---|---|
| Leveling of mine yard with D-6 bulldozer. 8 hrs. @ $12.50 | $ 100.00 | |
| | | $ 100.00 |
| Lumber, 1500 bd. ft @ $120.00/1000 | $ 180.00 | |
| 3 doors @ $12.00 each | 36.00 | |
| 5 windows @ $5.00 each | 25.00 | |
| 4 65-lb rolls of roofing paper @ $4.90 | 19.60 | |
| 5 45-lb rolls of roofing paper @ $3.40 | 17.00 | |
| Nails & miscellaneous | 20.00 | |
| Door knobs, locks, hardware | 30.00 | |
| 1 Double Oil Drum Stove & pipe | 25.00 | |
| 6 pulley clothes hangers | 30.00 | |
| Benches, time record desk, clock, etc. | 30.00 | |
| Water pump, tank, plumbing, & sink | 120.00 | |
| | | $ 532.60 |
| Labor, 20 days @ $16.48 | $ 329.60 | |
| | | 329.60 |
| Total, Building of Change House & Tool Room | | $ 962.20 |

---

(2) Power Line Installation.
(2300 volt line with 220-440 transformer)

| | |
|---|---|
| One-half mile power line, estimated @ $2,500/mi | $ 1,250.00 |
| Installation of transformer. | 125.00 |
| Fencing at transformer. | 50.00 |
| Starters, switches, and wiring of motors. | 200.00 |
| Total, Power Line Installation | $ 1,625.00 |

---

Revised application - Mystery Manganese Mine

BREAKDOWN OF COSTS

(6f)(NEW BUILDINGS, IMPROVEMENTS, INSTALLATIONS)(continued)

| | | |
|---|---|---|
| (3) Transportation,& Installation of Compressor and Hoist, | | |
| Loading, transportation, & unloading | $50.00 | |
| | | $ 50.00 |
| 33 90-lb sacks of cement @ $1.60 | $ 52.80 | |
| 2 yds Sand @ $5.00 delivered | 10.00 | |
| 4 yds Crushed Rock @ $4.50 delivered | 18.00 | |
| Lumber, 60 bd. ft. @ $120.00/1000 | 7.20 | |
| Rental of concrete mixer, & transportation | 35.00 | |
| Studs, nuts, & miscellaneous | 10.00 | |
| | | 133.00 |
| Labor, 10 working days @ $16.48 | $164.80 | |
| | | 164.80 |
| Total, Installation of Compressor & Hoist | | $ 347.80 |

---

SUMMATION

(6f)(NEW BUILDINGS, IMPROVEMENTS, INSTALLATIONS)

| | |
|---|---|
| (1) Building of Change House & Tool Room | $ 962.20 |
| (2) Power Line Installation | 1,625.00 |
| (3) Installation of Compressor and Hoist | 347.80 |
| Total, New Buildings, Improvements, Installations | $ 2,935.00 |

---

(6g)(MISCELLANEOUS)

| | | |
|---|---|---|
| Assays | | |
| 50 assays at $1.50 average | $ 75.00 | |
| Insurance, Soc. Sec., etc. | | |
| figured at 12.5% of mine manager's salary | 600.00 | |
| Accounting, part time accountant. | | |
| 8 months @ $50.00 | 400.00 | |
| Total, Miscellaneous | | $ 1,075.00 |

---

(6h)(CONTINGENCIES)

Sum reserved for unforseen contingencies; such as timbering, drifting through unexpected heavy ground, the necessity of pumping, refusal of power line right-of-way, etc.

Figured at approx. 6% of total contract $ 2,231.20

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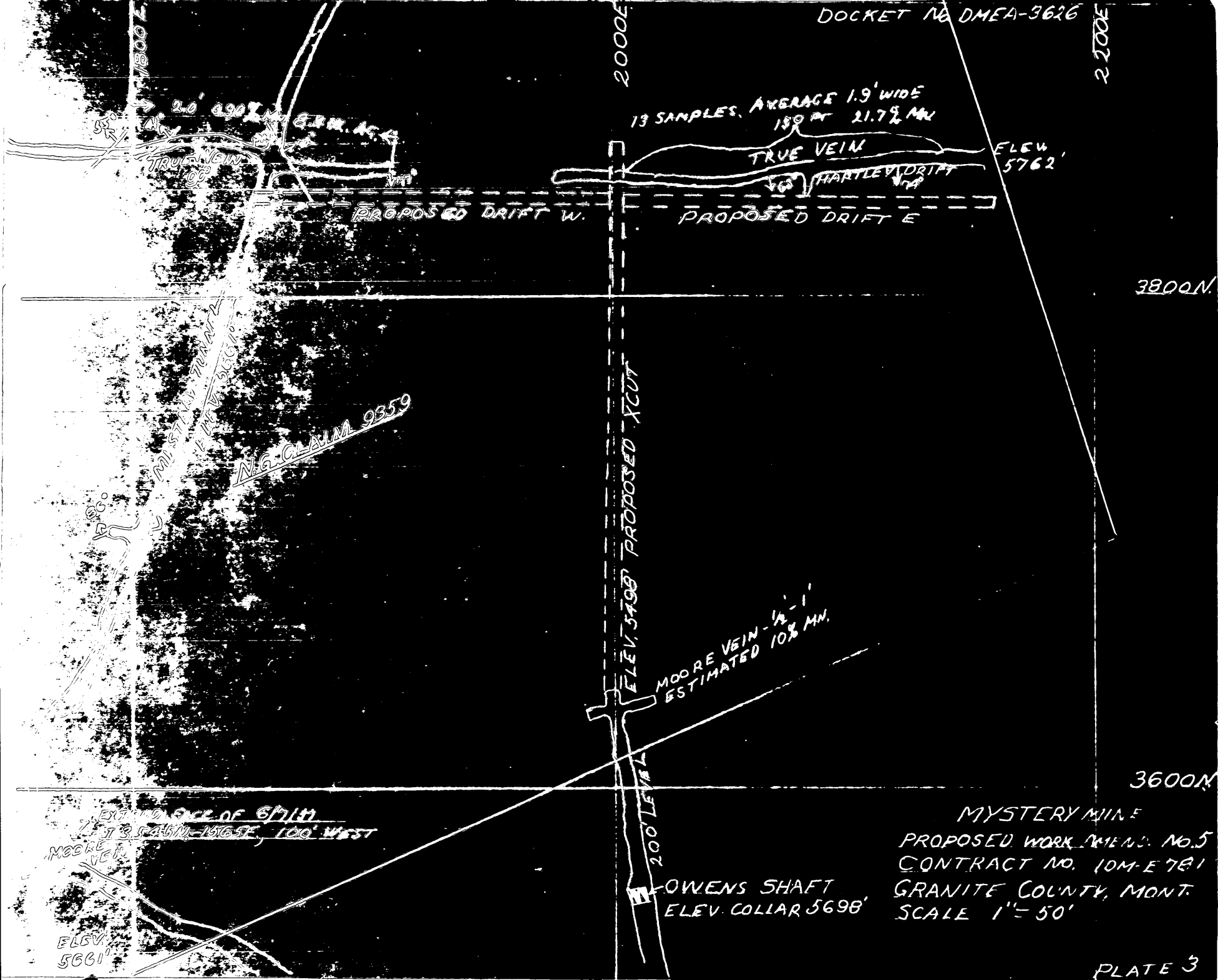
DOCKET NO. DMEA-3626
2000E
2200E
1800E
13 SAMPLES, AVERAGE 1.9' WIDE
150 oz 21.7% MN
TRUE VEIN
ELEV. 5762'
HARTLEY DRIFT
PROPOSED DRIFT W.
PROPOSED DRIFT E
3800N.
MYSTERY TUNNEL
N.G. CLAIM 9359
PROPOSED XCUT
ELEV. 5498'
MOORE VEIN - 1/2' - 1'
ESTIMATED 10% MN.
3600N.
EXTENDED FACE OF 6/7/14
AT 3 SCALE N-1565E, 100' WEST
MOORE VEIN
ELEV. 5661'
200' LEVEL
OWENS SHAFT
ELEV. COLLAR 5698'
MYSTERY MINE
PROPOSED WORK TUNNEL No. 5
CONTRACT NO. 10M-E781
GRANITE COUNTY, MONT.
SCALE 1" = 50'
PLATE 3

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 5/11 | Hoff | 400 |
| 5/11 | Martin | 400 |
| | | 120 |
| | | 116 |
| | | |
| | | |
| | | |
| | | |
| | | 220 |

May 7, 1959

Memorandum

To: Acting Director, Office of Minerals Exploration

From: Division of Iron and Ferro-Alloys, OME

Subject: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Operator:

Mrs. Jennie M. Moore (since deceased), P. O. Box 523, Philipsburg, Montana. Administrator of Mrs. Moore's estate is John J. Walsh, 43 East Broadway, Butte, Montana.

Operator's Property Rights:

The Operator owned four patented lode mining claims, situated in sec. 30, T. 7 N., R. 13 E., M. P. M., Philipsburg Mining District, Granite County, Montana, as follows:

| Name | U. S. Survey No. |
|---|---|
| N. G. | 9359 |
| Mountain View | 9359 |
| Lucy | [illegible] |
| Gray | [illegible] |

Contract:

(a) Executed April 12, 1955, on [illegible], MF-200A (Revised June, 1954).

(b) Completion period: Work to s[illegible] on or before July 1, 1955, and to be completed on or before October 1, 1956.

(c) Work authorized:

Fixed Unit Costs

| | |
|---|---|
| Rehabilitate headframe, shaft house, hoist and compressor building | $ 360.00 |

| | | |
|---|---|---|
| Build change house, pour foundations, install compressor and hoist | $ 1,250.00 | |
| Build ½ mile of 2,300 volt power line | 1,625.00 | |
| Rehabilitate Ownes shaft, 100 feet @ $70/ft. | 7,000.00 | |
| Sink Owens shaft 100 feet @ $105/ft. | 10,500.00 | |
| Excavate station at 200-foot level, 3,150 cubic feet @ $1.00/cu. ft. | 3,150.00 | |
| Crosscut and drift 710 feet @ $32.50/ft. | 23,075.00 | |
| Timber corsscut and drift, 160 ft. @ $6.50/ft. | 1,040.00 | |
| Long-hole drill 600 feet @ $0.75/ft. | 450.00 | |
| Assay 125 samples for Mn @ $2.00/each | 250.00 | |
| Estimated total cost of project | | $48,700.00 |
| Government participation at 75% | | $36,525.00 |

AMENDMENT NO. 1, executed February 8, 1956, authorized corss-cutting 93 feet, instead of 60 feet provided in the contract, to the Horton vein, and reduced drifting easterly and westerly along the vein from 650 to 617 feet, so that the 710 feet total of drifting and crosscutting, and the authorized total cost of the project remained unchanged.

AMENDMENT NO. 2, executed October 24, 1956, extended the time for completion of the work from October 1, 1956, to April 12, 1957, and the royalty repayment period from 10 years to 11 years, also changed the work authorization as follows: Cutting station, 2478 cubic feet instead of 3150 cubic feet, and drifting and crosscutting, 705 feet instead of 710 feet.

AMENDMENT NO. 3, executed December 27, 1956, designated previously authorized work as Stage I, changed the authorization for assaying to permit determinations for lead, zinc, and/or copper, at an additional unit cost not to exceed $1.00 per sample, and added a new Stage II, as follows:

STAGE II

| | | |
|---|---|---|
| Drift, 150 feet @ $38.00/ft. | $5,700.00 | |
| Timber drift, 50 feet @ $8.40/ft. | 420.00 | |
| Long-hole drilling, 300 feet @ $1.00/ft. | 300.00 | |
| Technical service, 6 days @ $50.00/day | 300.00 | |
| Assay for Mn @ $2.00/spl., and assay for Pb, Zn, and/or Cu @ $1.00 additional per sample, maximum 200 assays and 200 samples | 200.00 | |
| Estimated total cost Stage II | | $6,920.00 |

| | |
|---|---|
| Estimated total cost Stage I | $48,700.00 |
| Estimated total cost of Project | $55,620.00 |
| Government Participation @ 75% | 41,715.00 |

AMENDMENT NO. 4, executed April 22, 1957, further extended the time for completion of the work from April 12, 1957, to June 12, 1957.

AMENDMENT NO. 5, executed August 27, 1957, again extended the time for completion of the work from June 12, 1957, to February 12, 1958, and further extended the royalty repayment period from 11 years to 12 years.

A new Stage III was added to the work authorized, as follows:

STAGE III

| | | |
|---|---|---|
| Crosscut and drift 620 feet @ $38.00/ft. | $23,560.00 | |
| Timbering crosscut and drift, 300 feet @ $8.40/ft. | 2,520.00 | |
| Long-hole drilling, 500 feet @ $1.25/ft. | 625.00 | |
| Assaying 200 samples for manganese at $2.00 per determination, and for lead, zinc, and copper at $1.00 per determination, provided that not more than 200 assays shall be made for not more than | 315.00 | |
| Technical services, 8 days @ $75.00/day | 600.00 | |
| Estimated Total Cost of Stage III | | $27,620.00 |

S U M M A R Y

| | |
|---|---|
| Estimated Total Cost of Stage I | $48,700.00 |
| Estimated Total Cost of Stage II | 6,920.00 |
| Estimated Total Cost of Stage III | 27,620.00 |
| To Estimated Total Cost of Project | $83,240.00 |
| Government Participation @ 75% | 62,430.00 |

AMENDMENT NO. 6, executed September 23, 1957, provided that timbering authorized for Stage III could be transferred to Stage II as approved by the Government.

AMENDMENT NO. 7, executed January 31, 1958, further extended the time for completion of the work, from February 12, 1958, to August 12, 1958, and again extended the royalty repayment period from 12 years to 13 years.

AMENDMENT NO. 8, executed September 23, 1958, again extended the time for completion of the work, from August 12, 1958, to October 12, 1958.

(d) Work completed:

Stage I

| | | |
|---|---|---|
| Rehabilitation of headframe, etc. | $ 360.00 | |
| Build changehouse, etc. | 1,250.00 | |
| Build power line | 1,625.00 | |
| Rehabilitate Ownes shaft, 100 feet @ $70.00/ft. | 7,000.00 | |
| Sink Owens shaft, 100 feet @ $105.00/ft. | 10,500.00 | |
| Excavate 200 level station, 2478 cu. ft. @ $1.00/cu. ft. | 2,478.00 | |
| Crosscut to Horton vein, 91 feet @ $32.50/ft. | 2,957.50 | |
| Drift east and west on Horton vein, 612 feet @ $32.50/ft. | 19,890.00 | |
| Timbering crosscut and drift, 242.2 feet @ $6.50/ft. | 1,575.60 | |
| Long-hole drilling, 440 feet @ $0.75/ft. | 330.00 | |
| Assaying, 25 samples for manganese @ $2.00/ea. | 50.00 | |
| Total Cost Stage I | | $48,016.10 |

Stage II

| | | |
|---|---|---|
| Drifting west on Horton vein, 150 feet @ $38.00/ft. | 5,700.00 | |
| Timbering drift, 50 feet @ $8.40/ft. | 420.00 | |
| Long-hole drilling, 300 feet @ $1.00/ft. | 300.00 | |
| Assaying, 28 samples @ $2.00-1.00/spl. | 47.00 | |
| Total Cost Stage II | | $ 6,467.00 |

Stage III

| | | |
|---|---|---|
| Crosscutting north on 200 level, 217.7 feet @ $38.00/ft. | $ 8,272.60 | |
| Drifting East and West on True vein, 300 feet @ $38.00/ft. | 11,400.00 | |
| Drifting West on Horton vein, 100 feet @ $38.00/ft. | 3,800.00 | |
| Timbering crosscut and/or drifts, 80.5 feet @ $8.40/ft. | 676.20 | |
| Long-hole drilling, 292 feet @ $1.25/ft. | 365.00 | |
| Technical Services, 8 days @ $75.00/day | 600.00 | |
| Assaying, 6 samples @ $2.00-1.00/spl. | 9.00 | |
| Total Cost Stage III | | $25,122.80 |
| Total Accepted Cost of the Contract | | 79,605.90 |
| Government Participation @ 75% | | 59,704.43 |

Work under the contract started about May 25, 1955, and was completed by September 1, 1958.

Audits:

A Report of Review in lieu of final audit, dated January 19, 1959, was received January 22, 1959.

Reports:

The Operator's Final Report, dated October 25, 1958, was received by the Field Team on December 1, 1958, and in this office December 9, 1958. The Final Report of the Field Team ~~not yet~~ was received, May 11, 1959

Past Production:

Production from the property, mainly by lessees prior to the date of the contract, amounted to approximately 10,000 tons of oxide ore, value about $80,000.00. This ore generally averaged between 20 and 30 percent manganese.

Present Production:

From the date of the contract to March 27, 1959, the Field Team reports total shipments of ore as 5,700 tons, estimated value $270,000.00. Royalty paid to the Government to March 31, 1959, totals $13,825.68.

Certification:

In agreement with the recommendation of the Field Team, a certification of discovery or development was issued on May 13, 1959.

Comments:

Work under the contract was conducted in a generally satisfactory manner, and reports and maps furnished were adequate.

The project was established to explore for manganese in the Mystery mine area, where it occurs in lenses and tabular bodies of manganese oxides and carbonate along northwesterly to westerly trending fault and shear zones in altered and marbleized limestone of the Hasmark formation of Cambrian age.

Reserves of manganese ore discovered by project work are estimated as in excess of 6,500 tons, averaging about 33 percent manganese.

W S Martin

SPHOLT:foc
5-7-59
cc to: Code 400
Operating Comm.
Director's Read. File

DMEA Form 18
Feb. 58

# DEFENSE MINERALS EXPLORATION ADMINISTRATION

## ANALYSIS OF SEMIANNUAL REPORT OF CERTIFIED PROJECT

Prepare in duplicate. File original in Official Docket. Send copy

To: Statistics Branch (Code 210)

From: Division of Minerals, OME

Report Period: Apr. 12, 1955 to Nov. 12, 1955

| DMEA No. | Operator | Contract No. |
|---|---|---|
| 3626 | Mrs. Jennie M. Moore | Idm-E781 |

**ORE ESTIMATES**

| | Tons, short dry | Analysis |
|---|---|---|
| DMEA | 7,000 | 31.9 % Mn |
| Operator to date | 11 1/ | 31.9 " " |
| Total | 7,011 | 31.9 " " |
| Production to date | 7,011 2/ | 31.9 " " |
| Ore in ground | 0 | |

**INVESTMENT**

| Type | Size | | Feet | Cost |
|---|---|---|---|---|
| Shafts | | | | |
| Winzes | | | | |
| Drifts and Crosscuts | | | | |
| Raises | | | | |
| Drilling | Type | | | |
| Rehabilitation | Description | | | |

**FACILITIES**

| | | |
|---|---|---|
| Mine Plant | | |
| Mill | | |
| Roads | | |

**REMARKS**

1/ 11 tons added to balance reported production

2/ Tonnage adjusted to "Official" grade

Mine has been closed since June 25, 1959, and workings are now flooded. Reported that 100% of reserves have been mined.

Prepared by Stephen P. Holt Date 12.23.59

Stephen P. Holt

31398

DMEA Form 17
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

WORK COMPLETED ANALYSIS

After final audit or review report is received, prepare original only and file in official docket

| | | | |
|---|---|---|---|
| Operator: Mrs. Jennie M. Moore | | Actual Cost | X certified |
| State: Montana | | Agreed Unit Cost | |
| Final Report of Audit | | Commodity: Manganese | Docket No.: DMEA-3626 |
| Final Report of Review | X | | Contract No.: Idm-E781 |

| Operation | Authorized by Contract and Amendments | | Completed | | Net cost after sale of Government Property |
|---|---|---|---|---|---|
| | Units | Cost | Units | Cost | |
| Drifting & Crosscutting | 1480' | 57,215.00 | 1470.7' | 55,292.00 ‖ | 55,292.00 ‖ |
| Raising | | | | | |
| Shafts | 100' | 10,500.00 | 100' | 10,500.00 | 10,500.00 |
| Winzes | | | | | |
| Drilling (Specify) Long-hole | 1400' | 1375.00 | 1032' | 995.00 | 995.00 |
| Surface Excavation | | | | | |
| Underground Excavation | | 3,150.00 | | 2478.00 | 2478.00 |
| Roads and Trails | | | | | |
| Operating Equipment Purchased | | | | | |
| Surface Rehabilitation & Repairs | | 3,235.00 | | 3,235.00 | 3235.00 |
| Underground Rehabilitation | | 7,000.00 | | 7,000.00 | 7000.00 |
| New Building, Improvements, etc. | | | | | |
| Other (Specify) Assays | | 765.00 | | 106.00 | 106.00 |
| Totals | | $ 83,240.00 | | $ 79,606.00 ‖ | $ 79,606.00 ‖ |

*~~Net cost total must agree with final report of audit or review.~~
‖ rounded to dollars

Prepared by J M Murphy Date 7/6/59

31390

MME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 6/19/68 | | 110 |
| | | |
| | | |
| | | |
| | | 220 |
| | | |
| | | |
| | | |
| | | |

JUN 19 1968

Mr. Phil Salois
Box 177
Philipsburg, Montana 59853

Re: EMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

Dear Mr. Salois:

Thank you for completing the MME Form 63 concerning the status of the subject property and the enclosed Agreement, dated June 27, 1967, between you and your wife and Silver Hill Mines.

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated May 13, 1959, all minerals mined or produced from April 12, 1955, to April 12, 1963, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to: The Taylor-Knapp Company
P. O. Box 250
Philipsburg, Montana 59858

cc: Director's Reading File
Economic Geology File
Br. of Budget & Finance
OME docket
OME Reading File
OME Region I w/cy MMR Form 63, dtd 5/21/68
130

GLAult/a 6-19-68

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

April 23, 1968

Mr. Phil Salois
Box 177
Philipsburg, Montana 59853

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 24 1968

| INITIALS | CODE |
|---|---|
| | 130 |
| | 110 |
| | |
| | |

Re: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

Dear Mr. Salois:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

# REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

**From April 1967 to April 12, 1968,**

1. ~~Since~~ , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☒ No ☐

**From April 1967 to April 12, 1968,**

2. ~~Since~~ , has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

| | Quantity | Value |
|---|---|---|
| | | |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | | Estimated Grade | Location |
|---|---|---|---|---|
| Ore | | Tons | | |
| Concentrates | | Tons | | |
| Other | | Tons | | |

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   If so, state quantity, value, and disposition of material.

| Disposition of Material | Quantity | Value |
|---|---|---|
| | | |

Submitted by:

Name Ralph Salois Title Owner

Address Philipsburg, Mont. Date 5/21/68

SHM

AGREEMENT

This Agreement, made and entered into this 27th day of July 1967, by and between Philip J. Salois and Deane Salois, his wife (hereinafter referred to as "Sellers") and Silver Hill Mines, a Limited Partnership qualified to do business in Montana, (hereinafter referred to as "Buyer").

1. The Sellers agree to sell and convey and the Buyer agrees to purchase for a total of Seventy Five Thousand Dollars ($75,000) on terms and payable as provided hereinafter, the following described patented and unpatented mining claims situated in the Flint Creek unorganized mining district, County of Granite, State of Montana, to-wit:

Patented Mining Claims

| Name of Claim | Survey Number | Patent Recorded Book & Page |
|---|---|---|
| Evergreen | 9369 | 3 - 136 |
| Mountain View | 9359 | 3 - 133 |
| NG | 9359 | 3 - 133 |
| Lucy | 10851 | 35 - 488 |
| Grey | 10851 | 35 - 488 |
| Rescue | 10851 | 35 - 488 |

Unpatented Mining Claims

| Name of Claim | Quartz Location Book & Page | Date of Original Location |
|---|---|---|
| We Three | 21 - 495 | 7/12/48 |
| (as amended) | 23 - 39 | 7/ 8/57 |

together with all rights, privileges and appurtenances pertaining thereto or connected therewith, including all water and water rights, rights of way and easements appurtenant thereto to be held or owned, or developed thereon by Sellers in connection therewith, if any, together with all rights and interests pertaining thereto being hereinafter collectively referred to as the "property".

2. Within ten (10) days after the execution of this Agreement, Buyer shall place in escrow with the Flint Creek Valley Bank, of Philipsburg, Montana, hereinafter referred to as "Bank", the sum of Two Thousand Five Hundred Dollars ($2,500) to be held by said Bank in accordance with the instructions set forth in this Agreement.

3. Within forty (40) days following the execution of the Agreement, Sellers shall deliver to Bank, the following title evidence:

a. PATENTED MINING CLAIMS: Abstract of Title showing ownership in Sellers

b. UNPATENTED MINING CLAIMS:

(i) Copies of Notice of Location, Amended Notices Location, Affidavits of Proof of Annual Labor, all other instruments relating to or affecting said mining claims herein being sold.

(ii) Surveyor's map or surveyor's certificate showing the location of all of said claims prepared in joint effort with Buyer.

(iii) An affidavit of Sellers setting forth in detail any and all conflicts of title existing with respect to any of said claims that are known to Seller.

4. If the title evidence furnished to the Bank shall show, in the opinion of Buyer, marketable title to said mining claims to be vested in Sellers, and shall show that said mining claims embrace and cover all of the areas they are stated to cover, the Bank shall be and is hereby authorized to release, surrender and deliver to Sellers, said Two Thousand Five Hundred Dollars ($2,500), upon delivery and deposit by Sellers with the Bank of a mining deed, in acceptable form conveying all of the Seller's right, title and interest in, to and under said claims to Buyer.

5. If said title evidence fails to show marketable title to said claims to be vested in Sellers, the Bank, at option of Buyer, shall forthwith release, surrender and deliver said Two Thousand Five Hundred Dollars ($2500) to Buyer. Buyer shall have the right, solely in its own discretion, to waive any title defect, or accept such curative action as it may require.

6. The mining deed or deeds deposited by Sellers hereunder shall be in the usual and customary form and shall warrant title against all known defects and against all acts of the Sellers, their heirs, successors or assigns and shall convey all of Sellers' right, title and interest in, to and under said claims, then owned or thereafter acquired.

7. Additional Payments:

(a) Sellers shall receive payments based on Net Smelter Returns per ton of crude ore mined from the Property for each calendar month (as hereinafter defined) as provided for in Schedule I attached hereto, realized from production, if any, from the Property covered by this Agreement to which Sellers have first priority of property rights, and after the first year this Agreement is in effect a minimum of $5000 (fractions of a year this Agreement is in effect in proportion) for each successive year that this Agreement is in effect, such sum including payments based on ores mined until a total sum of $75,000 shall have been paid to Sellers, including in such total sum the $2500 provided for under Paragraph 4 hereof.

(b) Net smelter return per ton of crude ore mined - Shall mean the net smelter return received from the Property for each month divided by the number of dry tons of crude ore mined and/or processed in that month in order to produce the amount paid to Buyer by the purchaser thereof for the production of such month.

Settlement for such royalty is to be made within twenty (20) days after receipt of final net smelter return for ores or materials sold. Net smelter return, as used herein, shall mean the net amount of money received from purchasers upon the sale of sponge, bullion, ore, concentrates and any other form in which minerals or materials, whether metallic or nonmetallic, produced from the claims are sold, after deduction of penalties, smelter charges, all transportation costs, and any and all charges made by the purchasers of mineral or material products.

(c) After said total sum mentioned above has been paid to the Sellers the Bank shall deliver the deed and title documents to said mining claims, theretofore deposited by Sellers, to the Buyer and the escrow shall thereupon be closed. At option of the Buyer it may complete the purchase at any time by depositing amounts which will make total payments of Seventy-Five Thousand Dollars ($75,000) hereunder and thereupon the Bank shall release such funds to the Seller and deliver the deed deposited hereunder to the Buyer and the escrow shall be closed. If the Buyer should fail to make the deposit required hereunder on any installment date, this Agreement shall be considered closed and the Seller shall be entitled to receive back from the Bank the deed that they have deposited hereunder and shall be entitled to keep any and all funds theretofore received from Buyer as liquidated damages.

8. After Sellers have furnished proof of marketable title acceptable to Buyer, and so long as this Agreement remains in effect, Buyer shall:

(a) Perform all annual assessment work for the benefit of the unpatented claim required to be performed after September 1, 1966, the cost of which work and/or improvements shall not be less than the amount which shall be required by law to be expended for "assessment work" upon one claim multiplied by the number of unpatented claims involved. Any and all work which Buyer shall perform in or upon the claim in or on which they shall be conducting mining operations or in or upon any other claims either patented or unpatented, or upon any other properties in the general area of the claims being sold hereunder, may be credited as "annual labor" upon any and all unpatented claims upon which under the terms of this Agreement Buyer shall be required to perform "annual labor" and any and all "Proofs of Labor" which Buyer shall be required to file for record shall be considered and treated by Sellers as sufficient if such proofs shall show expenditures by Buyer which in the aggregate shall amount to a sum which shall not be less than the sum of $100.00 multiplied by the number of unpatented claims upon which Buyer shall be required to perform annual labor. In due time each year Buyer shall cause to be filed in the office of the County Recorder of Granite County, Montana, proof of the performance of said work and/or of the making of said improvements and shall furnish a copy thereof to the Sellers. Buyer shall advise the Sellers in writing of the work which has been done for the benefit of the unpatented claim on the Property at least thirty (30) days prior to the end of each annual assessment year. Buyer shall not, however, be liable to Sellers for any loss of

title resulting from the lack of or failure to make a discovery upon said unpatented mining claim. If Buyer at any time prior to July 1st of any year gives notice he will make no further option payments, the assessment work shall not be required to be performed by Buyer for that assessment year.

(b) Buyer shall pay, except as provided in (c) hereof, all property taxes required by law to be paid for any year, or fractions of a year on the properties in which this Agreement shall be in effect.

(c) Buyer and Sellers each pay Montana net proceeds of mines taxes based upon the share of net proceeds of mines received by each under Paragraph 7 hereof.

9. While this Agreement remains in effect Buyer acting through his employees, agents or representatives, or any of them, may visit, inspect and examine the mining claims and by means of diamond drilling, trenching, tunnelling or otherwise by physical, chemical or any other means test, explore, develop and mine the claims for minerals and move, ship, treat, sell and dispose of the same solely for their own account, subject only to the payments provided for in Paragraph 7 hereof.

10. Buyer shall have the right to assign its rights under this Agreement in whole or in part, without the consent of the Sellers, but notice of such assignment to any third party shall be provided Sellers.

11. Sellers agree that from and after the date said mining deed is placed in escrow it will do nothing that will in any way impair or affect Sellers' title to such mining claims.

12. The provisions herein set forth with respect to the time for proof of title and option to purchase shall be strictly enforced, it being understood that time is of the essence in the performance hereunder.

13. A - Any notice required to be given hereunder shall be sufficient if mailed to Sellers postage prepaid, at the following address:

Philip J. Salois

Philipsburg, Montana 59858

B - Any notice required to be given hereunder shall be sufficient if mailed to Buyer, postage prepaid at the following address:

Silver Hill Mines

% The Taylor-Knapp Company

Philipsburg, Montana

14. Termination of this Agreement

(a) Buyer, in addition to its rights to terminate this Agreement by failing to make annual payments prescribed under paragraph 7(a) hereof shall have and expressly reserves the right to cancel and terminate this Agreement and to relinquish and surrender the property to Sellers by giving Sellers notice of its intention to do so not less than ten (10) days prior to the date upon which it desires to so cancel and terminate. Upon such termination of this Lease, Buyer shall be relieved of all further obligations or liabilities hereunder except for payment of obligations and liabilities laready accrued to the date of termination, but Buyer's obligations concerning the property shall cease on the effective date of such termination.

(b) In the event of termination of this Agreement, whether voluntarily by Buyer or because of breach or for any other cause, Buyer shall surrender peaceable possession of the property to Sellers. It is not known and could not be known, as of the date hereof, what underground or other openings may be made by Buyer in or on said property, nor in what character of ground said openings may be made, nor the extent of attention

which may be required in order to maintain said openings and keep the same in good repair. This being fully recognized by both parties hereto, they are intentionally omitting from this Agreement any requirement that upon any termination of the Agreement Buyer shall leave any of the underground or other openings in said property in any specified condition or state of repair, it thus being agreed that Buyer may leave all underground or other openings in said property "as is."

(c) In the event of any termination, Seller shall have the right to enter and go upon the property and take full and complete possession thereof, subject to the rights of the Buyer to go upon the property for a period of six (6) months to remove all the buildings, building structures, tools, machinery, equipment and supplies, hereinafter referred to as equipment, which has been placed on or in the property by the Lessee. Any of said equipment not removed within six (6) months after termination of the Lease shall become the property of the Seller.

15. Breach of Agreement

The failure of Buyer to make or cause to be made any payments herein provided for, or to keep or perform any Agreement on its part to be kept and performed according to the terms and provision of this Agreement shall, at the election of Seller and upon their giving notice thereof to Buyer, constitute a breach of the Agreement, provided, however, that in the event of a default on the part of Buyer and the election of Seller to terminate this Agreement on account thereof, Seller shall first give to Buyer, within ninety (90) days of said default or discovery thereof by Seller, written notice of its intention to declare a breach of this Agreement and to terminate the same on account thereof, specifying the particular default or defaults relied upon by it. Buyer shall have reasonable time, which shall in any case be not less than ninety (90) days after receipt of such notice, in which to cure such actually existing default or defaults, and if such

default or defaults shall be fully cured there shall be no breach hereunder with respect to such default or defaults.

No waiver of and no failure or neglect on the part of Sellers to give notice of a default or defaults shall affect any subsequent default or impair Seller's rights resulting from any subsequent default. If Buyer should dispute that a breach has occurred, it shall so advise Seller and the question shall be determined by arbitration as provided in Paragraph 16 hereof. If the decision of the arbitrators shall be that Buyer was in default, then it shall have the time aforesaid after said decision within which to cure the default or defaults before Seller may terminate this Agreement in the manner aforesaid, and if such default or defaults be cured, there shall be no breach hereunder with respect to the same.

16. Arbitration

In case of any dispute between the parties arising under this Agreement which cannot be settled between the parties, same shall be submitted to the American Arbitration Association in accordance with the rules of that Association then obtaining, and the cost thereof shall be paid by Buyer and Sellers in equal shares.

17. Inurement

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors and assigns.

18. Force Majeure

Anything contained herein to the contrary notwithstanding, it is expressly agreed and understood that if by reason of act of government, federal, state or local, or any subdivision thereof, or of any public official or employee or representative, whether legal or illegal, or by reason of any order of any court or because of wars, either domestic or foreign, insurrection, riot, vandalism, or of strikes, lockouts, labor

disputes, inability or delay in obtaining satisfactory labor or supplies, or fuel, fire, flood, unusual weather, or catastrophe, or any act of God, transportation difficulties or delays, or due to any other cause or causes, whether like or unlike those enumerated, beyond the control of any of the parties, Buyer is prevented from exploring, developing or operating said Property, Buyer shall not thereby be prejudiced in the performance of any of Buyer's obligations hereunder, and Buyer shall not lose any rights which Buyer would otherwise have under and by virtue hereof, and in any such event or events the periods for the performance of any of the acts and obligations on Buyer's part to be performed, shall be extended for a period equal to the period of suspension or delay caused or brought about by any of such cause or causes.

The provisions of this paragraph shall not alter Buyer's obligations under this Agreement to pay taxes and perform assessment work, if any be required of Buyer, but shall suspend obligation to make minimum annual payments required under Paragraph 7(a) hereof.

19. It is agreed that Sellers shall retain title to and ownership of all mining equipment now located on the Property and owned by Sellers and itemized on Schedule II attached hereto. Sellers shall have three years from the date of this contract to remove said equipment. It is understood, however, that in the event that Buyer shall make full payment for said property before the end of the period described above Buyer shall have the right to request removal of said equipment and said equipment shall be removed within ninety (90) days from the date of said request. (Any of said equipment remaining on the Property after the expiration of this ninety-day period will become the property of Buyer). It is further understood that Buyer assumes no responsibility in connection with said above described equipment and Sellers shall hold Buyer free from liability to Seller or third parties because of said equipment, its operation, removal or destruction.

20. Interpretation

The title to the respective articles hereof shall not be deemed a part of this Agreement but shall be regarded as used for convenience only.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year hereinabove first written.

SELLERS:

Phillip J. Salois

Phillip J. Salois

Deane Salois

Deane Salois

BUYER:

SILVER HILL MINES

The Taylor-Knapp Company

Managing General Partner

By Sanford Wilson

Its President

SCHEDULE I

Payments based on Net Smelter Return per ton of crude ore mined.

| Net Smelter or Mill Return Per Ton of Crude Ore Mined | Royalty Rate |
|---|---|
| $ 0.01 to 24.99 | 3% |
| 25.00 to 25.99 | 3-1/2% |
| 26.00 to 26.99 | 4% |
| 27.00 to 27.99 | 4-1/2% |
| 28.00 to 28.99 | 5% |
| 29.00 to 29.99 | 5-1/2% |
| 30.00 to 30.99 | 6% |
| 31.00 to 31.99 | 6-1/2% |
| 32.00 to 32.99 | 7% |
| 33.00 to 33.99 | 7-1/2% |
| 34.00 to 34.99 | 8% |
| 35.00 to 35.99 | 8-1/2% |
| 36.00 to 36.99 | 9% |
| 37.00 to 37.99 | 9-1/2% |
| 38.00 to 38.99 | 10% |
| 39.00 to 39.99 | 10-1/2% |
| 40.00 to 40.99 | 11% |
| 41.00 to 41.99 | 11-1/2% |
| 42 and over | 12% |

STATE OF MONTANA )
) ss.
County of Granite )

On this 19th day of June, 1967, before me, the undersigned, a Notary Public in and for the State of Montana, personally appeared Phillip J. Sikes & Deane Sikes, (husband and wife), personally known to me to be the persons whose names are subscribed to the within instrument and severally acknowledged to me that they executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my notarial seal at my office in Philipsburg, Montana, the day and year in this certificate first above written.

Notary Public in and for the State of Montana,
residing at Philipsburg.

My Commission Expires July 15, 1968

STATE OF MONTANA )
ss.
County of Granite )

On this 27th day of June, 1967, before me, the undersigned, a Notary Public in and for the State of Montana, personally appeared Lufy S. Knapp, personally known to me to be the President of The Taylor-Knapp Company, the general and managing partner in Silver Hill Mines, that executed the within foregoing instrument and acknowledged to me that such corporation executed the same as the general and managing partner of Silver Hill Mines.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my notarial seal in my office at Philipsburg, Montana, the day and year in this certificate first above written.

Notary Public in and for the State of Montana,
residing at Philipsburg, Montana.

My Commission expires April 5, 1968

MME Form 7
(2/63)

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May 22, 1968

Memorandum

To: The File

From: Chief, Office of Minerals Exploration

Subject: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

Under date of April 12, 1955, the Government entered into the subject contract with Mrs. Jennie M. Moore to explore for manganese on four patented lode mining claims, owned by the Operator, in Sec. 30, T. 7 N., R. 13 W., Montana Principal Meridian, Philipsburg Mining District, Granite County, Montana. The work was done by shaft sinking, crosscutting, and drifting on the 200-foot level of the Mystery mine.

The total estimated cost of the work under the contract, as amended, was $83,240.00, with Government participation at 75 percent, or $62,430.00, of which $59,704.43 was expended. The project work was successful in disclosing a significant manganese oxide ore body and the project was certified accordingly.

Mrs. Moore died on September 26, 1958, and Mr. John J. Walsh was named Administrator of her estate. The property was purchased by Phil Salois, Philipsburg, Montana, on October 20, 1960. Royalties received through July 13, 1959, totalled $15,086.24. Reports received since that time and information furnished by the U. S. Bureau of Mines indicate that no production was made from the property through April 12, 1968, the expiration date of the royalty repayment period.

It is recommended that the amount of the Government's contribution to the cost of exploration under this contract be written off and the file closed.

Frank E. Johnson

Frank E. Johnson

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Branch of Budget and Finance
OME Region I

GLAult/a 5-22-68

see letters 6/19/68
re Form 63 parties
rec'd May 29, 1968

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

OFFICIAL
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O. M. E.
RECEIVED
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INITIALS | CODE
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May 14, 1968

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

The U. S. Bureau of Mines, Albany, Oregon, reported by telephone May 13, 1968, that they have no record of production from the subject mine since April 1967.

Jack McCoy, Taylor-Knapp Co., advised me by telephone May 14, 1968, that he can state positively that there was no production from the subject property during the period in question.

D. R. MacLaren

D. R. MacLaren

MME Form 7
(2/63)

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APR 24 1968

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

The expiration date of the royalty repayment period on the subject contract expired April 12, 1968. Please check with the U. S. Bureau of Mines concerning possible production from the property from April 1967 to the above date, and advise.

FRANK E. JOHNSON

Frank E. Johnson

cc: Director's Reading File
Division File
Economic Geology File
OME docket
OME Reading File
130 (2)

GLAult/a 4-23-68

MME Form 7
(2/63)

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Mr. Robert Mullen
Mining Engineer
Hecla Mining Company
P. O. Box 320
Wallace, Idaho 83873

JUL 28 1967

INTERIOR DEPT.
S-67-2175.3192
JUL 28 1967
SOLICITOR,

Re: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

Dear Mr. Mullen:

This is in reply to your letter of July 21, 1967, requesting certain information on the account with the Government under the subject contract.

The Government holds a lien in the amount of $44,618.19 on the land under the contract and any production therefrom until April 12, 1968. The status of this account follows:

| | |
|---|---|
| Government contribution to exploration costs - | $59,704.43 |
| Royalty payments - | 15,086.24 |
| Balance of Government contribution - | $44,618.19 |

We do not have a breakdown of production and royalty payments made by the Operator and subsequent producers as the royalty was paid direct to the Government by the purchasers of the ore from the Mystery manganese mine.

Sincerely yours,

FRANK E. JOHNSON (gfa)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's reading file
Division file
Economic Geology file
OME file
OME reading file
OME Region 1
130

FEJohnson/bih 7/25/67

23263

HECLA MINING COMPANY
TEL. 752-1251
WALLACE, IDAHO 83873
P. O. BOX 320

July 21, 1967

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JUL 24 1967

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Office of Mineral Exploration
U. S. Geological Survey
Washington D. C. 20242

Gentlemen:

This letter is for purpose of inquiry regarding the present status of DMEA, contract number IDM - 8781, docket number DMEA - 3626. As we are presently interested in this property, it is our desire to ascertain the status of the above mentioned loan, therefore, could you please furnish a certified copy of said loan and a certified copy statement as to the amount paid under the terms of said loan, the amount paid upon the loan by the recipients thereof, the terms of the loan and the expiration date.

I thank you for your cooperation on this matter and the information furnished.

Yours very truly,

Robert W. Mullen

Mr. Robert Mullen
Mining Engineer

RM/bt

cc: Jon Langstaff

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

April 17, 1967

Mr. Phil Salois
Box 177
Philipsburg, Montana 59853

Re: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

MAY 3 1967

Dear Mr. Salois:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

# REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **June 1966** has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since **June 1966**, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

   | | Quantity | Value |
   |---|---|---|
   | | | |
   | | | |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

   | Type | Quantity | Estimated Grade | Location |
   |---|---|---|---|
   | Ore | Tons | | |
   | Concentrates | Tons | | |
   | Other | Tons | | |

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   If so, state quantity, value, and disposition of material.

   | Disposition of Material | Quantity | Value |
   |---|---|---|
   | | | |

Submitted by:

Name Phil Salais Title Owner

Address Philipsburg, Mont. Date 4/26/67

IN REPLY REFER TO:

90

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

May 25, 1966

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Re: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

Mr. Phil Salois
~~Box 812~~ 177
Philipsburg, Montana 59853

Dear Mr. Salois:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

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JUN 16 1966
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Reports I & II mailed 6/20/66 m

MME Form 63
Revised 7-65

# REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **May 1965**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since **May 1965**, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

   | | Quantity | Value |
   |---|---|---|
   | | | |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

   | Type | Quantity | Estimated Grade | Location |
   |---|---|---|---|
   | Ore | Tons | | |
   | Concentrates | Tons | | |
   | Other | Tons | | |

3. Since through workings (see of contract)? Yes ☐ No ☒

   If so, state quantity, value, and disposition of material.

   | Disposition of Material | Quantity | Value |
   |---|---|---|
   | | | |

Submitted by:

Name Phil Salois Title Owner

Address Philipsburg, Mont. Date 6/10/66.

220

**INSTRUCTIONS TO DELIVERING EMPLOYEE**

☐ Deliver *ONLY* to addressee

☒ Show address where delivered

*(Additional charges required for these services)*

**RECEIPT**

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

Phil Salon

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED

JUN 2 1966

SHOW WHERE DELIVERED *(only if requested)*

Post Office

PHILIPSBURG, MONT.

C55—16—715485—F GPO

3626

DMEA 3626

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

May 14, 1965

Re: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

Mr. Phil Salois
Box 812
Philipsburg, Montana

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

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O. M. E.
RECEIVED
JUN 11 1965

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MME Form 63
Revised 3-62

DMEA-3626
Ida-E781

## REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since September 1964, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since September 1964, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

| | Quantity | Value |
|---|---|---|
| | | |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | | Estimated Grade | Location |
|---|---|---|---|---|
| Ore | | Tons | | |
| Concentrates | | Tons | | |
| Other | | Tons | | |

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

| Disposition of Material | Quantity | Value |
|---|---|---|
| | | |

Submitted by:

Name Phil Salois Title Owner

Address Philipsburg Mont. Date 5/31/65

4511

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

August 3, 1964

Re: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

Mr. Phil Salois
Box 812
Philipsburg, Montana

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 11 1964

| DATE | INITIALS | CODE |
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| | | 100 |
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MME Form 63
Revised 3-62

## REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since October 1963, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since October 1963, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

| | Quantity | Value |
|---|---|---|
| | | |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | Estimated Grade | Location |
|---|---|---|---|
| Ore | Tons | | |
| Concentrates | Tons | | |
| Other | Tons | | |

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

| Disposition of Material | Quantity | Value |
|---|---|---|
| | | |

Submitted by:

Name Phil Salois Title Owner

Address Philipsburg, Mont. Date Sept. 5, 1964

4511

OME(2)

OFFICIAL FILE COPY
REC... 1963
CODE
10/21 800
12/2 Murphy 500
220

So. 157 Howard Street
Spokane, Washington 99204
November 26, 1963

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services
Office of the Secretary, Washington, D. C.

From: Acting Field Officer, Region I

Subject: DMMA-3686 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-8781

There is enclosed the original of a Report of Royalty Review dated November 5, 1963, covering the subject contract for the period November 9, 1960, through October 23, 1963.

One copy of the report has been retained for the Spokane office files. The report is for record purposes only, and no copy was provided for the Operator.

D. R. Maclaren

Enclosure

cc: OME(2)
CAAA
CFF

Director's Reading File
Resources Research Branch Chief

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
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| | | |

NOV 20 1963

Memorandum

To: Acting Field Officer, Region I

From: E. D. Talbert, Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

The original and one copy of a Report of Royalty Review covering the subject contract are enclosed. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Management Operations, Office of the Secretary, U. S. Department of the Interior, Washington, D. C. 20240; and

(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, both copies of the report should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 11-19-63

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section

43683

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 28 1963

| DATE | INITIALS | CODE |
|---|---|---|
| 10/28 | OCT 1 0 | 800 |
| | | 100 |
| | | ~~100~~ |
| | | 500 |
| | | |
| | | |
| | | 220 |

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mr. Phil Salois
Box 812
Philipsburg, Montana

Re: DMEA-3626 (Managanese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

Dear Mr. Salois:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

George Turnick

Director

MME Form 63
Revised 3-62

MMA-3626
Mon-2782

# REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since May 17, 1961, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since May 17, 1961, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

| | Quantity | Value |
|---|---|---|
| | | |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | Estimated Grade | Location |
|---|---|---|---|
| Ore | Tons | | |
| Concentrates | Tons | | |
| Other | Tons | | |

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

| Disposition of Material | Quantity | Value |
|---|---|---|
| | | |

Submitted by:

Name Phil Salois Title Owner

Address Philipsburg, Mont. Date 10/25/63

4511

22

## #1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee ☐ Show address where delivered

*(Additional charges required for these services)*

**RETURN RECEIPT**

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

Phil Salois

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

Mrs. Phil Salois

| DATE DELIVERED | ADDRESS WHERE DELIVERED *(only if requested in item #1)* |
|---|---|
| | |

3626 C55—16—71548-4 GPO

3626

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | Selfridge | 120 |
| " | Fumich | 100 |
| 10/10 | Talbot | |
| 10/10 | Johnson | |
| | Fum | |
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| | | |
| | | |
| | | |

OCT 1 0 1963

Mr. Phil Saloia
Box 612
Philipsburg, Montana

Re: DME-3525 (Managanese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E751

Dear Mr. Saloia:

On May 17, 1951, you informed our regional office in Spokane, Washington, that you had purchased the Mystery mine from Mrs. Lois Kelly, and later kindly sent us a copy of the quitclaim deed.

As you know through your former capacity as mine foreman at the mine and later as a lessee, the Trout Mining Company, as purchaser deducted for the Government's account a 5 percent royalty from the proceeds of shipments.

Under the subject contract the Government retains a lien on the land and the production therefrom until April 12, 1955, or until its participation of $59,704.43 is repaid, whichever occurs first. To date the Government has received $15,055.24 leaving a balance of $44,649.19. If the land or any rights therein is transferred, the Government's right to a percentage royalty on production should be preserved.

Enclosed are three copies of MME Form 63. Will you please furnish the information requested thereon and return two of the copies to us, the other being for your file.

Sincerely yours,

George Fumich, Jr.

Director

GCSelfridge:jab (10-10-63)
cc: Mr. Selfridge (2)
Director's Reading File

43683

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

IN REPLY REFER TO:

October 8, 1963

Memorandum

To: Director
Office of Minerals Exploration

From: Assistant Solicitor
Branch of Mineral Defense Activities

Subject: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

We have reviewed your memorandum of October 1, 1963, and the docket on the subject case.

In view of the fact that Mr. Phil Salois, the purchaser of the subject mine, was the foreman of the mine prior to Mrs. Moore's death and therefore had full knowledge of the Government's lien, we are in agreement with your proposed procedure to notify him of the Government's lien on the property and his responsibility thereto.

Robert W. Long

Robert W. Long
Assistant Solicitor
Branch of Mineral Defense Activities

MME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 9/30 | [illegible] | 120 |
| 10/1 | [illegible] | 110 |
| [illegible] | [illegible] | 100 |
| | | 220 |
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| | | |
| | | 120 |
| | | |
| | | |

OCT 1 1963

Memorandum

To: Associate Soliciter, Division of Mineral Resources

From: Director, Office of Minerals Exploration

Subject: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

The subject Operator, Mrs. Jennie Moore, died on September 26, 1958. Mr. John J. Walsh was named Administrator of her estate.

On April 24, 1961, Mr. Walsh was sent MME Form 63 to complete. Apparently by this time he had terminated his responsibility as Administrator as the back of the form shows a copy of a letter by Phil Salois stating that he had purchased the Mystery mine from Mrs. Lois Kelly (daughter of Mrs. Moore). It further states that he had not worked the mine since June 1959 and had bought it in November 1960.

On solicitation, Mr. Salois furnished OME a copy of a Quit Claim Deed showing that the property had been transferred on October 20, 1960. The question then arose as to who would be responsible for royalty on production from the subject property. This question was submitted to the Associate Solicitor on July 27, 1961, a reply to which was received on August 14. On August 24, 1961, Mr. John J. Walsh was requested to furnish the information set forth in the Associate Solicitor's memorandum. No reply was ever received. On November 21, 1962, an MME Form 63 was sent to Mr. Phil Salois for the annual information solicitied for each certified project. The letter was accepted by Mr. Louis Salois.

Mr. Phil Salois was first mentioned as a mine foreman in the docket in October 1957. The royalty folder shows that the last ore shipped by Mrs. Moore was for the period July 16-31, 1958. The purchaser withheld the Government's royalty as usual. The next settlement sheet shows that oxide ore was received from the subject property (Mystery mine) for the period October 16-31, 1958. This was subsequent to Mrs. Moore's death. Production continued with appropriate royalty withholdings through June 30, 1959.

The following paragraph appears in a memorandum of November 19, 1958, to the OME Field Team, Region I, from William C. Prinz, Geologist, U. S. Geological Survey:

> "Mrs. Kelly has received permission from the court to continue operating the mine and has granted Phil Salois, Mrs. Moore's mine foreman, a 6-month lease on the property. I cautioned Mrs. Kelly that if the mine were sold or leased, royalty would still be due the Government as specified in the contract. Ore is currently being sold to the Trout Mining Division of the American Machine and Metals Corporation, who are withholding the royalty and sending it directly to the Executive Officer."

All of the correspondence, the notation on the April 24, 1961, "63" form, the settlement sheets, and the paragraph of the November 19, 1958, memorandum indicate that Mr. Phil Salois had knowledge of the Government's lien on the property. At this time it is our intention to notify him of the Government's lien on the production and on the property and his responsibility thereto. May we have your comments on our proposed procedure.

George Fumich, Jr.

GCSelfridge/gla (10-1-63)
cc to: Director's Reading File
Docket
Mr. Selfridge

~~9/1 S.F.H.~~

220

DMEA-3626

# #1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee ☐ Show address where delivered

*(Additional charges required for these services)*

**RETURN RECEIPT**

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

Louis Salais

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

3626

| DATE DELIVERED | ADDRESS WHERE DELIVERED *(only if requested in item #1)* |
|---|---|
| NOV 27 1962 | |

C55—16—71548-4 GPO

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

November 21, 1962

Re: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-8781

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mr. Phil Saloia
Box 812
Philipsburg, Montana

Dear Mr. Saloia:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-3626
Idm-B701

# REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since May 17, 1961, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since May 17, 1961, has there been any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

| | Quantity | Value |
|---|---|---|
| _____ | | |
| _____ | _____ | _____ |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | | Estimated Grade | Location |
|---|---|---|---|---|
| Ore | _____ | Tons | _____ | _____ |
| Concentrates | _____ | Tons | _____ | _____ |
| Other | _____ | Tons | _____ | _____ |

3. Since _____, has any production been transported through _____ workings (see _____ of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

| Disposition of Material | Quantity | Value |
|---|---|---|
| _____ | _____ | _____ |

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

Folder #2

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

September 25, 1962

Re: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-X781

Mr. Phil Saloie
Box 812
Philipsburg, Montana

Dear Mr. Saloie:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-3626
Idm-E781

# REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since May 17, 1961, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since May 17, 1961, has there been any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

| | Quantity | Value |
|---|---|---|
| _____ | _____ | _____ |
| _____ | _____ | _____ |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | Estimated Grade | Location |
|---|---|---|---|
| Ore | _____ Tons | _____ | _____ |
| Concentrates | _____ Tons | _____ | _____ |
| Other | _____ Tons | _____ | _____ |

3. Since _____, has any production been transported through _____ workings (see _____ of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

| Disposition of Material | Quantity | Value |
|---|---|---|
| _____ | _____ | _____ |

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
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| 8/22 | Holt | 500 |
| | [illegible] | 500 |
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| | Brown | 140 |
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Mr. John J. Walsh
Administrator
Estate of Mrs. Jennie M. Moore
43 East Broadway
Butte, Montana

AUG 2 4 1961

R.V.

INTERIOR DEPT.
AUG 2 2 1961
SOLICITOR

Re: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

Dear Mr. Walsh:

For the purpose of completing our records on the subject contract, please furnish us with a certificate of the Clerk of the District Court of the Third Judicial District of Montana in and for the County of Granite showing that from the records and papers on file with the Court it appears that Jennie M. Moore died on a specified date, that Lois W. Kelly was decreed to be the sole and only heir of the decedent, and that the patented mining claims described in Annex I of the subject contract were, on a specified date, decreed to have descended to and vested in said Lois W. Kelly.

Please also secure and furnish us a statement from Mr. Phil Salois acknowledging his familiarity with the provisions of the subject contract which provide for a lien on the claims and the production therefrom to secure the payment of the Government's royalty, and agreeing to provide for the preservation thereof in any convenyance or encumbrance of the claims.

Sincerely yours,

George Fumich, Jr.

Director

FROM SOLICITOR
AUG 2 3 1961
FOR SIGNATURE

SPHolt/gla
8-21-61
cc to: Director's Readin g File
Contract Adm. & Audit Div.
Region I (2)
Docket
Code 500

RECEIVED
AUG 2 3 1961
ASSOC. SOLICITOR
MINERAL RESOURCES

43683

Re: DMBQ-1626

I have noted the letter to Mr. Walsh, but I do not concur.

He was appointed Administrator in Nov. 1958 and undoubtedly has made his final accounting to the court and been discharged by this date.

If we need the information requested in 1st par. of ltr, we should have obtained it during 1958 or 1959.

I concur with the 2nd par., but believe our ltr. on the subject should be addressed to Mr. Salois. He sent us a copy of the quitclaim deed.

Talbot
8/24/61

(over)

8/24

Discussed with Colonel and Soldier. The latter feels we should write to the administration as he was negligent in advancing money. If the State House discharged him we can so advise. We can then write to Selwin. Soldier Indian and should send the attached letter.

PJ

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

OFFICIAL FILE COPY TO:
O M E
RECEIVED AUG 15 1961

| DATE | INITIALS | |
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| 8/15 | | 800 |
| AUG 14 1961 | | |
| " | Griswold | 500 |
| 8/16 | | 500 |
| | | |
| | | 220 |

Memorandum

To: Director, Office of Minerals Exploration

From: Associate Solicitor, Division of Mineral Resources

Subject: DMEA-~~2626~~ 3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

Mr. Griswold's memorandum of July 27 asks what steps should be taken to protect the Government's interest in the subject contract.

We have reviewed the file and suggest that Mr. John J. Walsh, the Administrator of the Estate of Mrs. Jennie M. Moore, be asked to furnish a certificate of the Clerk of the District Court of the Third Judicial District of Montana in and for the County of Granite, showing that from the records and papers on file with the Court it appears that Jennie M. Moore died on a specified date, that Lois W. Kelly was decreed to be the sole and only heir of the decedent, and that the patented mining claims described in Annex I of the subject contract were, on a specified date, decreed to have descended to and vested in said Lois W. Kelly.

In addition to the foregoing, Mr. Walsh should be asked to furnish a statement from Phil Salois acknowledging his familiarity with the provisions of the subject contract which provide for a lien on the claims and the production therefrom to secure the payment of the Government's royalty, and agreeing to provide for the preservation thereof in any conveyance or encumbrance of the claims.

C. Stuart Brown
C. Stuart Brown
Associate Solicitor
Division of Mineral Resources

Attachment

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

| TO: | DATE | INITIALS |
|---|---|---|
| 1. 500 Greenwald | | |
| 2. Hoet | | |
| 3. 220 | | |
| 4. | | |
| 5. | | |

FROM: 800 Re: DMEA-7626

FOR: Check items for action desired

____ Action ____ Reply for signature of ____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS: My questions, still unanswered, are:

(1) Does "surety" obligation descend to Lois W. Kelly, as heir; and

(2) Can lien be enforced against land if Phil Sabin does not recognize it and was, in fact, an "innocent" purchaser?

Talbert 6/15/61

INT.-DUP. SEC., WASH., D.C. M56300-59

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
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July 27, 1961

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Chief, Division of Minerals

Subject: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

INTERIOR DEPT.
JUL 28 1961
SOLICITOR

Please review the attached quit-claim deed, dated October 20, 1960, between Lois W. Kelly and Phil Salois, advising us what action should be taken to protect the Government's interest in the subject contract.

Attachment

SPHolt/gla
cc to: Docket

RECEIVED
JUL 28 1961
ASSOC. SOLICITOR
MINERAL RESOURCES

43683

Contract I dm E-781 - dated Apr 12, 1955, with Mrs. Jennie M. Moore

Oct 17, 1958 - Field Team wrote Mrs. Lois W. Kelly, Admx, Jennie M. Moore, saying "We were sorry to learn that Mrs. Moore had passed away."

Nov. 7, 1958 - Field Team wrote Mrs Kelly asking for ctfd cy Letters of Admn

Nov. 8, 1958 - Ltr Lois Kelly to Weissenborn saying John J. Walsh 43 East Broadway, Butte, had been appointed Admr. & Howard A. & Keith Johnson, First Nat. Bk Bldg, Butte, were attys. Says she is only surviving heir.

Nov 29, 1958 - Ltr John J. Walsh, to Weissenborn saying he is Admr & encl. Ltrs of Admn Ltrs of Admn show appt. on Nov 18, 1958

10/8/59 Weissenborn

Oct 1, 1959 Ltr Walsh to Weissenborn, saying "there has been a change in ownership as Mrs. Jennie M. Moore died and the mine is now owned by her daughter Mrs. Lois Kelly ..."

May 17, 1961, Ltr Phil Dalois to OME Reg I. on MME Form 638-60, saying "I purchased the Mystery Mine from Mrs Iris Kelley. I haven't worked the Mine since June 1959. I bought the Mine in Nov. 1960."

May 23, 1961 Ltr MacLaren to Dalois asking for copy of the documents transferring title to him

June 21, 1961 Ltr MacLaren to Dalois, saying no reply rec'd to ltr of May 23 & asking early attention.

*THIS INDENTURE, Made the* 20th *day of* October *in the year of our Lord one thousand nine hundred and* sixty *between* Lois W. Kelly, of Glendora, California, the party of the first part, and Phil Salois, whose post office address is Philipsburg, Montana,

*the party of the SECOND PART,*

*WITNESSETH: That the said party of the FIRST PART for and in consideration of the sum of* One *Dollars,* ($1.00) *to her in hand paid by the said party of the SECOND PART, the receipt of which is hereby acknowledged; does hereby remise, release and forever quitclaim unto the said party of the second part, and to his heirs and assigns, the following described real estate, situated in the County of* Granite, *and State of Montana, to-wit:*

The Evergreen patented lode mining claim, Survey No. 9369
The Mountain View patented lode mining claim, Survey No. 9359
The N.G. patented lode mining claim, Survey No. 9359
The Lucy patented lode mining claim, Survey No. 10851
The Grey patented lode mining claim, Survey No. 10851
The Rescue patented lode mining claim, Survey No. 10851
The We Three unpatented lode mining claim, the certificate of location of which is recorded in the office of the Clerk and Recorder of said County, in Book 21 of Lode Locations at page 495.

*together with all the tenements, hereditaments and appurtenances thereunto belonging, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and also all the estate, right, title, interest property, possession, claim and demand whatsoever as well in law as in equity, of the said party of the first part, of, in or to the said premises and every part and parcel thereof.*

*TO HAVE AND TO HOLD, all and singular the said premises, with the appurtenances*

*unto the said party of the second part his heirs and assigns forever.*

*IN WITNESS WHEREOF, the said party of the first part has hereunto set her hand and seal the day and year first above written.*

Signed, ~~Sealed and delivered in the presence~~ of
Lois W. Kelly

(SEAL)

(SEAL)

MME FORM 6 REFERENCE SLIP
REV. 2-59 OFFICE OF MINERALS EXPLORATION

| TO: | DATE | INITIALS |
|---|---|---|
| 1. ~~120~~ | | |
| 2. ~~500~~ Mr. Hoet | 7/26/61 | S.P.H. |
| 3. 220 | | |
| 4. DMEA 3626 Contract Idm-E 781 | | |
| 5. cert. 5/13/54 $1,734.93 Royalty paid 12/... $208.61 | | |
| FROM: 800 | | |

FOR: Check items for action desired

| | | |
|---|---|---|
| ___ Action | ___ Reply for signature of ___ | |
| ___ Approval | ___ Investigate | ___ Surname |
| ___ Comment | ___ Recommendations | ___ Signature |
| ___ Conference | ___ Rewrite | ___ File |
| ___ Instructions | ___ Your information | |

REMARKS: Re: DMEA-3626
If an "innocent purchaser", Phil Salois has no obligation to pay royalty. The possible liability of Lois W. Kelly, as his to Jennie M. Moore's property, appears to be a matter for referral to the Solicitor's office.
Talbot
7/26/61

INT.-DUP. SEC., WASH., D.C. M56300-59

---

MME FORM 6 REFERENCE SLIP
REV. 2-59 OFFICE OF MINERALS EXPLORATION 7/21/61

| TO: | DATE | INITIALS |
|---|---|---|
| 1. Chief, Div. of Field Operations | | |
| Re: 2. DMEA-2626 (Manganese) Phil Salois (Formerly: Estate of Mrs. Jennie M. Moore) | | |
| 3. Mystery Manganese Mine Granite County, Montana | | |
| 4. Contract Idm-E871 781 | | |
| 5. Mary L. Smelser MLS For: D. R. MacLaren | | |
| FROM: Acting Field Officer, Region I | | |

FOR: Check items for action desired

| | | |
|---|---|---|
| ___ Action | ___ Reply for signature of | |
| ___ Approval | ___ Investigate | ___ Surname |
| ___ Comment | ___ Recommendations | ___ Signature |
| ___ Conference | ___ Rewrite | ___ File |
| ___ Instructions | x Your information | |

REMARKS:

Transmittal of photostat of quitclaim deed between Lois W. Kelly and Phil Salois transferring title of the above-referenced property to Mr. Salois.

Nahas

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 25 1961

| DATE | INITIALS | CODE |
|---|---|---|
| 7-25 | gad | 220 |
| | | ~~120~~ |
| 7/26 | [illegible] | 800 |
| 7/26 | S.P.H. | 500 |

INT.-DUP. SEC., WASH., D.C. M50943

CALIFORNIA
STATE OF ~~MONTANA~~, } ss.
County of LOS ANGELES

On this 20th day of October nineteen hundred and sixty

before me Lillian Brygider a Notary Public for the State of ~~Montana~~ California, personally appeared Lois W. Kelly.

known to me

(~~or proved to me on the oath of~~ )

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

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

Lillian Brygider
Notary Public for the State of ~~Montana~~ California.

Residing at Glendora, California My Commission expires May 24, 1964

LILLIAN BRYGIDER,
My Commission Expires May 24, 1964

INDEXED 54380 RECORDED COMPARED

# Quit Claim Deed

TO

STATE OF MONTANA, } ss.
County of Ravalli

Filed for record this 5 day of July A.D. 1961 at 2:15 o'clock P.M., and recorded in Book 39 of Deeds, page 177 of the Records of Ravalli County, State of Montana

Agnes M. McDonald
County Recorder.

By Jean C. Nau
Deputy.

Fee $ 2.00

Duke Corporation

OMA (2)

| OFFICIAL FILE COPY O. M. E. RECEIVED JUN 26 1961 | | |
|---|---|---|
| DATE | INITIALS | CODE |
| 6/26 | gad | VVO |
| 6/26 | [illegible] | 800 |
| " | Brinkel | 500 |
| 6/27 | Holt S.T.H. | 500 |
| | | |
| | | 22c |

So. 157 Howard Street
Spokane 4, Washington
June 21, 1961

Mr. Phil Salois
Box 812
Philipsburg, Montana

Re: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore (formerly)
Mystery Manganese Mine
Granite County, Montana
Contract Idm-E781

Dear Mr. Salois:

On May 23, 1961, we requested a signed copy or a true copy of the document transferring title of the Mystery Manganese mine to you, so that our records may be complete. We have received no reply.

We would appreciate your attention to this matter at your earliest convenience.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: OME(2)
CPF
Reading copies to:
Nolan
Hobbs
Guild

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 25 1961

| DATE | INITIALS | CODE |
|---|---|---|
| 5/25 | gad | NVO |
| 5/25 | [illegible] | 800 |
| " | Holt S.P.H | 500 |
| | | |
| | | 220 |
| | | |

So. 157 Howard Street
Spokane 4, Washington
May 23, 1961

Mr. Phil Salois
Box 812
Philipsburg, Montana

Re: DMEA-3626 (Manganese)
Mrs. Jennie M. Moore (formerly)
Mystery Manganese Mine
Granite County, Montana
Contract Idm-X781

Dear Mr. Salois:

Thank you for your letter of May 17, 1961, in reply to our Request for Information which we sent to John J. Walsh, Administrator for the Estate of Jennie M. Moore.

In order that our records may be complete will you please send us a true or signed copy of the document transferring title of the property to you.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: OME(2) w/cy of Request for Information executed by Phil Salois, new owner
CPF
Reading copies to:
Nolan
Hobbs
Guild

REQUEST FOR INFORMATION
FROM OPERATOR ON CERTIFIED PROJECT
AND PROJECT UNDER ROYALTY AGREEMENT

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

From: Field Officer, OME, **Region I**
**So. 157 Howard Street**
**Spokane 4, Washington**

Concerning:
Docket No. **DMEA-3626 (Manganese)**
Property **Mystery Manganese Mine**
Location **Granite County, Montana**

Date: **April 24, 1961**

OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 25 1961

| DATE | INITIALS | CODE |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

**Mr. John J. Walsh, Administrator**
**Estate of Jennie M. Moore**
**43 E. Broadway**
**Butte, Montana**

With the certification of the exploration project identified above, you were asked to inform our office about changes in the status of the property and production from it.

To assist you to furnish this information and to assure the accuracy of our records, we ask that you answer the questions below and return ~~one copy~~ **two copies** to this office with copies of any pertinent documents.

**D. R. MacLaren**
**Acting** Field Officer, **Region I**

1. Since **Oct. 1, 1959**, has there been a change in ownership, lease, or sublease about which the OME has not been notified? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents. Yes ☐ No ☐ ✓

2. Since **Nov. 8, 1960**, has there been any production from the property?*Yes ☐ No ☒

   A. If so and it was shipped, give name and address of purchaser? (over)

| | Quantity | Value |
|---|---|---|
| | | |
| | | |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | | Estimated Grade | Location |
|---|---|---|---|---|
| Ore | | Tons | | |
| Concentrates | | Tons | | |
| Other | | Tons | | |

Submitted by:

Name _____ Title _____

Address _____ Date _____

MME Form 63 8-60 * Property means land subject to the contract. 79340-60

Notes for record on certified projects 5/25/61 (over)

C O P Y C O P Y

May 17, 1961
Philipsburg, Mont.
Box 812

Dear Sir:

I purchased the Mystery Mine from Mrs. Lois Kelly. I haven't worked the Mine since June 1959. I bought the Mine in Nov. 1960.

Sincerely,

/s/ PHIL SALOIS

(The above letter with Request for Information form was received in this office May 18 in answer to our inquiry sent to Mr. John J. Walsh, Administrator, Estate of Jennie M. Moore.)

RECEIVED
MAY 18 1961

Mine (2)

800 - has copy

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 2 1960

| DATE | INITIALS | CODE |
|---|---|---|
| 12/2 | coe | 210 |
| 12/10 | | 500 |
| | | 220 |

No. 157 Howard Street
Spokane 4, Washington
November 28, 1960

Mrs. Lois Kelly
442 E. Foothill Blvd.
Glendora, California

Re: DMMA-3626 (Manganese)
Mrs. Jennie M. Moore (Formerly)
Mystery Manganese Mine
Granite County, Montana
Contract Ida-8781

Dear Mrs. Kelly:

Enclosed for your information and files is a copy of a Report of Royalty Review dated November 15, 160, pertaining to royalty due the Government from production from the Mystery Manganese mine for the period June 1, 1959, through November 8, 1960.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

Enclosure

cc: Fiscal Section w/orig. of Report of Royalty Review
Contract Admin. & Audit Div., OME
✓OME(2)
Director
Econ. Geol.
FARM

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 4/12 | Holt | 500 |
| | | 500 |
| 4/12 | Tolbert | 800 |
| 4/13 | Selfridge | 120 |
| | | 110 |
| 4-13 | gad | 220 |
| | | 225 |
| | | |
| | | |

APR 13 1960

Mr. Arthur A. Minnie
Estate Tax Examiner
U. S. Internal Revenue Service
P. O. Box 854
Helena, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Minnie:

In response to your request, by letter of March 29, 1960, to Mr. Wing G. Agnew, Acting Executive Officer, OME Field Team, Region I, enclosed is a copy of the subject contract, with its amendments, Nos. 1 to 8, for your confidential use only.

The exploration work conducted under this contract resulted in the discovery of manganese ore, most of which has since been mined. A certification of discovery or development was issued by the Government which established a lien on the land and production therefrom. Therefore, by the terms of the contract, as amended, all minerals mined or produced from April 12, 1955, to April 12, 1968, are subject to the Government's percentage royalty as set forth in the contract until the sum of $59,704.43 is paid. As noted in your letter, $11,717.68 had been paid to September 3, 1958. Since that date $510.93 in additional royalty has been paid, so that total repayment is now $12,228.61, and the balance remaining unpaid is $47,475.82.

We do not have any market value appraisal of the mine, nor does the Government retain any lien on mining machinery.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosure

SPHolt/fw/kb-4/12/60

cc to: Director's reading file
CA&A Div.
Region I (2)
Docket
G. L. DeHuff, Jr. USBM, w/cys incoming
H. Kirkemo, USGS, w/cys incoming
Chron.

43683

Form 7
(5-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 4/11 | Holt | 500 |
| | Irvine | [illegible] |
| 4/11 | Talbert | 400 |
| 4/11 | Selfridge | 420 |
| | | 110 |
| | | |
| | | |
| | | |
| | | 220 |

Mr. Arthur A. Minnie
Estate Tax Examiner
U. S. Internal Revenue Service
P. O. Box 854
Helena, Montana

Re: Docket No. OMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Minnie:

In response to your request, by letter of March 29, 1960, to Mr. Wing G. Agnew, Acting Executive Officer, OME Field Team, Region I, enclosed is a copy of the subject contract, with its amendments, Nos. 1 to 8, for your confidential use only.

