MME Form 9
Rev. Mar. 59

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

OFFICIAL DOCKET FILE

Contract No. 14-23-090-2007 Docket No. MME- 6028

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [x] Closing Letter
- [x] Cost Audits August 19, 1960
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes June 23, 1959.
- [x] Owner's Consent to Lien and Subordination Agreement 6/23/59.
- [x] Application and Attachments 3/12/59.

Right Side

- [x] Project Summary (final)
- [x] Work Completed Analysis (final) 1-17-61
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [x] Final Field Team Report (Tab) Jan.1961
- [x] Operator's Final Report (Tab) Aug.1960
- [x] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab) 6/8/59.
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. 2 : Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [x] Field Team Interim Reports
- [x] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No. _____ : Maps (Use pocket folder or envelope)

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty Material

52615

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/17	Murphy	500
"	Talbot	800
1/18	Jeffrey	120
		110
1-18	gad	220

JAN 1 8 1961

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: CMK-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract 2007

Dear Mr. Banks:

Reference is made to your terminated exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of possible production under the provisions of the contract. In the absence of such certification, the Government 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. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the periods indicated.

We appreciate your interest and participation in the CMK exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Copies to:
Mrs. Callie Smelser Aspling, 201 Milwaukee Ave., Deer Lodge, Montana
Mrs. Fern Howard Johnson, R.F.D. No. 1, Deer Lodge, Montana
Mr. Charles F. Jensen, Box 161, St. Regis, Montana

FMMurphy/gla
1-17-61
cc to: Director's Reading File
Region I (2)
CA&A Division
Docket
Code 500
Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/17	Murphy	500
"	Brownell	500
1/18	Talbert	800
1/18	Selfridge	120
		110
1-18	gad	220

JAN 1 8 1961

Mrs. Callie Smelser Aspling
201 Milwaukee Avenue
Deer Lodge, Montana

Re: OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract 2007

Dear Mrs. Aspling:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Lien and Subordination Agreements signed by you on June 23, 1959.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosure

Identical letters to:
Mrs. Fern Howard Johnson, R.F.D. No. 1, Deer Lodge, Montana
Mr. Charles H. M. Jensen, Box 161, St. Regis, Montana

FMMurphy/gla
1-17-61
cc to: Director's Reading File
Region I (2)
Docket
Code 500
Chron

43683

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Mr. Johnson	8/19	[illegible]
2. Mr. Selfridge — last		
3. ~~Mr. Griswold~~	8/29	[illegible]
4. 500		
5.		
FROM: E. D. Talbert [illegible]	8/19	

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Howard C. Banks, an individual
421 Oak Street
Anaconda, Montana

pertaining to Exploration Project Contract No. 14-23-090-2007, OME No. 6028, including Amendments No. 1, for July 1959 to June 1960, inclusive, covering a lead-zinc project at the Hidden Hand Mine, Powell County, Montana.

My review included an examination of the Monthly Reports (Forms MF-104 and MME-60) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, verification of work performed by reference to Field Officer 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 reason that:

> All of the acceptable costs were under a contract provision for contribution by the Government on the basis of fixed unit costs of work performed.

The findings of this review are stated in the following summary and the attached schedule:

Total cost billed by Operator		$9,021.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Acceptable cost claimed by Operator		$9,021.00
Acceptable cost not claimed		3.60
Total acceptable cost, if claimed		$9,024.60

The contract calls for a 50 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$4,510.50
Paid to date	4,410.50
Balance due Operator	$ 100.00
Additional payable, if claimed	$ 1.80

Ad. I. Apr. see Release in Folder #7

August 19, 1960

E. D. Talbert, OME Auditor

Contract 14-23-090-2007 Howard C. Banks OMB-6028

Acceptable costs not claimed:

Underclaim for timbering,	.6 ft. @ $ 6.00	$ 3.60

Total acceptable cost, if claimed:

	Stage I	
Adit Rehabilitation	450 ft. @ $ 1.60	$ 720.00
Repairs to Buildings		150.00
Drifting & Crosscutting	200 ft. @ 29.00	5,800.00
Timbering	43.6 ft. @ 6.00	261.60
Samples assayed	11 ea. @ 3.00	33.00
	Stage II	
Drifting & Crosscutting	70 ft. @ 29.00	2,030.00
Long-hole Drilling	24 ft. @ 1.25	30.00
Total		$9,024.60

Government's Copy

EXPLORATION CONTRACT
HOWARD C. BANKS
DOCKET NO. OME-6028

AMENDMENT NO. 1

J. Lynch
Hoffman
App'd. Sol. Off.
Talbutt
Selfridge

It is agreed this 24th day of November, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Howard C. Banks, an individual, hereinafter called the "Operator," that Exploration Contract No. 2007 (Docket No. OME-6028), dated June 23, 1959, is amended, effective November 1, 1959, as follows:

1. The date fixed in Article 1 for completion of the work is extended from 12 months to 17 months from the date of the contract.

2. The maximum period for royalty payments and the liens to secure the payments thereof, as specified in Article 6, is extended from ten to eleven years from the date of the contract.

3. (a) Work under the contract shall be suspended during the period beginning November 1, 1959, and ending not later than June 15, 1960.

(b) The Government will not contribute to any costs incurred during the period of suspension or to any costs of rehabilitation or repair which in the Government's opinion would not have occurred had there been no suspension of work.

(c) The Operator, at his own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

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, the fixed unit cost of any item of work, or any item of allowable cost which is expressly designated "maximum."

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

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

HOWARD C. BANKS

Howard C. Banks

November 23, 1959

Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007

JUSTIFICATION FOR AMENDMENT NO. 1

Amendment No. 1 is a simple one, providing for a winter recess. It seems obvious that such a recess is necessary and that the request is in order.

W. R. Griswold

W. R. Griswold

Government's copy

MME Form 51
Feb. 1959

JUL 6 1959
O.M.E.

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXPLORATION CONTRACT
(Short Form)

Docket No.	Commodity	Contract No.	County	State
OME -6028	lead-zinc	14-23-090-2007	Powell	Montana

It is agreed 23 JUN 1959 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Howard C. Banks, an individual

whose mailing address is 421 Oak Street, Anaconda, Montana, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before August 1, 1959 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 12 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $13,900.00 The Government will contribute 50 percent of the total fixed unit costs of the work performed, not in excess of $6,950.00, in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest computed annually at the rate of 6-3/8 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

Interests of Lessors

(b) 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 Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

Lien and Subordination Agreements of Lessors

RECEIVED
from Operator
JUN 29 1959

U. S. G. S.
SPOKANE, WASH.

(c) The Operator shall preserve and maintain his right, title, or 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. 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 royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(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 production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(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 and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. 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 all pertinent books, documents, papers, and records of the Operator.

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; 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 monthly report). 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 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 the Government determines that 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 preparation or completion of same 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 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable 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. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) 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.

(d) Unsold production.--If any production (ore, concentrate, 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, concentrate, 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 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) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) 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 Government, and this estimate shall be final and binding upon the Operator.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is 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:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified 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 9. 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 10. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 12. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

Hernon
Hoffman
App'd. Sol. Off
Klugescheid
Shamel
Talbert
Martin

ARTICLE 14. Changes and added provisions.--

Executed in quintuplicate the day and year first above written.

HOWARD C. BANKS
(Operator)

By Howard C. Banks

~~Title~~

THE UNITED STATES OF AMERICA

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

I, _____, certify that I am the
(Name)

_____ secretary of the corporation named as Operator herein; that

_____, who signed this contract on behalf of the Operator, was then
(Name)

_____ of said corporation; that said contract was duly signed for
(Title)

and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

INT.-DUP. SEC., WASH., D.C. 52375

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

JUN 26 1959
O.M.E.

FOR GOVERNMENT USE ONLY	
Operator	HOWARD C. BANKS, AN INDIVIDUAL
Docket No. OME –	6028
Contract No.	14-23-090 – 2007
Contract Date	June 23, 1959

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Powell, State of Montana;

described as follows:[2] the SILVER KING Quartz Lode, the location of which is recorded in the Recorder's Office of the County Court House in Deer Lodge, Montana, Book 4 Quartz, Page 496.

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

Howard C. Banks[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

None.

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated_____, and recorded in Book_____, Page____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions None (State "None" or "See Annex No._____".)

Dated this 23rd day of June, 19 57.

Callie Amber Aspling (Seal) 201 Milwaukee Ave. (Street) Deer Lodge Montana (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____ (Corporate Seal)

INT.-DUP. SEC., WASH., D.C. 48694

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

JUN 26 1959
O.M.E.

FOR GOVERNMENT USE ONLY
Operator HOWARD C. BANKS, an individual
Docket No. OME – 6028
Contract No. 14-23-090 – 2007
Contract Date June 23, 1959

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Powell, State of Montana;

described as follows:[2] known as the Hidden Hand Group of Claims: namely, the SILVER KING quartz lode mining claim, the HIDDEN HAND quartz lode mining claim, the CASTLE GARDEN quartz lode mining claim, the MOUNTAIN CHIEF quartz lode mining claim, the RED FOX quartz lode mining claim, the DEEP GULCH quartz lode mining claim, and the BULL MOOSE quartz lode mining claim.

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

Howard C. Banks[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

None

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated _____, and recorded in Book _____, Page _____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions None (State "None" or "See Annex No.____".)

Dated this 23rd day of June, 19 59.

	R. F. D. no. 1	(Street)
Fern Howard Johnson (Seal)	Deer Lodge Mont	(City & State)
	Box 161	(Street)
Charles H. Jensen (Seal)	St. Regis, Mont	(City & State)
		(Street)
(Seal)		(City & State)
		(Street)
(Seal)		(City & State)
		(Street)
(Seal)		(City & State)
		(Street)
(Seal)		(City & State)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____
(Corporate Seal)

EXPLORATION PROJECT CONTRACT
HOWARD C. BANKS
DOCKET NO. OME-6028

ANNEX I

The land referred to in Article 2 of the Contract is situate in Powell County, Montana, and is comprised of the following unpatented lode claims as indicated below:

Name	Quartz Lode Book	Page
Silver King	4	496
Hidden Hand	2	247
Castle Garden	2	268
Mountain Chief	2	249
Red Fox	6	304
Deep Gulch	4	494
Bull Moose	4	498

These claims are recorded in the Recorder's Office of the County Court House in Deer Lodge, Powell County, Montana.

The Operator is in possession of the claims described herein as lessee with option to purchase.

The claims are shown on the map entitled, "Plate 1 - Claim Map Hidden Hand Mine, Powell County, Montana", attached to and made a part of this contract.

EXPLORATION PROJECT CONTRACT
HOWARD C. BANKS
DOCKET NO. OME-6028

EXHIBIT "A"

Description of the Work

The purpose of the project is to explore for lead-zinc ores along the Deep Gulch vein by means of drifting and/or crosscutting, and long-hole drilling.

The work is divided into two stages, set forth below. The Operator shall perform Stage I, and shall perform as much of the Stage II work as the Government approves in advance.

The locations, directions, attitudes, and extent of all work performed under the Contract are subject to the prior approval of the Government. The exploration work is indicated in part in blue color on the attached map entitled, "Plate No. 2 - Geologic Map of Deep Creek Workings - Hidden Hand Mine, Powell County, Montana".

Drifts and crosscuts shall be timbered as necessary, the timber sets shall not be less than 5 feet wide and 7 feet high in the clear of the timber.

Drifts and/or crosscuts shall not be less than 5 feet by 7 feet in cross-section.

Stage I

1. Complete the rehabilitation of 450 feet of adit.

2. Repair living quarters and existing compressor house.

3. From the face of the adit, drift and/or crosscut along the Deep Gulch vein not more than 200 feet.

4. Timber not in excess of 50 feet of the drift and/or crosscut.

5. Not in excess of 80 feet of long-hole drilling shall be done to aid the exploration.

6. Not more than 3 days shall be allowed for the services of a consulting Engineer or Geologist.

7. Assay not more than 30 samples for lead, zinc and silver.

Stage II

1. From the face of the drift and/or crosscut driven in Stage I, drift and/or crosscut not to exceed 200 feet.

2. Timber not in excess of 50 feet of the drifts and/or crosscut.

3. Not in excess of 80 feet of long-hole drilling shall be done to aid the exploration.

4. Not more than 3 days shall be allowed for the services of a consulting Engineer or Geologist.

5. Assay not more than 30 samples for lead, zinc and silver.

Estimated Costs of the Project

Fixed Unit Costs

Stage I

Complete the rehabilitation of adit, 450 feet @ $1.60/ft.	$ 720.00
Repairs to buildings	150.00*
Drift and/or crosscut 200 feet @ $29.00/ft.	5,800.00
Timber drift and/or crosscut 50 feet @ $6.00/ft.	300.00

*The completed work constitutes the unit.

Long-hole drilling 80 feet @ $1.25/ft.	$ 100.00	
Consulting Engineer or Geologist 3 days @ $75.00/day	225.00	
Assaying, 30 samples @ $3.00 each sample	90.00	$ 7,385.00
Stage II		
Drift and/or crosscut 200 feet @ $29.00/ft.	$5,800.00	
Timber drift and/or crosscut 50 feet @ $6.00/ft.	300.00	
Long-hole drilling 80 feet @ $1.25/ft.	100.00	
Consulting Engineer or Geologist 3 days @ $75.00/day	225.00	
Assaying, 30 samples @ $3.00 each sample	90.00	6,515.00
Total Estimated Cost of the Project		$13,900.00
Government Participation, 50%		$ 6,950.00

QUIT CLAIM DEED

THIS INDENTURE, Made the 23rd day of June, 1959, between MARTHA BENNETT (Mrs. E. J. Bennett) of Helena, Montana,

the Party of the First Part and FERN HOWARD JOHNSON of Deer Lodge, 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 and no/100----------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 quitclaim unto the said Party of the Second Part, and to her heirs, and assigns, all of the right, title, interest, claim and demand, of the Party of the First Part in and to the following described real property, situated in the County of Powell, and State of Montana, to-wit:

An undivided one-third interest in and to the Hidden Hand group of unpatented lode mining claims, being the Hidden Hand Lode Mining Claim; the Silver King Lode Mining Claim; the Castle Garden Lode Mining Claim; the Mountain Chief Lode Mining Claim; the Red Fox Lode Mining Claim; the Deep Gulch Lode Mining Claim and the Bull Moose Lode Mining Claim.

together with all and singular the tenements, hereditaments, and appurtenances thereto belonging, or in anywise appertaining, and the rents, issues and profits thereof, if any.

RECORDER'S OFFICE
STATE OF MONTANA } ss.
COUNTY OF POWELL

I, DANIEL B. HERTZ, JR., County Clerk and Recorder in and for said County and State, hereby certify that the foregoing is a true, full and correct copy of Quit Claim Deed-Martha Bennett (Mrs E. J. Bennett) to Fern Howard Johnson

Filed in my office on the 23rd day of June, A. D., 1959 at 11:15 A. M. and recorded in Book 50 of Deeds at page 137.

IN WITNESS WHEREOF, I hereunto set my hand and affix the Seal of said County this 23rd day of June, A. D. 1959.

Daniel B. Hertz Jr.
County Clerk and Ex-Officio Recorder.

By ....., Deputy.

IN WITNESS WHEREOF, the said Party of the First Part has hereunto subscribed her name.

x Martha E. Bennett

STATE OF MONTANA)
: ss.
COUNTY OF ~~POWELL~~ Lewis and Clark)

On this 23rd day of June, 1959, before me the undersigned, a Notary Public for the State of Montana, personally appeared MARTHA BENNETT, (Mrs. E. J. Bennett)

known to me 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 affixed my signature and my official seal the day and year first above written.

Dolores Ryan
Notary Public for the State of Montana. Residing at Helena, Montana.
My Commission expires

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 13 1959

DATE	INITIALS	CODE
4/13	C	220
~~4/14~~	~~Clay~~	~~500~~

421 Oak Street
Anaconda, Montana
April 10, 1959

W. R. Griswold, Chief
Division of Base Metals, of the
United States Department of the Interior,
Office of Minerals Exploration
Washington 25, D. C.

Re: Docket No. OME-6028

Dear Sir:

In reply to your letter dated April 3, 1959, I did not offer any collateral to the banks when the loan was solicited, because I do not have any collateral to offer for such a sum. In regard to my assets and liabilities, I have none of the latter--that is, I have no outstanding debts or time-payments. I have about $1,500 in bank accounts. We have an income of $500 a month. I own no real property except the lease and option on the mine.

From the standpoint of mining, my principal assets are:

A promising lead.
Years of experience in mining.
Friends who are also experienced miners who are interested in helping me with the mining this summer, and who are willing to receive their pay when and if the mine makes good.
Other experienced miners available for hire.
Much of the small equipment that will be needed, which I have been accumulating and using during the past two years.
A very good credit rating, because I always pay my bills.
A wife who is willing to put her effort and financial resources into the project, although she has no actual legal interest in the project.
"The luck of the Irish."

It is on such a basis that I have been doing my exploration work and development for the past two summers, and have accomplished a great deal on my own. However, I have reached the place where I can no longer carry on the project efficiently and as it should be done without financial aid. This project is a small one, not a big-company sort of thing. However, when I reach the juncture of cross-veins that is my goal, it could develop into almost anything.

As indicated in my original DMEA loan application a year ago, my intention at first was to apply for a comparatively small loan and shorter contract. However, it was the suggestion of the DMEA engineer who checked the project at that time, that planning on the larger scale outlined in my current application would be more feasible.

Yours truly,

Howard C. Banks

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington

March 25, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 30 1959

DATE	INITIALS	CODE

Mr. George C. Selfridge, Chairman
Operating Committee, OME
Department of the Interior
Washington 25, D. C.

Re: OME application (lead-zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana

Dear Mr. Selfridge:

Enclosed are three copies of an application for OME assistance to explore for lead-zinc ore on the Hidden Hand Group of claims, Emery Mining District, Powell, County, Montana.

A DMEA application, Docket No. DMEA-5030, from the same applicant is the subject of a memorandum report dated September 17, 1958 by William C. Prinz, Geologist, U. S. Geological Survey. Because the mine workings were mostly inaccessible, Prinz recommended denial without prejudice. Since Prinz's examination the applicant has cleaned out a caved crosscut and has found the old workings are much more extensive than had been anticipated. Presumably a new examination will be required.

By Field Team Region I

A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing V. Agnew
Wing V. Agnew, Member
U. S. Bureau of Mines

Enclosures

MME Form 40
Dec. 1958

MAR 30 1959
OME

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85-701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

Howard C. Banks
General Delivery
Deer Lodge, Montana

RECEIVED
MAR 23 1959
U. S. G. S.
SPOKANE, WASH.

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6028

DATE RECEIVED: 3-30-59

REGION: I

DIVISION CODE: 500

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL	X
CORPORATION	
PARTNERSHIP	
OTHER *(Specify)*	

STATE IN WHICH FIRM IS ORGANIZED

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Lead and zinc

ESTIMATED COST OF PROJECT: $ 19,712.80

PROPERTY NAME	LOCATION COUNTY	STATE
Hidden Hand Group Emery Mining District	Powell	Montana

GENERAL INSTRUCTIONS

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

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

March 21, 1959
DATED

Howard C. Banks
BY *(Signature)*

TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

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

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

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

2. Applicant's Rights in Land:

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

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

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

3. Physical Description:

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

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

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

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

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

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

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

4. Accessibility of Property:

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

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

5. Exploration Work:

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

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

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

6. Experience:

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

7. Estimate of Costs:

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

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

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

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

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

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

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

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

INT.-DUP. SEC., WASH., D.C. 48740

DALY BANK & TRUST COMPANY

AFFILIATED WITH NORTHWEST BANCORPORATION

ANACONDA, MONTANA

March 13, 1959

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Dear Mr. Banks:

We are indeed sorry to inform you that your application for a loan of $11,000.00, the proceeds of which would be used to develop the Hidden Hand Mine, has been disapproved by our loan committee.

A loan of this nature is not considered bankable due to a speculative nature.

With kindest personal regards,

Sincerely yours,

E. L. Kunkel, Jr.
Executive Vice President

ELK: jem

DEER LODGE BANK AND TRUST COMPANY

MEMBER FEDERAL RESERVE SYSTEM

LEE WILLIAMS, PRESIDENT
HENRY J. HUKILL, CASHIER

S. J. PAULY, VICE PRESIDENT
F. L. SERVOSS, ASST. CASHIER

DEER LODGE, MONTANA
March 16, 1959

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Dear Mr. Banks:

In regard to your application for a loan in the amount of $11,000.00 under date of March 12, 1959, I am sorry to inform you that we cannot supply funds to you at this time.

Our Loan Committee feels that since the funds are to be used for an exploratory project at the Hidden Hand Mine, this could not be adapted to our bank's loan policy.

Sincerely yours,

F. L. Servoss

F. L. Servoss
Cashier

FLS:11

1. Financial Eligibility:

(a) The accompanying letters, from the Deer Lodge Bank & Trust Company and the Daly Bank and Trust Company of Anaconda, are replies to my application, in person, to officials of these two banks for a loan of $11,000.00 to be used for exploration work at the Hidden Hand Mine. In both cases, I made the application on March 12, 1959, and discussed the project at length with them. I was refused, under any terms.

(b) None.

(c) I propose to furnish my share of the exploration cost with cash.

2. Applicant's Rights in Land:

(a) and (b) See Item 1 of previous application, dated May 13, 1958.

(c) These are being obtained.

3. Physical Description:

(a) See Item 2 of previous application. In addition: During the summer of 1958, I opened the old drift into the main vein at a lower level, as suggested in my previous application, by making an open cut where the drift had caved in, up to the point where the drift entered rock. The drift from that point, instead of being about 50 feet long, as I had supposed, proved to be about 450 feet long--100 feet northward into the hill, and then about 350 feet eastward along the vein that I had been exploring from the surface. I partially cleared out the drift, enough so that I could lay rails the length of it and remove the rock that had been gobbed in across the face of the drift, covering the vein, for a distance of 38 feet. It was after this that Mr. Crosby, Chief Geologist for Day Mines, in Wallace, took assays and drew the map which I include herewith.

(b) to (g) See previous application. I am including with this application Mr. Crosby's map and a copy I have made of it. I should like to have the original returned eventually, if possible.

4. Accessibility of Property:

(a) Until weather permits living at the mine, I will be available at 421 Oak, Anaconda, Montana. Phone LOgan 3-6747. Afterward, I will be picking up my mail at General Delivery, Deer Lodge, Montana. I can then be reached by phone through my sister, Mrs. Ed Johnson, Deer Lodge, phone 021-J-3. The mine property can be reached by taking the road east from Deer Lodge toward Emery, to the National Forest boundary, and thereafter always taking the left fork of the road. The cabin is on the left side of the road, a little more than 8 miles from Deer Lodge.

(b) My shipping point will be Deer Lodge, about 8 miles from the mine. Supply points will be Deer Lodge, and Butte, about 40 miles from the property.

5. Exploration Work: (see maps in previous application, and Mrs Crosby's map)

(a) The exploration I propose would involve the following:

(1) Reconditioning approximately 1 mile of access road.
(2) Reconditioning the old drift: 40 feet of timbering--probably 8 sets--to hold the open cut up to the the present portal; and cleaning out the existing drift (450 feet) and widening it in places to a uniform 5X7 feet.
(3) An additional 400 feet of drift and crosscut (5X7 feet) to explore further along the vein, past its possible intersection with other veins, and also along such intersecting veins.

(b) The steepness of the hillside makes it impractical to haul to and from the present project over the same length of road that was used to reach the stripping operation at a higher level. Instead, the west end of the road indicated on Mr. Crosby's map would have to be extended. This actually is an old mining road, extending beyond my property line, across National Forest land, and joining the main road from Deer Lodge to the Emery District at the National Forest boundary. At present it can be traveled only by jeep. For about 1 mile it would have to be widened and graded to make possible hauling over it by truck. There are three points of rock that would have to be blasted away, and the surface smoothed and widened by bulldozing. I have been assured by the Forest Service representative in Deer Lodge that permission to use this road can be obtained.

? Plus [illegible] permission

(c) Work could be started about the first of June, 1959.
Estimated rate of progress:
Road-building--5 days.
Timbering--40 feet @ 10 feet/ day--4 days.
Reconditioning old drift--450 feet @ 20 feet/day--23 days.
Drifting and crosscutting--400 feet @ 3 feet/day--133 days.

6. Experience: See previous application.

7. Estimate of Costs:

Road-Building--5 days

40 hours bulldozing	@ $12.00	$ 480.00
10 man-days	@ 20.00	200.00
5 days compressor rent	@ 9.00	45.00
5 days running expense, compr.	@ 2.00	10.00
150# powder	@ 24.55/100	36.83
Misc. tools, caps, fuse, etc.		138.17
1 week pick-up running expense		10.00
Payroll taxes, etc.		80.00
		1,000.00

Timbering--40 feet @ $10.00/foot 400.00

~~400~~ 16,212.80
$40.53/ft.

7. Estimate of costs--cont.

Reconditioning present drift--23 days.

46 man-days	@ $20.00	$ 920.00	
Payroll taxes, etc. (1/6)		156.67	
23 days supervisor	@ 25.00	575.00	
10 days compressor rent	@ 9.00	90.00	
10 days running expense for compr.	@ 2.00	20.00	
100 lbs. powder	@ 24.55/100	24.55	
1 box caps	@ 2.75	2.75	
400 ft. fuse	@ 44.10/3000	5.88	
50 lbs. carbide	@ 10.00/100	5.00	
4½ weeks running expense, pick-up	@ 10.00	45.00	
1 month accounting, etc.	@ 50.00	50.00	
Misc. tools, etc.		205.15	
(Compressor not needed at first.)		2,100.00	

Drift and Crosscut--133 days.

(a) Independent contracts--none.

(b) Personal services

266 man-days	@ $20.00	$5320.00	
133 man-days	@ 25.00	3325.00	
			$8,645.00

(c) Operating materials and supplies

67 days running expense, compr.	@ $ 2.00	$ 134.00	
27 weeks gas, oil, etc. for pick-up	@ 10.00/wk.	270.00	
4000 lbs. powder	@ 24.55/100	982.00	
5+ rolls fuse	@ 44.10	225.00	
16 boxes caps	@ 2.75	44.00	
3 sets steel	@ 25.00	75.00	
24 carborundum bits	@ 25.00	600.00	
250 lbs. carbide	@ 10.00/100	25.00	
Misc. tools & supplies		145.00	
			2,500.00

(d) Operating equipment

Jack hammer	(I furnish)	$	
Pick-up	(I furnish)		
Jack-leg for hammer		260.00	
Rent for compressor (160) 6½ mo. @ $200		1300.00	
Water hose		31.25	
Air hose		51.50	
Receiving tank		150.00	
Sub tank		50.00	
Mine car		50.00	
800' black pipe @ 60¢		480.00	
800' used rails (8#) @ $125/ton		133.38	
			2,506.13

7. Estimate of Costs--cont.

Drifting and crosscut--cont.

(e) Initial rehabilitation

New roof and windows for compressor house	$ 50.00	
Repairs on living-quarter cabin	200.00	
Moving ore-bin to new location		
New lumber and supplies	110.00	
12 man-days @ $20	240.00	
Payroll taxes, etc. (1/6)	40.00	
Running expense of pick-up, 1 week	10.00	
		$ 650.00

(f) None

(g) Miscellaneous

Repairs and maintenance of operating equip.		500.00	
Assaying		200.00	
Accounting 6½ mo. @ $50.00/mo.		325.00	
Payroll taxes, etc. 1/6 of $5320.00		886.67	
(Workmen's Compensation	11.65%)		1911.67
Unemployment	2.7 %		
Social security	2.25%		
	16.60%		

Total for drifting and crosscut: $16,212.80

16,212.80
2,100.00
2,400.00
1,000.00
19,712.80

Landscaping
Road Building

DMEA
RECEIVED JUN 12 1958
DATE

LEASE AND OPTION

THIS AGREEMENT made and entered into this 15th day of August, A. D. 1937, by and between HENRY PEDERSON and CHARLES P. [illegible], executor of the last Will and Testament of HENRY P. [illegible], deceased, and CARLIE SLEESER, all of Deer Lodge, Montana, and [illegible] MOSSIGNRCD of Redding, California, as parties of the first part, hereinafter called Lessors, and [illegible] H. HOWARD, of Deer Lodge, Montana, party of the second part, hereinafter called Lessee,

WITNESSETH:- That said lessors, for and in consideration of the rents, royalties, covenants and terms of said lease, and which are to be paid by said lessee and kept and performed by him, do hereby Lease, Let and Demise unto said lessee the following described mining property, to-wit:-

The KING quartz lode mining claim; the MILLER [illegible] quartz lode mining claim; the [illegible] quartz lode mining claim; the MOUNTAIN CHIEF quartz lode mining claim; the [illegible] quartz lode mining claim and the [illegible] quartz lode mining claim; and the BULL MOOSE quartz lode mining claim; all situated in the Zosel (unorganized) mining district, in the County of Powell, State of Montana; with the right to mine and extract ore from said mining premises and to explore and prospect for ore therein under the terms and conditions hereinafter stated.

It is understood that the above mining property also includes the dumps located on said mining premises.

Said Lessors covenant to and with said Lessee that he shall have quiet and peaceable possession of said leased premises during the continuance of this lease.

TO HAVE AND TO HOLD said leased premises unto said lessee for the term of three (3) years from and after the 15th day of August, 1937, this Lease expiring at twelve o'clock, noon, on August 15th 1940, unless sooner terminated or determined through the violation of any covenant hereinafter contained by said Lessee and made and promised to be performed by him.

And said lessee, in consideration of said lease, does hereby covenant and agree to and with said lessors, that he will enter upon and take possession of said described mining premises and hold the same under this lease; that he will work the same in a manner necessary to good and economical mining so as to take out the greatest amount of ore possible with due regard to the safety, development and preservation of said premises as a workable mine.

Said lessors hereby reserve the right to enter upon the above described premises and all tunnels, shafts, mines, raises and any other mining or other development work upon said claim for the purposes of inspection. It being further understood and agreed that lessee is not to run any tunnels, shafts, or any other mine or development work upon the above described mining claim which does not have for its object the development of ore bodies, or the mining or extraction of ore from the above described premises.

Lessee agrees to work said mine above described steadily and continuously from the date of this lease; and that any failure to work said premises with at least two hundred and forty (240) miner's shifts per year underground, during the term hereof, shall be considered a violation of this covenant and subject this lease to cancellation by lessors. It being understood that the shifts to be performed every year shall be for the fifty months beginning with the date hereof. It being further understood that a "miner's shift" means the time of one miner, underground, for eight hours, or such

time as the law or Union rules shall provide.

This lessee agrees to fill and sufficiently timber said mines at all points where good mining demands timbering, and that all shafts, tunnels, raises, winzes and other mine development work shall be of standard size and constructed in good minerlike fashion.

Said lessee agrees to occupy and hold all cross and parallel lodes, dips, spurs, feeders, crevices or mineral deposits of any kind which may be discovered in working under this lease, or in any tunnel run to intersect the lodes or veins on the above described premises, or by said lessee, or any person or persons under him, in any manner, at any point within 300 feet of the center of said lodes or veins, as the property of said lessors; with the privilege to said lessee of working the same as an appurtenance of said demised premises during the term of this lease; and to not locate nor record the same, nor allow the same to be located or recorded except in the names of said lessors.

To keep at all times the drifts, shafts, tunnels and other passages and workings of said demised premises thoroughly drained and clear of loose rock and rubbish of all kind.

Lessee agrees that all improvements placed underground on the above described premises shall, at the expiration of this lease, if the option herein contained is not exercised by lessee, be the property of lessors herein, together with all loose ore of any grade that shall remain in the tunnels, shafts, or other underground openings in said mine, at the expiration hereof; and all ore remaining in the dumps, and all dumps, shall be the property of lessors herein at the expiration hereof, or the sooner termination hereof by the forfeiture of said lessee.

It is further agreed that all buildings erected upon the above described premises shall be the property of lessors herein at the expiration of this Lease, or the sooner termination thereof by forfeiture of the lease, if the Option herein contained shall not be exercised by said lessee.

It is further agreed that lessee shall pay a royalty of ten per cent (10%) of the net smelter returns on all ores, mine run, extracted or taken from said above described premises; it being agreed that "net smelter returns" means the amount of money left as the value of the ore so shipped as aforesaid, after deducting freight and haulage charges, and smelting charges from the gross proceeds returned from said rock by the smelter treating the same. It being further agreed that if lessee shall truck said ore from the above described ground to the smelter that he shall be allowed to deduct from the gross proceeds a sum equivalent to the regular freight charges from the shipping point to the smelter, as transportation charge for said rock so shipped by truck as aforesaid. It is further agreed that the smelter treating said ore shall remit the royalty of the lessors to the lessors at their post office address at Deer Lodge, Montana, together with duplicate of all settlement sheets made by the smelter treating said rock to the lessee. It is further agreed that haulage charges, after the deductions shall be made as above provided, shall not exceed the sum of $1.25 per ton from the above described mining premises to the railway station at Deer Lodge, Montana.

It is further agreed that lessee shall post in a conspicuous place on the above described premises a notice to the effect that he is operating said mining premises under lease and that he is responsible for all debts or obligations contracted for mining operations or labor or material under this lease, and that said lessee agrees to save lessors harmless from all claims for labor and material used by them upon the above described premises; and it is further agreed that lessors do not hereby consent or agree that lessee may employ any labor upon the above described premises without said lessee having first complied with the workmen's compensation law of the State of Montana in regard to injuries or accidents of employees of said lessee, and said lessee agrees that he will

carry workmen's compensation Insurance for all of their employees when engaged upon the above described premises under the terms of this Lease in any employment of any kind or character, and lessee further agrees that he will not permit, nor allow, any person to file either labor, mechanic's or materialman's lien against the above described premises for any labor or material contracted by him for use upon the above described premises during the term of this lease; and the violation thereof shall result in the immediate cancellation of this Agreement.

Lessee further agrees to deliver up to lessors the said premises, with the appurtenances, and all improvements thereon, in good order and condition, with all shafts and tunnels and other passages thoroughly drained and clear from rubbish and waste, and said mine ready for immediate continued working (accidents not arising from negligence alone excepting) without further demand or notice, at twelve o'clock, Noon, August 15th 1940, or at any previous time on demand for forfeiture.

It is agreed that failure to perform the number of shifts provided for any one yearly period within said year, as hereinabove provided, shall result automatically in the termination of this Lease.

It is agreed also that lessee herein shall do the annual representation work as required by law upon each of the above described mining claims in the manner required by law, and that the same is a part of the obligation and terms of this contract; and that in the event that said lessee shall fail to do the annual representation work as required by law, that said lessors herein, or their agent, shall have the right to enter said premises within the period and at the times fixed by law to do the required amount of annual representation work to be done on the above described claims, or any thereof, in the manner prescribed by law, without such entry for the purpose of representation as herein provided, working a forfeiture of the provisions of this lease so far as lessors are concerned. It being

further agreed that the lessors herein have the right, if they so elect, to declare this lease null and void if and when said lessee herein shall fail to perform the annual representation work on the above described mining claims in the manner and at the time as required by law.