The exploration work conducted under this contract ~~was successful and~~ resulted in the discovery of ~~significant measurement of~~ manganese ore. ly, a certification of discovery or development was issued. Therefore, by the terms of the contract, as amended, all minerals mined or produced from April 12, 1955, to April 12, 1968, are subject to the Government's percentage royalty as set forth in the contract until the sum of $59,704.43 is paid. As noted in your letter, $11,717.68 had been paid to September 3, 1958. Since that date $510.93 in additional royalty has been paid, so that total repayment is now $12,228.61, and the balance remaining unpaid is $47,475.82.

We do not have any market value appraisal of the mine, nor does the Government retain any lien on mining machinery.

Sincerely yours,

Acting Director

Enclosure

SPHolt/fw-3/8/60

cc: Docket
Dir.Read.File
CA&A Div.
Reg. I (2)
G.L.DeHuff,Jr., USBM w/cys incoming
H.Kirkemo, USGS w/cys incoming
Chron.

43683

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

Mr. Arthur A. Minnie
Estate Tax Examiner
U. S. Internal Revenue Service
P. O. Box 854
Helena, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Minnie:

In response to your request, by letter of March 29, 1960, to Mr. Wing G. Agnew, Acting Executive Officer, OME Field Team, Region I, enclosed is a copy of the subject contract, with its amendments, Nos. 1 to 8.

The exploration work conducted under this contract was successful and resulted in the discovery of significant reserves of manganese ore. Accordingly, a certification of discovery or development was issued. Therefore, by the terms of the contract, as amended, all minerals mined or produced from April 12, 1955, to April 12, 1968, are subject to the Government's percentage royalty as set forth in the contract until the sum of $59,704.43 is paid. As noted in your letter, $11,717.68 had been paid to September 3, 1958. Since that date $510.93 in additional royalty has been paid, so that total repayment is now $12,228.61, and the balance remaining unpaid is $47,475.82.

We do not have any market value appraisal of the mine, nor does the Government retain any lien on mining machinery.

Sincerely yours,

Acting Director

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

So. 157 Howard Street
Spokane 4, Washington
March 31, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 5 1960

| DATE | INITIALS | CODE |
|---|---|---|
| 4-5 | gad | 200 |
| " | [illegible] | 800 |
| 4/7 | [illegible] | 500 |

Memorandum

To : Chairman, Operating Committee, OME

From : Executive Officer, OME Field Team, Region I

Subject: Docket No. DMEA-3626 (Manganese), Mrs. Jennie M. Moore, deceased, Mystery Manganese Mine, Granite County, Montana, Contract No. Idm-E781

Enclosed is a letter dated March 29, 1960, from Arthur A. Minnie, Estate Tax Examiner, U. S. Treasury Department, Internal Revenue Service, which we are forwarding for reply. Also enclosed are two copies of our letter of acknowledgment.

A. E. Weissenborn

A. E. Weissenborn

Enclosures

| OFFICIAL FILE COPY O. M. E. RECEIVED APR 5 1960 | | |
|---|---|---|
| DATE | INITIALS | CODE |
| 4-5 | gad | VVO |
| | | 800 |
| | | 500 |

So. 157 Howard Street
Spokane 4, Washington
March 31, 1960

Mr. Arthur A. Minnie
Estate Tax Examiner
U. S. Internal Revenue Service
P. O. Box 854
Helena, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore, deceased
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Minnie:

We have received your letter of March 29, 1960, addressed to Wing G. Agnew, regarding referenced Docket, and have forwarded it to our Washington office for reply.

Sincerely yours,

A. E. Weissenborn
Executive Officer, OME
Field Team, Region I

cc: OME (2)
USBM
Director's reading file

U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
HELENA, MONTANA
P.O. Box 854
Helena, Montana

IN REPLY REFER TO

March 29, 1960

Wing G. Agnew, Acting Executive Officer
O.M.E. Field Team, Region 1
U.S. Department of Interior
So. 157 Howard Street
Spokane 4, Washington

Re: Docket # DMEA - 3626 (Manganese)
Mrs Jennie M. Moore, deceased
Mystery Manganese Mine,
Granite County, Montana
Contract # I.D.M. - E 781

Dear Mr Agnew:

In connection with the examination of the Federal Estate tax return of Mrs Jennie Moore (date of death 9/26/58) I am writing to you in order to obtain a copy of the DMEA contract #IDM E781, Docket DMEA-3626 (Manganese) that the decedent had with your department. Neither the administrator of the estate, Mr John Walsh nor the attorney for the estate, Mr Kieth Johnson of Butte, Mont., have a copy of this contract. They have asked me to write to you in order to obtain a copy thereof. However, I do have a copy of the Royalty Audit Report dated 6/9/59 and prepared by the OME auditor, C.E. Fisher.

Our problem is to establish the fair market value of the Mystery Manganese Mine as of the date of the decedent's death on September 26, 1958. Since the decedent's death the mine produced 1,967.515 S.D.T. which was sold to the Trout Mining Division at a value of $67,765.96. The mine was closed down on June 25,1959.

It may be possible that your department has a market value appraisal of the mine as of the decedent's death and if so it would be appreciated if a copy would be forwarded to me. It is known that the U.S. Government's contribution of 75% amounted to * $47,986.75 as of the date of death. This contingent liability to the Government is dependent upon production as it is paid out of production. Did the decedent also grant a lien to the Government on all the machinery she owned under this contract? Has the Office of Minerals Exploration released the property under the contract or is contemplating releasing the property in the near future?

Regardless of any other information that your office might have it would be appreciated if you would send me a copy of the contract mentioned heretofore. This would solve a good portion of our problem in connection with this estate.

Your prompt consideration of the foregoing would be greatly appreciated. An envelope which requires no postage is enclosed for your convenience.

RECEIVED
APR 30 1960
U.S.G.S. SPOKANE, WASH

* Government Advance $ 59,704.43
Royalty received to 9/3/58 11,717.68
Balance $47,986.75
Subsequent royalty:
6-10-59 $ 289.37
6-26-59 154.74
7-13-59 66.82
Current balance 510.93
$47,475.82

Very truly yours,

Arthur A. Minnie
Estate Tax Examiner

688 4/5/60

| OFFICIAL FILE COPY O. M. E. RECEIVED DEC 18 1959 | | |
|---|---|---|
| DATE | INITIALS | CODE |
| 12-18 | gad | 220 |
| " | [illegible] | 110 |
| " | [illegible] | 800 |
| 12/22 | Hoeft | 500 |
| | | 225 |
| | | |
| | | |

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: April 12, 1955 to November 12, 1959

Date of report: November 12, 1959

Operator: Mrs. Jennie M. Moore, 43 East Broadway
Butte, Montana

Mine name: Mystery Manganese

County and State: Granite County, Montana

Docket number and commodity: DMEA-3626 (manganese)

Contract No.: Idm-E781

Date of contract: April 12, 1955

Date of certification: May 13, 1959

Expiration date of royalty payments: May 13, 1968 April 12, 1968? CA-AD O.K. [illegible]

Total amount of contract: $83,240.00

Total expenditures under contract: 79,605.90

Amount of Government participation at 75%: 59,704.43

Royalty payments this period: $15,086.24

Previous royalty payments: none

Total royalty payments to date: 15,086.24

Percent Government participation repaid: 25.27%

Royalty due on production to date: none

Royalty remarks: Royalty Audit Certificate dated June 9, 1959, by C. E. Fisher, OME Auditor

| | Tons | Analysis |
|---|---|---|
| Original estimate of DMEA reserves (from Field Team final report) Mines___ Survey ___ Joint _X_ | 7,000 short tons | 31.9% Mn |
| Revised estimate of DMEA reserves (Field Team) Mines ___ Survey ___ Joint ___ | | |
| Increase of reserves by work performed subsequent to DMEA project work | Unknown (probably none) | |
| Production of DMEA ore (this period): | 6,418.86 L.D.T. (or 7,189 S.D.T.) | 31.11% Mn |
| (previous): | | |
| (to date): | 6,418.86 L.D.T. | 31.11% Mn |
| Production of Operator's ore found subsequent to DMEA work | None | |
| (this period): | | |
| (previous): | | |
| (to date): | | |

Percent of revised reserves mined: 100

Production remarks: Mine has been closed since June 1959, and workings are now flooded.

S. W. Zoldok

S. W. Zoldok

D. D. Walker

Distribution:
(OME (3)
USGS (2)
USBM (AD)
USBM

| OFFICIAL FILE COPY O. M. E. RECEIVED OCT 12 1959 | | |
|---|---|---|
| DATE | INITIALS | CODE |
| 10/12 | RCW | 225 |
| 10/12 | [illegible] | 800 |
| 10/12 | [illegible] | 500 |
| | | 225 |

So. 157 Howard Street
Spokane 4, Washington

October 8, 1959

Mr. John J. Walsh
Administrator
Estate of Jennie M. Moore
43 East Broadway
Butte, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-5781

Dear Mr. Walsh:

Thank you for your letter of October 1, 1959, advising us that operations have ceased at the Mystery mine and that Mrs. Lois Kelly now owns the property.

No further information is required at this time, but we should be advised if and when production is resumed between now and April 12, 1968. Amendment No. 7 extends to 13 years from the date of the contract the period during which the Government is entitled to royalty. Should Mrs. Kelly lease, sell, or otherwise relinquish her control of the property, she should take steps to insure that the new owner or lessee accept the obligation for payment of any royalty that might become due on ore mined prior to April 12, 1968.

Thank you and Mrs. Kelly for your cooperation during the later stages of administering this contract.

Sincerely yours,

A. E. Weissenborn
Executive Officer, OME
Field Team, Region I

cc: OME (3)
USBM(2)
USBM(AD)

JOHN J. WALSH
CERTIFIED PUBLIC ACCOUNTANT

ASSOCIATE
ROBERT L. PRIGGE
PUBLIC ACCOUNTANT

10/6
new
al
USBM cc
AD cc
OMR

BOOKKEEPING SYSTEMS INSTALLED

MONTHLY AND ANNUAL AUDITS

SYSTEM SERVICE

OFFICE 48 EAST BROADWAY

BUTTE, MONTANA.

October 1, 1959

A. E. Weissenborn, Executive Officer, OME
Field Team, Region I
U.S. Department of the Interior
So. 157 Howard Street
Spokane 4, Washington

Gentlemen:

Re: Docket No. [illegible] - Manganese
Mystery Manganese Mine
Granite County, Montana
Contract No. [illegible]

This is to advise that the above mine has ceased operations as of June 25, 1959 due to the economic conditions in the mining industry.

Also, there has been a change in ownership as Mrs. Jennie M. Moore died and the mine is now owned by her daughter, Mrs. Lois Kelly, 442 E. Foothill Boulevard, Glendora, California.

If any further information is required, please write this office.

Very truly yours,

JOHN J. WALSH
Administrator
Estate of Jennie M. Moore

JJWjps

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 1 [illegible]

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RECEIVED
OCT 5 1959
U.S.B.M.
SPOKANE WASH

OME

So. 157 Howard Street
Spokane 4, Washington
June 17, 1959

Mr. John J. Walsh, Administrator
Estate of Mrs. Jennie M. Moore
43 East Broadway
Butte, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore, Deceased
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Walsh:

Enclosed for your information and files is a copy of a Royalty Audit Certificate and Royalty Audit Report dated June 9, 1959, prepared by our OME auditor, C. E. Fisher. This royalty audit covers the period May 23, 1958 through May 31, 1959.

The audit discloses that there is no royalty due the Government.

Sincerely yours,

Donald K. MacLaren
For: Wing G. Agnew
Acting Executive Officer
OME Field Team, Region I

Enclosure

cc: OME(2)
USBM(2)
AD

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 22 1959

| DATE | INITIALS | CODE |
|---|---|---|
| 6/22 | a | 220 |
| 6/22 | [illegible] | 800 |
| 6/22 | WJM | 400 |
| | | |
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| | | |

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 6/11 | Alley | 800 |
| 6/11 | a | 220 |
| 6/11 | WSM | 400 |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

JUN 11 1959

Memorandum

To: Mr. Clarence E. Fisher, OME Auditor

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: Docket No. DMEA-3626 (Manganese)
Estate of Mrs. Jennie M. Moore
Contract No. Idm-E781

Your Royalty Audit Certificate and Report on the above-cited project is acceptable and normal distribution is authorized.

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June 11, 1959

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OFFICE OF MINERALS EXPLORATION
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| 5/13 | WSM | 400 |

Memorandum

To: Chairman, Operating Committee, OME

From: OME Field Team, Region I

Subject: Docket No. DMEA (3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Enclosed are three copies of a Field Team final report on this project, prepared by Stephen W. Zoldok, Mining Engineer, U. S. Bureau of Mines, and William C. Prinz, Geologist, U. S. Geological Survey.

Work completed under the terms of the contract consisted of surface installations, 100 feet of shaft rehabilitation, 100 feet of shaft sinking, 1,470.7 feet of drifting and crosscutting, 1,032 feet of long-hole drilling, and other related items. The total cost of the exploration project was $79,605.90 with Government participation at 75 percent or $59,704.43.

The project work was successful in disclosing a significant manganese oxide ore body from which 5,454 long dry tons averaging 31.9 percent manganese had been mined to May 1, 1959. Therefore, it is recommended that a Certification of Discovery or Development be issued. The Operator's final report was received December 1, 1958; therefore, certification must be made by June 1, 1959.

for Thomas E. Howard
Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Howard F. Albee
Howard F. Albee, Acting Member
U. S. Geological Survey

Enclosure

Reviewed by
OME OPERATING COMMITTEE
5-12-59
(date)

Reviewed by
OME OPERATING COMMITTEE
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U. S. DEPARTMENT OF THE INTERIOR

OFFICE OF MINERALS EXPLORATION

FIELD TEAM, REGION I

# FINAL REPORT

Contract Idm-E781

Stephen W. Zoldok
Mining Engineer
U. S. Bureau of Mines

William C. Prinz
Geologist
U. S. Geological Survey

F.T.
Final
Report

MRS. JENNIE M. MOORE
P. O. Box 523
Philipsburg, Montana
and
John J. Walsh, Administrator of the Estate
43 East Broadway
Butte, Montana

| | |
|---|---|
| Docket No.: | DMEA-3626 |
| Commodity: | Manganese |
| Contract date: | April 12, 1955 |
| Completion date: | August 12, 1958 |

Reviewed by
OME OPERATING COMMITTEE
5-15-59
(date)

MYSTERY MANGANESE MINE
Philipsburg Mining District
Granite County, Montana

Spokane, Washington

May 1959

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ILLUSTRATIONS


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FINAL REPORT

MRS. JENNIE M. MOORE
Mystery Manganese Mine
Philipsburg Mining District
Granite County, Montana

Contract Idm-E781

* * * *

## INTRODUCTION

This report describes the results of an exploration project for manganese ore at the Mystery Manganese mine in Granite County, Montana. The project was conducted jointly by the Defense Minerals Exploration Administration and Mrs. Jennie M. Moore, Operator under the contract.

### Summary

The purpose of the project was to explore at depth the "Horton" and "True" veins for manganese. Both veins produced commercial manganese ore at shallow depths. The exploration was done from the 200-foot level of the Owens shaft.

Work completed under the terms of the contract consisted of surface installations, 100 feet of shaft rehabilitation, 100 feet of shaft sinking, 1,470.7 feet of drifting and crosscutting, 1,032 feet of long-hole drilling, and other concomitant items. The total cost of the exploration project was $79,605.90 with Government participation at 75 percent or $59,704.43.

The exploration work on the "Horton" vein drift east and the "True" vein drift east and west was unsuccessful in disclosing significant manganese mineralization; however, the "True" vein does contain minor zinc-lead-copper-silver values. The "Horton" vein drift west discovered a significant manganese ore body from which 5,453.79 L.D.T. of ore averaging 31.9 percent manganese had been mined to May 1, 1959. Another 404.45 L.D.T. averaging 17.4 percent manganese had been mined from other sections of the mine during the contract period. An estimated 1,100 tons of ore averaging 31.9 percent manganese is believed to remain in the Moore ore body.

5453.79
404.45
1,100.
6,958.24

## Recommendations

The project work was successful in disclosing a significant manganese oxide ore body from which 5,454 L.D.T. averaging 31.9 percent manganese had been mined to May 1, 1959. Therefore, it is recommended that a Certification of Discovery or Development be issued.

Further exploration of the property by testing the "Durango" vein below the Murphy stopes (pl. 1) is warranted, and Government participation in this work is recommended.

## PROPERTY

The property, owned by the applicant and subordinated under the contract, consists of the following patented claims (fig. 1):

| | |
|---|---|
| N. G. | Survey No. 9,359 |
| Mountain View | Survey No. 9,359 |
| Lucy | Survey No. 10,851 |
| Grey | Survey No. 10,851 |

The claims are in sec. 30, T. 7 N., R. 13 W., M.P.M., Granite County, Montana, about three-quarters of a mile east of the town of Philipsburg.

## GEOLOGY

### Regional Geology

The geology of the Philipsburg district and of many of its mines has been described in the following Geological Survey publications:

Goddard, E. N., 1940, Manganese deposits at Philipsburg, Granite County, Montana: U. S. Geol. Survey Bull. 922-G, p. 157-204.

Pardee, J. T., 1921, Deposits of manganese in Montana, Utah, Oregon, and Washington: U. S. Geol. Survey Bull. 725, p. 146-174.

Emmons, W. H., and Calkins, F. C., 1913, Geology and ore deposits of the Philipsburg quadrangle, Montana: U. S. Geol. Survey Prof. Paper 78.

In addition, DMEA has participated in the exploration of the following properties in the Philipsburg district: True Fissure and Durango mines (Contracts Idm-E9, Idm-E138, and Idm-E9 Amended, The Taylor-Knapp Company); Scratch All mine (Contract Idm-E688, Peter Antonioli); Mullen mine (Contract Idm-E591, American Machine and Metals Co.); and the Whitehorse mine (Contract Idm-E1062, Echols and Collier). Considerable geologic information concerning the Philipsburg district can be found in the docket material of these contracts. The metamorphic features of the district have been described in detail by:

Holser, W. T., 1950, Metamorphism and associated mineralization in the Philipsburg region, Montana: Geol. Soc. of America Bull., v. 61, p. 1053-1090.

The Philipsburg district is underlain by a sequence of Precambrian and Paleozoic sedimentary rocks that have been intruded by Tertiary granodiorite. The sedimentary rocks are mainly limestone and some shale and quartzite that have been subdivided into eight formations. Table 1 gives the succession, general character, and thickness of each formation. The sedimentary rocks have been folded into a broad anticline that plunges 17°-35° N. (fig. 1). The rocks on the west limb of the anticline dip 40°-70° W., those on the east limb, 30°-55° E. The granodiorite, which is part of the Tertiary Philipsburg batholith, is exposed both in the eastern and in the southern parts of the district with the sedimentary rocks lying in a reverse L-shaped indentation in the western margin of the batholith. The strike of the granodiorite contact in the eastern part of the area is essentially parallel with the bedding in the adjacent sedimentary rocks but the dip of the contact may be slightly steeper. The contact to the south is about half a mile south of the area included in figure 1 and strikes generally east-west. Several small tongues of granodiorite cut the sedimentary rocks away from the contact; one cutting the Maywood formation is shown on figure 1 east of the Trout shaft. Contact metamorphic effects are visible in the sedimentary rocks as far as 1 mile from the contact; however, intense metamorphism is confined to the immediate contact.

Faults and vein fissures of various ages cut the rocks of the district. The oldest are a series of pregranodiorite faults that strike northwest and dip northeast. These structures are not common and are of only minor importance insofar as the ore deposits are concerned. The most important structures for localizing ore deposits are a series of silver- and zinc-bearing fissure veins that cut both the granodiorite and the sedimentary rocks. These fissure veins strike east-west or northwest (fig. 1) and generally have steep southerly or nearly vertical dips. The northwest-striking ones are commonly weaker than the east-striking

Table 1. Stratigraphic Succession in the Philipsburg District (after Goddard, 1940, and Holser, 1950)

| Age | Formation | Thickness (feet) | Character |
|---|---|---|---|
| Mississippian | Madison limestone | 1400-1500 | Limestone, dark blue-gray, aphanitic, thick-bedded to massive; chert locally abundant. |
| Devonian | Jefferson limestone | 1000-1300 | Limestone, blue-gray, massive; some chert near top. Near granodiorite, limestone is altered to med.-grained marble. |
| Upper Cambrian 2 | Maywood formation | 210-490 | Limestone, sandy, greenish to brownish-gray, fine-grained, moderately thin-bedded. 5-ft. layer of banded white and gray shale at base. |
| do. | Red Lion formation | 225-350 | Limestone, shaly, thin-bedded, with wavy discontinuous bands of yellowish shale. At top a 2- to 8-ft. bed of rather pure limestone resembling the Hasmark (Headlight bed). |
| do. | Hasmark formation | 800-1000 | Dolomitic limestone, massive, blue gray, medium- to fine-grained. Generally metamorphosed to medium-grained white marble in productive parts of the district. Some interbedded shale layers 3 to 4 feet thick. |
| Middle Cambrian | Silver Hill formation | 320 | Limestone, nearly pure, pale, thin-bedded, alternating with slightly wavy layers of brown siliceous shale. Commonly metamorphosed to banded marble, garnet and green amphibolite, 70-ft. gray shale at base. |
| do. | Flathead quartzite | 165 | Quartzite, white to gray, alternating with thin-bedded dark gray shaly quartzite. |
| UNCONFORMITY | | | |
| Precambrian | Spokane formation | 300 ◇ | Quartzite, impure, fine-grained, greenish-gray, thin-bedded, banded with dark green shaly streaks. Cross-bedded. |

ones. Movement along these veins has been small. They are from an inch to 20 feet thick and contain silver, zinc, lead, and some copper sulfides in a quartz gangue and some may also contain a little rhodochrosite or barite. A third group of structures parallel the bedding in the sedimentary rocks and are aptly termed, bedding faults. Most of these faults are postore, but a few are pre-ore and are mineralized. Displacement along the bedding faults is generally small but, in some places, older fissure veins may be off-set as much as 200 feet.

The major ore deposits of the district are either silver-zinc or manganese, or both, and are closely associated with the east-west and northwest-striking and vertical to south-dipping fissure vein systems. Silver-zinc ore, with or without some lead, is mined from the fissure veins where the width and grade are sufficient to be economical. The best silver-zinc ore is found in the shaly or quartzitic sedimentary rocks or in the grano-diorite. It is generally confined to the fissure veins and only rarely forms replacement bodies in the adjacent host rocks.

Conversely, the major manganese ore deposits are re-placement bodies in favorable beds adjacent to the fissure veins; the veins themselves are only rarely of sufficient width and grade to constitute manganese ore. The beds most favorable for the formation of manganese ore are: (1) the middle of the shaly limestone of the Silver Hill formation, (2) the Hasmark dolomitic limestone, especially the upper and lower parts, (3) the top of the Red Lion formation (Headlight bed), (4) the base of the Jefferson limestone, and (5) the Jefferson marble adjacent to the granodiorite contact. The Hasmark dolomite and the Headlight bed have been the most important manganese producing formations in the district. The intersection of a fissure vein and a favorable bed is an important ore control but the distribution of ore along these favorable intersections is erratic. An unknown ore control also seems important as many of the larger ore bodies have an essentially vertical pitch, but pinch in unfavorable beds and swell or bed out in favorable beds. Thus, on a large scale the ore bodies appear to be vertical-pitching pipes along the fissure veins with pinches and swells within the pipes depending upon the character of the host rock.

The manganese ore bodies consist of manganese oxides near the surface and rhodochrosite at depth. Manganese oxide minerals identified by Goddard (1940) include pyrolusite and psilomelane and some braunite, manganite, and wad. Michael Fleischer and W. E. Richmond (The manganese oxide minerals: A preliminary report, Econ Geology, v. 38, p. 269-286, 1943), using X-ray techniques, have identified cryptomelane and pyro-lusite. Associated gangue material includes sugary vein quartz, limestone, silicified limestone, clay, and limonite. In the

deeper mines the oxide ore bodies give way to rhodochrosite. The depth of this transition varies considerably but seems to average about 600 feet.

The primary ore deposits were formed from hydrothermal solutions emanating from the granodiorite batholith. These solutions first deposited silver, zinc, and lead sulfides in the fissure veins, followed by rhodochrosite which replaced the wall rock away from the vein at favorable horizons. Later, near-surface oxidation produced manganese oxide ore bodies from the rhodochrosite.

## Local Geology

The Mystery mine is on the west limb of the Philipsburg anticline (fig. 1), west of the main manganese producing area. The mine is mainly in the dolomitic limestone of the Upper Hasmark formation and the calcareous shale and limestone of the overlying Red Lion formation. All of the DMEA work was done in the Hasmark formation, which at the mine consists of gray or buff, thick-bedded, coarse-grained or sandy dolomitic limestone or marble intercolated with thin-bedded, finer grained, impure marble. In many places, faulting along bedding planes has produced gouge zones as wide as $2\frac{1}{2}$ feet. Some of the bedding faults are premineralization and contain a few stringers of pyrite; others are postmineralization and offset the veins. Most of the bedding faults are stained yellow-brown or black by iron and manganese oxides.

Three veins, or vein zones, have been explored at the Mystery mine. They have been named from south to north as follows: "Horton" vein, "True" vein, and "Durango" vein (pls. 1 and 2). The names have been derived from productive veins in the adjacent Taylor-Knapp properties to the east; however, the veins are not continuous between the two properties and may not even be the same veins (fig. 1). Therefore, in this report the vein names will be enclosed in quotation marks. Also, the Operator believed that the Taylor-Knapp Co. had mined ore right up to her property line, but this is not true as the nearest Taylor-Knapp workings are a considerable distance east of the Mystery property.

At the Mystery mine, the "Horton" vein is actually a vein zone consisting of two sets of veins: a west-striking set and a northwest-striking set. The strongest vein in the west-striking set, called the Moore vein, is exposed 75 feet north of the shaft on the Owens 200 level, in the last 350 feet of the 200 level drift west (pl. 2), in the Mystery tunnel, at the end of the lessee's adit, and in several shallow pits and adits (pl. 1). The strike of the Moore vein varies from west to S. 75° W., and the dip is commonly steeply to the south but may vary from 65° S. to 83° N. The vein is from 2 inches to

5 feet wide and is a manganese- and iron-oxide-stained sheared and broken zone that contains some gouge and impure quartz, a trace of malachite, and a few manganese-oxide-rich lenses or pods.

Northwest-striking segments of the "Horton" vein are exposed on the 200 level just southeast of the east end of the main Moore vein drift, on the 100 level, in the workings from the Powder tunnel, and in the surface stoping to the west of the Powder tunnel. These veins are generally weaker than the Moore vein; they strike N. 65° 75° W. and dip 70°-80° SW. One of these segments was explored on the 200 level under the DMEA contract. It is from 2 to 4 feet wide and is a limonite-stained shear zone with several manganese-oxide-rich lenses. These lenses are from 1 to 2½ feet wide and contain 20-30 percent manganese. The Operator sank a 30-foot winze on the largest of these pods and found that the pod pinched in depth.

The "True" vein is 250-300 feet north of the "Horton" vein and it strikes west to N. 75° W. and dips vertically to 55° S. It has been explored on the Owens 200 level, in the Mystery tunnel and Hartley drift, and in numerous shallow workings. The "True" vein consists of quartz, gouge, manganese oxide minerals, limonite, sphalerite, malachite, and some azurite, galena, and tetrahedrite. In the Hartley drift, the vein is rich in manganese and is 2-4 feet wide. In the Mystery tunnel it is narrow, 0.3 to 2.5 feet wide, and is poor in manganese but does contain as much as 8 ounces of silver per ton. On the Owens 200 level, the vein is only 2-8 inches wide but is persistent although faulted. In the west drift, it is offset by a 14-inch wide breccia and gouge zone that strikes north and dips steeply to the west. The vein west of the fault was apparently displaced 10-15 feet to the north. In the east drift, the vein is cut off by a bedding plane fault and was not relocated (pl. 2).

The "Durango" vein is 400 to 500 feet north of the "True" vein and it strikes east-west and dips steeply to the south. This vein was not explored under the DMEA contract but it is a strong vein and does represent a favorable target for future exploration at the property. (See William C. Prinz, Memorandum Report, Application for Additional Work, etc., dated May 6, 1958.)

Numerous other parallel veins are found at the property, but they are all small and limited exploration of them has been unsuccessful.

Although some of the veins contain silver, little of this metal has been produced from the property. Nearly all of the mining has been for manganese oxide ore which is of two types: vein and replacement. Vein-type deposits have been mined from the

"Durango" vein and from the "True" vein in the Hartley drift where these veins become wide enough and rich enough to constitute ore. However, the amount of ore of this type that has been mined is small and the largest ore bodies are replacement deposits in favorable beds adjacent to the veins. The western part of the Murphy stopes along the "Durango" vein contains manganese replacement deposits in favorable limestone beds near the base of the Red Lion formation, but the largest deposits of this type are in the Hasmark formation along the "Horton" vein zone. The surface stopes and stopes from the Powder tunnel and the Owens 100 level are in replacement deposits along northwest-striking veins in the "Horton" zone, whereas the Moore stope on the Owens 200 level is along the east-striking Moore vein. These replacement deposits pitch to the west but the pitch is commonly steeper than the dip of the bedding in the host rock. They appear to be controlled in part by the intersection of the vein with a favorable bed, and in part by an uncertain control that causes the steeper pitch. This uncertain control may be the intersection of east-striking and northwest-striking vein segments in the vein zone.

## THE PROJECT

Although the Mystery mine is west of the most productive section of the Philipsburg district, exploration there was justified because the mine is in the favorable Hasmark formation along one of the stronger east-west vein zones, the "Horton" zone. Furthermore, a small amount of oxide ore had been mined from the property and it was believed that if a significant amount of ore was found there, it would stimulate further exploration in the western part of the district.

There were three separate applications for exploration aid on the Mystery manganese mine. The first application, Docket No. DMA-2179X, was submitted on October 10, 1951 and withdrawn on September 26, 1952 for lack of sufficient data.

The second application, Docket No. DMEA-3186, was submitted on September 21, 1953 and denied on January 4, 1954, as the target area was too extensive and only a short distance below stoped ground.

The third application, submitted on December 20, 1954, resulted in a contract. The applicant proposed rehabilitating the Owens shaft to the 100-foot level, sinking an additional 100 feet, and crosscutting and drifting 610 feet on the "Horton" vein from the bottom of the shaft. The estimated cost of the project, including attendant items, was $42,000.

The contract incorporated the same items with the exception that an additional 100 feet of drifting and crosscutting and 600 feet of long-hole drilling was authorized. The contract allotted $48,700 for the project. Subsequently, Amendments 3 and 5

added an additional 250 feet of drifting on the "Horton" vein, 520 feet of crosscutting to and drifting on the "True" vein, and 800 feet of long-hole drilling. The contract amount was increased from $48,700 to $83,240.

The contract became effective on April 12, 1955. October Project work was started on May 25 and was completed by ~~August~~ 12, 1958, the expiration date of the contract.

Direct exploration consisted of 100 feet of shaft sinking to the Owens 200 level and 1,470.7 feet of drifting and crosscutting and 1,032 feet of long-hole drilling. The "Horton" and "True" veins were explored on this level by drifting and long-hole drilling (pl. 2).

The "Horton" vein was explored by 953 feet of crosscut and drift and 740 feet of long holes into the drift walls. The "Horton" drift east was advanced 250 feet from the crosscut south without encountering any mineralization of consequence. The "Horton" drift west was advanced 612 feet from the crosscut south. At about 380 feet from the crosscut the vein widened out into a high-grade manganese oxide ore body having an average width of 9 feet and an average length of 60 feet. The long-hole drilling from the "Horton" drift was negative.

The "True" vein was explored by 517.7 feet of crosscut and drift and 292 feet of long holes into the drift walls. The first 82 feet of crosscut north from the Owens shaft was done on the Operator's account and the remaining 217.7 feet was done on DMEA. The 300 feet of DMEA drifting on the "True" vein disclosed only a few minor quartz veinlets and gouge seams stained with manganese, limonite, and oxidized copper minerals. Sampling also disclosed the occurrence of some zinc, lead, and silver values. The long-hole drilling into the walls of the drift was negative.

In addition to the DMEA work the Operator did a small amount of additional drifting on both the "Horton" and "True" veins with negative results.

The contract was amended seven times. Amendments 1, 2, 4, 6, and 7 were made for administrative purposes as the work progressed. Amendments 3 and 5 authorized additional exploration and increased the amount of the contract. By amendment an additional 250 feet of drift on the "Horton" vein, 520 feet of drifting and crosscutting on the "True" vein, and 800 feet of long holes on both veins were authorized. To cover the cost of the additional exploration and attendant items, the contract amount was increased from $48,700 to $83,240. The royalty payment period was extended from 10 to 13 years.

## Ore Reserves

During the period of exploration and prior to the discovery of the Moore ore body, some 404.45 long dry tons of ore was mined that averaged 17.4 percent manganese. This ore was from old, near-surface workings and from the winze and raise about midway between the Moore ore body and the 200 level south crosscut (pl. 2). No additional reserves can be inferred in this 200 level winze and raise.

The DMEA work resulted in the discovery of the Moore ore body along the "Horton" vein zone on the Owens 200 level. Between February 1957 and October 1958, when last visited, it had been stoped about 50 feet above the level where it pinched out and for 80 feet below the level. Where mined, the ore shoot had an average length of 60 feet and an average thickness of 9 feet. During this period the stope produced 4,237 L.D.T. of ore and there remained about 500 tons of ore in the walls of the stope or a total of about 4,700 tons. The shipped ore averaged 31.9 percent manganese.

If it is assumed that the ore shoot continues for at least half of its mined length, then an additional 2,350 L.D.T. of like grade can be inferred.

Since October 1958 an additional 1,217 L.D.T. has been mined, for a total of 5,454 tons, leaving about 1,100 tons unmined.

1100
6,554T - 31.9%

4,951
4,500
2350
-7,317 ✓

## Summary of Factual Data

Work completed under the contract was on a unit cost basis, as follows:

| Stage I | Units authorized | Units completed | Unit cost | Total cost |
|---|---|---|---|---|
| Rehabilitate head-frame | Job | Job | $ 360.00 | $ 360.00 |
| Construct change house | Job | Job | 1,250.00 | 1,250.00 |
| Construct power line | Job | Job | 1,625.00 | 1,625.00 |
| Rehabilitate Owens shaft | 100 ft | 100 ft | 70.00/ft | 7,000.00 |
| Sink Owens shaft | 100 ft | 100 ft | 105.00/ft | 10,500.00 |
| Excavate 200 level station | 2478 cu ft | 2478 cu ft | 1.00/cu ft | 2,478.00 |
| Drift and crosscut | 705 ft | 703 ft | 32.50/ft | 22,847.50 |
| Timbering | 288.38 ft | 242.4 ft | 6.50/ft | 1,575.60 |
| Long hole drilling | 600 ft | 440 ft | 0.75/ft | 330.00 |
| Sampling & analysis | 125 ea | 25 ea | 2.00 ea | 50.00 |
| Total - Stage I | | | | $48,016.10 |
| **Stage II** | | | | |
| Drifting | 150 ft | 150 ft | 38.00/ft | $ 5,700.00 |
| Timbering | 50 ft | 50 ft | 8.40/ft | 420.00 |
| Long hole drilling | 300 ft | 300 ft | 1.00/ft | 300.00 |
| Technical services | 6 days | none | 50.00/day | -- |
| Sampling & analysis | $200.00 | $47.00 | -- | 47.00 |
| Total - Stage II | | | | $ 6,467.00 |
| **Stage III** | | | | |
| Crosscut and drift | 620 ft | 617.7 ft | $38.00/ft | $23,472.60 |
| Timbering | 300 ft | 80.5 ft | 8.40/ft | 676.20 |
| Long hole drilling | 500 ft | 292.0 ft | 1.25/ft | 365.00 |
| Technical services | 8 days | 8 days | 75.00/day | 600.00 |
| Sampling & analysis | $315.00 | $9.00 | -- | 9.00 |
| Total - Stage III | | | | $25,122.80 |
| Total - Stages I, II and III | | | | $79,605.90 |

| | |
|---|---|
| Total amount of contract | $83,240.00 |
| Government participation at 75% | 62,430.00 |
| Total amount expended | 79,605.90 |
| Government's share expended | 59,704.43 |
| Total amount unexpended | 3,634.10 |
| Government's share unexpended | 2,725.58 |
| Net value of production (to May 1, 1959) | $281,930.45 |
| Royalty payments received | $ 14,105.20 |

The Government has no equity in equipment used on the project.

## Discussion of Conclusions

There were no unusual operating difficulties encountered during the course of the work. The Operator was competent from both a financial and administrative standpoint. All the contract work was done in a minerlike fashion.

The "Durango" vein is strong where it has been explored at the Mystery property, but to date it has not been extensively explored in the favorable Hasmark formation. As outlined by Prinz in his memorandum of May 6, 1958, this vein on the Owens 200 level is a target worthy of further exploration. However, since this memorandum was prepared, the Owens 200 level drift west on the "True" vein has been continued, and exploration of the "Durango" vein could be done in a different manner than suggested by Prinz by coupling this exploration with further exploration of the "True" vein.

The suggested program is as follows:

(1) Drift west on the "True" vein on the Owens 200 level an additional 250-300 feet.

(2) Diamond drill several flat holes northerly from the new drift west to test the "Durango" vein under the Murphy stopes or crosscut northerly from the west end of the new drift west to intersect the vein, then drift east and west.

Enclosures

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Prinz

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| 5/11 | Martin | 400 |
| 5/12 | Talbot | 800 |
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| 5/12 | Selbridge | 130 |
| 5/12 | Johnson | 130 |
| 5/12 | Kilsgaard | 130 |
| | | ~~110~~ 220 |
| 5/14 | a | 400 |

MAY 14 1959

Mr. C. A. Fredell, Director
Technical Research and Development Division
Defense Materials Service
General Services Administration
6018 GSA Building
Washington 25, D. C.

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Fredell:

Enclosed is a copy of a certification of discovery or development issued under the subject contract.

Contract No. Idm-E781 for the exploration of the Mystery Manganese mine property was executed April 12, 1955. Expenditures up to $83,240.00 were authorized by the contract as amended, of which the Government's share at 75% was $62,430.00. Cost of the work completed was $79,605.90, of which the Government's share was $59,704.43.

The object of the exploration program was to test the possible manganese occurrences in lenses and tabular bodies along a westerly to northwesterly trending shear zone in altered and marbleized limestone of the upper Hasmark formation of Cambrian age. The program employed shaft sinking, crosscutting, drifting and long-hole drilling on the 200-foot level of the Mystery mine to explore the mineralized zones.

The contract, as amended, provided for 100 feet of shaft sinking, 313 feet of crosscutting, 1,162 feet of drifting, and 1,400 feet of long-hole drilling. Assaying of not more than 525 samples for manganese and lead, zinc, and/or copper, as required, was authorized.

Work completed comprised 100 feet of shaft sinking, 309 feet of crosscutting, 1,162 feet of drifting, 1,032 feet of long-hole drilling, and assaying 59 samples.

Manganese ore discovered by project work is estimated as in excess of 6,500 tons of indicated and inferred ore, averaging about 33 percent manganese.

Sincerely yours,

Frank E. Johnson

Acting Director

Enclosure

cc to: F. D. Lamb, USBM
G. L. DeHuff, USBM
T. H. Kilsgaard, USGS

cc to: Codes 400, 110, 800
Director's Read. File
Operating Comm.
FT. REG. I (2)

8623

## Field Report - Access Road

AR-108
Columbite
Region II

CHARLES J. THORNTON, BOISE COUNTY, IDAHO. Columbite Mine, Boise County, Idaho.

Field does not recommend an access road on basis of columbite, but would recommend approval on basis of feldspar. Original copy of report retained by DMPA.

## For Defense Materials Procurement Agency

DMPA-1172
Copper
Prod. Loan
Region IV

C. H. McINTOSH. Atwood Copper Mine, Kidd County, New Mexico.

Report recommends denial, but suggests applicant be asked to submit an application for exploration assistance. Referred to Mr. Tom Lyon, DMPA.

## Miscellaneous

DMEA-1468

MT. RAINIER MINING COMPANY, SEATTLE, WASHINGTON. Glacier Basin.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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| 5/11 | Hoelf | 400 |
| 5/11 | Martin | 400 |
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| 5/12 | Selbrede | 130 |
| 5/12 | Johnston | 130 |
| 5/12 | Kiilsgaard | 130 |
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MAY 14 1959

Mr. John J. Walsh, Administrator
of the Estate of
Mrs. Jennie M. Moore
43 East Broadway
Butte, Montana

Re: Docket No. DMEA 3626 - Manganese
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Walsh:

Enclosed is a certification of discovery or development which covers all the land described in Article 2 of the contract.

By the terms of the Exploration Project Contract, as amended, and of the certification all minerals mined or produced from April 12, 1955, to April 12, 1968, are subject to the Government's percentage royalty as set forth in the contract until the sum of $59,704.43 is paid.

Royalty should continue to be paid, as it has been in the past, to the Executive Officer, OME Field Team, Region I, South 157 Howard Street, ~~Kettle~~ Spokane 4, Washington. Checks covering royalty should be made payable to the Office of Minerals Exploration (which is the successor to the Defense Minerals Exploration Administration). The purchaser should be advised to deduct royalties from the amount due on each shipment and forward check to the Executive Officer. Royalty payments to the Government should be accompanied by suitable evidence, such as settlement sheets, showing quantity and grade of the products sold, the name of the purchaser, and the charge certified to be correct by the purchaser.

You are requested to notify the Executive Officer of any changes in ownership or production rights that might have any effect on the Government's right to its percentage royalty. Your attention is especially called to Article 2(d) of the contract, relating to the preservation of the Government's right to a percentage royalty on production. Also, if production ceases at any time for an extended period, please notify the Executive Officer accordingly at six-month intervals.

Sincerely yours,

Frank E. Johnson (for)

Acting Director

Enclosure

cc to: ~~C. A. Fiedell~~ Finance Office
cc to: FT. REG. I (2)
F. D. Lamb, USBM
T. H. Kiilsgaard, USGS
G. L. DeHuff, USBM
cc to: Codes 400, 110, 800
Director's Read. File
Operating Comm.

SPHOLT:foc 5-7-59

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington

April 22, 1959

| OFFICIAL FILE COPY O. M. E. RECEIVED APR 28 1959 | | |
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Memorandum

To: Chairman, Operating Committee, OME

From: OME Field Team, Region I

Subject: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

The Field Team's final report on the Mystery Mine project is about completed and should be mailed the first week in May.

The exact ore reserve estimate is not yet available but as of March 27, 1959, a total of 5,700 tons of ore worth $270,000 have been shipped from an ore shoot found on the Horton drift west, Owens 200 level. The ore shoot has not been probed to determine its depth but the size of the discovery is undoubtedly in excess of 6,500 tons having an average grade of about 33 percent manganese.

Wing G. Agnew

Wing G. Agnew, Acting Exec. Officer
Bureau of Mines

Donald R. MacLaren

Donald R. MacLaren, Acting Member
Geological Survey

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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| | | 400 |

APR 14 1959

Memorandum

To: Executive Officer, GME Field Team, Region I

From: ACTING Chairman, Operating Committee, GME

Subject: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

The certification of discovery or development for the above-captioned contract must be ready before June 1, and it will, therefore, be appreciated if you will forward the Field Team's Final Report on this project at your earliest convenience.

W S Martin

APPROVED:

(sgd.) G. W. Josephson
Member, Bureau of Mines (4/13)

Thor H. Kiilsgaard
Member, Geological Survey (4/13)

SPHOLT:foc 4-13-59
cc to: Code 400
Director's Read. File
Operating Comm.
FT. REG. I
Messrs. Gilbert DeHuff, JR., UWBM
T. H. Kiilsgaard, USGS

8623

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So. 157 Howard Street
Spokane 4, Washington

February 11, 1959

Mr. John J. Walsh, Administrator
43 East Broadway
Butte, Montana

Re: Docket No. DMEA-3826 (Manganese)
Mrs. Jennie M. Moore (deceased)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Walsh:

Enclosed for your information and files is a copy of a Report of Review dated January 19, 1959, for the period July 1955 to October 1958, inclusive, covering a project for the exploration of manganese at the Mystery Manganese Mine.

The audit discloses that there is balance of $1,773.57 due the estate of Mrs. Jennie M. Moore. This amount has been scheduled for payment and you no doubt have a check by now.

Sincerely yours,

A. E. Weissenborn
Executive Officer
Field Team Region I

Enclosure

cc: OME (2)
USBM (2)
USBM(AD)
Prinz

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1211 N. Division St.
Spokane 2, Washington

January 27, 1959

Mrs. Dorothy Long, Certifying Officer
OME Field Team, Region I
1211 N. Division Street
Spokane 2, Washington

Ref Docket No. DMMA-3986
Mrs. Jennie M. Moore
and
John J. Walsh, Administrator
of the Estate
Contract No. IDm-5781

Dear Mrs. Long:

The work completed under the contract was done to the satisfaction of the Government. The work authorized under the referenced contract was completed by September 1, 1958. A final report evaluating the results of the exploration program has been presented by the Operator and accepted by the Executive Officer.

The Government has no interest in supplies or equipment purchased for use on the project.

Certification of Discovery or Development has been recommended.

A final Report of Review dated January 19, 1959 by OME Auditor George Meyer has been received.

As all contract requirements have been met, it is requested that final settlement of our account with the Operator be made.

Sincerely yours,

A. E. Weissenborn, Exec. Officer
OME Field Team, Region I

cc: OME (2)
USGS (2)

DMEA Form 7
(12-56)

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| 1/22 | G. McCarthy | 800 |
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JAN 22 1959

**Via Air Mail**

Mr. George Mayer
OMX Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Mrs. Jennie M. Moore
and
John J. Walsh, Administrator of Estate
Docket No. DMEA-3626
Contract No. Lim-E781

Dear Mr. Mayer:

Your Report of Review on the above-referenced project is acceptable and normal distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers
Contract Administration
and Audit Division

GMcCarthy/GMcC
January 22, 1959

cc: Docket
Director's Reading File
Mr. Chambers

8623

LMEA Form 7
(12-56)

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JAN 15 1959

Mr. George Mavor
OME Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Mrs. Jennie M. Moore
Docket No. DMFA-3426
Contract No. Idm-8781

Dear Mr. Mavor:

The Washington copies of your Report of Review on the referenced project, as submitted with your January 12 letter, are returned herewith for revision.

Inasmuch as the Field Team's December 2 letter to you specifies that only 9 assays under Stage III were accepted by the Field Team, there is no authority for allowing the costs of 15 assays in that stage. The mere fact that invoices were submitted is not proof that the assays were acceptable or even that the assays pertained to approved project work.

According to your letter the final MF-104 was submitted by the Administrator of the Estate. Accordingly, the first paragraph of your report should identify the monthly reports as follows:

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana
and
John J. Walsh, Administrator of the Estate
43 East Broadway
Butte, Montana

You are correct in the belief that final payment should be made to the Administrator of the Estate.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert
Contract Administration
and Audit Division

Enclosures

cc: Mr. Weissenborn
Mrs. Dorothy Long

EDTalbert/ama
January 15, 1959

Copy to: Docket
Director's Read. File
Mr. Chambers

8623

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 22 1958

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| 12/22 | WSM | 400 |

1201 N. Division St.
Spokane 2, Washington

December 16, 1958

CERTIFIED MAIL

Mr. George Mavor, OME Auditor
Room 420, Custom House
555 Battery Street
San Francisco 11, California

Re: Docket No. DMRA-3626 (manganese)
Mrs. Jennie Moore
Mystery Manganese Mine
Contract No. Idm-2781

Dear Mr. Mavor:

Enclosed herewith is a memorandum from the Field Team, Region I, requesting a Report of Review in lieu of a final audit of the subject contract. In addition, we are transmitting the following material needed to complete your review:

1. Contract and Correspondence File
(Includes contract, Annex I, Exhibit "A", and Amendments Nos. 1 through 6),

2. Voucher File
(MF-104's and 104A's, with attachments).

In addition to the $1,000 withheld from the June, July and August voucher, we are withholding the August, Sept., and October MF-104 covering Technical Services and 53 ft. of timbering, pending final audit.

Sincerely yours,

Dorothy F. Long
Authorized Certifying Officer

Enclosures

cc: Mr. Chambers
OME (2)
USGS (2)
USBM (AD)

DMEA Form 7
(12-56)

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DEC 16 1958

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

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Ida-E781

Dear Mr. Weissenborn:

You are correct in your assumption, as stated in your letter of December 3, 1958, that Mrs. Lois W. Kelly signed Amendment No. 8 to the above-captioned contract in error. Consequently, that amendment is invalid.

We agree that a new amendment to replace the invalid Amendment No. 8 is not needed because work under the contract was completed by August 12, 1958, the completion date as extended under Amendment No. 7. Therefore, no new amendment will be prepared to replace the invalid one.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

APPROVED:

C. T. BAROCH (JB)
Member, Bureau of Mines

N. E. Nelson (JB)
Member, Geological Survey

SPHOLT:foc 12-15-58
cc to: Code 400
Director's Read. File
Operating Comm.
FT. REG. I
Messrs. G. L. DeHuff, Jr., USBM
T. H. Kiilsgaard, USGS

8623

Dec. 11, 1958

Mr. Holt:

Attached docket DMEA-3626 is returned in accordance with our telephone conversation today.

R. W. Long

Long said better write F.T., tell them Amendment 8 is invalid, as Lois W. Kelly had no legal authority to sign it.

But, as the work was finished and Amendment 8 was not needed, we would not try to write a new amendment.

S.P.H.
2:35 pm.

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

| TO: | INITIALS | DATE |
|---|---|---|
| 1. SO~~LICITOR'S~~ DCKT. RM. 6038 | | |
| 2. ~~MR. LONG - RM. 6546~~ | | |
| 3. Mr. Holt, Conv. # 7 | | |
| 4. | | |
| 5. | | |
| FROM: SPHOLT:foc | | 12/10 |

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment XX Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

Please advise whether Amendment No. 8 should be rewritten for signature of Administrator for Mrs. Jennie M. Moore.

RECEIVED INTERIOR DEPT. DEC 10 1958 SOLICITOR

DEC 1 1958

ASSOC. SOLICITOR MINERAL RESOURCES

INT.-DUP. SEC., WASH., D.C. M25803

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington

December 3, 1958

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Mr. George C. Selfridge, Chairman
Operating Committee, OME
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are two copies of a letter dated November 29, 1958 from John J. Walsh, Administrator of the estate of Mrs. Jennie M. Moore, enclosing an operator's final report on the referenced project. Two carbon copies of the report are enclosed herewith; the original was not received.

The geologic section of the report has been prepared by M. D. Regan and a one-page summary of costs and production has been prepared by Mr. Walsh. The Field Team considers this report to be acceptable under the terms of the contract.

An ore body was discovered in the "Moore" west drift from which more than 5,000 tons of ore estimated to average 35 percent manganese has been mined. It is therefore recommended that a discovery be certified.

one copy sent to 800

Also enclosed are two copies of Letters of Administration appointing John J. Walsh as Administrator of Mrs. Moore's estate. Amendment No. 8, which extended the date of completion from August 12, 1958 to October 12, 1958, was erroneously signed by Mrs. Lois W. Kelly as Administratrix. Actually, the work was completed by August 12, considerably sooner than past performance had led us to expect. Therefore the time extension authorized by Amendment No. 8 was not needed. However, if you think it advisable to prepare a new Amendment 8 we will send it to Mr. Walsh for his signature.

By Field Team Region I

A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew
Wing G. Agnew, Member
U. S. Bureau of Mines

cc: USBM (2); USBM(AD); Prinz

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# IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT OF THE STATE OF MONTANA

IN AND FOR THE COUNTY OF GRANITE

No. 1363

FILED
NOV 18 1958
SARAH M. PUYEAR
Clerk of District Court
BY
DEPUTY CLERK

IN THE MATTER OF THE ESTATE OF

Jennie M. Moore, also known as Jennie W. Moore,

Deceased.

**Letters of Administration**

STATE OF MONTANA
County of Granite } SS.

John J. Walsh is hereby appointed Administrator

of the Estate of Jennie M. Moore, also known as Jennie W. Moore, deceased.

WITNESS, Sarah M. Puyear, Clerk of the District Court

of the Third Judicial District of the State of Montana, in and for the County of Granite, with the SEAL thereof affixed, this 18th day of November, 19 58.

BY ORDER OF THE COURT

SARAH M. PUYEAR, Clerk

By ....., Deputy Clerk

STATE OF MONTANA
County of Granite } SS.

I, John J. Walsh do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of Montana; and that I will faithfully perform, according to law, the duties of Administrator of the estate of Jennie M. Moore, also known as Jennie W. Moore, deceased.

John J. Walsh

Subscribed and Sworn to before me this 10th day of November, 19 58

Sarah M. Puyear, Clerk

By ....., Deputy Clerk

STATE OF MONTANA
County of Granite } SS.

Office of the

EXTRA COPY
O. M. E.
RECEIVED DEC 9 1958

I, SARAH M. PUYEAR, Clerk of the District Court of the Third Judicial District of the State of Montana in and for the County of Granite, do hereby certify the foregoing to be a full, true and correct copy of the Letters of Administration issued to John J. Walsh In the Matter of the Estate of Jennie M. Moore, also known as Jennie W. Moore, deceased, now on file and of record in my office. And I further certify that the same have not been revolked or vacated, but are still in full force and effect.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the SEAL of said district court this 18th day of November 1958

Sarah M. Puyear, Clerk

By ....., Deputy Clerk

# JOHN J. WALSH

CERTIFIED PUBLIC ACCOUNTANT

ASSOCIATE

[redacted]

CERTIFIED PUBLIC ACCOUNTANT


BOOKKEEPING SYSTEMS INSTALLED

MONTHLY AND ANNUAL AUDITS

SYSTEM SERVICE

OMK

BUTTE, MONTANA

OFFICIAL FILE COPY
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November 29, 1958

Mr. A. E. Weissenborn
Executive Officer, D.M.E.A.
Field Team, Region I, Northwest District
South 157 Howard Street
Spokane 4, Washington

Dear Sir:

Enclosed are 5 copies of the final narrative report concerning Mystery Mines D.M.E.A. contract, Docket #3626, amended contract # IDME 781, Granite County, Montana.

As you probably know, the mine operation is being carried on by Mrs. Moore's daughter, Mrs. Lois W. Kelly, who has requested that we also send to you the enclosed copy of the letters of administration of the estate of Jennie M. Moore which is needed to complete your files.

If additional information is needed in this case would you please direct all communications to this office as I am administrator of the estate and we will try to comply with your request. Mrs. Kelly has left for California and will not return to Montana until the first of the year and we have all of Mrs. Moore's records in our files.

Very truly yours,

JOHN J. WALSH
Certified Public Accountant

jjw/ps
encls

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OME

Oper.'s FINAL REPORT

# MYSTERY MINE
Granite County, Montana

FINAL NARRATIVE REPORT (GEOLOGICAL)

DMEA DOCKET NO. 3626, CONTRACT

No. Idm.E-781, AMENDED

MANGANESE

---

Octo. 25, 1958

By_____
M. D. Regan

RECEIVED
DEC 1 1958
U. S. G. S.
SPOKANE, WASH.

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Map #1 - East-West Section Along "True Vein Zone"

Map #2 - Composite Map of "True Vein Zone" and Horton Vein Zone.

Map #3 - East West Section Along "Horton Vein Zone"

Map #4 - Major Geology of the Philipsburg Area

Map #5 - Detailed East-West Section of Moore Stope

Map #6 - Claim Map of Mystery Mines

Map #7 - Detailed Geologic Map of the Mystery 200 Level.

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MYSTERY MINE
Granite County, Montana

Final Narrative Report (Geological)
DMEA Docket No. 3626, Contract No. Idm.
E-781, Manganese - By M. D. Regan.

Period Feb. 1955 to October, 1958.

## I. INTRODUCTION

The Mystery Mine is a manganese mine in the Philipsburg Mining District about 1/2 mile east of Philipsburg. The area is easily accessible by a good dirt road.

The hillsides in the area are steep; they are heavily wooded on the northern slopes, while the southern slopes are moderately to lightly wooded. Bunch grass predominates in the open portions of the hillsides. Fir and pine trees are the principle timber.

The temperatures of this area are moderate in the summer but can be very cold in the winter. Lows of 30 degrees below zero are not uncommon during the winters. Precipitation is moderate to slight in the summer and the winter snowfalls make up the bulk of the yearly precipitation. Extremes of temperature and snowfall do not seriously affect mining operations in the area.

The geology of the area is described in the following publications:

(1) Emmons, W.H., & Calkins, F.C., Geology and ore deposits of the Philipsburg quadrangle, Montana,: U.S.Geol.Prof. Paper 78, 271 pp., 1913-Calkins,F.C. and Emmons, W.H., U.S.Geol. Survey, Geol. Atlas, Philipsburg folio ((70 196), 26 pp.,1915.

(2) Pardee, J. T., Deposits of Manganese in Montana, Utah, Oregon, and Washington: U.S.Geol. Survey. Bull. 725, pp. 146-174 - 1921.

(3) Goddard, E. N., Manganese Deposits at Philipsburg, Granite County, Montana, U.S.Geol.Survey Bull. 922-G - 1940.

The Mystery property covers a section of the Philipsburg Anticline on the west limb, immediately bounding the western edge of the Taylor-Knapp Company property. This property includes six patented claims and one unpatented claim. The patented claims are as follows:

| | | |
|---|---|---|
| Evergreen | - | Sur. No. 9369 |
| Mt. View | - | Sur. No. 9359(Not Same as Taylor-Knapp Co. Mt. View) |
| N.G. | - | Sur. No. 9359 |
| Rescue | - | Sur. No. 10851 |
| Gray | - | Sur. No. 10851 |
| Lucy | - | Sur. No. 10851 |

The unpatented claim is an amended location that covers a fraction between the Evergreen and the Mt. View claims.

No records of costs or of progress of the work were available to me. A detailed analysis of the various records kept by Mrs. Moore is being completed by John J. Walsh, CPA from Butte. The completed analysis will be forwarded with the report. This report will only briefly outline the progress of the work as it is best remembered by those concerned. The geology of the mine has been mapped and many interesting details were uncovered by the recent DMEA exploration; this geology will be described in the report. A significant manganese oxide orebody was found in the course of the DMEA project and constitutes a certified discovery. The production, geology, location and reserves of this orebody will be outlined.

## II. DESCRIPTION OF WORK

### A- Work previous to DMEA Contract Idm.E-781.

The Mystery Mines area was largely a dormant mining property, immediately before the start of the DMEA work in Feb. of 1955. Various drifting and stoping for manganese oxide ore had been done by previous miners (leasors, owners, etc.,). The work was largely surface adits of short extent. One tunnel (the Mystery tunnel) however was quite extensive, comprising about 1500 ft. of drifting and crosscutting. The Owens shaft was down 100 ft. but at the start of the DMEA work this shaft was caved and had to be rehabilitated. All of the surface structures around the shaft had to be replaced or completely remodeled.

### B. DMEA Contract No. 3626, Idm.E-781, Amended.

When the original contract No. 3626 Idm. E-781 was completed, two amendments in turn added considerable more exploration work to the original contract. These changes plus the original contract were incorporated into one contract and the original contract was called Stage 1 of this new contract. The two important Amendments were then designated Stage 2 and Stage 3 respectively.

#### (1) Idm.E-781 Amended Stage 1

Stage 1 was carried out and consisted briefly of the following work:

| | | Cost |
|---|---|---|
| Item 1. | Rehabilitation, headframe, shaft house, hoist, compressor building. | $360.00 |
| Item 2. | Build change house, and storage room, pour foundations, install compressor and hoist. | $1250.00 |
| Item 3. | Build 1/2 mile 2300 volt power line | $1625.00 |
| Item 4. | Rehabilitate Owens shaft 100 ft. 6 ft. x 10 ft. crossection | $7000.00 |
| Item 5.* | Sink Shaft 100 Lev. to 200 Level?? | $10,860.00 ?? |
| Item 6. | Excavate for station 200 ft. level 3,150 ft.$^3$ at $1.00 ft.$^3$ (later amended) | $3,150.00 |
| Item 7. | Crosscut and drift 705 ft. at $32.50 per foot on 200 level (4½ ft. x 6½ ft. crossection) Later Amended) | $23,075.00 |
| Item 8. | Timber 160 Ft. at $6.50 per foot(later amended) | $ 1,040.00 |
| Item 9. | Long hole drilling 600 ft. at $0.75 per foot (later amended) | $ 450.00 |

| | | Cost |
|---|---|---|
| Item 10. | Assay (125 samples Mn. at $2.00 per sample)(later amended) | $250.00 |
| | TOTAL | $48,700.00 |

The drifting and crosscutting on the 200 level under Stage 1 consisted briefly of the following work:

1. A 60 ft. crosscut south from the 200 level station to the Horton vein zone.

2. Drift 250 ft. east and 400 ft. west along the "Horton vein zone".

* Item 5 was added to make the total expenditure equal to $48,700. This item was not included in the list of expenditures furnished to me but was included in this report for the sake of competeness although it may not be entirely correct.

(2). Idm.E-781, Amended, Stage 2

The total cost of the project was increased from $48,700 to $55,260 with the following additions of work:

| | | Cost |
|---|---|---|
| Item 1. | Drift an additional 150 ft. west on Horton vein at $38.00 per foot. | $5,700.00 |
| Item 2. | 50 ft. of timber at $8.40 per foot | 420.00 |
| Item 3. | Long holing 300 ft. at $1.00 per foot | 300.00 |
| Item 4. | Technical Services - 6 days at $50.00 per day | 300.00 |
| Item 5. | Assays changed from manganese only at $2.00 per sample to manganese at $2.00 and lead, zinc, and copper at $1.00 per determination | 200.00 |
| | TOTAL COST | $6,920.00 |

(3). Idm. E-781, Amended, Stage 3

The total cost of the project was increased from $55,260.00 to $83,240.00 with the following additions of work:

| | | |
|---|---|---|
| Item 1. | Crosscut 220 ft. north to the "True vein zone" (also called "Huffman Vein Zone") and drift 300 ft. east and/or west on "Huffman vein" at $38.00 per foot. | $ |
| Item 2. | Extend Drift west on "Horton vein zone" (also called Moore vein) 100 ft. | $23,560.00 |
| Item 3. | 300 ft. of timber as required at $8.40 per foot | 2,520.00 |
| Item 4. | 500 ft. of long holing at $1.25 per foot | 500.00 |
| Item 5. | Samples Assayed manganese at $2.00 per sample; lead, zinc, copper at $1.00 per sample | 315.00 |

| | Cost |
|---|---|
| Item. 6 8 days of technical assistance at $75.00 per day | 600.00 |
| TOTAL COST | $27,620.00 |

(4). Conclusion of Work

Although no exact figures of company vs. DMEA work were available to me it appears that throughout the term of the contract the company drove approximately 189 feet of drift on their own account against approximately 1480 ft. driven with Government participation.

## III. GEOLOGY OF THE DISTRICT

The geology of the Philipsburg mining district was described by Emmons and Calkins in 1913, by Pardee in 1921, and by Goddard in 1940. These publications should be consulted while reading this report.

Extensive amounts of exploration in the Philipsburg district in the last 10 years have uncovered much interesting geology and undoubtedly these new facts if properly correlated and studies would greatly influence geologic thought in the district;

I have been in close touch with recent developments on the Taylor-Knapp Company property as well as the Mystery property and some of these observations that apply will be included in this report.

The economic manganese deposits of the Philipsburg mining district have all been found in a broad north plunging anticline of moderately metamorphosed, paleozoic limestones and shaly limestones.

The anticline is bordered on the east and south by a Tertiary granodiorite. The western limb of the anticline is bordered by Quaternary alluvium. The anticline grades into more complicated structure of paleozoic rocks to the north. The enclosed Map #4 shows the geologic relations at Philipsburg, the location of the Mystery shaft and the approximate property boundry.

### A. Rock Units Present

A tertiary granodiorite has intruded the sedimentary rocks on the east and south as is shown on the enclosed map No. 4. The thickness character and age of the various formations present is given below.

## SEDIMENTARY ROCKS IN THE PHILIPSBURG DISTRICT

| Age | Formation | THICKNESS IN FEET | CHARACTER |
|---|---|---|---|
| QUATERNARY | Alluvium | | |
| TERTIARY | Terrace Gravels | | |
| | "Lake Beds" | | Gray and Reddish Gray Water Laid Fine Grained Tuff(Volcanic Ash)Partly Altered to Clay. |
| CARBONIFEROUS | Phosphonia Formation | 180 | Yellowish-Brown Sandstone,Quartzite, & Red Brown Shale Thin Layers Phosphate rock near bottom. |
| | Quadrant Quartzite | 300-325 | Massive White to Brown Quartzite |
| | Madison Limestone | 1400-1500 | Dark Blue Gray Limestone & Chert Locally. This Formation is outside of the locus of manganese mineralization & has not been an important producer. |
| DEVONIAN | Jefferson Limestone | 1000-1300 | Massive Blue-Gray Limestone;some Chert near top near the Granodiorite contact the limestone is altered to a white medium grained marble that shows a yellowish caste on weathered surfaces, (has been a fairly important producing horizon). |
| SILURIAN? | Maywood Formation | 210-490 | Fine Grained moderately thin-bedded sandy limestone,greenish to brownish gray when fresh; weathers to tawny soil-5 ft.layer of banded white & gray shale at base. In a few places near the granodiorite the Maywood has been metamorphosed to a fine grained silicate rock + 8 Bed of limestone near middle locally called the Maywood Bed has been a minor producing horizon. |
| CAMBRIAN | Red Lion Formation | 225-350 | Chiefly thin bedded shaly limestone with wavy discontinuous bands of yellowish shale.Shale bands a fraction of an inch to 1 inch apart abundant in lower part but decreasing toward the top. Upper part massive gray limestone(at top a 2 Ft. to 8 ft. bed of pure limestone that resembles the Hasmark.This is locally called the Headlight Bed). In places near the Granodiorite the Red Lion has been Metamorphosed to a banded Garnet-Amphibole rock like that in the Silver Hill. The Headlight Bed has been an important ore producing horizon. |
| | Hasmark Formation | 450-1350 | Where not metamorphosed is a massive blue-gray medium to fine grained Dolomitic Limestone.In most of the productive area is metamorphosed to a medium grained white marble.Discontinuous shale layers 3 ft-4 ft.thick are interbedded with the Dolomite-A shale member + 8' thick near the middle may correspond to the 150 ft.shale bed present in other localities(Major Ore Producing Horizon) |
| | Silver Hill Formation | 320 | Thin beds nearly pure limestone alternating with thinner & slightly wavy layers of brown silicous shale-much of this formation has been metamorphosed to a sanded Garnet Marble Green Amphibole. rock has been a moderatly important producer. |
| | Flathead Quartzite | 135 | Alternating Layers of white to gray Quartzite & thin bedded dark gray shaly Quartzite 25' of massive coarse grained white Quartzite at Base (No manganese ore known) |
| Unconformity | | | |
| PRE-CAMBRIAN | | + 300 Ft. | Fine Grained Greenish Gray Impure Quartzite Thin Bedded and Banded |

B. Contact Metamorphism

Contact metamorphism is quite noticeable throughout the area of the manganese mineralization. Of course the metamorphism is stronger close to the granodiorite contact and the effects of the metamorphism is generally much more noticeable in the impure limestones and shales of the Red Lion, Maywood, and Silver Hill formations, than in the purer limestones and dolomites of the Hasmark and Jefferson formations.

C. Structure

There are two pregranodiorite faults in the southwest corner of the mining district. These faults are reverse faults with more than 1000 ft. of movement. One of these faults, the Redemption fault, has been an important manganese ore zone.

Two major sets of vein fissures that contain zinc silver ore came later than the intrusion of the granodiorite. These fissures generally dip steeply south. One set of fissures strikes east-west, the other set strikes northwest-southeast. The measurable movement along these fissures is slight. There has been past ore movement along all of the major fissure veins. The mineralization along these vein fissures varies from 2 inches to 20 ft., in with but the average might be about 18 inches.

The last significant structural change made in the district was the "late faults" This change is represented by moderately dipping faults that follow the bedding and also faults that cut the bedding and dip rather steeply. These faults cut the quartz sulfide, silver veins and offset them. Allof the faults of this nature that I have seen have been normal faults offsetting the vein fissures to the left.

D. Types of Deposits At Philipsburg

I have examined at least four major types of manganese orebodies in the Philipsburg district as follows:

(1). Deposits along steeply dipping quartz, sulfides, fissures. These deposits form irregular tabular pods which generally seem to replace beds indiscriminately. Their long dimension parallels the fissuring. They are vertical to steeply plunging. They generally plunge in the direction the beds dip but usually more steeply than the dip of the bedding. Individual orebodies may be 50 ft. to 200 ft. long, 10 ft. to 5 ft. wide and 30 ft. to 200 ft. deep. These deposits are predominant in the Hasmark formation away from formation contacts. Where these types of deposit approaches a formation contact they appear to flatten out and follow intersection of the bedding and the fissuring. This flattening out may occur some distance from the actual formation contact. The Mystery mines area seems to exemplify this type of deposit.

(2). Deposits along the contact of limestone or dolomite with granodiorite. These deposits generally follow the contact and may or may not be associated with fissuring. Large amount of magnetite are generally found in this type of deposit. These deposits seem to bottom at about 300 ft. of depth out this apparent bottoming may be due to lack of exploration at depth along this contact.

(3). Deposits along the Redemption fault. These deposits are similar to deposits along the granodiorite contact in that they have large local concentrations of magnetite and do not appear to be associated with fissuring. They may be very large and seem to continue with depth.

(4). Deposits along the intersection of favorable beds of the Maywood, Red Lion and Silver Hill formations with Quartz sulfide fissures. Examples of this

are the Headlight bed mineralization at the top of the Red Lion formation and the Maywood bed mineralization in the middle of the Maywood formation.

## IV. GEOLOGY OF THE MYSTERY MINE AREA

The location of the Mystery mine property is shown on Map #4. The property is on the outer fringe of what is generally considered to be the major manganese producing area. The area is typified by numerous small vein fissures that contain more copper mineralization than the fissures further east. Also appreciable sheelite has been detected in some of the structures in this area. The vein fissures in this area are from 1/4 inch to 12 inches wide with the average width of the more prominent vein fissures being about 4 inches.

Numerous pre-mineral and past-mineral faults cross the area. The post mineral faults displace the vein fissures probably to the left. A horizontal movement of 20 ft. left was measured along one of these faults and smaller amounts of movement have been measured at several places in the area.

The faulting in the Mystery area is not intense but it does seem to get stronger toward the east. The Moore vein is continuous for over 300 ft. without a fault along the extreme western drift on the 200 level.

Surface workings as well as drifting on the 200 level indicate fairly intense post mineral step faulting in the area east of the Mystery shaft. Some of this faulting follows bedding planes and is marked by heavy gouge; others cut the bedding, are steeply dipping, and are marked by dolomite brecciation and open water courses.

It should be explained at this pointthat the various fissures in this mine that are called the Horton, Durango, and True, may not be continuations of veins by these same names on the property of the Taylor-Knapp Company forther east. The veins must all be projected more than 500 ft. and there appears to be no true lineation between the veins on the Mystery property and the veins on the Taylor-Knapp Company property. In some cases several of the weak veins on the Mystery property may be projected to one of the stronger veins further east. Nowhere on the 200 level of the Mystery mine is there a fissure that approaches the strength of the Horton vein which is continuously mineralized, except for offsets on faults, for a strike length of at least 4000 ft.

With these facts in mind I will call the various sections of the mine various "zone" names as corresponds with straight projections of known veins westward from the property of the Taylor-Knapp Compang e.g. "Horton vein zone", "Durango vein zone", and "True vein zone".

### A. Horton Vein Zone (See Maps #2 and 3)

The "Horton Vein Zone" at the Mystery Mine takes in an area roughly 75 ft. wide and at least 600 ft. long due west of the Mystery (Owens) shaft. This area lies roughly 50 ft. north of a due west projection of the Horton vein from the Horseshoe tunnel (Taylor-Knapp Company).

No structure in the "Horton Vein Zone" on the Mystery property is as strong and continuous as the Horton vein is further east on Taylor-Knapp Company property. One might justifiably say this was due to horse tailing of the Horton vein in the area of the Mystery mine, and this might well be the case, however it seems to be just as plausible to suspect that the Horton vein has been faulted left and lies somewhere south of the Mystery property.

There is much evidence of past mineral faulting in the area of the Mystery mine. All of this faulting has probably offset all of the steeply south dipping fissures and veins to the left.

It seems that there is a definite chance that the Horton vein may have been faulted to the left along various step faults and may be much further south in the area of the Mystery mine than was previously anticipated.

The Moore stope which is in the Horton vein zone has been mined some 80 ft. above the 200 level sill and about 90 ft. below the sill (Map #5). The ore in the back of the stope pinched out to a width of from 6 inches to 48 inches.

The Moore orebody rakes steeply west and was mined over a vertical distance of about 170 ft. with an average width of 9 ft. and an average strike length of 40 ft.

The dominant control of this orebody is definitely the east-west fracturing (Moore vein). Some minor bedding control was noted in portions of the stope and moderately strong to weak northwest fractures also locally control the manganese mineralization. These northwest fractures strike about N 65° W, dip 70°-80° S, and are equally prominent in both walls of the orebody. The fractures appear to be a separate zone of fracturing that intersect the main east-west "Moore" fissure rather than feather joints e.g. weak splits that take off the main vein at small angles and go into the walls for short distances and then die out).