Lessors further agree that lessee shall have the right to purchase the above described premises for the sum of Thirty-six Thousand ($36000.00) Dollars at any time on or before twelve o'clock noon, August 15th 1940, unless this lease shall have been sooner forfeited by lessee for failure to keep and perform the terms and conditions hereof. It being understood furthermore that in the event that said lessee shall not purchase said property that all royalties shall be the property of the parties of the first part herein. In the event that said lessee shall purchase said property in the manner, and in the amount as herein provided, then and in such event said lessors agree that they will execute and deliver to said lessee a good and sufficient mining deed for all of their right, title and interest in and to the above described mining premises to said lessee. And it is further agreed that all royalty payments made at the time the Option herein provided for is exercised, shall be considered as a credit on the purchase price to the extent of the amount of royalties paid by lessee to lessors under the terms and provisions hereof.

And finally, upon the violation by the said lessee, or any person under him, of any covenant or covenants hereinbefore made or promised, the term of this lease shall, at the option of said lessors, expire and the same and said premises, with the appurtenances, shall become forfeited to said lessors, and said lessors, or their agent, may thereupon, after demand of possession in writing, enter upon said premises and dispossess all persons occupying the same with or without force, and with or without process of law; or, at the option of said lessors, said tenants and all persons found in possession may be proceeded against as trespassers from the beginning of said term both

as to realty and the ore severed therefrom, or as guilty of unlawful detainer.

It is understood that lessee shall have the right, within a period of sixty (60) days after the forfeiture of this Lease, or the expiration thereof, as hereinabove provided, to remove all mining machinery and tools used upon the above described property by lessee during the term hereof, but in removing the same it is understood that lessee will not damage, injure or destroy any mining tunnel, shaft, drift, or other underground openings, but that lessee agrees to leave all tunnels and other underground workings in first-class shape upon the expiration of this lease, or the sooner termination thereof by forfeiture of this lease, free and clear from waste and accessible at all times, and that all timbering done upon the premises shall be done in first-class, miner-like manner. The violation of the provisions hereof, or of any of the covenants of this lease, by lessee, shall give lessors the option to cancel this agreement, at their election.

It is understood that the lessors herein, HENRY PETERSON and CHARLES F. JENSEN, reserve the cabins on the RED FOX quartz lode mining claim above described for their use during the term of this lease, with the understanding that if the option to purchase above provided is exercised, as herein provided, that said HENRY PETERSON and said CHARLES F. JENSEN will surrender possession of said cabins hereby in this paragraph reserved to said lessee, or his assigns, when said lessors hereinabove described deliver the Deed to the premises above described under the terms of this agreement.

Each and every clause and covenant of this Indenture shall extend to the heirs, executors and administrators of all parties thereto; and to the assigns of said lessors, and as said lessors may elect, to the assigns of said lessee.

It is understood between the respective parties hereto that the ownership of the above described mining claims in the respective parties of the first part is as follows, to-wit:-

That CARLIE SMELSER of the parties of the first part herein is the owner of an undivided one-third interest in the KING quartz lode mining claim above described, and that she has no interest in any of the other quartz lode mining claims hereinabove described. It is also understood that LUDWIG S. MUSSIGBROD is the owner of an undivided one-third interest in the HIDDEN HAND quartz lode mining claim, the CASTLE GARDEN quartz lode mining claim and the MOUNTAIN CHIEF quartz lode mining claim, and that said LUDWIG S. MUSSIGBROD has no interest in the other quartz lode mining claims above described. And it is also understood and agreed that HENRY PETERSON and CHARLES F. JENSEN, as Executor of the last will and testament of HENRY P. SCHUETZ, deceased, is the owner of all the other interests in the above designated quartz lode mining claims, excepting the outstanding interests in the name of CARLIE SMELSER as above stated and LUDWIG S. MUSSIGBROD as above stated. It is further agreed that between the parties to this lease, that said CARLIE SMELSER shall only be interested in the royalties provided for in this lease from ores extracted, mined or taken from the KING quartz lode mining claim to the extent of a one-third interest therein, and that she shall not have any interest in the royalties taken from the other quartz lode mining claims hereinabove described. It is further understood and agreed that LUDWIG S. MUSSIGBROD shall only be interested in royalties upon ores mined, extracted or otherwise taken from the HIDDEN HAND, CASTLE GARDEN and MOUNTAIN CHIEF quartz lode mining claims to the extent of an undivided one-third interest therein; and that said LUDWIG S. MUSSIGBROD shall not be interested in royalties upon ores mined from the other claims hereinabove described. It being understood and agreed further that HENRY PETERSON and CHARLES F. JENSEN, as Executor of the last will and testament of HENRY P. SCHUETZ, deceased, shall receive all royalties from the above described

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mining premises not herein otherwise provided for.

It is further agreed that if the Option to purchase this property hereinabove described is exercised by the lessee herein that the KING quartz lode mining claim and the HIDDEN HAND, CASTLE GARDEN and MOUNTAIN CHIEF quartz lode mining claims shall be valued at the sum of Fifty-one Hundred Fifty and no/100 ($5150.00) Dollars each, and that said CALLIE SMELSER of the lessors herein shall receive her proportionate share only of said $5150.00 as the value of the KING quartz lode mining claim under this Option to Purchase; and that said LUDWIG S. MUSSIGBROD, of the lessors herein, shall receive his proportionate share of the sum of $5150.00 for each of the following described quartz lode mining claims, the HIDDEN HAND, the CASTLE GARDEN and the MOUNTAIN CHIEF quartz lode mining claims, under this Option to purchase. It being further understood and agreed that said HENRY PETERSON and CHARLES F. JENSEN, as executor of the last will and testament of HENRY P. SCHUETZ, deceased, shall receive all of the reminder of said purchase price, other than herein specifically designated as going to CALLIE SMELSER and LUDWIG S. MUSSIGBROD under the terms of the option to purchase hereinabove provided for.

IN WITNESS WHEREOF said parties, lessors and lessee, have hereunto set their hands the day and year first above written.

Henry Peterson
Chas. F. Jensen
Executor of last Will and Testament of HENRY P. SCHUETZ, Deceased.

Callie Smelser
Ludwig S. Mussigbrod
Lessors

W. M. Howard
Lessee

STATE OF MONTANA)
) SS
COUNTY OF POWELL)

On this 15th day of August, A. D. 1937, before me, the undersigned, a Notary Public for the State of Montana, personally appeared HENRY PETERSON and CARLIE SELESKA known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same.

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

W. J. Paul
Notary Public for State of Montana. Residing at Deer Lodge, Montana. My Commission expires
Expires March 25 1940.

STATE OF MONTANA)
) SS
COUNTY OF POWELL)

On this 15th day of August, A. D. 1937, before me, the undersigned, a Notary Public for the State of Montana, personally appeared CHARLES F. FLESH known to me to be the person whose name is subscribed to the foregoing instrument as Executor of the last Will and Testament of HENRY F. SCHUMTZ, deceased, and acknowledged to me that he executed the same as such Executor.

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

W. J. Paul
Notary Public for State of Montana. Residing at Deer Lodge, Montana. My Commission expires
March 25th 1940.

STATE OF ~~CALIFORNIA~~ Oregon)
) SS
COUNTY OF Josephine)

On this 25 day of August, A. D. 1937, before me, the undersigned, a Notary Public for the State of ~~California~~, personally appeared LUDWIG S. MUSSINGROD known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same.

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

F. Wimberacher
Notary Public for the State of ~~California~~ Oregon residing at GRANTS PASS, OREGON ~~California~~.
My Commission expires

NOTARY PUBLIC FOR OREGON
MY COMMISSION EXPIRES JAN. 9, 1941

STATE OF MONTANA)
)SS
COUNTY OF POWELL)

On this 16th day of August, 1937, before me, the undersigned, a Notary Public for the State of Montana personally appeared H. E. Howard known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same.

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

W. J. Paul

Notary Public for State of Montana. Residing at Deer Lodge Montana. My Commission expires March 25, 1940.

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STATE OF MONTANA

DEED OF [illegible]

THIS INDENTURE Made the [illegible] day of [illegible]
[illegible] and Nineteen Hundred [illegible],
[illegible], a single man, of [illegible], Oregon, party of [illegible]
and [illegible], of Deer Lodge, Montana, party of the [illegible]
WITNESSETH, that the said party of the first part, for and [illegible]
tion of the sum of Eight Hundred Dollars, lawful money of the [illegible]
States of America, to him in hand paid by the said party of the se[illegible]
[illegible], the receipt whereof is hereby acknowledged, has Granted, Bar[illegible]
[illegible], Sold, Remised, Released and forever Quitclaimed, and these pre[illegible]
do grant, bargain, sell, remise, release and forever quitclaim, un[illegible]
said party of the second part, and to his heirs, and assigns, all [illegible]
right, title and interest of the grantor of, in, or to the follow[illegible]
described quartz lode mining claims situate in the Losel (unorganiz[illegible]
mining district, at Emery, Powell County, Montana, known as the [illegible]
[illegible] group of claims, and more particularly described as follows:

X CASTLE GARDEN quartz lode mining claim, location notice of which is dated September 7, 1888 and filed for record September 20, 1888 in Book 2 quartz locations, at page 258 thereof, transcribed records of Powell County, Montana;

X MOUNTAIN CHIEF quartz lode mining claim, location notice of which is dated August 25, 1888 and filed for record August 25, 1888, in Book 2 quartz lode locations, at page 240 thereof, transcribed records of Powell County, Montana;

X HIDDEN HAND quartz lode mining claim, location notice of which is dated August 11, 1888 and filed for record August 14th, 1888 in Book 2 quartz lode locations at page 247 thereof, transcribed records of Powell County, Montana.

X DEEP GULCH quartz lode mining claim, location notice of which was dated January 7th, 1913 and filed for record February 21, 1913, in Book 4 quartz lode locations at page 494 thereof, Records of Powell County, Montana.

X SILVER KING quartz lode mining claim, location notice of which was dated January 9th, 1913, and filed for record February 21, 1913 in Book 4 quartz lode locations, at page 496 thereof, records of Powell County, Montana;

X [illegible] quartz lode mining claim, location notice of which was dated January 1st, 1913, and filed for record February 21, 1913 in Book 4 quartz lode locations, at page 498 thereof, records of Powell County, Montana; and

X RED FOX quartz lode mining claim, location notice of which is dated October 20, 1926 and filed for record November 4th, 1926, in Book 6 quartz lode locations, at page 304 thereof, records of Powell County, Montana;

It being the intention of the grantor to convey to the grantee all rights, easements, privileges, property, interests, claims or demands of said grantor of, in, or to said claims, and all rights therein, together with the improvements thereon, to said party of the second part.

TOGETHER with all the dips, spurs and angles, and also, all the metals, ores, gold and silver bearing quartz rock and earth therein; and all the rights, privileges and franchises thereto incident, appendent and appurtenant, or therewith usually had and enjoyed; and also, all and singular the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining and the 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 said premises, and every part or parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD all and singular, the said premises, together with the appurtenances and privileges thereto incident; unto the said party of the second part, his heirs and assigns forever. It is expressly covenanted that it is intended hereby to convey any and all right, title and estate, which may hereafter be acquired to said premises, or any part thereof, by virtue of any patent which may hereafter be issued by the United States Government therefor, under proceedings heretofore instituted in that behalf.

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

_____ (SEAL)

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STATE OF OREGON
COUNTY OF Josephine } ss

On this 7th day of October, 1939 before me K. HAMMERBACHER, a Notary Public for the State of Oregon, personally appeared LUDWIG S. MORSICBROD, a single man, known to me to be the [illegible] ment, and acknowledged to me that he 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 [illegible]

K. HAMMERBACHER
NOTARY PUBLIC
STATE OF OREGON

Notary Public for the State of Oregon. Residing at GRANTS PASS Oregon. My Commission expires

NOTARY PUBLIC FOR OREGON
MY COMMISSION EXPIRES JAN. 3, 1940

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DATE CODE

DEED OF MINING CLAIMS

THIS INDENTURE MADE, the Fourth day of December ~~in the year of~~ our Lord One thousand nine hundred and forty-five, between WILLIAM HOWARD, of Deer Lodge, Powell County, Montana, the party of the first part, and FERN L. HOWARD, wife of the party of ~~the first part,~~ of Deer Lodge, Powell County, Montana, the party of the second part,

WITNESSETH, that the said party of the first part, for and in consideration of the sum of Ten and no/100 - - - - - - - - DOLLARS, lawful money of the United States of America, to him in hand paid by the said party of the second part, thereceipt whereof is hereby acknowledged, has Granted, Bargained, Sold, Remised, Released and forever quitclaimed, and these presents do grant, bargain, sell, remise, release and forever quitclaim, unto the said party of the second part, and to his heirs, and assigns, all the right, title and interest of the grantor of, in, to the following described quartz lode mining claims situate in the Zosel (unorganized) mining district, at Emery, Powell County, Montana, known as the HIDDEN HAND group of Claims, and more particularly described as follows:-

X CASTLE GARDEN quartz lode mining claim, location notice of which is dated September 7, 1888 as filed for record September 20, 1888 in Book 2 quartz locations, at page 268 thereof, transcribed records of Powell County, Montana;

X MOUNTAIN CHIEF quartz lode mining claim, location notice of which is dated August 25, 1888 and filed for record August 25, 1888, in Book 2 quartz lode locations, at page 249 thereof, transcribed records of Powell County, Montana.

X HIDDEN HAND quartz lode mining claim, location notice of which is dated August 11, 1888 and filed for record August 14th, 1888 in Book 2 quartz lode locations at page 247 thereof, transcribed records of Powell County, Montana.

X DEEP GULCH quartz lode mining claim, location notice of which was dated January 7th, 1913, and filed for record February 21, 1913, in Book 4 quartz lode locations at page 494 thereof, Records of Powell County, Montana.

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SILVER KING quartz lode mining claim, location notice of which was dated January 7th, 1913, and filed for record February 21, 1913 in Book 4 quartz lode locations, at page 496 thereof, records of Powell County, Montana;

BULL MOOSE quartz lode mining claim, location notice of which was dated January 1st, 1913, and filed for record February 21, 1913 in Book quartz lode locations, at page 498 thereof, records of Powell County, Montana;

RED FOX Quartz lode mining claim, location notice of which is dated October 20, 1926 and filed for record November 4th, 1926, in Book 6 quartz lode locations, at page 304 thereof, records of Powell County, Montana;

HOWARD FRACTION lode mining claim, location notice of which was dated March 4, 1939 and filed for record September 12th, 1939 in Book 8 quartz lode locations page 6 thereof, records of Powell County, Montana;

Midnite Lode-Survey No. 2794, a patented mining claim containing twenty (20) acres, more or less, and

The Ironton Lode-Survey No. 2795, a patented mining claim containing seventeen (17) acres, more or less;

Said midnite and Ironton Lode being situated in the Oro-Fino (unorganized) mining District of Powell County, Montana, being located in Section Seven (7) Township Six (6) North Range Eight (8) West.

It being the intention of the grantor to convey to the grantee all rights, easements, privileges, property, interests, claims or demands of said grantor of, in, or to said claims, and all rights, therein, together with the improvements thereon, to said party of the second part.

TOGETHER with all the dips, spurs and angles, and also, all the metals, ores, gold and silver bearing quartz rock and earth therein; and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usual to be had and enjoyed; and also, all and singular the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining and the 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 said premises, and every part or parcel thereof, with the appurtenances.

VOL 39 PAGE 159

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident; unto the said party of the second part her heirs and assigns forever. It is expressly covenanted that it is intended hereby to convey any and all right, title, and estate, which may hereafter be acquired to said premises, or any part thereof, by virtue of any patent which may hereafter be issued by the United States Government therefor, under proceedings heretofore instituted in that behalf.

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

William Howard (SEAL)

STATE OF MONTANA
COUNTY OF POWELL } SILVER BOWSS.

On this 10th day of December, in the year one thousand nine hundred and forty-five before me the undersigned a Notary Public, for the State of Montana, personally appeared WILLIAM HOWARD, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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

Nicolaek J. Kline

Notary Public for the State of Montana
Residing at Butte
My Commission Expires April 13, 1947

Filed for record October 30th, 1950 at 11:50 o'clock A. M.

Fee $1.50

David R. Hertz Jr
County Recorder.

DEED
WILLIAM HOWARD
TO
LEE J. HOWARD

Dear Lodge, Montana
Box 638
Mr. & Mrs. Howard

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 12 1958
DATE

EXTENSION OF LEASE.

THIS IS TO CERTIFY, that the undersigned, for and in consideration of the sum of One and no/100 Dollars ($1.00) and other valuable considerations in hand paid to said undersigned by Fern L. Howard of Deer Lodge, Montana, have this day agreed and do hereby agree to again extend the [illegible] heretofore [illegible] William Howard [illegible] to which Lease Fern L. Howard is the successor of William Howard, which said Lease was dated the 15th day of August, 1937, and is a Lease and Option on a group of mining claims in the Zosel (unorganized) Mining District, Powell County, Montana, known and commonly called the Hidden Hand group of claims and more particularly described in said Lease and Option dated August 15th, 1937, for a term of five additional years beginning with the 15th day of August, 1955, which said extension shall expire at 12 o'clock noon on the 15th day of August, 1960.

It is understood and agreed that this extension of said Lease is the fourth extension thereof, three previous extensions having been made , which said extension will expire on the 15th day of August, 1955; and that this extension, like the previous extensions is made upon the same terms and conditions as are expressed and written in said Lease and Option dated August 15th, 1937.

It is further understood and agreed that Fern L. Howard, widow of William Howard, deceased, has succeeded to all of the right, title and interest of said William Howard in said Lease and Option dated August 15th, 1937, and the extensions thereof.

It is also understood and agreed that the undersigned are the original Lessors in said Lease and Option dated August 15th, 1937, or are the successors in interest of such original Lessors.