The rake of the Moore orebody seems to generally follow the rake of the rest of the orebodies in this area although in places its rake becomes almost vertical and very definitely cuts the bedding. It appears to me that the rake of the Moore orebody may be due to the intersection of the N-W fractures with the major East-West fracturing (Moore vein). Further east, between the Moore stope and the shaft, the manganese orebodies seem to follow the north-west fractures generally, and the
9 east-west fractures locally.

This entire area along the "Horton vein zone" from the shaft, west to the area of the Moore stope, appears to be a zone of intersection between steeply dipping east-west fracturing and steeply dipping northwest-southeast fracturing.. This west "Horton vein zone" has been by far the most productive area on the Mystery Mines property and prospects for continuing good mineralization with depth certainly appear favorable.

B. <u>"True (Huffman) Vein Zone" (See Maps 1 & 2)</u>

The "True vein zone" lies roughly 100 ft. south of an east-west projection of the True vein from the Taylor-Knapp Company property. This projection of over 500 ft. indicates that the True vein has been faulted left about 100 ft. Of course the vein on the Mystery property that is called the True vein may not be the True vein at all but merely another rather weak east-west striking fissure.

No manganese ore has been found in the "True vein zone" on the 200 level of the Mystery mine. However this area should not be discounted as a possible future source of manganese ore.

It seems possible that the main fissuring in this area may be found a short distance north of the drifting (Map #7). The fissure in the extreme west end of the True drift is probably not the same fissure that was followed east and west from the crosscut. The fissure in the west end of the True drift is much stronger than the fissure that was followed further east in the drifting and the two fissures do not

have quite the same strike. The fault toward the west end of the True drift would have to displace the vein to the right if the two fissures are one and the same. Since faulting of this nature is not common in this area it seems logical to suspect that this fault follows the normal pattern and faults south dipping veins left. Therefore the strong vein in the extreme west end of the True drift may be a separate vein not encountered in the drifting further east.

The small fissure that was followed in the drift on the 200 level strikes about N 78° W whereas the fissure that was followed in the stoping near the surface strikes about east-west. The fissure in the west end of the True drift closely agrees in strike with the fissure that was stoped near the surface.

C. Production

Factual information of production previous to the DMEA contract from this property is very meagre but judging from the amount and size of the open working the production does not appear to be large. The orebodies where encountered appear to have been small but of a good grade. The ore recently extracted since the start of the DMEA contract averaged about 35% Mn. Very little, if any, silver ore appears to have been mined.

A small tonnage of manganese ore was shipped to the Butte GSA by various leasors during the period of the DMEA loan. This ore came from various scattered locations throughout the property.

By far the main production of manganese ore has come from the Moore stope on the 200 level about 380 ft. west of the shaft along the "Horton vein Zone". Data furnished to me concerning the mine production since the start of the DMEA contract is outlined below:

Shipped to Taylor-Knapp Co.-Philipsburg- 47 SDT-863 Lbs-34.0% Mn.
Shipped to Trout Mining Co.-Philipsburg- 272 LDT-634 lbs-est.35% Mn.
Shipped to GSA-Butte-4326.7178 LDT-Est. 35% Mn.

Total - 5198.3 SDT - Est. 35% Mn.

D. Reserves

An accurate estimate of reserves is very difficult in these types of deposits. A small showing of ore in the wall of a drift might easily widen out into a large orebody a short distance into the wall and conversely a large orebody can pinch off suddenly and without any apparent reason. There are many places on the 200 level of the Mystery mine where the possibilities of ore have not been completely delimited. The recent DMEA drifting has opened up these areas to other less expensive methods of exploration.

The only exposed ore left in the mine is in the Moore Stope below the sill of the 200 level. There appears to be at least 520 SDT of ore that will probably assay ± 35% Mn. in this block (See Map #5).

E. Future Possibilities.

The fairly large manganese orebody recently mined above and below the 200 level (Moore Stope) appear to be a part of a more or less continuously mineralized zone that has been mined for about 400 ft. along the rake. There is every reason to believe that this zone will persist with depth although of

course there may be relatively barren areas as there was in the mined out section a bove.

The depth of oxidation in this area should be at least 600 ft. deep. Other orebodies in the central Hasmark formation have been almost completely oxidized to as much as 800 ft. below the surface. Goddards map indicates that the Silver Hill contact under the Mystery shaft is about 1000 ft. below the 200 level.

More diamond drilling in the north wall of the west Horton drift between the Moore Stope and the shaft should be undertaken inorder to completely prove this area one way or the other.

Extension of the True drift west and more diamond drilling in the "True Vein Zone" should be undertaken before this area is abandoned as a potential ore producer.

# OPERATOR'S FINAL REPORT

D.M.E.A. No. 3626 (Manganese)

Contract No. IDM E-781

Jennie M. Moore, Operator

Mystery Manganese Mine

Granite County, Montana

PRODUCTION:

| Quantity | | | Value |
|---|---|---|---|
| 4599.3518 | LDT | | $232,805.15 |
| 47.863 | SDT | | 1,548.37 |
| | | Total Receipts | $234,353.52 |

COSTS:

| Description | Cost |
|---|---|
| One-Half mile 2300 Volt Power Line | 1,625.00 |
| Initial rehabilitation - headframe, shaft house, hoist, compressor building | 360.00 |
| Buildings and Improvement - change house and storage room, pour foundations, install compressor & hoist | 1,250.00 |
| 100 Ft. Shaft rehabilitation | 7,000.00 |
| 100 Ft. Shaft Sinking - 100 Ft. to 200 Ft. Level | 10,500.00 |
| 2478 Cu. Ft. excavation for Station - 200 Ft. Level | 2,478.00 |
| 1040 Ft. Long Hole Drilling | 995.00 |
| 1475 Ft. Crosscuting & Drifting | 52,031.50 |
| 327.5 Ft. Timbering | 2,219.97 |
| Assaying | 115.00 |
| TOTAL COSTS | $ 78,574.47 |

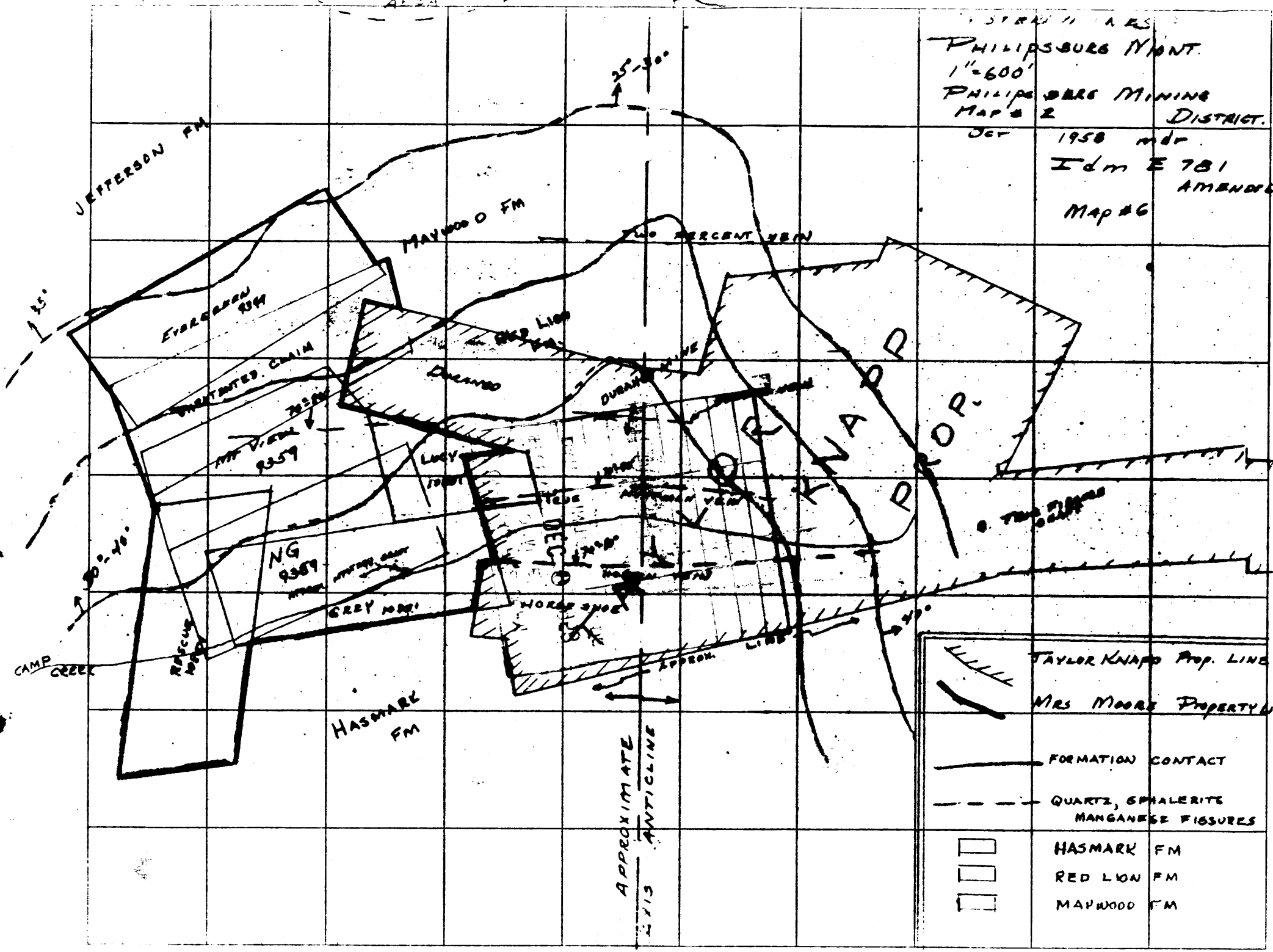
15

DEPARTMENT OF THE INTERIOR
DIVISION OF STRATEGIC MINERALS
EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

OFFICIAL BUSINESS

Maps to Operator's
Final Report

Docket No. Umca 3626
E-781


PHILIPSBURG MONT.
1"=600'
PHILIPSBURG MINING DISTRICT.
MAP #2
OCT 1958 mdr
Idm E 781
AMENDED
MAP #6
JEFFERSON FM
MAYWOOD FM
TWO PERCENT VEIN
EVERGREEN
DURANGO
DURANGO MINE
MT VIEW
LUCY
TRUE
NG
GREY HORSE
HORSESHOE
CAMP CREEK
HASMARK FM
APPROXIMATE ANTICLINE
TAYLOR KNAPP PROP.
TAYLOR KNAPP PROP. LINE
MRS MOORE PROPERTY
FORMATION CONTACT
QUARTZ, SPHALERITE MANGANESE FISSURES
HASMARK FM
RED LION FM
MAYWOOD FM

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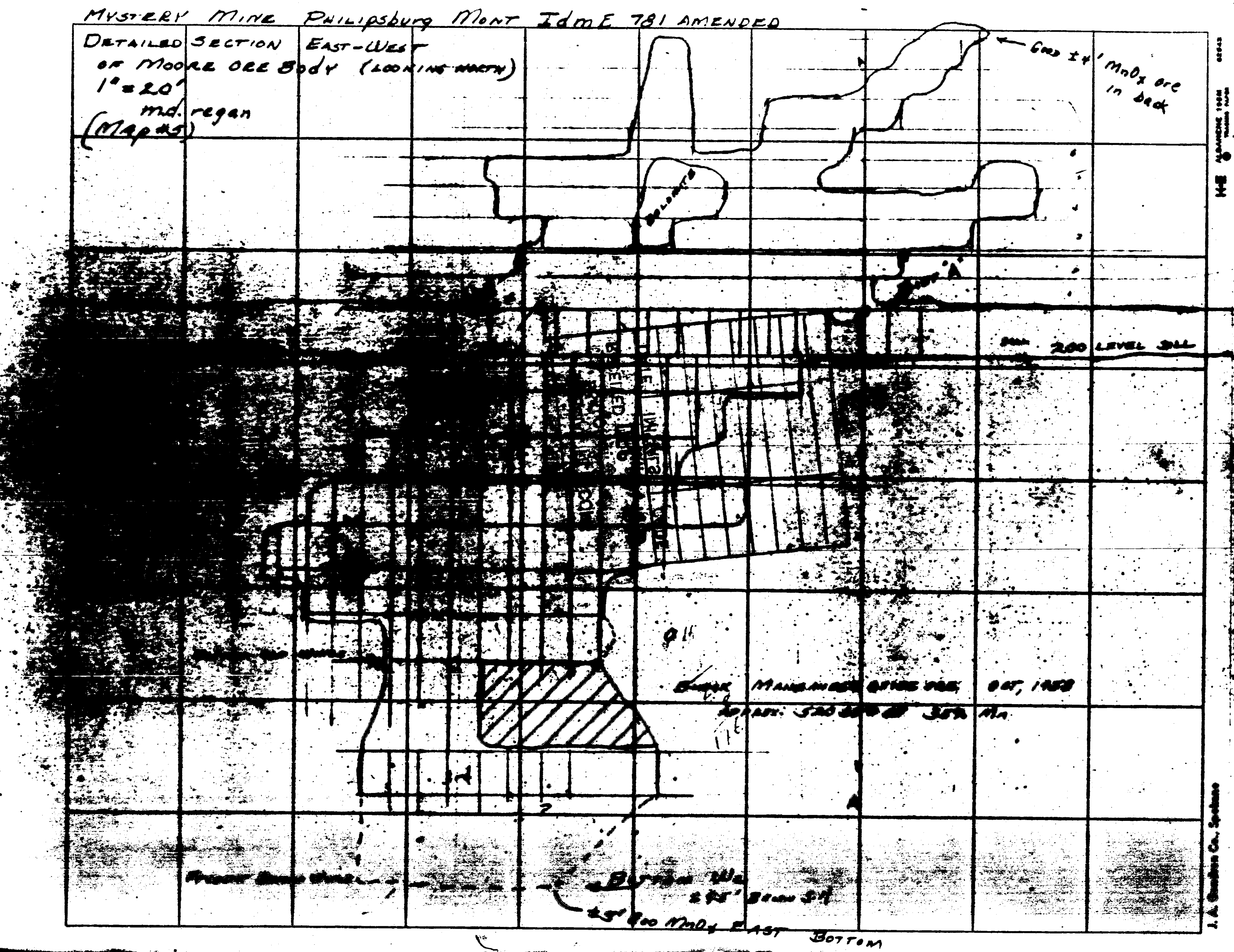

MYSTERY MINE PHILIPSBURG MONT IdmE 781 AMENDED
DETAILED SECTION EAST-WEST
OF MOORE ORE BODY (LOOKING NORTH)
1" = 20'
md. regan
(Map #5)
Good 4' MnO2 ore in back
200 LEVEL SILL
DOLOMITE
OCT, 1958
35% Mn
275' Below Sill
BOTTOM

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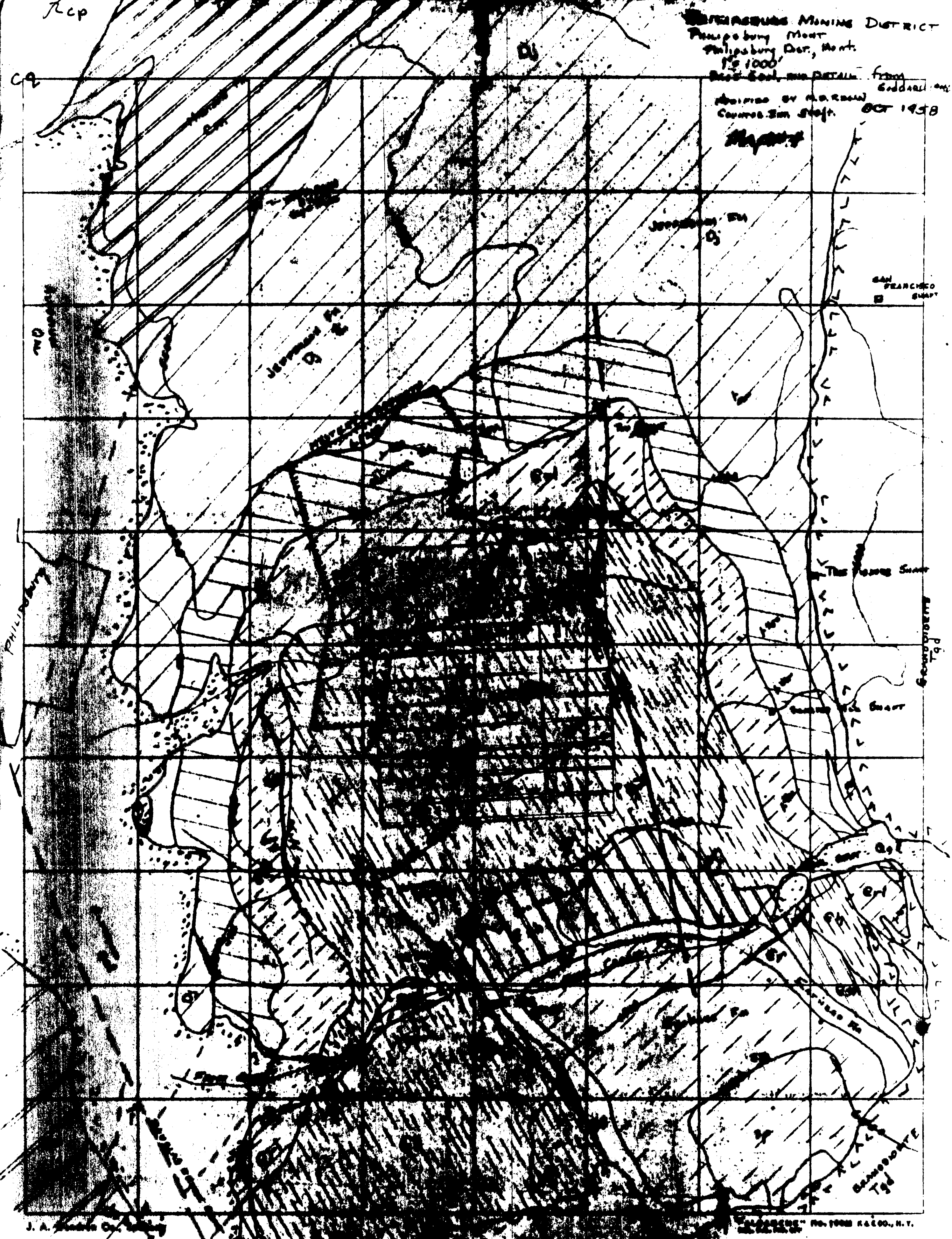
Mining District
Philipsburg Mont
Philipsburg Dist., Mont.
1" = 1000'
from Goddard
Oct 1958
San Francisco Shaft
The Shaft
Granodiorite
Tgd
Jefferson Fm
Dj
Philipsburg
Qal
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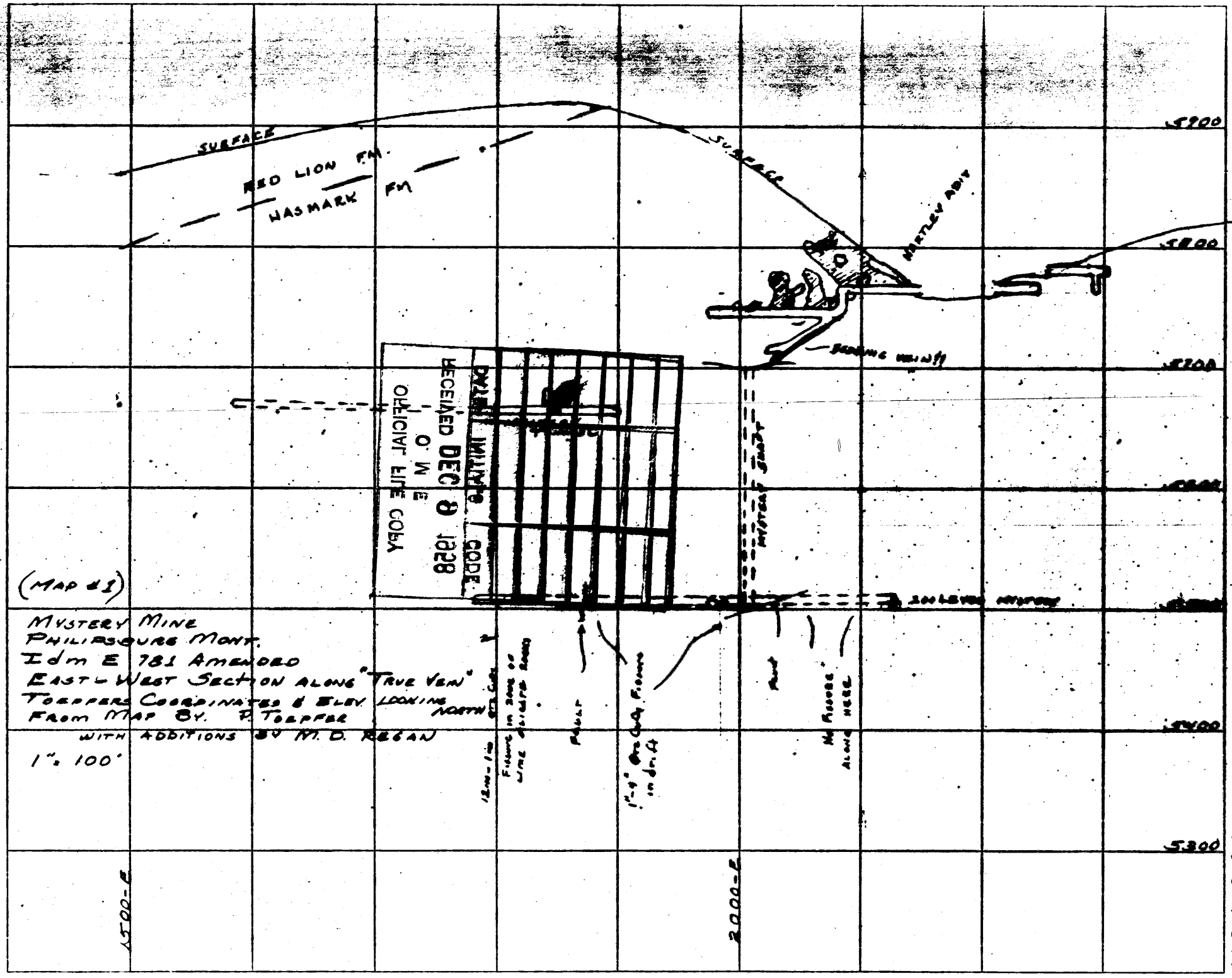


J. A. Gendron Co., Spokane

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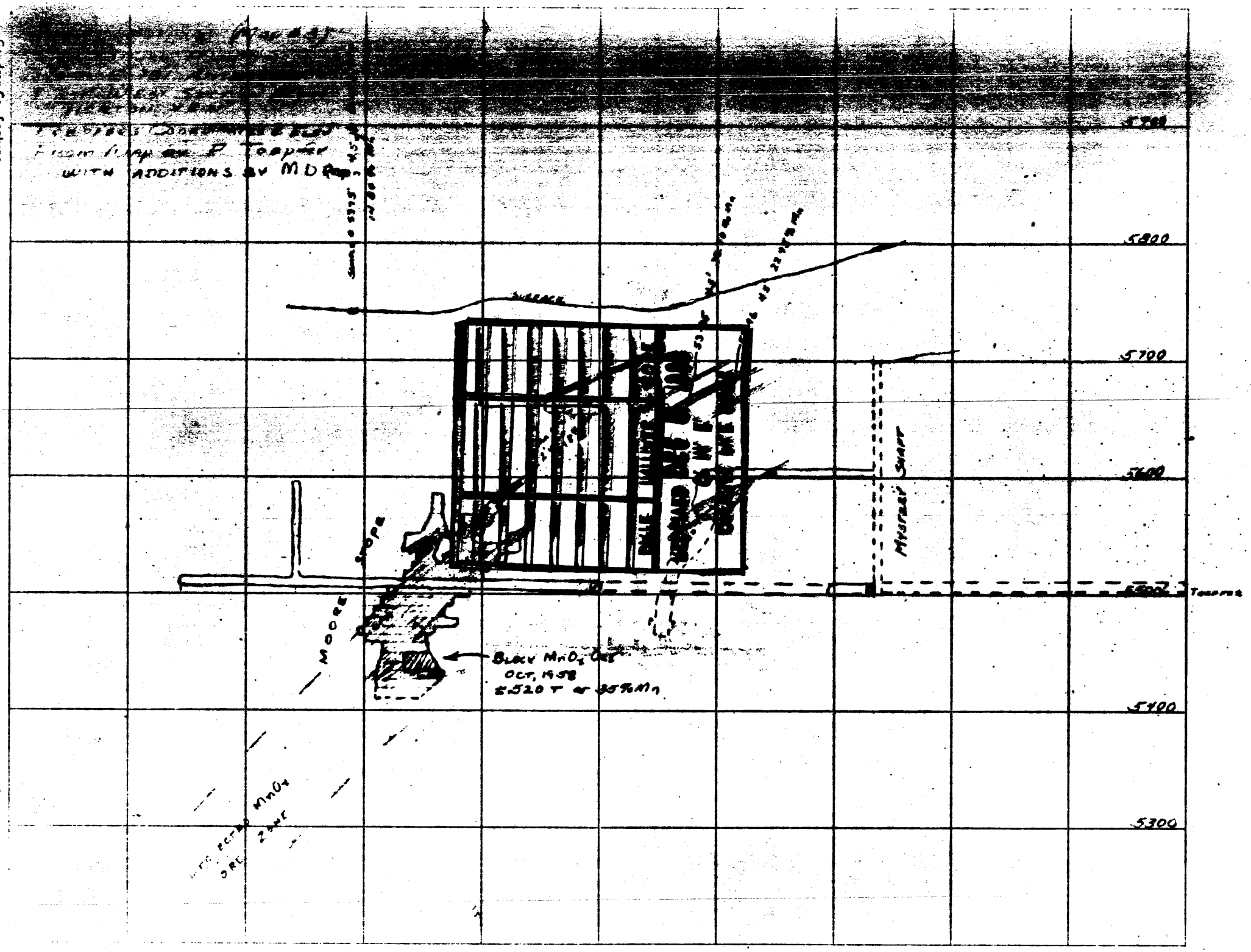


Gordon Co Spokane
K+E ALBANENE

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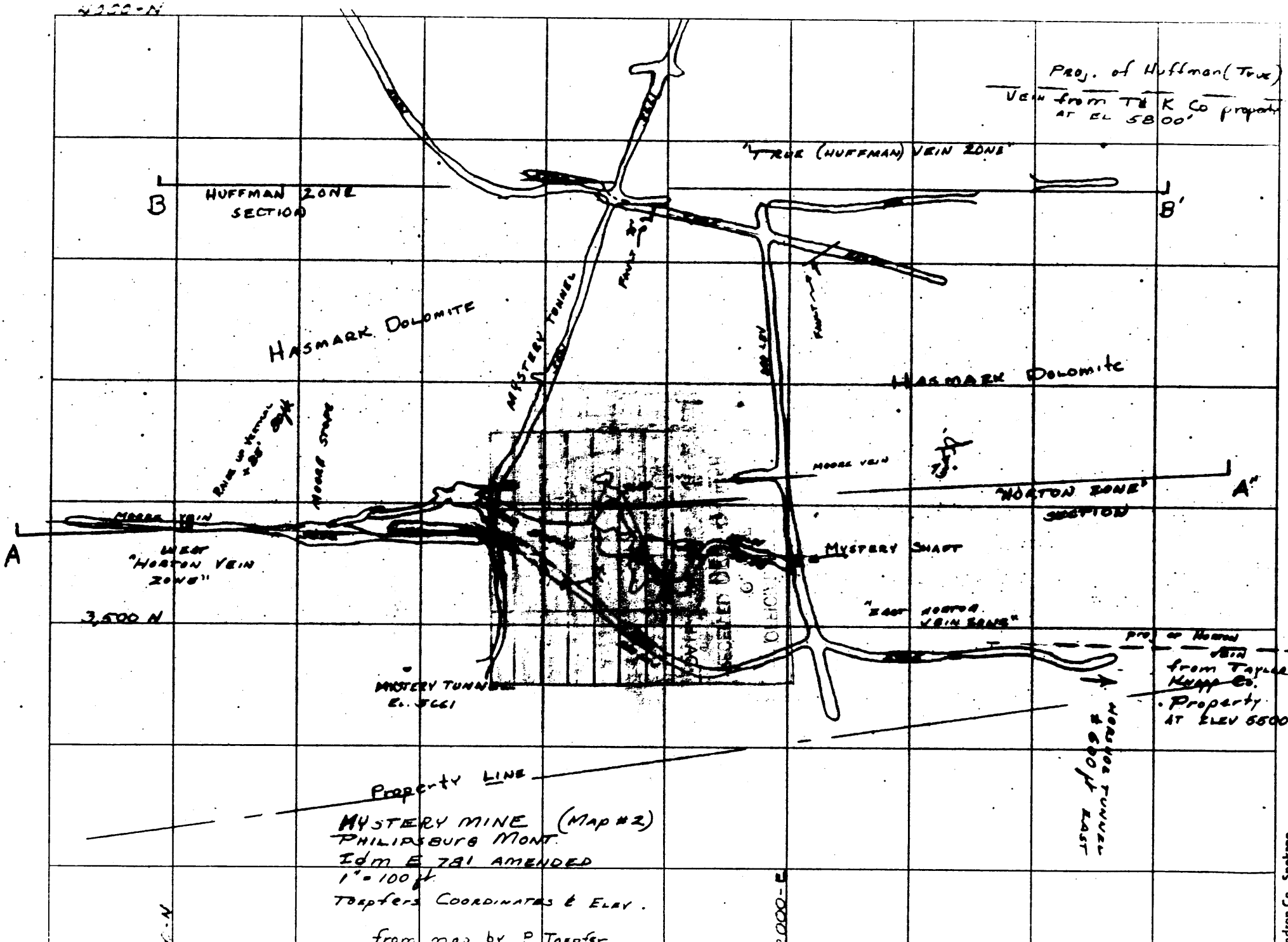
Proj. of Huffman (True) Vein from T & K Co property at EL 5800'
"TRUE (HUFFMAN) VEIN ZONE"
B
HUFFMAN ZONE SECTION
B'
HASMARK DOLOMITE
MYSTERY TUNNEL
HASMARK DOLOMITE
MOORE VEIN
"HORTON ZONE" SECTION
A''
A
MOORE VEIN
WEST "HORTON VEIN ZONE"
MYSTERY SHAFT
"EAST HORTON VEIN ZONE"
3,500 N
MYSTERY TUNNEL EL. 5661
Proj. of Horton Vein from Taylor Kupp Co. Property AT ELEV 5500
HORTON TUNNEL 600 ft EAST
Property LINE
MYSTERY MINE (Map #2)
PHILIPSBURG MONT.
Idm E 781 AMENDED
1" = 100 ft
Toepfers COORDINATES & ELEV.
from map by P Toepfer
with additions by M. D. REGAN
2000-E

OFFICIAL FILE COPY
C. M. T.
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DEFENSE MINERALS ADMINISTRATION

97022

PRODUCTION EXPANSION DIVISION

## EXPLORATION LOANS

Name of Company and Address: _____

Name of Mine and Location _____

Docket No. D.M.A. _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Amount of Total Project: _____

Government participation, percent and amount _____

Number of subprojects in total application _____

| Type of Exploration | Feet | Cost per foot | Total cost |
|---|---|---|---|
| Preparatory & Rehabilitation | | | |
| Equipment | | | |
| Shaft sinking & wi[illegible]s | | [illegible] | |
| Drifts and crosscuts | | | |
| Raises | | | |
| Diamond or churn d[illegible]ling | | [illegible] | |
| Other | | | |

Comments on Contract _____

_____

_____

_____

Date sent to Applicant for signature _____

Date returned to P.E.D. _____

Date sent to Legal _____

Date signed by Administrator _____

Additional remarks: _____

_____

_____

Interior—Duplicating Section, Washington, D. C.

Signed _____

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 22 1958

| DATE | INITIALS | CODE |
|---|---|---|
| 12/22 | C | 220 |
| 12/22 | WSM | 400 |

1208 N. Division St.
Spokane 2, Washington

December 2, 1958

Mr. George Mayer, OME Auditor
Room 420, Custom House
555 Battery Street
San Francisco 11, Calif.

Re: Docket No. [illegible] (manganese)
Mrs. Jessie Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-[illegible]

Dear Mr. Mayer:

The work authorized under the referenced contract was completed by September 1, 1958.

The number of units of work satisfactorily completed by the Operator and accepted by the Field Team are:

| Stage I | Authorized | Completed |
|---|---|---|
| Rehabilitation of headframe | $360 | $360 |
| Build change house | $1,[illegible] | $1,[illegible] |
| Build power line | $1,625 | $1,625 |
| Rehabilitate Greene shaft | 100 ft. | 100 ft. |
| Sink Greene shaft | 100 ft. | 100 ft. |
| Excavate 300L station | 2,478 cu.ft. | 2,478 cu.ft. |
| Crosscut S to Norton vein | 93 ft. | 91 ft. |
| Drift E on " " | 250 ft. | 259 ft. |
| Drift W on " " | 362 ft. | 362 ft. |
| Timbering 200 L | 288.38 ft. | 242.4 ft. |
| Long hole drilling | 400 ft. | 440 ft. |
| Assaying | 125 samples | 25 samples |
| **Stage II** | | |
| Drift W on Norton vein | 150 ft. | 150 ft. |
| Timber W " " " | 90 ft. | 183 ft. |
| Long hole drilling | 300 ft. | 376.1 ft. |
| Technical services | 6 days | 6 days* |
| Assaying | 200 samples | 28 samples |

*The Operator requested payment in the voucher for April, May and June 1957; however, it was deleted because no invoice was submitted. See George T. Krampusky's memo to Dorothy Long, Certifying Officer, dated July 15, 1957, and Interim Inspection Report of July 11, 1957.

| Stage III | Authorized | Completed |
|---|---|---|
| Crosscut N, 200 L | 220 ft. | 217.7 ft. |
| Drift W on True vein | | 169 ft. |
| Drift E on " " | | 149.5 ft. |
| Total drift on True vein | 300 ft. | 318.5 ft. |
| Drift W on Horton vein | 100 ft. | 143 ft. |
| Timbering | 300 ft. | 88.5 ft. |
| Long hole drilling | 500 ft. | 272 ft. |
| Assaying and sampling | 200 samples | 9 samples |
| Technical services | 8 days | 8 days |

The Operator's final engineering and geological report was received on December 1, 1958. This report meets the requirements of Article 6(e) of the contract.

A Certification of Discovery or Development has been recommended by the Field Team.

The total amount paid to date to the Operator is $57,936.86.

A Report of Review in lieu of a final audit is in order and requested.

By Field Team, Region I

A. R. Weissenborn, Mine. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: Mr. Chambers
OME (2)
USGS (2)
USBM (AD)

RECEIVED
BUREAU OF MINES
NOV 11 1958
SPOKANE, WASH.

11/18 ss. g. 225
11/18 8.00
11/18 8.00

Phillipsburg, Montana
November 9, 1958

Mr. A. E. Weissenborn, Exec. Officer
U. S. Geological Survey
1201 N. Division St.
Spokane 2, Washington

Re: Docket No. DMEA-3626
(manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Weissenborn:

Following the demise of my mother, Mrs. Jennie M. Moore, it was thought that authoritative papers would be found to determine the administration of her estate, since I, as her daughter, am the only surviving heir. Since this has not been the case, the court is appointing Mr. John J. Walsh, C. P. A., 43 East Broadway, Butte, Montana, as the administrator. Also, Mr. Howard A. Johnson, and his son, Mr. Keith Johnson, Attorneys, First National Bank Building, Butte, Montana, are handling the necessary legal matters.

Your files will be furnished with the certified copy of the Letters of Administration.

Very truly yours,

Lois W. Kelly

Mrs. Lois W. Kelly

Box 523
Phillipsburg, Montana

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O. M. E.
RECEIVED NOV 10 1953
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800
400

1201 N. Division St.
Spokane 2, Washington

November 7, 1958

Mrs. Lois W. Kelly
Administratrix
Estate of Jennie M. Moore
P. O. Box 383
Philipsburg, Mont.

Re: Docket No. MMA-326 (manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Ign-8761

Dear Mrs. Kelly:

We will need some official proof for our files that you have the authority to sign documents as the Administratrix of the estate of Mrs. Jennie M. Moore, deceased. Please furnish us with a certified copy of the Letters of Administration.

By Field Team, Region I

E. K. Weisenborn, Mine. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: Mrs. Lois W. Kelly
General Delivery
Twenty-nine Palms, Calif.

OME (3)
USGS (2)
USBM (AD)

1201 N. Division Street
Spokane 2, Washington

October 17, 1958

OFFICIAL FILE COPY
O. M.
ED OCT

10/20
10/20
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C
220
800
400

Mrs. Lois W. Kelly, Administratrix
Mrs. Jennie M. Moore Estate
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781
Monthly operating report for
June, July & August 1958

Dear Mrs. Kelly:

We were very sorry to learn that Mrs. Moore had passed away. She was a fine lady and we enjoyed working with her very much.

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

We are withholding an amount of $1,000.00 pending receipt of an Operator's final report as required by Article 6(c) of the contract. This is the customary procedure and is applicable to all contracts. As soon as the report is received, a final audit can be made and funds due you can be released.

By Field Team Region I

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

cc: OME (2)
USGS (2)
AD

Wing G. Agnew, Member
U. S. Bureau of Mines

So. 157 Howard Street
Spokane 4, Washington

September 30, 1958

RECEIVED OCT 6 1958

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| 10/3 | EEF | 800 |
| 10/3 | WSM | 400 |

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-K781

Dear Mrs. Moore:

In your letter of August 18, 1958, you advised us that work in the Horton drift west was in progress and would be completed before the end of the month. As the completion date set in the contract is August 12, 1958, we requested an amendment extending the time for completion two months in case you might have some unforeseeable delay.

Enclosed are the original and four copies of a proposed Amendment No. 8 signed by the Acting Director for the Government. The Office of Minerals Exploration mentioned in the amendment is the successor to the DMEA.

If the terms and conditions of this proposed amendment are satisfactory to you, please sign all copies, retain that copy marked for the Operator, and return the rest to this office. If it does not meet with your approval, please return all copies, unsigned, with your comments.

Sincerely yours,

A. E. Weissenborn
Executive Officer, OME
Field Team Region I

Enclosure

cc: OME (2)
USBM (2)
USBM(AD)
Prinz

1201 N. Division St.
Spokane 2, Washington

September 29, 1958

10/2 C 220
10/2 [illegible] 800
10/3 WSM 400

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. [illegible] (manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. [illegible]

Dear Mrs. Moore:

This is in reply to the inquiry in your narrative report of September 22, 1958 concerning any special forms which might be needed for a final report.

There are no special forms on which to make a final report; however, if you will use the enclosed outline such a report will be adequate for our purposes.

By Field Team, Region I

L. R. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosure

cc: DMEA (2)
USGS (2)
USBM (AD)

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 9-17 | Hopkins | 400 |
| 9-17 | Martin | 400 |
| 9/18 | Talbert | 800 |
| 9/23 | [illegible] | 130 |
| " | Johnson | 110 |
| " | Cottendon | 100 |
| 9/24 | C [illegible] | 345 220 |
| | | 400 |
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SEP 24 1958

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

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Weissenborn:

Enclosed are the original and four copies of a proposed Amendment No. 8 to the above-referenced contract, signed by the Acting Director for the Government. Two extra copies are enclosed for the use of the Field Team.

If the terms and conditions of this proposed amendment are satisfactory to you and the Operator, all five copies should be signed by the Operator and the usual distribution made.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

George C. Selfridge

Enclosures

APPROVED:

Chairman, Operating Committee (JHB) See F-Twine of 9/5

Frank J. Cservenyak (JHB)
Member, Bureau of Mines

N. E. Nelson (JHB)
Member, Geological Survey

JHOPKINS/dlm 9-17-58
cc to: Code 400
Admr. R. File
Oper. Comm.
REGION I
Messrs. Gilbert DeHuff, Jr. USBM
T. H. Kiilsgaard, USGS

8623

B77 5-23

OFFICIAL FILE COPY
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RECEIVED SEP 18 1958

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| 9/18 | [illegible] | 800 |
| 9/18 | WSM | 400 |

A.E. Weissenborn
Executive Officer U.S.
Geological Survey
Sc. 157 Howard Street
Spokane, Wash.

DMEA Docket 3[illegible]
Contract I[illegible]
Mystery Mines
Granite County
Montana.

DMEA

Dear SIR:-

This is to inform you that the work allotted to Stage III of the DMEA program for the Mystery Mines has been completed and was completed during the month of August.

I have had several days of technical assistance in inspection- measurening and mapping the entire work area under the program and I cannot make my report of such work until I receive the maps and statement of the engineer, which may be as long as three weeks.

As soon as this information is received I will promptly make my report.

Very truly,

/s/ Mrs. Jennie M. Moore

not used

Government's copy

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

AMENDMENT NO. 8

It is agreed this _____ day of _____, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA-3626), dated April 12, 1955, as amended, is further amended as follows:

1. In Article 3, the time for completion of the work is extended from August 12, 1958 (Amendment No. 7), to December 12, 1958.

2. In Article 5 of the Contract, the estimated total cost of the project is increased from $83,240.00 (Amendment No. 5), to $94,360.00, and the amount of Government participation at 75 percent is increased from $62,430.00 to $70,770.00.

3. In Exhibit "A," under the heading Description of the Work, new work is added under a new Stage IV, as follows:

STAGE IV

(a) Rehabilitate the Mystery tunnel to the face of the northwest crosscut. (Plate 1)

(b) Purchase and lay 1,100 feet each of 2-inch and 1-inch pipeline to the face of Mystery Adit, northwest crosscut.

(c) Purchase and lay 775 feet of track (12 pound rail) to the face of Mystery Adit, northwest crosscut.

(d) At the face of above-described northwest crosscut, excavate 525 cubic feet for a drill station.

(e) Drill four AX size diamond drill holes from the face of above-described northwest crosscut to intersect the area below the Murphy stopes on the Durango vein, (Plate 1), as follows:

Hole No. 1, Course N. 18° E., Dip -34°, length 305 feet.
Hole No. 2, Course N. 7° W., Dip -34°, length 295 feet.
Hole No. 3, Course N. 31° W., Dip -34°, length 300 feet.
Hole No. 4, Course N. 46° W., Dip -26°, length 360 feet.

not used

All courses, dips and length are approximate.

In mineralized zones sample cores and assay for manganese and for lead, zinc and copper as necessary.

The following maps are attached to this amendment:

Plate 1, "Composite Map, Mystery Mine, Granite County, Montana."

Plate 2, "Longitudinal Section, Durango Vein, Mystery Mine, Granite County, Montana."

5. In Exhibit "A", under Fixed Unit Costs, add costs under a Stage IV as follows:

Stage IV

| | |
|---|---|
| AX diamond drilling - 1,300 feet @ $5.00/ft. | $6,500.00 |
| Cementing and redrilling, reaming and casing - 500 feet @ $2.50/ft. | 1,250.00 |
| Mobilization | 200.00 |
| Engineer to check drill holes, 8 days @ $75.00/day. | 600.00 |
| Purchasing and installing 1,100 feet of 2-inch and 1-inch pipe, and accessories, 1,550 feet of 12-pound rail with accessories, and 200 ties (salvage deducted) and rehabilitating tunnel, plus payroll taxes, etc., on $400.00 @ 14.9% | 1,335.00 |
| Excavating drill station - 525 cubic feet @ $1.00/cu. ft. | 525.00 |
| Assaying 30 samples for manganese @ $2.00/each sample and for lead, zinc and copper @ $1.00/each sample. - Total not to exceed | 60.00 |
| Compressed air (1300 ft. of drill hole @ $0.50/ft.) | 650.00 |
| Estimated Total Cost of Stage IV | $11,120.00 |

## S U M M A R Y

| | |
|---|---|
| Estimated Total Cost of Stage I | $48,700.00 |
| Estimated Total Cost of Stage II | 6,920.00 |
| Estimated Total Cost of Stage III | 27,620.00 |
| Estimated Total Cost of Stage IV | 11,120.00 |
| Estimated Total Cost of Project | $94,360.00 |
| Government Participation @ 75% | $70,770.00 |

IN WITNESS WHEREOF, the parties have executed this amendment in quintuplicate as of the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

_____
Mrs. Jennie M. Moore

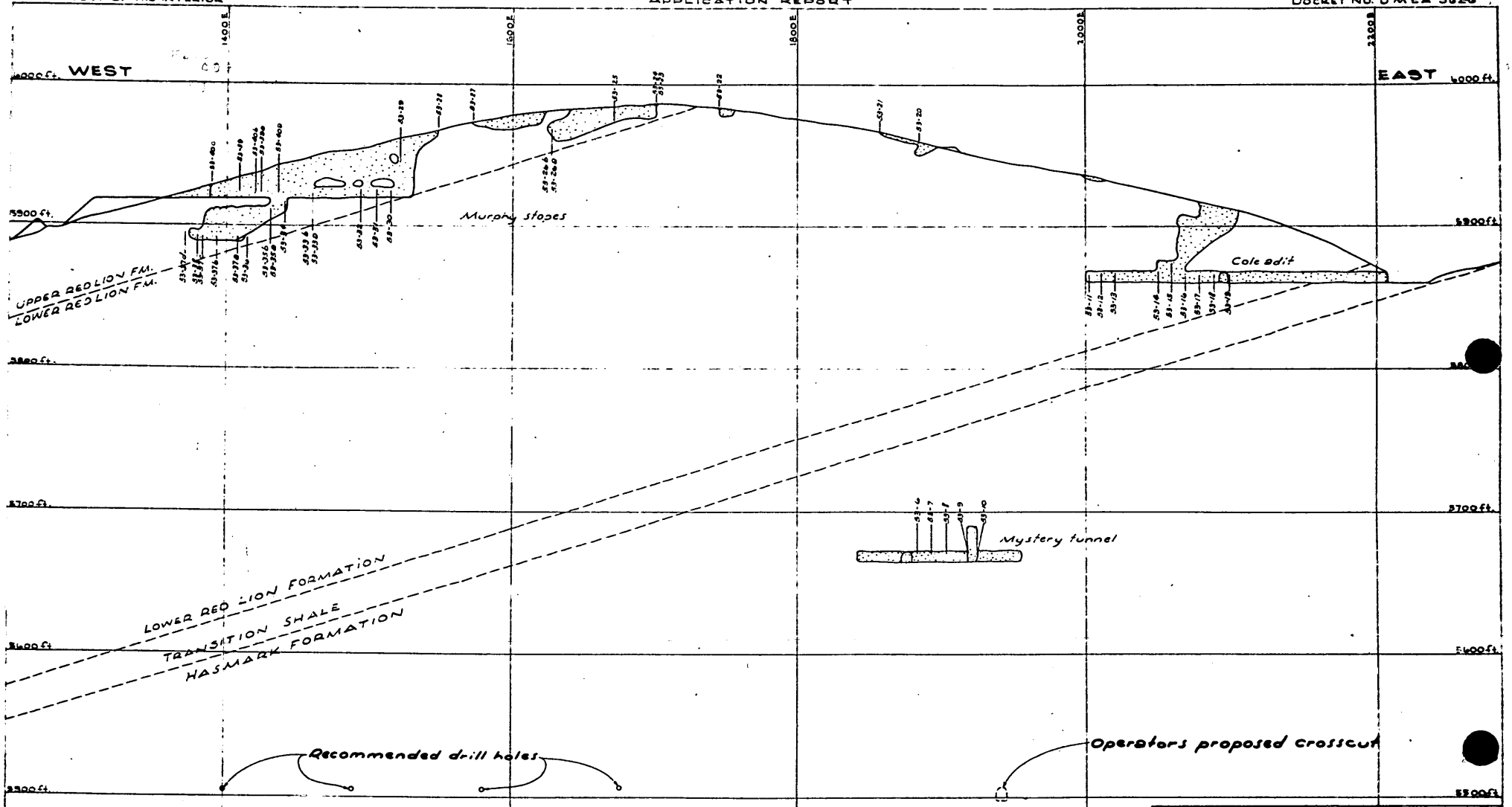
Long
Alderson

App'd. Sol. Off.
Chapman

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
APPLICATION REPORT

DOCKET NO. DMEA 3626




Note:
53-23 Sample localities
See report Table I
for assays

Compiled from DMEA and operators maps

LONG SECTION
DURANGO VEIN
MYSTERY MINE
GRANITE COUNTY, MONTANA

50 0 50 100 FEET

APRIL 1958

PLATE 2

DMEA Form 7
(12-56)

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| 9-9 | Martin | 400 |
| | Chapman | 400 |
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RECEIVED
SEP 11 1958
ASSOC. SOLICITOR
MINERAL RESOURCES

September 9, 1958

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Preparation of Amendment No. 8.
Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Attached is a rough draft of Amendment No. 8 for your use in preparing it in final form.

W. S. Martin, Director
Division of Iron and Ferro-Alloys

Attachment

TLCHAPMAN/dlm 9-8-58
cc to: Code 400
Chron. file

8623

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA 3626

AMENDMENT NO. 8

It is agreed this _____ day of _____, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA-3626), dated April 12, 1955, as amended, is further amended as follows:

1. In Article 3, the time for completion of the work is further extended from August 12, 1958, (Amendment No. 7), to October 12, 1958.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government shall be required to contribute, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Administrator, Defense Minerals
Exploration Administration

MRS. JENNIE M. MOORE

BY_____

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 8 1958

| DATE | INITIALS | NOTE |
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MV

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SPOKANE WASH 9-5-58 1635U

GEORGE C. SELFRIDGE, CHAIRMAN

OPERATING COMMITTEE

DMEA WASHN DC

REURTELETYPE SEPT. 5, DOCKET NO. 3626 MRS. JENNIE M. MOORE. EXTENSION OF TERMINATION DATE TO OCTOBER 1 NECESSARY TO COMPLETE FINAL 100 FEET OF DRIFT WESTERLY ON HORTON VEIN WHICH IS STILL REGARDED AS WORTHY EXPLORATION. ADVANCE OF THIS DRIFT WAS DELAYED WHILE OPERATOR WAS MINING FROM WINZE BELOW LEVEL TO ACQUIRE NECESSARY FUNDS.

A. E. WEISSENBORN, EXECUTIVE OFFICER

REGION I

5 3626 1 100

VA 1637U

DMEA Form 7
(12-56)

OFFICIAL FILE

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| 9-5 | Chapman | 400 |
| 9/5 | Talbot | 800 |
| 9/5 | ECS | 130 |
| " | Johnson | 110 |
| " | Whitcomb | 180 |
| 9/8 | C | 220 |
| 9/5 | Kiilsgaard | 130 |
| 9/5 | Yogles | 130 |
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SEP 5 1958

INTERIOR

DMEA

14X4401 (01) REVOLVING

FUND, DEFENSE PRODUCTION ACT, INTERIOR
(TRANSFER TO OFFICE OF SECRETARY)

T E L E T Y P E

MR. A. E. WEISSENBORN, EXECUTIVE OFFICER,
DMEA FIELD TEAM, REGION I
SOUTH 157 HOWARD STREET
SPOKANE 4, WASHINGTON

AGNEW'S LETTER OF AUGUST 27, RE:DOCKET NO. DMEA-3626, MRS. JENNIE M. MOORE, RECOMMENDS EXTENSION OF TIME TO OCTOBER 1. PLEASE WIRE US JUSTIFICATION FOR THIS EXTENSION. AMENDMENT BEING PREPARED.

George C. Selfridge
CHAIRMAN, OPERATING COMMITTEE (2/6)

TLCHAPMAN/dlm 9-5-58
cc to Code 400
Admr. R. File
Oper. Comm.
FT. REG. I
Messrs. Gilbert DeHuff, Jr. USBM
T. H. Kiilsgaard, USGS

8623

Office (3)

COPY

9/2 C 220
9/2 WSM 400

No. 157 Howard Street
Spokane 4, Washington
August 27, 1958

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. 14m-E781

Dear Mrs. Moore:

In our letter of August 6, 1958, we sent you one copy each of Royalty Audit Certificate and Royalty Audit Report, dated July 3, 1958, and called to your attention that there is a balance of royalty due amounting to $121.92. We explained that this was because of an improper deduction for haulage costs amounting to $2,435.00. Five percent royalty due on this amount is $121.74. This plus minor corrections for past payments results in a total of $121.92 due the Government.

Apparently, you misunderstood our letter of August 6, 1958, and sent us a check for $2,556.92. We are therefore returning your check for this amount and will be glad to receive in its place a check for $121.92 which is the total amount due according to the above-mentioned audit.

Sincerely yours,

Donald R. MacLaren
For: Wing G. Agnew
Acting Executive Officer
DMEA Region I

Enclosure

cc: DMEA (3) w/cys incoming of 8/18/58
WSM (2) do.
WSM(AD) do.
Turner do.

Philipsburg Montana,
August 18- 1958.

OFFICIAL FILE COPY
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DATE | INITIALS | CODE

Thomas E. Howard
For Wing C. Agnew
Acting Executive Officer
DMEA Region 1
Spokane, Wash.

Dear Sir:-

Your letter of August 6th has just now reached me due to the fact that it was forwarded to me in California and did not reach me there and had to be sent on to Montana.

As to the remaining 100' of drifting on the Horton vein, this work is now in progress and will be completed before the end of this month. However, if you think it is necessary to have a recess permit for this short delay in the completion, I would appreciate if such permit would be granted. As it is now the work will be completed so as to be included in the report for the month of August.

I am also enclosing my check for the sum of $2556.92- which covers refund for hauling costs heretofore deducted and also for balance of royalty due the U.S. Government in the sum of $121.92.

Thanking you, I am

Very truly,

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington
August 27, 1958

DMEA
RECEIVED SEP 2 1958

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| 9/2 | C | 220 |
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Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are two copies of a letter from Mrs. Jennie M. Moore, dated August 18, 1958, in which she states that drifting westerly on the Horton vein has been resumed and will be completed by the end of August.

The date for completion of the contract is August 12, 1958. There remain 100 feet of drifting on the Horton vein to complete the contract.

We doubt that this will be completed by the end of August and recommend that the contract be amended to extend the date for completion from August 12, 1958, to October 1, 1958.

By Field Team, Region I

Wing G. Agnew

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren

Donald R. MacLaren, Acting Member
U. S. Geological Survey

Enclosures
cc: USBM(2) w/2 cys incoming
USBM(AD) w/cy incoming
Prinz w/cy incoming

Philipsburg Montana
August 18- 1958.

DMEA
RECEIVED SEP 2 1958

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Thomas E. Howard
For Wing C. Agnew
Acting Executive Officer
DMEA Region 1
Spokane, Wash.

Dear Sir:-

Your letter of August 6th has just now reached me due to the fact that it was forwarded to me in California and did not reach me there and had to be sent on to Montana.

As to the remaining 100' of drifting on the Horton vein, this work is now in progress and will be completed before the end of this month. However, if you think it is necessary to have a recess permit for this short delay in the completion, I would appreciate if such permit would be granted. As it is now the work will be completed so as to be included in the report for the month of August.

I am also enclosing my check for the sum of $2556.92- which covers refund for hauling costs heretofore deducted and also for balance of royalty due the U.S. Government in the sum of $121.92.

Thanking you, I am

Very truly,

(See other ltr to Oper.)

DMEA
AUG 11 1958

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| 8/12 | J.S. | 225 |
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| 8/13 | | 400 |

So. 157 Howard Street
Spokane 4, Washington

August 6, 1958

Mrs. Jannie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-8781

Dear Mrs. Moore:

Enclosed, for your information and files, is a copy each of Royalty Audit Certificate and Royalty Audit Report dated July 3, 1958, by C. A. Turner for the period April 12, 1955 to May 22, 1958.

It was determined by the audit that there is a balance of royalty due amounting to $121.92. This was brought about by the fact that shipments for the period ending October 3, 1957, including Lot No. 42, were trucked from the mine to the railroad and loaded on the cars by Fessler Brothers, Hauling Contractors, Philipsburg, Montana, at a cost of $2,435.00. This hauling and loading cost was paid by you and deducted from the sales subject to royalty repayment. The hauling and loading expense of $2,435.00 is for your account and is not deductible for the purpose of computing the royalty. Therefore, we would appreciate receiving a check in the amount of $121.92 in order to keep your royalty account current.

Sincerely yours,

Wing G. Agnew
Acting Executive Officer
DMEA Region I

Enclosures

cc: DMEA (3)
USBM (2)
USBM(AD)
Turner

ORIGINAL FILE COPY
DMEA
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| | | |

So. 157 Howard Street
Spokane 4, Washington

August 6, 1958

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-5781

Dear Mrs. Moore:

This is to remind you that the time for completion of your DMEA contract is August 12, 1958.

There remains 100 feet of drifting westerly on the Horton vein. If you wish to complete this work you should request a postponement of the contract completion date, stating by what date the work will be completed. If there will be a delay in starting this drifting, you should also request a recess stating when the drifting will start.

Sincerely yours,

Wing G. Agnew
Acting Executive Officer
DMEA Region I

cc: DMEA (3)
USBM (2)
USBM(AD)
Prinz

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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JUL 14 1958

Mr. Charles A. Turner
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Docket No. DMEA-3626 (Manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Turner:

After insertion of "normally" following "does not" in the first paragraph on page 3 of the audit report and "(av.)" following the amount of $51.35 in the tabulation on that page, the subject royalty audit report and certificate are approved and the usual distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

CEFisher/GMcC
July 14, 1958

cc: Docket
Admr. Reading File
Mr. Chambers

8623

JUL 7 1958

Philipsburg, Montana
July 1- 1958.

Mr. A.E. Weissenborn
Executive Officer
U.S. Geological Survey

So. 157 Howard Street
Spokane, Wash.

DMEA Docket 3626
Contract Idm-E-781
Mystery Mines
Granite County, Mont.

Dear Sir:-

I am hereby reporting there has been no work on the above DMEA contract during the month of June. and due to the fact the work in the winze is not completed. It is not possible to extend the remaining 100' in the west drift on the Horton vein while the winze work is in progress.

There is appraimately 250 tons of loose manganese ore in the bottom of the winze and it is my desire to remove this before discontinuing this phase of the work. As the progress for this is very slow it will be after August first before the 100' extension on the Horton vein can be commenced.

Very truly.

Mrs. Jeanine M. Moore

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RECEIVED JUL 17 1958

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OK John A. Bowsher
Mng Eng 7/8/58

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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| 6/16 | Chapman | 400 |
| 6/16 | Martin | 400 |
| [illegible] | Chambers | 800 |
| 6/18 | Stafford | 130 |
| 6/18 | Lamb | 130 |
| 6/18 | Kiilsgaard | 130 |
| " | Johnson | 110 |
| " | Mittendorf | 100 |
| 6/19 | C | 220 |
| | | 400 |

JUN 19 1958

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA 3626 - Manganese
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

Reference is made to your report of work dated March 18, 1958, requesting that the Government participation authorized under Contract Idm-E781 be increased by an unstated amount, estimated at $8,340.00, in order to perform the additional work outlined in your narrative report.

Under the new policy announced on June 6, 1958, copy enclosed, we are unable to increase the Government's financial commitment in any existing contract where results to date have progressed to a point at which a certification of discovery or development can be issued.

Since, in our opinion, the results of the work performed under Contract Idm-E781 provide the basis for a certification of discovery or development, your case falls within the restricted category; therefore, I regret to advise you that additional funds cannot be approved.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

TLCHAPMAN:foc 6-16-58
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. I

cc to: Gilbert DeHuff, USBM
T. H. Kiilsgaard, USGS

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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| 6-4 | Martin | 400 |
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Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-D781

Dear Mr. Weissenborn:

Enclosed are the original and four copies of a proposed Amendment No. 8 to the above referenced contract, signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team.

If the conditions and terms of the proposed amendment are satisfactory to you and the Operator, all five copies should be signed by the Operator and the usual distribution made.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

Enclosures

APPROVED:

Chairman, Operating Committee

Member, Bureau of Mines

TLCHAPMAN/dlm 6-4-58
cc to: Code 400
Admr. R. File
Oper. Comm.
REGION I
Messrs. Gilbert DeHuff, Jr. USBM
T. H. Kiilsgaard, USGS

Member, Geological Survey

8623

June 4, 1958

Memorandum

To: Operating Committee

From: Jay L. Chambers

Subject: DMEA-3626

The item of purchasing and installing the 1100 feet of 2" and 1" pipe and accessories, and 1500 feet of 12 pound rail with accessories, and 200 ties, and rehabilitating tunnel should be broken down so the auditor will be able to cost the various types of work. As it stands now the whole is a conglomeration with the price as a unit.

I would like to call your attention to the excavation of drill stations. Maybe the price is not too high but it seems to me pretty high.

I am not surnaming this because I think it would be difficult to audit.

DMEA
RECEIVED JUN 9 1958
DATE INITIAL
6/2 C 220
6/9 800
1400

So. 157 Howard Street
Spokane 4, Washington

May 26, 1958

MEMORANDUM

To: The Files

From: A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, and William C. Prinz, Geologist, U. S. Geological Survey

Subject: Telephone conversation, Docket No. DMEA-3626 (Manganese), Jennie M. Moore, Mystery Manganese Mine, Granite County, Montana, Contract No. Idm-E781

Mrs. Moore telephoned Weissenborn and Prinz May 19, 1958 to inquire about the status of her application for more work to explore the "Durango" vein. We told Mrs. Moore that a Field Team report regarding this work had been sent to the Operating Committee in Washington for their action. We further stated that a less expensive drilling program would probably be the best course of action and that from what we know now it is difficult to justify an expensive crosscutting and drifting program. Mrs. Moore restated her desire to crosscut 400 feet in a northerly direction to intersect the vein and pointed out that this crosscut would cost only a few thousand dollars more than a drilling program. We told Mrs. Moore that the crosscut alone would not prove anything one way or the other and would have to be coupled with some drifting and that by the time the drifting, long-hole drilling and assaying were added into the program, it would cost three or four times as much as the drilling program.

Mrs. Moore said that because drilling from the Mystery tunnel would require installation of air and water lines, she thought it would be preferable to drill from the 200 level where air and water lines are already installed. We replied that the extra length of the holes required if drilling were done from the 200 level would cost far more than the cost of the pipe. In addition, the holes would have to be at such an angle that they might never intersect the "Durango" vein. Mrs. Moore then stated that the crosscut was actually all that she was interested in because she felt that if she could drive the crosscut to the vein she could probably interest some leasers into taking over the property. The leasers could then take over exploration of the "Durango" vein.

In conclusion, Mrs. Moore stated that although she definitely prefers to crosscut, should a drilling contract be offered, she would probably accept it.

cc: DMEA (2) USBM (2)
Prinz USBM (AD)

3626

MR. SELFRIDGE:

1. Mr. Chambers has not surnamed - his memo of 6/4/58 attached.

2. Mr. Martin has not surnamed amendment, but thought perhaps you might want to talk with him about the amendment. We can get his surname later.

HBerry 6/4/58.

DMEA Form 7
(12-56)

C

INTERIOR DEPT.
MAY 21 1958
SOLICITOR

May 19, 1958

OFFICIAL FILE COPY

| Date | Surname | Code |
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| 5-19 | Chapman | 400 |
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To: Administrator, DMEA

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Summary of costs
Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Estimated Cost of Project.

| | Field Team | Division I & F-A |
|---|---|---|
| **Independent Contract.** | | |
| 1,300 feet, AX diamond drill holes. $5.00/ft. | $6,500.00 | $6,500.00 |
| 250 ft. cementing & redrilling. $2.50/ft. | 625.00 | 625.00 |
| 250 ft. reaming and casing. $2.50/ft. | | 625.00 |
| Mobilization | 200.00 | 200.00 |
| Total | $7,325.00 | $7,950.00 |
| **Labor and Supervision. (laying pipe and track)** | | |
| 2 men ten days at $20.00/day | | $400.00 |
| 2 men six days at $20.00/day | $240.00 | |
| Engineer, Check drill holes, 8 days at $75.00 per day | | $600.00 |
| **Materials and Supplies.** | | |
| 1,100 ft. air line at $0.454/ft. (50% salvage) | $250.00 | $250.00 |
| 1,100 ft. water line. $0.216/ft. (50% salvage) | 119.00 | 119.00 (rounded) |
| Miscellaneous fittings. 10% of $369.00 | $37.00 | $37.00 (rounded) |
| 1,550 ft. 12# rail. 3.1 tons at $240.00/ton. (50% salvage) | $372.00 | $372.00 |
| Rail accessories. | 37.00 | 37.00 |
| Ties, 200 at $0.30/each | 60.00 | 60.00 |
| Total | $875.00 | $875.00 |

8623

| | Field Team | Division I & F-A |
|---|---|---|
| Drill Station. | | |
| 525 cubic feet at $1.00/cu.ft. | $525.00 | $525.00 |
| Miscellaneous. | | |
| Payroll taxes, etc. 14.9% of $400.00 | | $60.00 rounded |
| Payroll taxes, etc. 14.9% of $240.00 | $36.00 | " |
| 30 assays for manganese at $2.00 each | $60.00 | $60.00 |
| Compressed air. $0.50/ft. drilling | $650.00 | $650.00 |
| Total | $746.00 | $770.00 |

| Total Estimated Cost | Field Team | DMEA Division 1 & F-A |
|---|---|---|
| Independent Contract, Diamond drilling | $7,325.00 | $7,950.00 |
| Laying pipe and track, rehabilitation. Labor | 240.00 | 400.00 |
| Engineer, Checking drill holes | | 600.00 |
| Material and Supplies | 875.00 | 875.00 |
| Drill Station | 525.00 | 525.00 |
| Miscellaneous | 746.00 | 770.00 |
| Total estimated cost of project | $9,711.00 | $11,120.00 |

W S Martin
W. S. Martin, Director
Division of Iron and Ferro-Alloys

TLCHAPMAN/dlm 5-19-58
cc to: Code 400
Admr. R. File
Oper. Comm.
Mr. Johnson

Form 7
56)

OFFICIAL FILE COPY

| Date | Surname | Code |
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| 5-22 | Martin | 400 |
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May 19, 1958

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Preparation of Amendment No. 8
Docket No. DMEA 3626 - Manganese
Mrs. Jennie A. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Attached is a rough draft of a proposed Amendment No. 8 to the above-captioned contract for your use in preparing it in final form.

W. S. MARTIN

W. S. Martin, Director
Division of Iron and Ferro-Alloys

Attachment

TLCHAPMAN/dlm 5-19058
cc to: Docket

8623

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA 3626

AMENDMENT NO. 8

It is agreed this _____ day of _____, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA 3626), dated April 12, 1955, as amended, is further amended as follows:

1. In Article 3, the time for completion of the work is further extended from August 12, 1958, (Amendment No. 7), to December 12, 1958.

2. In Article 5 of the Contract, the estimated total cost of the project is further increased from $83,240.00 (Amendment No. 5), to $94,360.00, and the amount of Government participation at 75 percent is increased from $62,430.00 to $70,770.00.

3. In Exhibit "A" under the heading Description of the Work, new work is added under a new Stage IV, as follows:

The following maps are attached to this amendment:

Plate 1, Composite Map, Mystery Mine, Granite County, Montana

Plate 2, Longitudinal Section, Durango Vein, Mystery Mine, Granite County, Montana

(a) Rehabilitate the Mystery tunnel to the face of the northwest crosscut. (Plate 1).

(b) Purchase and lay 1, 100 feet of 2 inch and 1 inch pipe line to face of Mystery Adit, northwest crosscut.

(c) Purchase and lay 775 feet of track (12 pound rail) to face

of Mystery Adit, northwest crosscut.

(d) At face of above northwest crosscut, cut a drill station, 525 cu. ft.

(e) Drill four AX size diamond drill holes from face of above-noted northwest crosscut to intersect area below Murphy stopes on the Durango vein, (Plate 1), as follows:

Hole No. 1, Course N. 18° E., Dip --34°, lenghh 305 feet

Hole No. 2, Course N. 7o W., Dip --34°, length 295 feet.

Hole No. 3, Course N. 31°W., Dip --34°, length 300 feet.

Hole No. 4, Course N. 46° W., Dip --26°, length 360 feet.

All courses, dips and length are approximate.

In mineralized zones sample cores and assay for manganese and for lead, zinc and copper as necessary.

In Exhibit "A", under Fixed Unit Costs, add costs under a Stage IV as follows:

Independent Contract.

| | | |
|---|---|---|
| 1,300 feet, AX diamond drilling at $5.00/ft. | $6,500.00 | |
| 500 feet, cementing and redrilling, reaming and casing at $2.50/ft. | 1,250.00 | |
| Mobilization | 200.00 | |
| Total | | $7,950.00 |
| Engineer to check drill holes, 8 days $75.00/day. | | 600.00 |
| Purchase 1,100 feet of 2 inch and 1 inch pipe, and accessories, and 1,550 feet of 12 pound rail with accessories and 200 ties (Salvage deducted) and placing same and rehabilitating tunnel, plus taxes, etc. $400.00 at 14.9%. | | $1,335.00 |

Drill Station.

| | |
|---|---|
| Drill station 525 cubic feet at $1.00/cu.ft. | $525.00 |

Miscellaneous

| | |
|---|---|
| Assaying 30 samples for manganese at $2.00 each and for lead, zinc, copper at $1.00 each. Total not to exceed. | 60.00 |
| Compressed air at $0.50/ft. drilling (1,300 ft.) | 650.00 |
| Total estimated Cost of Stage IV | $11,120.00 |

S U M M A R Y

| | |
|---|---|
| Estimated total cost of Stage I | $48,700.00 |
| Estimated total cost of Stage II | 6,920.00 |
| Estimated total cost of Stage III | 27,620.00 |
| Estimated total cost of Stage IV | 11,120.00 |
| Estimated total cost of project | $94,360.00 |
| Government participation | $70,770.00 |

IN WITNESS WHEREOF, the parties have executed this amendment in quintuplicate as of the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Administrator, Defense Minerals
Exploration Administration

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RECEIVED MAY 20 1958

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| Remarks | 0 | |

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

Date May 19, 1958

DMEA Docket No. 3626
DMEA Contract No. Idm-E781
Commodity Manganese
Name of applicant Jennie M. Moore
Name of property Mystery Manganese Mine
Location of property Granite Co., Mont.
Estimated cost of project $9,710 - $43,700

To: W. S. Martin, DMEA

From: G. L. DeHuff, Jr., Commodity Specialist
Branch of Ferrous Metals and Ferroalloys

Subject: Review of Field Team Report on application for new work
(~~Application~~, Field Team Report, ~~etc.~~)

1. Date of subject document: 5/9/58 2. Date received by reviewer: 5/14/58

3. Prior reports on this property known to reviewer: Yes [XX] No [ ]

4. Prior reports on nearby properties known to reviewer: Yes [XX] No [ ]

5. Information available on past production: Yes [XX] No [ ]

6. Other pertinent factors known to reviewer: Yes [ ] No [ ]

7. Explain items marked yes above:

8. Factors needing special consideration:
   a. Location [ ]
   b. Ownership [ ]
   c. Evidence of mineralization
   d. Geology [ ]
   e. Proposed exploration method [XX]
   f. Alternate exploration method [XX]
   g. Costs [ ]
   h. _____ [ ]

9. Action advised:
   a. Obtain information from applicant [ ]
   b. Refer to Field Team [ ]
   c. Denial [ ]
   d. Agree with Field Team [ ]
   e. Disagree with Field Team [ ]
   f. Suggest alternate plan [ ]
   g. Request another examination [ ]
   h. Approval [ ]
   i. Consult with Mr. _____ at _____ AEC office.

10. Remarks: (Use back of page if necessary)

Are the chances for core recoveries good enough to make a drilling program reasonably conclusive? Presumably, they are. However, any diamond drilling which might be authorized should have the size of holes specified as of large diameter, at least AX.

Mrs. Moore's target area, in the favorable Hasmark under the Mystery tunnel workings or the Cole workings, appears to be just as good a target

(over)

as that of the Field Team in the Hasmark under the Murphy stopes - possibly better. The Cole stope did have some ore material in a poor host rock and the Mystery tunnel workings had good values over narrow widths. It is noted that here the vein was strongest to the east - that is, toward the area under the Cole stope. There is a further advantage to exploration in this part of the mine in that any findings can be developed more quickly and at less expense by means of a shorter X-cut.

If diamond drilling is feasible, it would seem that this area could be tested by drilling north and northeast from the Owens level X-cut face. Flat holes 500' long should probably do this unless they, too, are expected to wander too much. They should be surveyed in any event.

The Durango vein system appears worthy of exploration (if cost is not out of proportion to maximum possible returns), but the Field Team's program does not adequately test the possibilities.

It is suggested that the Field Team consider the above comments in the light of their first-hand knowledge of the property.

G L Dedrick Jr

IN REPLY REFER TO:

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

Memorandum

May 15, 1958

To: W. S. Martin, Defense Minerals Exploration Administration

From: W. P. Williams, U. S. Geological Survey

Subject: Review of application for additional work, DMEA 3626 (Manganese), Jennie M. Moore, Mystery Manganese Mine, Granite County, Montana, Contract Idm-E781.

The Operator under the subject contract requests additional work with which to explore downward projection of the "Durango" vein which is about 400 feet north of the "True" vein. DMEA work on the True vein is nearing completion.

The examiners describe five alternative methods by which the target area might be explored. The examining geologist presents convincing evidence that the cheapest method - that of drilling down-holes into the Durango vein - is the best.

The Operator wished to transfer 100 feet of existing contract drifting to the new proposed work site. The examiners do not state whether or not the drilling project in lieu of drifting would be acceptable to the Operator.

I agree with the findings and recommendations of the examiners and Field Team.

W. P. Williams

W. P. Williams

ORIGINAL FILE COPY
DMEA
RECEIVED MAY 16 1958
5/16 C 220
WSM 400

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 12 1958

| DATE | | |
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May 9, 1958

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are three copies each of memorandum reports on the referenced application by W. C. Prinz, Geologist, U. S. Geological Survey, and S. W. Zoldok, Mining Engineer, U. S. Bureau of Mines. Prinz presents an appraisal of the proposed targets as well as a discussion of the applicant's proposed method of exploration. He discusses three alternate methods of exploring the most favorable target area and recommends that one of the alternate methods be approved. Zoldok presents an estimate of costs for the program recommended by Prinz.

In recommending drilling the shorter down holes from the Mystery Tunnel rather than the longer flat holes from the Owens 200 level, we wish to emphasize that the longer holes may cause trouble. They will not only have a bad angle of intersection with the "Durango" vein, they almost certainly will tend to wander, necessitating frequent surveying and wedging, and might not succeed in cutting the vein at all, much less at the desired locations. We therefore concur with the program recommended by Prinz and the costs estimated by Zoldok.

By Field Team, Region I

A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Thomas E. Howard
for Wing G. Agnew, Member
U. S. Bureau of Mines

5-12-58
Copies to:
USM
DB

Enclosures

cc: USBM (2)
USBM (AD)
USGS (SRO)
Prinz

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1201 N. Division St.
Spokane 2, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 12 1958
DATE | INITIALS | CODE

May 8, 1958

MEMORANDUM

To: DMEA Field Team, Region I

From: S. W. Zoldok, Mining Engineer, U. S. Bureau of Mines

Subject: Cost analysis, Docket No. DMEA-3626 (manganese), Jennie M. Moore, Mystery Manganese Mine, Granite County, Montana, Contract No. Idm-E781

In her February 1958 narrative report and in her letter of April 16, 1958 the Operator requests additional exploration work at the Mystery Manganese mine. The new work is to test the downward projection of the Durango vein in the favorable Hasmark formation. The vein has produced some ore in the Upper Red Lion formation.

Should the Government decide to participate in the exploration the following costs are recommended for consideration. The diamond drilling costs were obtained in an informal bid by phone from Boyles Bros. Drilling Co. on May 7, 1958.

It is estimated that it would require 1,100 feet of pipe to reach the face of the Mystery tunnel from the present compressor house and 1,550 feet of rail in the Mystery tunnel. The adit needs minor cleaning up.

Estimated Cost of Project

(1) Independent contracts

| | | |
|---|---|---|
| 1300 feet AX size diamond drilling @ $5.00/ft. | $6,500.00 | |
| 250 feet cementing @ 2.50/ft. | 625.00 | 625.00 |
| Mobilization | 200.00 | |
| | | 7,950.00 |

(2) Labor and supervision (laying pipe and track)

| | | |
|---|---|---|
| 2 men - ~~6~~ 10 days @ $20/day | 240.00 | 400.00 |
| Engineer checking DD Holes 8 days @ $25.00 | | 600.00 |

(3) Materials and supplies

| | |
|---|---|
| 1100 feet 2-in. air line @ $0.454/ft. (50% salvage) | 250.00 |
| 1100 feet 1-in. water line @ 0.216/ft. " " | 118.80 |
| Miscellaneous fittings - 10% of $368 | 36.80 |
| 1550 feet 12# rail @ $12/100# " " | 372.24 |
| Rail accessories - 10% of $372.24 | 37.22 |
| Ties - 200 @ $0.30/ea. | 60.00 |
| | 875.06 |

(7) Miscellaneous

| | | |
|---|---|---|
| Payroll taxes - 14.9% of ~~$240~~ 400.00 | 35.76 | 60.00 |
| 30 assays for Mn @ $2.00/ea. | 60.00 | |
| Drill station - 525 cu. ft. @ $1.00/cu. ft. | 525.00 | |
| Compressed air - $0.50/ft. of drilling | 650.00 | |
| Total | $9,710.82 | 1295.00 |

## Summary of Estimated Costs of Project

### Agreed Unit Costs

| | | |
|---|---|---|
| Lay 1-inch and 2-inch pipe from present compressor house to face of Mystery tunnel; lay rail from portal to face of Mystery tunnel | Job | $1,150.82 |
| 1 underground drill station, 525 cu. ft. @ $1.00/cu.ft. | | 525.00 |
| 1300 feet AX size diamond drilling | @ 5.00/ft. | 6,500.00 |
| 250 feet of cementing & re-drill | @ 2.50/ft. | 625.00 |
| 250 " of reaming & casing | 2.50 | 625.00 |
| Drill mobilization | | 200.00 |
| Compressed air - $0.50/ft. of drilling | | 650.00 |
| 30 assays for Mn @ $2.00/ea. | | 60.00 |
| Total cost | | $9,710.82 |
| Government participation @ 75% | | $7,283.12 |

Distribution:
DMEA (3)
USGS (2)
Docket
Bowsher

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 12 1958

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UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
So. 157 Howard Street
Spokane 4, Washington

May 6, 1958

MEMORANDUM

To: DMEA Field Team, Region I

From: William C. Prinz, Geologist, U. S. Geological Survey

Subject: Application for Additional Work, Docket No. DMEA-3626 (Manganese), Jennie M. Moore, Mystery Manganese Mine, Granite County, Montana, Contract No. Idm-E781

INTRODUCTION

Current DMEA work on the "True" vein on the 200 level of the Owens shaft is nearing completion and the Operator in her February Narrative Report (received in Spokane March 24, 1958) has applied for additional work to explore the "Durango" vein which is about 400 feet north of the "True" vein. She wishes to crosscut 400 feet northerly from the present face of the Owens 200 level north crosscut to intersect the "Durango" vein and suggests that 100 feet of this work could be transferred from the "Horton" vein drift west. The Operator has not proposed any drifting along the "Durango" vein and does not mention any long-hole drilling of the walls. I had hoped to be able to discuss Mrs. Moore's proposal with her in Philipsburg, Montana, the first week in April, but she was ill and not in town.

The Mystery property has been discussed in numerous DMEA memoranda; the most important insofar as the present request is concerned are:

Quinlan, J. J., Field Examination Report, Docket No. DMEA-3186 (Manganese), Mrs. Jennie M. Moore, Mystery property, Granite County, Montana, November 25, 1953.

Vhay, J. S., Appraisal of revised application, Docket No. DMEA-3626 (Manganese), Mrs. Jennie M. Moore, Mystery property, Granite County, Montana, February 9, 1955.

Alvord, D. C., Analysis of application for more work, Docket No. DMEA-3626 (Manganese), Jennie M. Moore, Mystery Manganese Mine, Granite County, Montana, Contract Idm-E781, July 24, 1957.

Quinlan's report recommended denial of Mrs. Moore's second application for DMEA assistance; her first (Docket No. DMEA-2179) had been withdrawn because of her failure to provide requested technical data. Since the program proposed in this second application covered three target areas, the "Durango," "True," and "Horton," veins, Quinlan evaluates all three. Vhay's report recommended approval of Mrs. Moore's third application in which she limited exploration work to the "Horton" vein, the one considered best by Quinlan. The work recommended, however, differed substantially from that proposed by Mrs. Moore. Contract No. Idm-E781, executed April 12, 1955, provided for exploration of the "Horton" vein on the Owens 200 level. This work resulted in the discovery of a manganese oxide ore body which through March 20, 1958, had produced 3,556 long dry tons averaging 32.7 percent manganese. This ore had a gross value of $201,801.28 and royalty paid DMEA through that date totals $10,090.04. Alvord's report recommended approval of a later request for additional funds to explore the "True" vein from the Owens 200 level and for an additional 100 feet of westerly drifting on the "Horton" vein. This request for work on the "True" vein had been submitted previously but had not received favorable consideration because of the then lack of encouraging results of work on the "Horton" vein. However, after discovery of the good ore body on the "Horton" vein, limited exploration of the "True" vein appeared justified as recommended by Alvord, and Amendment No. 5, executed August 27, 1957, provided for this additional work. At my last interim inspection of the property on March 31, 1958 (Report dated April 9, 1958), 233 of the allotted 300 feet of drifting on the "True" vein had been completed with very discouraging results.

Inasmuch as the above-mentioned reports adequately describe the Mystery property, this report will be limited to a description of the proposed target area, the "Durango" vein; to an evaluation of possible methods of exploring this target; and to a brief discussion of the remaining 100 feet of westerly drifting on the "Horton" vein.

## DESCRIPTION OF TARGET AREA

The Operator's proposed additional work is designed to explore the "Durango" vein which lies near the northern edge of the Mystery property and which may be, but probably is not, continuous with the productive Durango vein found on The Taylor-Knapp Company property (Docket No. DMA-42) to the east. To date, the "Durango" vein on the Mystery property has been explored discontinuously over a horizontal distance of about 800 feet and a vertical distance of

320 feet by workings from the Mystery Tunnel, Cole Adit, Murphy Stopes, and several small surface pits (pls. 1 and 2). The vein strikes east-west and dips steeply to the south.

The largest production from the "Durango" vein on the Mystery property has come from the near-surface Murphy Stopes. It is estimated that these stopes yielded about 2,500 tons of ore from a replacement deposit in the limestone near the base of the Upper Red Lion formation and from the vein in the immediate vicinity. Alvord has estimated that the grade of this ore was at least 20 percent manganese. Assay data from these old stopes (table I) indicate a lower grade, but it must be noted that these samples were cut from the margins of the stopes after the ore-grade material had been removed.

TABLE I

DURANGO VEIN ASSAYS
(Furnished by Operator--see pls. 1 and 2 for sample locations)

| Sample No. | Width (ft.) | % Mn |
|---|---|---|
| **Mystery Tunnel:** | | |
| 53- 6 | 1.2 | 34.45 |
| 53- 7 | 0.8 | 18.30 |
| 53- 8 | 1.8 | 27.95 |
| 53- 9 | 1.7 | 41.70 |
| 53-10 | 1.4 | 33.10 |
| **Cole Adit:** | | |
| 53-11 | 1.9 | 8.55 |
| 53-12 | 2.1 | 11.20 |
| 53-13 | 0.7 | 10.20 |
| 53-14 | 1.5 | 22.70 |
| 53-15 | 3.4 | 15.20 |
| 53-16 | 2.0 | 24.15 |
| 53-17 | 2.7 | 11.65 |
| 53-18 | 2.4 | 17.05 |
| 53-19 | 1.4 | 11.15 |
| **Miscellaneous Surface Pits:** | | |
| 53-20 | 2.4 | 11.75 |
| 53-21 | 0.7 | 11.55 |
| 53-22 | 2.3 | 21.35 |
| **Murphy Stopes:** | | |
| 53-23 | 3.4 | 14.85 |
| 53-24 | 1.7 | 19.40 |
| 53-25 | 4.7 | 25.85 |
| 53-26a | 6.8 | 25.85 |
| 53-26b | 4.0 | 17.90 |
| 53-27 | 4.2 | 12.80 |
| 53-28 | 2.3 | 8.80 |
| 53-29 | 2.0 | 11.60 |
| 53-30 | 1.7 | 11.40 |
| 53-31 | 2.6 | 20.75 |
| 53-32 | 1.9 | 11.20 |
| 53-33a | 2.6 | 23.25 |

TABLE I (cont'd.)

| Sample No. | Width (ft.) | % Mn |
|---|---|---|
| **Murphy Stopes: (cont'd)** | | |
| 53-33b | 5.0 | 7.20 |
| 53-34 | 3.3 | 22.35 |
| 53-35a | 4.6 | 19.75 |
| 53-35b | 5.2 | 8.75 |
| 53-36 | 9.6 | 18.40 |
| 53-37a | 11.4 | 10.25 |
| 53-37b | 8.5 | 4.20 |
| 53-37c | 15.0 | 9.45 |
| 53-37d | 4.4 | 13.00 |
| 53-38 | 20.4 | 10.20 |
| 53-39a | 11.7 | 11.60 |
| 53-39b | 4.0 | 9.40 |
| 53-40a | 2.7 | 8.60 |
| 53-40b | 18.6 | 7.60 |
| 53-40c | 3.4 | 6.80 |

The Cole Adit, driven 200 feet along the vein in the lower part of the Red Lion formation, contains a small stope which has yielded, at the most, about 200 tons of ore. Assays from the vein in this adit (table I) average 14.6 percent manganese over an average width of 2 feet. These unimpressive results are to be expected here because the lower part of the Red Lion formation is a poor host rock throughout the whole Philipsburg district.

The Mystery Tunnel cuts the "Durango" vein in the Hasmark formation, one of the most favorable host rocks in the district. Here the vein has been exposed by about 100 feet of drifting and, to the east where it is strongest, yields an average assay of 31.0 percent manganese, but over an average width of only 1.4 feet (table I). To the west, the vein is represented only by a sharp fracture which is almost impossible to follow. Quinlan noted, as did I, that the "Durango" vein here is very tight and that there is no evidence of large replacement bodies.

In summary, the target vein (the "Durango" vein) has already been explored over a wide enough area to indicate its probable continuity away from and below existing workings. However, except in the Murphy Stopes, the vein is too narrow to be commercial and, except in the Mystery Tunnel, its grade is not very good. These arguments are not as negative as might appear at first because the "Horton" vein, along which the ore body on the Owens 200 level was found, is very weak in many places. The length of the "Durango" vein in the Hasmark under the Murphy Stopes does present an attractive exploration target on the Owens 200 level.

## DISCUSSION OF POSSIBLE EXPLORATION METHODS

Four of the more reasonable ways of exploring the "Durango" vein are as follows: (1) crosscut northerly to the vein from the workings in the northern part of the Owens 200 level and drift along the vein, (2) rehabilitate the Mystery Tunnel and drift east and west along the vein from the existing workings, (3) diamond drill several flat holes northerly from the north workings on the Owens 200 level, or (4) diamond drill several down holes from the Mystery Tunnel. A combination of the above means could also be used.

The Operator proposes to crosscut 400 feet northeasterly from the present face of the Owens 200 level crosscut north to intersect the "Durango" vein. This bearing is based on her mistaken belief that Taylor-Knapp is mining from the Durango vein up to her property line. According to my projection, the vein should be 405 feet due north (which would necessitate a much shorter crosscut than one northeasterly), and to this should be added an extra 20 feet to

allow for a possible steepening of the dip of the vein, giving a total of 425 feet of crosscutting. Mrs. Moore does not mention drifting on the "Durango" vein after it has been intersected, but some work of this sort should be done. Choosing a target to drift toward presents somewhat of a problem. Our present knowledge regarding the control of the Philipsburg manganese ore bodies suggests that they tend to have an essentially vertical pitch, but pinch in unfavorable and swell or bed out in favorable beds. (See Docket No. DMA-42, The Taylor-Knapp Company.) If this idea is correct, then the most attractive target area would be along the vein, vertically below the main Murphy Stopes (pl. 2). The crosscut, if continued on its present course, would intersect the "Durango" vein 165 feet below the Mystery Tunnel at about Coordinates 1940 E. and 4250 N. A drift west along the vein on this level would be in the favorable Hasmark formation for a considerable distance, at least to a point below the west end of the stopes. However, the amount of drifting would be large as it would necessitate 550 feet of westerly drifting to get beyond the downward projection of the western end of the stopes. The target to the east of the crosscut, as proposed by Mrs. Moore, would not be as attractive; 200 feet of easterly drifting would be required to reach a point below the small stope in the Cole Adit. Although this stope was small, it is in an unfavorable horizon and the possibility of ore below in the more favorable Hasmark formation cannot be dismissed. We can find no evidence to support the applicant's belief that The Taylor-Knapp Company has ore up to the Mystery property line.

If the crosscut were driven N. 15° W. from the west end of the "True" vein drift west, considerable footage could be saved in the exploration of the target below the Murphy Stopes. This alternate crosscut would have to be about 450 feet long, or 25 feet more than if the present crosscut were continued northerly. However, the amount of drifting footage required to explore the area below the Murphy Stopes would be reduced to 325 feet. With a crosscut on this course, exploration of the area to the east below the Cole Adit would not be practical.

Assuming a continuation of the present contract drifting unit cost, $38 per foot, the 450-foot alternate crosscut north from the face of the "True" vein drift west would cost $17,100 and 325 feet of westerly drifting necessary to get below the Murphy Stopes would cost $12,350. These figures do not include allowances for long-hole drilling, assaying, or technical services. Thus, although the program proposed by the Operator would cost only a little more than $16,000, a program to explore this target area adequately would probably cost closer to $32,000.

Drifting on the "Durango" vein from the Mystery Tunnel is another way of exploring the target area, but this method presents several problems. A drift westerly on the vein would leave the favorable Hasmark formation about 240 feet west of the main Mystery Adit. At this point, the drift would be under the easternmost but poorer Murphy Stopes and would be about 240 feet short of the downward projection of the western edge of the larger Murphy Stopes (pl. 2). Continuation of the drift into the lower Red Lion formation west of the Hasmark contact in order to get under these stopes would not be advisable because of the almost complete lack of manganese ore at this horizon elsewhere in the district. About 120 feet of drifting in an easterly direction would pass beneath the small stope in the Cole Adit and would be in the Hasmark formation, and 250 feet of easterly drifting would completely explore the area beneath this adit. However, the Mystery Tunnel needs rehabilitation before work could be done through it. It is small, 6- by 4-foot average cross section, and one large and several smaller caves are present. Track, and water and air lines are also lacking. In 1953, in her second application (Docket No. DMEA-3186), the Operator's engineer estimated that it would cost over $6,000 to rehabilitate this adit and under today's economic conditions, it would probably cost approximately $9,000. It has been shown that the Owens 200 level crosscut north to intersect the "Durango" vein would probably cost a little over $17,000; necessary rehabilitation before starting to work along the same vein in the Mystery Tunnel would therefore cost about half this figure. However, the Mystery Tunnel is 165 feet above the Owens 200 level, at a level where the most attractive target area is in the unfavorable lower Red Lion formation. Therefore, I feel that the increased cost necessary to drive the crosscut on the Owens 200 level would be justified by the additional 165 feet of back gained and by the fact that it would intersect the most attractive target in a favorable horizon. Furthermore, the portal of the Mystery Tunnel is below the level of the surrounding dump, thereby creating a dumping problem if exploration work is carried on from here.

Diamond drilling flat holes northerly from the workings in the northern part of the Owens 200 level could be used to test the "Durango" vein at nearly the same level as the proposed crosscut north. Four holes could be drilled into the principal target area below the Murphy Stopes, but these holes would have to be 500 to 600 feet long and would thus cost at $6 per foot, $3,000 to $3,600 each for a total cost between $12,000 and $14,400.

Diamond drilling from the Mystery Tunnel is another possibility. Four down holes from near the face of the branch crosscut northwest (pl. 1) could be used to test the "Durango" vein at the Owens 200 level below the Murphy Stopes. About 1,260 feet of diamond drilling as shown on plate 1 would test the vein at intervals of 90 to 95 feet (pl. 2). Some rehabilitation of the Mystery Tunnel would be necessary before drilling could be done from this area and the total estimated cost of the project would be $9,710.82. A comparison of the various possibilities is summarized in the following table:

| Method | Approximate cost | Remarks |
|---|---|---|
| Mrs. Moore's proposed 400-foot crosscut plus 750 ft. of drift | $43,700 | Target areas good, dead work excessive. |
| Crosscut 450 ft. NW from west end of NW Owens 200 level workings & drift 325 ft. westerly. | $32,000 | Target area good, dead work minimum. |
| Rehabilitate Mystery Tunnel & drift easterly & westerly. | $14,000 | Altitude of tunnel too high to test ground under Murphy Stopes in favorable formation, target area to east only fair. |
| Drill flat holes northwesterly from Owens 200 level. | $12,000-$14,400 | Target area good, holes are long, angle of intersection is poor. |
| Drill down holes from NW crosscut, Mystery Tunnel. | $ 9,710.82 | Target area good, holes are short, angle of intersection is good. |

Based on this comparative analysis, drilling from the Mystery Tunnel is the best approach to exploring the "Durango" vein.

## "HORTON" VEIN DRIFT WEST

Regarding the "Horton" vein near the breast of the Owens 200 level drift west, the Operator states in her February Narrative Report: "It appears the vein structure to be followed there dips very sharply down and would soon be below the drift level and that we are going into the Red Lion formation from which we could not expect to find an ore body of any consequence." I do not understand her statement that the structure dips very sharply down and would soon be below the drift;

I would expect it to continue further to the west. Her statement that they are going into the Red Lion formation also is incorrect. From the available maps (pl. 1), it appears that the top of the Hasmark formation would be a considerable distance west of the present face of the Owens 200 level Horton drift west.

In recommending this 100 feet of westerly drifting, Alvord stated: "No one can be sure, however, that the conditions conducive to the formation of the Moore replacement ore body do not persist or repeat themselves along the next 100 feet or so of the vein west of the face. About 100 feet of drift west from the present face to test this possibility and make sure that good ore has not been missed would seem prudent." I believe that Alvord's arguments are still valid and that there is no justification for transferring the footage elsewhere.

## CONCLUSIONS AND RECOMMENDATIONS

Arguments can be advanced to support or reject further exploration on the "Durango" vein. In view of the significant discovery on the "Horton" vein, I feel that further exploration of the "Durango" vein is warranted and that this work should be directed toward testing the vein in the Hasmark formation below the Murphy Stopes. However, because of the discouraging results of recent work on the "True" vein, this recommendation cannot be as strong as it would have been had the "True" vein work revealed something significant. It should be noted, however, that although the results to date are unfavorable, the exploration of the "True" vein has not been completed.

Of the possible ways of exploring the "Durango" vein, I cannot recommend drifting from the Mystery Tunnel because (1) at this level, the most favorable target zone is in an unfavorable host rock, and (2) rehabilitation and dumping problems preclude work from this adit without a substantial initial expenditure. Diamond drilling the target area from the Owens 200 level also cannot be recommended because the same target area can be drilled more cheaply from the Mystery Tunnel.

Two methods of exploring the target area remain: (1) diamond drilling from the Mystery Tunnel, and (2) crosscutting and drifting on the Owens 200 level. The crosscutting and drifting program will yield the most information but the drilling program will be much less expensive. Because of the current manganese situation with the Government low-grade stockpile program completed, and because of the recent discouraging results of the "True" vein

work, I lean toward the less expensive drilling program. The expensive drifting program does not appear warranted unless the potential of the target area is more firmly established. I therefore recommend that a drilling program as outlined on plate 1 be approved and the contract so amended.

Furthermore, I can see no justification for removing the 100 feet of westerly drifting on the "Horton" vein on the Owens 200 level. Therefore, I recommend that this work be left in the contract and that the Operator be urged to complete it.

Attachments

Distribution:
DMEA (3)
USBM (2)
USGS (SRO)
Docket
Prinz

So. 157 Howard Street
Spokane 4, Washington

April 25, 1958

DMEA
RECEIVED APR 28 1958

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| | | |

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

This will acknowledge your letter of April 16, 1958, in which you ask about your proposal for additional work to explore the Durango vein.

Mr. Prinz will be in Philipsburg the first part of next week and will be glad to discuss your proposal with you during his visit.

Sincerely yours,

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

cc: DMEA (2) w/2 copies of incoming
USBM (2) " " " "
USBM (AD) w/copy " "
Prinz

RECEIVED 28 1958

Philipsburg, Montana,
April 16- 1958.

Mr. A.E. Weissenborn
Executive Officer
U.S. Geological Survey

So. 157 Howard Street
Spokane, Wash.

Dear Sir:-

I am writing to learn what progress if any, has been made on my application for an extension of my contract to crosscut northeast to the Durango vein.

Sorry I missed seeing Mr. Prince when he was here . I was delayed in returning to Philipsburg and did not arrive until April 7th.

The drifting east on the True vein is just about finished and I would like to continue without delay the work on the crosscut of the Durango vein.

Thanking you for an early reply, I am
Very truly,

Mrs. Jennie M. Moore

RECEIVED
APR 1 1958
U.S.G.S.
SPOKANE WASH.

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

April 16, 1958

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RECEIVED APR 21 1958
DATE
4/21 C 326
WSM 400

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E871 781

Dear Mr. Selfridge:

Reference is made to our letter of March 27, 1958, to Mrs. Jennie Moore regarding her request for additional work. Copies of this letter were mailed to you. Enclosed are two copies of Mrs. Moore's narrative dated March 18, 1958 for the month of February wherein she asks for the additional work.

The proposed work is north of the area currently being explored thereby making it necessary to compile additional maps. The report evaluating the proposal is in preparation and will be submitted within the next week.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
USBM (AD)
Prinz

Twentynine Palms, California
March 18- 1958.

MAR 2 1958
RECEIVED
BUREAU OF MINES
MAR 2 1958
SPOKANE, WASH.

Mr. A.E. Weissenborn
Executive Officer
U.S. Gwological Survey
157 So.Howard street
Spokane, Wash.

March 18, 1958

Dear Sir:-

I am herewith enclosing my report of work progress for the month of February.

Drifting to the west on the True vein was discontinued at 133 feet from the crosscut, At this point the vein structure as well as the manganese indications were diminishing. 80 feet of long holes were drilled without favorable discovery. I will send a complete map of all work in this area as soon as the east drift is completed.

Work then was commenced on the east drift on the True vein and at the time of measurement of 15' advance the vein had increased in width to 18" and the manganese coloring looked promising. This work will be continued for the 167 feet remaining for drifting.

It will not be possible to pursue the 100' extension of the west drift on the Horton vein as long as we have ore to mine from the winze. It appears the vein structure to be followed there dips very sharply down and would soon be below the drift level and that we are going into the Red Lion formation from which we could not expect to find an ore body of any consequence. I beli eve this condition applies to the west extensions of both the True and Horton veins at the present 200' level.

The east drift on the True vein will be completed within two months. I would like to make an application now for an extension of the crosscut north to the Durango vein- to be granted now so that I can continue the work immediately upon the completion of the east drift on the True vein. This extension should be in a northeasterly direction so as to cut the Durango vein at the nearest point from the face of the crosscut on the True vein. This I believe, would be approximately 400 feet, It is agreeable to me if you care to transfer the unused 100' scheduled for the west extension of the Horton drift. Time required- 8 months from date of extension.

It would be to the best advantage to continue this work without interruption as I now have a good crew of sober, experienced miners which I would lose if the work is suspended for any lenght of time. I think the exploration work on the 200' level would not be complete without cutting the Durango vein.

Thanking you for your kind consideration,

I am

Very truly,

Mrs. Jennie M. Moore

DNER

So. 157 Howard Street
Spokane 4, Washington

March 27, 1958

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-5781

Dear Mrs. Moore:

The request in your February narrative report (March 18, 1958) for additional work to extend the crosscut north to the Durango vein after completion of the east drift on the True vein is noted. William C. Prinz will be in Montana next week and will call on you to discuss your proposal.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
USBM (AD)
Prinz

DMEA

So. 157 Howard Street
Spokane 4, Washington

March 24, 1958

3/31 C
WSM
.22
466

Mrs. Dorothy Long, Certifying Officer
DMEA Field Team, Region I
1201 North Division Street
Spokane 2, Washington

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Long:

Attached is the following check together with administrative difference statement and supplementary acceptance sheet on manganese ore shipped from the Mystery Manganese mine:

| Check No. | Date | Amount | GSA Certif. No. |
|---|---|---|---|
| 12,510,034 | 3/17/58 | $139.09 | 10-561 (Lot 70) |

Sincerely yours,

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

Attachments as indicated
cc: Operator
DMEA w/encls.
CPF

ATTACHMENTS REC'D 3-24-58 (DATE)
BY D. L.
ROYALTY PMTS TO DATE $938.36

GENERAL SERVICES ADMINISTRATION
OFFICE OF THE COMPTROLLER

# ADMINISTRATIVE DIFFERENCE STATEMENT

Denver Federal Center
Bldg 41
Denver, Colorado

March 13, 1958

In reply refer to: 8-58-1063

MESTEMY MINES
c/o MRS. JENNIE MOORE, GENERAL DELIVERY
TWENTY NINE PALMS, CALIFORNIA

| | |
|---|---|
| Payee's Acct. No: | Cert. #10-561 Ld #70 |
| Period of Voucher: | |
| Object of Expenditure: | |
| Amount Claimed: | 2781.86 |
| Suspended: | 139.09 |
| Approved for Payment: | 2642.77 |

Your account identified above has been examined and approved in the amount shown.

Administrative suspension or disallowance was occasioned as follows:

5% DMEA royalty on $2781.86.....$139.09

MAIL WITH CHECK

COPY
DMEA
RECEIVED 31
DATE INITIALS CODE

GSA WASH DC 57-7682

GSA FORM 533
MARCH 1957

Producer sign and send to
DOMESTIC MANGANESE & DEV CO

Acceptance Invoice #691

R8-500
(2-57)

GENERAL S[illegible]CES [illegible]
MANGANESE PURCHASE [illegible]
BUTTE, MONTANA

RECEIVED
MAR 7 1958

DATE March 5, 1958

AUTHORIZATION NUMBER
10 - 361

SUPPLEMENTARY ACCEPTANCE

To apply to lots received at a rate of more than 200 [illegible] within a 30 day period.

LOT NO. (#) 70

[illegible] MYSTERY MINES
c/o Mrs. Jennie Moore, General Delivery
Twenty-nine Palms, California

NP-70721

RECOVERABILITY OF THE CONTAINED MANGANESE AND CHARACTERISTICS ON A DRY BASIS OF THE MATERIAL DELIVERED [illegible] NCE WITH THE ACCEPTANCES LISTED ABOVE, BY BENEFICIATION.

RECOVERABILITY OF MANGANESE [illegible]

| CHARACTERISTICS | | |
|---|---|---|
| [redacted] | Wet basis | 126,620 lbs. |
| [redacted] | Less Moisture 13.[illegible] | 19,289 |
| [redacted] | Dry basis | 101,331 |
| [redacted] | LOT | 45.2371 |

COPPER PLUS LEAD PLUS ZINC (Cu + Pb + Zn)

EVALUATION AND SETTLEMENT DATA

BASE PRICE - PER L.D.T. UNIT

| | | | DOLLARS | | DOLLARS |
|---|---|---|---|---|---|
| PREMIUMS | | | | | |
| Mn | | x | .005 | = | |
| Fe | | x | .005 | = | |
| | | | | | DOLLARS |
| | | | NET INCREASE | | |
| | | | DOLLARS | | DOLLARS |
| PENALTIES | | | | | |
| Mn | | x | .01 | = | |
| Mn | | x | .015 | = | |
| Fe | | x | .01 | = | |
| Fe | | | .0075 | = | |
| $SiO_2 + Al_2O_3$ | | x | .01 | = | |
| | | x | .0033 | = | |
| | | | NET DECREASE | | |
| | | | | | PLUS |
| | | | NET AMOUNT OF ADJUSTMENT | | |
| | | | | | |
| | | | ADJUSTED BASE PRICE - PER L.D.T. UNIT | | |

RECEIVED
MAR 31 1958
D.M.E.A.

52,0625 LBT

| | | | | | |
|---|---|---|---|---|---|
| [illegible] ORE | % Mn IN CRUDE ORE | % Mn RECOVERABLE | L.D.T. UNITS OF Mn RECOVERABLE | | |
| [illegible] | 35.6 | 98.67 | 1521.3834 | | |
| | L.D.T. UNITS OF Mn RECOVERABLE | | ACCEPTED BASE PRICE - DOLLARS | | DOLLARS |
| | 1521.3834 | x | 2.3221 | = | 3532.80 |
| | | | L.D.T. CRUDE ORE | DOLLARS | |
| DEDUCTION FOR COST OF BENEFICIATION | | | 45.2371 | x 16.60 = | 750.54 |
| TOTAL AMOUNT OF PAYMENT | | | | | 2782.26 |
| TOTAL OF SCHEDULE PAYMENTS MADE | | | | | |
| NET AMOUNT OF PAYMENT | | | | DUE PRODUCER | 2782.26 |
| | | | | DUE GOVERNMENT | |

(Signature) (Title)
(Name)

GENERAL SERVICES ADMINISTRATION — Purchasing Agent
(Signature) (Title)
(Name) ARTHUR ATKINS

(FOR USE OF PRODUCER ONLY)

## INVOICE

GENERAL SERVICES ADMINISTRATION - REGION 8
BLDG. 41 DENVER FEDERAL CENTER, DENVER 2, COLORADO
MANGANESE ORE delivered as indicated above $ 2782.26

I certify that the above bill is correct and just, and that payment therefor has not been received. The producer warrants that said ore was mined in the United States, its Territories or Possessions.

Producer MYSTERY MINES Date [illegible]

By [illegible] Title [illegible] [illegible]

[illegible] LOT #70 [illegible] 2782.26 ÷ 45.2371 = $61.50 per ton

Average unit cost and average percent recovery are based on [illegible] of Mystery Mines received thru Jan. 6, 1958 on which supplemental payments have been made, but for 6 tons, total tonnage 274.1090 LBT. These lots met specifications in all respects. This settlement is made out in accordance with Bradocchi's March 5, 1956 letter.

[illegible]

RECEIVED MAR 31 1958 D.M.E.A.

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

February 14, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 17 1958
DATE CODE
2/18 C 220
WSM 400

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are the Government and Audit copies of Amendment No. 7 to the contract. Other copies of the amendment have already been distributed.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
USBM (AD)
Prinz

DMEA
FEB 12 1958

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|---|---|---|
| 2/12 | C | 220 |
| 2/12 | | 800 |
| | WSAY | 400 |

So. 157 Howard Street
Spokane 4, Washington

February 7, 1958

Mrs. Jennie M. Moore
General Delivery
Twentynine Palms, California

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

As requested in your letter of January 12, 1958, our Washington office has prepared Amendment No. 7, the original and four copies of which are enclosed.

If this amendment meets with your approval, please sign all copies, retain the one marked Operator's copy, and return the rest to this office. If the amendment does not meet with your approval, please return all copies, unsigned, with your comments.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USBM (2)
USBM (AD)
Prinz

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 1-29 | Chapman | 400 |
| 1-29 | Martin | 400 |
| " | Chambers | 800 |
| 1/31 | [illegible] | 130 |
| " | Johnson | 110 |
| " | Whitten | 100 |
| 1/31 | C [illegible] | 228 |
| | | 400 |
| | | |

Bishop

JAN 31 1958

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

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie E. Moore
Mystery Manganese mine
Granite County, Montana
Contract No. Idm-1781

Dear Mr. Weissenborn:

Enclosed are the original and four copies of a proposed Amendment No. 7 to the above-referenced contract, signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team.

If the terms and conditions of the proposed amendment are satisfactory to you and the operator, all five copies should be signed by the operator and the usual distribution made.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GB)

Enclosures

APPROVED:

O. M. Bishop (GB)
Member, Bureau of Mines

Thor H. Kiilsgaard (GB)
Member, Geological Survey

TLCHAPMAN:/dlm 1-29-58

cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. I

Messrs. Gilbert DeHuff, Jr. USBM
T. H. Kiilsgaard, USGS

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 1-23 | Chapman | 400 |
| 1-23 | Martin | 400 |
| | | 140 |
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January 23, 1958

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Preparation of Amendment
Docket No. DMEA - 3626 Manganese
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

INTERIOR DEPT.
JAN 23 1958
SOLICITOR

Attached is a rough draft of Amendment No. 7 to the above-captioned contract for your use in preparing it in final form.

W. S. MARTIN

W. S. Martin, Director
Division of Iron and Ferro-Alloys

Attachment

TLCHAPMAN/dlm
cc to: Code 400

8623

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA - 3626

AMENDMENT NO. 7

It is agreed this _____ day of _____, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA-3626) dated April 12, 1955, as amended, is further amended as follows:

The time for completion of the work, as specified in Amendment No. 5, is extended from February 12, 1958, to August 12, 1958.

The maximum period for royalty payments and liens to secure the payments is further extended (Amendment No. 5) from 12 years to 13 years.

This amendment shall not be construed to increase the total estimated cost of the project, the aggregate amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

MRS. JENNIE M. MOORE

By _____

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 20 1958

| DATE | INITIALS | CODE |
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| 1/20 | C | 220 |
| 1/20 | [illegible] | 800 |
| | WEM | 400 |

So. 157 Howard Street
Spokane 4, Washington

January 19, 1958

Mrs. Jennie M. Moore
General Delivery
Twentynine Palms, California

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

This is in reply to your letter of January 12, 1958 in which you request a six month extension of the completion date of your contract and ask for the forms on which to submit your December report.

We have already asked Washington to extend the completion date from February 12, 1958 to August 12, 1958 and as soon as we hear from them will advise you.

The MF 104 and 104-A forms were mailed to you on January 14, 1958. However, because you stated in your letter of November 14, 1957 that you would be returning about the first of the year, they were sent to Philipsburg. We were not sure that they would be forwarded from Twentynine Palms in case you had left. We assume that your foreman will forward them to you.

Please advise us if we should continue sending forms to Twentynine Palms.

Sincerely yours,

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

cc: DMEA (2) w/2 copies of incoming
USBM (2)
USBM (AD)
Prinz

Twentynine Palms, Calif.
General Delivery.
January 1[illegible] 1958.

A.E. Weissenborn
Executive Officer U.S.
Geological Survey

So. 157 Howard Street
Spokane, Wash.

Exploration Contract
Docket No. DMEA 3626

Dear Sir:-

I am hereby asking for a six month extension of time- from February 12 to August 12- 1958- for the completion of the work as outlined in the last extension of my exploration contract.

The work is progressing as fast as possible and the True vein has now been cut and has a good showing of lead, zinc, copper and silver with indication of manganese formation.

Having heard nothing as yet from my November report on this work, I am unable to make the report for December until my copy of the November report, together with the necessary blank forms are received.

Will you kindly take care of this matter in the near future, so that my report for the December work may be in the mail very soon.

Thanking you, I am

Very truly,

/s/ Mrs. Jennie M. Moore

DATE
JAN 14

DMEA 2 rc

RECEIVED
air mail
JAN 15 1958
SPOKANE

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 20 1958

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

RECEIVED JAN 20
1/20 gb 220
130
WSM 400

January 15, 1958

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Amendment No. 5 of the subject contract sets the date for completion at February 12, 1958. As of December 30, 1957, there remained to be completed 23 feet of crosscut north, 300 feet of drift east and/or west on the True vein, 100 feet of drifting west on the "Moore" (Horton) vein and 500 feet of long hole drilling. This work cannot be completed by the present termination date.

We recommend that the contract be amended to extend the time for completion of the work from February 12, 1958 to August 12, 1958.

A recent inspection report by George T. Krempasky and John A. Bowsher, Bureau of Mines' engineers, states that the north crosscut, at 197 feet from the starting point or 285 feet from the shaft, has cut a strong east-west fissure, 6 to 10 inches wide, that assays 10.3 ounces silver per ton, 1.14 percent copper, 1.33 percent lead, and 17.00 percent zinc. This may well be the True fissure. The crosscut will be continued to the authorized 220 feet to be sure it is not a parallel vein. As soon as the crosscut is completed, the Operator will start drifting westerly on this structure unless a stronger one is found.

By Field Team, Region I

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: USBM (2)
USBM (AD)
Prinz

ORIGINAL FILE COPY
DMEA
NOV 22 1957

| DATE | NOTES | CODE |
|---|---|---|
| 11/22 | C | 220 |
| 11/22 | [illegible] | 800 |
| 11/22 | WSM | 400 |

XXXXXXXXXXXXXXXXXX
So. 157 Howard Street
Spokane 4, Washington

November 19, 1957

Mrs. Jennie M. Moore
General Delivery
Twentynine Palms, California

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E701

Dear Mrs. Moore:

Thank you for your letter of November 14, 1957 with which you enclosed a copy of your letter of the same date addressed to Mr. M. C. Johnson, Regional Comptroller, G. S. A., Denver, Colorado.

Regarding your request for additional funds to continue the north crosscut 350 to 400 feet beyond the True Fissure to cut the Durango vein, we believe it would be better to complete more of the presently allowed work before considering any additional project work. After you have completed the drift west on the "Horton" vein and done some drifting on the True Fissure, we will be glad to consider your proposal.

If required, a further extension of time beyond the present termination date of February 12, 1958 can be obtained. However, you should request this sometime early in January when the time required to complete the contract can be estimated more accurately.

By Field Team, Region I

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2) w/2 copies of incoming
USBM (2)
USBM (AD)
Prinz

Philipsburg Montana,
November 14- 1957.

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 22 1957

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| 11/22 | WSM | 400 |
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Mr. A.E. Weissenborn
Executive Officer U.S.
Geological Survey,
3.157 Howard street
Spokane, Wash.

Dear Sir:-

I am enclosing a copy of my letter to M.C. Johnson- Federal Center, Denver Colo, which authorized him to deduct the 5% royalty due the government from all ores mined and sold from the Mystery Mine, Granite County, Montana.

I would also like to make an application for a further extension of the crosscutting north of the shaft to cut the Durango vein. This would, I believe, require a 350 to 400 feet of crosscut extension.

The work of cross cutting north of the shaft to intersect the True vein is progressing rapidly and this cross cut will be completed in a matter of weeks. As it usually requires so much time for the granting of any extension of this work, I am asking for this allotment now as the further crosscutting north to the Durango vein can be done simultaneously with the drifting east and west on the present contract extension, and can be done to better advantage if done at the same time. Also would like an extension of time on the present contract.

The 100 feet of extension of the west drift cannot be done until the mining of ores is completed from the wince. This work in the wince is now being carried as rapidly as possible, and cannot be delayed while the government purchase program is in effect.

I am leaving tomorrow for a few weeks in California and hope to be able to remain there until about the first of the year. If you care to address me there if will save time in the matter of a reply. My address will be Twentynine Palms- General Delivery. The name "Twentynine" Palms must be written out in full- if the numerals "29" are used the mail invariably goes to the Palms suburb of Los Angeles.

Thanking you for your attention to this matter, I am

Very truly,

P.O. Box 523
Philipsburg, Montana

Twentynine Palms
Calif
Gen. Del

RECEIVED
NOV 15 1957
U.S.G.S.
MOAB, UTAH

DMEA

OFFICE OF THE DIRECTOR
DMEA
RECEIVED NOV 18 1957

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Docket DMEA-3626

WSM

DMEA

Philipsburg, Montana.
November 14- 1957.

Mr. M.C. Johnson
Regional Comptroller U.S.A.

Denver Federal Center -Bldg. 41
Denver, Colo.

Dear Sir:-

I have been instructed by the Spokane office of the DMEA project that the 5% royalty due the government on ores mined and sold from the Mystery Mine in Granite County, Montana, must be withheld from payments made by me to me for such ores.

This is to authorize you to make such 5% deductions from my and all checks for funds due me for ores sold from the Mystery Mines from this date. Any amount due the government for ores sold in the interim between my last payment to the government and the beginning of the withholding by you, will be sent directly to the Spokane office when and the checks for same are received.

I would like to be assured that I will receive proper receipts for all such deductions made by you.

Very truly,

Mystery Mines

By /s/ Jessie M. Moore

RECEIVED
NOV 15 1957

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 12 1957

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So. 157 Howard Street
Spokane 4, Washington

November 8, 1957

Mr. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-5781

Dear Mrs. Moore:

Thank you for your letter of November 2, 1957 with which you enclosed your check for the sum of $2,801.81 in payment of 5 percent royalty on sales of ore worth $56,036.19. However, you have again neglected to send us the settlement sheets. The statement you sent us is not a satisfactory substitute for " . . . documentary evidence . . . such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production" as is required under Article 6(d) of your contract.

In our letter of October 25, 1957, we informed you that auditors from the General Accounting Office had called to our attention the fact that you had made several shipments on which royalty was overdue the Government. This delay in payment also is contrary to the terms of your contract which states in Article 7(f), "Time for computation and payment: The Government's royalty shall be computed and paid currently upon each lot sold . . ." Therefore, although we have been lax in writing to you regarding overdue royalty in the past, we cannot authorize any delay in royalty payment after you have been paid for a shipment, as you request in your letter.

As there is often a considerable time lapse from the date you make a shipment until you receive payment, the best way to avoid further misunderstanding is for you to comply with Article 7(h) of your contract and ask the General Services Administration or any other purchaser to deduct the royalty due and mail a check for that amount made out to the Defense Minerals Exploration Administration,

along with a copy of the settlement sheet to A. E. Weissenborn, Executive Officer, DMEA Field Team Region I, South 157 Howard Street, Spokane 4, Washington. They should, and certainly will if you request it, send you a copy of the settlement sheet with your check.

The only deductions that may be made in arriving at the "gross proceeds" are for certain charges including freight that are paid by the buyer and are so shown on the settlement sheet. This is clearly defined in your contract under Article 7(c).

We regret to hear of your difficulty in getting good miners to start your new work under Amendment No. 5 which you signed early in September, and hope you have overcome that difficulty by now.

By Field Team Region I

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald H. Maclaren, Acting Member
U. S. Geological Survey

cc: DMEA (3)
USBM (2)
USBM(AD)
Prinz
CPF

OFFICIAL FILE COPY
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[illegible]ological Survey

[illegible] 7 Howard Stre[illegible]
[illegible], Wash.

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[illegible]

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[illegible]

/s/ Jessie [illegible]

DMEA(3)

Form 7
56)

[redacted]

OFFICIAL FILE COPY

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| 10/31 | GCS | 120 |
| " | Johnson | 110 |
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October 31, 1957

Memorandum

To: Administrator

From: George C. Selfridge, Special Assistant

Subject: Docket No. DMEA-3626 (Manganese)
Contract No. Idm-E781
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana

On October 29, 1957, Mr. Weissenborn telephoned to inform the writer, among other things, that the GAO auditors were auditing Region I's accounts, and that they had found Jennie Moore delinquent in royalty payments. He further stated the accountants had determined that Jennie Moore had just about received as much money from manganese sales as she had spent, and that the Government had not. They raised the question of the low royalty percentage. We shall probably hear from GAO concerning this matter at a later date. Mention was made to Mr. Weissenborn that voucher should not be paid if the operator owes the Government money.

George C. Selfridge

George C. Selfridge (GCS)

GCSelfridge/hb (10/31/57)
Copy to: Admr. R. File
GCSelfridge
Chron.
Mr. Chambers

8623

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So. 157 Howard Street
Spokane 4, Washington

October 25, 1957

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. I4m-E781

Dear Mrs. Moore:

The auditors from the General Accounting Office have called to our attention the fact that you have made several shipments of ore to the General Services Administration for which royalties have not been paid the Government. The last royalty payment received was in the amount of $2,680.32 which accompanied your letter of June 18, 1957.

We call your attention to Article 7 (h) of your contract "Notice to purchasers," and to the second paragraph of our letter of November 16, 1956 in which we state: "In connection with future shipments you should request the buyer to deduct the Government's royalty from each settlement and send it, with a copy of the settlement sheet to A. E. Weissenborn, Executive Officer, to the above address. The check should be made payable to the Defense Minerals Exploration Administration. We would appreciate receiving a copy of your letter to the buyer, instructing him in this matter."

Your prompt compliance with this provision of the contract as requested in our letter of November 16, 1956 will be appreciated.

By Field Team, Region I

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren, Acting Member
U. S. Geological Survey

cc: DMEA (3)
USBM (2)
USBM (AD)
Turner
Prinz

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

OFFICIAL FILE COPY
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October 8, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are the Government and Audit copies of Amendment No. 6 to the contract.

Other copies of the amendment have already been distributed.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
USBM (AD)
Prinz

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 4 1957

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So. 157 Howard Street
Spokane 4, Washington

October 1, 1957

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

Enclosed are the original and four copies of a proposed Amendment No. 6 which will make it possible to approve payment for some of the excess timbering that was necessary to complete Stage II, if you will now claim it. Be sure to claim it as 53 feet of timbering under Stage II.

You will note that the footage requirements and costs of the excess Stage II timber will be charged against the Stage III timber allowance. We call your attention to paragraph 4 (d), Amendment No. 5 regarding additional timber that may become necessary under Stage III work.

If the terms and conditions of Amendment No. 6 are satisfactory, please sign all copies, retain the one marked for the Operator and return the rest to this office. If the amendment does not meet with your approval, please return all copies unsigned with your comments.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USBM (2)
USBM (AD)
Prinz

DMEA Form 7
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SEP 24 1957

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

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Weissenborn:

Enclosed are the original and four copies of a proposed Amendment No. 6 to the above-referenced contract, signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team.

If the terms and conditions of the proposed amendment are satisfactory to you and the Operator, all five copies should be signed by the Operator and the usual distribution made.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (DHB)

APPROVED:

P. F. Yopes (DHB)
Member, Bureau of Mines

N. E. Nelson (DHB)
Member, Geological Survey

TLCHAPMAN:foc 9-19-57
dc to: Docket
Code 400
Admr. R. File
Oper. Comm.
FT. REG. I
Messrs. Gilbert DeHuff, USBM
T. H. Kiilsgaard, USGS

Enclosures

P. S. Additional timbering - see paragraph 4(d), Amendment No. 5.

8623

Government's copy

Rubey
Hoffland
Chapman
Martin
Talbert
Selfridge

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

AMENDMENT NO. 6

It is agreed this ____ day of _____, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781, (Docket No. DMEA-3626), dated April 12, 1955, as amended, is further amended as follows:

In Exhibit "A," under Description of the Work, the following provision is added:

Timbering requirements and costs estimated under Stage ~~II and~~ III may be transferred to Stage II, as approved by the Government. ~~Provided, that the funds transferred from Stage I are available at the unit rates fixed in Stage II.~~

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Administrator, Defense Minerals
Exploration Administration

_____
Mrs. Jennie M. Moore, Operator

| OFFICIAL FILE COPY DMEA RECEIVED SEP 16 1957 | | |
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So. 157 Howard Street
Spokane 4, Washington

September 11, 1957

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

Thank you for your letter of September 5, 1957, with which you returned the signed copies of Amendment No. 5.

We are sorry you are disappointed as to the time allowed to complete the work. You have 5 months to complete 620 feet of cross-cutting and drifting. We do not think that 124 feet per month is too high an average rate of advance, especially as you will have two faces, the 200 level west drift on the Moore or Horton vein and part of the north crosscut, which can be driven simultaneously. As a suggestion, possibly you can overcome your hoisting problem by doing your mining on one shift and your DMEA work on another, or by hoisting exploration muck on a second shift. However, by the middle of January, if it looks as though you will need more time, you should request an extension, at that time, giving us an estimate of how much time you will need. As an amendment to extend the completion date will have to be made in Washington, you should not get your request in much later than January 15, 1958.

We forwarded a request to Washington for use of Stage I funds for additional timbering in Stage II and when we noted that it was not included in Amendment No. 5, we asked about it again. As yet we have not received a reply. As soon as we do, we will notify you.

We are glad to hear of the success you are having in finding more ore in your winze.

By Field Team, Region I

D. R. MacLaren, Alternate
Acting Exec. Officer
U. S. Geological Survey

T. E. Howard, Acting Member
U. S. Bureau of Mines

cc: DMEA (2) w/2 copies of incoming
Prinz

USBM (2)
USBM (AD)

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

| OFFICIAL FILE COPY DMEA RECEIVED SEP 12 1957 | | |
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September 10, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are the Government and Audit copies of Amendment No. 5 to this contract.

By copy of this letter other copies of the amendment are being distributed.

Sincerely yours,

Donald R. MacLaren

Donald R. MacLaren
Alternate Acting Exec. Officer
DMEA Field Team, Region I

Enclosures
cc: Finance Office w/encl.
USBM(2)
Prinz

DMEA Form 7
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September 10, 1957

MEMORANDUM

To: Associate Solicitor, Mineral Resources

From: Division of Iron and Ferro-Alloys

Subject: Preparation of Amendment No. 6
Docket No. DMEA 3626 - Manganese
Mystery Mine
Granite County, Montana
Contract No. Idm-E781

Attached is rough draft of Amendment No. 6 to the above-captioned contract for your use in preparing in final form.

W. S. MARTIN

W. S. Martin, Director
Division of Iron and Ferro-Alloys

Attachment

TLCHAPMAN:foc
9-9-57
cc to: Docket
Code 400

8623

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA 3626

AMENDMENT NO. 6

It is agreed this _____ day of _____, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA 3626), dated April 12, 1955, as amended, is further amended as follows:

~~WHEREAS, Exhibit "A", Description of the Work,~~ Stages I, II and ~~III,~~ of the Contract and Amendments 2, 3 and 5 authorized various footages of timbering, for each stage; ~~and~~

WHEREAS, it is deemed advisable to permit the transfer of timbering ~~from one stage to another;~~

~~NOW, THEREFORE, the~~ In Exhibit A, under the Description of the Work, the following provision is added: timbering may be transferred from one stage to another as found necessary in the prosecution of the work, but there shall be no change in the allowable footage and costs as designated in the Contract or Amendments thereto.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the ~~agreed~~ fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

MRS. JENNIE M. MOORE

_____

Timbering ~~requirements and related costs~~ under Stages I and III may be transferred to Stage II, as approved by the Govt., provided, that the funds transferred from Stage I are available at the

DMEA Form 7
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September 5, 1957

MEMORANDUM

To: Administrator

From: George C. Selfridge, Special Assistant

Subject: Docket No. DMEA-3626, Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Mr. MacLaren, of the Region I Spokane office, telephoned to inform the writer that they had just received proposed Amendment No. 5. He mentioned that it did not take into account the Field Team's August 6, 1957, recommendation that the contract be amended to authorize the transfer of 47 feet of timbering at $6.50 a foot from Stage I to 36 feet of timbering at $8.40 per foot in Stage II. The writer informed Mr. MacLaren that he was not acquainted with that particular recommendation and also explained to him that once a unit price was set it could not be changed, and that unit prices could only be increased on new work if amply justified. The writer informed Mr. MacLaren that he would take the timbering matter up with the Division.

GCSelfridge/esf
9/6/57
cc to: Docket
Admr. R. File
Chron.

Dmea(2)

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 6 1957

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So. 157 Howard Street
Spokane 4, Washington

September 3, 1957

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

As requested in your letter of June 18, 1957, our Washington office has prepared Amendment No. 5, the original and four copies of which are enclosed. This amendment provides for additional work under a new Stage III to the contract.

If this amendment meets with your approval, would you please sign all copies and return all but the copy marked Operator's Copy. If the amendment does not meet with your approval, please return all copies with your comments.

Sincerely yours,

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

Enclosures

cc: DMEA(2)
USBM(2)
USBM(AD)
Prinz

DMEA Form 7
(12-56)

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AUG 27 1957

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

Re: Docket No. DMEA-3626, Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-6781

Dear Mr. Weissenborn:

Enclosed are the original and four copies of a proposed Amendment No. 5 to the above-referenced contract, signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team.

If the conditions and terms of the proposed amendment are satisfactory to you and the Operator, all five copies should be signed by the Operator and the usual distribution made.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

P. F. Yopes (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

Enclosures: 7

TLChapman:ms 8/23/57
Copy to: Docket
Code 400
Admr. R. File
Operating Committee
Messrs: Gilbert DeHuff, USBM
T. H. Kiilsgaard, USGS

8623

Government's copy

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

AMENDMENT NO. 5

It is agreed this _____ day of _____, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA-3626), dated April 12, 1955, (effective June 7, 1957,) as amended, is further amended as follows:

1. In Article 3 of the Contract, the time for completion of the work is further extended from June 12, 1957 (Amendment No. 4), to February 12, 1958.

2. In Article 5 of the Contract, the estimated total cost of the project is further increased from $55,620.00 (Amendment No. 3) to $83,240.00, and the amount of Government participation at 75 percent is increased from $41,715.00 to $62,430.00.

3. The maximum period for royalty payments and liens to secure the payments is further extended from 11 years (Amendment No. 2) to 12 years.

4. In Exhibit "A" under the heading Description of the Work, new work is added under a new Stage III, as follows:

(a) Crosscut approximately 220 feet north from the present face of Owens 200 level crosscut north to intersect the "True" (Huffman) vein.

(b) Drift 300 feet east and/or west on the "True" vein.

(c) Extend the 200 level drift west on the "Moore" (Horton) vein 100 feet from the face existing on June 7, 1957, at the completion of Stage II.

(d) Timber crosscut and drifts as necessary. It is estimated that 300 feet of timbering will be required, but this amount may be increased by amendment to the Contract if determined by both parties to be necessary.

DMEA Form 7
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August 23, 1957

Memorandum

To: Chairman, Operating Committee

From: Jay L. Chambers, Director
Contract Administration and Audit Division

Subject: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Mine
Granite County, Montana
Contract No. Idm-E781

I am calling your attention to a proposed amendment (No. 5) to the above-cited project which increases the cost of the work approximately $27,000.00.

In this amendment it continues the increase in footage cost for drifting which was given in Amendment No. 3, and also that of timbering, and proposes an increase from $1.00 to $1.25 for long hole drilling and $50.00 to $75.00 a day for technical services. Amendment No. 3 involves approximately $5,000.00 while this amendment involves approximately five times as much. The point is that neither amendment carried a justification for increasing the cost from the original contract. All of the amendments, as well as the original contract, are on a fixed unit cost. It appears to me that the proposed amendment is lacking as follows: (1) insufficient justification for the cost increase, and (2) the form of this amendment. Any time unit costs are increased an actual cost contract with maximums is in order.

JLChambers/wb
August 23, 1957

Copy to: Docket
Admr. Reading File
Mr. Chambers

8623

Mr. Martin.

Suggest writing memo justifying increased cost mentioned in Mr. Chambers' memo.

WSM 8/28/57

DMEA Form 7
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| 8/23 | GCS | 130 |
| " | Johnson | 110 |
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| 8/26 | WSM | 400 |

AUG 23 1957

GCSelfridge, Rm. 4459, Ext. 5372

Dept. of Interior - DMEA

14X4401(01) Revolving Fund,
Defense Production Act, Interior,
(Transfer to Office of Secretary)

T E L E T Y P E

MR. DONALD R. MacLAREN
DMEA FIELD TEAM, REGION I
SOUTH 157 HOGARD STREET
SPOKANE 4, WASHINGTON

REAR PHONE INQUIRY TODAY. UNION EXPLORATION AND DEVELOPMENT COMPANY, DMEA-3938, PREFERABLE REWRITE PAGE 2 CONTRACT FORM BUT REFERENCE TO LABOR LAW CAN BE STRICKEN OUT. WE SHOULD RECEIVE COPIES OF AFFIDAVIT. PROPOSED AMENDMENT ALEXANDER MINE, DMEA-4641, MAILED AUGUST 21, 1957. PROPOSED AMENDMENT JENNIE MOORE, DMEA-3626, WILL REACH COMMITTEE NEXT WEEK.

SIGNED

CHAIRMAN, OPERATING COMMITTEE

GCSelfridge/hb (8/23/57)
Copy to: Admr.'s R. File
Operating Committee
GCSelfridge
Docket DMEA-3626
Docket DMEA-3938
Docket DMEA-4641

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August 12, 1957

MEMORANDUM

To: Administrator, DMEA

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Summary of project and additional work by Amendment No. 5.
Docket No. DMEA-3626, Manganese
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Granting additional work by Amendment No. 5

Operator: Mrs. Jennie M. Moore
442 East Foothill Boulevard
Glendora, California

Property: The land referred to in Article 2 of the contract form consists of four patented lode mining claims, owned by the applicant, as follows:

N. G. Survey No. 9358
Mountain View, Survey No. 9359
Lucy, Survey No. 10851
Grey, Survey No. 10851

These claims are located in section 30, T. 7 N., R. 13 W.,

Montana Principal Meridian, Philipsburg Mining District,

Granite County, Montana.

Contract: Executed April 12, 1955, was issued to the Applicant, Mrs. Jennie M. Moore. The contract was on a fixed unit cost basis as follows:

| | | |
|---|---|---|
| Rehabilitation, headframe and buildings | $360.00 | |
| Buildings | 1,250.00 | |
| Building ½ mile of power line | 1,625.00 | |
| Rehabilitate Owens shaft, 100 feet | 7,000.00 | |
| Sink Owens shaft 100 feet at $105.00/ft. | 10,500.00 | |
| Excavate for station 200 level, 3,150 cubic feet at $1.00/ft. | 3,150.00 | |
| Crosscut and drift 710 feet at $32.50/ft. | 23,075.00 | |
| Timber 160 feet at $6.50/ft. | 1,040.00 | |
| Long hole drilling 600 feet at $0.75/ft. | 450.00 | |
| Assay 125 samples for Mn. at $2.00 each | 250.00 | |
| Estimated total cost of project | | $48,700.00 |
| Government participation 75 percent | | $36,525.00 |

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Amendment No. 1, allowed for change in crosscutting and drifting.

Amendment No. 2, extended time for completion from October 1, 1956 to April 12, 1957, and extended period for royalty payments to eleven (11) years. Also allowed for changing costs of 5 feet of drifting and 672 cubic feet of station excavation to 128.38 feet of additional timbering.

Amendment No. 3, added Stage II, with the following additional work:

| | | |
|---|---|---|
| Extend west face of Horton drift 150 feet westerly at $38.00/ft. | $5,700.00 | |
| Timber 50 feet at $8.40/ft. | 420.00 | |
| Long hole drill 300 feet at $1.00/ft. | 300.00 | |
| Assay for manganese at $2.00 per sample and for lead, zinc and/or copper at $1.00 per determination. Total assays not to exceed 200 at a total cost of | 200.00 | |
| Technical service 6 days at $50.00/day | 300.00 | |
| Estimated cost of Stage II | | $6,920.00 |
| Estimated cost of Stage I | | $48,700.00 |
| Estimated cost of amended contract | | $55,620.00 |
| Government participation, 75 percent | | $41,715.00 |

Amendment No. 4, extended completion date from April 12, 1957 to June 12, 1957.

Proposed Amendment No. 5, extends completion date from June 12, 1957, to February 12, 1958, and extends period for royalty payments to twelve (12) years. Also allows for additional work as follows:

| | | |
|---|---|---|
| Crosscut 220 feet north from end of 200 level north crosscut to True vein and drift 300 feet east and west and extend west face of drift on Moore vein 100 feet westerly. Total 620 feet at $38.00/ft. | $23,560.00 | |
| Timbering 300 feet at $8.40/ft. | 2,520.00 | |
| Long hole drilling 500 feet at $1.25/ft. | 625.00 | |
| Assaying for manganese at $2.00 per sample and for lead, zinc and/or copper at $1.00 per determination, 200 assays not to exceed | 315.00 | |
| Technical service, 8 days at $75.00/day | 600.00 | |
| Estimated total cost of Stage III | | $27,620.00 |
| Estimated total cost of Stage I | | 48,700.00 |
| Estimated total cost of Stage II | | 6,920.00 |
| Estimated total cost of Stage III | | 27,620.00 |
| Estimated total cost of project | | $83,240.00 |
| Government participation, 75 percent | | $62,430.00 |

Work Completed:

| Stage I | Authorized | Completed | Vouchered 3/57 |
|---|---|---|---|
| Rehabilitation headframe | $360.00 | $360.00 | $360.00 |
| Buildings | 1,250.00 | 1,250.00 | 1,250.00 |
| Power line | 1,625.00 | 1,625.00 | 1,625.00 |
| Rehabilitation Owens Shaft | 100 ft. | 100 ft. | 100 ft. |
| Sinking Owens Shaft | 100 ft | 100 ft | 100 ft. |
| Station 200 level | 2,478 cu. ft | 2,478 cu ft | 2,478 cu. ft. |
| Crosscut S. to Horton Vein | 93 ft. | 91 ft. | 91 ft. |
| Drift E.on Horton vein | 250 ft. | 259 ft. | 250 ft. |
| Drift W.on Horton vein | 362 ft. | 362 ft. | 362 ft. |
| Timbering 200 level | 288.38 ft. | 242.4 ft. | 241.38 ft |
| Long hole drilling | 600 ft. | 440 ft. | 440 ft. |
| Assaying | 125 samples | 25 samp. | 25 samp. |
| **Stage II** | | | |
| Drift W. on Horton vein | 150 ft. | 150 ft. | 150 ft. |
| Timbering | 50 ft. | 50 ft. | 50 ft. |
| Long hole drilling | 300 ft. | 300 ft. | 300 ft. |
| Tech services | 6 days | $300.00 | |
| Assays | 200 | $47.00 | $47.00 |

Total cost vouchered for Stages I and II to July 1, 1957. $54,476.47.

Total estimated cost of Stages I and II $55,620.00

Geology: The Mystery property lies on the western fringe of the manganese producing zone of the Philipsburg area. The property is underlain by massive dolomitic limestone of the upper part of the Hasmark formation and calcareous shales and limestones of the overlying Red Lion formation. With the exception that near surface workings close to the north end of the property all work that has been done and the proposed work is in the Hasmark formation. The ore zones or veins extend into the property from the properties to the east.

The Murphy ore body near surface to the northeast lies in the upper Red Lion formation. It is estimated to have produced about 2,500 tons of manganese ore averaging 20 percent manganese. This ore body is assumed to be on the Durango vein. The Powder tunnel ore body occurs along the the Horton vein intersection with the upper Hasmark limestone. It is estimated from 5,000 to 6,000 tons of ore averaging 25 to 30 percent manganese were mined in this area.

Under the DMEA Contract a respectable ore body was opened up on the west extension of the Moore (Horton) vein. 1,100 tons of ore shipped averaged 30.54 percent manganese. At and above the Mystery tunnel level (160 feet above the Owens 200 level) the ore averaged 16 percent manganese.

The crosscut north to the True (Huffman) vein is justified by the fact that in the Hartley drift 260 feet above the Owens 200 level, the ore over a length of 130 feet averaged 21.7 percent manganese.

Ore values and Tonnage:

No adequate estimate can be made as to the indicated and inferred tonnages of ore on the property. Shipments of ore from the Moore orebody indicate that the ore should average about 30 percent manganese.

Royalties: From January 1, 1957 to June 1, 1957, the Operator shipped ore that gave a net return of $54,766.92 on which royalties amounting to $2,680.32 was paid.

Comments and Recommendations:

On the basis of the past work under the DMEA contract the Field Team recommends that Amendment No. 5 for additional work should be added to the Contract.

The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in the conclusions and recommendations of the Field Team.

W S Martin

W. S. Martin, Director
Division of Iron and Ferro-Alloys

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

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August 6, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. ~~DMEA-3626 (Manganese)~~
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Amendment No. 3 to Contract Idm-E781 states in paragraph B, Stage II, item 1: "It is estimated that 50 feet of timbering will be sufficient, but the Government may, in its discretion, provide funds for necessary timbering in excess of 50 feet."

Our engineers have informed us that the ore slakes and softens on exposure to air and that this condition has persisted throughout the Stage II drifting necessitating installation of 103 feet of timbering. They further state that the need for timbering is not the result of mining done by the Operator concurrently with the exploration. Timbering would have been required in any case. In fact had this timber not been installed the drifting authorized in Stage II could not have been completed.

Forty-seven feet of timbering at $6.50 per foot remain unused in Stage I. At the Stage II rate of $8.40 per foot, the unexpended timber appropriation in Stage I would provide 36 feet of additional timbering in Stage II. This, with the 50 feet of timbering already allowed in Stage II, would provide for 86 feet of the required timbering, leaving 17 feet to be provided for.

We, therefore, recommend that the contract be amended to authorize the transfer of 47 feet of timbering at $6.50 per foot from Stage I to 36 feet of timbering at $8.40 per foot in Stage II; and to provide for an additional 17 feet of timbering at $8.40 per foot under Stage II.

By Field Team, Region I

A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew
Wing G. Agnew, Member
U. S. Bureau of Mines

cc: USBM (2)
USBM (AD)
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August 6, 1957

MEMORANDUM

To: Associate Solicitor

From: Division of Iron and Ferro-Alloys

Subject: Preparation of Amendment No. 5
Docket No. DMEA 3626 Manganese
Mrs. Jennie M. Moore
Mystery Mine
Granite County, Montana
Contract No. Idm E781

Attached is a rough draft of Amendment No. 5 to the above-captioned contract for your use in preparing in final form.

W. S. MARTIN

W. S. Martin, Director
Division of Iron & Ferro-Alloys

Attachment

TLChapman/dlm 8-6-57
cc to : Code 400

RECEIVED
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ASSOC. SOLICITOR
MINERAL RESOURCES

8623

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA-3626

AMENDMENT NO. 5

It is agreed this _____ day of _____, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals, Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA-3626), dated April 12, 1955, effective June 7, 1957, as amended, is further amended as follows:

A. In Amendment No. 5 of the Contract, the total estimated cost of the project is changed from $55,620.00 to $83,240.00 and the amount of Government participation at 75 percent is changed from $41,715.00 to $62,430.00.

B. The time for completion of the work, specified in Amendment No. 4 of the Contract, is extended from June 12, 1957, to February 12, 1958.

C. The maximum period for royalty payments and lien to secure the payment thereof, as provided in the contract, is extended to twelve (12) years.

D. In Exhibit "A" under the heading Description of the Work, the following changes are made:

(a) Stage III, consisting of new work will be added.

(b) Crosscut approximately 220 feet north from the present face of owens 200 level crosscut north to intersect the "True" (Huffman) vein.

(c) Drift 300 feet east and/or west on the "True" vein.

(d) Extend the 200 level drift west on the "Moore" (Horton) vein 100 feet from the face existing on June 7, 1957, at the end of Stage II.

(e) Timber crosscut and drifts as necessary. Estimated 300 feet, by mutual consent this may be increased if found necessary.

(f) Test the walls of drifts by long hole drilling, not more than 500 feet.

(g) Sample mineralized zones and assay for manganese and for lead, zinc, and copper as necessary.

(h) Provide necessary technical service.

Drifts and crosscut to be not less than 4½ feet by 6½ feet in the clear. Plate 3 is attached, showing proposed work.

ESTIMATED COST OF THE PROJECT
Fixed Unit Costs.

Stage I

| | | |
|---|---|---|
| Estimated Total Cost of Stage I | | $48,700.00 |

Stage II

| | | |
|---|---|---|
| Estimated Total Cost of Stage II | | 6,920.00 |

Stage III

| | | |
|---|---|---|
| Crosscut and drift, 620 feet at $38.00/ft | $23,560.00 | |
| Timbering 300 feet at $8.40/ft. | 2,520.00 | |
| Long Hole Drilling, 500 feet at $1.25/ft. | 625.00 | |
| Assaying for manganese at $2.00 per determination, and for lead, zinc and copper at $1.00 per determination. 200 samples not to exceed | 315.00 | |
| Technical service, 8 days at $75.00/day | 600.00 | |
| Estimated Total Cost of Stage III | | $27,620.00 |
| Estimated Total Cost of Project | | $83,240.00 |
| Government participation, 75 percent | | $62,430.00 |

IN WITNESS WHEREOF, the parties have executed this amendment in sextuplicate as of the day and year first written.

THE UNITED STATES OF AMERICA

By_____
Administrator, Defense Minerals
Exploration Administration

_____
Mrs. Jennie M. Moore

Files

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[illegible]
[illegible]
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Washington 25, D. C.

Date August 8, 1957

DMEA Report No. 3626
DMEA Contract No. Idm-E 781
Commodity Manganese
Name of applicant Jennie M. Moore
Name of property Mystery Manganese Mine
Location of property Granite Co., Mont.
Estimated cost of project Additional $27,605

To: W. S. Martin, DMEA

Through: Chief, Br. of Ferrous Metals and Ferroalloys

From: G. L. DeHuff, Jr., Commodity Specialist, Br. of Ferrous Metals & Ferroalloys

Subject: F.T. Report on application for additional work.

1. Date of application 7/25/57 2. Date received by DMEA 7/31/57

3. Is title of claim clearly known to reviewer: Yes [X] No [ ]

4. Is extent of claim properly known to reviewer: Yes [X] No [ ]

5. Is information available on past production: Yes [X] No [ ]

6. Is prior applicant for same known to reviewer: Yes [X] No [ ]

7. Is [illegible] stated on above: Bur. of Mines records (DMI) show 172 long dry tons averaging 24.3% Mn shipped in 1956; in 1957, through May, 45 L.D.T. shipped containing 35% or more Mn plus 1,051 L.D.T. containing less than 35% Mn. All was reported as oxide ore. The Bureau is currently engaged in a project for evaluating the manganese resources of the district.

8. Factors meeting special consideration:
a. Location [ ]
b. Ownership [ ]
c. Evidence of prior exploration
d. Geology [ ]
e. [illegible]
f. Proposed exploration method [ ]
g. Alternate exploration method [ ]
h. Costs [ ]
i. [ ]

9. Action advised:
a. Obtain further data from applicant [ ]
b. Refer to Field Team [ ]
c. Denial [ ]
d. Agree with Field Team [X]
e. Disagree with Field Team [ ]
f. Suggest alternate plan [ ]
g. Request another contribution [ ]
h. Approval [X]
i. Consult with Mr. _____ at _____ MMC office.

10. Remarks: (Use back of page if necessary) The Philipsburg district, Granite Co., Mont. is the only known domestic source of battery-grade concentrate, with the possible exception of the Ladd district of Calif. which at one time produced a low-grade concentrate. Foreign reserves of battery-grade manganese ore are limited to a very few years supply at present production rates. There is understandably some concern on the part of both Industry and Government regarding future supply of this material. While any oxide ore found by the proposed work, even if of

GLDeHuff:amv

Copy to: Div. of Minerals Files Mr. DeHuff Ferrous Metals (over)

battery grade, would most probably be sold to the GSA low-grade stockpile for ultimate metallurgical use, location of the work is such that information obtained would be helpful in evaluating all aspects of the manganese potential of the district in addition to benefitting this particular property.

The proposed exploration appears to have reasonable chances for an additional discovery, and the operator is competent.

Because core recoveries have often been poor in the oxide manganese ore zones of the district, it is believed that diamond drilling would not be a satisfactory substitute for the proposed drifting and cross-cutting.

G L Dobbs Jr.