IN WITNESS WHEREOF, we have hereunto subscribed our names this

5th day of June, 1953.

Callie Aspling

Charles H. Jensen

/s/ Mrs. E. J. Bennett

STATE OF MONTANA)
ss.
COUNTY OF POWELL)

On this 5th day of June, 1953, before me K. W. MacPherson, a Notary Public for the State of Montana, personally appeared Charles Jensen and Callie Aspling, formerly Callie Smelser, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they each of them respectively, executed the same.

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

K. W. MacPherson
Notary Public for State of Montana. Residing at Deer Lodge, Montana. My Commission expires January 26, 1956.

STATE OF MONTANA)
ss.
COUNTY OF HILL)

On this 12th day of June, 1953, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Mrs. E. J. Bennett, known to me 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 Notarial Seal, the day and year first above written.

/s/ Eddie Joseph
Notary Public for State of Montana. Residing at ~~Havre~~ Great Falls, Montana. My Commission expires May 13, 1955.

Assignment of Interest in Sublease to Mining Claims

[illegible]

[illegible]

Now, in consideration of One Dollar and other valuable consideration paid by [illegible], receipt whereof is acknowledged by above named subleasees, said Howard G. Bailey, of Spokane, Washington, Carter E. Daggett, of Seattle, Washington, and Lawrence E. Daggett, of [illegible], Washington, hereby assign and grant to Gordon E. Waite (residing at [illegible] East [illegible] Street, Spokane [illegible], Washington) an undivided one-fourth interest in and to said sublease agreement of January [illegible], 19[illegible], including said option to purchase thereof, [illegible] Carter E. Daggett, Lawrence E. Daggett, and Gordon E. Waite, as sublessees, each with an undivided one-fourth interest in said sublease and option.

And Gordon E. Waite hereby agrees to comply with the terms and conditions of said sublease and option [illegible] applicable to the premises [illegible].

Dated and signed [illegible]

[illegible]

Assignment of Interest in Sublease to Mining Claims

Whereas Fern L. Howard entered into a written agreement, dated January 21, 1954, wherein she subleased the mining claims below described, for a period which after final extension now expires August 15, 1960, to Howard C. Banks, Carter N. Daggett and Lawrence N. Daggett, as sublessees, and therein gave to them an option to purchase for $15,000.00 the original lease, dated August 15, 1937, which original lease is more fully described in said agreement of January 21, 1954; and

Whereas said claims are lode mining claims, unpatented, named, "Hidden Hand", "Castle Garden", "Mountain Chief", "Red Fox", "Deep Gulch", "Bull Moose", situated in the Zosel Mining District (unorganized), in Powell County, Montana;

Now, in consideration of One Dollar and other valuable consideration paid by Gordon R. Vance, receipt whereof is acknowledged by above named sublessees, said Howard C. Banks, of Seattle, Washington, Carter N. Daggett, of Seattle, Washington, and Lawrence N. Daggett, of Chimacum, Washington, hereby assign and grant to Gordon R. Vance (residing at 143 East 115th Street, Seattle 5, Washington) an undivided one-fourth interest in and to said sublease agreement of January 21, 1954, including said option as part thereof, with the understanding and effect that Howard C. Banks, Carter N. Daggett, Lawrence N. Daggett, and Gordon R. Vance, as sublessees, each own an undivided one-fourth interest in said sublease and option.

And Gordon R. Vance hereby agrees to comply with the terms and conditions of said sublease and option; and Fern L. Howard hereby consents to the present assignment to Gordon R. Vance.

Signed and dated, ~~September~~ October 13th 1954.

/s/ Gordon R. Vance

/s/ Howard C. Banks

/s/ Fern L. Howard

/s/ Carter N. Daggett

/s/ Lawrence N. Daggett

1(c)

SUBLEASE AND AGREEMENT.

This sublease and agreement, made and entered into this 21st day of January, 1954, between Fern L. Howard, first party, and Howard C. Banks, Carter N. Daggett and Lawrence E. Daggett, second parties, witnesseth:

Whereas, first party is the owner of a one-third interest in the hereinafter described mining claims and is also lessee under that certain lease covering said mining claims dated the 15th day of August, 1937, which lease has been finally extended by various extensions to the 15th day of August, 1960;

And, whereas, it is the desire of the parties hereto that second parties shall sublease the said mining claims under the terms of the original lease, with the privilege of exercising the option to purchase contained in the original lease, to be bound by and perform all of the terms of the said original lease, hereinafter more particularly described, and if second parties have complied thus with all provisions, then if they decide to exercise the said option, and also shall pay to first party the sum of $14,000.00, then said lease shall be assigned(with the extensions thereof and the final extension to the 15th day of August, 1960) to second parties by first party:

NOW, THEREFORE IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:

1. First party hereby sublets to second parties that certain mining property or properties described in her lease of the 15th day of August, 1937, with extensions to August 15, 1960:

The King quartz lode mining claim; the HIDDEN HAND quartz lode mining claim; the CASTLE GARDEN quartz lode mining claim; the MOUNTAIN CHIEF quartz lode mining claim; the RED FOX quartz lode mining claim and the DEEP GULCH quartz lode mining claim; and the BULL MOOSE quartz lode mining claim; all situate in the

Zosel (unorganized) mining district, in the County of Powell, State of Montana; with the right to mind and extract ore from said mining premises and to explore and prospect for ore therein under the terms and conditions of said lease, it being understood that the above mining property also includes the dumps located on said mining premises; that said mining property or properties are as above described and are contained in that certain lease dated the 15th day of August, 1937, between Henry Peterson and Charles F. Jensen as Executor of the last will and testament of Henry P. Schuetz, deceased, and Callie Smelser, all of Deer Lodge, Montana, and Ludwig S. Mussigbrod of Redding, California, as parties of the first part, hereinafter called Lessors, and W. M. Howard, of Deer Lodge, Montana, second party, called Lessee; that first party herein in this present agreement has succeeded to the rights of the above named lessee, and Charles H. M. Jensen, Callie Aspling, fomerly Callie Smelser, and Mrs. E. J. Bennett, have succeeded to the rights of the above named lessors.

2. That the period of this sublease is from the date hereof toAugust 15, 1960, being in considerationof $1.00 and the performance by second parties of all of the agreements, conditions and covenants of the said original lease by them, and their relieving the first party therefrom at all times; provided, however, if at any time second parties desire to discontinue said sublease, they may do so by surrendering the same, together with possession, but they shall have complied with all of the terms and conditions of the said original lease at said time and shall remain liable to first party therefor.

3. That if the second parties have complied with all of the terms of the said original lease, they may at any time elect to exercise the option contained in the original lease by giving notice in writing at least one year beforehand of their intention to exercise said option and by paying at said

time the sum of $14,000.00 to first party herein, which shall be the consideration for the right to exercise said option in said original lease, at which time first party will assign to second parties, after said sum has been paid and said notice has been given as aforesaid, the said original lease.

4. If second parties do not exercise said option as outlined in the above No. 3. hereof as therein provided, then they shall surrender possession of said mining property or properties hereinbefore described and this agreement shall be at an end and of no further force and effect; and first party shall not be entitled to any payments of any nature from second parties excepting as she may receive the benefits from royalties, etc. as a one-third owner of said properties, the intentinn being that the claims be worked and all conditions of the said original lease complied with in order to keep said lease in full force and effect; provided further, that if the second parties shall not comply with the terms of said original lease, first party may at her option cancel this sublease upon three months written notice setting forth the violations thereof, and if the same are not complied with on or before the said notice expires, then this sublease shall become void and first party may enter into possession of said mining properties and second parties will surrender possession thereof.

Time is of the essence of this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written, at Seattle, Washington.

Fern L. Howard
(Fern L. Howard)
First Party.

Lawrence E. Daggett
(L.E.D.)

Howard E. Banks

Carter N. Daggett
Second Parties.

D.N.R.
RECEIVED MAY 22 1956
DATE | CODE

STATE OF WASHINGTON,)
)ss.
COUNTY OF KING.)

On this day personally appeared ~~before me~~ Fern Howard and Howard C. Banks, Carter N. Daggett, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 21st day of January, 1954.

Notary Public in and for the State of Washington, residing at Seattle.

STATE OF WASHINGTON,)
)
COUNTY OF JEFFERSON)ss.

On this day personally appeared before me Lawrence E. Daggett, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

Given under my hand and official seal this _____ day of January, 1954.

Notary Public in and for the State of Washington, residing at Port Townsend.

STATE OF WASHINGTON,)
COUNTY OF KING.)ss.
)

On this day personally appeared before me Fern Howard and Howard C. Banks, Carter N. Daggett, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 21st day of January, 1954.

Notary Public in and for the State of Washington, residing at Seattle.

STATE OF WASHINGTON,)
COUNTY OF JEFFERSON)ss.
)

On this day personally appeared before me Lawrence E. Daggett, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

Given under my hand and official seal this 27, day of January, 1954.

Notary Public in and for the State of Washington, residing at Port Townsend.

AGREEMENT AND RELEASE.

This agreement and release made and entered into this 17th day of April, 1956, betweenHoward C. Banks, first party, Carter N. Daggett and Lawrence E. Daggett, second parties, and G. R. Vance, third party, witnesseth:

Whereas, on the 21st day of January, 1954, first and second parties entered into sublease and agreement with Fern L. Howard, now Fern L. Howard Johnson in connection with Hidden Hand quartz lode mining claim; King quarts lode mining claim; the Castle Garden quartz lode mining claim; the Mountain Chief quartz lode mining claim; the Red Fox quartz lode mining claim the Deep Gulch quartz lode mining claim; and the Bull Moose quartz lode mining claim; all situate in the Zosel (unorganized) mining district, in the County of Powell, State of Montana(reference being made to said sublease and agreement which is made a part of this agreement the same as though set forth herein in full);

And, whereas, the said third party became interested in said sublease and agreement later by subsequent agreement, also referred to and made a part hereof the same as though set forth herein in full;

And, whereas, it is now desired to enter into a new agreement and to release second and third parties as hereinafter provided and provide for first party to take over said sublease and become responsible to second and third parties as hereinafter provided;

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED BETWEEN THE PARTIES HERETO IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN CONTAINED AND IN CONSIDERATION OF ONE DOLLAR PAID BY EACH OF THE PARTIES HERETO TO THE OTHER PARTY, AS FOLLOWS:

1. Second and third parties hereby assign all their right, title and interest in and to said sublease and agreement

and all the advantages in connection therewith, it being the intention of the parties that second and third parties are all withdrawing from the said sublease and agreement and the rights and privileges contained therein, and that first party shall take over the same and benefit by and be entitled to all the privileges contained in said agreement from this time forth; and second and third parties are hereby released from all connection with said sublease and agreement excepting as hereinafter set forth.

2. In consideration of the above, second parties and third party shall receive each a 10% of the net profit 10% to second parties together and 10% to third party from the said mines covered in said sublease and if the said sublease is lost or surrendered by first party, then second parties shall assume one-half of the loss, if any, from the sale of the truck, small tools and all other equipment in connection with the mines(but this does not apply to third party); otherwise first party shall assume all liability in connection with said sublease and agreement and second parties shall not be liable for any of the debts in connection therewith.

3. As to the third party, first party shall execute and deliver to third party the promissory note of first party payable to the order of third party in the sum of $250.00, payable on demand, which shall be in payment by first party to third party in full (except as to above 10% mentioned) of any and all rights in connection with said sublease and agreement, and the rights between first and third party shall thereupon be adjusted, and third party shall not be liable to first party or be obligated in connection with said sublease and agreement, and first party shall assume all liability in connection therewith.

4. First party shall have the ownership and control of the 1952 International truck, State of Washington Title No. 551601612, Motor or serial No. 171004, and second and

third parties hereby set over and assign to first party all their right, title and interest therein, said title being at present in the name of Hidden Hand Mining Co.,; and second and third parties will execute any and all necessary documents or instruments necessary in order to place the same in the ownership and control of first party, and do hereby authorize first party to control and deal exclusively with said truck as his own property.

IN WITNESS WHEREOF, the parties hereto have executed this agreement this day first above written.

Howard C. Banks
First Party.

Laurence E. Daggett
Carter N. Daggett
Second Parties.

J. K. Vance
Third Party.

STATE OF WASHINGTON,)
)ss.
COUNTY OF KING.)

On this day personally appeared beforeme Howard C. Banks, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 7th day of April, 1956.

Notary Public in and for the State of Washington, residing at Seattle.

HARTGE & CADWALLADER
ATTORNEYS AT LAW
557 CENTRAL BUILDING
SEATTLE 4

STATE OF Washington,)
COUNTY OF King) ss.

On this day personally appeared before me Carter N. Daggett, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 19 day of ~~April~~ May, 1956.

Renter Frazier
Notary Public in and for the State of Washington, residing at Seattle

STATE OF Washington)
County of Jefferson) ss.

On this day personally appeared before me Laurence E, Daggett, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 16 day of April, 1956.

Notary Public in and for the State of PORT TOWNSEND, WASH., residing at ~~PORT TOWNSEND, WASH.~~.

State of California)
County of Los Angeles) ss.

On this day personally appeared before me G. R. Vance, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 4th day of ~~April~~ May, 1956.

Louis A. Gylska
Notary Public in and for the State of ~~[illegible]~~ California residing at Los Angeles
My Commission Expires April 3, 1957 residing at 432 So. Parsons St. Burbank

The above and foregoing Agreement and Release is hereby approved and agreed to this _____ day of April, 1956.

Fern L. Howard Johnson
(Fern L. Howard Johnson)
First party in Sublease and Agreement of January 21st, 1954 (Lessor)

Docket copy

PROJECT SUMMARY REPORT

By: F. M. Murphy January 17, 1961

1. OME-6028 (Lead-Zinc)
   Contract No. 2007

   Operator - Howard C. Banks
   421 Oak Street
   Anaconda, Montana

   Operator's Property Rights -

   Lessee of the Silver King, Hidden Hand, Castle Garden, Mountain Chief, Red Fox, Deep Gulch, and Bull Moose unpatented lode claims situated in Emery Mining District, Powell County, Montana.

2. Contract dated June 23, 1959.

   Amendments -

   No. 1, November 24, 1959, allows recess period beginning November 1, 1959, and ending June 15, 1960.

   Final Reports -

   Operator's, received in Washington August 19, 1960, is considered acceptable.

   Field Officer's, received in Washington January 16, 1961.

   Work started July 15, 1959, and was completed July 25, 1960.

   Work Authorized -

   (See following pages)

2. Contract (continued)

Work Authorized -

(Fixed Unit Costs)

	Stage I Units	Stage I Cost	Stage II Units	Stage II Cost
Adit rehabilitation @ $1.60/ft.	450	$ 720.00		$
Repairs to buildings		150.00		
Drifts and crosscuts @ $29.00/ft.	200	5,800.00	200	5,800.00
Timbering @ $6.00/ft.	50	300.00	50	300.00
Long-hole drilling @ $1.25/ft.	80	100.00	80	100.00
Assaying @ $3.00/sample	30	90.00	30	90.00
Consulting Eng. @ $75.00/day	3	225.00	3	225.00
Totals		$7,385.00		$6,515.00

Grand total.....$13,900.00

Work Completed -

	Stage I Units	Stage I Cost	Stage II Units	Stage II Cost
Adit Rehabilitation	450	$ 720.00		
Repairs to buildings		150.00		
Drifts and crosscuts	200	5,800.00	70	$2,030.00
Timbering	43.6	261.60		
Long-hole drilling			24	30.00
Assaying	11	33.00		
Totals		$6,964.60		$2,060.00

Grand total.....$9,024.60

3. Audit Report of Review - August 19, 1960:

Total cost billed by Operator	$9,021.00
Acceptable cost not claimed	3.60 1/
Total acceptable cost if claimed	$9,024.60
Government Participation @ 50%	$4,512.30

1/ Under claim for timbering, .6 ft. @6.00 = $3.60 was not claimed by Operator; hence Government participation was $4,510.50.

4. Certification - None

The Acting Field Officer, Region I, and the Division of Minerals recommend that the project should not be certified since the exploration work was not successful in discovering lead-zinc ore.

5. Excerpts from final reports -

Rocks in the district are andesite and basalt flows of Late Cretaceous age. Two sets of fissure veins, the Hidden Hand and Deep Gulch, occur in the project area. The project work was confined to exploring the Deep Gulch vein. Prior to the contract, the vein had been explored by a bulldozer cut along the vein, by a 50-foot shaft, and by 350 feet of drift from a 100-foot adit. A small tonnage of ore was shipped as a result of this work.

Under the OME contract the 350-foot drift was extended an additional 270 feet. Throughout the OME portion of the drift the vein is as persistent as it was in the first 350 feet and the occurrence of lead-zinc sulphides follows the same pattern of small irregular-spaced pods and disseminations of galena and sphalerite. Throughout the entire length of the drift only three samples indicated possible ore-grade material. The vein ranges from a foot to several feet in width, but the mineralized portions are generally 1 to 2 feet wide.

6. Comments by Division of Minerals -

The work under the contract was performed excellently. The vein always showed enough mineralization to seem promising; however, at no point was it of sufficient grade or width to constitute a commercially exploitable ore body.

F M Murphy

F. M. Murphy

FMMurphy/gla
1-17-61
cc to: Docket (original)
Director's Reading File
Mr. Murphy
Chron

MME Form 17
Mar. 59

OFFICE OF MINERALS EXPLORATION

WORK COMPLETED ANALYSIS

___ Certified No After final audit or review report is received, prepare in duplicate. File original in official docket. Send copy to Code 210.