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INTERIOR

DMEA

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T E L E T Y P E

11X1L01(01) REVOLVING
FUND, DEFENSE PRODUCTION ACT, INTERIOR
(TRANSFER TO OFFICE OF SECRETARY)

A. E. WEINSENBORN, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION I
SOUTH 157 HOWARD STREET
SPOKANE 4, WASHINGTON

REURIET OF AUGUST 1 CONCERNING DOCKET NO. DMEA 3626, MRS. JENNIE M. MOORE.

PLEASE INFORM MRS. MOORE THAT WHILE APPLICATION FOR ADDITIONAL WORK IS

BEING PROCESSED ANY WORK DONE WILL BE AT HER OWN RISK.

W. S. Martin

ACTING CHAIRMAN, OPERATING COMMITTEE (SHB)

TLChapman/dlm/esf - 8/7/57
cc to: Code 400
Admr. R. File
Oper. Comm.
FT REG I
Messrs: Gilbert DeHuff, USBM
T. H. Kiilsgaard, USGS

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INTERIOR

DMEA

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T E L E T Y P E

14X4401 (01) REVOLVING FUND, DEFENSE PRODUCTION ACT, INTERIOR (TRANSFER TO OFFICE OF SECRETARY)

A. E. WEISSENBORN, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION I
SOUTH 157 HOWARD STREET
SPOKANE 4, WASHINGTON

REQUEST OF AUGUST 1 CONCERNING DOCKET NO. DMEA 3626, MRS. JENNIE M. MOORE. ~~YOU MAY ADVISE~~ Please inform MRS. MOORE THAT while APPLICATION FOR ADDITIONAL WORK IS BEING PROCESSED ~~AND THAT SHE MAY PROCEED ONLY~~ ANY WORK DONE WILL BE AT HER OWN RISK.

TLChapman/dlm 8-6-57

CHAIRMAN, OPERATING COMMITTEE

cc to: Code 400
Admr. R. File
Oper. Comm.
FT. Reg. I
Messrs Gilbert DeHuff, Jr. USBM
T. H. Kiilsgaard, USGS

8623

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

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August 1, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are two copies each of a letter dated July 27, 1957, from Mrs. Jennie Moore, and our reply.

We realize that our report was only mailed to you July 25, 1957; however, as you will note from her letter, Mrs. Moore is anxious to keep her work crew together pending decision on her application for more work.

We would greatly appreciate anything you could do to hurry this along.

By Field Team, Region I

A E Weissenborn
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Thomas E. Howard
for Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

cc: USBM (2)
USBM (AD)
Prinz

[illegible], Nge
[illegible] at
[illegible]
USBR

Mr. [illegible] Vetsenborn
[illegible] Officer U.S. Reclamation
[illegible]way
[illegible] Howard Street
[illegible], Wash.

Request to D.I. 7/25/57

Dear Sir:-

Will you kindly let me know what progress has been [illegible] my application for an extension of my DMEA contract?

When talking with [illegible] in Spokane you thought this proceeding of extension would take a very short [illegible] I am very anxious to begin the work.

[illegible] you [illegible] about the extension [illegible] the [illegible].

Thanking you, I am

Very truly,

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P.O. Box 523

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So. 157 Howard Street
Spokane 4, Washington

August 1, 1957

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Ida-K781

Dear Mrs. Moore:

This is in reply to your letter of July 27, 1957, in which you ask regarding the progress of your application for additional work.

Our report is in Washington now and as soon as we have any word, we will advise you by telephone.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
USBM (AD)
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UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

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August 1, 1957
Re: DMEA 3626 Idm-E781
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
$27,605.00 - Manganese

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Examiners' memorandum concerning request for additional assistance.

The contract approved work on the Horton vein on the 200 level of the deepened Owens shaft. Of the $55,620 expenditure approved, $49,871.27 had been spent as of February 1, 1957, and most of the difference probably has since been spent.

Little or no ore was found in the Horton vein, but a crosscut north from the Owens shaft, driven by the operator without assistance, cut a parallel structure which was then picked up in a north crosscut from the drift in the Horton structure. Drifting on the vein, the Moore, opened an ore shoot 80 feet long, from which to May 27, 1957, 1,100.5 tons of 30.54% Mn ore had been shipped. *

On the strength of this fortuitous* discovery, the examiners recommend that an amendment approving the expenditure of $27,605.00 be granted, in order to explore the 'True' vein on the 200 level. The True vein where explored in the Hartley drift resembles the average Moore vein and it is assumed it too may open out and make an ore shoot. The proposed crosscut and drifts would cut and explore the True vein more or less at the elevation the Moore oreshoot was found. That elevation, in the flatly, northerly dipping Hasmark limestone, may mark a generally favorable horizon, but such has not been demonstrated.

Royalty accrued under the contract amounts to about $41,715.00 (75% of $52,620) and the contemplated royalty to $20,703.75 a total of $62,418.75.

* DMEA rehabilitated the shaft in the hope of finding ore, by subsequent work

WSM
8/2/57

Like in the cases of projects to the southeast and east, the value of the discoveries in the Mystery mine are not keeping pace with the expenditures.

The face of the north crosscut appears to be a good place from which to drill 2 or 3 diamond drill holes to the True vein, as Stage I of a project. Mr. Alvord's interim report of June 25, 1957 suggests a drill was then available. Perhaps it is still in the area.

I recommend that such drilling be seriously considered.

N. E. Nelson

N. E. Nelson

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

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July 25, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are four copies each of memorandum reports by Donald C. Alvord, Geologist, U. S. Geological Survey, and John W. Bowsher, Mining Engineer, U. S. Bureau of Mines, concerning Mrs. Moore's request for additional work at the Mystery Mine.

Alvord discusses the geology and gives his reasons why he concludes that a similar proposal, which was not considered to be acceptable, should now be approved. The discovery of an ore body in the "Moore" vein 200 west drift, although near-surface and surface workings over this body were low grade, indicates that the known low grade areas in the near-surface workings on the "True" vein may develop into ore bodies at the depth of the proposed exploration. Bowsher discusses the costs of the recommended work.

Alvord and Bowsher agree that the chances of an additional discovery resulting from the proposed work are better than fair and recommend that the application be approved. The Field Team concurs.

By Field Team, Region I

A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew
Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

cc: USBM (2)
USGS (SRO)
Sample
USBM (AD)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1201 N. Division St.
Spokane 2, Washington

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June 24, 1957

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: John A. Bowsher, Mining Engineer, Bureau of Mines

Subject: Cost analysis, Docket No. DMEA-3626 (manganese), Jennie M. Moore, Mystery Manganese Mine, Granite County, Montana, Contract No. Idm-E781

The Operator submitted a written request, dated June 18, 1957, for additional work to the current contract which has a termination date of June 12, 1957. She submitted a program but no cost estimate. The program consisted of crosscutting 250 feet north from the present face of the north drift, 200 level, and intersect the True vein; drifting east and west on the fissure intersected at the present face of the north drift; 1,000 to 1,200 feet of diamond drilling to be done at most strategic points in the drifts; and additional work in the west drift, Horton vein, 200 level.

The Government engineers recommend that the present contract be amended, effective June 12, 1957, to do the following additional work:

1. Crosscut approximately 220 feet north from present face of north drift, 200 level, to intersect the True vein.

2. Drift 300 feet east and/or west on the True vein.

3. Extend the west drift on the Horton vein, 200 level, 100 feet from face at end of Stage II.

4. Timber drifts where necessary; approximately 300 feet.

5. Long hole drilling of wall to test for parallel veins, about 500 feet.

It is recommended that the present unit costs, Stage II, for drifting and/or crosscutting, timbering, and assaying be approved for the additional work outlined above. These unit costs are respectively $38.00/ft., $8.40/ft., and $2.00 (manganese), $1.00 each for copper, lead, and zinc. However, the items of long hole drilling and technical services should be increased respectively from $1.00 to $1.25/ft. and $50.00 to $75.00/day. The actual consulting service rates by fully competent engineer-geologists in the Northwest is $100/day plus expenses.

SUMMARY OF COSTS

Stage III

| | | |
|---|---|---|
| Drift and/or crosscut 620 feet | @ $38.00/ft. | $23,560.00 |
| Timber 300 feet (approximately) | @ 8.40/ft. | 2,520.00 |
| Long hole drill 500 feet | @ 1.25/ft. | 625.00 |
| Technical services, 8 days | @ 75.00/day | 600.00 |
| Assay for manganese @ $2.00 per sample and assay for lead, zinc, and/or copper @ $1.00 per determination, provided that not more than 300 samples shall be made for a total of not more than | | 300.00 |
| Estimated total cost of Stage III | | $27,605.00 |
| Estimated total cost of the project | | $83,225.00 |
| Government participation @ 75% | | 62,418.75 |

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
Docket
Bowsher

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UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
So. 157 Howard Street
Spokane 4, Washington

July 24, 1957

MEMORANDUM

To: DMEA Field Team, Region I

From: Donald C. Alvord, Geologist, U. S. Geological Survey

Subject: Analysis of application for more work, Docket No. DMEA-3626 (Manganese), Jennie M. Moore, Mystery Manganese Mine, Granite County, Montana, Contract Idm-E781

## Introduction

In a letter to the Executive Officer dated June 18, 1957, the Operator requested an extension of the subject contract. The work requested included crosscutting 250 feet north from the present face of the 200 level crosscut north to intersect the "True" vein (see pl. 1), drifting 100 feet west and 100 feet east on the "Moore" vein from the exposures at the present north end of the 200 level crosscut north, additional work (unspecified in nature but probably drifting) from the west heading of the 200 drift west on the "Moore" vein, and 1,000 to 1,200 feet of diamond drilling to be done at strategic points in the drift. No estimate of costs was included in the letter.

This application for more work is very similar to one submitted by Mrs. Moore in a letter dated November 11, 1956, in which she proposed to extend the DMEA 200 level drift west 150 feet past the contract limit of that date and to extend the 200 level crosscut north 250 feet to intersect the "True" vein. In this same letter Mrs. Moore also requested 50 feet of drift east and 50 feet of drift west from the north end of the 200 level crosscut north to explore the "Moore" vein.

Mrs. Moore's application of November 11, 1956, was forwarded to the Operating Committee on November 21, 1956, with a covering letter from the Field Team recommending that the requested 150 feet of drift west be approved as it would complete the exploration of the primary target area on which the contract was originally based. In the same

letter the opinion was also expressed that there was insufficient evidence at that time of the existence of (significant) ore bodies either along the "True" vein or the smaller veins between the "True" vein and the face of the 200 level crosscut north to justify the other work proposed by Mrs. Moore. Amendment No. 3, effective December 27, 1956, added the additional 150 feet of drift west requested by Mrs. Moore but the proposed work on the crosscut north was denied.

In earlier applications (1951, 1953) Mrs. Moore applied for aid to explore portions of the "Durango", "True", and the "Horton-Moore" veins. The earliest application (1951) was withdrawn from the active files in September 1953 because of failure of the applicant to furnish technical data requested. The second application (1953) was recommended to be denied by J. J. Quinlan (1953) partly because sampling results and maps submitted by the applicant indicated that much of the ore mined in the past was marginal in grade and generally came from narrow, small, and insignificant deposits, and partly because the application proposed exploration at six localities or targets -- the target area was too widespread and much of the proposed work was only a short distance below stoped ground.

The third application, received in December 1954, limited the proposed exploration to the "Horton" vein at some distance below the then known workings. Available maps and examination of the workings convinced both Quinlan and Vhay that the "Horton" vein zone was the most promising structure on the Mystery property and, following Vhay's recommendation for approval, Contract No. Idm-E781 was effected on April 12, 1955.

During an interim inspection of the subject contract made on June 7 and 8, 1957, the author also examined the property with the generalities of the requested extension in mind. The Mystery tunnel (recently reopened) was examined and all of the surface pits, trenches, and small adit workings located on the property on the "Horton", "Moore", "True", and "Durango" veins were checked.

## Recommendations

It is recommended that the present contract be amended, effective June 12, 1957, to do the following additional work:

1. Crosscut approximately 220 feet north from present face of Owens 200 level crosscut north to intersect the "True" (Huffman) vein.

2. Drift 300 feet east and/or west on the "True" vein.

3. Extend the 200 level drift west on the "Moore" (Horton) vein 100 feet from the face existing at the end of Stage II.

4. Timber drifts where necessary, approximately 300 feet.

5. Long-hole drilling of walls to test for ore.

See plate 1 for location of proposed work. Details of proposed work including costs are in the Cost Analysis dated June 24, 1957, prepared by John A. Bowsher of the U. S. Bureau of Mines.

## Property and Ownership

The Mystery group consists of the following patented mining claims: N. G., Survey No. 9359; Mountain View, Survey No. 9359; Evergreen, Survey No. 9369; and the Lucy, Grey, and Rescue claims, Survey No. 10,851. Of these six claims the N. G., Mountain View, Lucy, and Grey are included under Contract No. Idm-E781. These four claims are shown on plate 2 and as they adequately cover the ground likely to be improved by the work proposed herein, it is not recommended that the Rescue or Evergreen claims be added to the contract.

All six claims of the Mystery group are owned in fee simple by Mrs. Jennie M. Moore, Box 523, Philipsburg, Montana.

## Geology

The Mystery property is in the Philipsburg mining district on the western fringe of a manganese-producing area. The geology of the Philipsburg district is described in the following publications:

1. Goddard, E. N., 1940, Manganese Deposits of Philipsburg, Granite County, Montana, a preliminary report: U. S. Geol. Survey Bull. 922 G, p. 157-204.

2. Pardee, J. T., 1921, Deposits of Manganese Ore in Montana, Utah, Oregon, and Washington: U. S. Geol. Survey Bull. 725, p. 146-174.

3. Emmons, W. H., and Calkins, F. C., 1913, Geology and Ore Deposits of the Philipsburg Quadrangle, Montana: U. S. Geol. Survey Prof. Paper 78.

The Mystery property has been the subject of two geologic examination reports regarding application for aid, the first by J. J. Quinlan dated November 23, 1953, and the second by J. S. Vhay dated February 9, 1955.

The above-cited publications and examination reports cover in some detail the geology of both the district and of the Mystery mine

workings and should be consulted by the reader; only those factors which bear directly on this application are discussed herein.

Plate 2, originally prepared for Quinlan's examination report (1953), broadly illustrates the relationship of the structures and stratigraphy on the Mystery property to the structure and stratigraphy of the comparatively major producers to the east. From this map it is apparent that the rocks of the Mystery property are cut by systems of veins that are the westward equivalents of the Durango, Huffman, and Horton veins, but because of splitting and en echelon arrangements, the former cannot be directly correlated with the latter, and for that reason the vein names on the Mystery property are included in quotes.

The property is underlain by massive dolomitic limestone of the upper portion of the Hasmark formation and calcareous shales and limestones of the overlying Red Lion formation. With the exception of the near surface Murphy and Cole drifts at the north end of the Mystery property, the mine workings shown on plates 1 and 2 are entirely in the upper Hasmark. The proposed work is in the upper Hasmark which is considered a favorable stratigraphic zone for ore in the district.

To the end of 1956 only two manganese replacement bodies of any significance had been found on the Mystery property. These are the Murphy ore body along the "Durango" vein and the Powder tunnel ore body along the "Horton" vein.

The Murphy ore body occurs in limestone beds near the base of the upper Red Lion formation. From the size of the workings and sampling done by the applicant's mining engineer, it is estimated that the Murphy stopes contained about 2,500 tons of ore averaging 20 percent or slightly more manganese.

The Powder tunnel ore body occurs along the "Horton" vein east of the "Horton - Moore" vein intersection in the upper Hasmark limestone. No samples are available from this ore body, but it is estimated that from 5,000 to 6,000 tons of ore averaging about 25-30 percent manganese was taken from the Powder tunnel and related workings in the immediate vicinity.

In late January 1957 work done under Contract Idm-E781 on the Owens 200 level drift west encountered a very respectable ore zone (Alvord, Interim Inspection Report, June 25, 1957) called the Moore ore body. As presently exposed on the 200 level, the Moore ore body is at least 80 feet long and in places at least 20 feet wide (pl. 1). Production from this ore body through May 27, 1957, has been 1,100.5 long dry tons of material averaging 30.54 percent

manganese. Mining to date has not been sufficient to determine the rake or total width of the Moore deposit -- excellent ore remains in the north and south walls on the 200 level, and first and second floors; excellent ore up to at least two sets wide is present in the westerly headings on the second and third floors; up to 3 feet of good ore is present in the west face and back of the fourth floor. The promise of this deposit at depth is not known although indications are that it will be at least as good on the first floor below the 200 level as it was on the 200 level, and it might even be better. The nearest known workings on the vein up plunge from the ore body consist of about 100 feet of drifting from the Mystery tunnel (crosscut) which is about 160 feet vertically above the 200 level. Nine samples cut along the vein on the Mystery tunnel drift average only 2.1 feet in width and 16 percent manganese. It does not appear out of the question, however, that ore will eventually be stoped from the 200 level nearly to the Mystery level.

On the 200 level drift west the Moore ore body pinches out westerly almost as rapidly as it does on its east end and the westernmost 25-30 feet of the structure is quite unimpressive. In the face it is about 1 foot wide, dips 85°-90° to the south, and consists of iron and manganese-stained fractured limestone with a little quartz and gouge. No one can be sure, however, that the conditions conducive to the formation of the Moore replacement ore body do not persist or repeat themselves along the next 100 feet or so of the vein west of the face. About 100 feet of drift west from the present face to test this possibility and make sure that good ore has not been missed would seem prudent.

The present application proposes crosscutting to the "True" (Huffman) vein on the Owens 200 level. Prior to the discovery of the Moore ore body along the "Moore" vein, exploration of the "True" (Huffman) vein on the Owens 200 level was difficult to justify and easy to refute. The "True" vein has been explored by the Hartley drift workings and stopes for a vertical distance of about 50 feet and a horizontal distance of about 180 feet. Examination of the stopes indicates that the ore occurred along the vein in widths of from 2-4 feet at the very most and 13 samples cut by the applicant's mining engineer average only 1.9 feet in width and 21.7 percent manganese. The Hartley workings explore the "True" vein at an average elevation of 5,760 feet (about 275 feet above the Owens 200 level). The Mystery tunnel explores the True vein along a distance of about 110 feet and to within 70 feet along the horizontal of the west face of the Harley workings at an elevation of 5,660 feet or about 100 feet below the Hartley and 160 feet above the Owens 200 level. Along the Mystery level drift the "True" vein consists of from 0.3-2.5 feet of quartz vein containing only a trace of manganese (1.0 percent) and

up to 8 ounces of silver per ton, chiefly as tetrahedrite. Exposures in short adits east of the Hartley workings again, as in the Mystery tunnel, show the "True" vein as a narrow tetrahedrite-bearing quartz vein essentially barren of manganese.

The narrow width and low grade of the "True" vein disclosed on the Hartley level, however, are not such negative factors as it might at first appear when these values, 1.9 feet wide and 21.7 percent manganese, are compared with the widths and grades found in the Mystery tunnel workings and surface cuts above the Moore ore body. The average width of 8 samples cut at the surface above the Moore ore body along a 140-foot interval was 2.5 feet and the grade averaged only 17.1 percent manganese. Nine samples cut in the Mystery level along a 100-foot interval above the Moore ore body averaged 2.1 feet in width and 16.3 percent manganese. In view of the fact that 1,100 tons of ore averaging 30.5 percent manganese has already been taken from a body at least 80 feet long and 20 feet wide only 160 feet below the dim showings on the Mystery tunnel, who can say that the proposed exploration below the Hartley workings on the "True" vein is not at least a legitimate risk if not a good bet? The Owens 200 level crosscut to the "True" vein would explore the vein in nearly the same stratigraphic elevation of the Hasmark formation as that of the "Moore" ore body where encountered by the Owens 200 level drift west. It perhaps should be noted that the work on the "True" vein (that Quinlan recommended be denied) was to have been carried out from the Mystery level and would have explored the "True" vein only 35 feet below the lowermost winzing off the Hartley level. The possibility is fair that conditions at the elevation of the Owens 200 level on the "True" vein were as conducive to the formation of manganese replacement deposits as they were in the vicinity of the Moore ore body on the Owens 200 level and a limited exploration program to test this possibility appears justified.

The "Moore" vein as exposed at the north end of the Owens 200 level crosscut north is a weak, sheared and broken zone ranging from $\frac{1}{2}$ to 1 foot in width containing a little quartz and locally up to 10 percent manganese (visual estimate). With the information presently available, drifting east and west on the "Moore" vein from this locality does not seem justified, and it is recommended that the application for this work be denied.

Attachments 2

Distribution:
- BMEA (4)
- USBM (2)
- USGS (SRO)
- Alvord
- Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
So. 157 Howard Street
Spokane 4, Washington

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July 24, 1957

MEMORANDUM

To: DMEA Field Team, Region I

From: Donald C. Alvord, Geologist, U. S. Geological Survey

Subject: Analysis of application for more work, Docket No. DMEA-3628 (Manganese), Jennie M. Moore, Mystery Manganese Mine, Granite County, Montana, Contract Idm-E781

DMEA (4)

## Introduction

In a letter to the Executive Officer dated June 18, 1957, the Operator requested an extension of the subject contract. The work requested included crosscutting 250 feet north from the present face of the 200 level crosscut north to intersect the "True" vein (see pl. 1), drifting 100 feet west and 100 feet east on the "Moore" vein from the exposures at the present north end of the 200 level crosscut north, additional work (unspecified in nature but probably drifting) from the west heading of the 200 drift west on the "Moore" vein, and 1,000 to 1,200 feet of diamond drilling to be done at strategic points in the drift. No estimate of costs was included in the letter.

This application for more work is very similar to one submitted by Mrs. Moore in a letter dated November 11, 1956, in which she proposed to extend the DMEA 200 level drift west 150 feet past the contract limit of that date and to extend the 200 level crosscut north 250 feet to intersect the "True" vein. In this same letter Mrs. Moore also requested 50 feet of drift east and 50 feet of drift west from the north end of the 200 level crosscut north to explore the "Moore" vein.

Mrs. Moore's application of November 11, 1956, was forwarded to the Operating Committee on November 21, 1956, with a covering letter from the Field Team recommending that the requested 150 feet of drift west be approved as it would complete the exploration of the primary target area on which the contract was originally based. In the same

letter the opinion was also expressed that there was insufficient evidence at that time of the existence of (significant) ore bodies either along the "True" vein or the smaller veins between the "True" vein and the face of the 200 level crosscut north to justify the other work proposed by Mrs. Moore. Amendment No. 3, effective December 27, 1956, added the additional 150 feet of drift west requested by Mrs. Moore but the proposed work on the crosscut north was denied.

In earlier applications (1951, 1953) Mrs. Moore applied for aid to explore portions of the "Durango", "True", and the "Horton-Moore" veins. The earliest application (1951) was withdrawn from the active files in September 1953 because of failure of the applicant to furnish technical data requested. The second application (1953) was recommended to be denied by J. J. Quinlan (1953) partly because sampling results and maps submitted by the applicant indicated that much of the ore mined in the past was marginal in grade and generally came from narrow, small, and insignificant deposits, and partly because the application proposed exploration at six localities or targets -- the target area was too widespread and much of the proposed work was only a short distance below stoped ground.

The third application, received in December 1954, limited the proposed exploration to the "Horton" vein at some distance below the then known workings. Available maps and examination of the workings convinced both Quinlan and Vhay that the "Horton" vein zone was the most promising structure on the Mystery property and, following Vhay's recommendation for approval, Contract No. Idm-E781 was effected on April 12, 1955.

During an interim inspection of the subject contract made on June 7 and 8, 1957, the author also examined the property with the generalities of the requested extension in mind. The Mystery tunnel (recently reopened) was examined and all of the surface pits, trenches, and small adit workings located on the property on the "Horton", "Moore", "True", and "Durango" veins were checked.

## Recommendations

It is recommended that the present contract be amended, effective June 12, 1957, to do the following additional work:

1. Crosscut approximately 220 feet north from present face of Owens 200 level crosscut north to intersect the "True" (Huffman) vein.

2. Drift 300 feet east and/or west on the "True" vein.

3. Extend the 200 level drift west on the "Moore" (Horton) vein 100 feet from the face existing at the end of Stage II.

4. Timber drifts where necessary, approximately 300 feet.

5. Long-hole drilling of walls to test for ore.

See plate 1 for location of proposed work. Details of proposed work including costs are in the Cost Analysis dated June 24, 1957, prepared by John A. Bowsher of the U. S. Bureau of Mines.

## Property and Ownership

The Mystery group consists of the following patented mining claims: N. G., Survey No. 9359; Mountain View, Survey No. 9359; Evergreen, Survey No. 9369; and the Lucy, Grey, and Rescue claims, Survey No. 10,851. Of these six claims the N. G., Mountain View, Lucy, and Grey are included under Contract No. Idm-E781. These four claims are shown on plate 2 and as they adequately cover the ground likely to be improved by the work proposed herein, it is not recommended that the Rescue or Evergreen claims be added to the contract.

All six claims of the Mystery group are owned in fee simple by Mrs. Jennie M. Moore, Box 523, Philipsburg, Montana.

## Geology

The Mystery property is in the Philipsburg mining district on the western fringe of a manganese-producing area. The geology of the Philipsburg district is described in the following publications:

1. Goddard, E. N., 1940, Manganese Deposits of Philipsburg, Granite County, Montana, a preliminary report: U. S. Geol. Survey Bull. 922 G, p. 157-204.

2. Pardee, J. T., 1921, Deposits of Manganese Ore in Montana, Utah, Oregon, and Washington: U. S. Geol. Survey Bull. 725, p. 146-174.

3. Emmons, W. H., and Calkins, F. C., 1913, Geology and Ore Deposits of the Philipsburg Quadrangle, Montana: U. S. Geol. Survey Prof. Paper 78.

The Mystery property has been the subject of two geologic examination reports regarding application for aid, the first by J. J. Quinlan dated November 23, 1953, and the second by J. S. Vhay dated February 9, 1955.

The above-cited publications and examination reports cover in some detail the geology of both the district and of the Mystery mine

workings and should be consulted by the reader; only those factors which bear directly on this application are discussed herein.

Plate 2, originally prepared for Quinlan's examination report (1953), broadly illustrates the relationship of the structures and stratigraphy on the Mystery property to the structure and stratigraphy of the comparatively major producers to the east. From this map it is apparent that the rocks of the Mystery property are cut by systems of veins that are the westward equivalents of the Durango, Huffman, and Horton veins, but because of splitting and en echelon arrangements, the former cannot be directly correlated with the latter, and for that reason the vein names on the Mystery property are included in quotes.

The property is underlain by massive dolomitic limestone of the upper portion of the Hasmark formation and calcareous shales and limestones of the overlying Red Lion formation. With the exception of the near surface Murphy and Cole drifts at the north end of the Mystery property, the mine workings shown on plates 1 and 2 are entirely in the upper Hasmark. The proposed work is in the upper Hasmark which is considered a favorable stratigraphic zone for ore in the district.

To the end of 1956 only two manganese replacement bodies of any significance had been found on the Mystery property. These are the Murphy ore body along the "Durango" vein and the Powder tunnel ore body along the "Horton" vein.

The Murphy ore body occurs in limestone beds near the base of the upper Red Lion formation. From the size of the workings and sampling done by the applicant's mining engineer, it is estimated that the Murphy stopes contained about 2,500 tons of ore averaging 20 percent or slightly more manganese.

The Powder tunnel ore body occurs along the "Horton" vein east of the "Horton - Moore" vein intersection in the upper Hasmark limestone. No samples are available from this ore body, but it is estimated that from 5,000 to 6,000 tons of ore averaging about 25-30 percent manganese was taken from the Powder tunnel and related workings in the immediate vicinity.

In late January 1957 work done under Contract Idm-E781 on the Owens 200 level drift west encountered a very respectable ore zone (Alvord, Interim Inspection Report, June 25, 1957) called the Moore ore body. As presently exposed on the 200 level, the Moore ore body is at least 80 feet long and in places at least 20 feet wide (pl. 1). Production from this ore body through May 27, 1957, has been 1,100.5 long dry tons of material averaging 30.54 percent

manganese. Mining to date has not been sufficient to determine the rake or total width of the Moore deposit -- excellent ore remains in the north and south walls on the 200 level, and first and second floors; excellent ore up to at least two sets wide is present in the westerly headings on the second and third floors; up to 3 feet of good ore is present in the west face and back of the fourth floor. The promise of this deposit at depth is not known although indications are that it will be at least as good on the first floor below the 200 level as it was on the 200 level, and it might even be better. The nearest known workings on the vein up plunge from the ore body consist of about 100 feet of drifting from the Mystery tunnel (crosscut) which is about 160 feet vertically above the 200 level. Nine samples cut along the vein on the Mystery tunnel drift average only 2.1 feet in width and 16 percent manganese. It does not appear out of the question, however, that ore will eventually be stoped from the 200 level nearly to the Mystery level.

On the 200 level drift west the Moore ore body pinches out westerly almost as rapidly as it does on its east end and the westernmost 25-30 feet of the structure is quite unimpressive. In the face it is about 1 foot wide, dips 85°-90° to the south, and consists of iron- and manganese-stained fractured limestone with a little quartz and gouge. No one can be sure, however, that the conditions conducive to the formation of the Moore replacement ore body do not persist or repeat themselves along the next 100 feet or so of the vein west of the face. About 100 feet of drift west from the present face to test this possibility and make sure that good ore has not been missed would seem prudent.

The present application proposes crosscutting to the "True" (Huffman) vein on the Owens 200 level. Prior to the discovery of the Moore ore body along the "Moore" vein, exploration of the "True" (Huffman) vein on the Owens 200 level was difficult to justify and easy to refute. The "True" vein has been explored by the Hartley drift workings and stopes for a vertical distance of about 50 feet and a horizontal distance of about 180 feet. Examination of the stopes indicates that the ore occurred along the vein in widths of from 2-4 feet at the very most and 13 samples cut by the applicant's mining engineer average only 1.9 feet in width and 21.7 percent manganese. The Hartley workings explore the "True" vein at an average elevation of 5,760 feet (about 275 feet above the Owens 200 level). The Mystery tunnel explores the True vein along a distance of about 110 feet and to within 70 feet along the horizontal of the west face of the Harley workings at an elevation of 5,660 feet or about 100 feet below the Hartley and 160 feet above the Owens 200 level. Along the Mystery level drift the "True" vein consists of from 0.3-2.5 feet of quartz vein containing only a trace of manganese (1.0 percent) and

up to 8 ounces of silver per ton, chiefly as tetrahedrite. Exposures in short adits east of the Hartley workings again, as in the Mystery tunnel, show the "True" vein as a narrow tetrahedrite-bearing quartz vein essentially barren of manganese.

The narrow width and low grade of the "True" vein disclosed on the Hartley level, however, are not such negative factors as it might at first appear when these values, 1.9 feet wide and 21.7 percent manganese, are compared with the widths and grades found in the Mystery tunnel workings and surface cuts above the Moore ore body. The average width of 8 samples cut at the surface above the Moore ore body along a 140-foot interval was 2.5 feet and the grade averaged only 17.1 percent manganese. Nine samples cut in the Mystery level along a 100-foot interval above the Moore ore body averaged 2.1 feet in width and 16.3 percent manganese. In view of the fact that 1,100 tons of ore averaging 30.5 percent manganese has already been taken from a body at least 80 feet long and 20 feet wide only 160 feet below the dim showings on the Mystery tunnel, who can say that the proposed exploration below the Hartley workings on the "True" vein is not at least a legitimate risk if not a good bet? The Owens 200 level crosscut to the "True" vein would explore the vein in nearly the same stratigraphic elevation of the Hasmark formation as that of the "Moore" ore body where encountered by the Owens 200 level drift west. It perhaps should be noted that the work on the "True" vein (that Quinlan recommended be denied) was to have been carried out from the Mystery level and would have explored the "True" vein only 35 feet below the lowermost winzing off the Hartley level. The possibility is fair that conditions at the elevation of the Owens 200 level on the "True" vein were as conducive to the formation of manganese replacement deposits as they were in the vicinity of the Moore ore body on the Owens 200 level and a limited exploration program to test this possibility appears justified.

The "Moore" vein as exposed at the north end of the Owens 200 level crosscut north is a weak, sheared and broken zone ranging from $\frac{1}{2}$ to 1 foot in width containing a little quartz and locally up to 10 percent manganese (visual estimate). With the information presently available, drifting east and west on the "Moore" vein from this locality does not seem justified, and it is recommended that the application for this work be denied.

Attachments 2

Distribution:
- DMEA (4)
- USBM (2)
- USGS (SRO)
- Alvord
- Docket

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1201 N. Division St.
Spokane 2, Washington

July 26, 1957

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. [illegible]

Dear Mrs. Moore:

In reference to your letter of July 12, 1957, concerning reimbursement for technical services or return of maps submitted with the monthly operating report for April, May and June 1957, we wish to call your attention to the following provisions of your DMEA contract:

Article 6. Reports, accounts, audits.

(b) Progress reports and vouchers. The Operator shall provide the Government with five copies of monthly progress reports . . . including adequate engineering-geological maps or sketches . . .

(c) Compliance with requirements. . . . The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records or accounts.

By Field Team, Region I

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2) w/2 cys incoming
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Philipsburg, Montana,
July 22, 1957

Mr. [illegible] Weisenborn
[illegible] Officer
[illegible] Geological Survey.

[illegible] Howard Street
[illegible]

DMEA

Dear Sir:

The [illegible] office of the Bureau of Mines has [illegible] the sum of $300 charged in [illegible] for technical assistance for the reason no vouchers accompanied the [illegible].

The enclosed technical maps of the mine workings [illegible] stope area showed [illegible] and I feel I [illegible] to the government work of this work.

I made no special [illegible] in my report of the [illegible] in the inspection, [illegible] detail under [illegible] preparation for making such technical maps, but [illegible] that any or all engineers would realize and know what was required for this work. There was actually 6 days of time required for this work. I do not have any vouchers to present.

In the event that you do not see proper to allow me the $300 for these technical maps, I think they should be returned to me.

I thank you for your earnest consideration of the matter.

Very truly,

Mrs. Jennie M. Moore

Po. Box 533

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1201 N. Division St.
Spokane 2, Washington

July 22, 1957

Mrs. Jennie M. Moore
Box 523
Philipsburg, Montana

Re: Contract No. Idm-E781
Docket No. DMEA 3626
Monthly operating report
for April, May and June 1957

Dear Mrs. Moore:

This is to inform you the subject voucher could not be paid in the full amount claimed.

The deletion is explained in the attached copy of a memorandum to the Field Team from the Certifying Officer, Region I.

By Field Team, Region I

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USGS (2)
AD

DMEA Field Team, Region I July 22, 1957

DMEA Certifying Officer, Region I

Contract No. Idm-2781
Monthly operating report for April, May and June 1957

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

A deletion of $300.00 has been made in the amount claimed by the Operator. This covers 6 days technical assistance during the period April, May and June. The Operator has not submitted an invoice from the person doing the work, furnishing dates and type of work done, to support the claim. Upon receipt of an invoice covering this item, it may be reinstated.

Dorothy F. Long

cc: DMEA (2)
USGS (2)

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INTERIOR

DMEA
14X4401 (01) REVOLVING FUND,
DEFENSE PRODUCTION ACT,
INTERIOR, (TRANSFER TO OFFICE OF
SECRETARY)

T E L E T Y P E

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MR. A. E WEISSENBORN, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION I
SOUTH 157 HOWARD STREET
SPOKANE 4, WASHINGTON

REDOCKET NO. DMEA 3626, MRS JENNIE M. MOORE, NARRATIVE REPORT FOR JUNE MENTIONS PROPOSED EXTENSION OF WORK. PLEASE ADVISE WHEN WE MAY EXPECT MEMORANDUM RECOMMENDING APPROVAL OF ADDITIONAL WORK, AS DISCUSSED IN YOUR LETTER OF JUNE 20, 1957.

CHAIRMAN, OPERATING COMMITTEE

TLChapman/dlm 7-30-57
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. I
Messrs. Gilbert DeHuff, Jr. USBM
T. H. Kiilsgaard, USGS

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APPROVED BY THE PRESIDENT
MARCH 10, 1926

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FROM INTERIOR

BUREAU DMEA

CHG. APPROPRIATION 14X4401 (01) REVOLVING FUND, DEFENSE PRODUCTION ACT, INTERIOR, (TRANSFER TO OFFICE OF SECRETARY)

U. S. GOVERNMENT PRINTING OFFICE 10—1723

MR. A. E WEISSENBORN, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION I
SOUTH 157 HOWARD STREET
SPOKANE 4, WASHINGTON

REDOCKET NO. DMEA 3626, MRS JENNIE M. MOORE, NARRATIVE REPORT FOR JUNE MENTIONS PROPOSED EXTENSION OF WORK. PLEASE ADVISE WHEN WE MAY EXPECT MEMORANDUM RECOMMENDING APPROVAL OF ADDITIONAL WORK, AS DISCUSSED IN YOUR LETTER OF JUNE 20, 1957.

CHAIRMAN, OPERATING COMMITTEE

Not Sent

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So. 157 Howard Street
Spokane 4, Washington

June 20, 1957

Mrs. Jennie M. Moore
P. O. Box 523
Phillipsburg, Montana

Re: Docket No. DMEA-3625 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-8781

Dear Mrs. Moore:

Thank you for your letter of June 18, 1957 accompanied by your check for $2,680.32 for royalty due the Government and requesting additional work.

We are forwarding your request to Washington and will submit our report as soon as it is prepared. We will advise you as soon as we receive any word.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
USBM (AD)
Alvord

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

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June 20, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are two copies of a letter dated June 18, 1957 from Mrs. Jennie Moore requesting additional work.

We are preparing a memorandum report recommending approval of a slightly modified program for additional work. As soon as this report is completed, we will forward it to you.

By Field Team, Region I, NW Dist.

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

cc: USBM (2)
USBM (AD)
Alvord

Philipsburg, Montana
June 25- 1957

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Mr. A.D. Weissenborn
Executive Officer -U.S.
Geological Survey

[illegible] Howard Street
[illegible]ne, Wash.

Dear Sir:

I am herewith enclosing my report of ores mined and shipped from the Mystery Mines from January 1- 19[illegible] to June 1- 1957 and enclosing my check for the royalty on same in the sum of $2686.72.

Stage #2 of the DMEA contract No 2[illegible] is nearly completed. The last [illegible] will be completed in the next few days. This has [illegible] up for the remain[illegible] interference with the [illegible] drift, but will endeavor to make up [illegible] next week at which time the report of the work will be [illegible] you.

I am hereby asking for a further extension of the DMEA contract. I would like to make the extension to include 450 feet of crosscutting north of the shaft to crosscut the Pure vein. Also 300 feet west and 300 feet east on the fissure which is opened up at 80 feet north of the shaft.

Also would like to have 1000 to 1200 feet of diamond drilling to be done at the most strategic points in the drifts.

The area in the west drift where the Stage 2 of the DMEA contract has just been completed, could bear some more exploration. While the drilling at this point has not shown any tonnage ore, the indications are good and there is a very good silver fissure coming in on the south wall of the drift.

Time is the essence in any of the above requests are to be granted as the stockpiling program is nearing the end for the low grade ores.

Thanking you for your kind attention, I am

Very truly,

DMEA

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 6 1957

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| 5/6 | C | 220 |
| 5/6 | WSM | 400 |

May 1, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are the Government, Audit and Division copies of Amendment No. 4 to the contract.

Other copies of the amendment have already been distributed.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
USBM (AD)
Alvord

Amend #4

OFFICIAL FILE COPY
DMEA
RECEIVED APR 30 1957

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| 4/30 | C | 520 |
| 5/1 | 400 | 800 |
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So. 157 Howard Street
Spokane 4, Washington

April 26, 1957

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-8781

Dear Mrs. Moore:

As requested in your letter of March 21, 1957, our Washington office has prepared Amendment No. 4, the original and five copies of which are enclosed. If this amendment meets with your approval, would you please sign all copies and return all but the copy marked for the Operator.

If the amendment does not meet with your approval, please return all copies with your comments.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USBM (2)
USBM (AD)
Alvord

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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| 4/19 | Chapman | 400 |
| 4/19 | Martin | 400 |
| 4-19 | Chambers | 800 |
| 4/22 | Selfridge | 130 |
| " | Johnson | 110 |
| " | Chittenden | 100 |
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| | | 400 |
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APR 22 1957

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - NW District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Weissenborn:

Enclosed are the original and five copies of a proposed Amendment No. 4 to the above-referenced contract, signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team.

If the conditions and terms of the proposed amendment are satisfactory to you and the Operator, all six copies should be signed by the Operator and the usual distribution made.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (HB)

APPROVED:

O. M. Bishop

Member, Bureau of Mines (HB)

Thor H. Kiilsgaard

Member, Geological Survey (HB)

TLCHAPMAN:foc 4/19/57
cc to: Docket
Code 400
Admr. R. File
Oper. Comm.
FT. REG. I - NWD
Messrs. Gilbert DeHuff, USBM
T. H. Kiilsgaard, USGS

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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INTERIOR DEPT.
APR 9 - 1957
SOLICITOR

April 8, 1957

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: W. S. Martin, Chief, Iron and Ferro-Alloys Division, DMEA

Subject: Preparation of Amendment No. 4
Docket No. DMEA 3626
Mrs. Jennie M. Moore

Enclosed is a draft of a proposed Amendment No. 4 for your use in preparing in final form.

W. S. Martin

W. S. Martin, Chief
Iron and Ferro-Alloys Division

Attachment

TLChapman:am
cc to: Docket
Code 400

RECEIVED
APR - 9 1957
ASSOC. SOLICITOR
MINERAL RESOURCES

8623

OFFICIAL FILE COPY
DMEA
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So. 157 Howard Street
Spokane 4, Washington

March 29, 1957

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-8781

Dear Mrs. Moore:

This is in further reference to your letter of February 26, 1957 enclosing copies of a lease on the Mystery claim.

We were confident that no difficulties would arise from the lease, but we referred it to our Washington, D. C. office to be sure. We have just been advised that the lease in no way conflicts with the contract; your obligation under the contract is in no way diminished by the lease, nor does the lease adversely affect the Government's royalty rights or its lien rights. Any royalty payable to DMEA will, of course, be computed as set forth in the DMEA contract and will not be governed by any provisions of the lease.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
USBM (AD)
Alvord
CPW

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

So. 157 Howard Street
Spokane 4, Washington

| OFFICIAL FILE COPY DMEA RECEIVED APR 1 1957 | | |
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AIR MAIL

March 28, 1957

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are copies of a letter from Mrs. Jennie M. Moore, dated March 21, 1957, and copies of our reply of March 25.

On March 26 Mr. S. W. Zoldok of the Bureau of Mines contacted Mrs. Moore while he was in Philipsburg, and Mrs. Moore stated that she actually did not want a recess but only an extension of time to complete the contract. Currently there remains 70 feet of drifting to be done under the contract.

We therefore recommend that the completion date of the contract be extended from April 12, 1957 to May 31, 1957.

By Field Team, Region I, NW Dist.

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures in dupl.

cc: USBM (2)
USBM (AD)
Alvord

FILE COPY
DMEA
RECEIVED APR 1 1957
DATE | INITIALS | CODE

So. 157 Howard Street
Spokane 4, Washington

March 25, 1957

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-781

Dear Mrs. Moore:

This will acknowledge receipt of your letter of March 21, 1957, in which you request an amendment to your contract to authorize a six-week period of recess. As this will require an extension of time to complete the contract work, we are forwarding your request to our Washington, D. C. office for their consideration.

All our geologists are now in the field but, as soon as we have a man available, we will send him over to map the advance and to inspect any other evidence you feel might justify additional exploration.

By Field Team, Region I, NW Dist.

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2) w/2 copies of incoming
USBM (2) " " " "
USBM (AD) w/copy of incoming
Alvord " " "

OFFICIAL FILE COPY
DMEA
RECEIVED APR 1 1957

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Pritt Mining, Montana, Mar. 22, 1957.

Mr. A.E. Weissenborn
Executive Officer
U.S. Geological Survey

157 So. Howard Street
Spokane, Wash.

Dear Sir:-

I would like your permission for a 6week recess in the drifting west. The ore body is still continuing and I would like the recess in order to pursue the ore for the present.

The winter snow is mostly gone from the hills and the area north of the shaft is entirely bare. I would like to have your field team make a complete inspection of this area as soon as possible so if the extension of the project in that direction is permitted, I can know as soon as possible.

Thanking you for an early reply, I am

Very truly,

Pritt Mining
1957

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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| 3/22 | Chapman | 400 |
| 3/22 | Martin | 400 |
| 3/22 | Selfridge | 130 |
| " | Johnson | 110 |
| " | Rutherford | 100 |
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MAR 25 1957

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I, N. W. District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Weissenborn:

Reference is made to your letter of March 4, 1957, with enclosed copies of a lease dated February 20, 1957, from Mrs. Jennie M. Moore to Mr. William Echols, covering portions of the N. G. and the Grey claim.

Mrs. Moore's obligation under the contract is in no way diminished by the lease. Nor does the lease adversely affect the Government's royalty rights or its lien rights. Any royalty payable to DMEA will, of course, be computed as set forth in the DMEA contract and will not be governed by any provisions of the lease.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

TLChapman:am 3/20/57 - 3/22/57
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT REG I, NWDist
Messrs. G. DeHuff, USBM
T. Kiilsgaard, USGS

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I, N. W. District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Weissenborn:

Reference is made to your letter of March 4, 1957, with enclosed copies of a lease dated February 20, 1957, from Mrs. Jennie M. Moore to Mr. William Echols, covering portions of the M. G. and the Grey claim.

The lease has been reviewed and we are advised that it does not adversely effect the Government's rights under the DMEA contract with Mrs. Moore.

Sincerely yours,

Chairman, Operating Committee

APPROVED:

TLChapman:am 3/20/57
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT REG I, NWDist
Messrs. G. DeHuff, USBM
T. Kiilsgaard, USGS

Member, Bureau of Mines

Member, Geological Survey

8623

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

MAR 15 1957

Memorandum

To: The Administrator, DMEA
Attention: Chief, Iron and Ferro-Alloys Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-3686 (Manganese)
Mrs. Jennie H. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. 14m-2781

Pursuant to your request, we have reviewed the provisions of the lease dated February 20, 1957 from Mrs. Jennie H. Moore to Mr. William Bohnin. We believe that it does not adversely affect the Government's rights under the Defense Minerals Exploration Administration contract with Mrs. Moore.

Robert P. Dwyer

Robert P. Dwyer

PIndritz:wog
March 14, 1957
Copy to: Solicitor's Docket (2)
DMEA Docket
~~G.A.Seinsheimer~~
W.S.Martin (2)
R.P.Dwyer
P.Indritz
Chron.

DMEA Form 7
(12-56)

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March 13, 1957

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Iron and Ferro-Alloys Division, DMEA

Subject: Lease
Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Attached are two copies of a lease from the above noted Operator to William Echols covering portions of the N. G. and Grey claims.

It will be appreciated if you will review this document and advise us if the Government is properly protected in its rights under the contract.

W. S. Martin
W. S. Martin, Chief
Iron and Ferro-Alloys Division

Enclosure

TLChapman:foc
cc to: Docket
Code 400

RECEIVED
MAR 13 1957
ASSOC. SOLICITOR
MINERAL RESOURCES

8623

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

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March 4, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are three copies of a letter from Mrs. Jennie M. Moore, Operator of the Mystery property, enclosing copies of a lease of portions of the N.G. claim and the Grey claim. The lease is for the purpose of mining ore from the True vein, 200 to 250 feet north of the Horton vein now being explored under the terms of contract Idm-E781. The mining will in no way interfere with the project and as the Government's right to royalty is recognized in the lease, we can see nothing objectionable with the arrangement.

By Field Team, Region I, NW Dist.

A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew
Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

cc: USBM (2)
USBM (AD)
Alvord

COPY COPY

P. O. Box 523
Philipsburg, Montana
February 26, 1957

Mr. Weissenborn --

Enclosed find a new lease on the Mystery property.

What has delayed my report and check for the January work? Will you kindly speed it up -- I need the check in particular.

Thank you.

/s/ Mrs. Jennie M. Moore

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DMEA

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2/27/57
USGS- Spokane, Wn.

(Docket No. DMEA-3626, Manganese, Granite Co., Montana, Idm-E781)

copy for U.S. Gov.

MEMORANDUM OF AGREEMENT - Made this 20- day of February, 1957, by and between Mrs. Jennie M. Moore, a widow, now residing ay Philipsburg, Montana, the party of the first part and hereinafter called the LESSOR and William Echols of the same place, the party of the second part, and hereinafter called the Lessee- WITNESSETH:

That the lessor herein, for and in consideration of the royalties and agreements herein reserved and by the Lessee to be kept and performed, do by these presents lease, demise and let unto the said lessee, the following described mining property, situated in the Flint Creek ( Unorganized ) Mining District in the County of Granite and State of Montana, to-wit:

An area 200 feet westerly and 200 feet easterly from the east end line of the N.G. ( Patented ) mining claim and being 100 feet northerly and 100 feet southerly of the vein known as the True vein- and including said True vein- and extending in depth to 100 feet below the drift entrance on the surface- being an area of 400 feet long by 200 feet in width and 100 feet in depth. Together with the necessary ground area for the mining of ores therefrom.

TO HAVE AND TO HOLD unto the said lessee for a period of Ninety days from the date hereof, unless sooner determined and terminated by the failure of the lessee to comply with the terms and conditions herein; it being expressly understood and agreed that the lessee shall have no further or other right to occupy said premises herein leased and demised than is specifically set forth herein.

The lessee hereby agrees to perform or cause to be performed a minimum of Five (5) one man shifts per week. That actual work and operations of said property is now in progress and will continue until the termination of this lease.

That he will enter and work said premises in a manner necessary to good mining so as to take out the greatest amount of ore possible with due regard to the safety, development and preservation of the property as a workable mine.

The lessee hereby agrees that he will protect the property interests of the lessor against all liens, debts or other civil actions and that they will not permit said leased premises or any part thereof to be charged with any lien for labor, material or other matter of account for work, operation or development of said premises; and shall at all times indemnify and save harmless the lessor and said premises on account of any indebtedness or liability for any injury which may be incurred by the lessee or his employees or any one acting for him, during the continuance of this lease.

That he will conform and comply with all laws of the State of Montana and the government of the United States, and will pay when due, all premiums for Workmen's Compensation Insurance and Social Security, Unemployment Insurance and all other matters under the control of the State of Montana and the government of the United States.

It is hereby understood and agreed by the parties hereto that after deducting hauling and transportation charges on all ores shipped and sold- there shall be paid to the lessor a sum amounting to Ten (10%) percent of the net proceeds of all ores mined and sold or otherwise disposed of, for the purpose of paying to the United States Government Five(5) per cent of the net proceeds of such ores disposed of and the balance of said ten percent to apply on overhead expense of the lessor. After such deductions are made the balance of the net proceeds shall be divided equally between the lessor and the lessee.

The lessor may furnish rail- mining cars- mine lamps- air pressure- and other equipment available at the mine, also timber for construction of ore bins and other installations. The lessee agrees to cooperate with the use of any equipment or tools which may be available to him and to furnish all labor in the construction of ore bins or other installations and the labor in the work of mining.

It is further understood and agreed by the parties hereto that all ores must be sold, shipped or disposed of in the name of the lessor and all payments made to her. The lessor and her agents may at any and all times enter upon said property to make full, free and complete inspection thereof.

And further, upon the termination of said lease or upon the violation of said lessee or any person under or for him of any of the covenants herein, the terms of this lease shall expire, at the option of the lessor and the said premises become forfeited to the lessor with or without process of law.

The above covenants and agreements shall apply to the heirs, adminstrators and assigns of both parties.

William Echols
Lessee

Mrs. Jennie M. Moore
Lessor

xxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane ., Washington

March 4, 1957

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-5781

Dear Mrs. Moore:

Thank you for your letter of February 26 enclosing copies of the lease on the Mystery claim.

Your January check was scheduled for release the 25th of February and should have reached you by now.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
USBM (AD)
Alvord

xxxxxxxxxxxxxxxxxx
1201 N. Division St.
Spokane 2, Washington

February 25, 1957

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Mrs. Jennie M. Moore
Box 523
Philipsburg, Montana

Re: Contract No. Idm-E781
Docket No. DMEA 3626
Monthly operating report
for January 1957

Dear Mrs. Moore:

This is to inform you the subject voucher could not be paid in the full amount claimed.

The deletions are explained in the attached copy of a memorandum to the Field Team from the Certifying Officer, Region I.

By Field Team, Region I, NW Dist.

A. R. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USGS (2)

DMEA Field Team, Region I, NW District February 25, 1957

DMEA Certifying Officer, Region I

Contract No. Idm-E781
Monthly operating report for January 1957

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

A deletion of $27.00 has been made from the amount previously paid for 476 feet of long hole drilling. This covers 36 feet of long hole drilling which the inspecting engineer states has been overvouchered. After remeasuring, instead of 476 feet only 440 feet of long hole drilling has been completed.

A deletion of $3.00 has been made from the costs claimed for assays. This covers 3 silver determinations which are not allowable under the contract.

Dorothy F. Long

cc: Operator
DMEA (2)
USGS (2)

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xxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington


January 31, 1957

Mrs. Jennie M. Moore
Philipsburg, Montana

Re: Docket No. DMEA-3606 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-8761

Dear Mrs. Moore:

Thank you for your letter of January 28, 1957, and the enclosed record of shipments from the True and Mountain View veins. When we have an inspection team in the area after the snow is off the ground, we will ask them to look at any showings which you think might justify additional exploration.

We are glad to learn that the west drift is coming into ore and hope it will prove to be a large body of minable grade.

By Field Team, Region 1, NW Dist.

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USBM (2)
USBM (AD)
Sample

JAN

Philipsburg, Montana,
January 28- 1957.

Mr. A.E. Weissenborn
Executive Officer
U.S. Geological Survey

South 157 Howard Street
Spokane, Wash.

Dear Sir:-

Replying to your letter of January 25th, referring to extension of time, I had not received the extension of contract for the 150' feet drifting west when I wrote the narrative of January 6th. The extension papers came within a day or two after mailing the narrative. There is no need for an extension of this work as it will be finished long before the time limit.

At the time I wrote the narrative, the vein mentioned was heading northwesterly. This changed into an almost westerly direction and we are following it and now coming into an ore body which we do not know the extent of at this time.

It is my contention that the ore mined in the raise and winze in the west drift was made by a vein which was evident at times on the south side of the west drift and was lost to view when direction of the drift was changed in order to follow water courses. Only when the directions were recently changed to South 70° west did we again contact this vein. I do not believe the larger vein in the shaft has any connection with the vein now showing ore. On Mr. Quihlan's last trip here last summer, at my request he inspected the shaft vein on the 100' level and said he never knew there was a vein there, and said he never saw it before.

I am again asking you to give more thought and consideration to my request for additional exploration work in the area north of the shaft. As I have mentioned before there are three large and strong veins showing on the surface within 300" north of the shaft. The True vein which is the most northerly these veins , has been a good producer for many years, as you probably know, and in the property adjoining on the east it is still considered and worked as a good producer.

I am enclosing shipping reports from small lease operators on the True vein on my property, more specifically on the N.G. claim. If this evidence of production which I am submitting is not sufficient to convince you of the merits of further exploration in this area, I will then earnestly ask you to make a further and more satisfactory inspection of the surface area north of the shaft, as soon as the snow is off the ground. I have had technical advise from several mining engineers as well as many experienced mining men from this area and they are unanimous in the statement that this area north of the shaft should be explored and these veins cross cut. There seems to be no geological reason for barring this area from exploration. The objective is good and a short distance north of the True vein is the Durango vein- sometimes called the Mountain View, Bay Horse and Headlight vein and this has been an exceptionally large producer .

As all work under EMA must be recommended by your office, I feel sure you can let me know in the very near future what your attitude is in regard to this extension. I would need 300" of drifting with an allowance for diamond drilling.

Thanking you for an early reply, I am
Very truly,

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 7 1957
DATE | INITIALS | CODE

TROUT MINING DIVISION

AMERICAN MACHINE AND METALS, INC.

PHILIPSBURG, MONTANA.

MOORE PROPERTY*

MANGANESE ORE RECEIVED FROM OWENS AND HARTLEY -- True vein.

MAYXXXXXXXXXXXXXX

1950

| Date | Wet lbs | % H2O | Dry Short tons | % MnO2 | Unit price | Price short dry ton | total value |
|---|---|---|---|---|---|---|---|
| 4/24-50- | | 4.50 | 10.424 | 48.06 | $0.2002 | $9.62 | $100.28 |
| 21,830 | | | | | | | |
| 5/1-26,060 | | 6.80 | 12.144 | 48.94 | 0.2024 | 9.91 | 120.35 |
| 5/5-11,290 | | | | | | | |
| 5/6-15,800 | | 4.20 | 25,952 | 46.33 | 0.1958 | 9.07 | 117.69 |
| 5/12- | | | | | | | |
| 12,080 | | 2.70 | 11.754 | 50.14 | 0.2054 | 10.30 | 60.53 |
| 6/6-10,980 | | | | | | | |
| 11,780 | | | | | | | |
| 6/9-12,190 | | 7.00 | 32.503 | 52.04 | 0.2101 | 10.93 | 177.63 |
| 6/10- | | | | | | | |
| 12,900 | | | | | | | |
| 6/12- | | | | | | | |
| 10,910 | | 5.70 | 10.939 | 48.19 | 0.2006 | 9.67 | 105.78 |
| 6/14-12,180 | | 3.30 | 5.889 | 41.80 | 0.1845 | 7.71 | 45.40 |
| 6/17-10,760 | | | | | | | |
| 6.18-12,230 | | 6.80 | 10.723 | 37.10 | 0.1700 | 6.31 | 67.66 |
| 6/30-20,310 | | 3.90 | 9.759 | 38.84 | 0.1700 | 6.60 | 64.41 |
| 7/1 -11,720 | | | | | | | |
| 7/2 - 6,390 | | | | | | | |
| 7/6 -11,660 | | 2.40 | 14.528 | 47.36 | 0.1984 | 9.40 | 136.56 |
| 7/8 - 7,890 | | 3.00 | 3.827 | 46.92 | 0.1973 | 9.26 | 35.44 |
| 7/11-10,560 | | | | | | | |
| 7/12-10,800 | | 6.00 | 10.039 | 47.58 | 0.1990 | 9.47 | 95.07 |
| 7/13-10,880 | | | | | | | |
| 7/14-22,640 | | 6.20 | 15,721 | 48.63 | 0.2016 | 9.80 | 154.07 |
| 7/15-22,620 | | 5.00 | 10,744 | 48.84 | 0.2021 | 9.87 | 106.84 |
| 7/18-6,400 | | 2.70 | 3.114 | 42.43 | 0.1861 | 7.90 | 24.60 |
| 7/25-10,670 | | | | | | | |
| 7/27-10,940 | | 5.60 | 10.200 | 43.99 | 0.1898 | 8.34 | 85.07 |
| 7/29-12,220 | | | | | | | |
| 7/30-33,670 | | 11.40 | 20,329 | 39.67 | 0.1767 | 8.01 | 142.51 |
| 7/31-31,670 | | 9.80 | 14,283 | 49.26 | 0.2032 | 10.01 | 142.97 |
| 8/5 -10,180 | | | | | | | |
| 8/9 -10,600 | | 5.60 | 9,808 | 38.71 | 0.1700 | 6.58 | 64.54 |
| 8/14-11,560 | | | | | | | |
| 8/15-10,390 | | 7.70 | 10,130 | 45.00 | 0.1925 | 8.66 | 87.73 |
| 8/19-11,520 | | | | | | | |
| 8/23-10,990 | | | | | | | |
| 8/24- 7,500 | | | | | | | |
| 8/25-11,140 | | 3.00 | 19,915 | 39.05 | 0.1700 | 6.66 | 132.92 |
| 8/30-23,610 | | | | | | | |
| 8/31-30,160 | | 6.90 | 25,030 | 35.60 | 0.1700 | 6.05 | 151.42 |
| 9/13-11,310 | | | | | | | |
| 9/14-20,470 | | | | | | | |
| 9/15-28,480 | | 9.70 | 27,208 | 46.61 | 0.1965 | 9.16 | 249.23 |
| 9/20-10,050 | | | | | | | |
| 9/21-10,930 | | | | | | | |
| 9/22- 6,880 | | 7.50 | 12,793 | 40.33 | 0.1808 | 7.29 | 93.26 |
| 9/24-27,000 | | | | | | | |
| 9/26-11,170 | | | | | | | |
| 9.27-10,890 | | 15.20 | 20,801 | 43.46 | 0.1887 | 8.20 | 170.57 |
| 9/29-10.500 | | | | | | | |
| 9/30-10,650 | | 12.60 | 13,176 | 43.57 | 0.1892 | 8.26 | 108.83 |

TROUT MINING DIVISION

AMERICAN MACHINE AND METALS ~~XXXXXXX~~ INC.,

PHILIPSBURG, MONTANA.

MANGANESE ORE RECEIVED FROM OWENS AND HARTLEY LEASE • MOORE PROPERTY TRUE VEIN

| Date | Wet lbs. | Dry short tons | % H2O | % MNO2 | Unit price- | short ton-Price | total value |
|---|---|---|---|---|---|---|---|
| 10- 4- | 10,700 | | | | | | |
| 10/5 -- | 10,600 | 9.319 | 12.50 | 40.87 | 0.1822 | $7.45 | $ 69.43 |
| 10/12-- | 11,980 | | | | | | |
| 10/13-- | 10,740 | 10.702 | 5.70 | 49.26 | 0.2032 | 10.01 | 107.23 |
| 10/15-- | 25,230 | 11.505 | 8.80 | 45.37 | 0.1934 | 8.77 | 100.90 |
| 10/17-- | 11,890 | ~~10.981~~ | 4.60 | 50.54 | 0.2064 | 10.43 | 114.53 |
| 10/18-- | 11,130 | 10.981 | | | | | |
| 10/23-- | 9,230 | | | | | | |
| 10/25-- | 9,500 | 8.597 | 8.20 | 51.62 | 0.2091 | 10.79 | 92.76 |
| 10/29-- | 12,200 | | | | | | |
| 10/31- | 18,470 | 14.336 | 6.50 | 45.64 | 0.1941 | 8.86 | 127.03 |
| 11/3-- | 8,760 | 3.986 | 9.00 | 49.16 | 0.2029 | 9.97 | 39.74 |
| 11/25-- | 11,550 | | | | | | |
| 11/30-- | 23,480 | 16.639 | 5.00 | 36.28 | 0.1700 | 6.17 | 102.66 |
| 12/7-- | 10,780 | 5.035 | 6.60 | 39.57 | 0.1757 | 6.95 | 34.99 |
| 12/9-- | 21,530 | | | | | | |
| 12/13-- | 11,580 | 15.396 | 7.00 | 52.05 | 0.2101 | 10.94 | 168.43 |
| 12/14-- | 11,400 | | | | | | |
| 12/15-- | 8.550 | 9.077 | 9.00 | 47.10 | 0.1978 | 9.32 | 84.60 |
| 12/18-- | 11,440 | | | | | | |
| 12/19-- | 11,210 | 10.419 | 5.00 | 45.60 | 0.1940 | 8.85 | 92.21 |
| 12/24- | 10,430 | | | | | | |
| 12/29-- | 11,520 | 10.207 | 7.00 | 43.23 | 0.1881 | 8.13 | 82.98 |
| 12/30-- | 21,080 | | | | | | |
| 12/31-- | 8,020 | 13.255 | 8.90 | 43.45 | 0.1886 | 8.19 | 108.56 |
| 1951 | | | | | | | |
| 1/4-- | 8.850 | 4.009 | 9.40 | 41.72 | 0.1843 | 7.69 | 30.83 |
| 1/7-- | 17,010 | | | | | | |
| 1/12-- | 10,420 | 12.481 | 9.00 | 44.53 | 0.1913 | 8.52 | 106.34 |
| 1/14-- | 7,400 | 3.367 | 9.00 | 49.04 | 0.2026 | 9.94 | 33.47 |
| 1/25-- | 10,650 | | | | | | |
| 1/26-- | 8,360 | 8,573 | 9.80 | 35.24 | 0.1700 | 5.99 | 51.35 |
| 2/ 8-- | 10,940 | 5.033 | 8.00 | 28.31 | 0.1700 | 4.81 | 24.21 |
| 2/12-- | 11,470 | 5.408 | 5.70 | 34.96 | 0.1700 | 5.94 | 32.12 |
| Roy Owens lease- | | | | | | | |
| 3/13-- | 10,260 | 4.771 | | 42.03 | 0.1851 | 7.78 | 37.12 |
| 5/26-- | 11,820 | | | | | | |
| 5/31-- | 37,420 | 22.454 | | 37.62 | 0.1700 | 6.40 | 143.71 |
| 6/30- | 29,150 | 13.555 | | 35.90 | 0.1700 | 6.10 | 82.69 |

Total 14 mos. 604.928 Tons

Av. pr. $7.81 4,724.25

Lindy Fortunati Lease- MOUNTAIN VIEW VEIN- also called the Durango- Bay horse- and Headlight vein. From shallow surface workings- north of the True vein.

| 1951- | Wet lbs. | short dry tons | %MNO2- | Unit Price- | Price sh.Dr.Ton | total value |
|---|---|---|---|---|---|---|
| 5/26--- | 13,220 | | | | | |
| 5.27--- | 15,470 | | | | | |
| 5/29--- | 18,420 | 21,836 | 21.52 | 0.1700 | 3.56 | $ 79/92 |
| 6/22--- | 7,420 | 3.413 | 29.18 | 0.1700 | 4.96 | 16.93 |
| 6.23--- | 7,840 | | | | | |
| 6/26--- | 7.170 | | | | | |
| 6/29--- | 15,600 | 14,509 | 27.90 | 0.1700 | 4.74 | 68.77 |
| 7/6--- | 17,500 | 8,286 | 31.92 | 0.1700 | 5.43 | 44.99 |
| 7/10--- | 14,700-- | | | | | |
| 7/11--- | 7,900 | 10.179 | 31.40 | 0.1700 | 5.34 | 54.36 |
| 7/12--- | 8,500 | 4.131 | 34.37 | 0.1700 | 5.84 | 24.13 |
| 7/14 -- | 7,040 | 3.344 | 24.95 | 0.1700 | 4.24 | 14.1[illegible] |
| 7/16--- | 8,710 | | | | | |
| 7/17--- | 8,350 | | | | | |
| 7/19--- | 9,400 | 12.939 | 36.47 | 0.1700 | 6.20 | 80.22 |
| 7/21-- | 18,840 | | | | | |
| 7/25-- | 10,300 | 14.191 | 30.03 | 0.1700 | 5.11 | 7[illegible].52 |
| 7/28 | 7,570 | 3.649 | 26.60 | 0.1700 | 4.52 | 1[illegible].49 |

Total 96.427 Tons

Av. pr. $ 4.90 472.51

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| 2-1 | C | 220 |
| 2/1 | [illegible] | 800 |
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| | | |
| January 25, 1957 | | |
| | | |

xxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

Mrs. Jennie M. Moore
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-8761

Dear Mrs. Moore:

Reference is made to your narrative report dated January 6, 1957 accompanying your voucher for December in which you request authorization to follow a north - south structure, and ask about the status of your request for an extension of time for completion of your contract.

We were able to get in touch with Donald Alvord, who was in the field when your letter arrived. He has returned to the office and reports that he saw you and told you that you could follow a westerly-striking structure which apparently is the one you referred to in your report.

Regarding an amendment to extend the time, we are holding your request in abeyance as we can see no reason why the work cannot be completed by the present date of termination (April 12, 1957) if it is vigorously carried out.

By Field Team, Region I, NW Dist.

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2) w/2 copies narrative
USBM (2)
USBM (AD)
Sample

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DMEA
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Philipsburg, Montana,
January 5- 1957.

Mac
Al
Sample

Mr. A.E. Weissenborn
Chief Executive Officer
U.S. Geological Survey

So. 157 Howard Street
Spokane, Wash.

Narrative report for December.

Dear Sir:-

expire Apr. 12, 1957

As I am nearing the completion of the present DMEA contract, I am anxious to know what action has been taken on my application for extension. It would be to the best advantage to all concerned if the continuation can be made without interuption of operation.

There was a small manganese vein encountered near the face of the present west drift, at approximately 350' from the crosscut; this appears to be strongest on the north side of the drift. I would like to be permitted to follow this in either north or south direction as I feel it may open up into an ore body. It is also possible this vein is an extension of the ore body which was partly opened in the winze. No assay has been made to date of this vein, but the ore appears to be hard, blue-black and of good grade. The general trend of the vein is south 80° west; in speaking of a north and south direction above, it is meant to be construed as north and south of the vein.

Very truly,

DMEA

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| 1-25 | C | 220 |
| 1/25 | [illegible] | 800 |
| | | 225 |
| January 21, 1957 | | |
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xxxxxxxxxxxxxxxxx
1201 N. Division Street
Spokane 2, Washington

Mrs. Jennie M. Moore
Box 523
Philipsburg, Montana

Re: Contract No. Idm-E781
Docket No. DMEA 3626
Monthly operating report for
December 1956

Dear Mrs. Moore:

This is to inform you that the subject voucher could not be paid in the full amount claimed.

The $23.75 deletion is explained in the attached copy of a memorandum to the Field Team from the Certifying Officer, Region I.

By Field Team, Region I, NW Dist.

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USGS (2)

OFFICIAL FILE COPY

[redacted]

DMEA

RECEIVED JAN 25 1957

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| 1-25 | C | 220 |
| 1-27 | [illegible] | 800 |
| | | 225 |
| | | |
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January 21, 1957

DMEA Field Team, Region I, NW

DMEA Certifying Officer, Region I

Contract No. Idm-E781, Docket No. DMEA 3626, Mrs. Jennie M. Moore
Monthly operating report for December 1956.

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

The Operator claimed 110 feet of long hole drilling which the inspecting engineer felt was incorrect. He stated that Hole No. 16 had been drilled to a depth of 25 feet and Hole No. 17 to 40 feet, making a total of 65 feet for the month. He will discuss this matter with the Operator at the first opportunity. If the footage claimed should prove to be correct, the amount deleted may be reclaimed in a subsequent voucher.

The Operator's claim of $72.50 for 110 feet at $0.75 per foot evidently is in error. It appears the amount should have been $82.50. This accounts for the $10.00 difference in the deletion.

Myrtle Purdy

cc: Operator
DMEA (2)
USGS (2)

RECEIVED JAN 17 1957

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| 1-17 | CW | 220 |
| 1/18 | [illegible] | 800 |
| | | 225 |
| January 11, 1957 | | |
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xxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

Mrs. Jennie M. Moore
Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

In reply to your letter of January 8, 1957, the intent of having you drift south 70° west was to get you back to where the ore should be. Apparently you have reached that objective and certainly you may continue to follow the ore in a westerly direction.

Thank you for returning the signed amendment to your contract so promptly. We are sorry we could not get all the work you desired.

By Field Team, Region I, NW Dist.

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2) w/incoming
USBM (2)
Sample

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Philipsburg, Montana, Jan. 8- 1957.

Mr. A.E. Weissenborn
Executive Officer
U .S. Geological Survey

So. 157 Howard Street
Spokane- Wash.

DMEA 3626
Idm-E-781

Mystery Mine
Granite Co.
Montana.

DMEA

Dear Sir:-

I am herewith enclosing the signed copies of the contract extension. Of course I am disappointed in not getting a larger allottment of work, but am thankful for small favors.

I have had technical advise to follow the ore, regardless of direction, and as this vein of manganese which was encountered in the end of the west drift runs nearly due west, I feel certain you will not object if I follow it instead of going south 70° west indifinitely. Please let me know if you approve of this and if it will be accepted on the extension contract.

Very truly,

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

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January 10, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are the Government, Docket, and Division copies of Amendment No. 3 to the contract.

Other copies of the amendment have already been distributed.

Sincerely yours,

D.R. Macbarer
for A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District

Enclosures

cc: Finance Office
USBM (2)
Alvord

Mystery Mine
Box 523

Philipsburg, Montana.
January 5- 1957.

Mr. A.E. Weissenborn
Executive Officer
U.S. Geological survey,

So. 157 Howard Street
Spokane, Wash.

Mac
Al
USBM
DMEA
Amy

Amendment
mailed to this more
1/8/57. Eur

Dear Sir:-

Will you kindly inform me what progress has been made in the processing of my request for an extension of contract. If you do not have any recent information on this matter, will you then let me know what items of advance were recommended by your office so that I may have an idea of what may be granted. I would like to continue the operation of the property without interuption, but want to do so in the general direction which will be demanded by the extension.

The east drift has been completed and there remains only approximately 30' to be finished in the west drift. We have encountered a small manganese vein in the face of the drift where we are now working; this vein being in a south 80° west direction and appears to be stronger on the north side of the drift. It is my belief that this vein should be followed. The general formation is favorable for ore. I am planning on some long holes in this area, after advancing a little further west in the drift.

I would appreciate greatly if you could give me the above information without delay.

Thanking you, I am

Very truly,

3626

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| 1-14 | cw | 220 |
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| 1/8/57 | | 800 |
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xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

January 4, 1957

Mrs. Jennie M. Moore
Courtney Hotel
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

Enclosed are the original and five copies of a proposed Amendment No. 3 to Contract No. Idm-E781, signed by the Administrator for the Government. Although it does not provide for all the work you requested, we hope you will find the amendment acceptable.

If the conditions and terms of the proposed amendment are satisfactory to you, please sign all copies and return all but the copy marked for the Operator. If the amendment does not meet with your approval, please return all copies with your comments.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USBM (2)
USBM (AD)
Alvord

400
DOCKET
SURNAME
Chapman
Martin
Fisher
Selfridge
Matthews

DEC 27 1956

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

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-3781

Dear Mr. Weissenborn:

Enclosed are the original and five copies of a proposed Amendment No. 3 to the above referenced contract, signed by the Administrator, for the Government. Two extra copies are enclosed for the use of the Field Team.