Operator: Howard C. Banks

Actual Cost: X

State: Montana, Powell County

Agreed Unit Cost:

Final Report of Audit:

Commodity: Lead-Zinc

Docket No.: OME-6028

Final Report of Review: Aug. 19, 1960

Contract No.: 14-23-090-2007

Type of Work (Use these categories only)	Authorized by Contract and Amendments		Completed and Paid for		Net cost after sale of Gov't. Property
	Units	Cost 1/	Units	Cost 1/	
Drifting & Crosscutting	400	12200	270	8092	8091.60
Raising					
Shafts					
Winzes					
Drilling (Specify) Long-hole percussion	160	200	24	30	30.00
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation		720		720	720.00
New Building, Improvements, etc.		150		150.	150.00
Other (Specify) Consulting		450			
Other (Specify) Assaying		180		33	33.00
Totals		$13,900		$9,025	2/ 9024.60

1/ Round off to dollars.
2/ Net cost total must agree with final report of audit or review.

Prepared by J. M. Murphy Date 1/17/61

52616

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
January 13, 1960

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 16 1961

DATE	INITIALS	CODE
1-16	gad	VVO
		~~130~~
1/16	[illegible]	800
"	Murphy	500

Air Mail

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Mine
Powell County, Montana
Contract 2007

Enclosed are three copies of an OME Final Report on the referenced project.

As the project work was not successful in discovering lead-zinc ore, it is therefore recommended that no certification be made. Further exploration with Government funds is not recommended at this time.

D. R. MacLaren

Enclosures
cc: USGS(SRO)
MacLaren
Director
Econ. Geol.
B&FM

1 cy to ea. RHMote, USBM, and Harold Kirkemo, USGS, on 1/16/61.
See OME Review Committee Agenda No. 59.

HBerry

FINAL FIELD REPORT

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 16 1961

DATE	INITIALS	CODE

UNITED STATES

DEPARTMENT OF THE INTERIOR

OFFICE OF MINERALS EXPLORATION

REGION I

Contract No. 2007

by

D. R. MacLaren
Geologist
U. S. Geological Survey

EDWARD C. BANKS, An Individual
421 Oak Street
Anaconda, Montana

Docket No.:	OME-6028
Commodity:	Lead-Zinc
Contract date:	June 23, 1959
Termination date:	July 25, 1960

HIDDEN HAND MINE
Zosell (Emery) Mining District
Powell County, Montana

Spokane, Washington

January 1961

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Summary of Factual Data	7

ILLUSTRATIONS

Plate 1. Geologic map (July 1960) of the Deep Creek workings	In pocket
2. Claim map (Sept. 1958)	In pocket

FINAL REPORT

HOWARD C. BANKS, An Individual
Hidden Hand Mine
Zosell (Emery) Mining District
Powell County, Montana

Contract No. 2007

* * * *

INTRODUCTION

This report describes an exploration project for lead-zinc ore at the Hidden Hand mine in Powell County, Montana. The project was conducted jointly by the Office of Minerals Exploration and Howard C. Banks, an individual.

Summary

The purpose of the project, which was set up in two stages, was to search for lead-zinc ore bodies by extending a 400-foot drift on the Deep Gulch vein 400 feet easterly toward the Hidden Hand vein (pl. 1). Preliminary work involved rehabilitation of the existing adit and repairing buildings.

Work started July 15, 1959, and was terminated July 25, 1960, when the Operator completed 75 feet of drifting under Stage II. Contract work completed included repair of buildings, adit rehabilitation, drifting and crosscutting, timbering, and long hole drilling. The total acceptable cost of the project was $9,024.60. However, 0.6 foot of timbering at $6.00 per foot was not claimed by the Operator and therefore the total reimbursable cost was $9,021.00, of which the Government's share was $4,510.50.

The mineralized structure in the drift ranged from 1 to 10 feet wide. It was not of ore grade, but occasional short streaks of pyrite and galena with some sphalerite, and a few assays, were just good enough to encourage a little more work. However, when

the Operator had completed 200 feet of drifting under Stage I and 70 feet under Stage II without encountering any significant or sustained improvement in the vein, he was advised that no further work would be authorized.

Recommendations

The project was not successful in discovering lead-zinc ore, and it is therefore recommended that no certification be made. Further exploration at this time with Government funds is not recommended.

PROPERTY

The property included in this project consists of seven unpatented quartz lode claims located in the SW¼ and NW¼ sec. 2 and the SE¼ sec. 3, T. 7 N., R. 8 W. M.P.M., Powell County, Montana, as follows:

Claim	Book	Page
Hidden Hand	2	247
Mountain Chief	2	249
Castle Garden	2	268
Deep Gulch	4	494
Silver King	4	496
Bull Moose	4	498
Red Fox	6	304

The claims are 9½ miles by road east of Deer Lodge, Montana. They are easily accessible by passenger car except after snow or heavy rain. From Deer Lodge turn east at the northernmost traffic light on U. S. Highway 105, proceed for 0.8 mile to the end of the street and then turn left. Follow the road for 4.3 miles to junction, then turn right on the road marked Sugar Loaf Mountain-Emery Mines. Continue 3.1 miles (0.3 mile past sign "Entering Deer Lodge National Forest"), then follow left fork for 1.3 miles to a log cabin. The workings are 0.2 mile northwest on the Deep Gulch claim.

The most extensive work on the claims has been on the Hidden Hand claim where numerous inclined adits and shallow shafts have been driven on a flat-dipping gold-bearing vein. One long crosscut adit to this vein was started near the east end of the Deep Gulch claim. Most of these workings are presently inaccessible. Prior to the OME contract the Deep Gulch vein had been explored by a shaft 50 to 55 feet deep and by an adit comprising about 100 feet of crosscut to the vein and 400 feet of drift on the vein.

GEOLOGY

The geology of the Zosell (Emery) Mining District and of the Hidden Hand mine has been described by J. T. Pardee and F. C. Schrader (1933) in "Metalliferous deposits of the greater Helena mining region, Montana," U. S. Geological Survey Bulletin 842, p. 270-283; by Forbes Robertson (1953) in "Geology and mineral deposits of the Zosell (Emery) mining district, Powell County, Montana," Montana Bureau of Mines and Geology Memoir 34; and by William C. Prinz (1958) in an application examination report, Docket No. DMEA-5030, and a supplemental report, Docket No. OME-6028 (1959).

Rocks in the district are andesite and basalt flows of Late Cretaceous age which have been intruded by the Boulder batholith about 10 miles to the east and by the Warm Springs batholith about 4 miles to the south. The flow rocks are greenish grey and are commonly either amygdaloidal or porphyritic with phenocrysts of plagioclase or pyropene. Near the veins the flows are bleached to a light grey color and contain some pyrite.

There are two sets of fissure veins on the Hidden Hand group. One set is represented by the Hidden Hand vein which is a quartz-filled breccia zone that stretches north to northwest and dips 10°-30° easterly. The other set is represented by the Deep Gulch vein which strikes east-west and dips about 80° N. (pl. 2). The veins contain pyrite, galena, sphalerite, and other less abundant sulfide minerals in a quartz-carbonate gangue.

The Deep Gulch vein, which was the vein explored under the contract, consists of altered wall rock, limonitic box work, and quartz which contain some pyrite, arsenopyrite, chalcopyrite and finely disseminated galena. The vein ranges in width from about 1 foot to as much as 10 feet and may be traced on the surface for more than 500 feet by open cuts and gossan on the dumps of several shallow caved test pits.

Prior to the OME contract the Deep Gulch vein had been partially explored by a bulldozer cut along the vein, by a 50- to 55-foot deep shaft, and by about 350 feet of drift from a 100-foot adit

crosscut. Also, according to the Operator the long crosscut to the Hidden Hand vein (pl. 2) was on the Deep Gulch vein for about 300 feet, but as this crosscut caved some years ago and has not been reopened, this could not be checked.

Several minor structures are exposed in the north wall of the bulldozer cut just west of the old shaft (pl. 1). The most prominent are two nearly vertical limonite-rich gouge zones striking northwesterly from the Deep Gulch vein. The wall rock between these two zones is broken and stained with limonite. A short distance easterly, a quartz vein up to a foot thick containing disseminated fine-grained galena strikes northeasterly from the main vein. The assay of a grab sample from this vein was 0.60 ounce gold and 2.75 ounces silver per ton, and 0.5 percent lead.

In the 350-foot drift the vein consists of bleached or kaolinized, white to grey, sheared basalt with stringers of quartz, pods of galena and sphalerite, and some disseminated galena, sphalerite, and pyrite. The vein ranges in width from a foot to several feet, but the mineralized portions are generally 1 to 2 feet wide. Toward the east end, near where the OME drifting started, the vein becomes somewhat stronger and wider.

At about 35 feet, and again at about 150 feet from the start of the OME drift the vein is offset 4 to 6 feet to the north by cross shears. At about 215 feet the vein is offset to the south, probably by following cross shearing rather than by faulting.

Throughout the OME portion of the drift the vein is as persistent as it was in the first 350 feet and the occurrence of lead-zinc sulfides follows the same pattern, small irregularly spaced pods and disseminations of galena and sphalerite. Throughout the entire length of the drift only three samples are of possible ore grade, 510-B, GMC-6, and 115-C; the first two were taken at the same location (pl. 1).

THE PROJECT

The Hidden Hand vein has produced $45,000.00 worth of gold, silver, and lead ore between 1887, the year of its discovery, and 1926; and $72,000.00 worth of ore, primarily gold, between 1937 and 1950. In 1957, 28.2215 SDT of ore averaging 0.072 ounce gold and 9.79 ounces silver per ton, and 9.8 percent lead were shipped from the surface cut and shallow shaft on the Deep Gulch vein. This shipment after deductions for haulage, treatment, and royalty netted the shipper $333.74 or $11.73 per ton. From a drift that had been driven on the Deep Gulch vein 10 samples assayed for silver and lead and 8 of them for zinc indicated an average grade of 3.24 ounces silver per ton, 4.42 percent lead, and 4.29 percent zinc

over an average width of 1.7 feet. Although these average values, both surface and underground, indicated only marginal to submarginal grade, they appeared to be increasing slightly toward the east, and therefore it was believed that the vein warranted further exploration.

A program on a unit cost basis was set up in two stages: Stage I provided for 450 feet of tunnel rehabilitation, repair of living quarters and compressor house, 200 feet of drifting and/or crosscutting, up to 50 feet of timbering, up to 80 feet of long-hole drilling, assaying up to 30 samples for lead, zinc, and silver, and up to 3 days' services of a consulting engineer-geologist. Stage II, which was dependent upon the results of Stage I, provided for 200 feet of drifting and/or crosscutting, up to 50 feet of timbering, up to 80 feet of long-hole drilling, assaying up to 30 samples for lead, zinc, and silver, and up to 3 days' services of a consulting engineer-geologist. The estimated total cost of Stage I was $7,385.00; of Stage II, $6,515.00; and of the project $13,900.00, of which the Government's share was 50 percent or $6,950.00.

Contract work commenced early in July 1959 with rehabilitation work in the existing adit. Drifting commenced July 16 and proceeded without any unusual difficulty until October 19 when the 200 feet authorized by Stage I was completed. The Operator reported that the drift was just entering a "new kind of ore" and requested authorization to start Stage II. As it was impossible to send an examiner to the property at that time and in order not to lose the benefit of the short time remaining before the start of winter snows, authorization was given to continue the drift for 50 feet under Stage II. Fourteen feet was completed before bad weather closed the operation for the winter during the week of October 28, 1959.

Amendment No. 1 to the contract authorized a recess from November 1, 1959, to June 15, 1960, extended the completion date to January 23, 1961, and extended the royalty period to June 23, 1970.

Work was resumed May 16, 1960, and on June 20 Mr. Banks reported by telephone that about 40 of the 50 feet of the drifting authorized under Stage II had been completed and that he had cut a footwall vein containing up to 8 inches of ore-grade lead-zinc sulfides. On the basis of the Operator's past rate of advance, it was estimated that before an inspection could be made he would advance the drift another 20 to 30 feet. Authorization was therefore given to drift an additional 20 feet under Stage II.

The final inspection, made on July 25, 1960, disclosed that the footwall ore streak died out within about 20 feet, following the pattern of small irregularly spaced lenses, pods, and streaks of ore-grade material. Two long holes had been drilled, one 14 feet deep into the footwall, the other 10 feet deep into the hanging wall, but did not encounter any significant mineralization. Although another streak of ore-grade material was showing in the drift face (pl. 1), it was concluded that further work would not be more successful than that already completed and the Operator was advised that no further work would be authorized.

Summary of Factual Data

Item	Units authorized	Units completed	Unit cost	Total cost
Stage I				
Adit rehabilitation	450 ft	450 ft	$1.60/ft	$ 720.00
Repairs to building	Job	Job	$150.00	150.00
Drift and/or crosscut	200 ft	200 ft	$29.00/ft	5,800.00
Timbering	50 ft	43.6 ft	$6.00/ft	261.60
Long hole drilling	80 ft	0	$1.25/ft	
Consulting Engineer or Geologist	3 days	0	$75.00/day	
Assaying	30 samples	11	$3.00 ea	33.00
Stage I - Total				$6,964.60
Stage II				
Drift and/or crosscut	200 ft	70 ft	$29.00/ft	$2,030.00
Timbering	50 ft	0	$ 6.00/ft	
Long hole drilling	80 ft	24	$ 1.25/ft	30.00
Consulting Engineer or Geologist	3 days	0	$75.00/day	
Assaying	30 samples	0	$ 3.00 ea	
Stage II - Total				$2,060.00

Stage I	$6,964.60
Stage II	2,060.00
Total cost of project	$9,024.60
Less 0.6 ft timbering at $6/ft not claimed by Oper.	3.60
	$9,021.00

Total amount of contract	$13,900.00
Government participation at 50 percent	6,950.00
Total amount expended	$9,021.00
Government participation	4,510.50
Total amount unexpended	$4,879.00
Government's share unexpended	2,439.50

Enclosures
Distribution:
OME(3)
USGS(SRO)
Docket
MacLaren

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/10/61	Murphy	500
	[illegible]	500
1/10	Talbitz	800
1/10	[illegible]	130
"	Johnson	110
1-10	gad	220
		500

JAN 1 0 1961

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Mine
Powell County, Montana
Contract 2007

Will you kindly advise the approximate date we may expect to receive your final report on the subject project. If the report cannot be mailed within a week, please advise us whether or not you will recommend certification.

s/ George C. Seirridge

(HB)

FMMurphy/gla
1-10-61
cc to: Director's Reading File
Review Committee
Docket
Chron

43683

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 6 1960

DATE		
9-6	gad	VVO
9/6	[illegible]	800
9/6	Murphy	500

So. 157 Howard Street
Spokane 4, Washington
August 31, 1960

MEMORANDUM

TO : Chief, Fiscal Section, Secretary's Office

FROM : Acting Field Officer, OME, Region I

SUBJECT: Report of Review
Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract 14-23-090-2007

Enclosed is the original of a Report of Review in lieu of a Final Audit on the subject contract.

The original and two copies of the Operator's final MME Form 60 and Form 61 were forwarded to you July 14, 1960.

Please release for payment the $100.00 balance due the operator and distribute the copies of the MME Forms in accordance with OME Circular 1.

D. R. MacLaren
Acting Field Officer, OME
Region I

Enclosure

Copies to:
OME (2)
CA&A Div., OME
File
Chrono
Dir's Reading

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 6 1960

DATE		
9-6	gad	VVO
9/6	Mco	800
9/6	Murphy	500

So. 157 Howard Street
Spokane 4, Washington
August 31, 1960

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-6028 (~~Lead-Zinc~~)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Dear Mr. Banks:

Enclosed for your information is a copy of a Report of Review in lieu of a Final Audit.

You should receive the $100.00 shown as "Balance due the Operator" which will be released automatically, but you must claim the $1.80 shown as "Additional payable, if claimed."

Sincerely,

D. R. MacLaren
Acting Field Officer, OME
Region I

Enclosure

Copies to:
OME (2)
CA&A Div., OME
File
Chrono
Dir's Reading

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/19	gad	220
	[illegible]	[illegible]

AUG 19, 1960

Memorandum

To: Acting Field Officer, Region I

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

Subject: OME-6023 (Lead-zinc)
Howard C. Banks
Hidden Hand Mine
Powell County, Montana
Contract 14-23-090-2007

Attached are the original and two copies of a Report of Review, in lieu of a final audit of the subject contract, as requested by your August 15 memorandum.

If you concur in the facts as stated in this Report of Review, please make the distribution authorized by section 4 of OME Circular 2. If for any reason you do not concur, please return the original and both copies to this Division with your comments.

Attachments

EDTalbert/ama
August 19, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Rothrock

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

So. 157 Howard Street
Spokane 4, Washington
August 16, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 19 1960

DATE	INITIALS	
8-19	gad	VVO
8/19		800
8/23		500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Enclosed are two copies of a final report prepared by the subject operator. Mr. Banks has given a brief account of the work performed and has summarized the units completed on MME Forms 60 and 61. These forms are not intended to be vouchers for payment, but are submitted as part of his final report.

No maps accompany the report, but we have the workings mapped up-to-date and it will not add to our data to request maps from the operator.

Also enclosed are two copies of our memorandum of this date to the Contract Administration and Audit Division stating that a Report of Review in liew of a final on-site audit is in order and requested.

D. R. MacLaren

D. R. MacLaren

Enclosures

OPERATOR'S FINAL REPORT

So. 157 Howard Street
Spokane 4, Washington
August 16, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 19 1960

DATE	INITIALS	
8-19	gad	VVO
8/19	[illegible]	800
8/22	[illegible]	500

Memorandum

To: Chief, Contract Administration & Audit Division

From: Acting Field Officer, Region I

Subject: OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Work under the subject contract was terminated about the end of June when the operator completed 75 feet of drifting under Stage II.