If the conditions and terms of the proposed amendment are satisfactory to you and the Operator, all six copies should be signed by the Operator and the usual distribution made.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

APPROVED:

Frank D. Lamb (JB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JB)
Member, Geological Survey

Enclosure

TLChapman:am 12-17-56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. I, NWDist
Messrs. G. DeHuff, USBM
T. H. Kiilsgaard, USGS

R.S.

"4. The location, direction, and extent of all work are subject to the approval of the Government.

"5. Make 100 assay determinations for manganese and for lead, zinc, and copper when so indicated."

C. In Exhibit "A" under the heading Fixed Unit Costs, the following changes are made:

(a) The words "Stage I" are inserted immediately preceding the first item.

(b) The tenth item which reads as follows:

"Assay 125 samples for Manganese at $2.00/ea. $250.00"

is deleted and the following is substituted:

"Make 125 assay determinations for Manganese and for lead, zinc and copper at not to exceed $2.00 per determination $250.00"

(c) The summaries reading as follows:

| | |
|---|---|
| "Estimated Total Cost of Project | $48,700.00 |
| Government Participation @ 75% | $36,525.00" |

are deleted, and the following provisions are substituted:

| | |
|---|---|
| "Estimated Total Cost of Stage I | $48,700.00 |
| Estimated Government Participation in Stage I @ 75% | $36,525.00 |

Stage II

| | | |
|---|---|---|
| Drift 150 feet | @ $38.00/ft. | $5,700.00 |
| Timber 50 feet | @ $8.40/ft. | 420.00 |
| Long hole drill 300 feet | @ $1.00/ft. | 300.00 |
| Technical Service, 6 days | @ $50.00/day | 300.00 |
| Make 100 assay determinations for manganese, and for lead, zinc and copper at not to exceed $2.00 per determination | | 200.00 |
| Estimated Total Cost of Stage II | | $6,920.00 |

(h)

~~Make not to exceed 250 assay determinations, for manganese at $2.00 per determination, and for lead, zinc, and/or copper each at $1.00 per determination~~ From 1/5 to $250.00

~~at 2.00 for each~~

Assay for manganese at $2.00 per ~~determination~~ sample, and assay for lead, zinc, and/or copper at $1.00 per ~~determination~~ ~~sample~~, provided that not more than 250 assays shall be made for a total of not more than $250.

200

$200

December 7, 1956

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Iron and Ferro-Alloys Division, DMRA

Subject: Preparation of Amendment No. 3
Docket No. DMRA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Transmitted herewith is a rough draft of an Amendment No. 3 to the above-captioned contract for your use in preparing the final draft.

W. S. Martin, Chief
Iron and Ferro-Alloys Division

Attachment

TLChapman:am 12-7-56
cc to: Docket
Code 400

DRAFT
TLChapman:am
12-7-56

AMENDMENT No. 3
to
EXPLORATION PROJECT CONTRACT Idm-E781
DOCKET NO. DMEA 3626
between
THE UNITED STATES OF AMERICA
AND
MRS. JENNIE M. MOORE

It is agreed this _____day of _____, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-E781 (Docket No. DMEA-3626), dated April 12, 1955, as amended is further amended as follows:

A. In Article 5 of the Contract the total estimated cost of the project is changed from $48,700.00 to $55,620.00 and the amount of the Government participation at 75 percent is changed from $36,525.00 to $41,715.00.

B. In Description of the Work; add the following:

The work will be divided into 2 stages. Stage I to be completed according to Exhibit "A" in the Contract and Amendment No. I and Amendment No. 2, except that to the words: "Mineralized areas in drifts and drill holes shall be sampled and assayed" shall be added the words: "for manganese and for lead, zinc and copper when so indicated."

<u>Stage II</u>

1. Provide for technical service.

2. From west face of drift on Horton vein at end of Stage I, continue to drift westerly for an additional 150 feet.

3. Timber as necessary. It is estimated that 50 feet of timbering will be sufficient, but the Government reserves the right to provide funds for additional footage if necessary.

AMMENDMENT NO. 3
DOCKET NO. DMEA 3626
Contract Idm-E781

Stage II
(Cont'd)

4. Drill approximately 300 feet of long holes from each side and end of the drift to prospect for parallel or en-echelon ore bodies. These holes shall be drilled at approximately 50 feet intervals, and shall average approximately 30 feet in length.

5. Make 100 assay determinations for manganese and for lead, zinc and copper when so indicated.

Estimated Cost of the Project

Agreed Unit Costs

Stage I

| | | | |
|---|---|---|---|
| Delete | Delete "Assay 125 samples for Manganese at $2.00/each." | $ 250.00 | |
| | and substitute: | | |
| | Make 125 assay determinations for manganese, and for lead, zinc and copper not to exceed $2.00 per determination | $ 250.00 | |
| | Estimated Total Cost of Stage I | | $48,700.00 |

Stage II

| | | |
|---|---|---|
| Technical Service, 6 days at $50.00/day | $ 300.00 | |
| Drift 150 feet at $38.00/ft. | 5,700.00 | |
| Timber 50 feet at $8.40/ft. | 420.00 | |
| Long hole drill 300 feet at $1.00/ft. | 300.00 | |
| Make 100 assay determinations for manganese, and for lead, zinc and copper not to exceed $2.00 per determination | 200.00 | |
| Estimated Total Cost of Stage II | | $ 6,920.00 |
| Estimated Total Cost of the Project | | $55,620.00 |
| Government Participation at 75 percent | | $41,715.00 |

AMENDMENT NO. 3
DOCKET NO. DMEA 3626
Contract Idm-E781

(Cont'd)

IN WITTNESS WHEREOF, the parties have executed this amendment as of the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Administrator, Defense Minerals
Exploration Administration

MRS. JENNIE M. MOORE

By_____
Mrs. Jennie M. Moore

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

December 5, 1956

Mrs. Jennie M. Moore
Courtney Hotel
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

This will acknowledge receipt of your letter of December 4, 1956, in which you request us to let you know when you can expect an answer to your request of November 11, 1956 for an amendment providing for additional work at your property. Your request has been forwarded to Washington, D. C., for consideration by Defense Minerals Exploration Administration, and we should hear from them very soon.

By Field Team, Region I, NW Dist.

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren, Acting Member
U. S. Geological Survey

cc: DMEA (2) w/cys incoming
USBM (2)
USBM (AD)
Alvord

Philipsburg, Montana, Dec. 4- 1956.

Mr. A.E. Weissenborn
Executive Officer
U.S. Geological Survey

So. 157 Howard Street
Spokane, Wash.

Dear Sir:-

Will you kindly let me know when I can expect an answer to my letter of November 11th relating to an extension of my DMEA contract No. 3626.

The time element in this matter is of vital importance as I am nearing the completion of the existing contract .

If I am to have an extension I would like to have this fact established so that I could montinue the work without interruption when the present contract is completed.

Thanking you for an early reply, I am

Veru truly,

/s/ MRS. JENNIE M. MOORE

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

RECEIVED
NOV 23 1956
D.M.E.A.

November 21, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are two copies of a letter dated November 11, 1956, from Mrs. Jennie M. Moore, operator of the referenced contract, in which she requests an amendment to her contract to allow additional work and increase the cost of the program. Mrs. Moore proposes to extend the west drift on the Horton vein an additional 150 feet, and to do an unspecified amount of long-hole drilling into the drift walls. This additional drifting will explore sufficiently far beyond the surface outcrop of the last good target area to allow for a probable rake of the ore zone to the west, and the proposed long-hole drilling will adequately test for possible ore shoots that may be developed in the walls.

Mrs. Moore also proposes to extend an existing crosscut from the Owens shaft 250 feet to the north to intersect the True or Huffman(?) vein and "several east-west veins and fissures which are in evidence between the shaft and the True vein." The True vein has been explored on three levels for a vertical distance of about 48 feet and a horizontal distance of about 180 feet. The proposed north crosscut will intersect the True vein near the center of this explored area, at a depth of about 210 feet below the lowest True vein workings. There has been very little stoping from any of the levels on the True vein on Mrs. Moore's claims. D. C. Alvord states in an Interim Inspection Report dated November 2, 1956, that stoping from the upper level, the only one then accessible, indicates that the vein was never more than 3 or 4 feet wide, and that visual examination of the ore in place indicates that the grade is

about 15 to 20 percent. Old maps show that the True vein was also explored horizontally for about 100 feet from the Mystery crosscut, about 160 feet above the level of the proposed north crosscut. This exploration did not find much ore and the chance of finding any significant amount of additional ore on the True vein appears to be poor.

Mrs. Moore indicates two possible veins between the Owens shaft and the True vein. One of these veins has already been cut by the north crosscut, and the other should be about 50 feet north of the present face. Both veins have been exposed by shallow workings, but neither shows as much promise as the True vein.

In view of the above, the Field Team believes that the proposal to extend the Horton drift 150 feet to the west and long-hole drilling of the walls is justified by the fact that this work would complete the exploration of the primary target area on which the contract was based. This has not been possible under the contract partly because the crosscut south of the shaft to the Horton vein zone was longer than was anticipated, and partly because insufficient footage was allowed to compensate for now apparent westerly rake of the ore body. It is the further opinion of the Field Team that there is insufficient evidence of the existence of ore bodies either along the Trout vein or the smaller veins between the Trout vein and the face of the crosscut north from the shaft to justify the other work proposed by Mrs. Moore.

The Bureau of Mines has recently made a reappraisal of costs for contemplated additional work at the neighboring Mullen mine, of American Machine and Metals Corporation, where the nature of the ground and other conditions are comparable. The estimated cost for drifting is $37.80 per foot; for timbering, $8.40 per foot; and for long-hole drilling, $1.00 per foot. While Mrs. Moore's request that she be allowed $47.00 per foot for drifting and timbering is too high, the presently allowed $32.50 per foot for drifting, $6.50 per foot for timbering, and $0.75 per foot for long-hole drilling are too low.

The Field Team recommends that an amended contract be proposed in two stages. Stage I should include all the work completed under the present contract. Stage II should provide for 150 feet of drifting westerly from the face of the Horton drift at a unit cost of $37.80 per foot; long-hole drilling a total of 300 feet at a unit cost of $1.00 per foot; and 50 feet of timbering at $8.40 per foot. Provision should be made for 100 assay determinations for gold, silver, lead, zinc, copper and manganese at a unit cost not to exceed $2.00 per determination. Provision should also be made to allow for 6 days at $50.00 per day or $300.00 for technical services.

We believe that the additional work can be completed by April 12, 1957, the present date of completion, and therefore do not recommend that the completion date be extended at this time.

By Field Team Region I, NW Dist.

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Thomas E. Howard

for: Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosure
cc: USBM (2)
USBM (AD)
Sample

P.S.- Enclosed are two copies of the cost analysis on the Mullen mine.

Philipsburg, Montana,
November 11- 1956.

Mr. A.E. Weissenborn
Executive Officer U.S.
Geological Survey

157 So. Howard Street
Spokane, Wash.

RECEIVED
NOV 23 1956
D.M.E.A.

Dear Sir:-

As I am nearing the completion of the government DMEA contract covering exploration work on the Mystery manganese mine in Granite County, and while finding that there has been no worth while discovery of manganese to date, I am reluctant to classify this effort as a failure, so am asking for further and other government participation in the effort to continue work and make further exploration.

BANTA SILVEN & MORTON

First: I would like to extend the west drift a distance of 150' from the completion footage- making the total lenght of the west drift 320' from the south crosscut. In the event of finding the ground too difficult and broken I would like to have the permission to drift just outside the difficult area for better progress and long-holing into the area prescribed to check on any change in formation.

Second: To continue and extend the crosscut north of the shaft to intersect and penetrate the True vein. This would crosscut the several east and west veins and fissures which are in evidence on the surface between the shaft and the True vein- a distance of approximately 250'.

Third: As an alternative to the second item I would like to drift 50' east and 50 ' west from the end of the present north crosscut and where there is an indication of an east and west ore body. With this alternative request there should also be an allottment for diamond drilling which should be sufficient to permit diamond drilling in the most strategic points- some below the present 200' level and there is also a possible chance it might be advantageous in the west after that drift is completed. In this area the several east and west veins, including the True vein, integrate on the suface at a point where a north and south fault the integration of these veins. I think it would be necessary to have 1000 to 1200' of diamond drilling allowed so there would be some leeway in the use of same without undue delay.

I would also ask that the cost allowance for this work be increased substantially as the present cost allowance has been far from sufficient to carry the government's 75% share of the expense.

Enclosed please find some of the returns from ore mined and sold from the True vein and taken from the east end of the property in the winse. I would appreciate if this additional participation of the government could be approved without any delay and the time for such approval shortenend so that I could continue operations without delay when the present contract is completed , which should be within the next 6 to 8 weeks.

Thanking you for all possible assistance, I am

Very truly,

DMEA

BANTA, SLEVEN & MORTON

BAKER, OREGON

List of expenses for 64' advance for the month of October- 1956

| | | |
|---|---|---|
| Hoisting engineer | $ 375.00 | |
| 2 men drifting- 5 days wages- balance contract | 836.00 | |
| Powder- fuse- caps-<br>1 to 1½ box per day- 4 spools fuse per mo. | 400.00 | |
| Electricity | 97.07 | |
| Industrial accident- insurance- unemployment and FICA | 145.00 | |
| Tool- equipment maintenance | 42.00 | |
| Supplies- steel- misc.- | 120.00 | |
| Dozer work on dump | 40.00 | |
| New fan bags- 8"- 2" and 1" pipe | 90.00 | |
| Used 16 lb rails- bolts- spikes- plates- ties- | 130.00 | |
| Timbering material- estimate- | 180.00 | |
| oils and grease- | 5.00 | |
| | $ 2390.07 | $ 2390.07 |
| To this must be added- | | |
| Wages for top man- ( none included for Oct. 1) | $ 370.00 | |
| wage increase for hoisting engineer- | 18.00 | |
| General wage increase- Nov. 1- | | |
| increase of $2.00 per foot for drifting- | 128.00 | |
| timbering and long hole labor- extra above contract- | 60.00 | |
| increase in powder- fuse caps- effective- Nov. 1- | 20.00 | |
| Rental of jackleg drilling machine | 50.00 | |
| Average cost per foot-- $47.00 | $ 646.00 | $ 646.00 |
| | | $ 3036.07 |

In addition to the above I have paid--I-have-paid monthly rental payments of $350.00 on other equipment.

I have had approximately 60' of timbering with ceilings 15' high at a cost of not less than $12.00 per foot. The ground has been alternating between heavy timbering costs and very hard lime which has been most difficult to break.

I have listed the above actual costs so you can see how far below cost the government participation has been in the present contract- as I have paid out approximately [illegible] of my own money to meet the government participation of approximately $30,000, which is not a 75% - 25% outlay.

RECEIVED NOV 23 1956 D.M.E.A.

Jennie M . Moore , Propert

**TROUT MINING DIVISION**
**AMERICAN MACHINE AND METALS, INC.**
**PHILIPSBURG, MONTANA**

**MANGANESE ORE RECEIVED FROM CHING AND HARTLEY**
**NOVEMBER 3 - 15, 1950.**

| DATE | NET POUNDS | % MnO | POUNDS MnO | DRY POUNDS | SHORT DRY TONS | % MnO | UNIT PRICE | PRICE PER DRY TON | TOTAL VALUE |
|---|---|---|---|---|---|---|---|---|---|
| Nov. 3 | 8,760 | 9.00 | 788 | 7,972 | 3,986 | 49.16 | $ 0.2029 | $ 9.97 | $ 39.74 |

**-D E D U C T I O N S-**

Flint Creek Valley Bank - 10% Royalty. . . . . $ 3.97

**-NET AMOUNT DUE LEASEE-** $ 35.77

LMcDH

FRONT MINING DIVISION
AMERICAN MANGANESE MINES, INC.
PHILIPSBURG, MONTANA

MANGANESE ORE RECEIVED FROM CLARKS AND HANTLEY
MONTH OF [illegible] 1, 1950.

| DATE | NET POUNDS | % MnO | POUNDS MnO | NET POUNDS | SHORT NET TONS | % MnO | NET PRICE | PRICE PER SHORT TON | TOTAL VALUE |
|---|---|---|---|---|---|---|---|---|---|
| Aug. 5 | 10,160 | | | | | | $ | $ | $ |
| Aug. 9 | 10,600 | 5.60 | 1,144 | 19,616 | 9.808 | 38.71 | 0.1700 | 6.56 | 64.34 |
| Aug. 24 | 11,560 | | | | | | | | |
| Aug. 25 | 10,320 | 7.70 | 1,600 | 20,240 | 10.120 | 45.00 | 0.1925 | 8.66 | 87.73 |
| | 42,720 | | | | | | | | $ 152.27 |

-DEDUCTIONS-

Elkhorn Creek Valley Bank - 10% Royalty. . . . . $ 15.23

NET AMOUNT DUE LESSEE $ 137.04

[illegible] MINING DIVISION
AMERICAN MAGNESIUM AND METALS, INC.
[illegible], MONTANA

MANAGEMENT FOR RECEIVED FROM OWNERS AND DEALERS
[illegible] 16 - 31, 1956

| DATE | NET POUNDS | % H2O | POUNDS H2O | DRY POUNDS | SHORT TONS | % MOG | UNIT PRICE | PRICE PER TON MOG | TOTAL VALUE |
|---|---|---|---|---|---|---|---|---|---|
| [illegible] 19 | 11,520 | | | | | | $ | $ | $ |
| [illegible] 23 | 10,990 | | | | | | | | |
| [illegible] 24 | 7,300 | | | | | | | | |
| [illegible] 25 | 11,140 | 3.00 | 1,205 | 39,915 | 19.9[illegible] | 39.05 | [illegible] | 6.66 | 132.92 |
| [illegible] 30 | 23,410 | | | | | | | | |
| [illegible] 31 | 30,160 | 6.97 | 3,710 | 30,060 | 15.030 | 38.40 | [illegible] | 6.05 | 151.43 |
| | 94,580 | | | | | | | | $ 284.35 |

-DEDUCTIONS-

| | | |
|---|---|---|
| Flint Creek Valley Bank - 10% Royalty | $ 28.44 | |
| Credit on Compressor Purchased | 25.00 | $ 53.44 |
| -NET AMOUNT DUE LESSEE- | | $ 230.91 |

[redacted]

RECEIVED
NOV 23

[illegible]

[illegible]

[illegible]

| DATE | NET POUNDS | SALES POUNDS | SALES NET POUNDS | SALES NET TONS | SALES % BBL | UNIT PRICE | PRICE PER BBL |
|---|---|---|---|---|---|---|---|
| Sept.20 | 10,090 | | | | | $ | $ |
| Sept.21 | 10,930 | | | | | | |
| Sept.22 | 6,460 | [illegible] | [illegible] | 25,565 | 12.779 | [illegible] | 7.29 |
| Sept.24 | 27,000 | | | | | | |
| Sept.26 | 11,270 | | | | | | |
| Sept.27 | 10,890 | 13.30 | [illegible] | 41,403 | 20.701 | [illegible] | 8.20 |
| Sept.29 | 10,500 | | | | | | |
| Sept.30 | 12,660 | 12.40 | [illegible] | 24,331 | 12.126 | [illegible] | 8.24 |
| | 106,870 | | | | | | [illegible] |

-D E D U C T I O N S-

| | |
|---|---|
| Flint Creek Valley Bank - 10% Royalty | $ 37.27 |
| Credit on Compressor Purchase | 50.00 |

-NET AMOUNT DUE LESSEE- $ 286.32

LMcDH

[redacted]

[illegible] DIVISION
[illegible] AND [illegible], INC.
[illegible]

[illegible] ON RECEIVED FROM CASH AND [illegible]
[illegible]

| DATE | NET POUNDS | $ PER POUND | [illegible] | PER POUND | NET POUNDS | [illegible] | $ PER POUND | [illegible] | [illegible] | TOTAL VALUE |
|---|---|---|---|---|---|---|---|---|---|---|
| [illegible] | 11,440 | | | | | | | | $ | |
| [illegible] | 11,200 | 8.00 | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | 6.45 | 92.21 |
| [illegible] | [illegible] | | | | | | | | | |
| [illegible] | [illegible] | 7.00 | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 82.98 |
| [illegible] | [illegible] | | | | | | | | | |
| [illegible] | [illegible] | 8.00 | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 108.56 |
| | 71,700 | | | | | | | | $ | 283.75 |

-REDUCTIONS-

| | | |
|---|---|---|
| Mrs. Jennie M. [illegible] - [illegible] | $ 28.38 | |
| Payment on Compressor [illegible] | [illegible] | $ 78.38 |
| [illegible] -NET AMOUNT DUE LESSEE- | | $ 205.37 |

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

November 16, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

In the cost estimates accompanying the Field Team's recommendation that a contract be given to Mrs. Moore, provision was made for the assaying of samples for gold, silver, lead, and manganese. (See page 8 of J. D. Bardill's memorandum of March 21, 1955, transmitted to Washington with our letter of the same date.) However, the contract was written providing for assaying for manganese only, a fact that we overlooked when we sent the contract to the applicant for her signature. As base metal sulfides are being produced in the nearby Scratch All mine and stringers of base metal sulfides are found in the Mystery mine itself, good operating practice dictates that some of the Mystery samples be assayed for other metals in addition to the manganese.

It is therefore requested that the contract be amended to allow payment for assays for gold, silver and base metal sulfides, as well as for manganese, where such assays are required. It is suggested that the final item under Fixed Unit Costs be amended to read:

"Make 125 assay determinations for gold, silver, zinc, lead, copper and manganese at a total cost not to exceed $2.00 per determination $250.00"

By Field Team Region I, NW Dist.

cc: USBM (2)
USBM(AD)
Sample

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

for Thomas E. Howard
Wing G. Agnew, Member
U. S. Bureau of Mines

RECEIVED
NOV 19 1956

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

November 16, 1956

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-8761

Dear Mrs. Moore:

In your letter of October 24, 1956, you informed us that the royalties due on the ore shipped from the Mystery mine in June and July 1956 would be paid as soon as you received final settlement. We assume that the delay is caused by the time necessary to process the final settlements. You should pay the royalty due on the basis of any partial settlement when you receive it and pay the balance when you receive the final settlement. Payments should be accompanied by copies of the appropriate settlement sheet.

In connection with future shipments you should request the buyer to deduct the Government's royalty from each settlement and send it, with a copy of the settlement sheet, to A. E. Weissenborn, Executive Officer, to the above address. The check should be made payable to the Defense Minerals Exploration Administration. We would appreciate receiving a copy of your letter to the buyer instructing him in this matter.

By Field Team Region I, NW Dist.

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing S. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USGS (2)
USBM(AD)
CPF
Sample

xxxxxxxxxxxxxxxxxxx
1201 N. Division St.
Spokane 2, Washington

November 12, 1956

Mrs. Jennie M. Moore
Box 523
Philipsburg, Montana

Re: Docket No. DMEA 3626
Contract No. Idm-X781
Monthly operating report
for October 1956

Dear Mrs. Moore:

This is to inform you that payment on the subject voucher could not be made in the full amount claimed.

The deletion made is explained in the attached copy of a memorandum to the Field Team from the Certifying Officer, Region I.

By Field Team, Region I, N.W. Dist.

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

Wipp S. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USGS (2)

RECEIVED NOV 19 1956 D.M.E.A.

DMEA Field Team, Region I

November 9, 1956

DMEA Certifying Officer, Region I

Docket No. DMEA 3626, Contract I6m-X781. Jeannie M. Moore.
Monthly operating report for October 1956.

A small disallowance has been made from the costs claimed by the Operator on the subject voucher.

The contract calls for assays on 125 samples for manganese. The Operator submitted assay results on three samples with this voucher. However, only two of them showed manganese determinations; the third one giving results for silver, copper and lead but nothing on manganese.

The Operator also claimed costs for assaying five samples on the July 1956 MF-104. Results were received on only four. The cost of the one missing assay was allowed at the time with the thought that this result would be sent in. To date we have not received anything to substantiate this charge. Accordingly, we are disallowing $4.00 to bring the total assay costs to $42.00, which is the allowable cost of the 21 assay results we have received to date.

Myrtle Purdy

cc: Operator

DMEA (2)
USGS (2)

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

DOCKET COPY
Surname:
Chapman
Martin
Tyler
Chambers
Selfridge
Kjelman

NOV - 9 1956

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I, N. W. District
South 137 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-3626, Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-8761

Dear Mr. Weissenborn:

Reference is made to the Interim Report of John A. Boucher, Mining Engineer, dated June 6, 1956, in which he advises that a 60-ton car of manganese ore had been shipped and a second car was ready for shipment. To this date we have not received any settlement sheets or royalties from the ore shipped.

Mrs. Moore in her narrative report for July, 1956, advises that a shipment was made of ore mined from the winze. It is noted that in Mrs. Moore's letter to you of October 24, 1956, that she advises that royalties will be paid as soon as final settlement have been received. As final settlements are usually received in from 30 to 60 days, we do not understand the delay as the first shipment was made prior to the sixth of June. We believe it would be advisable to inform the Operator that settlement sheets should be sent in as soon as received and royalties paid at that time.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

TLChapman:ms 11/6/56
Copy to: Docket
Operating Committee
Field Team, Region I
T. H. Kiilsgaard, USGS
Gilbert DeHuff, USBM
Admr. R. File
Code 400 (2)

3626

Philipsburg, Montana,
November 3- 1956.

RECEIVED
NOV 13 1956
O.M.E.A.

Mr. A.E. Weissenborn
Executive Officer U.S.
Geological Survey

No. 157 Howard Street
Spokane -4- Wash.

Dear Sir:-

In regard to the matter of application for further government participation in drifting in the area north of the shaft, I believe it would expedite same if I came to Spokane during the middle of the coming week and gave all required information directly.

I will be there on Wednesday unless weather or illness prevents.

Very truly,

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

RECEIVED
NOV 5 1956
D.M.E.A.

November 1, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are the Government, Docket, and Division copies of Amendment No. 2, signed by the Administrator and Mrs. Moore.

Other copies of the amendment have been distributed in the usual manner.

Sincerely yours,

Howard B Nickelson

Howard B. Nickelson
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team Region I, NW Dist.

Enclosures as above

cc: USBM (2)
USBM(AD)
Sample

RECEIVED
5 1956
DMEA

So. 157 Howard Street
Spokane 4, Washington

October 30, 1956

Mrs. Jennie M. Moore
Courtney Hotel
Philipsburg, Montana

Re: Docket No. DMEA 3626 (manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Ldm-2781

Dear Mrs. Moore:

Thank you for your letter of October 24, 1956, in which you inquired about (1) transfer of funds from Station cut to cost of timbering on the East drift, (2) extension of time for completing your present contract, and (3) the possibility of "Government participation in an additional 300' of drifting to the north of the shaft, at the 200' level."

A reply has been made to you in regard to the first two questions by forwarding to you for your signature an amendment providing for the transfer of funds and an extension of time.

In regard to the Government participation for additional work north of the shaft it will be necessary for you to submit additional data. First, if you plan on exploring north of the shaft on the 200-foot level, will you be drifting along a structure or will you be crosscutting to intersect structures you believe to be mineralized? Second, whether drifting or crosscutting you should show by map and narration your estimate of how many feet of crosscutting and how many feet of drifting will be necessary for you to reach your planned objective. Third, you should furnish an estimate of cost per foot for excavation, timbering, etc. Your estimates may be based upon your experience with the present contract or upon an independent cost basis. When we receive all the pertinent information, we will forward it with your request to Washington for the consideration of the DMEA.

By Field Team, Region 1, NW District

A. E. Weissenborn, Area. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA(2)
USGS(2)
USBM(AD)
Sample

xxxxxxxxxxxxxxxxxxx

So. 157 Howard Street
Spokane 4, Washington

October 29, 1956

Mrs. Jennie M. Moore
Courtney Hotel
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E7-1

Dear Mrs. Moore:

Enclosed are the original and six copies of proposed Amendment No. 2 which provides for additional timbering and extends the completion date of the contract from October 1, 1956 to April 12, 1957. You will note that the repayment period has been extended accordingly from 10 years to 11 years.

If the amendment meets with your approval, will you please sign all copies, retain that copy marked for the Operator and return the rest to this office. If it does not meet with your approval, please return all copies with your comments.

We wish to acknowledge receipt of your letter of October 24. Amendment 2 enclosed does provide for extending the completion period and answers your question about the timbering allowance. You can quite properly include the timbering cost in your next voucher.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team Region I, NW Dist.

Enclosure as above

cc: DMEA (2)
USBM (2)
USBM(AD)
Sample

DMEA

Philipsburg, Montana,
October 24, 1956.

RECEIVED

Mr. A.E. Weissenborn
Executive Officer
U.S. Geological Survey

So. 157 Howard Street
Spokane, Wash.

DMEA Docket 3626
Contract Idm-E781 -
Manganese- Mystery Mine-
Granite County, Montana.

Dear Sir:-

Will you kindly let me know if the transfer of the balance of the funds left in the allotment for Station cut has been completed so that this amount is now available for use for timbering. I have several sets timbered at this time in the work done in the east drift and would like to include this in my next report.

Also would like to know if it will be possible for me to get an extension of time and also government participation in an additional 300' of drifting to the north of the shaft, at the 200' level.

There are three very substantial veins of manganese along with the silver fissures, exposed on the surface in the area within 300 feet north of the shaft, and I believe some work done in this area will result in the finding of a sizable quantity of ore.

As soon as the final returns are in from the ore shipped from my property, I will remit the 5% to the government.

Thanking you for an early reply to the above inquiries, I am

Very truly,

DOCKET
SURNAME
Chapman
Martin
Champion
Selfridge
Mittelsdorf

OCT 2 4 1956

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I - NW District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Lm-2781

Dear Mr. Weissenborn:

Enclosed are the original and five copies of an Amendment No. 2 to the above referenced contract, signed by the Administrator, for the Government. Two extra copies are enclosed for the use of the Field Team.

If the conditions and terms of this proposed amendment are satisfactory to you and the operator, all six copies are to be signed by the operator and the usual distribution made.

If any part of the proposed amendment does not have your approval or that of the operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

APPROVED:

Frank D. Lamb (FDL)
Member, Bureau of Mines

Thor H. Kiilsgaard (THK)
Member, Geological Survey

Enclosures

TLChapman:foc / 10/19/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. I - NWDist.
Messrs. Gilbert DeHuff, USBM
T. H. Kiilsgaard, USGS

P.S.

400

DOCKET
SURNAME
Chapman
Martin

October 10, 1956

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Iron and Ferro-Alloys Division, DMEA

Subject: Preparation of Amendment No. 2
Docket No. DMEA 3626 - Manganese
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Ida-2781

Transmitted herewith is a rough draft of an Amendment No. 2 to the above-captioned contract for your use in preparing the final draft.

W. S. Martin, Chief
Iron and Ferro-Alloys Division

Attachment

WSMartin/foc
10/10/56

cc to: Docket
Code 400

EXPLORATION PROJECT CONTRACT

MRS. JENNIE M. MOORE
DOCKET NO.DMEA 3626

AMENDMENT NO. 2

It is agreed this _____ day of _____, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and Mrs. Jennie M. Moore, that Exploration Project Contract No. Idm-8781 (Docket No. DMEA 3626), as amended is further amended as follows:

| | | |
|---|---|---|
| In Exhibit "A" under Fixed Unit Costs, Item 6, | | |
| Excavate for station at 200 feet level, 3150 | | |
| cubic feet were allowed at $1.00 per cubic foot | $3,150.00 | |
| but only 2,478 cubic feet were excavated at $1.00 | | |
| per cubic foot | $2,478.00 | |
| Leaving unused balance of | | $ 672.00 |
| Item 7 allowed crosscut and drift 710 feet at | | |
| $32.50 per foot | $23,075.00 | |
| Reduced footage to 705 feet at $32.50 per foot | $22,912.50 | |
| Leaves unused balance of | | $ 162.50 |
| Total unused balance | | $ 834.50 |

The unused balance of $834.50 may be used as required for timbering at the fixed unit price of $6.50 per foot.

In Article 3 of the contract the date of termination shall be changed from October 1, 1956, to April 1, 1957.

The period for royalty payments and lien to secure the payment thereof, as provided in the Contract is extended to eleven (11) years.

This amendment shall not be construed to increase the estimated total cost of the project, or the aggregate total amount which the Government may be required to contribute or any cost of any unit of work.

Executed in sextuplicate the day and year first written.

THE UNITED STATES OF AMERICA

By_____
Administrator, Defense Minerals
Exploration Administration

Mrs. Jennie M. Moore

By_____

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. DMEA 3626

Justification of Amendment No. 2

See attached memorandum of October 10, 1956, to Mr. C. O. Mittendorf from the undersigned.

W. S. Martin, Chief
Iron & Ferro-Alloys Division
DMEA

WSMartin/foc
10/10/56
cc to: Docket
Code 400

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

140

Indorsed 10/4/56
Martin
Mittendorf

10? 9/10/56

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: W. S. Martin, Chief, Iron and Ferro-Alloys Division

Subject: Letter of September 10, 1956, from Field Team, Region I, N. W. District, recommending amendment allowing additional timbering for Contract No. Idm-K781, Jennie M. Moore, Docket No. DMEA-3626 - Manganese.

By letter of September 10, the Field Team recommended that Contract Idm-K781, Jennie M. Moore, DMEA-3626, be amended to allow up to 128 feet of additional timbering, at a cost of up to $834.50. Funds for such timbering would be provided as follows: $672.00 of unused funds from station excavation on the 200-foot level, and $162.50 to be made available by reducing crosscutting and drifting from 710 feet to 705 feet.

Under Article 4 (Performance of the Work) and the provision in Exhibit "A" that "all work shall be timbered as necessary", the Operator now is required to perform all the necessary timbering, but the Fixed Unit Costs set forth in Exhibit "A" provide that the Government shall contribute only to 160 feet of timbering at $6.50 per foot up to $1,040.00. Therefore, amendment of the Contract to increase the Government's costs for timbering would be illegal for lack of consideration.

However, we believe that neither the Government nor the Operator intended that under this Contract the Government's contribution to the costs of timbering would be limited to 160 feet, in the event that more timbering would be required because of unforeseen ground conditions. On the contrary, we believe that the limitation of 160 feet in the Fixed Unit Costs constitutes a mutual mistake and should be rectified to carry out the intention of the parties.

The record shows that the Operator's application estimated that 90 feet of crosscutting would require 160 linear feet of round timber at $0.18 per foot, total $28.80 or $0.32 per foot of crosscut for timber, excluding installation labor. For 520 feet of drift the estimate, excluding installation labor, was $0.48 per foot of drift, as follows:

| | |
|---|---|
| 1,300 board feet of sawed timber at $55.00 per thousand | $ 71.50 |
| 860 linear feet of round timber @ $0.18 per foot | 154.80 |
| Wedges, spikes, etc. | 22.63 |
| Total | $248.93 |

The application, however, also requested a sum approximately 6% of the total estimated cost of the Contract "for unforeseen contingencies, such as timbering, drifting through unexpected heavy ground," and other items.

The Field Team recommended a unit cost contract on the basis of the costs estimated in memorandum of March 21, 1955, from John D. Bardill, U. S. Bureau of Mines. That memorandum estimated, for 880 feet of crosscutting and drifting, at unit prices of $33.00 and $32.30 per foot, respectively: "Timber, if necessary, not more than 500 feet at $5.00 per foot."

The Contract, as executed on April 12, 1955, allowed 710 feet of crosscutting and drifting at $32.50 per foot and 160 feet of timbering at $6.50 per foot. The allowed 160 feet was 22.6% of the total footage of horizontal workings, and was thus greater than the amount requested by the applicant, but did not include the contingency requested by the Operator and was less than the 61% estimated by the examining engineer.

The item of 160 feet was inserted by the Washington Office with the intention of indicating the amount of funds to be earmarked for the timbering, but not with the intention to preclude DMEA from amending the Contract to allow additional units of timbering in the event of unforeseen ground conditions requiring additional timbering. It is almost certain that the Operator did not understand that the Contract would be thus limited. Consequently this seems to be a clear case of a mutual misunderstanding warranting an amendment of the Contract as recommended by the Field Team.

W. S. Martin, Chief
Iron and Ferro-Alloys Division

WSMartin/PIndritz/wog
October 4, 1956
Copy to: DMEA Docket
Admin. Read. File
Operating Com.
G.DeHuff
T.H.Kiilsgaard, USGS

W.S.Martin (2)
R.P.Dwyer
P.Indritz
Chron.

cw

Interior Department
Defense Minerals Exploration
Administration
14X1401, Revolving Fund,
Defense Production Act,
Interior (Allocated Working Fund to the
Office of the Secretary)

XXXXXXXXXXXXXXXXXXXXX

DOCKET
SURNAME
Martin
Mitchenson
Selfridge
Fitzpatrick

T E L E T Y P E

September 1956

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - NW District
South 157 Howard Street
Spokane 8, Washington

Reurlet September 10, 1956, Contract Idm-E781, Jennie M. Moore, Docket DMEA 1646 Manganese. Please advise operator we are preparing amendment according to your recommendation therein.

George C. Selfridge

Chairman, Operating Committee (243)

WSMARTIN/foc
9/18/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. I - NW Dist.
Messrs. Gilbert DeHuff, USBM
T. H. Kiilsgaard, USGS

R.G.G.

D Mea (2)

RECEIVED
SEP 24 1956

XXXXXXXXXXXXXXXXX
No. 157 Howard Street
Spokane 4, Washington

September 21, 1956

Mrs. Jennie A. Moore
Courtney Hotel
Philipsburg, Montana

Re: Docket No. MSA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-8701

Dear Mrs. Moore:

We have been advised by teletype from our Washington office that it is preparing an amendment to your contract for the transfer of unused funds from station excavation to authorize additional timbering.

Sincerely yours,

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

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

File
Reg I NW

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

So. 157 Howard Street
Spokane 4, Washington

RECEIVED
SEP 17 1956

September 14, 1956

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Dear Mitt:

Yesterday we sent to Washington a request to increase the allowance for timbering in the Jenny Moore contract (Docket No. DMEA-3626). The contract is somewhat confusing inasmuch as Exhibit "A" in one place states specifically that "the workings shall be timbered as necessary", whereas in the listing of the units of work timbering is placed at 160 feet. According to our interpretation, both the feet of timbering and the unit price constitutes allowable maximums and therefore, even though the contract specifies that the workings must be timbered where required, the contract must be amended in Washington as the Field Team is not authorized to change an allowable maximum. We have consequently requested Washington to make the necessary amendment.

I am not complaining in any way about this particular action but I am much concerned that of late the DMEA program is being criticized because of the length of time it takes to get actions through. Again, I am not criticizing anyone; this slowdown is apparently all along the line, in the field as well as in Washington, and I have been searching for the reasons why this should be. I think that part of our trouble may be that our procedures have become unnecessarily cumbersome and we are wasting too much time and talent on very minor matters, of which this is a good example. It seems to me that somehow or other such trivial matters as described above could be delegated safely to the field, thereby releasing our Washington staff for more important and significant things, saving time for the Field Teams, and thus speeding up the whole program.

Perhaps this would be an appropriate time to review all our procedures to see if they can be streamlined lest the program bog down in its own bureaucracy. // Yes

Sincerely,

A. E. Weissenborn
Executive Officer, DMEA
Field Team Region I, NW Dist.

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

RECEIVED
SEP 17 1956

1201 N. Division St.
Spokane 2, Washington
September 10, 1956

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

The Operator has used up the timbering allowance of 160 feet in 399 feet of crosscutting and drifting, indicating that about 40 percent of the heading must be timbered. There remains 311 feet of drifting and crosscutting to be completed which might require about 125 feet of timbering costing $812.50.

There is available $672.00 of unused funds from station excavation on the 200-foot level, and $162.50 can be taken from the crosscutting and drifting by reducing it from 710 to 705 feet.

We recommend that an amendment be written to authorize the additional timbering.

By Field Team, Region I, NW District

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: USGS (2)

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
SEP 17 1956

September 12, 1956

Mrs. Jennie M. Moore
Courtney Hotel
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

This will acknowledge your letter of August 9, 1956 regarding certain changes you desire in your program of exploration at the Mystery Manganese mine. As our fieldmen were on inspection at the time this letter arrived at our office we have delayed answering pending their report.

Donald C. Alvord and R. D. Sample report that they discussed the various mining problems with you in the field about August 15 when they were in Philipsburg on an inspection trip. We confirm their opinion that any change in drifting from the Owens shaft to the northward would require an amendment to the contract from the Washington office. We would be reluctant to recommend this while the easterly drifting called for in the contract has not been done. The location of your proposed easterly drift, which will test the fissure which cuts the 200-foot level crosscut, is satisfactory to the Field Team.

In your narrative report dated August 29, 1956 you inquired if an amendment to the contract could be made which would allow you to transfer $662 surplus from the cost of the station cut to the timbering allotment. We are requesting such an amendment and will inform you as soon as possible of any decision. In the meantime, any timbering you may do beyond the contract allotment will be at your own risk.

By Field Team, Region I, NW District

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USBM (2)
USBM (AD)
Sample

Philipsburg, Montana,
August 9- 1956.

Mr. A.E. Weissenborn
Executive Officer U.S.
Geological Survey,

157 South Howard Street
Spokane, Wash.

RECEIVED
SEP 17 1956

Dear Sir:-

I am very sorry to have missed seeing you on your recent trip into this area. There are several items which I would have liked to talk over with you.

In particular the 250 ' of drift in an easterly direction on the Horton vein. As there has been no mineral development to speak of in the nearly 500' of drifting and cross cutting and finding only a very shattered vein structure in the area worked to date and hearing of much the same condition in other workings to the east of my property, I am hoping there is a possibility of changing the direction for this amount of drifting and going in a northerly direction. This would crosscut several fissures and veins and give a little chance of finding ore.

I have 76 ' of cross cut in a northeasterly direction and would like to be allowed to continue this into the ore area around the Huffman or True vein, for the balance of the work specified in the government contract. This vein has been a good producer right up to my property line on the east and has also produced high grade ore from shallow workings on my property.

If you cannot permit this change under the government contract, will you kindly designate definitely where I am to commence the east drift. I am now pursuing the completion of the west drift and have less than 100' to go, so it will not be long before starting the work to the east. Am anxious to know soon just where this work is to be done.

We were forced to abandon the winze at a depth of 35'- while the ore was still going down it had pinched down so as to make it unprofitable to mine under the handicap of water and double handling of both ore and waste. So far there is no ore indication in the west drift but we are continuing the drift as scheduled.

Thanking you for an early and favorable reply, I am

Very truly,

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

RECEIVED
AUG - 9 1956

August 1, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are three photostat copies of an amended "Memorandum of Agreement" received from Mrs. Moore through John A. Bowsher, Bureau of Mines engineer stationed in Butte, Montana, together with copies of a letter to Mrs. Moore of July 30, all of which is self-explanatory. We have retained copies for our files.

Yours very truly,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
USBM (AD)
Nickelson

xxxxxxxxxxxxxxxxx
1201 N. Division St.
Spokane 2, Washington

RECEIVED
AUG - 9 1956

July 30, 1956

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626
Contract No. Idm-E781

Dear Mrs. Moore:

We are returning to you herewith by registered mail the "Memorandum of Agreement" between yourself and George Carter and M. L. Shank which was sent to us by Mr. Bowsher. We have had copies made for our files.

Your prompt response to our request for this document is very much appreciated.

Sincerely yours,

Wing G. Agnew, Member
DMEA Field Team, Region I
Northwest District

cc: DMEA (2)
USGS (2)

We believe that with adequate supervision and proper timbering you should have no unusual difficulty, but if unfortunately this ground is so heavy that you cannot proceed we see no alternative other than termination of the contract. We would not wish you to undertake work you regard as unusually hazardous.

By Field Team, Region I, NW Dist.

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USBM (2)
USBM (AD)
Quinlan

DOCKET
SURNAME
400 Chapman
Martin
Chambers
Selfridge
Johnson
Mittenberg

APR 20 1956

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - NW District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 3626 - Manganese
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Weissenborn:

Reference is made to the narrative report of the Operator for March 1956, which mentions that the work is being carried on under a leasing arrangement. Please direct her attention to Article 2 of the contract which states that she is the owner of the entire interest in the land and which provides that she will retain her interest and right to possession thereof for the purposes of the contract. The reference to a leasing arrangement could indicate a possible default of this provision of the contract.

We believe it would be advisable for you to ask the Operator to furnish us with copies of any written instrument concerning the "leasing arrangement" and give us a detailed explanation is a land transfer is involved.

Your attention is called to the last part of the narrative in which the Operator advises that "we are proceeding according to the instructions of the government engineers". This might make it appear as if the Government engineers were directing the operation. Although, we are protected by the contract, the statement could cause some dispute if not clarified.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/6)

APPROVED:

/s/ Robert W. Geehan (2/6)
Member, Bureau of Mines

Thor H. Kiilsgaard (2/6)
Member, Geological Survey

TLCHAPMAN/foc
4-19-56
cc to: Docket
Code 400
Admr. Read. File
Operating Comm.
FT. REG. I - NWD
G. DeHuff, USBM
T. H. Kiilsgaard, USGS

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

March 8, 1956

Memorandum

To: Miss Curtin, Statistics and Control Division, DMEA

From: Hazel Berry, Operating Committee, DMEA
Cy 257

Subject: Amendment to Contract

Attached is the following docket copy of an amendment to a contract which has been reviewed and approved by the commodity division and the Audit Division. Did not require clearance by Legal. The official docket is also attached.

Mrs. Jennie M. Moore, DMEA-3626, Idm-E781, Amendment No. 1.

Attachment-1

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

RECEIVED
FEB 17 1956

February 14, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are the Government, Docket, and Division copies of Amendment No. 1 to the above-cited contract.

By copy of this letter other copies of the amendment are being distributed.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW Dist.

Enclosures

cc: Finance Office w/encl.
USBM (2)
Quinlan

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
FEB 13 1956

February 9, 1956

Mrs. Jennie M. Moore
P. O. Box 923
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-2781

Dear Mrs. Moore:

Enclosed are the original and six copies of Amendment No. 1 which will allow you to crosscut 90 feet south from the shaft on the 200 level. This additional crosscutting that is allowed will be done at the expense of drifting on the Norton vein. If this amendment meets with your approval would you please sign all copies and return all but the copy marked for the Operator.

If the amendment does not meet with your approval please return all copies with your comments.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW Dist.

Enclosures

cc: DMEA (2)
USBM (2)
USBM (AD)
Quinlan

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

RECEIVED
JAN 23 1956

January 20, 1956

Mrs. Jennie M. Moore
c/o Courtney Hotel
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

Reference is made to your letter of January 18, 1956.

As the contract provides for testing of the Horton vein we are not at liberty to transfer the east drift footage to the small structure exposed at the shaft. We would have no objection, however, to following the east-west trending structure exposed 60 feet south of the shaft for a distance of 100 feet east. This is the same structure that you are now drifting west along. It is likely that this east-west structure will intersect the small structure exposed in the shaft about 80 to 90 feet east of the crosscut and it appears worthwhile to test this intersection.

By Field Team, Region I, NW Dist.

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2) w/ incoming
USBM (2) w/ incoming
USBM (AD)
Quinlan

Philipsburg, Montana,
January 18- 1956.

Mr. A.E. Weissenborn
Executive Officer U.S.
Geological Survey

So. 157 Howard Street
Spokane, Wash.

RECEIVED
JAN 23 1956

Dear Sir:-

No doubt you have had a report from Mr. Quinlan since his inspection trip here last week so guess you know that he advised going back to the 60' area south of the shaft and drifting west from there. He suggested at that time that the east drift on the Horton vein structure be left for the present.

I find that I must use the utmost economy in order to stretch the government allottment to the completion of the project and it is impossible to work more than one man at the time in a drift. For this reason it is necessary that I run the west and east drift simultaneously in order to make the best progress at the lowest possible cost. Will you kindly designate where the east drift on the Horton vein structure should be started so that I can proceed without delay to complete the work.

The manganese vein we had in the shaft had disappeared when we reached the bottom of the shaft, but there is a continuation of a promising looking formation several feet wide where the vein should have been. This formation carries 2.0% manganese. I would like to begin the east drift at this point if this is satisfactory to you. The general trend and dip of this formation would carry the drift directly east to the Horton vein structure at a junction a little further east than originally outlined, but I feel sure it would intercept the area which was to be explored.

I have drifted north from the shaft on my own while the south crosscut was in progress in order to use time which would otherwise be wasted with working space for only one man at the time in the crosscut. In doing this I was heading for a silver fissure which was known to lie a little north of the shaft. I believe it is Mr. Quinlan's contention also that this fissure intersects the Horton vein structure a little further west and has been the cause of the formation of the manganese which has been mined near the surface at this point. I do not have the financial means to continue this work to the end on my own.

I have a crew of four underground miners, all good sober and experienced miners, but they will not stay if the crew is split up so it is very necessary that I provide working space for two men on each shift and I cannot do this unless I run the two drifts at the same time.

It is my understanding that the stockpiling program will end in a matter of months and I am very anxious to complete the work and have a little time to ship any ores which may be found by this exploration.

The cost of the project so far has been approximately 60% for me and 40% for the government.

Mr. Quinlan instructed that a long hole be drilled in the face of the south crosscut- this has been done with no apparent change in the formation at this point.

Please let me know at your very earliest time what I can do about this east drift.

Very truly,

RECEIVED
JAN 19 1956
U.S.G.S.
SPOKANE, WASH.

400

JAN 22 1956

XXXXXXXXXXXXXXXXX
1201 N. Division Street
Spokane 2, Washington
January 17, 1956

VSM

Mrs. Jennie M. Moore
Box 523
Philipsburg, Montana

Re: Contract Idm-E781
Monthly operating report for
December 1955

Dear Mrs. Moore:

This is to inform you that payment could not be made on the subject voucher in the full amount claimed.

The amount disallowed is explained in the attached copy of a memorandum to the Field Team from the DMEA Certifying Officer, Region I.

By Field Team, Region I, NW District

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

cc: DMEA (2)
USGS (2)
AD

Wing G. Agnew, Member
U. S. Bureau of Mines

RECEIVED
JAN 23 1956

DMEA Field Team, Region I, NW District January 17, 1956

DMEA Certifying Officer, Region I

Mrs. Jennie M. Moore, Contract Idm-E781. Monthly operating report for December 1955.

The operator claimed 3150 cu. ft. of shaft station cutting on the November 1955 MF-104. This was approved and paid. This work was finished after the engineer's inspection of Nov. 25, 1955. When the project was again visited on January 6, 1956, the engineer found that the shaft station cutting amounted to only 2478 cu. ft. Therefore, a disallowance of $672.00 is being made to bring the cost to $2,478.00 which covers the cost of the work actually done at $1.00 per foot.

Myrtle Purdy

cc: Operator
DMEA (2)
USGS (2)

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

1201 N. Division St.
Spokane 2, Washington
November 29, 1955

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Attached are four copies of a memorandum from John A. Bowsher, Bureau of Mines Engineer, in answer to your October 24 letter.

We believe that Mr. Bowsher's memorandum answers your questions.

By Field Team, Region I, NW District

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Stephen W. Zoldok

Stephen W. Zoldok
for: Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosure

cc: USGS (2)

RECEIVED
DEC - 2 1955

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

1201 N. Division St.
Spokane 2, Washington
November 17, 1955

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: John A. Bowsher, Mining Engineer, Bureau of Mines

Subject: Docket No. DMEA 3626 - manganese, Mrs. Jennie M. Moore, Mystery Manganese Mine, Granite County, Montana, Contract No. Idm-E781; letter from Operating Committee dated October 24, 1955.

The work of rehabilitation and sinking of the Owens shaft has been done in accordance with the contract. The rehabilitation consisted of straightening the shaft by slabbing the walls and installing new timber. The price of $70.00 per foot for rehabilitation appears to be quite reasonable and not excessive.

The shaft is straight as the timber sets are installed vertical and checked by a carpenter's level. The shaft has not been plumbed by conventional engineering means.

John A. Bowsher

Orig. & 3 cys - Wash.
USGS (2)
DMEA
JAB/he
USBM (AD)

[illegible] the

[illegible] tion of the [illegible] ees to

be kept and performed, do by these presents lease, demise and let unto the said Lessees the following described mining property, situated in the Flint Creek ( Unorganized ) Mining District in the County of Granite and State of Montana, to-wit:

That certain ore body designated on the maps of the Mystery Mines as being ore body No. 1 and being located on the Greg and N.G. lode mining claims, both patented, Together with the necessary ground area for the mining of said ores, but not at a greater depth than the floor of the Mystery tunnel. Said No. 1 ore body being located west of and above the floor of the said Mystery tunnel.

TO HAVE AND TO HOLD unto the said Lessees for a period of Ninety (90) days from the date hereof, unless sooner determined and terminated by the failure to comply with the terms and conditions herein; it being expressly understood and agreed that the Lessees shall have no further or other right to occupy said premises herein leased and demised than is specifically set forth herein.

The Lessees hereby agree to perform or to cause to be performed a minimum of Five (5) one man shifts per week until reaching the ore body and after that time will perform or cause to be performed ten (10) one man shifts per week. That actual work and operations of said property is now in progress and will continue until the termination of this lease. That they will enter and work said premises in the manner necessary to good mining so as to take out the greatest amount of ore possible with due regard to the safety, development and preservation of the property as a workable mine.

The Lessees hereby agree that they will protect the property interests of the Lessor against all liens, debts or other civil actions and that they will not permit said leased premises or any part thereof, to be charged with any lien for labor, material or other matter of account for the work, operation or development of said premises and shall at all times indemnify and save harmless the Lessor and said premises on account of indebredness or liability for any injury which may be incurred by the Lessees or their employees or any one acting for them, during the continuance of this lease.

That they will conform and comply with all the laws of the State of Montana and the government of the United States and will pay when due, all premiums for Workmen's Compensation Insurance and Social Security, Unemployment Insurance and all other matters under the control of the State of Montana and the Government of the United States excepting taxes levied on royalty received by the Lessor).

It is hereby understood and agreed by the parties hereto that after deducting hauling and transportation charges on all ores shipped and sold - there shall be paid to the Lessor a sum amounting to ten per cent of the net proceeds of all ores mined and sold or otherwise disposed of, for the purpose of paying to the United States government [illegible] of the net proceeds of such ores disposed of and the balance to apply on overhead expense of the Lessor. After such deductions are made the balance of the net proceeds shall be divided equally between Lessor and Lessees.
The Lessor may furnish rail- mining cars- mine lamps- air pressur - for drilling and other equipment available at the mine- also timber for construction of ore bins and other installations. The Lessees agree to co-operate wth their use of any equipment or tools which may be available to them and to [illegible] tion of ore bins o[illegible]

It is further understood and agreed upon the parties hereto that all ores sold and disposed of must be sold or shipped in the name of the Mystery Mines and all payments to be made to the Mystery Mines.
Also agreed that the Lessor or her agents may at any time enter upon said premises to make a full, free and complete inspection thereof.

And finally, upon the termination of said lease or upon the violation by the said Lessees or any person under or for them of any covenant or covenants herein, the term of this lease shall expire, at the option of the Lessor, and the premises become forfeited to the Lessor with or without process of law.

The above covenants and agreements shall apply to the heirs, administrators and assigns of both parties.

Jennie M. Moore
Lessor.

George P. Carter
M. L. Shank.
Lessees.

ew

DOCKET
SURNAME
Chapman
Martin
Indritz 6/27/56
Klenzle
Chandler

400

JUN 29 1956

Mrs. Jennie M. Moore
Box 523
Philipsburg, Montana

Re: Docket No. DMEA 3626 - Manganese
Mystery Manganese Mine
Granite County, Montana
Contract No. Ida-E781

Dear Mrs. Moore:

Reference is made to your letter of June 11, 1956, regarding royalties on the area included in the Page-Hartley lease. The clause which your letter states has been added to the lease, to the effect that a royalty of 5% is payable to the Government on all ores sold and disposed of during the continuance of the lease, satisfies our requirement that the lease preserve the Government's right to royalty.

Your letter also requests that we exclude certain lands from the contract so that production therefrom shall not be subject to the Government's royalty. Under the contract the Government participated in 75 percent of the costs of surface and underground rehabilitation, machinery installations, power line and buildings on a unit cost basis and we believe that this work benefited all the property now included in the contract. Hence, we would not now be justified in excluding any of the area specified in the contract and thereby exempting such area from the royalty obligation under the contract.

Sincerely yours,

G. O. Mittendorf

Administrator

TLChapman/PIndritz/foc
6-26-56
cc to: Docket
Code 400
Admr. Read. File
FT. REG.I - MWB
Gilbert DeHuff, Jr., USBM
Thor H. Kiilsgaard, USGS

R.G.L.

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

RECEIVED
JUN 25 1956

June 21, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

Enclosed are copies of correspondence between the Field Team and Mrs. Jennie M. Moore which is self-explanatory.

Sincerely yours,

Wing G. Agnew
Acting Executive Officer, DMEA
Field Team, Region I, NW District

Enclosures

cc: USBM (2)
USBM (AD)
Quinlan

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
JUN 25 1956

June 21, 1956

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

We are pleased to note in your letter of June 11 that you have caused a clause to be added to the Page-Hartley lease. At your convenience will you please send us a copy of this lease.

Under the terms of the DMEA contract the Government is entitled to royalties on any production from the land included in the contract unless this production was specifically excluded from the payment of royalties before the contract was signed. Since no exclusion was made in your DMEA contract any production made from the land in the contract is subject to royalty. The Field Team does not have the authority to amend the contract in this respect. As you request we will forward your letter to the DMEA in Washington but we doubt seriously that it will be possible to make the change you request.

By Field Team, Region I, NW District

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA w/incoming
USBM (2)
USBM (AD)
Quinlan

Philipsburg, Montana
June 11- 1956.

Mr. A.E. Weissenborn
Executive Officer
U.S. Geological Survey

So. 157 Howard Street
Spokane -4- Wash.

Dear Sir:-

Replying to your letter of June 5th- I wish to state there has been a clause added to the Page- Hartley Lease as follows:

" A royalty of 5 % to be paid to the U.S. Government on all the net proceeds of all ores sold and disposed of during the continuance of this lease." Dated June 11- 1956.

Signed: Jennie A. Moore.

The leasers are working on shallow surface ground which was discovered and worked 40 years ago during world war No. 1. These old workings have absolutely no connection whatever with the work to be done under the DMEA Exploration project for under ground exploration of a small area of the property, or the production resulting from the exploration.

The neglect or oversight in failing to exclude the surface areas of this property or properly failing to eliminate in entirity the claims which are not within the working area of the proposed DMEA exploration, was probably the fault of the engineer who prepared my application.

I remember at the time, my understanding and his opinion on the matter was that only production resulting from the DMEA exploration work would be eligible for the royalty payments to the government.

The unfairness of this demand is evident to anyone who will take the time to look over the property, and it is hard for me to believe that the Government of the United States would be a party to such a set up.

Is there any way in which you can eliminate the surface work on the ground erroneously included in the loan contract when the exploration area was reduced to one area of approximately 600 feet instead of covering all claims as included in the first and second applications.

If you do not have the authority to make this correction, will you contact the proper department for this matter. I feel certain when the true facts are known, a just and fair correction will be made.

Thanking you for your earnest and helpful cooperation, I am

Very truly,

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

RECEIVED
JUN - 8 1956

June 5, 1956

Mrs. Jennie M. Moore
Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

Our Legal Division has advised us that your lease agreement with L. H. Page and F. R. Hartley does not expressly provide for the preservation of the Government's rights as required by Article 2(d) of your DMEA contract. In its present form, therefore, this lease may be regarded as a breach of your DMEA contract.

The matter could be rectified very simply by adding a clause to your agreement with Mr. Page and Mr. Hartley similar to the one preserving the Government's right to royalty on production in your lease agreement with Mr. Salois.

Will you please rectify this matter as soon as possible and forward a copy of the revised lease to this office.

By Field Team, Region I, NW District

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USBM (2)
USBM (AD)
Quinlan

DEFENSE MINERALS EXPLORATION ADMINISTRATION
14X401(01) Revolving Fund, Defense Working Fund to the Office of the Secretary)

XXXXXXXXXXXXXXXXXXXXXX

DOCKET SURNAME
Holt
Martin
Johnson
Montendoy

T E L E T Y P E

JUN - 5 1956

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - NW District
South 157 Howard Street
Spokane 4, Washington

Reurlet May 16 Docket 3626. Please advise Mrs. Moore that unless the lease to Messrs. Page and Hartley is revised to expressly provide for the preservation of the Government's rights as required by Article 2 (d) of the contract that lease may be regarded as a breach of her contract obligation. We believe the lease to Mr. Salois complies with the contract.

W. S. Martin
ACTING Chairman, Operating Committee (243)

SPHolt/foc
6/4/56
cc to: Docket
Code 400
Admr. Read. File
Operating Comm.
FT. REG. I - NWDist.
Gilbert DeHuff, USBM
T. H. Kiilsgaard, USGS

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

JUN 1 1956

Memorandum

To: The Administrator, DMEA
Attention: Chief, Iron and Ferro-Alloys Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Subleases by Operator Jennie M. Moore
Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-8781

You have requested advice concerning certain leases executed by Mrs. Jennie M. Moore, the Operator of the above captioned project.

By memorandum of agreement dated October 10, 1955, Mrs. Moore leased a portion of the Mountain View Claim to Messrs. Page and Hartley. On February 20, 1956, Mrs. Moore also leased the N. G. and Grey Claims to Mr. Salois. All of the claims constitute part of the land described in her contract with DMEA.

The lease to Mr. Salois specifically provides for payment of five per cent royalty to the United States Government as provided in the DMEA contract and the lease to Messrs. Page and Hartley does not.

It is our opinion that the lease to Mr. Salois complies with, but that the lease to Messrs. Page and Hartley does not comply with, paragraph (d) of Article 2 of Mrs. Moore's DMEA contract, which requires that "the Operator shall neither transfer, convey . . . the land nor any right, title, or interest therein . . . without expressly referring to and providing in the instrument of conveyance . . . for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof."

It is suggested that Mrs. Moore be advised that unless the lease to Messrs. Page and Hartley is revised to expressly provide for the preservation of the Government's rights as required by Article 2 (d) of the contract, that lease may be regarded as a breach of Mrs. Moore's contract obligation. We note that the Field Team recently reminded her of her responsibility relative to royalty payments.

Robert P. Dwyer

PIndritz/wog
June 1, 1956
Copy to: Solicitor's Docket (2)
DMEA Docket
WSMartin (2)
GCSelfridge
RPDwyer
PIndritz
Chron.

400

DOCKET
SURNAME
Chapman
Martin

May 28, 1956

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Iron and Ferro-Alloys Division, DMEA

Subject: Sub-leases by the Operator
Docket No. DMEA 3635
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Ida-2761

Please review the attached correspondence concerning the above noted project and advise if the agreements are acceptable.

W. S. Martin, Chief
Iron and Ferro-Alloys Division

Attachment

TL Chapman/foc
5/28/56
cc to: Docket
Code 400

Wash

MEMORANDUM OF AGREEMENT , Made and entered into 10th day of October, 1955, by and between Jennie M. Moore, a widow, of Philipsburg, Montana, the party of the first part and hereinafter called the Lessor and Leland Page and Frank Hartley of Philipsburg, Montana, the parties of the second part and hereinafter called the LESSEE: WITNESSETH: That the Lessor herein for and in consideration of the royalties and agreements herein reserved and by the LESSEE to be kept, paid and performed, do by these presents lease, demise and let unto the said Lessee the following described mining property situated in the Flint Creek ( Unorganized ) Mining District in the County of Granite and State of Montana, to-wit:

That certain area of the central portion of the Mountain View ( Patented ) Quartz lode mining claim, being further described as 400 feet westerly and 400 feet easterly from the point of shaft development at the present time by the lessees on what is known as the Durango vein and the area of said claim going north to the side line and also the area going south to the side line of said of said Mountain View claim within the east and west dimensions as above described and extending downward to the depth of the floor of the Mystery tunnel . It is hereby understood and agreed that no work or development shall be done in or upon any other portion of said Mountain View quartz lode mining claim other than the area included within the above described portion. The Lessor reserves the right at any time during her operations of the property at any of the lower levels, to raise to the surface in any area not interfering with the operations of the Lessees herein.

TO HAVE AND TO HOLD unto the said Lessee for a period of Two years from date hereof, unless sooner terminated and determined by failure to comply with the terms and conditions herein; it being expressly understood and agreed that the Lessee shall have no further or other right to occupy said premises herein leased and demised that is specifically set forth herein. In consideration of said lease and agreement, Lessees agree with the Lessor as follows, to-wit:

1- That the Lessees agree to pay or cause to be paid to the Flint Creek Valley Bank at Philipsburg, Montana, for the credit of the Lessor, royalty on all ores mined, removed or otherwise disposed from said premises, as follows:

Sixteen (16%) per cent on all manganese ores under the grade of thirty (30) percent manganese, and Twenty (20%) per cent on all manganese ores over the grade of thirty (30) per cent manganese.

Sixteen (16%) per cent on all silver bearing ores containing containing under 50 ounces of silver per ton, and twenty (20%) percent on all silver bearing ores containing over fifty (50) ounces of silver per ton. This being the smelter and mill returns or the returns from any purchaser of said ores; it being expressly provided that upon each and evry shipment or sale of ore from said premises, the Lessees shall and will notify the smelter, reduction plant or other purchaser to remit the royalty above specified to said bank for the credit of said Lessor. That no ore shall be sold for less than the regular standard or current price prevailing in the district for ores of comparable grade and value.

2- To enter and to work said premises in the manner necessary to good mining so as to take out the greatest amount of ore possible with due regard to the safety, development and preservation of the property as a workable mine. That actual work and operations of said property is now under progress and that they will work and continue said operations on said leased premises in a good and miner-like manner and will perform or cause to be performed thereon a minimum of Twenty (20) ~~days~~ man-shifts per month; ( a man shift being one man working 8 hours ) during the continuation of this lease, unless prevented by strikes or Acts of God.

3. That they will keep the mines herein leased properly timbered, and to keep all entries, raises, tunnels and haulage ways in a good condition as shall be necessary for the efficient operation of the said leased premises and to facilitate inspection thereof.

4- That they will install all necessary machinery and equipment and to furnish and prepare all necessary items for the operation of said property, at their own expense. That they will post notices required

5-21-56

Mr. Martin:

Only 1 copy received of the Lease and Agreement. Should we have copies made for "400".

O'C

If legal can work from these prints we won't have to make copies. Otherwise we will. WJM 5/21/56

by law which protects the property interests of the owner against all liens, debts or other civil actions. That the Lessees shall not suffer or permit said leased premises or any part thereof, to be charged with any lien for labor, material or other matter of account for the work, operation or development of said premises and shall at all times indemnify and save harmless the Lessor and said premises on account of indebtedness or liability for any injury which may be incurred by Lessees or their employees or any acting for them, during the continuance of this lease.

5.- That the Lessees shall keep the surface of said premises free from dangerous openings and that he will conform to and comply with all the laws of the State of Montana and the government of the United States and will pay when due all premiums for Workmen's Compensation Insurance, Social Security, Unemployment Insurance and all other matters under the control of the State of Montana ( excepting State taxes levied on royalties received by the Lessor ) and the Government of the United States.

6-- It is further understood and agreed that the Lessor and her agents may at all times enter said premises and every part thereof to make a full, free and complete inspection and may request to see all records, papers, notices, assay reports, smelter or mill returns and all other records pertaining to the rights of the Lessor under the terms of this lease and agreement.

7.- That upon the termination of this lease and agreement the Lessees will deliver to the Lessor the said premises with the appurtenances and improvements in good condition, without demand or further notice. The Lessor may immediately upon the determination or expiration of this lease and agreement take possession of said premises. The Lessees may at such termination have thirty ( 30) days in which to remove the machinery which he has placed on the property and to remove and dispose of any ores which they may have stocked on the property.

8-- In the event of termination of this lease and agreement caused by failure to live up to the covenants herein specified- Lessees shall be notified in writing to vacate the property within the thirty day time limit above mentioned for the removal of machinery and ores stocked on the property, and this shall constitute the time limit for vacating the property, and returning same to Lessor.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands this___ 10th day of October, 1955.

_____ ( seal)
Lessor

_____ ( seal)
Lessee

_____ ( seal)
Lessee.

RECEIVED
MAY 2 1 1956

AGREEMENT AND LEASE.

MEMORANDUM OF AGREEMENT, Made this 2[illegible] day of February, 1956 by and between Mrs. Jennie M. Moore, a widow, now residing at Philipsburg, Montana, and hereinafter called the Lessor- and L.J. Salois and _____ _____ of the same place, and hereinafter called the Lessees,

WITNESSETH: That the lessor herein for and in consideration of the specific work to be done by the lessees and hereinafter more particularly described and by them agreed to be performed- does by these presents lease and demise unto the said lessees the following described premises, to-wit:

All the under ground area accessible by shaft of the N.G. and Grey lode mining claims, Patented- situated in the County of Granite and state of Montana.

TO HAVE AND TO HOLD unto the said lessees for a period of time to the completion and termination of the U.S. Government DMEA contract which is now in operation said premises, unless sooner forfeited by failure of the lessees to meet all requirements of this lease and agreement. Lessees shall have the right to renew this lease and agreement at the termination of said government DMEA contract if all conditions and requirements have been performed, but this should not be construed to hinder the right of the lessor herein to sell said property should she so desire.

The lessees hereby agree to perform or cause to be performed a minimum advance of 25 feet per week in the work of drifting as required by the Government contract, but in addition to such requirement and performance, they may prospect for ore and mine same in any other part of said property under ground where such work and prospecting will not interfere with the uninterrupted performance of the work required by the government under the DMEA contract.

That the lessees hereby agree to assume all responsibility for the payment of all social security, unemployment and industrial insurance obligations and that they will and hereby do waive all claims and rights to claims for any damages for any injury which may be incurred while working on said premises.

That the lessees shall not permit said premises or any part thereof to be charged with liens or any claim for labor, material or other matter on account of the work, operation and development of said premises and shall at all times indemnify and save harmless the lessor and said premises on account of indebtedness or liability for any injury which may be incurred by the lessees or their employees during the continuance of this lease and agreement.

The lessees agree to perform all under ground labor in connection with this lease and agreement, without cost to the lessor herein and to lubricate and care for all equipment used and to furnish the labor necessary for construction of ore bins and platforms when such are needed for the shipment of ores.

All work must be done in a good and miner like manner with due regard to the safety, development and preservation of the property as a workable mine and to properly timber wherever necessary.

The lessor hereby agrees to furnish one hoist man and one top man for on the job for one shift per day for five days per week, but the lessees may work more shifts at their own responsibility and expense if they so desire.

The lessor also hereby agrees to furnish the material needed for mining operations, mainly powder, fuse, caps, pipe- rails - and timber - electricity and air, together with the use of all equipment now owned by the lessor herein at this time, but the lessees may use as much equipment of their own as they wish without cost to the lessor.

The lessor hereby agrees to participate in the cost of long hole drilling to the extent of 40 cents per foot for the remaining footage allotted by the DMEA contract, for this work.

All ores to be sold or shipped in the name of Mystery Mines- Mrs. Jennie A. Moore and after a royalty of 5% to the United States Government on the DMEA Contract and the hauling and transportation costs are deducted, the balance of the net proceeds are to be divided on a 50-50- basis between the lessor and lessees herein.

It is further agreed and understood and agreed that the lessor and her agents may at all times enter said premises and every part thereof to make a full, free and complete inspection thereof.

That upon the termination of this lease and agreement the lessees will deliver to the lessor the said premises with the appurtenances and improvements in good condition, without demand or further notice. The lessor may immediately upon the termination or expiration of this agreement and lease take possession of said premises. The lessees may at such termination have thirty days in which to remove his equipment which he has placed on said property and to remove and dispose of any ores which he may have stocked on the property.

In the event of termination of this lease and agreement caused by failure to live up to the covenants herein specified- lessees shall be notified in writing to vacate the property within the thirty day time above mentioned for the removal of equipment and ores stocked on the property, and this shall constitute the time limit for vacating the premises. Work to commence as of date herein.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and signatures this 20th of February, 1956.

_____ (deal)

Louis J. Salois _____ (seal)

RECEIVED
MAY 21 1956

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

RECEIVED
MAY 21 1956

May 16, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

This is in reply to your letter of April 20, 1956.

Enclosed is a copy of an Agreement between Mrs. Jennie M. Moore, and F. R. Hartley and L. H. Page, and a copy of an Agreement and Lease between Mrs. Moore and Louis J. Salois. These agreements appear to us to be innocuous, although the Page-Hartley agreement does not contain a DMEA royalty provision. We have reminded Mrs. Moore (copies of letter enclosed) of her responsibility about royalty payments. We will be interested in any legal opinion concerning the agreements.

Our letter of May 11 to Mrs. Moore (copies of which were sent you on the same date) covers the points brought up in the last paragraph of your letter of April 20.

By Field Team, Region I, NW Dist.

Thomas E Howard
for Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Verne C. Fryklund Jr.
Verne C. Fryklund, Jr., Acting Member
U. S. Geological Survey

Enclosures

cc: USBM (2)
USBM (AD)
Quinlan

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

RECEIVED
MAY 21 1956

May 16, 1956

Mrs. Jennie M. Moore
Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mrs. Moore:

We have just received from Mr. John A. Bowsher, DMEA representative in Butte, Montana, a copy of a lease between yourself and Louis J. Salois covering the N. G. claim (Survey No. 9359) and the Grey claim (Survey No. 10851) and also a copy of a lease between yourself and L. H. Page and F. R. Hartley covering a certain portion of the Mountain View claim (Survey No. 9359).

We note that the Salois lease contains a provision for the payment of the Government's percentage royalty on any production, whereas the Page-Hartley lease contains no such provision. The claims covered by these two leases, together with the Lucy claim (Survey No. 10851), constitute the land covered by your DMEA contract (Article 2).

We must remind you that under Article 7 of the contract all production from land described under Article 2 of the contract is subject to the Government's percentage royalty. If any shipments have been made from the Page-Hartley it is your responsibility to see that the Government royalty is paid.

By Field Team, Region I, NW District

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Verne C. Fryklund, Jr., Acting Member
U. S. Geological Survey

cc: DMEA (2)
USBM (2)
USBM (AD)
Quinlan

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

RECEIVED
MAY 14 1956

May 11, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-E781

Dear Mr. Selfridge:

With reference to Mrs. Jennie Moore's last narrative report dated May 3, 1956, we thought it desirable to write her a letter pointing out the position of the Government with respect to the contract. Copies of our letter to Mrs. Moore are enclosed.

By Field Team, Region I, NW Dist.

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosure

cc: USBM (2)
USBM (AD)
Quinlan

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
MAY 14 1956

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

May 11, 1956

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-K781

Dear Mrs. Moore:

We have been disturbed for some time about the prosecution of your exploration project. In particular we are disturbed about the comments in your recent narrative reports that give the impression that the Government engineers and geologists are directing your work.

A DMEA exploration project is done entirely under the direction of the Operator. Inspections are made from time to time by Government engineers and geologists so that the Government may be informed as to the manner in which the work is done, whether contract specifications are being followed, to make measurements of work done, to check the Operator's geologic mapping, and to do such geologic mapping as is required for the Government to determine whether target areas are being properly explored.

Geologists and engineers can only give informal advice and assistance; they can and do discuss mutual problems concerning the contract but it is not our function to act as your technical staff.

It is our opinion that you should immediately retain a competent mining engineer or geologist on a consulting basis, and that this man should be given complete responsibility for your exploration work. The unit costs of your contract have already provided for such technical assistance.

Geologic maps available to us suggest that you are now on the vein mined on the upper levels. Certainly the crosscut from the shaft and the long turn into the drift cut no other veins. We are quite pleased to read that a raise on the vein is in ore and we cannot understand your desire to begin drifting on another vein. It has been our experience that many productive veins are in heavy ground and we are not surprised that heavy timbering is required.

400

3626

xxxxxxxxxxxxxxxx

1201 N. Division St.
Spokane 2, Washington
October 25, 1956

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: D. D. Walker and M. R. Liekes, Mining Engineers, U. S. Bureau of Mines, Region I

Subject: Cost analysis, Docket No. DMEA-3076 (manganese), American Machine and Metals, Inc., Mullan Mine, Granite County, Montana, Contract No. Idm-E591 (completed)

WSM

The Operator under the cited contract has submitted a request for an additional 300 feet of drifting and/or crosscutting and 200 feet of timbering.

The Operator is requesting higher unit costs than those authorized in the completed contract. Undoubtedly there has been an increase in mining costs since the original contract was written in December 1953, and an upward revision is justified.

The following costs for the additional work were submitted by the applicant:

COST OF DRIFTING PER FOOT 5x7 DRIFT
ONE HEADING MAKING ONE CYCLE PER DAY

| | |
|---|---|
| Powder, caps and fuse | $ 3.30 |
| Labor contract | 13.00 |
| Rail and accessories | 1.50 |
| Pipe - 2" and 1" | 0.95 |
| Fan bag - 12" | 1.25 |
| Steel and bits | 1.30 |
| Machine repairs | 0.10 |
| Tonnage | 3.32 |
| Hoisting engineer | 4.00 |
| Power | 0.25 |
| Supervision and accounting | 4.50 |
| Depreciation on equipment | 4.16 |
| Oil and grease | 0.40 |
| Compensation insurance and payroll tax | 4.18 |
| | $42.21 |
| Add 10% for contingency supported by (1) | 4.22 |
| Total per foot | 46.43 |
| Extra for timber | 9.00 |
| Total cost per foot timbered drift 5x7 | $55.43 |

This is based on 5 ft. advance per day.
(1) Lost rounds, breakdowns and delays will increase cost by 10%.

## COST PER FOOT TIMBERING 5x7 DRIFT

| | |
|---|---|
| Stull timber | $ 0.84 |
| Lumber | 2.36 |
| Block wedges | 0.26 |
| Powder, caps and fuse | 0.82 |
| Contract labor | 4.00 |
| Insurance and taxes | 0.72 |
| Total | $ 9.00 |

## ANALYSIS OF APPLICANT'S COSTS

The applicant's estimate of costs appears too high even though some of the individual items making up the costs are obviously too low, as for example, the machine repairs and power listed under cost of drifting.

## RECOMMENDED EXPLORATION AND COSTS

Should the Government decide to participate in additional exploration at the property, the following costs are recommended for consideration. Field Team representatives agree with the applicant on the amount of exploration to be done.

### Operating Equipment

Operating equipment needed to carry out the proposed exploration is listed below:

| Item | Cost | Monthly deprec. |
|---|---|---|
| 365 cfm compressor | $9,940.00 | $165.667 |
| 2 HP Coppus fan | 296.00 | 4.933 |
| 2 Copco drills w/legs | 1,080.00 | 18.00 |
| 5 - 20 cu.ft. mine cars | 1,500.00 | 25.00 |
| 4 lamps, chg. and acc. | 260.00 | 4.333 |
| 1 1-ton pickup | 2,000.00 | 33.333 |
| Hoist deprec. - 50% main hoist | 7,000.00 | 58.333 |
| | | 309.599 |

## Estimated Costs of Project

300 feet of drift/crosscut 5'x7' (inside timber)
Estimated daily advance - 4 feet
Estimated completion time - 3 months

| | | | |
|---|---|---|---|
| (1) | Independent contracts | | none |
| (2) | Labor and Supervision | | |
| | **Labor** | | |
| | 2 contract miners x 75 days x $20 x 1.083 | $3,249.00 | |
| | ½ hoistman x 75 days x $20 x 1.083 | 812.25 | |
| | ½ topman x 75 days x $16 x 1.083 | 649.80 | |
| | ½ trammer x 75 days x $16 x 1.083 | 649.80 | |
| | ½ mechanic x 75 days x $20 x 1.083 | 406.13 | |
| | | 5,766.98 | |
| | **Supervision** | | |
| | ½ foreman x 3 mo. x $550/mo. | 825.00 | $6,591.98 |
| (3) | Operating Materials and Supplies | | |
| | **Explosives** | | |
| | 1,200 caps @ $2.39/100 | 28.68 | |
| | 12,000 feet fuse @ 1.37/100 | 164.40 | |
| | 3,000 lb. powder @ 24.90/100 | 747.00 | |
| | | 940.08 | |
| | **Drill accessories** | | |
| | 300 ft. steel and bits @ $1.50/ft. | 450.00 | |
| | 2 - 50 ft. 1/2" water hose complete @ $28.80/ea. | 57.60 | |
| | 2 - 50 ft. 3/4" air hose complete @ $34.40 | 68.80 | |
| | 2 line oilers @ $21.00 (50% salvage) | 21.00 | |
| | | 597.40 | |
| | **Track** | | |
| | 600 ft. 16# rail (3200#) @ $11.65/100 | | |
| | 35% (~~50% salvage~~) | 186.40 | 248.54 |
| | 3 prs. fishplates @ 0.49/pr. | | |
| | 55% (50% salvage) | 8.82 | 11.76 |
| | 144 track bolts @ 25.30/450 | | |
| | 35% (50% salvage) | 4.05 | 5.40 |
| | 900 800 spikes @ 17.00/625 | 21.76 | 25.00 |
| | 240 200 ties @ 0.30/ea. | 60.00 | 72.00 |
| | | 281.03 | 362.70 |

(3) Operating Materials and Supplies (continued)

| | | |
|---|---|---|
| **Pipe** | | |
| 500 ft. of 2" air line @ $43.65/100 (50% salvage) | $65.48 | |
| 300 ft. of 1" water line @ $21.00/100 (50% salvage) | 31.50 | |
| Fittings (20% of $96.98) | 19.40 | |
| | 116.38 | |
| **Ventilation** | | |
| 300 feet of 12" ventube @ $1.25/ft. (50% salvage) | 187.50 | |
| **Repair parts** | 225.00 | |
| **Power and Fuel** | | |
| 100 HP of daily connected load prorated to exploration @ $153.33/mo. for 3 mo. | 460.00 | |
| 300 gal. gas (truck) @ $0.35/gal. | 105.00 | |
| Grease, oil, etc. | 63.00 | |
| | 628.00 | $2,975.39 |

3,057.06

(4) Operating Equipment - To be furnished

| Item | Mo. Depreciation | Use Period | Total depreciation | |
|---|---|---|---|---|
| 1 - 365 cfm compressor | $165.667 | 3 mo. | 497.00 | |
| 1 - 2 HP Coppus fan | 4.933 | " | 14.80 | |
| 2 - Copco drills w/legs | 18.00 | " | 54.00 | |
| 5 - 20 cu. ft. mine cars | 25.00 | " | 75.00 | |
| 4 - lamps (incl. chg. & acc.) | 4.333 | " | 13.00 | |
| 1 - 1 ton pickup | 33.333 | " | 100.00 | |
| 1 - hoist | 58.333 | " | 175.00 | |
| | | | 928.80 | 928.80 |

(5) Rehabilitation and Repairs — none

(6) New buildings, etc. — none

(7) Miscellaneous
Unemployment, etc. - 12.7% of $6,591.98 — $837.18

(8) Contingencies — none

Total — $11,333.35

Cost per foot - $37.78 - SAY $37.80

## Recapitulation of Costs
300 feet drift/crosscut

| | | |
|---|---|---|
| (1) | Independent contracts | none |
| (2) | Labor and Supervision | $ 6,591.98 |
| (3) | Operating Materials and Supplies | ~~2,975.39~~ 3.057.66 |
| (4) | Operating Equipment<br>Purchase - none<br>Rental - none<br>Depreciation | 928.80 |
| (5) | Rehabilitation and Repairs | none |
| (6) | New Buildings | none |
| (7) | Miscellaneous | 837.18 |
| (8) | Contingencies - none | |
| | | ~~$11,333.35~~ 11,413.02 |

Cost per foot - $37.78 (SAY $37.80) 38.05

## Timbering - 200 feet or 40 sets

Estimated advance: 2 miners, 1/2 hoistman, 1/2 topman, 1/2 trammer and 1/2 foreman will frame, stand, block and lag four sets (20 feet) per 8-hour shift

(2) Labor and Supervision

| | | | |
|---|---|---|---|
| 2 miners | 10 days @ $20/day x 1.083 | $433.20 | |
| 1/2 hoistman | 10 " @ 20/day x 1.083 | 108.30 | |
| 1/2 topman | 10 days @ 16/day x 1.083 | 86.64 | |
| 1/2 trammer | 10 days @ 16/day x 1.083 | 86.64 | |
| 1/2 supervisor | 10/26 x $550 | 105.77 | |
| | 2 | $820.55 | |
| Insurance taxes — 12.7% of $820.55 | | 104.21 | $ 924.76 |

(3) Operating Materials and Supplies

| | | | |
|---|---|---|---|
| 82 posts 8"x8"x7' | = 3,034 | | |
| 41 caps 8"x8"x6'4" | = 1,394 | | |
| 80 girths 5"x6"x4'4" | = 866 | | |
| Lagging | = 5,760 | | |
| | 11,054 bd. ft. | | |
| @ $65/M | | 718.51 | |
| Blocks, wedges, nails, etc. | | 36.00 | 754.51 |

Total cost - 200 feet $1,679.27

Cost per foot - $8.40

## Summary of Estimated Costs of Project

Estimated cost - Stage I $84,610.00

Stage II

| | | | |
|---|---|---|---|
| 300 feet drift/crosscut @ ~~$37.80~~ 35.60/ft. | $11,340.00 | | 10,680 |
| 200 feet timbering @ 8.40/ft. | 1,680.00 | | 1,680 |
| 100 assays @ $1.50 per element determined | 150.00 | 13,170.00 | 150 |
| | | | 12,510 |

Total cost of project $97,780.00

Government participation - 75% $73,335.00

Distribution:
DMEA (4)
USBM (2)
Docket
Bowsher

DOCKET
SURNAME
400 Holt
Martin
Talbot
Selfridge
Hoffman

OCT 24 1955

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-2781

Dear Mr. Weissenborn:

Attached is a photostatic copy of the drawing of the Gamma shaft that was submitted to us with the subject application. The Field Team estimated the cost would be $45.00 per foot to rehabilitate.

We estimated cost to rehabilitate the same shaft, including straightening and timbering, would be at least $70.00 per foot. (See pages 1 and 2 of Exhibit "A" attached to contract No. Idm-2781).

Form MF-326 for September 1955, on this contract shows 100 feet of shaft rehabilitation completed during that month and now paid for.

Please advise whether the shaft has been plumbed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosure

APPROVED:

/s/ Robert W. Geehan

Member, Bureau of Mines

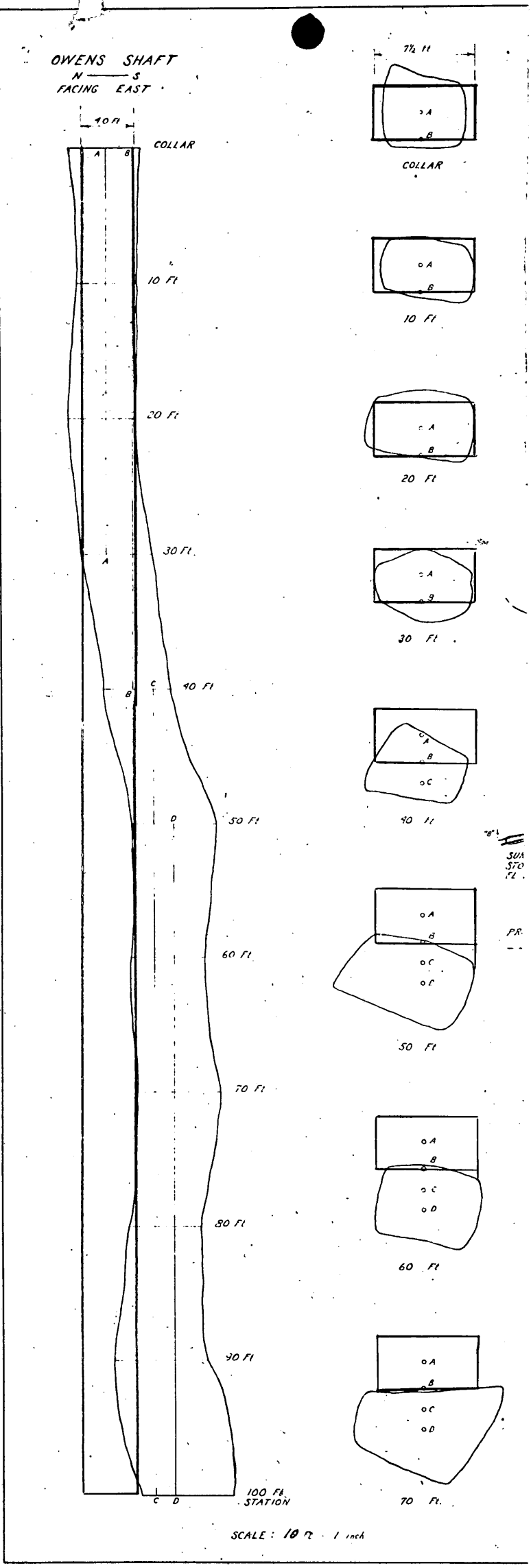
/s/ Thor H. Kiilsgaard

Member, Geological Survey

SPHolt/fec 10/19/55
cc to: Docket
Code 400
Adm. Read. File
Operating Comm.
FT. REG. II I - NW DIST.
Messrs. DeHuff, USBM
Kiilsgaard, USGS

P. S. We wish to ascertain whether the work completed was done in accordance with the contract and whether the price paid was reasonable for such work.

R.C.S.


OWENS SHAFT
N — S
FACING EAST
4.0 Ft
COLLAR
10 Ft
20 Ft
30 Ft
40 Ft
50 Ft
60 Ft
70 Ft
80 Ft
90 Ft
100 Ft.
STATION
SCALE : 10 ft - 1 inch
7½ ft
COLLAR
10 Ft
20 Ft
30 Ft
40 Ft
50 Ft
60 Ft
70 Ft.

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

1201 N. Division St.
Spokane 2, Washington
September 7, 1955

Mrs. Myrtle Purdy
Certifying Officer
DMEA, Region I, NW District
Spokane, Washington

Re: Docket No. DMEA-3626 (manganese)
Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-L781

Dear Mrs. Purdy:

Under the cited contract $360.00 has been authorized to "Rehabilitate headframe, shaft house, and hoist and compressor building."

The Operator has elected to replace the headframe with a more substantial structure in lieu of rehabilitating the old headframe.

The Field Team is aware of this deviation from the rehabilitation of the headframe called for in the contract and approves the installation of the used headframe.

By Field Team, Region I, NW District

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (3)
USGS (2)

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
AUG 15 1955

August 9, 1955

Mrs. Jennie M. Moore
P. O. Box 523
Philipsburg, Montana

Re: Docket No. DMEA-3626 (Manganese)
Mystery Manganese Mine
Granite County, Montana
Contract No. Idm-5781

Dear Mrs. Moore:

Reference is made to your narrative report of July 26, 1955, which accompanied the first voucher in connection with your current contract. We are sorry that you are having trouble in starting your work. We are especially concerned that the preliminary rehabilitation work is proving so expensive and that you are not adhering to the terms of the contract. We can pay for only those items specifically provided for in the contract.

DMEA

We realize that the $360 allowed for rehabilitation is small; however, in arriving at the unit costs allowed for rehabilitating the shaft to the 100-foot level and for sinking below that level, the preparatory costs have been taken into account. We believe that the over-all project could be accomplished at close to the estimated costs provided the surface installations are kept as simple as possible, consistent with the fact that they are intended for exploration not for a producing mine.

We cannot modify your contract to provide more funds or to change the method of exploration as set forth in the contract; nor can we allow more for construction of a new building and headframe than the amount allotted for rehabilitation of the pre-existing structures. Neither can we amend the contract to provide additional funds for bookkeeping, supervision, equipment rental, etc. Funds for these items are likewise all included in the allowed unit costs.

Mr. S. W. Zoldok of the Bureau of Mines will visit you some time during the week of August 22 to discuss the allowable costs with you in detail.

By Field Team, Region I, NW District

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
Bureau of Mines

cc: DMEA(2); USBM(2); USBM(AD); Quinlan

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
JUN 10 1955

June 3, 1955

Mrs. Jennie M. Moore
c/o Courtney Hotel
Philipsburg, Montana

Re: Docket No. DMEA-3626 (manganese)
Mystery Manganese Mine
Granite County, Montana

Dear Mrs. Moore:

Thank you for your letter of May 22, 1955.

In regards to your question concerning permissability of leasing, and royalty on such production, there is nothing to prevent your leasing portions of the Mystery adit; however, since the claims concerned are included in the contract, production from such leased portions would be subject to the Government royalty. Information concerning royalty on production may be found in Article 7 (b) of your copy of the contract.

By Field Team, Region I, NW District

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USBM (2)
USBM(AD)
Kellum

COPY COPY

RECEIVED
JUN 10 1955

Philipsburg, Montana,
May 22- 1955.

Mr. A.E. Weissenborn
Executive officer
U. S. Geological Survey

So. 157 Howard St.
Spokane, Wash.

Re: Docket No. 3626 Manganese
Mystery Manganese Mine
Granite County, Montana.

Dear Sir:-

This is to inform you I am now located in Philipsburg at the Courtney hotel and will proceed with the work at my manganese property as soon as possible.

Frank Webster, who is very highly recommended as a shaft man and general mining work will have charge of the work at my property and he and his son will do the rehabilitation of the Owens shaft and the further 100 foot deepening and I hope to have him continue for the completion of the balance of the work as scheduled in my contract.

Peter Antonioli brought Mr. Webster over here from Butte for the deepening of the shaft at the Scratchawl mine ( Contact Mines ) and he recommended Mr. Webster very highly.

I may have the opportunity to lease areas in the long Mystery tunnel if this is permissible and not included in the coverage in the contract. While the whole of the N.G. and Mountain View claims is covered in the contract, I am of the opinion that this work would not be included in the 5% repayment to the government.

Will you kindly inform me what is right in this matter?

Thanking you, I am

Very truly,

/s/ MRS. JENNIE M. MOORE

RECEIVED
MAY 24 1955

U.S.G.S.
SPOKANE, WASH.

DMEA

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

May 12, 1955

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3626 (Manganese)
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana

Dear Mr. Selfridge:

Enclosed are the Government, Docket, and Division copies of Contract No. Idm-E781.

Distribution of this contract is being made in the usual manner.

Sincerely yours,

A. E. Weissenborn

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

Enclosure (in tripl.)

cc: Finance Office w/encl.
USBM (2)

442 E. Foothill Blvd.,
Glendora, Calif.
May 7- 1955.

A. E. Weissenborn
Executive Officer
U. S. Geological Survey
So. 157 St. Spokane, 4
Washington.

Re: Docket No. DMEA 3626
Manganese
Mystery Manganese Mine
Granite County, Montana.

Dear Sir:-

I am mailing you herewith the signed copies of contract covering exploration work on the Mystery Manganese Mines in Granite County, Montana.

I shall make every effort to meet all requirements of this contract and am making arrangements with a very capable man for the supervision and detail of the work to be done. As soon as I reach Philipsburg and can reach a conclusion with this person, I will inform you of all detail.

In the event that I become immersed in red tape in the matter of reports and records, I trust you will give me all the information necessary to have everything in proper order.

Peter H. Toepfer is now in the east but as he expects to be in Montana in June he will give me any needed assistance.

Thanking you, I am

Very truly,

/s/ Mrs. Jennie M. Moore

C
O
P
Y

Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~XXXXXXXXXXXXXXXXXX~~
So. 157 Howard Street
Spokane 4, Washington

April 28, 1955

Copy

Mrs. Jennie M. Moore
442 E. Foothill Blvd.
Glendora, California

Re: Docket No. DMEA 3626 - Manganese
Mystery Manganese Mine
Granite County, Montana

Dear Mrs. Moore:

Thank you for your letter of April 25, 1955, stating you have no interest in the Silver Spike claim and also informing us there is no agreement of any kind with the owners of the claim regarding extra-lateral rights to ore apexing in the claim. Should any ore be discovered on ground included in the contract and followed into Silver Spike ground, we consider that the Government would have a claim to the royalty on the ore as provided in the contract, the same as if it were mined from the claims listed in the contract. On this basis, we are enclosing the original and five copies of a contract granted on your application to explore the Mystery mine for manganese. If satisfactory to you, please sign all copies, retain the one marked "Operator's Copy" and return the rest to this office.

We would like to point out that the requirements under Article 4(a) call for adequate supervision, and we therefore would like to know who will be supervising the job, as that part of the project which calls for rehabilitating the Owens shaft will require careful supervision if it is to be successful.

By Field Team, Region I, NW District

cc: DMEA (2)
USBM (2)

A. L. Weissenborn, Executive Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

442 E. Foothill Blvd.,
Glendora, Calif.
April 25- 1955.

Mr. A. E. Weissenbern
Executive Officer, DMEA
Field Team, Region 1
Northwest District

Spokane, Wash.

Re: Docket No. DMEA-3626
(Manganese)
Mystery Manganese Mine
Granite County, Montana.

Dear Sir:-

Your letter of the 19th contained the welcome news that my contract for the DMEA loan for the Mystery Manganese Mine is about to be granted, and I am eager to furnish you with the information regarding the Silver Spike claim.

(1) I have no interest in the Silver Spike claim.

(2) There is no agreement of any kind with the owners of said claim regarding extra- lateral rights to ore apexing on the Grey claim.

The Silver Spike claim is a dormant property and there has not been any work of any kind done for the last 60 years and prior to that time only very little prospecting, apparently just enough to secure patent.

It is my intention to purchase this claim if it can be secured for an amount within my means, for the reason it will facilitate hauling of ore from my property by going down the canyon instead of using the present ore road, which is longer by two miles.

I am convalescing from a lenghty stay in a hospital but hope to be able to leave for Montana by the middle of May and will lose no time to get action on the work to be done on my property.

Thanking you for the good news, I am

Sincerely,

/s/ Mrs. Jennie M. Moore

C O P Y

C O P Y

Docket

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

April 19, 1955

Air Mail

Mrs. Jennie M. Moore
442 East Foothill Boulevard
Glendora, California

Wsay

Re: Docket No. DMEA-3606 (manganese)
Mystery Manganese Mine
Granite County, Montana

Dear Mrs. Moore:

We have received from our Washington office a proposed contract for an exploration project on the Mystery Manganese mine, Granite County, Montana.

Because the proposed work will be so near the side line of the Gray claim, any ore found on this claim will pass down dip into the Silver Spike claim which adjoins it on the south. Before sending the contract to you for signature we have been instructed to ascertain (1) whether you have any interest in the Silver Spike claim, and (2) is there any agreement with the owners of the Silver Spike claim by which you would not have extra-lateral rights to ore apexing in the Gray claim. If there is such an agreement by which you have rights to the ore only to the side line of the property, then it will be necessary for you to have a sufficient interest in the Silver Spike claim.

As soon as this matter is cleared up we will mail you the contract.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
Quinlan

Copy mailed 400

DOCKET
SURNAME
Chapman
Martin
Chamberlin
DeHuff
Newcomb
Selfridge
Schumann
Mikandof

400

APR 12 1955

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana

Dear Mr. Weissenborn:

Enclosed are the original and five copies of a proposed contract for an exploration program by the above-referenced applicant, signed by the Administrator for the Government, together with Exhibit "A" (2 pages), Annex I (1 page) and two maps.

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

Before presenting the contract to the Applicant for signing it will be necessary to check carefully as to the extra-lateral rights of the property. If there should be any side line agreement with adjoining property, then it would be necessary for the Applicant to have a sufficient interest in the Silver Spike claim.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

APPROVED:

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

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

TLChapman:foc
4-6-55
cc to: Docket
Code 400
Adm. Reading File
Operating Comm.
FT. REG. I - NWD
Mr. DeHuff, USBM
Mr. Kiilsgaard, USGS

Enclosure

Rubin

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

APR 4 1955

Memorandum

To: The Administrator, DMEA
Attention: W. S. Martin

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3626 (Manganese), Mrs. Jennie M. Moore, Mystery Manganese Mine, Granite County, Montana

Pursuant to Mr. Martin's memorandum dated March 30, we have prepared the attached contract, in satisfactory legal form, subject to the attachment of the maps referred to therein.

It will be noted from the description of the work and the maps that the project work is along the southerly border of the land described in the contract. The docket discloses correspondence between the Operating Committee and Mr. Weissenborn concerning ownership of the claim to the south of the land described in the contract and concerning the question whether there are any special agreements in the Philipsburg District concerning boundary lines. Ownership of the claim has not been determined at this writing.

As we do not have sufficient facts before us to determine the question, our submission of the attached contract is not to be taken as meaning that we have resolved the question of extralateral rights. If you think these rights are important for the purposes of this contract, the question concerning them should be looked into by the Field Team before the contract is executed.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor,
Defense Minerals

HCRubin:gjb 4/1/55

Copy to: DMEA Docket
Sol. Docket
W. S. Martin (2)
J. L. Hofflund
H. C. Rubin
Chron. File

400

DOCKET
SURNAME
Chapman
Martin

March 30, 1955

Memorandum

To: Acting Assistant Solicitor, Defense Minerals

From: Iron and Ferro-Alloys Division, DMEA

Subject: Preparation of contract
Mrs. Jennie M. Moore
Docket No. DMEA- 3626 - Manganese
Mystery Manganese Mine
Granite County, Montana

Transmitted herewith is a rough draft of a proposed contract for your use in preparing the final form.

W. S. Martin, Chief
Iron and Ferro-Alloys Division

Attachment

TLChapman:foc
3-30-55
cc to: Docket
Code 400

MF-200A
(Revised June 1954)

Docket No. DMEA 3626

Commodity Manganese

Contract No. Idm-E

# UNITED STATES OF AMERICA
# DEPARTMENT OF THE INTERIOR
## DEFENSE MINERALS EXPLORATION ADMINISTRATION
## EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this ..... day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Mrs. Jennie M. Moore

whose mailing address is 442 East Foothill Boulevard, Glendora, California

hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and .....

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Montana, County of Granite, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] owner of [5] all rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] ....., [7] ....recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: none

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

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of manganese. The work to be performed is described in Exhibit "A." The Operator on or before July 1, 1955 shall commence the work, and on or before October 1, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $48,700.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $36,525.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

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

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

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

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Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

.....
(Operator)

By .....

By .....

.....

---

I, ....., certify that I am the ..... secretary of the corporation named as Operator herein; that ..... who signed this contract on behalf of the Operator, was then ..... of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

.....

[ CORPORATE SEAL ]

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

EXPLORATION PROJECT CONTRACT
MRS. JENNIE M. MOORE
DOCKET NO. [redacted]-3626

ANNEX I

The land referred to in Article 2 of the contract form is described as follows:

Four patented lode mining claims owned by the Applicant are the N. G., Survey No. 9359; Mountain View, Survey No. 9359; Lucy, Survey No. 10,851; and Grey, Survey No. 10,851 (Fig. 1).

These claims are located in Sec. 30, T. 7 N., R. 13 W. Montana Principal Meridian, Philipsburg Mining District, Granite County, Montana.

EXPLORATION PROJECT CONTRACT

Mrs. Jennie M. Moore

Docket No. DMEA 3626

EXHIBIT "A"

Description of the Work

Figures accompanying this exhibit are as follows:

Fig. 1. Map showing mining claims, outline of area owned by Applicant and relationship of proposed work to these outlines.

Fig. 2. Details of proposed work in relation to mined area. Rehabilitate head-frame, shaft house and hoist and compressor house. Install foundations for compressor and hoist and construct a change house and storage room, approximately 12 feet x 20 feet. Construct 1/2 mile of power line (2300 volt). Straighten and timber Owens shaft to 100 foot level. This shaft to be 1½ compartment, approximately 6 feet x 10 feet rock section. Sink the Owens shaft 100 feet from the 100 foot level to the 200 foot level.

On the 200 feet level excavate for a station approximately 9 x 10 x 35 feet. (3,150 cu/ft.).

From end of station crosscut 60 feet to the Horton vein*. Drift 250 feet easterly and 400 feet westerly on the Horton vein, timbering where necessary.*

(*) Drifts and crosscuts to be not less than 4½ feet x 6½ feet in the clear.

Drill approximately 600 feet of long holes from each side of drifts to prospect for parallel or echelon ore bodies. These holes drilled at approximately 50 feet intervals, should each average about 20 feet long.

Sample and assay mineralized areas in drifts and drill holes.

## Estimated Cost of the Project

### Fixed Unit Costs

| | |
|---|---|
| Rehabilitate head-frame, shaft house, and hoist and compressor building. | $ 360.00 |
| Build change and storage room, foundations, and install compressor and hoist | 1,250.00 |
| Build ½ mile of 2300 volt power line | 1,625.00 |
| Rehabilitate Owens shaft, 100 feet at $70.00 per foot. | 7,000.00 |
| Sink Owens shaft 100 feet at $105.00 per foot. | 10,500.00 |
| Excavate for station at 200 foot level 3,150 cubic feet at $1.00 per cu. foot | 3,150.00 |
| Crosscut and drift 710 feet at $32.50 per foot | 23,075.00 |
| Timbering, 160 feet at $6.50 per foot | 1,040.00 |
| 600 feet of long hole drilling at $0.75 per foot | 450.00 |
| Assaying for manganese 125 samples at $2.00 each | 250.00 |
| Total cost of project | $48,700.00 |
| Government participation, 75% | 36,525.00 |

Docket

xxxxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

March 22, 1955

Air Mail

WSM

Mrs. Jennie M. Moore
Box 1034
Twentynine Palms, California

Copy retained 400

Re: Docket DMEA-3626 (manganese)
Mystery Manganese Mine
Granite County, Montana

Dear Mrs. Moore:

This will acknowledge receipt of your letter of March 20, 1955. I do not know where Mr. Taupfer gets his information, but to date this office has not been informed that a contract has been granted on the Mystery Manganese mine; normally we learn of such contracts as soon as they are granted as the contract forms are sent here to transmit to the Operator for signature.

We do know that Washington is working on a contract because only a short time ago we had an inquiry from them relative to a legal matter. We have had no official word that a contract is in the immediate offing. As with all contracts, just as soon as they are received in the field they are immediately sent to the applicant for approval and signature. Yours, of course, will be handled in the same manner.

Sincerely yours,

Copy retained 400

John S. Vhay
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I
Northwest District

cc: DMEA (2)
USBM (2)

Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
March 21, 1955

VIA AIR MAIL

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

WSM

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana

Dear Mr. Selfridge:

Enclosed is a cost analysis of the revised application on the Mystery Manganese property, prepared by John D. Bardill of the Bureau of Mines.

The application was given Field Team approval in a letter dated February 9, 1955, and it is recommended that a unit cost contract be granted on the basis of Mr. Bardill's estimated costs.

By Field Team, Region I, NW District

A. E. Weissenborn
A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

Wing G. Agnew
Wing G. Agnew, Member
(U. S. Bureau of Mines)

Enclosure

cc: USGS (2)

Reviewed by
DMEA OPERATING COMMITTEE
3-28-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
March 21, 1955

MEMORANDUM

To: DMEA Field Team, Region I, NW District

From: John D. Bardill, Bureau of Mines

Subject: Analysis of cost estimates of Docket No. DMEA 3626 (manganese), Mrs. Jennie M. Moore, Mystery Manganese Mine, Granite County, Montana

In lieu of applicant's proposed exploration program the following is recommended:

1. Straighten and widen 100-ft. deep Owens shaft.

2. Sink the Owens shaft an additional 200 feet.

3. At the 300 level, crosscut not to exceed 120 feet to the Horton vein from the shaft.

4. Drift on the Horton vein not more than 400 feet to the west and not more than 300 feet to the east.

5. Probe the walls of the drift with not more than 500 feet of long holes.

## Discussion of Applicant's Cost Estimates

The application has been submitted on the basis of independent contracts with a maximum allowable cost for rehabilitating the Owens shaft, sinking the shaft, crosscutting to the Horton vein from the shaft, and drifting on the Horton vein.

Supervision and managerial services, rehabilitating the compressor and hoist houses, constructing a new change-tool house and compressor and hoist installations and power line were presented as separate cost items.

Rental of equipment and purchase of equipment and supplies were set up as still another expense item, presumably to be repaid to applicant on a monthly basis for the duration of the project. Some of the purchased equipment, materials and supplies would have a salvage value in which the Government would have an equity. Since this is not desirable, allowable depreciations were estimated to be paid to applicant for the use of the equipment and included in the estimated costs.

Reviewed by
DMEA OPERATING COMMITTEE
3-28-55

Cost of a change-tool house less the estimated salvage value may be allowed.

The cost of the electric power line should not be allowed because the power company reimburses the owner of the line on a percentage basis of power used.

The following cost estimates have been made, using the applicant's time estimates, equipment, materials and supplies requirements for the revised exploration program.

Estimated Time Schedule

| | Months |
|---|---|
| Straightening, widening and timbering 100 feet of 4½'x7½' shaft @ 3-1/3 ft/day | 1.2 |
| Sink shaft - 200 feet @ 1.67 ft/day | 5.0 |
| Crosscut 120 feet @ 3 ft/shift, 2 shifts/day | 0.8 |
| Drift 700 feet, 2 headings, 3.71 ft/heading/day | 4.0 |
| | 11.0 |

Monthly Equipment Rental Estimates

| | Rent/mo. |
|---|---|
| Mine hoist with 30 h.p. electric motor | $310.00 |
| 4'x4' shaft cage | 50.00 |
| 260 cfm air compressor | 250.00 |
| Pickup truck | 80.00 |
| | $690.00 |

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## Estimated Equipment and Supply Purchases by Applicant and Allowable Depreciation

| | Cost | Salvage Value | Allowable Depreciation |
|---|---|---|---|
| Sinking bucket, used | $ 25.00 | — | $ 25.00 |
| Head sheave, used | 30.00 | -- | 30.00 |
| 350 ft. hoist cable @ 60¢/ft. | 210.00 | 50.00 | 160.00 |
| Hoist signal bell and cable | 50.00 | 25.00 | 25.00 |
| 3 ore cars @ $100 | 300.00 | 150.00 | 150.00 |
| 600 feet of 16 lb. used rail with fishplates for dump | 180.00 | 80.00 | 100.00 |
| 300 lbs. track spikes @ 20¢/lb. | 60.00 | 10.00 | 50.00 |
| Air receiver, used | 200.00 | 100.00 | 100.00 |
| 2 used submarine water tanks | 80.00 | — | 80.00 |
| 2 jackleg drifters @ 1/60 per mo. | 1330.00 | 1194.30 | 135.70 |
| Electric bit sharpener | 120.00 | 96.00 | 24.00 |
| 100 ft. air hose | 50.00 | -- | 50.00 |
| 100 ft. water hose | 45.00 | — | 45.00 |
| Ventilation blower | 250.00 | 225.00 | 25.00 |
| 4 muck sheets | 60.00 | — | 60.00 |
| Misc. small tools | 500.00 | — | 500.00 |
| | $3490.00 | $1930.30 | $1559.70 |

| | Distribution of Allowable Depreciation (calculated on monthly use basis) | | Distribution of Equipment Rental (on monthly basis) | |
|---|---|---|---|---|
| | Total | Per foot | Total | Per foot |
| Rehabilitation - 100 feet | $ 114.60 | $1.15 | $ 528.00 | $ 5.28 |
| Shaft sinking - 200 " | 635.30 | 3.18 | 3450.00 | 17.25 |
| Crosscutting and drifting - 820 " | 809.80 | 0.99 | 3312.00 | 4.04 |
| | $1559.70 | | $7290.00 | |

### New Buildings

Combination change, storage and tool room
About 20'x25' or 500 sq. ft. estimated to cost 90¢/sq. ft. or $450.00. Building at end of project may have a salvage value of $50.00. Recommend the applicant be allowed $400 for this building and at the end of the project the Government will not have any equity in it.

## Estimated Shaft Rehabilitation Cost

(1.2 months, 3.33 feet per working day; shaft to be 4.5'x7.5' in section)

| | Cost |
|---|---|
| Labor - 2 miners and 1 hoistman, 30 days @ $16.48 | $1,483.20 |
| Supervisor - 1.2 months @ $600/mo. | 720.00 |
| Insurance, taxes, etc. - 12.5% of labor | 275.40 |
| Equipment use depreciation - $1.15/ft. x 100 ft. | 115.00 |
| Equipment rental - 1.2 months @ $440 | 528.00 |
| Repairs, etc. - 10% of labor cost | 148.32 |
| Electric power, 1.2 x $90 | 108.00 |
| Supplies and materials: | |
| 1142 lineal feet of round timber @ 18¢ | 205.56 |
| 7080 bd. feet sawed timber @ $55/M | 389.40 |
| Wedges, spikes, etc. @ 10% of lumber | 59.60 |
| 130 feet of 2" air pipe @ 55¢ | 71.50 |
| 200 feet of 1" water pipe @ 20¢ | 40.00 |
| Valves, fittings, etc. @ 20% of pipe cost | 22.30 |
| 120 feet of ventube @ $1/ft. | 120.00 |
| Powder @ 8#/ft. @ $25/100 lbs. | 200.00 |
| Caps | 5.85 |
| Fuse, 2250 ft. @ $1.20/100 ft. | 27.00 |
| Carbide | 10.00 |
| Drill steel and bits | 25.00 |
| | $4,554.13 |
| Estimated cost per foot - Say | $ 45.50 |

## Estimated Cost for Sinking 200 feet of Shaft
(5 months @ 1.67 feet per shift; $4\frac{1}{2}$'x$7\frac{1}{2}$' in section)

| | Cost |
|---|---|
| Labor - 120 days for 2 miners and 1 hoistman @ $16.48/day | $ 5,932.80 |
| Supervision - 5 mos. @ $600/mo. | 3,000.00 |
| Insurance, taxes, etc. - 12.5% of labor & supervision | 1,116.60 |
| Equipment use depreciation - $3.18 x 200 ft. | 636.00 |
| Equipment rental - 5 months @ $690 | 3,450.00 |
| Repairs, replacements, etc. - 10% of labor | 593.28 |
| Electric power - 5 months @ $90/mo. | 450.00 |
| Materials and supplies: | |
| 1420 lineal feet round timber @ 18¢/ft. | 255.60 |
| 1600 bd. ft. sawed timber @ $55/M | 88.00 |
| Wedges, spikes, etc. @ 10% of timber cost | 34.36 |
| 200 ft. 2" air pipe @ 55¢/ft. | 110.00 |
| 200 ft. 1" water pipe @ 20¢/ft. | 40.00 |
| Valves, fittings, etc. - 20% of pipe cost | 30.00 |
| 200 ft. 12" ventube @ $1/ft. | 200.00 |
| Drill steel and bits | 300.00 |
| Powder, 15#/ft. @ $25/100 lbs. | 750.00 |
| Electric caps - 900 @ 25¢ | 225.00 |
| Galvanometer, detonator, carbide, etc. | 75.00 |
| Repairs, replacements, etc. - 10% of labor | 593.28 |
| | $17,879.92 |
| Estimated cost per foot | $ 89.40 |

Applicant did not include in the original application supervision and drill steel and bits for shaft rehabilitation or shaft sinking. Supervision alone amounts to $15 per foot for shaft sinking, according to the applicant.

The following cost estimates are based on applicant's advance of 3 feet per shift on a 2 shift per day basis for 120 feet of crosscut from the Owens shaft on the 300 level to the Horton vein. Crosscut to be 5'x7' in the clear.

Estimated Cost of 120 feet of Crosscut
(0.8 mo. - advance 3 ft/shift including 300 level station)

| | Cost/ft. |
|---|---|
| Labor | $ 11.00 |
| Supervision | 4.15 |
| Insurance and taxes @ 12.5% of above | 1.89 |
| Explosives | 3.15 |
| Equipment rental | 4.04 |
| Equipment use depreciation | 0.99 |
| Rails, ties, spikes, etc. | 1.05 |
| Ventube | 1.00 |
| Air and water pipe with fittings | .90 |
| Miscellaneous tools | 0.75 |
| Repairs | 0.70 |
| Electric power | 0.65 |
| Bits and steel | 1.40 |
| Miscellaneous supplies | 1.40 |
| Estimated cost per foot | $33.07 |

Applicant's estimate of $42.39 is high because on a one shift per day basis the equipment rental and supervision are high. Applicant's labor cost estimate of about $16.50 is also too high.

The following estimate for driving 700 feet of drift is based partially on the applicant's advance of 3.71 feet per working day in each of two headings, or approximately 4 months.

| | Estimated cost per foot |
|---|---|
| Labor | $11.00 |
| Supervision | 3.45 |
| Insurance and taxes | 1.81 |
| Explosives | 3.15 |
| Equipment purchases and rental | 0.99 |
| Equipment rental | 4.04 |
| Rail, ties, spikes, etc. | 1.05 |
| Ventube | 1.00 |
| Air and water pipe and fittings | 0.90 |
| Power | 0.95 |
| Bits and steel | 1.40 |
| Repairs, replacements, etc. @ 10% of labor | 1.00 |
| Miscellaneous supplies and tools | 1.55 |
| | $32.39 |

Applicant did not include supervision or bits and steel in the cost estimate.

The following prices on an agreed unit cost basis are recommended if this application is considered favorably.

| | |
|---|---|
| Rehabilitation of Owens shaft | $45.50 per foot |
| Shaft sinking | 89.40 " " |
| Crosscutting | 33.00 " " |
| Drifting | 32.30 " " |

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## Estimated Cost of the Project

| | |
|---|---|
| Rehabilitation of not to exceed 100 feet of Owens shaft 100 feet @ $45.50/ft. | $ 4,550.00 |
| Sink Owens shaft an additional 200 feet 200 feet @ $89.40/ft. | 17,880.00 |
| Crosscut not to exceed 120 feet to Horton vein @ $33.00/ft. | 3,960.00 |
| Drift not more than 700 feet on Horton vein @ $32.30/ft. | 22,610.00 |
| Timber, if necessary, not more than 500 feet @ $5.00/ft. | 2,500.00 |
| Long hole drilling to prospect for other veins in walls, not to exceed 500 feet @ $1.00/ft. | 500.00 |
| 200 sample analyses @ $5.50 for gold, silver, lead and manganese | 1,100.00 |
| Total estimated cost of project | $53,100.00 |
| Government participation @ 75% | $39,825.00 |

Distribution:
DMEA, Wash. (4)
USGS (2)
DMEA
Engr

Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

March 17, 1955

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

No reply necess.
WSM
3/22/55

Re: Docket No. DMEA-3626 (manganese).
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana

Dear Mr. Selfridge:

Reference is made to your letter of March 10, 1955.

To our knowledge, property owners in the Philipsburg district of Montana have not agreed to be governed by vertical boundary lines. Extra-lateral rights would then apply.

Regarding the ownership of the Silver Spike claim, Survey No. 5009, we can find nothing in our records that shows it; neither Antonioli, Trout, nor Taylor-Knapp own or lease it. The next time a field man is in the area we will have him determine ownership of the claim at the County Courthouse.

Sincerely,

A. E. Weissenborn

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

cc: USBM (2)

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400

DOCKET
Surname:
Chapman
Martin
Selfridge
Fraser
Weissenborn

MAR 1 0 1955

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese Mine
Granite County, Montana

Dear Mr.Weissenborn:

In reviewing the reports and maps on the subject property, it appears that we may have to inquire into the applicant's extra-lateral rights.

Apparently if the Owens shaft is sunk an additional 200 feet as proposed by the Field Team, most of the work on the so-called Horton vein will be on the adjoining claim to the south. We estimate that, with the work proposed by the applicant, the east drift would go out through the side line at approximately 260 feet, the distance proposed in the application.

We would, therefore, appreciate whatever you could report on extra-lateral rights in the Philipsburg district. In many camps the property owners have agreed to be governed by vertical boundary lines and we would like to know if any such thing has taken place in the Philipsburg district?

According to the best of our data, the claim to the south of the N. G. group is the Silver Spike, Survey No. 5009. We do not have any map that shows the ownership of this claim and we would appreciate having any pertinent information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

J. H. Hedges (GCS)

Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)

Member, Geological Survey

cc: Docket
Adm. Read. File
Oper. Committee
Code 400
FT, Reg. I
Gilbert DeHuff, USBM
Thor Kiilsgaard, USGS

TLChapman/WSMartin/ls 3/8/55

R.G.F.

Docket

IN REPLY REFER TO:

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

Defense Minerals
RECEIVED
MAR 4 - 1955

March 2, 1955

Re: DMEA-3626
Jennie M. Moore
(Mystery-Horton Area)
Granite Co., Montana
Manganese

Memorandum

WSM

To: W. S. Martin, Defense Minerals Exploration Administration

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of Field Team examination report

The applicant's present proposal represents a revision of an earlier exploration program which was submitted as docket DMEA-3186.

This latter application was denied on January 4, 1954. The scope of the work and the very extensive program requested by the operator was not geologically justified.

The new proposal confines the exploration work to the Horton vein which is the most favorable manganese-bearing vein structure on the property.

The applicant has proposed the following project on the Horton vein structure:

1.) Rehabilitation and enlargement of the Owens shaft to its present depth of 100 feet.

2.) Deepen the Owens shaft an additional 100 feet.

3.) Crosscut 90 feet southward to intersect the Horton vein on the 200 level.

4.) Drift 520 feet (260 feet eastward and westward from the bottom of the shaft) along the Horton vein on the 200 level.

5.) Bulldoze two trenches across the possible eastward projection of the Horton vein structure.

The Field Team report has recommended the following program be approved:

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1.) Rehabilitation and enlargement of the Owens shaft to a depth of 100 feet.

2.) Deepen the Owens shaft an additional 200 feet.

3.) Crosscut 90 feet or more to intersect the Horton vein on the 300 level.

4.) Drift 400 feet westward and 300 feet eastward along the Horton vein on the 300 level.

5.) Long-hole drilling to test for en echelon ore bodies in the Horton vein zone.

The Field Team's project eliminates the bulldozing and provides for a deeper shaft than is requested by the applicant. The depth to bedrock is unknown east of the Owens shaft and the results from trenching are unlikely to add appreciably to information already known about the vein. Trenching should be deleted as superfluous work. The proposed 200 feet of additional shaft is not warranted as necessary work to successfully explore the Horton vein zone. The objective of the program is to explore at a reasonable depth along the strike of the vein structure. The success of the work is dependent upon sufficient drifting to find possible ore bodies beyond present known workings and to test beneath ore bodies developed in the upper workings. I would recommend the depth of the shaft and the new drifting be limited to the 200 level. The 700 feet of drifting and the long-hole drilling for parallel or en echelon ore bodies are necessary to adequately explore the Horton vein structure. About 1,000 feet of long-hole drilling should be adequate.

Although the western margin of the Phillipsburg manganese district, which includes the Mystery area, has not proven to be as favorable for large manganese ore bodies as the eastern part of the district, there has been sufficient production from the Durango vein (Murphy ore body) and the Horton vein (Powder Tunnel ore body) to indicate some further limited exploration is warranted. Of these two veins, the Horton has the best past production record. Its total production probably has been in excess of 10,000 tons of manganese ore.

The proposed exploration of the Horton vein will be in the favorable Hasmark limestone and will follow one of the strongest east-west vein zones in the area. It also will be in a part of the vein zone where the strike changes from northwesterly to about east-west. Although the depositional control for ore bodies on the Horton vein are not clearly understood, it appears to be dependent

on a change in strike of the vein fracture and the presence of favorable beds in the Hasmark limestone. Further exploration of the westward extension of the Horton vein may result in a significant discovery and it may also indicate that additional exploration in the western part of the Phillipsburg district is feasible in certain limited areas.

The proposed work on the Horton vein through the Owens shaft and on the 200 level is recommended for approval.

E. L. Newcomb

E. L. Newcomb

Docket

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

Department of the Interior
Defense Minerals Administration
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FEB 21 1955

February 18, 1955

WSM

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese mine
Granite County, Montana

Dear Mr. Selfridge:

Due to an oversight, the field team report and transmittal letter of February 9, 1955, carried the wrong docket number - DMEA-3186. Even though I'm sure you have caught the error by this time, we are calling it to your attention for the sake of the records.

Very truly yours,

Eva M. Raymond

Eva M. Raymond
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I
Northwest District

cc: USBM (2)

Docket

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

Defense Minerals Administration
RECEIVED
FEB 18 1955

February 9, 1955

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

WSM

3626

Re: Docket No. DMEA-~~3186~~ (manganese)
Revised application
Jennie M. Moore
Mystery property
Granite County, Montana

Dear Mr. Selfridge:

Enclosed is a geologic appraisal by J. S. Vhay of a revised application, submitted by Mrs. Jennie M. Moore, which proposes to explore the so-called Horton vein on the Mystery property, Philipsburg district, Montana. A cost analysis will follow in a few days.

Although the Field Team could not recommend favorably Mrs. Moore's previous application, we believe that the present one is a much better conceived proposal which merits favorable consideration.

By Field Team, Region I
Northwest District

A. E. Weissenborn /C.O.F.
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew
Wing G. Agnew Member
U. S. Bureau of Mines

ON-SITE EXAM.

Enclosure

cc: USBM (2)
Quinlan

Reviewed by
DMEA OPERATING COMMITTEE
2-21-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 18 1955

February 9, 1955

4/11

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: John S. Vhay, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-~~3186~~ 3626 (manganese). Appraisal of revised application, Mrs. Jennie Moore, Mystery property, Granite County, Montana.

## Introduction

This memorandum appraises a revised application received from Mrs. Jennie M. Moore of Glendora, California on December 22, 1954, for aid to explore the Mystery property for manganese. This application (Docket No. DMEA-3186) was originally submitted September 21, 1953, and denied by letter January 4, 1954.

I examined the property on November 17, 1954, with Mr. Peter Toepfer, representative of the applicant, after spending the previous day going through several of the operating mines in the district with Mr. J. J. Quinlan, geologist, Geological Survey, in order to get acquainted with the geologic picture of the Philipsburg district.

A separate memorandum by an engineer of the Bureau of Mines will analyze the costs submitted by the applicant.

This application is the third one submitted by Mrs. Moore on the Mystery property. The original application, Docket No. DMEA-2179, was submitted October 10, 1951, under the property name Lucy, N. G., Mountain View, and Grey claims; this application was withdrawn from the active files without prejudice by the DMEA on September 26, 1953, because the applicant failed to provide technical data requested of her. On September 21, 1953, a second application was received from Mrs. Moore and assigned Docket No. DMEA-3186. After a careful field examination, J. J. Quinlan, geologist, Geological Survey, recommended denial of the application inasmuch as it proposed to explore about six different targets, most of which are suspected of being narrow or low in manganese; in other words, the target "area" was too widespread and indefinite, and much of the proposed exploration was only a short distance under old stopes. I am in entire agreement with Quinlan's recommendation that the second application be denied.

Reviewed by
DMEA OPERATING COMMITTEE
2-21-55
(date)

This third application is a revision of the proposal submitted September 21, 1953, and assigned Docket No. DMEA-3186, and limits the exploration to the Horton vein, which Quinlan thinks is the best manganiferous structure on the Mystery property. It will explore the vein some considerable distance below existing workings.

## Recommendation

It is recommended that a contract be granted to cover rehabilitation of the Owens shaft, sinking it 200 feet deeper and crosscutting to and drifting on the Horton vein structure.

see p.

## Location and accessibility

The Mystery property is in sec. 30, T. 7 N., R. 13 W., MPM, Philipsburg mining district, Granite County, Montana. It is half a mile east of Philipsburg and adjoins the property of the Taylor-Knapp Company on the west. The Camp Creek county road crosses the southern part of the property. Philipsburg is on U. S. Highway 10A and is serviced by the Northern Pacific railroad.

The property is at an altitude of about 5,700 feet. The winters have considerable snow and subzero temperatures, but mining operations are not seriously hampered in the winter.

## Property and ownership

The application covers the following mining claims: N. G., Survey No. 9359; Mountain View, Survey No. 9359; Lucy, Survey No. 10,851; Grey, Survey No. 10,851. These claims are shown on Map No. 1(copied from the previous application, Docket No. DMEA-3186) which accompanies this memorandum.

The claims are owned by the applicant, Mrs. Jennie M. Moore, 422 E. Foothill Blvd., Glendora, California.

## General geology of district

The geology of the Philipsburg district and its manganese deposits has been described in the following publications:

Emmons, W. H., and Calkins, F. C., Geology and ore deposits of the Philipsburg quadrangle, Montana: U. S. Geol. Survey Prof. Paper 78, 1913.

Pardee, J. T., Deposits of manganese ore in Montana, Utah, Oregon, and Washington: U. S. Geol. Survey Bull. 725, pp. 146-174, 1921.

Goddard, E. N., Manganese deposits of Philipsburg, Granite County, Montana, a preliminary report: U. S. Geol. Survey Bull. 922-G, pp. 152-204, 1940.

These publications, as well as J. J. Quinlan's memorandum of November 25, 1953, have been used in preparing this appraisal, and should be consulted regarding the detailed geology of the district.

The Philipsburg mining district lies along the west edge of the Philipsburg batholith. Deposits occur both in the granodiorite and in the broad, north-plunging anticline of Paleozoic rocks which it intrudes; see plate 26 of Bulletin 922-G for the over-all picture. Deposits in the district consist of base metal-silver veins in both the granodiorite and the sedimentary rocks, and manganese replacement bodies in the sedimentary rocks along the veins and out from the veins along favorable beds. The veins are along northwest and east-west zones of fractures, many places having an en echelon arrangement. Because of this en echelon arrangement, plus splits along the fractures, it cannot always be proved that different ore bodies lying in the east-west zones are on the same fracture and for that reason expressions like "Horton vein zone" are used to identify the general east-west zones of fracture without necessarily implying that one "vein" is continuous across the district. Zones of bedding plane slippage are especially favorable for manganese replacement bodies. The manganese deposits were first formed as rhodochrosite, which has been later oxidized to black manganese oxides, in places to depths as much as 700 feet below the surface.

Known manganese ore is present in the district (see plate 26, Bull. 922-G) within a general area bounded by a line from the Coyle glory hole, at the southeast edge of the manganiferous area, north along the edge of the batholith about 7,000 feet (to approximately where Browns Creek crosses granodiorite-Jefferson contact) west-southwest to a point about 5,000 feet west of the Little Dandy shaft, thence south to Cliff Gulch and then southeast to include the Redemption mine, and easterly to the Coyle glory hole. Most of the mines that have produced appreciable manganese are in the southeast quarter of this area; in general, south of the Two Percent shaft and east of a line from the Two Percent shaft to a point a few hundred feet west of the Morning shaft.

## Geology at site of proposed work

The proposed work is planned to explore the "Horton vein zone" at depth, from below where it is crossed by the Mystery tunnel to about 260 feet east of the Owens shaft. The country rock in this area is the upper part of the Hasmark formation, which here consists of thick-bedded, coarse-grained or sandy marble intercolated with thin-bedded finer-grained impure marble, which, in parts of the sections, shows considerable bedding plane slippage.

The main part of the "Horton vein zone" (see Map No. 1) trends N. 82° E. west of the Mystery tunnel, S. 75° E. from the Mystery tunnel to south of the Owens shaft, and presumably from there about due east over to the workings of the Horton mine on Taylor-Knapp ground; it dips 75° to 80° south. Subsidiary fractures, approximately parallel, include one through the Owens shaft and one about 80 feet north of the shaft; the latter joins the main "Horton vein" approximately at the west end of the surface stope above the Mystery tunnel.

The stopes along the "Horton zone" on the Mystery property (called the Powder tunnel stopes) extend from about 40 feet west to about 180 feet east of the Mystery tunnel, and there is a vertical distance of at least 160 feet from the top of the deepest stope (now filled) to the top of the highest open cut. They lie along the "Horton vein zone" where it has a strike of about N. 75° W., differing from the normal strike, about east-west. The wider parts of the stopes, representing replacement out from the vein approximately on favorable beds, appear to plunge to the west at low angles.

The depositional control for the ore in these stopes is apparently the combination of a change in strike of the "Horton fracture" (N. 82° E. to N. 75° W.) and the presence of favorable beds in the Hasmark formation. I cannot agree with the explanation given by Toepfer in the previous application, namely, that the primary ore control is a flatly dipping "sheeted zone" intersecting the vein; I believe that his "sheeted zone" is merely a stratigraphic zone where more bedding plane slippage is present, and that it therefore cannot be projected on strike any considerable distance unless the bedding happens to continue with the same strike, which it probably does not do in the anticlinal structure where it is found.

## Geologic justification for the proposed work

The ground where the proposed work is to be done is within the area of known manganese ore occurrences, although it must be admitted that it is somewhat west of the area where the more productive mines lie.

The following quotations from U. S. Geol. Survey Bull. 922-G give some of the reasons why I think this application should be favorably recommended:

> "The massive marble of the Hasmark and Jefferson formations apparently became brecciated much more readily than the thin-bedded limestones and thus tended to contain the larger and higher-grade deposits; in fact, the entire Hasmark formation might be regarded as a favorable horizon, for many good ore bodies are scattered through it, notably those at the Horton, Durango, Cliff, and Morning mines." (pp. 179-180)

> "The upper Hasmark contact might also be explored at depth along several of these veins such as the Myrtle, Horton, Huffman, and Bay Horse - Durango." (p. 183)

Under his description of the Scratch All mine Goddard says (p. 195) "* * * Only small amounts of oxide ore have been found on the Horton and True Fissure veins, but in the Horton (to the west - J.S.V.) and True Fissure mines large bodies of ore have been mined on these same veins. * * * All the ore bodies are along or adjacent to the veins. Most of them are in the marbleized Hasmark formation * * *"

According to Pardee (U.S. Geol. Survey Bull. 725, p. 169):

"A large body of manganese ore in the Horton mine * * * was developed in 1918 * * * The ore body stands nearly vertical, trends east, averages 20 feet or more in width, and is at least 200 feet in stope length. At the shaft it is 100 feet wide at the surface, but it tapers down to 17 feet at a depth of 160 feet * * * The average material mined carries about 35 percent manganese * * * "

Quinlan, in his memorandum of November 25, 1953, says, "The 'Horton' vein is considered to be the best manganese structure exposed on the Mystery property."

Summing up then, I feel that exploration here can be justified because it is in a stratigraphic zone (the Hasmark) favorable for manganese along one (the "Horton") of the stronger east-west vein zones of the district in an area where known, admittedly small, ore bodies have already been found (the Powder tunnel stopes and those on the Murphy workings along the "Durango vein zone" to the north, see Map No. 1). Although this exploration is west of the supposedly most favorable part of the district, it gives an opportunity to show possibly that the favorable zone extends farther west, and so will benefit the whole district.

## Proposed work

The proposed program consists of (and I quote in part from the application):

(1) straightening and widening the Owens shaft (100 feet deep);

(2) sinking Owens shaft an additional 100 feet to a depth of 200 feet;

(3) crosscutting southward a distance of 90 feet from the bottom of the Owens shaft, to intercept the Horton vein;

(4) drifting west and east a distance of 260 feet in each direction on the Horton vein; and

(5) bulldozing two trenches across the projected outcrop of the Horton vein.

## Discussion and changes recommended

I recommend that no bulldozing be allowed on the contract, as the topography is such that it might be extremely difficult to get down to bedrock through the alluvium, and moreover would prove little more than is already known.

Rehabilitating the Owens shaft, as shown on Map No. 8 accompanying the application, is necessary. Although I would approve of the rest of the work, namely, sinking, crosscutting, and drifting, I feel strongly that the

exploration would be much more useful if it consisted of sinking the shaft 200 feet (giving a total depth of 300 feet), crosscutting to the Horton structure (perhaps somewhat more than the 90 feet requested), and drifting 400 feet to the west and 300 feet to the east. Depending upon what is found in this drifting, perhaps a second stage could call for an additional 300 feet of drifting to the west. A certain footage of long-hole drilling should be required in the contract, as many of the veins in the district have an en echelon arrangement and it is believed that it is possible to drift alongside an ore body without seeing it.

Enclosures

Distribution:
DMEA (4)
USBM (2)
USGS (SRO)
Docket
Vhay

DOCKET
SURNAME
400 Rutledge
Martin
Selfridge
Johnson
Whitaker

JAN 1 0 1955

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

Re: Docket No. DMEA 3626 - Manganese
Mrs. Jennie M. Moore
Mystery Manganese mine
Granite County, Montana

Dear Mr. Weissenborn:

Reference is made to the subject docket and your letter of December 29, 1954, which states that a field examination of the property has been made.

We will hold this application in abeyance until the report and recommendations by the Field Team are received.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

APPROVED:

J. H. Hedges

Member, Bureau of Mines (JHB)

Thor H. Kiilsgaard

Member, Geological Survey (JHB)

FARUTLEDGE:foc
1-6-55
cc to: Docket
Code 400
Adm. Reading File
Operating Comm.
FT. REG. II
Mr. DeNuff, USBM
Mr. Kiilsgaard, USGS

R.C.S.

January 5, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region I

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region I.

DMEA-3626 Mrs. Jennie M. Moore

Robert E. Adams,
Chief, Operation's Control
and Statistics Division

January 5, 1954
Subject: DMEA-3626
Re: Exploration Assistance
Mystery Manganese Mine

Mrs. Jennie M. Moore
442 E. Foothill Blvd.
Glendora, California

Dear Mrs. Moore:

The receipt of your application dated December 20, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3626 and referred to the Iron and Ferro-Alloys Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 3 1955

December 29, 1954

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: DMEA application (manganese)
Mystery Manganese Mine
Granite County, Montana

Dear Mr. Selfridge:

Enclosed are the original and two copies of an application for an exploration project contract on the above-mentioned property submitted by Mrs. Jennie M. Moore, 442 E. Foothill Boulevard, Glendora, California. One copy of the application is being retained for our files.

The Mystery mine was the subject of an earlier application (Docket No. DMEA-3186, manganese) which was denied. The size of the project is considerably smaller, and the target is more clearly defined and restricted. Another field examination of the property has been made and an appraisal of this application will be submitted in a few weeks.