The number of units of work completed by the operator and accepted as conforming to contract specifications were:

Stage I -	Adit rehabilitation	450 feet
	Repairs to buildings	1 job
	Drift and/or crosscut	200 feet
	Timbering	43.6 "
	Assaying	11 samples
Stage II -	Drift and/or crosscut	70 feet
	Long hole drilling	24 "

An acceptable final engineering and geological report was received from the operator on August 16, 1960.

A Report of Review, in lieu of a final audit, is in order and requested. The original and two copies of the final (June 1960) MME-60 and MME-61 were forwarded to the Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary, July 14, 1960, with a recommendation that $100.00 be withheld pending field examination and possible termination of the contract.

D. R. MacLaren

cc: OME(2)
MacLaren
DRF

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 19 1960

DATE	INIT.	
8-19	gad	V+V O
8/19	[illegible]	800
8/22	[illegible]	500

So. 157 Howard Street
Spokane 4, Washington
August 16, 1960

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: OME-6028 (Lead-Zinc)
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Dear Mr. Banks:

We have received your final account and report on your OME project and find it acceptable.

We will request a final audit after which any funds now being withheld and found due will be sent to you.

Thank you for your interest in the program and your cooperation with our field men.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: OME(2) w/2 cys incoming
MacLaren w/cy incoming
DRF

Mr. MacLaren, I am not sure what is required in a final report, but hope that this is adequate. If it is not, please let me know what else is necessary as soon as possible. I have discontinued work for the time being.

Howard C. Banks

RECEIVED
AUG 16 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 19 1960

DATE	INITIALS	CODE

FINAL REPORT:

Under my OME contract, dated June 23, 1959, I started work early in July, 1959, and continued until the end of October, when bad weather made working no longer feasible, and I closed down for the winter. During that time, I completed the initial rehabilitation of 450 feet of adit, necessary repairs on buildings, and 214 feet of drifting. Of the latter, 43 feet required timbering through a fracture zone. The general direction of the drift was toward the east, smoetimes swinging a little northward to follow the apparent direction of the lead, or to pick up the lead again after cutting through a faulted area. The required 5' x 7' dimension of the drift was maintained, with adequate drainage, and track laid the length of the drift.

The same type of work was resumed the middle of May, 1960, since 50 feet beyond the first half of the contract had been authorized by the Spokane office. On June 8, 1960, the drift was measured as 229.5 feet, and shortly after that an additional 20 feet was authorized. Besides drifting, I drilled two long holes to determine the width of the mineralized zone. On July 25, 1960, the final measurement of 293.5 feet was made, and I was told that the second half of the contract would not be further approved. Since only 270 feet of the total had been authorized, that is the figure mentioned in my voucher and progress report.

Except through repeated small faults, the lead has always shown enough mineralization to seem promising, but repeated assays have not shown sufficient values to warrant either milling or shipping the ore for smelting. The nature of the mineralization changed constantly, almost from round to round, with varying amounts of lead, zinc, silver, and gold, and sometimes definite amounts of copper. At the beginning of the drift, the mineralization lay in altered basalt, but toward the end it appeared to be more in quartz. It occurred in narrow, parallel streaks, which sometimes widened out along the footwall. No large bodies of ore have been encountered.

Howard C. Banks

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 19 1960

DATE	INITIALS	CC

RECEIVED
AUG 16 1960
U. S. G. S.
SPOKANE, WASH

RM 60
1959

RECEIVED
AUG 16 1960
U. S. G. S.
SPOKANE, WASH

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME-6028
Contract No.
14-23-090-2007
Contract Amount $ 13,900.00
Gov't. Participation % 50 $ 6,950.00
Mineral(s) Lead-zinc

OPERATOR'S MONTHLY VOUCHER

For Month of Final Summary

Operator's Name Howard C. Banks
Address 421 Oak, Anaconda, Montana

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and (1) ~~Independent Contracts:~~						
Bulldozing						
Drifting Stage I & II			$7,880.00			
Crosscutting						
Drilling						
Timbering			258.00			
Long Holes			30.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.			150.00			
~~Operating Equipment~~ Adit			720.00			
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work Assays			33.00			
Payroll Taxes						
Employee's Liability Ins.						
TOTALS			$9,021.00			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8-13-60 *Payee Howard C. Banks

Per _____ Title _____

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ _____

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. _____

Signature _____ Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature _____ Title _____ Date _____

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

INT.DUP.,D.C.59- 61579

FORM 61
1959

RECEIVED
AUG 16 1960
U. S. G. S.
WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of Final Summary Docket No. OME 6028

Operator's Name Howard C. Banks Contract No. 14-23-090-2007

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting Stage I & II	ft.		270	$7,830.00			
Crosscutting							
Raising Timbering	ft.		43	258.00			
Shafts							
Winzes Long Holes	ft.		24	30.00			
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Adit rehabilitation	ft.		450	720.00			
Roads and Trails							
Stripping Assays			11	33.00			
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs				150.00			
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				$9,021.00			
TOTAL TO DATE *(per MME Form 60)*							

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date 8-13-60 Operator Howard C. Banks

Per _____ Title _____

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature _____

Title _____
Government Representative

Date _____

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

So. 157 Howard Street
Spokane 4, Washington
June 20, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 23 1960

DATE	INITIALS	CODE
6-23	Cee	210
4	Murphy	500

Memorandum

To: Chief, Division of Field Operations, OME

From: Acting Field Officer, Region I

Subject: OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Howard C. Banks telephoned this morning to advise that he had advanced the easterly drift for about 12 feet along the southeasterly course he was following when I made my last inspection. He says he has cut a footwall vein containing up to 8 inches of ore. The distance between the hanging wall and footwall is about 13½ feet. He plans to turn the drift and follow the footwall vein taking about 3 days to drill, blast, and muck out a 6-foot round.

The time required to lay track, pipe, etc., will probably decrease the average advance to about 1.5 feet per day. It will take about 6 days to use up the remaining footage authorized, and by the time I can return to the property next month, he will have advanced approximately 18 feet farther.

Although I would prefer to see the footwall vein before authorizing additional advance, Exhibit A of the contract states that the extent of the work must have prior Government approval. Therefore, I will authorize the drift an additional 20 feet. As the footwall vein is something new, I will also authorize him to drill a long hole 15-20 feet into the south wall of the drift about 85 feet from the starting point.

Enclosures(3 cys Work Authorization) D R MacLaren
D. R. MacLaren

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 23 1960

DATE	INITIALS	CODE

So. 157 Howard Street
Spokane 4, Washington
June 20, 1960

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Work Authorization
Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks, individual
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Dear Mr. Banks:

In view of your encouraging report of a strongly mineralized footwall vein, you are authorized to continue the drift an additional 20 feet, by which time I should be able to revisit your property.

As the existence of a footwall vein is a hitherto unknown structure, you are also authorized and urged to drill a long hole about 15-20 feet deep into the south wall of the drift about 85 feet east of the starting point (90 feet east of bronze tag USBM 903) to see if the footwall vein exists west of the fault.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: OME(3)
MacLaren
DRF

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 28 1960

DATE	INITIALS	CODE

OFFICIAL FILE COPY O. M. E. RECEIVED JUN 17 1960		
DATE	INITIALS	CODE
6/17	gad	VVO
6/17	[illegible]	800
[illegible]	[illegible]	500

So. 157 Howard Street
Spokane 4, Washington
June 14, 1960

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-6028 (Lead-Zinc)
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Dear Mr. Banks:

When I returned to the office, I checked the location of the point from which contract drifting started and found it is 5.5 feet east of USBM Tag 903. Therefore, since we measured from the tag, the total advance completed to June 8, 1960, is 229.5 feet, not 255 feet as we measured. Instead of only 15 feet of the 50 feet authorized under Stage II there remain 20.5 feet of authorized drifting.

Accordingly, only 15.5 feet of advance will be approved for payment instead of the 21 feet which you claimed in your May 1960 voucher, on the basis of my measurement.

We are requesting that the $100.00 withheld from your last voucher be released for payment in addition to the amount claimed in your May voucher, less the 5.5 feet overclaimed.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: OME(3)
MacLaren
DRP

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 17 1960

DATE	INITIALS	CODE

Mae/25

OFFICIAL FILE COPY O. M. E. RECEIVED MAY 16 1960		
DATE	INITIALS	CODE
5-16	gad	VVO
5/16	[illegible]	800
~~5-17~~	~~Murphy~~	~~500~~

So. 157 Howard Street
Spokane 4, Washington
May 13, 1960

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-6028 (Lead-Zinc)
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Dear Mr. Banks:

Thank you for your letter of May 13 advising that the mine is now accessible and that you plan to resume operations the week of May 16.

Unfortunately, I was in Montana the week of May 2 and do not expect to be able to get over that way again this month. As you know, you have been authorized to drift on the vein for 200 feet under Stage I and 50 feet under Stage II. The OME drifting started at 5½ feet beyond a brass tag marked USBM 903. According to your last progress report for work done in October 1959, you have completed 214 feet of drifting, leaving a balance of 36 feet authorized. You mentioned in the same progress report that you were going to put in a larger compressor. Also some time will undoubtedly be required to clean up after the winter's shut down. Therefore, I imagine you will not use up the remaining footage before I can visit you. Any drifting beyond 250 feet before we examine the work will be at your own risk and, if additional drifting cannot be approved, at your sole expense.

I will try to make the trip the first week in June but will either write or phone before I come over.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: OME(2) w/cys incoming
USBM w/cy incoming
MacLaren w/cy incoming
DRF

May [illegible]

Mr. A. E. Weissenborn
Executive Officer, OSE
No. 197 Howard Street
Spokane 4, Washington

Re: Docket No. OSE-6[illegible]
Contract No. 2007
Hidden Hand Group
Powell Co., Montana

Dear Sir:

When we were in the office in January, Mr. MacLaren said that we should let you know as soon as it was possible for someone to get up to the mine, to inspect my project for approval for the second half of the contract. We have had unusually bad weather this spring, so that the snow has just now gone. However, beginning the first of next week, I expect to be up at the mine, so that it would be possible for someone to come now.

If possible, we would appreciate it if we could know a day or so ahead of time when he will be there, so that there would be no possibility of my being elsewhere and missing him. Mail reaches me more surely through our Anaconda residence address than through the Deer Lodge address.

Yours truly,

/S/ Howard A. Da[illegible]

RECEI[illegible]
MAY [illegible]

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 4 1959

DATE	INITIALS	CODE
12-4	gad	VVO
12/4	[illegible]	$00
	Murphy	500

No. 197 Second Street
Spokane 4, Washington
December 4, 1959

Mr. Ronald G. Burke
421 Oak Street
Anaconda, Montana

Re: Project No. [illegible] (Lead-Zinc)
Ronald G. Burke
Middle Rock Group
Powell County, Montana
Contract No. [illegible]

Dear Mr. Burke:

Enclosed are the original and four copies of a proposed Amendment No. 1 to the cited contract, signed by the Acting Director for the Government. This amendment has been prepared in accordance with your request for a period of vacant due to bad weather and impending heavy snowfall.

If the terms and conditions of this proposed amendment are satisfactory to you, please sign all copies, retain the copy marked for the Operator, and return the rest to this office. If it does not meet with your approval, please return it immediately, unsigned, with your comments.

Sincerely yours,

A. E. Weissenborn
Executive Officer, OME
Field Team Region I

Enclosure

cc: OME(2)
UMRM(2)
UMRM(A3)
Sample
Director's Reading File

Form 7
(0-58)

OFFICIAL FILE COPY

Date	Surname	Code
	Francis	500
11/24	Jackett	800
11/24	GCS	130
11/24	Johnson	110
11-24	gad	220
		500

NOV 24 1959

Memorandum

To: Executive Officer, OME Field Team, Region I

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007

With reference to your recommendation of October 30, we are enclosing the original and four copies (two pages each) of a proposed Amendment No. 1 to the cited contract; all copies have been signed by the Acting Director for the Government.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute all the copies in the usual manner. Otherwise, if any proposed changes should lie beyond your delegated authority, all copies should be returned to us with your recommendations.

Also enclosed are two extra copies of the amendment for the use of the Field Team.

/s/ George C. Selfridge

(JB)

Enclosures

P. F. Yopes (JB)
Member, Bureau of Mines

Harold Kirkemo (JB)
Member, Geological Survey

WRGriswold:kb - November 23, 1959
cc to: Director's reading file
Operating Committee
Mr. Bishop, USBM
Mr. Kirkemo, USGS
Chron.
✓Docket

43683

Mel(2)

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 23 1959

DATE	INITIALS	CODE
11-23	gad	220
11/23	MW	800
11/24	Murphy	800

1201 N. Division St.
Spokane 2, Washington

November 16, 1959

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-6028 (lead-zinc)
Howard C. Banks
Hidden Hand Group
Contract No. 14-23-090-2007
Monthly operating report for
for October 1959

Dear Sir:

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

We are withholding an amount of $100.00 pending resumption of work in the spring and upon receipt of your next voucher. This is the customary procedure and is applicable to all contracts.

By Field Team, Region I

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: OME (2)
USGS (2)
Contract Admin. (2)
USBM (AD)

Form 7
(10-58)

RECEIVED
NOV 13 1959
ASSOC. SOLICITOR
MINERAL RESOURCES

OFFICIAL FILE COPY

Date	Surname	Code
11/12		500
11/13	J. Lynch	140

SOLICITOR
NOV 12 1959
INTERIOR DEPT.

November 12, 1959

Memorandum

To: Associate Solicitor
Division of Mineral Resources

From: W. R. Griswold, Chief
Office of Minerals Exploration

Subject: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007

FROM SOLICITOR
NOV 20 1959
FOR SIGNATURE

Will you kindly prepare an Amendment No. 1 to the cited contract along the following lines:

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Howard C. Banks, an individual, hereinafter called the "Operator," that Exploration Contract No. 2007 (Docket No. OME-6028), dated June 23, 1959, is amended, effective November 1, 1959, as follows:

1. The date fixed in Article 1 for completion of the work is extended from 12 months to 17 months from the date of the contract.

2. The maximum period for royalty payments and the liens to secure the payments thereof, as specified in Article 6, is extended from ten to eleven years from the date of the contract.

3. (a) Work under the contract shall be suspended during the period beginning November 1, 1959, and ending not later than June 15, 1960.

43683

(b) The Government will not contribute to any costs incurred during the period of suspension or to any costs of rehabilitation or repair which in the Government's opinion would not have occurred had there been no suspension of work.

(c) The Operator, at his own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

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, the fixed unit cost of any item of work, or any item of allowable cost which is expressly designated "maximum."

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Acting Director, Office of
Minerals Exploration

HOWARD C. BANKS

_____

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
October 30, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 5 1959

DATE	INITIALS	CODE
11-5	gad	VVO
11/6	Discussed	130
	✓	500

Memorandum

To: Chairman, Operating Committee, OME

From: Acting Executive Officer, OME Field Team, Region I

Subject: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 14-23-090-2007

Enclosed are two copies of a request from the referenced Operator for a period of recess due to bad weather and impending heavy snowfall.

We recommend that an amendment be prepared authorizing a recess to start November 1, 1959, and ending on or before June 15, 1960, and extending the date for completion from June 23, 1960, to November 1, 1960.

for Stephen W. Zolotok
Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

D.R. MacLaren
D. R. MacLaren, Acting Member
U. S. Geological Survey

Enclosures
cc: USBM(2)
USBM(AD)
Sample

Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks, Individual
Hidden Hand Group
Powell County, Montana
Contract No. 14-23-090-2007

The following was written by Mr. Banks on the bottom of the letter of October 21, 1959, which we sent to Mr. Banks as a Work Authorization:

10/28/59

Because of bad weather, we are having to pull out this week to recess for the winter. Be sure to let me know when the field man is coming, so that I can plan to be there at the mine. My home phone number is LO-3-6747 in Anaconda. Or please phone Mrs. Banks during business hours at the laboratory of St. Ann's Hospital in Anaconda - LO-3-5262.

We should be mining again by June 15, 1960.

Signed: HOWARD C. BANKS

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 5 1959

DATE	INITIALS	CODE
11-5	gad	220
		130
		500

REPORT ON EXPLORATION ASSISTANCE PROGRAM.

Applicant:	Howard C. Banks Deer Lodge Powell County Montana	Docket No. OME-6028 Powell County, Montana Date of Application: March 21, 1959. Date Application received: March 31, 1959. Name of Property: Hidden Hand Group.

The proposed exploration would consist of the following:

(1) Reconditioning of approximately one mile of access road.
(2) Reconditioning the old drift: 40 feet of timbering, probably eight sets to hold the open cut up to the present rock portal. Cleaning out of the existing drift (450 feet) and widening it in places
(c) to a uniform f feet by 7 feet.
(3) Drift and/or crosscut 400 feet (5' x 7') to explore the vein, past its possible intersections with other veins, and also to explore along any intersecting veins of promise which may be encountered.

Applicant's Estimated Costs for the Proposed Work.

Road Building	$ 1,000.00
Timbering 40 feet @ $10.00 per foot	400.00
Reconditioning of present drift	2,100.00
Initial Rehabilitation - Surface	650.00
Drifting and/or crosscutting @ $38.91 per foot for 400 feet	15,562.00
Total Estimated Cost of the Work	$ 19,712.80

The road-building would be essential for the ore production but probably would not be necessary for the work of exploration.

The costs for drifting and crosscutting anf timbering would appear to be somewhat excessive.

Analysis and Evaluation of the Proposal.

1. Financial Eligibility:

Mr. Banks requested a loan of $11,000.00 from two banks.

The reply received from the Deer Lodge Bank and Trust
(g) Company of Deer Lodge, Montana, stated that a loan on an exploratory project such as this one was not adapted to the bank's loaning policy.

The reply of the Daly Bank & Trust Company of Anaconda, Montana, stated that due to its speculative nature, a loan of this sort could not be approved.