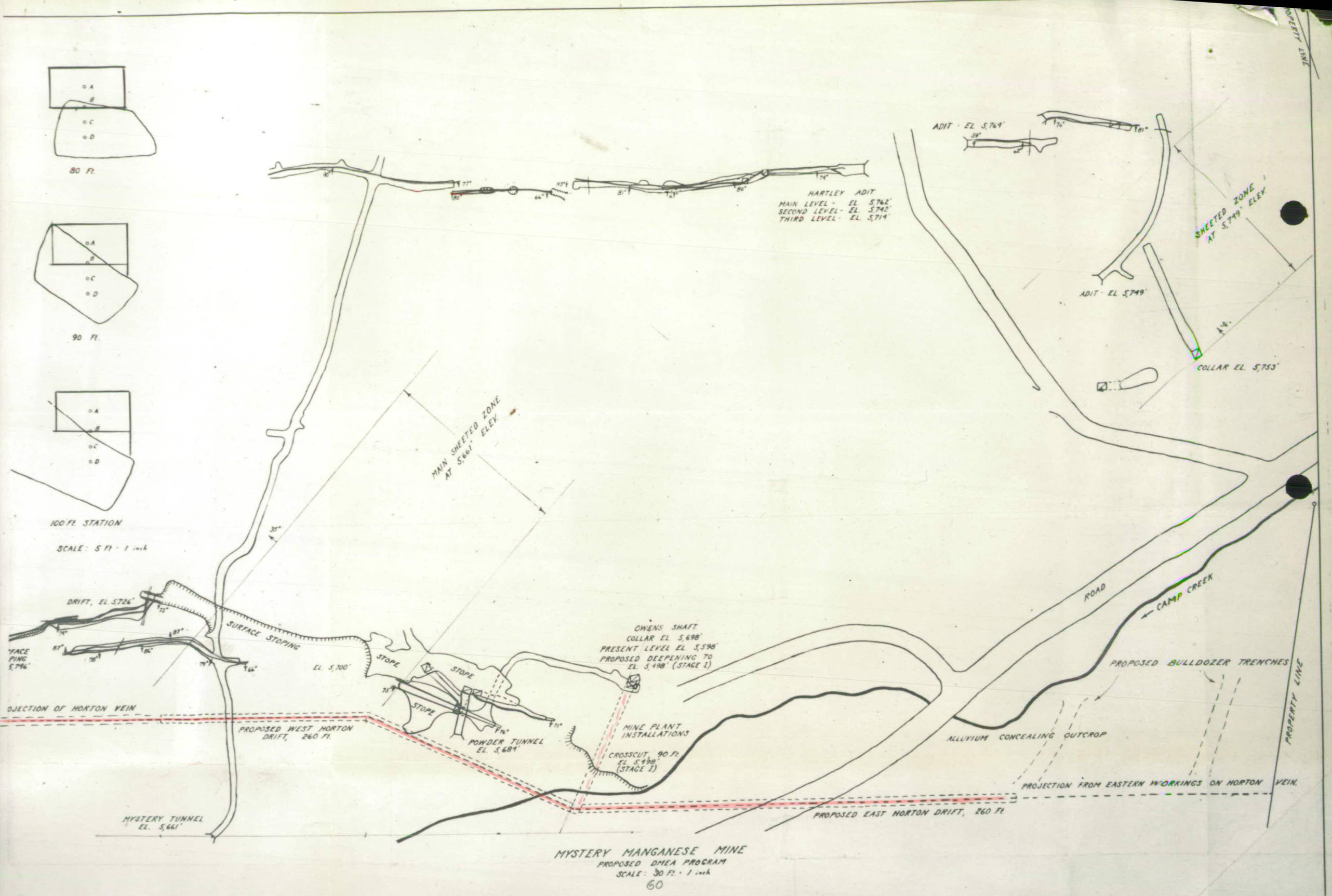
Sincerely yours,

John S. Vhay

John S. Vhay
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosure

cc: USBM (2)

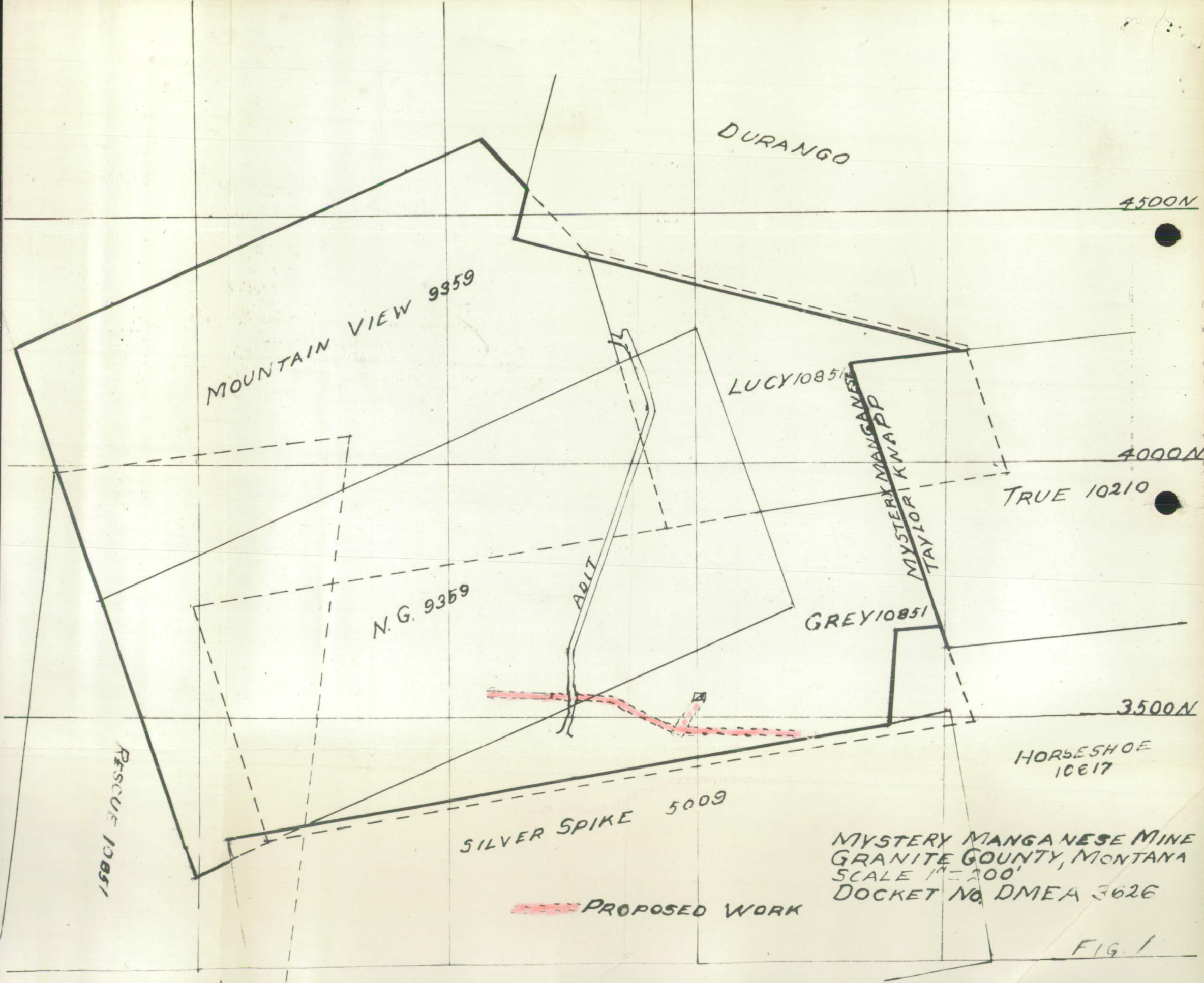



MYSTERY MANGANESE MINE
PROPOSED DMEA PROGRAM
SCALE: 30 Ft = 1 inch

60

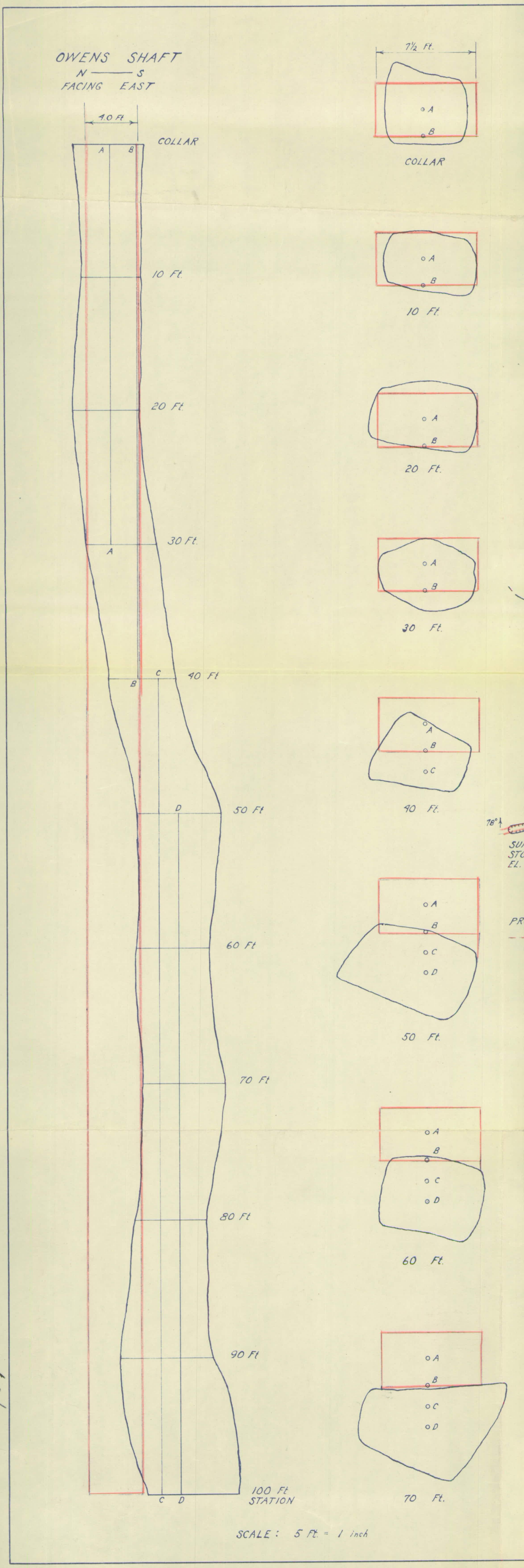
MAP NO. 8 FIG. 2
MYSTERY MANGANESE MINE
GRANITE COUNTY, MONTANA
D.M.E.A. APPLICATION MAP

NOVEMBER, 1959 PETER H. TOEPFER




MYSTERY MANGANESE MINE
GRANITE COUNTY, MONTANA
SCALE 1" = 200'
DOCKET No. DMEA 3626

FIG. 1


OWENS SHAFT
N —— S
FACING EAST
4.0 Ft
COLLAR
10 Ft.
20 Ft.
30 Ft.
40 Ft
50 Ft
60 Ft
70 Ft
80 Ft
90 Ft
100 Ft
STATION
7½ Ft.
COLLAR
10 Ft.
20 Ft.
30 Ft.
40 Ft.
50 Ft.
60 Ft.
70 Ft.
SCALE: 5 Ft. = 1 inch

3626

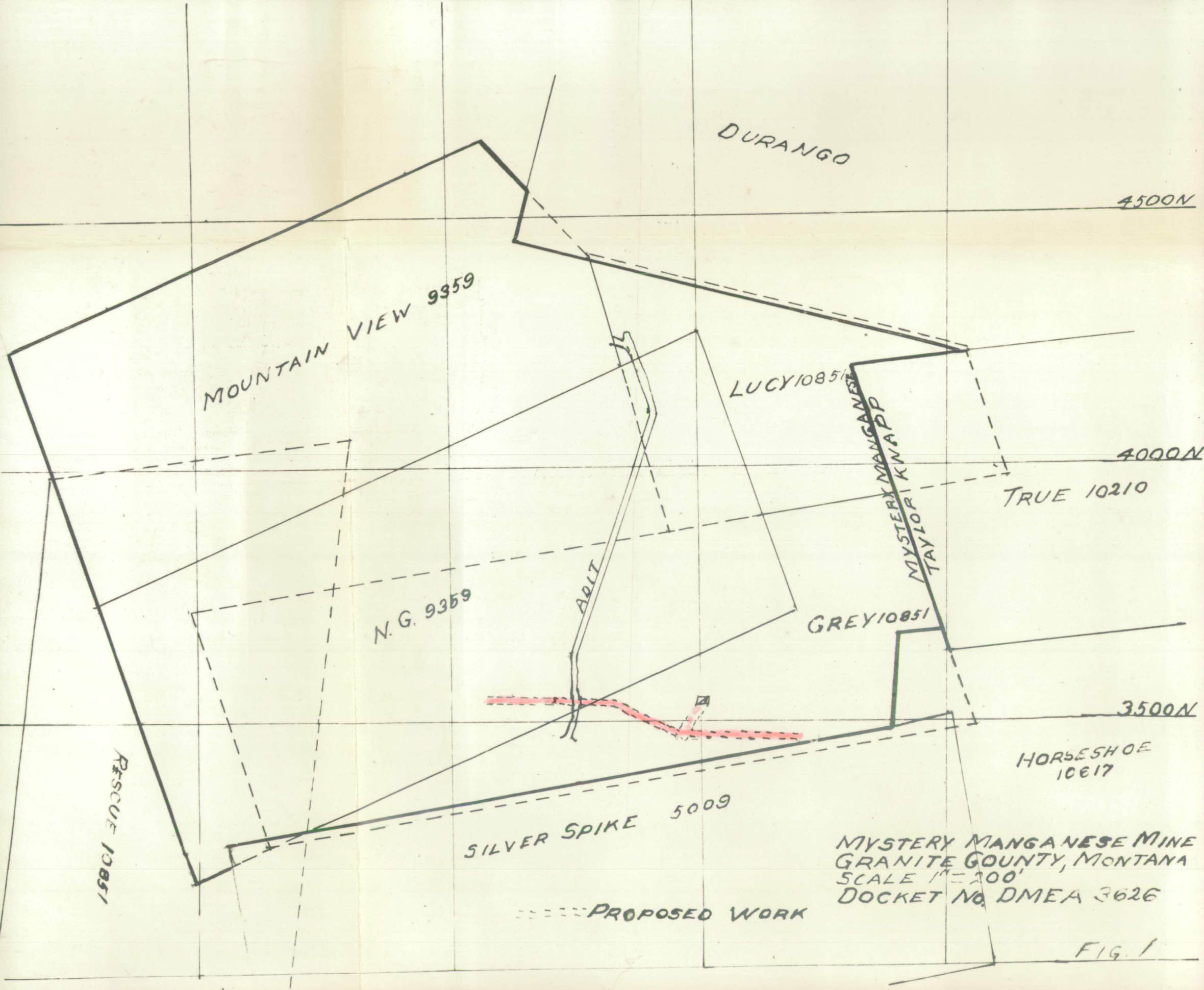

DURANGO
4500N
MOUNTAIN VIEW 9359
LUCY 10851
MYSTERY MANGANESE
TAYLOR KNAPP
4000N
TRUE 10210
ADIT
N. G. 9359
GREY 10851
3500N
HORSESHOE
10617
RESCUE 10851
SILVER SPIKE 5009
MYSTERY MANGANESE MINE
GRANITE COUNTY, MONTANA
SCALE 1" = 200'
DOCKET No. DMEA 3626
PROPOSED WORK

FIG. 1

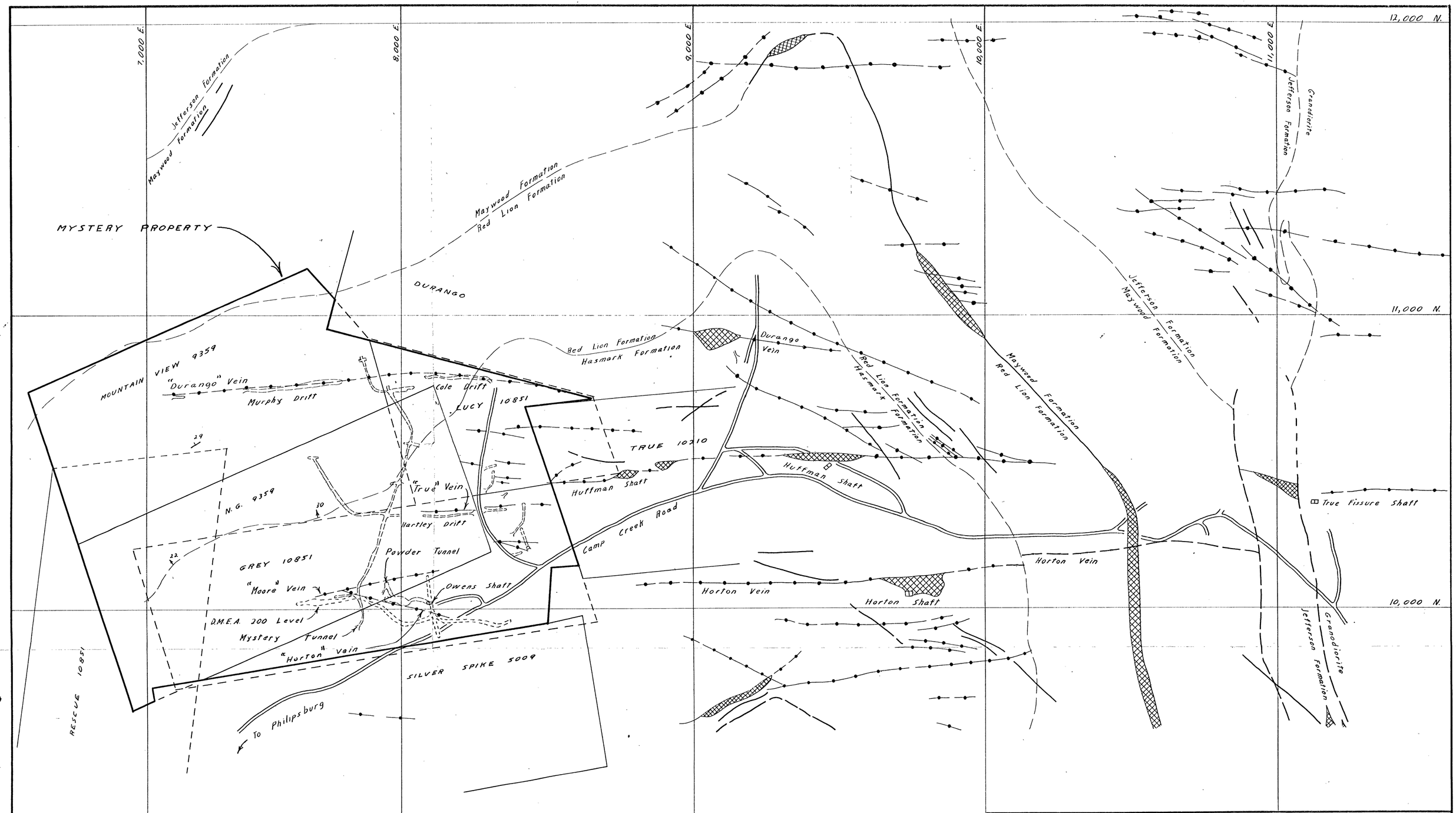
MAP NO. 8 FIG. 2
MYSTERY MANGANESE MINE
GRANITE COUNTY, MONTANA
D.M.E.A. APPLICATION MAP

NOVEMBER, 1959 PETER H. TOEPFER

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
INTERIM INSPECTION REPORT

DOCKET NO. D.M.E.A. 3626




After — Plate 26, U.S.G.S. Bull. 922 (1940)
with additions by R.H. Thurston 1950.
Minor additions in vicinity of Mystery
Property from maps by P.H. Topher 1953

GEOLOGIC MAP OF PART OF MANGANESE AREA
PHILIPSBURG DISTRICT — GRANITE COUNTY, MONT.

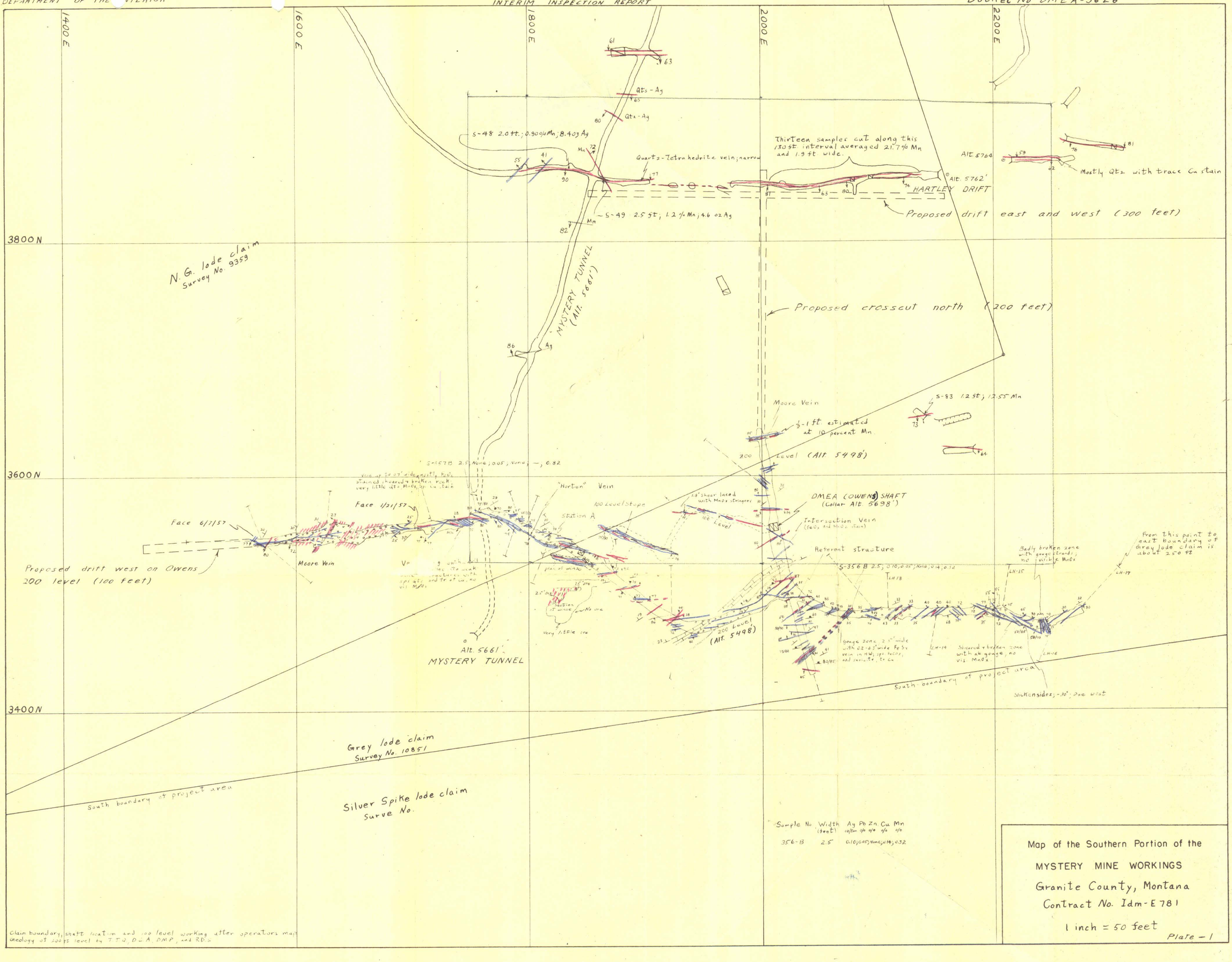
200 100 0 200 400 600 FEET

PLATE 2

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
INTERIM INSPECTION REPORT

Docket No DMEA-3626




| Sample No | Width (feet) | Ag oz/ton | Pb % | Zn % | Cu % | Mn % |
|---|---|---|---|---|---|---|
| 356-B | 2.5 | 0.10 | 0.05 | None | 0.14 | 0.32 |

Map of the Southern Portion of the
MYSTERY MINE WORKINGS
Granite County, Montana
Contract No. Idm-E 781
1 inch = 50 feet

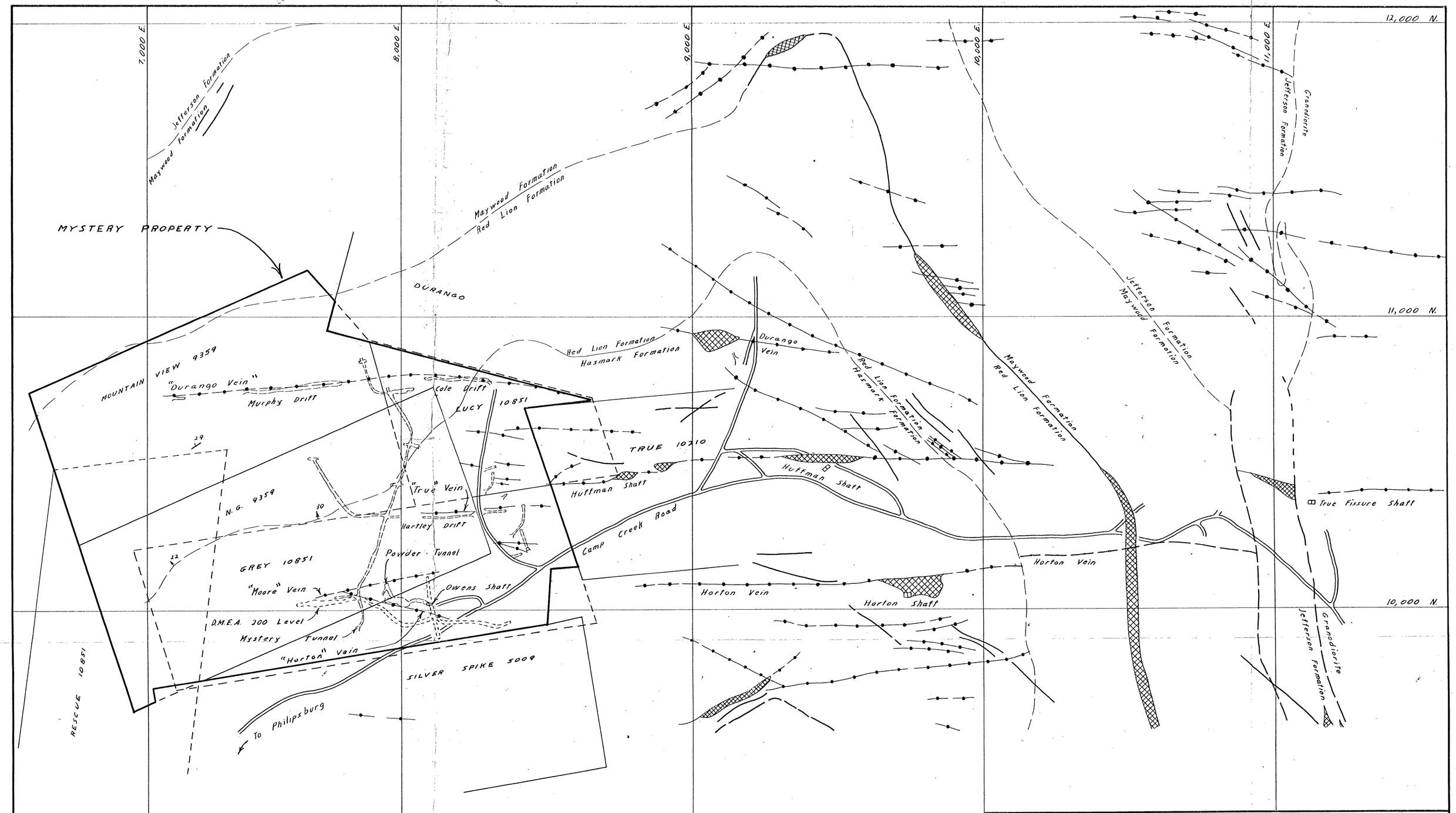
Plate - 1

Claim boundary, shaft location and 100 level working after operators map
Geology of 200 ft level by T.J.W., D.C.A., DMP, and RD's

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
INTERIM INSPECTION REPORT

DOCKET NO. D.M.E. 3626




After — Plate 26, U.S.G.S. Bull. 922 (1940)
with additions by R.H. Thurston 1950.
Minor additions in vicinity of Mystery
Property from maps by P.H. Topher 1953

GEOLOGIC MAP OF PART OF MANGANESE AREA
PHILIPSBURG DISTRICT — GRANITE COUNTY, MONT.

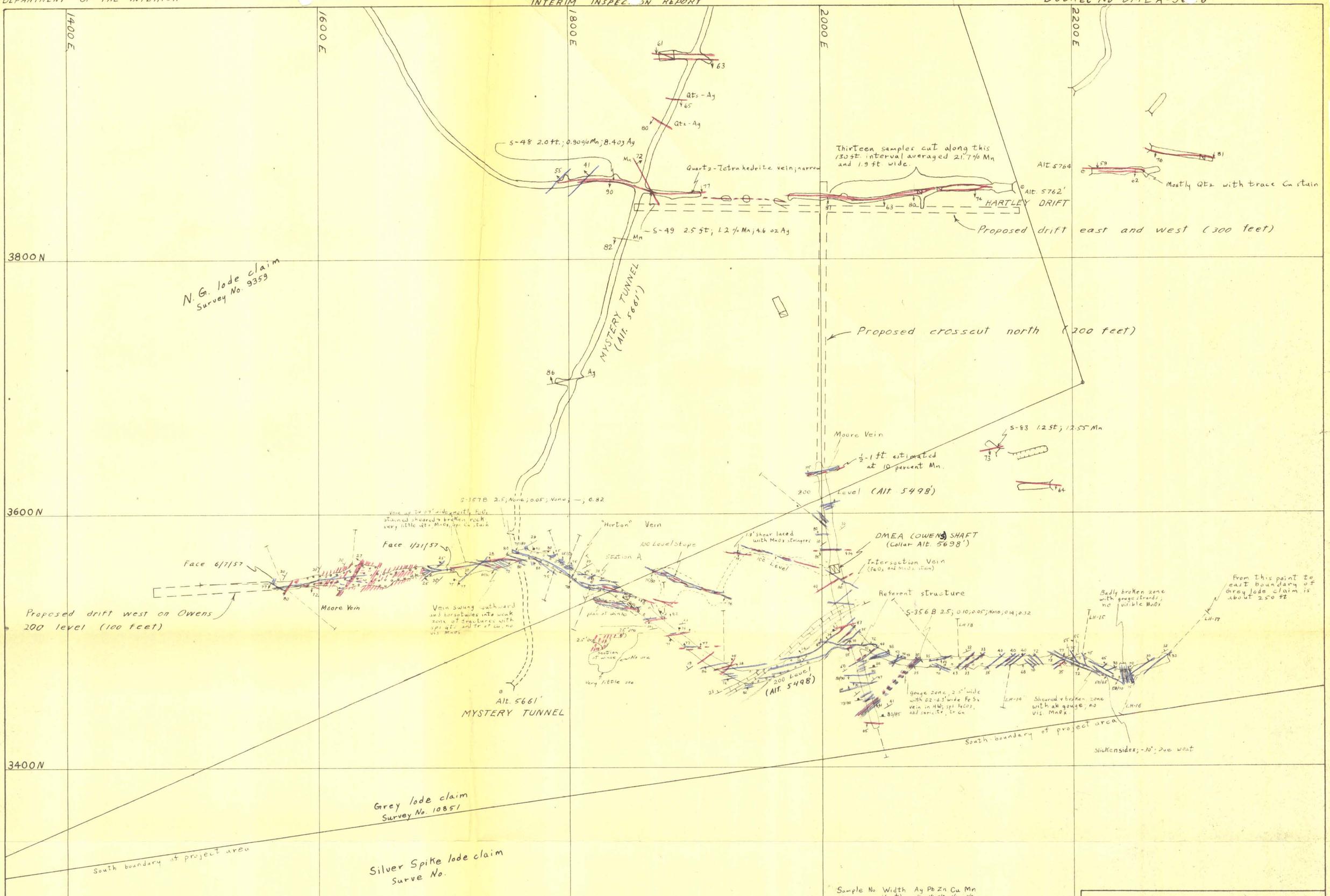
200 100 0 200 400 600 FEET

PLATE 2

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
INTERIM INSPECTION REPORT

Docket No DMEA-36 .6




| Sample No | Width (feet) | Ag oz/ton | Pb % | Zn % | Cu % | Mn % |
|---|---|---|---|---|---|---|
| 356-B | 2.5 | 0.10 | 0.05 | None | 0.14 | 0.32 |

Map of the Southern Portion of the
MYSTERY MINE WORKINGS
Granite County, Montana
Contract No. Idm-E 781
1 inch = 50 feet

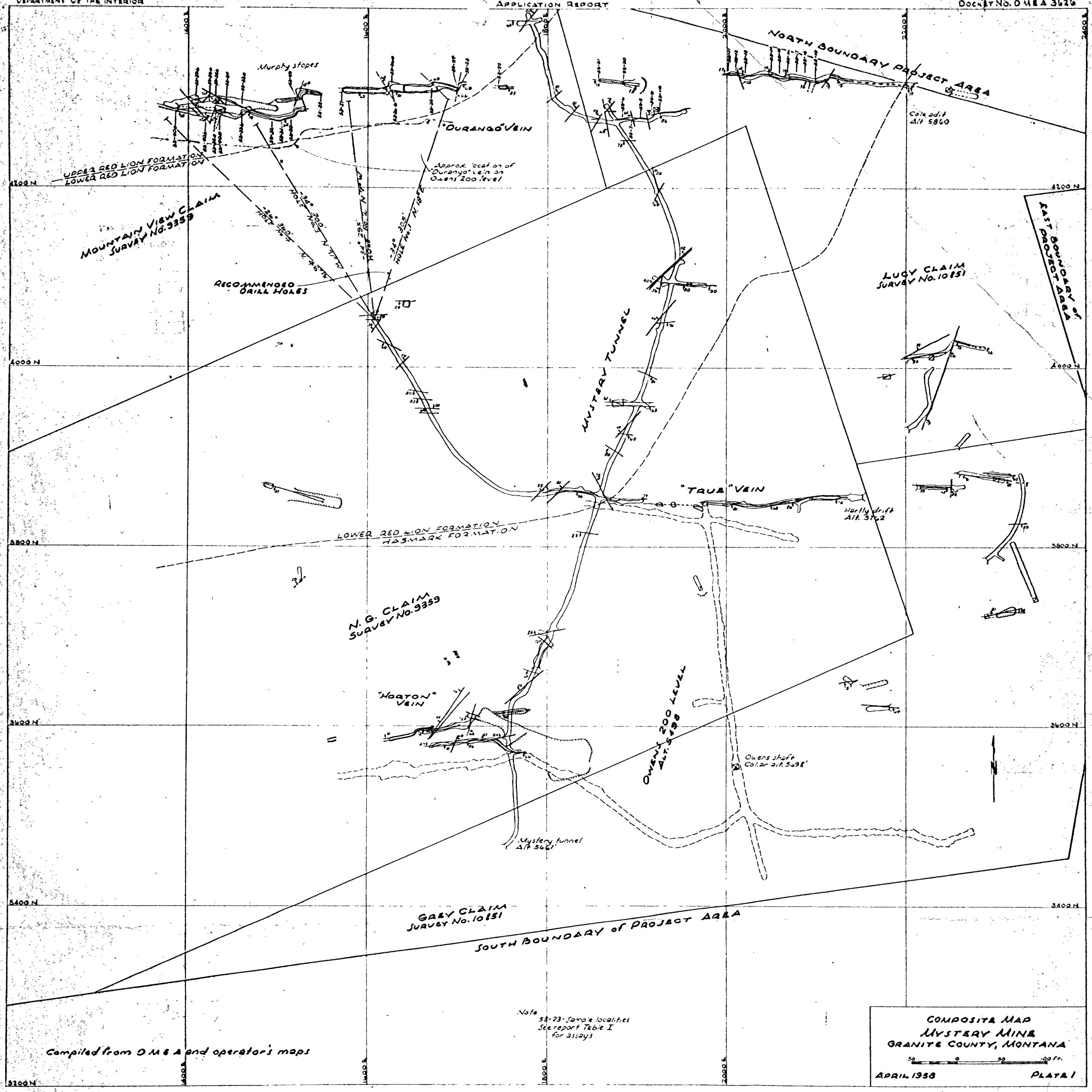
Plate – 1

Claim boundary, shaft location and 100 level working after operators map
Geology of 200 ft level by J.F.W., D.C.A., DMP, and RDS

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
APPLICATION REPORT

DOCKET NO. DMEA 3626




Note
53-23 - Sample localities
See report Table I
for assays

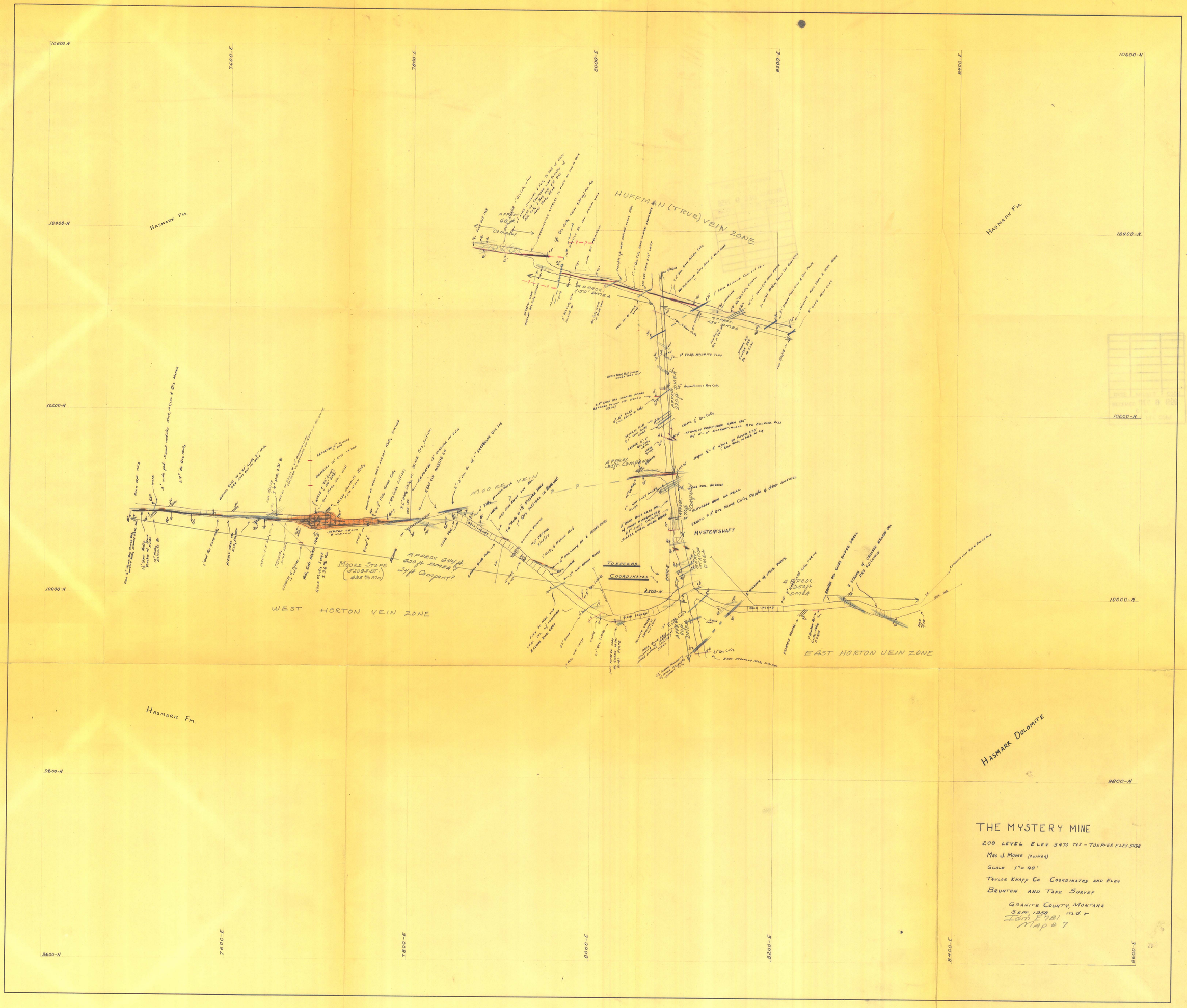
Compiled from DMEA and operator's maps

COMPOSITE MAP
MYSTERY MINE
GRANITE COUNTY, MONTANA

50 0 50 100 Ft.

APRIL 1958

PLATE I




# THE MYSTERY MINE

200 LEVEL ELEV. 5470 T&E – TOEPFER ELEV. 5498

MRS J. MOORE (OWNER)

SCALE 1" = 40'

TAYLOR KNAPP CO COORDINATES AND ELEV

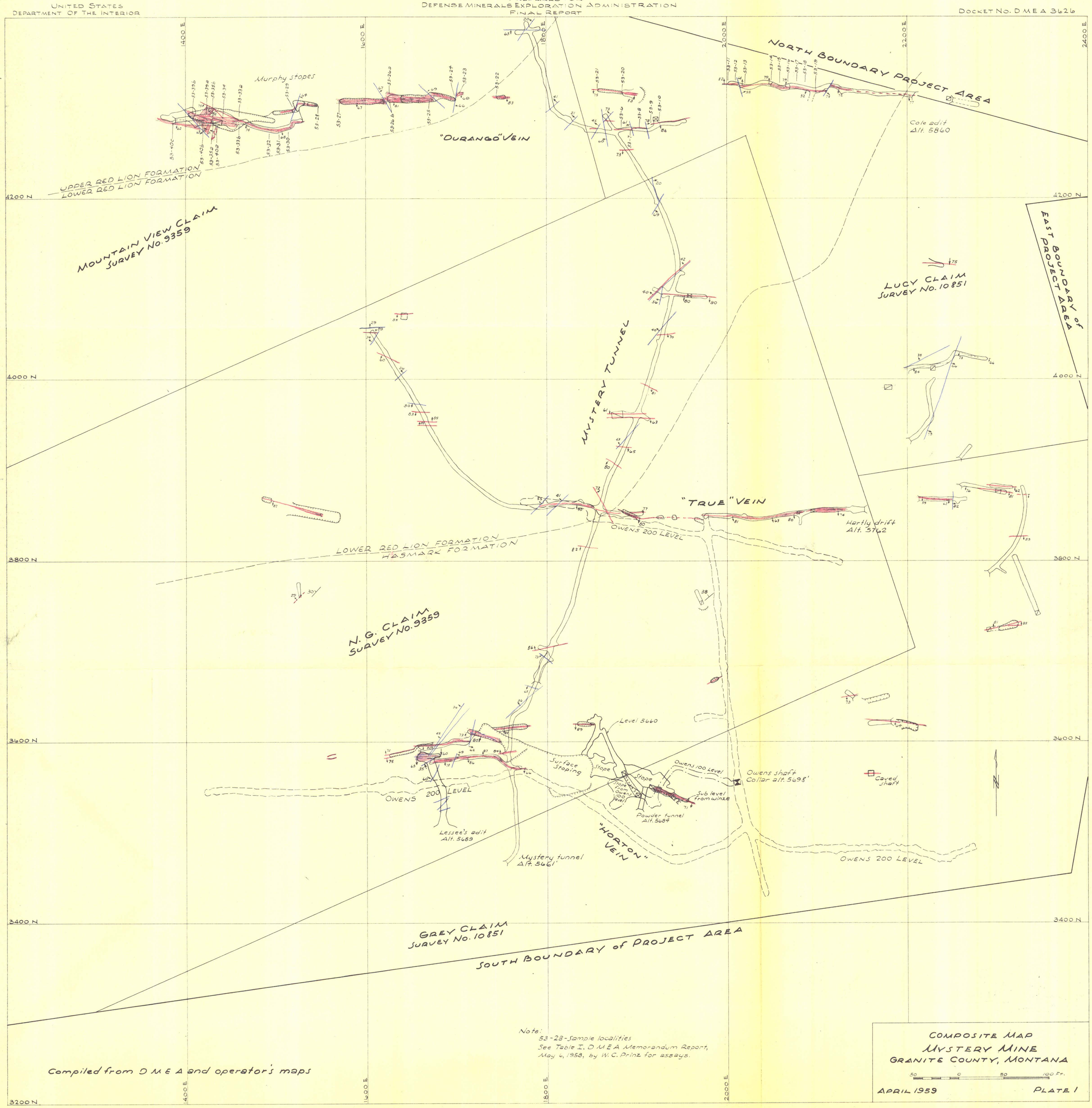
BRUNTON AND TAPE SURVEY

GRANITE COUNTY, MONTANA

SEPT. 1958 M.D.R.

Idm. E781

Map # 7




Note:
53-23-Sample localities
See Table I. D M E A Memorandum Report, May 6, 1958, by W. C. Prinz for assays.

Compiled from D M E A and operator's maps

COMPOSITE MAP
MYSTERY MINE
GRANITE COUNTY, MONTANA

50 0 50 100 Ft.

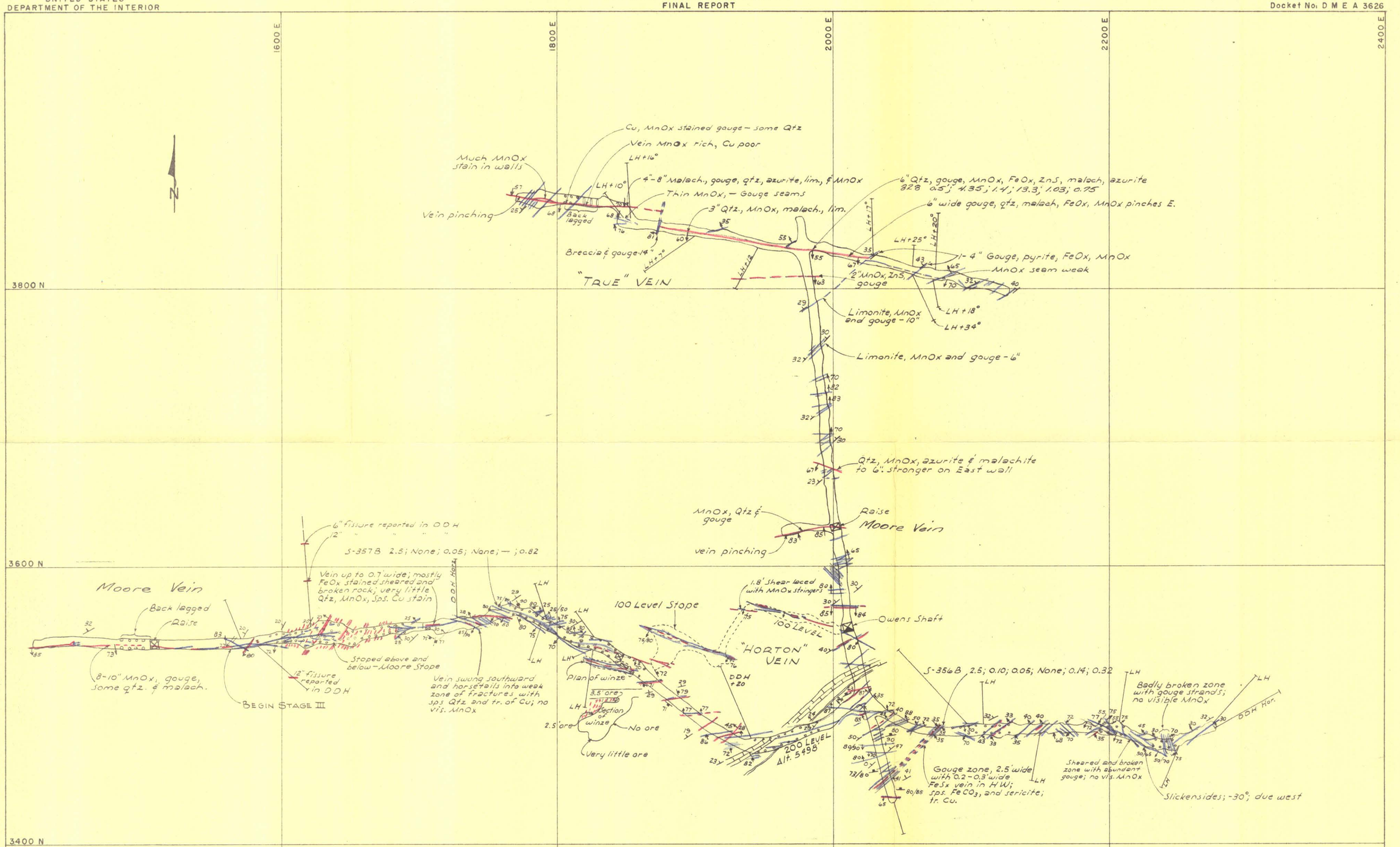
APRIL 1959

PLATE I

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
OFFICE. OF MINERALS EXPLORATION
FINAL REPORT

Docket No. D M E A 3626




## ASSAY PLAN

| Sample No. | Width (Feet) | Ag oz/ton | Pb % | Zn % | Cu % | Mn % |
|---|---|---|---|---|---|---|
| 356-B | 2.5 | 0.10 | 0.05 | None | 0.14 | 0.32 |

Shaft location and 100 level working after operators map.
Geology of 200 ft level by J. J. Q., D. C. A., D. M. R., R. D. S. and W. C. P.

GEOLOGIC MAP
OWENS 200 LEVEL
MYSTERY MINE
GRANITE COUNTY, MONTANA

50 0 50 100 FT.

APRIL 1959

PLATE 2

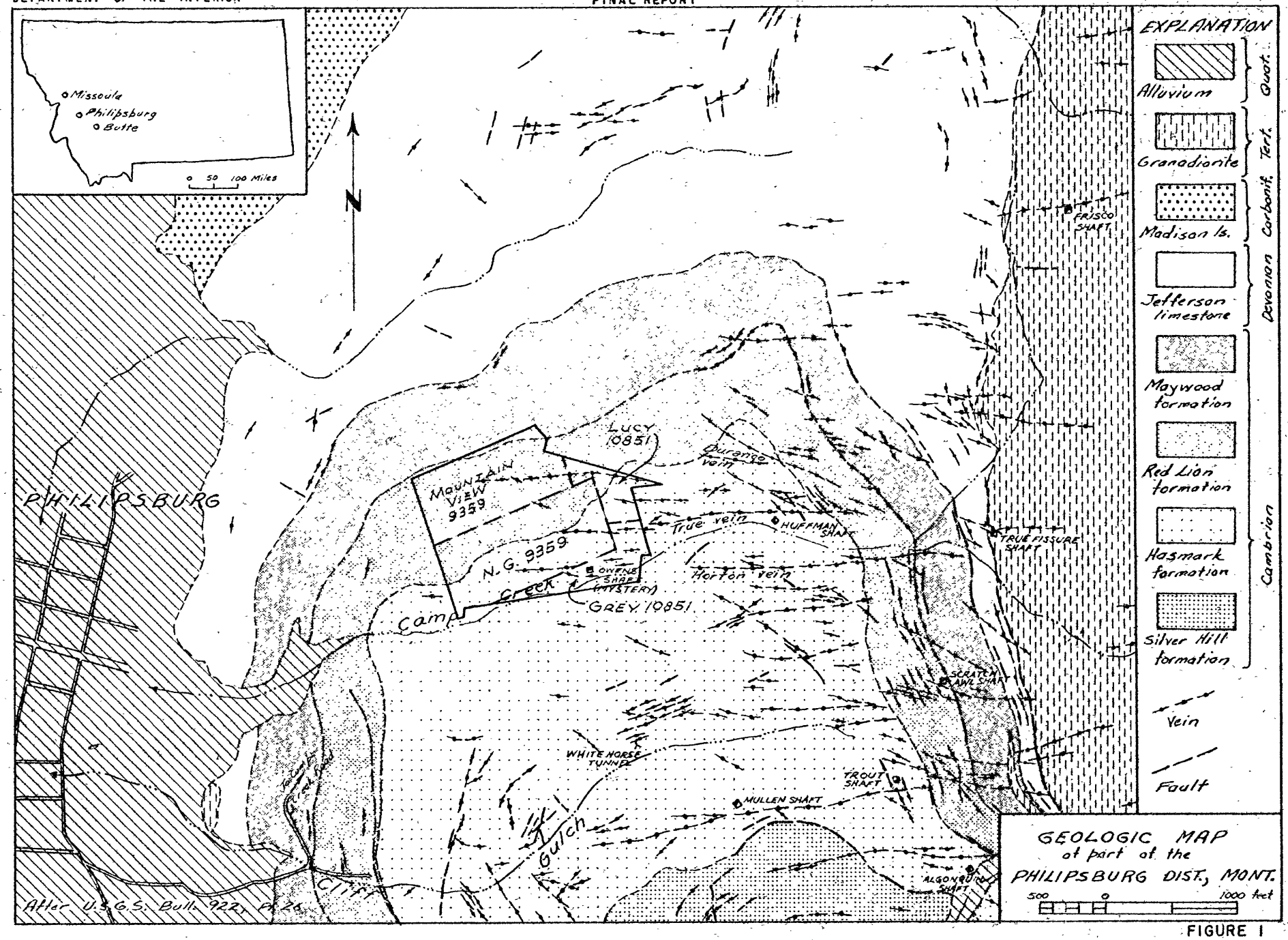

Missoula
Philipsburg
Butte
0 50 100 Miles
N
PHILLIPSBURG
MOUNTAIN VIEW 9359
N.G. 9359
LUCY 10851
Orange vein
True vein
HUFFMAN SHAFT
Horton vein
OWENS SHAFT (MYSTERY)
GREY 10851
Camp Creek
FRISCO SHAFT
TRUE FISSURE SHAFT
SCRATCH AWL SHAFT
WHITE HORSE TUNNEL
TROUT SHAFT
MULLEN SHAFT
ALGONQUIN SHAFT
Gulch
Cliff
EXPLANATION
Alluvium
Quat.
Granodiorite
Tert.
Madison ls.
Carbonif.
Jefferson limestone
Devonian
Maywood formation
Red Lion formation
Hasmark formation
Silver Hill formation
Cambrian
Vein
Fault
GEOLOGIC MAP
of part of the
PHILIPSBURG DIST., MONT.
500 0 1000 feet
After U.S.G.S. Bull. 922, Pl. 26

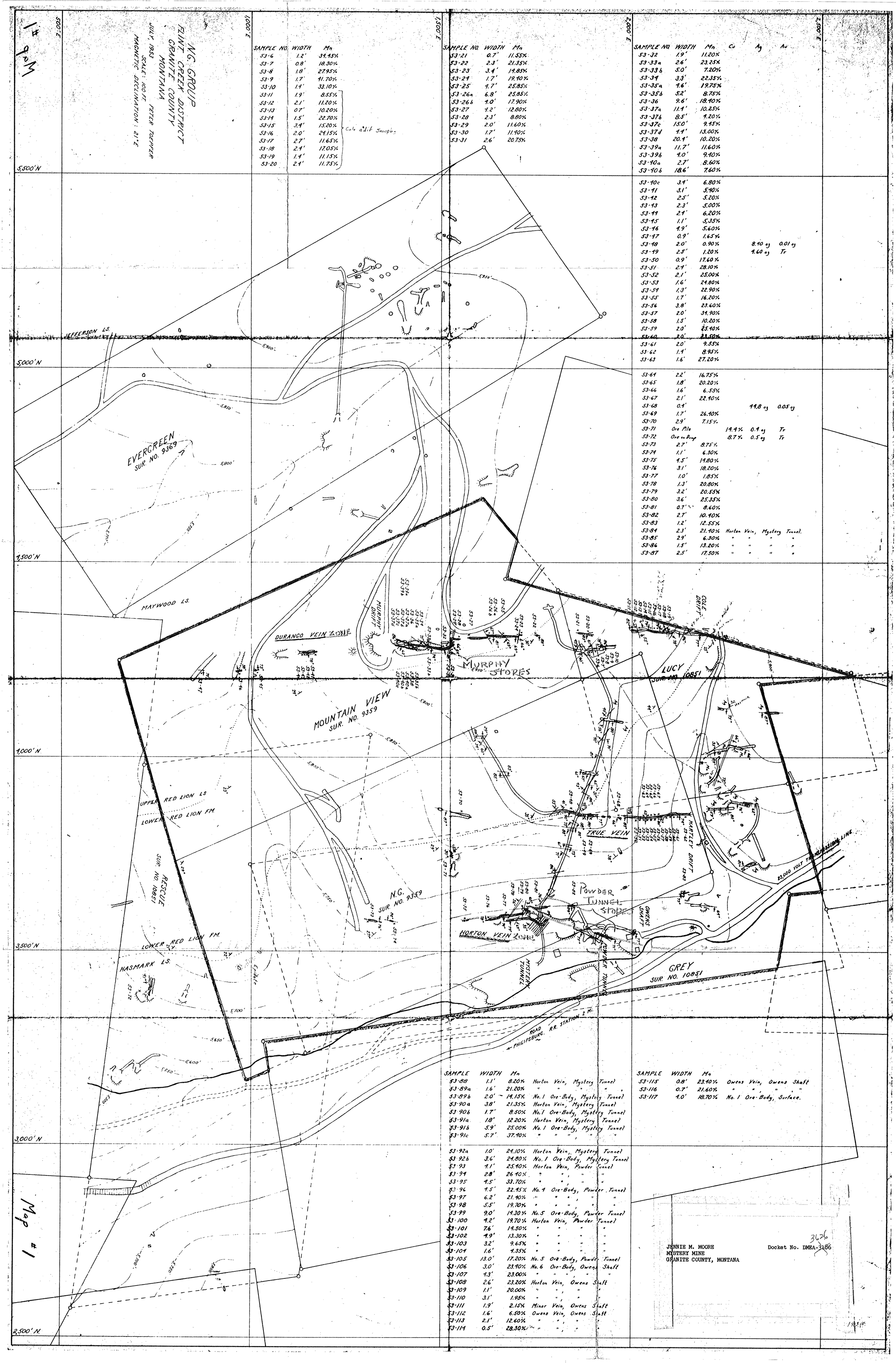
FIGURE 1

# N.G. GROUP
## FLINT CREEK DISTRICT
## GRANITE COUNTY
## MONTANA

JULY, 1953

SCALE: 100 FT. = 1 INCH

MAGNETIC DECLINATION: 21°E




| SAMPLE NO. | WIDTH | Mn | |
|---|---|---|---|
| 53-6 | 1.2' | 39.45% | |
| 53-7 | 0.8' | 18.30% | |
| 53-8 | 1.8' | 27.95% | |
| 53-9 | 1.7' | 41.70% | |
| 53-10 | 1.4' | 33.10% | |
| 53-11 | 1.9' | 8.55% | Cole adit Samples |
| 53-12 | 2.1' | 11.20% | |
| 53-13 | 0.7' | 10.20% | |
| 53-14 | 1.5' | 22.70% | |
| 53-15 | 3.4' | 15.20% | |
| 53-16 | 2.0' | 24.15% | |
| 53-17 | 2.7' | 11.65% | |
| 53-18 | 2.4' | 17.05% | |
| 53-19 | 1.4' | 11.15% | |
| 53-20 | 2.4' | 11.75% | |

| SAMPLE NO. | WIDTH | Mn |
|---|---|---|
| 53-21 | 0.7' | 11.55% |
| 53-22 | 2.3' | 21.35% |
| 53-23 | 3.4' | 14.85% |
| 53-24 | 1.7' | 19.10% |
| 53-25 | 4.7' | 25.85% |
| 53-26a | 6.8' | 25.85% |
| 53-26b | 4.0' | 17.90% |
| 53-27 | 4.2' | 12.80% |
| 53-28 | 2.3' | 8.80% |
| 53-29 | 2.0' | 11.60% |
| 53-30 | 1.7' | 11.40% |
| 53-31 | 2.6' | 20.75% |

| SAMPLE NO. | WIDTH | Mn | Cu | Ag | Au |
|---|---|---|---|---|---|
| 53-32 | 1.9' | 11.20% | | | |
| 53-33a | 2.6' | 23.25% | | | |
| 53-33b | 5.0' | 7.20% | | | |
| 53-34 | 3.3' | 22.35% | | | |
| 53-35a | 4.6' | 19.75% | | | |
| 53-35b | 5.2' | 8.75% | | | |
| 53-36 | 9.6' | 18.40% | | | |
| 53-37a | 11.4' | 10.25% | | | |
| 53-37b | 8.5' | 4.20% | | | |
| 53-37c | 15.0' | 9.45% | | | |
| 53-37d | 4.4' | 13.00% | | | |
| 53-38 | 20.4' | 10.20% | | | |
| 53-39a | 11.7' | 11.60% | | | |
| 53-39b | 4.0' | 9.40% | | | |
| 53-40a | 2.7' | 8.60% | | | |
| 53-40b | 18.6' | 7.60% | | | |
| 53-40c | 3.4' | 6.80% | | | |
| 53-41 | 3.1' | 5.40% | | | |
| 53-42 | 2.5' | 5.20% | | | |
| 53-43 | 2.3' | 5.00% | | | |
| 53-44 | 2.4' | 6.20% | | | |
| 53-45 | 1.1' | 5.35% | | | |
| 53-46 | 4.9' | 5.60% | | | |
| 53-47 | 0.9' | 1.65% | | | |
| 53-48 | 2.0' | 0.90% | | 8.40 oz | 0.01 oz |
| 53-49 | 2.5' | 1.20% | | 4.60 oz | Tr |
| 53-50 | 0.9' | 17.60% | | | |
| 53-51 | 2.4' | 28.10% | | | |
| 53-52 | 2.1' | 25.00% | | | |
| 53-53 | 1.6' | 24.80% | | | |
| 53-54 | 1.3' | 22.90% | | | |
| 53-55 | 1.7' | 16.20% | | | |
| 53-56 | 3.8' | 23.60% | | | |
| 53-57 | 2.0' | 34.90% | | | |
| 53-58 | 1.5' | 10.20% | | | |
| 53-59 | 2.0' | 25.40% | | | |
| 53-60 | 2.0' | 23.50% | | | |
| 53-61 | 2.0' | 9.55% | | | |
| 53-62 | 1.4' | 8.95% | | | |
| 53-63 | 1.6' | 27.20% | | | |
| 53-64 | 2.2' | 16.75% | | | |
| 53-65 | 1.8' | 20.20% | | | |
| 53-66 | 1.6' | 6.55% | | | |
| 53-67 | 2.1' | 22.40% | | | |
| 53-68 | 0.4' | | | 44.8 oz | 0.05 oz |
| 53-69 | 1.7' | 26.40% | | | |
| 53-70 | 2.9' | 7.15% | | | |
| 53-71 | Ore Pile | | 14.4% | 0.4 oz | Tr |
| 53-72 | Ore on Dump | | 8.7% | 0.5 oz | Tr |
| 53-73 | 2.7' | 8.75% | | | |
| 53-74 | 1.1' | 6.30% | | | |
| 53-75 | 4.5' | 14.80% | | | |
| 53-76 | 3.1' | 18.20% | | | |
| 53-77 | 1.0' | 1.85% | | | |
| 53-78 | 1.3' | 20.80% | | | |
| 53-79 | 3.2' | 20.55% | | | |
| 53-80 | 3.6' | 25.35% | | | |
| 53-81 | 0.7' | 8.60% | | | |
| 53-82 | 2.7' | 10.40% | | | |
| 53-83 | 1.2' | 12.55% | | | |
| 53-84 | 2.3' | 21.40% | Horton Vein, Mystery Tunnel. | | |
| 53-85 | 2.9' | 6.30% | " " " " | | |
| 53-86 | 1.5' | 13.20% | " " " " | | |
| 53-87 | 2.5' | 17.50% | " " " " | | |

| SAMPLE | WIDTH | Mn | |
|---|---|---|---|
| 53-88 | 1.1' | 8.20% | Horton Vein, Mystery Tunnel |
| 53-89a | 1.6' | 21.20% | " " " " |
| 53-89b | 2.0' | 14.15% | No. 1 Ore-Body, Mystery Tunnel |
| 53-90a | 3.8' | 21.35% | Horton Vein, Mystery Tunnel |
| 53-90b | 1.7' | 8.50% | No. 1 Ore-Body, Mystery Tunnel |
| 53-91a | 1.8' | 12.20% | Horton Vein, Mystery Tunnel |
| 53-91b | 5.9' | 25.00% | No. 1 Ore-Body, Mystery Tunnel |
| 53-91c | 5.7' | 37.40% | " " " " " |
| 53-92a | 1.0' | 24.10% | Horton Vein, Mystery Tunnel |
| 53-92b | 3.6' | 24.80% | No. 1 Ore-Body, Mystery Tunnel |
| 53-93 | 4.1' | 25.40% | Horton Vein, Powder Tunnel |
| 53-94 | 2.8' | 26.40% | " " " " |
| 53-95 | 4.5' | 33.70% | " " " " |
| 53-96 | 4.5' | 22.45% | No. 4 Ore-Body, Powder Tunnel |
| 53-97 | 6.2' | 21.40% | " " " " " |
| 53-98 | 5.5' | 19.70% | " " " " " |
| 53-99 | 9.0' | 14.30% | No. 5 Ore-Body, Powder Tunnel |
| 53-100 | 4.2' | 19.70% | Horton Vein, Powder Tunnel |
| 53-101 | 7.6' | 14.50% | " " " " |
| 53-102 | 4.9' | 13.30% | " " " " |
| 53-103 | 3.2' | 9.65% | " " " " |
| 53-104 | 1.6' | 4.35% | " " " " |
| 53-105 | 13.0' | 17.20% | No. 5 Ore-Body, Powder Tunnel |
| 53-106 | 3.0' | 23.40% | No. 6 Ore-Body, Owens Shaft |
| 53-107 | 4.3' | 23.00% | " " " " " |
| 53-108 | 2.6' | 23.20% | Horton Vein, Owens Shaft |
| 53-109 | 1.1' | 20.00% | " " " " |
| 53-110 | 3.1' | 1.95% | " " " " |
| 53-111 | 1.9' | 2.15% | Minor Vein, Owens Shaft |
| 53-112 | 1.6' | 6.50% | Owens Vein, Owens Shaft |
| 53-113 | 2.1' | 12.60% | " " " " |
| 53-114 | 0.5' | 28.30% | " " " " |

| SAMPLE | WIDTH | Mn | |
|---|---|---|---|
| 53-115 | 0.8' | 23.40% | Owens Vein, Owens Shaft |
| 53-116 | 0.7' | 21.60% | " " " " " |
| 53-117 | 4.0' | 18.70% | No. 1 Ore-Body, Surface. |

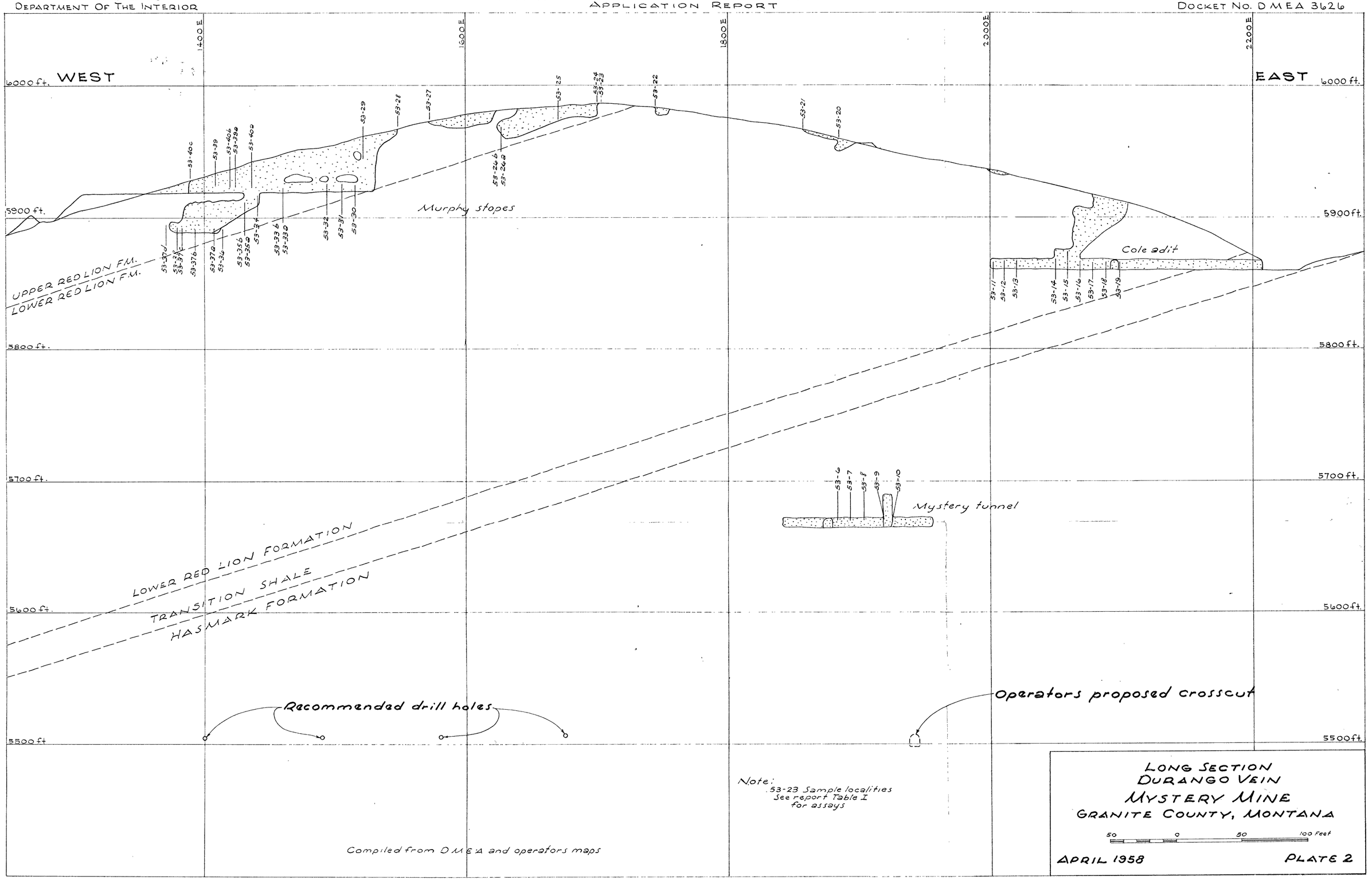
JENNIE M. MOORE
MYSTERY MINE
GRANITE COUNTY, MONTANA

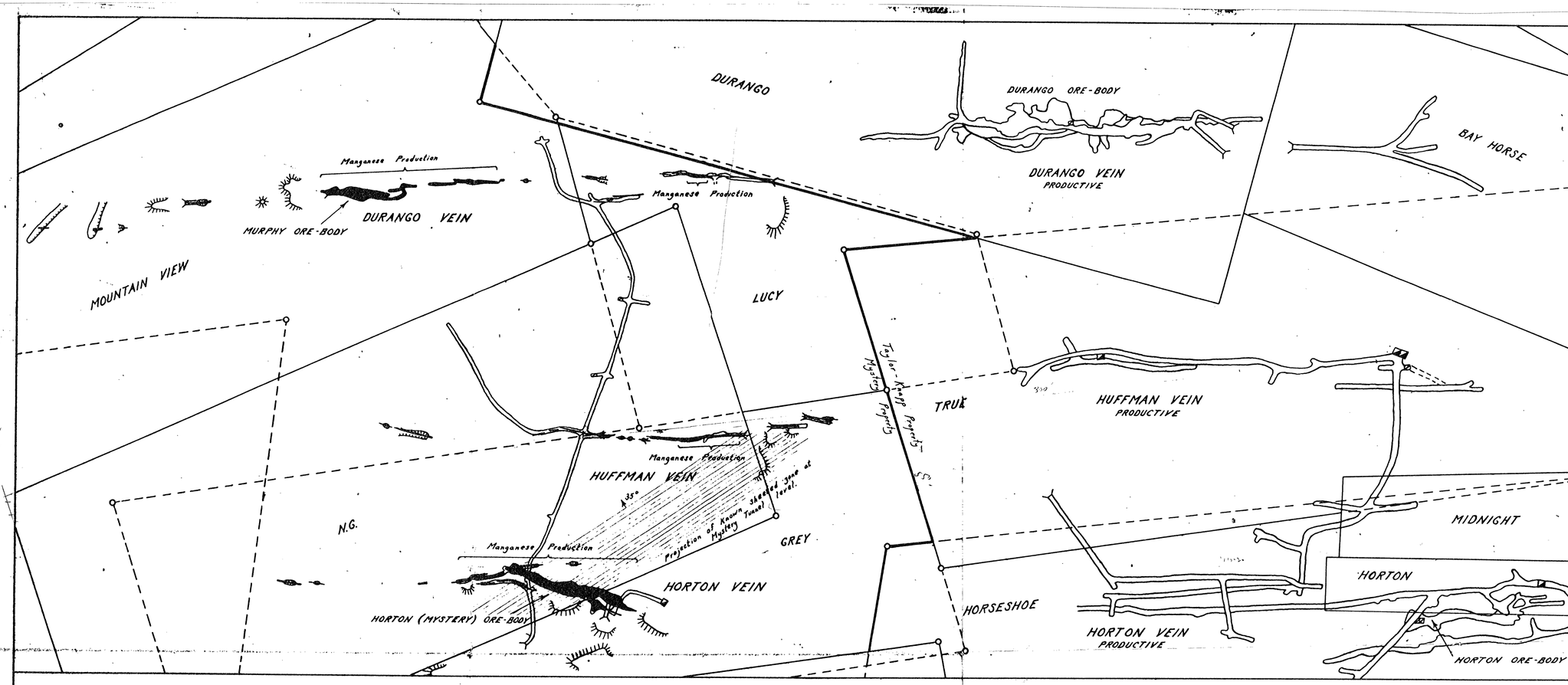
Docket No. DMEA-3186

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
APPLICATION REPORT

DOCKET NO. DMEA 3626





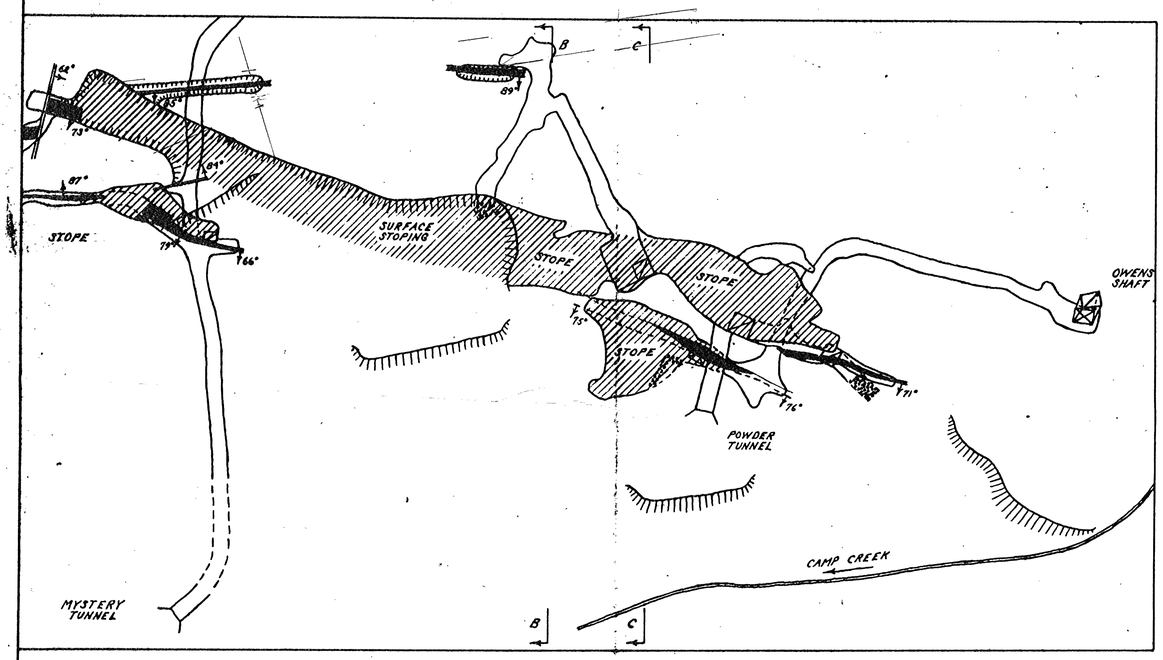

NORTH

SCALE: 1" = 100 Ft.

PLAN

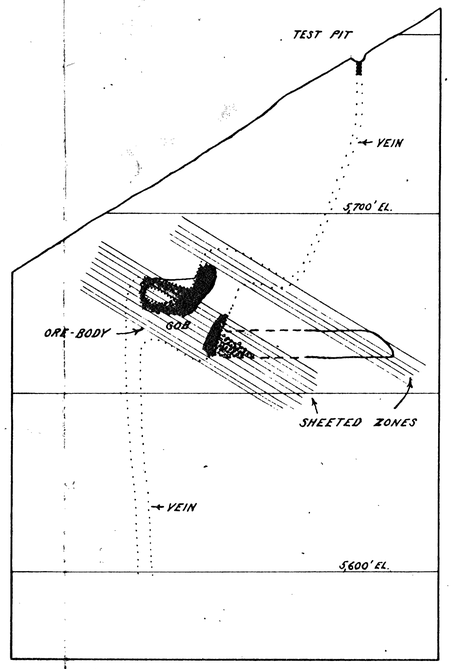
RELATIONSHIP OF DURANGO, HUFFMAN, AND HORTON VEINS ON MYSTERY AND TAYLOR-KNAPP PROPERTIES.

HEAVY LINE DENOTES MYSTERY AND TAYLOR-KNAPP PROPERTY LINE.

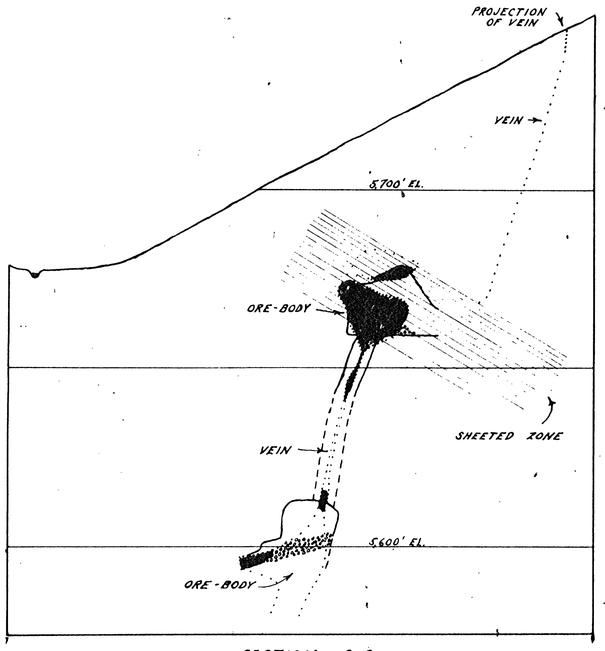



HORTON (MYSTERY) ORE-BODIES

SCALE: 1" = 20 Ft.




SECTION B-B




SECTION C-C

MYSTERY MANGANESE MINE

GRANITE COUNTY, MONTANA

APRIL, 1951

PETER H. TOEPFER

UNITED STATES
DEPARTMENT OF THE INTERIOR

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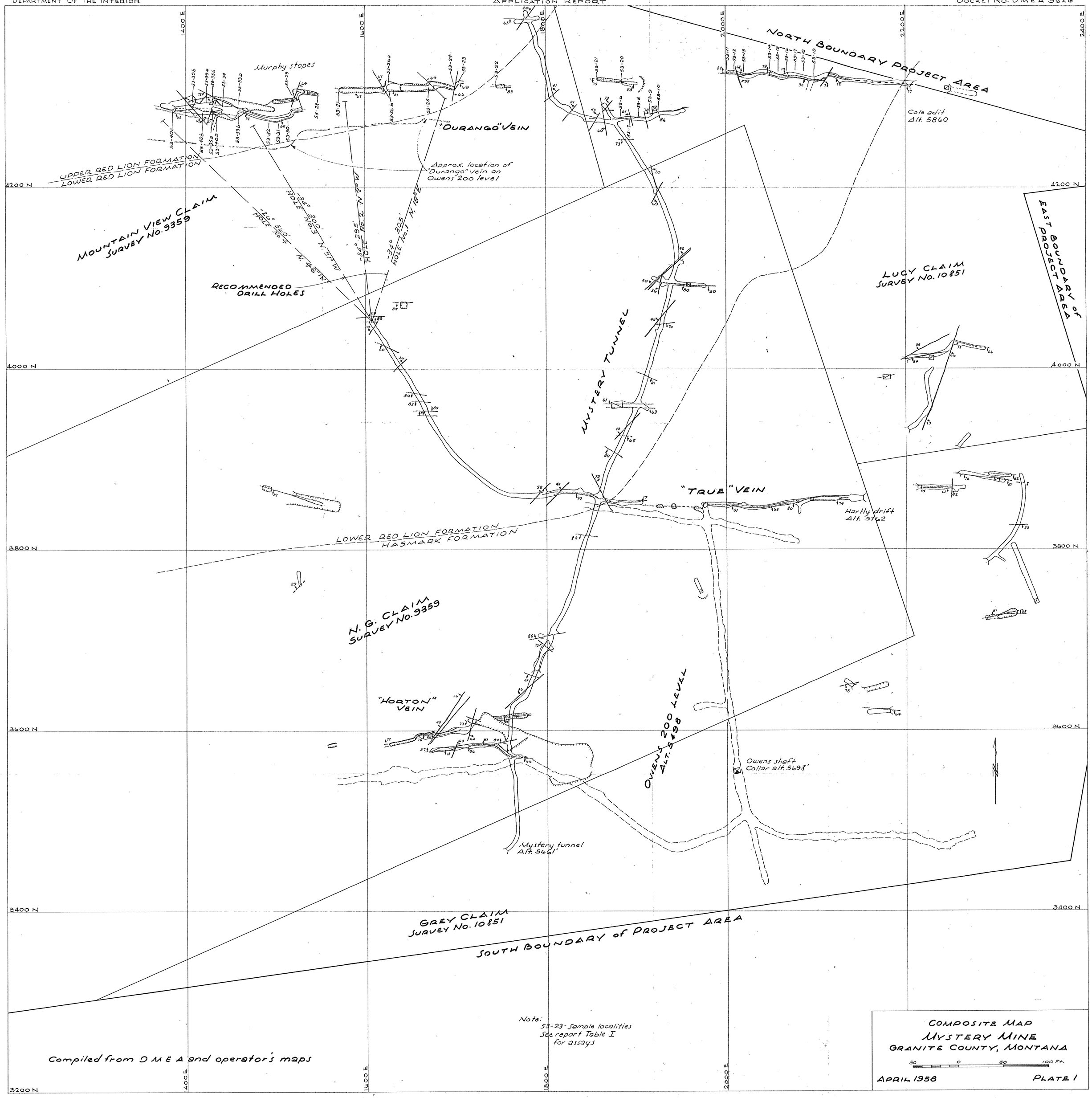
DOCKET NO. D M E A 3626