Mr. Banks was asked by letter if he had offered any collateral to the banks when he had requested the loans. He was also requested to give a statement of his assets and liabilities.

The reply was as follows:

Liabilities - none.

Assets -- Bank accounts of about $ 1,500.00 and an income of $500.00 per month. In addition his wife is willing to aid him financially although she has no legal interest in the property or the project. Mr. Banks owns no real estate except the lease and option on the mine. Some small amount of equipment is owned by Mr. Banks and the remained would have to be rented. Mr. Banks expects to work on the project himself.

No collateral was offered to the banks for the loan as there was not sufficient collateral to offer.

Comments.

Loans from commercial sources are not available on reasonable terms. The Applicant does not have sufficient means to carry on this project without outside help such as the Government could give.

A previous application, DMEA-5030, was referred to the Field Team and the property was examined and at that time there was not sufficient evidence of mineralization to warrant a contract, but before the DMEA expired, the Applicant had cleaned out an old adit which had been inaccessible through caving, which he alleged showed considerable values in lead. As DMEA was terminated about this time, the property was not revisited and the application was denied "without prejudice" as recommended by the Field Team and the examining engineer. The commodity members of the Geological Survey, the Bureau of Mines, and the DMEA engineer assigned to this project all concurred in this opinion.

The OME application was made on the strength of the fact that the newly-opened tunnel gave further information which the Applicant considered to be favorable.

There are two known veins on this property, the Hidden Hand vein, which is a flat-dipping gold-bearing vein which has yielded over $100,000 worth of ore, and the Deep Gulch vein, which is relatively little explored and which carries base metals.

From surface exposures it appeared that the chance of making a discovery was only fair, but with the opening of the caved-in adit a further examination was scheduled.

The application was referred to the field and a further exa examination was made by William Prinz of the Geological Survey on May 26, 1959.

A study of the costs was requested of the Field Team and the submitting of Lien and Subordination Agreements from the Owners.

The re-examination by Mr. Prinz revealed that the Deep Gulch vein is a persistent structure which contains significant lead and zinc mineralization. The vein is believed to warrant further (a) exploration and a two-stage exploration program was recommended.

A cost analysis of the program was prepared by Mr. S.W. Zoldok of the Bureau of Mines. This was studied by the OME engineer and the costs were found to be reasonable.

Mr. O. M. Bishop, Bureau of Mines, did not agree with the recommendations of the Field Team and the examining engineer and recommended denial without prejudice. Mr. H. Kirkemo of the Geological surveu concurred with the findings of the field and recommended that a contract be prepared. The OME engineer agreed with the findings of the field and a two-stage contract was prepared.

The road work was not granted as this will not be necessary for the carrying out of the exploration project but some long-hole drilling was added for each stage to provide for greater information during the driving of the drifts and/ or crosscuts.

The Applicant is in possession of the claims by virtue of (f) lease agreements with option to purchase.

Lien and SubordinationsAgreements were obtained from the owners.

The property holdings are as follows:

Castle Garden Claim ---	2/3 interest held by Fern Howard,
	1/3 interest held by Charles H. M. Jensen
Mountain Chief Claim --	2/3 interest held by Fern Howard.
	1/3 interest held by Charles H. M. Jensen
Hidden Hand Claim ---	2/3 interest held by Fern Howard.
	1/3 interest held by Charles H. M. Jensen
Deep Gulch Claim ---	1/3 interest held by Fern Howard
	2/3 interest held by Charles H. M. Jensen
Silver King Claim ---	1/3 interest held by Fern Howard
	1/3 interest held by Callie Schmelzer Aspling
	1/3 interest held by Charles H. M. Jensen
Bull Moose Claim ---	1/3 interest held by Fern Howard
	2/3 interest held by Charles H. M. Jensen
Red Fox Claim ---	1/3 interest held by Fern Howard
	2/3 interest held by Charles H. M. Jensen

(b) The estimated cost of this project is relatively small and should a discovery be made it should be possible to recover the cost of the work.

(d) The property is 8 miles from Deer Lodge, Montana and is easilt accessible by road.

(e) The operator has been engaged in mining activities for some time and seems to be capable of doing the work successfully. He is not a miner by profession.

(h) The Applicant certified on the application blank that he would not carry out this work if no assistance were obtainable.

OFFICIAL FILE
O. M. E.
RECEIVED OCT 26

DATE	INITIALS	CO
10-26	gad	VVU
10/26	[illegible]	800
10/27	[illegible]	500

No. 157 Howard Street
Spokane 4, Washington
October 21, 1959

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Work Authorization
Re: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks, individual
Hidden Hand Group
Powell County, Montana
Contract No. 14-23-090-2007

Dear Mr. Banks:

In reply to your letter of October 19, 1959, we do not expect to have a field man available to visit your property until early in November. However, so as not to lose the benefit of the remaining good weather you may start Stage II drifting and continue the drift for 50 feet or until the field man visits your property, whichever occurs first. We will be better able to decide whether or not the new ore you are coming into justifies continuing Stage II farther.

It is possible that the blue fluorescence to which you refer is hydrozincite, a basic zinc carbonate of secondary origin usually formed by the alteration of sphalerite.

By Field Team Region I

A. N. Weissenborn, Executive Officer
U. S. Geological Survey

Stephen W. Zoldok, Acting Member
U. S. Bureau of Mines

cc: OME(3) w/cys incoming
USBM(2)
USBM(AD)
Sample

RECEIVED
BUREAU OF MINES
OCT 20 1959
SPOKANE, WASH.

421 Oak St.
Anaconda Mont.
Oct. 19, 1959

Dear Sirs,

I was to let you know when ~~the~~ the 200 feet of Stage I of my contract was completed. It is now. Since the weather at present is good, I should like to have approval to continue, if possible — especially since right now we are coming into a new and very interesting kind of ore. I have tried to find out what it is, though the Bureau of Mines, in Butte, but as yet have received no report. Underground in the drift it shows a blue fluorescence. Perhaps when you come over to measure up the footage of the drift you could give me some suggestions.

Yours truly

Howard C. Barber

RECEIVED
OCT 20 1959
U. S. G. S.
SPOKANE, WASH.

Second and Third parties assign all their right title and interest to sublease and agreement to Howard C. Banks. This release was agreed to and approved by Fern Howard.

PROPERTY RIGHTS TO CLAIMS.

LEASE AND OPTION.

Dated August 15, 1937. Lessors: Henry Peterson and Charles P. Jensen, executors for the estate of Henry P. Schuetz, Callie Smelser and Ludwig S. Mussigbrod. Lessee: W. M. Howard.

Claims: King, Hidden Hand, Castle Garden, Mountain Chief, Red,Fox, Deep Gulch, Bull Moose.

Ownership by the Lessors: Callie Smelser-- 1/3 interest in King Claim. Ludwig S. MussigBrod--1/3 interest in Hidden Hand Claim, Castle Garden Claim and Mountain Chief Claim. The remaining interest in the claims is the estate of Henry P. Scheutz.

DEED OF MINING CLAIMS.

Dated: October 7, 1939 Ludwig S. Musigbrod deeded his interest in the claims to W. M. Howard.

DEED OF MINING CLAIMS.

Dated: December 4, 1945 W. M. Howard deeded his interest in the claims to his wife Fern Howard.

EXTENSION OF LEASE.

Lease extended to August 15, 1960. Fern Howard having succeeded to the interest of W, M. Howard in the Lease and Option.

Signers: Callie Aspling formerly Callie Smelser
Charles Jensen
Mrs. E. J. Bennett successor to Henry Peterson.

ASSIGNMENT OF INTEREST IN SUBLEASE TO MINING CLAIMS.

Fern L. Howard had subleased the claims to Howard C. Banks, Carter N. Daggett, andLawrence E. Daggett on January 21, 1954.

Howard C. Banks, Carter Daggett and Lawrence Daggett now assign a 1/4 interest in the lease to Gordon R. Vance. Dated; October 13, 1954.

SUBLEASE AND AGREEMENT.

This is the Sublease mentioned under the Assignment of Interest Agreement above.

AGREEMENT AND RELEASE.

Dated: April 17, 1956. Howard C. Banks, first Party
Carter N. Daggett and Lawrence E. Daggett, Second Parties.
G. R. Vance, Third Party

(Over)

Quit Claim Deed between Martha Bennett (Mrs. E. J. Bennett) and Fern Howard.

in favor of Fern Howard ownership of Claims as follows:

Hidden Hand --- 1/3 Interest
Silver King --- 1/3 Interest
Castle Garden-- 1/3 Interest
Mountain Chief- 1/3 Interest
Red Fox ------- 1/3 Interest
Deep Gulch ---- 1/3 Interest
Bull Moose ---- 1/3 Interest

APPARENT PROPERTY HOLDINGS IN THE HIDDEN HAND GROUP OF CLAIMS.

Castle Garden--- 2/3 Interest held by Fern Howard
1/3 Interest held by Charles H. M. Jensen

Mountain Chief---2/3 Interest held by Fern Howard
1/3 Interest held by Charles H. M. Jensen

Hidden Hand ---- 2/3 Interest held by Fern Howard
1/3 Interest held by Charles H. M. Jensen

Deep Gulch ----- 1/3 Interest held by Fern Howard
2/3 Interest held by Charles H. M. Jensen

Silver King ---- 1/3 Interest held by Fern Howard
1/3 Interest held by Callie Schmelzer Aspling
1/3 Interest held by Charles H. M. Jensen

Bull Moose ----- 1/3 Interest held by Fern Howard
2/3 Interest held by Charles H. M. Jensen

Red Fox -------- 1/3 Interest held by Fern Howard
2/3 Interest held by Charles H. M. Jensen

OME Field Team, Region I

September 15, 1959

OME Certifying Officer, Region I

Re: Howard E. Brooks
Docket No. OME-6028

Contract No. 2007
Monthly operating report for August 1959

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

We have deleted 3 assays at $3.00 each; Samples III-1,2, & 3 were not assayed for zinc. The contract states "samples shall be assayed for lead, zinc and silver".

Dorothy F. Long

cc: OME (2)
USGS (2)
USBM (AD)
Contract Admin. (2)
SWZ

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 21 1959

DATE	INITIALS	CODE
9/21	[illegible]	800
~~9/24~~	~~[illegible]~~	~~500~~

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 21 1959

DATE	INITIALS	CODE

421 Oak Street
Anaconda, Montana
July 17, 1959

Howard C. Banks
Hidden Hand
Docket OME-6028
Contr. 14-23-090-2009

Office of Minerals Exploration
So. 157 Howard
Spokane 4, Washington

Attn: Mr. MacLaren

Dear Sir:

Mr. Banks has asked me to let you know that work under the contract started at the mine July 18, and that they now have a compressor there, and did their first blasting July 15. He has two men working for him at present. The first week was spent primarily in retimbering and in rehabilitating the existing drift. There is still some of the latter to be done.

He would like to know what procedure to follow in reporting the progress made at the end of each month. I believe you mentioned some kind of forms to be filled out. I suppose you will send whatever should be used.

Thank you very much for your help.

Yours truly,

/s/ Mildred A. Banks
(Mrs. Howard C.)

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 3 1959

DATE	INITIALS	CODE
8-3	gad	VVO
8/3	[illegible]	800
8/4	Elizabeth	500

RECEIVED
JUL 20 1959
SPOKANE WASH.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 6 1959

DATE	INITIALS	CODE
7-6	gad	vro
7-7		800
~~7-8~~	~~[illegible]~~	~~[illegible]~~

Rm. 157 Howard Street
Spokane 4, Washington

June 30, 1959

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. CMI-6028 (Lead-Zinc).
Howard C. Banks, individual
Hidden Band Group
Powell County, Montana
Contract No. 14-23-030-2001

Dear Mr. Banks:

Thank you for returning the signed contract so promptly. We have been informed by the Washington office that the Quit Claim Deed and the Lien and Subordination Agreement forms have been approved. You may therefore commence the contract work any time on or before August 1, 1959.

We will send you voucher forms in time for you to submit your monthly progress report.

We call your attention to the third paragraph of Exhibit A. In this connection, authorization is hereby given to start items 1, 2, 3, and 4 under Stage 1. Item No. 3, long-hole drilling, should not be done until you have received prior approval of the Government. If time is a consideration, this may be obtained by telephone and then we can confirm it by letter.

by Field Team Region 1

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald H. Maclaren, Acting Member
U. S. Geological Survey

cc: GME (2)
USBM (2)
USBM(AD)
Sample

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/15	Johnson	110
		120
7-15	gad	225
~~7-16~~	~~[illegible]~~	~~[illegible]~~

George C. Selfridge, Chairman
Operating Committee

OFFICE OF MINERALS EXPLORATION
Dept. of the Interior

1490108 S&E, OME, Interior, 1959

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

July 15, 1959

TELETYPE

A. E. WEISSENBORN
Executive Officer, Region I
Office of Minerals Exploration
South 157 Howard Street
Spokane 4, Washington

I-MEX

Banks

Reurtel June 30, 1959 concerning Dockets OME 6027, 6028, and 6029. Deliver copy executed contract Oregon Cinnabar Mines OME 6027 to Finance Officer. Hold all other copies until operator complies with our requirements. Copy of all executed contracts should be delivered to Finance Officer for obligation as promptly as possible.

George C. Selfridge

George C. Selfridge (JB)

FKJohnson/bih

Confirmation

cc to: Mails & Files
Dir. Reading File
Mr. Selfridge
Mr. Johnson
Mr. Griswold (3)

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington

June 30, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 6 1959

DATE	INITIALS	CODE
7-6	gad	220
7-6	C	210
	wgh.	500

Memorandum

To: Operating Committee, OME

From: Executive Officer, OME Field Team, Region I

Subject: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 14-23-090-2007

Enclosed are the Government and Audit copies of the above-cited contract. These copies do not have the Lien and Subordination Agreements attached; we airmailed them to you with our memorandum of June 24 for your approval.

We have written Mr. Banks that the Quit Claim Deed and the Lien and Subordination Agreement forms have been approved by you (your teletype of today) and have authorized him to proceed with contract work any time up to August 1.

Donald R. MacLaren
Donald R. MacLaren
For: A. E. Weissenborn

cc: USBM (2)
USBM(AD)
Sample

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 6 195
DATE INITIALS

TELETYPE

So. 157 Howard Street
Spokane 4, Washington
June 30, 1959

Sent: 4:10 p.m.

George C. Selfridge, Chairman
Operating Committee
Office of Minerals Exploration
Department of the Interior
Washington 25, D. C.

All contracts have been executed and returned to us. Banks, Docket OME-6028, and Abot Mining Company, Docket OME-6029, are in the mail to you. Oregon Cinnabar Mines, Docket OME-6027, being held in accordance with your teletype June 25.

A. E. Weissenborn
Executive Officer, Region I

cc: Outgoing TT's
Chrono
UERM
OME (2)
Confirmation

EWRaymond/6-30-59

JUL 6 1959
O.M.E.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6-30	Klugescheid	500
6/30	[illegible]	500
	Vernon	140
	Hoffland	140
6/30	App'd. Sig. [illegible]	130
	Jackson	110
	C	~~100~~ 520
		580 ~~HB~~
		220
		500

JUN 30 1959

Ringer

WRGriswold/er Rm 4455, Ext. 2971

TELETYPE

XXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXX

OME - Division of Minerals
6/30 Talbot 800
1490108 - Salaries and
Expenses, Office of Minerals 6/30 Kirkemo (130
Exploration, Interior, 1959
6/30 Lamb 130

To: Mr. A. E. Weissenborn
Executive Officer,
OME Field Team, Region I
157 South Howard Street
Spokane, Washington

Re Docket OME-6028, Howard C. Banks, and your memorandum dated June 24, 1959, documents have been approved.

W. R. Griswold
ACTING Chairman, Operating Committee (346)

WPKlugescheid/er 6-30-59
Copy to: Docket
Dir Read File
Op. Committee
Mr. Bishop, USBM
Mr. Kirkemo, USGS
Confirmation Copy
Chron.

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington

June 24, 1959

RECEIVED JUN 30 1959

DATE	INITIALS	
6/26	a	220
6/26	Klay	500

Air Mail

Memorandum

SOLICITOR

JUN 29 1959

INTERIOR DEPT.

To: Chairman, Operating Committee, OME

From: Acting Executive Officer, OME Field Team, Region I

Subject: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana

Enclosed is a copy of a Quit Claim Deed, the only copy we received, whereby Martha Bennett (Mrs. E. J. Bennett), one of the part owners of the Hidden Hand group of claims, relinquishes her interest in favor of Fern Howard Johnson, another one of the part owners.

We have also received two sets of Lien and Subordination Agreements. One set, covering the Silver King, Hidden Hand, Castle Garden, Mountain Chief, Red Fox, Deep Gulch, and Bull Moose claims, is signed by Fern Howard Johnson and Charles H. M. Jensen. The other set, covering the Silver King claim, the only claim in which she has an interest, is signed by Callie Smelser Aspling. The Government and Audit copies of each are enclosed also.

These documents were delivered to the Spokane office by Mr. and Mrs. Banks this morning but they had left for their home before the contract arrived in the afternoon mail. We believe these documents are in order and have forwarded the contract for signature (see copies of letter enclosed) with the reservation that no money will be available to him under the contract until the documents have been approved by you. Please teletype your decision.

Donald R. MacLaren
Donald R. MacLaren
For: Wing G. Agnew

Enclosures

OME

So. 157 Howard Street
Spokane 4, Washington

June 24, 1959

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. [illegible]-6020 (Lead-Zinc)
Howard C. Banks, an individual
Madder Hand Group
Powell County, Montana

Dear Mr. Banks:

A proposed contract arrived in the afternoon's mail just after you had been in to deliver the contracts to lien and the Quit Claim Deed.

Enclosed are the original and four copies of a proposed short form contract for the cited project, signed by the Acting Director for the Government, to which we have attached the two Lien and Subordination Agreements. If the proposed contract meets with your approval, 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. Work can commence any time up to August 1, 1959.

For reasons explained to you this morning, the contract must be returned and bear a postmark of June 30 or prior date.

No money will be available to you under this contract until the Lien and Subordination Agreements and the Quit Claim Deed are approved in Washington. We are airmailing them today and should have an answer by the time you return the contract, should you approve of it. We will then inform you whether everything is in order.

By Field Team Region I

Ving O. Agnew, Acting Mining Officer
U. S. Bureau of Mines

Donald F. Mackenzie, Act. Mining
U. S. Geological Survey

Enclosures

cc: GMS (2)
USBM (2)
USBM(AD)

Public Law 85-439, 85th Congress, H. R. 10746, June 4, 1959 (72 Stat. 155.)
Title I - Department of the Interior
Office of the Secretary

Sec. 104. Appropriations made to the Department of the Interior in this title or in the Public Works Appropriation Act, 1959, shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), when authorized by the Secretary, at rates not to exceed $75 per diem for individuals, and in total amount not to exceed $175,000; maintenance and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

- - - - - - - - - - -

Department of the Interior DEPARTMENTAL MANUAL
Personnel, Part 379 - Staffing - Procedures
Chapter 17 - Employment of Paid Experts and Consultants
(379.17.7. Release No. 81, 3/29/57)

III. GRADES

Ordinarily, appointments will be made at the GS-12, GS-13, GS-14 and GS-15 levels, or their equivalent. Where circumstances warrant appointments may be made at lower levels. Also, in those cases where the services to be performed and the individual's qualifications are so outstanding that they justify rates in excess of the rate for grade GS-15, such individuals may be paid at an appropriate rate not to exceed $100 per day when authorized by law.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/23	Klugescheid	500
	Shiomi	500
6/23	Talbut	800
6/23	Martin	130
"	Johnson	110
		~~190~~
		~~[illegible]~~
6/23	a	220
		500

JUN 23 1959 500

AIR MAIL

Memorandum AIR MAIL

To: Executive Officer, OME Field Team, Region I

From: ACTING Chairman, Operating Committee

Subject: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana

As recommended in your June 11, 1959, memorandum, we are enclosing the original and four copies of a proposed short form contract for the cited project, signed by the Acting Director, for the Government. The complete contract includes the contract form (MME Form 51), Annex I (one page), Exhibit "A" (three pages), and two maps. Also are enclosed two extra copies of Annex I and Exhibit "A", and the maps for the use of the Field Team. You will have to add the Lien and Subordination Agreements (MME Form 52) which we asked you to get in our teletype, dated June 19, 1959.

We have allowed for timbering in both Stages 1 and 2 in case that it would be required. The costs are very close to those figured by the examiners.

As the current appropriation for financial assistance expires for obligation purposes on June 30, 1959, this contract must be executed on or before that date. If this cannot be done, the unexecuted original and all copies should be returned to this office for rewriting as an obligation under the 1960 appropriation, if and when available. If the Operator returns the executed contract to you by mail the postmark must be June 30 or prior date.

Enclosures

W. S. Martin (HB)

APPROVED:

Frank D. Lamb (HB)
Member, Bureau of Mines

Harold Kirkemo (HB)
Member, Geological Survey

WPKlugescheid/er 6-23-59
CC: Docket
Dir Read File
Op. Committee
Mr. Bishop, USBM
Mr. Kirkemo, USGS
Chron.

P. S. The Operator should be notified in writing that no money will be available to the Operator under this contract until the Lien and Subordination Agreements are furnished to and approved by the Government.

43683

IN REPLY REFER TO:

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

June 23, 1959

Memorandum

To: W. R. Griswold, Office of Minerals Exploration

From: H. Kirkemo, U. S. Geological Survey

Subject: Review of Field Team Report, Docket OME 6028 (Lead-Zinc)
Howard C. Banks, Hidden Hand Group, Powell County, Montana

A 2-stage exploration program for 400 feet of drifting and 80 feet of long-hole drilling costing about $13,000 is recommended in the Field Team Report.

Surface cuts, two shafts, and drifts have been made on the Deep Gulch vein at intervals along a strike length of 850 feet and a vertical range of 200 feet. Vein widths ranging from one to five feet are reported. The target for the proposed exploration program extends for at least 400 feet on strike at a depth of 130 feet or more below the more favorable showings disclosed on the surface and reported in inaccessible upper workings. It is apparent from the maps that this was the unattained goal for exploration by previous operators.

The proposed OME exploration program on the Deep Gulch vein is justified and I concur with the Field Team's recommendation that a contract be written to execute it.

H. Kirkemo

H. Kirkemo

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 23 1959

DATE	INITIALS	CODE
6/23	G	220
6/24	Klung	500

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/23	W	220
		500

JUN 23 1959

Memorandum

To: Mr. W. R. Griswold, Chief
Division of Base Metals

From: E. D. Talbert, Acting Chief
Division of Contract Administration and Audit

Subject: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana

Based upon the subject applicant's April 10, 1959, letter to you and letters of March 13 and 16, 1959, addressed to the applicant by the Daly Bank & Trust Company, Anaconda, Montana, and the Deer Lodge Bank and Trust Company, Deer Lodge, Montana, respectively, it appears that funds for the proposed exploration work are not available on reasonable terms from commercial sources.

Although the bank correspondence does not indicate the terms requested or collateral offered, the applicant's letter states he has no collateral assets. In fact he indicates that his sole assets consist of a lease and option on the property and about $1,500.00 in cash. Apparently, he plans to finance his share of the proposed $13,900.00 contract with this cash plus $500.00 a month income.

EDTalbert/ama
June 23, 1959

Copy to: Director's Reading File
Mr. Talbert

43683

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

JUN 2 3 1959

Memorandum

To: Acting Director, Office of Minerals Exploration

From: Acting Associate Solicitor, Division of Mineral Resources

Subject: Howard C. Banks, OME-6028, Hidden Hand Group, Powell County, Montana

We have drafted in final form the subject contract pursuant to the memorandum to the Associate Solicitor, Division of Mineral Resources, dated June 18, 1959. The draft submitted by Mr. Griswold has been followed but we note the following matters required for the completion of the document:

1. The word "operator's" has been stricken from Article 6(c);

2. The Lien and Subordination Agreements of the lessors referred to in Article 2(b) of the contract do not appear in the file. These agreements should be obtained from Charles H. M. Jensen, Callie Aspling formerly Callie Smelser, and Mrs. E. J. Bennett, who, it is recited in the agreement dated January 21, 1954, appearing in the file, parties succeeding to the rights of the lessors. We have been informed that your office has requested these agreements from the parties mentioned above.

J. L. Hofflund

DMEA Form 7
(12-56)

XXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXX
TELETYPE

G. C. Selfridge, Chairman
OME Operating Committee
Office of Minerals Exploration

1490108, Salaries and Expenses, Office of Minerals Exploration, Interior, 1959

OFFICIAL FILE COPY

Date	Surname	Code
	Klugescheid	500
	Shannon	500
6/19	[illegible]	130
6/19	Lamb	130
6/19	Kirkemo	130
6	[illegible]	110
		2201
		500

JUN 19 1959

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

Re Docket OME 6028, Howard C. Banks, secure and hold Lien and Subordination Agreements. If a contract is finally approved it must be executed prior to midnight June 30 to come under 1959 appropriation.

/s/ George C. Selfridge

George C. Selfridge, Chairman (24B)
OME Operating Committee

WPKlugescheid/fw-6/19/59

cc: Docket
Dir.Read.File
Operating Com'te
Mr. Kirkemo, USGS-Rm.5222
Mr. Bishop, USBM
Chron.

8623

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 19 1959

DATE	INITIALS	CODE
6/19	G	220
6/22	Kluge	500

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

June 17, 1959

Re: OME 6028; Pb-Zn; $19,712
Howard C. Banks
Hidden Hand Group
Powell County, Montana

Memorandum

To: W. R. Griswold, Office of Mineral Exploration

From: Commodity Specialist, Branch of Base Metals

Subject: Review of Field Team recommendation of June 11, 1959 for $11,285 of exploration work.

The Deep Gulch vein is traced along 350 feet of drift and on the surface some 500 feet beyond the drift face. This observed strike length in combination with persistent metallization and intense wall rock alteration lead W. C. Prinz (USGS) to conclude that a modest program of 200 feet of drifting easterly beyond the present face and 80 feet of long-hole wall exploration is justified. The Field Team concurs in this view.

After examining the report and the map compiled by G. M. Crosby, I conclude there is no evidence to suggest that the proposed work will demonstrate wider or better mineralization in the next 200 feet of strike length. The wall rock rules out the possibility of substantial replacement, and samples at the surface 130 feet above the adit as well as those along the 325 feet of exposure in the adit level show values which are uneconomic because of low grade and widths under two feet.

There is no reason to believe a zone favorable for replacement such as a reactive limestone, a breccia pipe, or highly fractured siliceous zone exists, nor is there evidence that a change in strike or dip will have opened the channel. Leaching at or near the surface is not mentioned as a situation which may have contributed to a bonanza zone of secondary copper and silver at some depth.

I recommend that the application be denied without prejudice as the work outlined has almost no chance of leading to a significant discovery.

O. M. Bishop

O. M. Bishop

cc: Division of Minerals
Mr. Kiilsgaard
Mr. Lamb
Mr. Bishop
FILES

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code

500

June 18, 1959

Memorandum

To: Associate Solicitor, Division of Minerals Resources

From: Chief, Division of Base Metals

Subject: Preparation of Contract for Docket No. OME-6028, Howard Banks, Hidden Hand Group, Powell County, Montana, Lead-Zinc.

Will you kindly prepare a short form contract along the following lines:

EXPLORATION PROJECT CONTRACT
HOWARD C. BANKS
DOCKET NO. OME-6028

ANNEX I

The land referred to in Article 2 of the Contract is situate in Powell County, Montana and is comprised of the following unpatented lode claims as indicated below:

Name	Quarts Lode Book	Page
Silver King	4	496
Hidden Hand	2	247
Castle Garden	2	268
Mountain Chief	2	249
Red Fox	6	304
Deep Gulch	4	494
Bull Moose	4	498

These Claims are recorded in the Recorder's Office of the County Court House in Deer Lodge, Powell County, Montana

43683

The Operator is in possession of the land pursuant to the following documents:

1. A Lease and Option Agreement between the Executors of the estate of Henry P. Schuetz, and Callie Schmelser, and Ludwig S. Mussigbrod, Lessors, and W. M. Howard, Lessee, dated August 15, 1957.

2. On October 7, 1939, Ludwig S. Mussigbrod deeded his interest in the claims to W. M. Howard.

3. On December 4, 1945, W. M. Howard deeded his interest in the claims to his wife, Fern Howard.

4. The Lessors granted several extensions to the Lease and Option, the latest, dated June 5, 1953, expires August 15, 1960. This extension is in the name of Fern Howard who has succeeded to the interest of W. M. Howard, deceased.

5. Under date of January 21, 1954, Fern Howard subleased the claims to Howard C. Banks, Carter N. Daggett and Lawrence Daggett. This sublease will expire on August 15, 1960.

6. On October 13, 1954, Howard C. Banks, Carter N. Daggett, and Lawrence Daggett assigned a one-fourth interest in the sublease to G. R. Vance.

7. By an Agreement and Release, dated April 17, 1956, Carter N. Daggett, Lawrence Daggett, and G. R. Vance assigned their interests in the sublease to Howard C. Banks.

The claims are shown on the map entitled, "Plate 1-Claim Map Hidden Hand Mine, Powell County, Montana," attached to and made a part of this Contract.

EXPLORATION PROJECT CONTRACT
HOWARD C. BANKS
DOCKET NO. OME-6028

EXHIBIT "A"

Description of the Work

The purpose of the project is to explore for lead-zinc ores along the Deep Gulch vein by means of drifting and/or crosscutting, and long-hole drilling.

The work is divided into two stages, set forth below. The Operator shall perform Stage I, and shall perform as much of the Stage II work as the Government approves in advance.

The locations, directions, attitudes, and extent of all work performed under the Contract are subject to the prior approval of the Government. The exploration work is indicated in part in blue color on the attached map entitled, "Plate No. 2 - Geologic Map of Deep Creek Workings - Hidden Hand Mine, Powell County, Montana."

Drifts and crosscuts shall be timbered as necessary, the timber sets shall not be less than 5 feet wide and 7 feet high in the clear of the timber.

Drifts and/or crosscuts shall not be less than 5 feet by 7 feet in cross-section.

Stage I

1. Complete the rehabilitation of 450 feet of adit.
2. Repair living quarters and existing compressor house.
3. From the face of the Adit, drift and/or crosscut along the Deep Gulch vein not more than 200 feet.
4. Timber not in excess of 50 feet of the drift and/or crosscut.
5. Not in excess of 80 feet of long-hole drilling shall be done to aid the exploration.
6. Not more than 3 days shall be allowed for the services of a consulting Engineer or Geologist.
7. Assay not more than 30 samples for lead, zinc and silver.

Stage II

1. From the face of the drift and/or crosscut driven in Stage I, drift and/or crosscut not to exceed 200 feet.
2. Timber not in excess of 50 feet of the drift and/or crosscut.
3. Not in excess of 80 feet of longHole drilling shall be done to aid the exploration.
4. Not more than 3 days shall be allowed for the services of a consulting Engineer or Geologist.
5. Assay not more than 30 samples for lead, zinc and silver.

Estimated Costs of the Project

FIXED UNIT COSTS

Stage I

Complete the rehabilitation of Adit 450 feet @ $1.60/ft.	$ 720.00	
Repairs to buildings	150.00*	
Drift and/or crosscut 200 feet @ $29.00/ft.	5,800.00	
Timber drift and/or crosscut 50 feet @ $6.00/ft.	300.00	
Long-hole drilling 80 feet @ $1.25/ft.	100.00	
Consulting Engineer or Geologist 3 days @ $75.00/day	225.00	
Assaying		
30 samples @ $3.00 each sample	90.00	$ 7,385.00

Stage II

Drift and/or crosscut 200 feet @ $29.00/ft.	$5,800.00	
Timber drift and/or crosscut 50 feet @ $6.00/ft.	300.00	
Long-hole drilling 80 feet @ $1.25/ft.	100.00	
Consulting Engineer or Geologist 3 days @ $75.00/day	225.00	
Assaying 30 samples @ $3.00 each sample	90.00	6,515.00
Total Estimated Cost of the Project		$13,900.00
Government Participation, 50%		$ 6,950.00

---

* The completed work constitutes the unit.

WPKlugescheid/er 6/18/59

W. R. Griswold

CC: Docket
Dir Read File - Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington

June 11, 1959

OFFICIAL FILE COPY
O M. E
RECEIVED JUN 15 1959

DATE	INITIALS	CODE
6/15	a	220
6/16	[illegible]	500
6/19	[illegible]	130
6/19	[illegible]	220
	[illegible]	500

Memorandum

To: Chairman, Operating Committee, OME

From: OME Field Team, Region I

Subject: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana

Enclosed are three copies each of memorandum reports on the referenced application by William C. Prinz, Geologist, U. S. Geological Survey and S. W. Zoldok, Mining Engineer, U. S. Bureau of Mines. Prinz presents a geological justification and recommendation for a modest 2-stage program and Zoldok presents a cost estimate.

The Deep Gulch vein consists of quartz, limonitic box work, and altered wall rock. It contains finely disseminated galena, and some pyrite, arsenopyrite, and chalcopyrite. It has been partially explored by a 350-foot drift and is stronger and wider toward the eastern end of the drift. It is a persistent structure that has been traced on the surface for nearly 500 feet beyond the drift face. In the drift it contains significant though below grade to marginal ore grade amounts of lead and zinc mineralization. Prinz concludes that the vein warrants further exploration and recommends a 2-stage program of drifting and long-hole drilling.

The Field Team concurs with Prinz' conclusions and recommendations, and with Zoldok's cost estimate.

Wing G. Agnew
Wing G. Agnew, Acting Executive Officer
U. S. Bureau of Mines

Donald R. MacLaren
Donald R. MacLaren, Acting Member
U. S. Geological Survey

Enclosures

Reviewed by
OME OPERATING COMMITTEE
6-19-59
(date)

P.S. We have written the applicant for the consent to lien.

ON SITE REPORT

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington

June 8, 1959

EXTRA COPY
O. M. E.
RECEIVED JUN 15 1959

DATE	INITIALS	CODE
6/19	JLB	130
		220

Memorandum

To: OME Field Team, Region I

From: William C. Prinz, Geologist, U. S. Geological Survey

Subject: Docket No. OME-6028 (Lead-Zinc), Howard C. Banks, Hidden Hand Group, Powell County, Montana

This property was the subject of a DMEA application, Docket No. DMEA-5030, received May 16, 1958 from the same applicant. It was examined May 26 and 27, 1958 by William C. Prinz, Geologist, U. S. Geological Survey and John A. Bowsher, Mining Engineer, U. S. Bureau of Mines, and again by Prinz on June 18, 1958. In his report dated September 17, 1958, Prinz recommended denial without prejudice because, since his last examination, an old adit on the Deep Gulch vein had been reopened. This report describes what was seen in the reopened adit when Prinz revisited the property May 26, 1959 and is an a addendum to his report of September 17, 1958.

The Deep Gulch vein consists of as much as 10 feet of altered wall rock, limonitic box work, and quartz which contains some pyrite, arsenopyrite, chalcopyrite, and finely disseminated galena. In one place on the surface stringers of galena up to 2 inches wide are abundant. Underground the vein has been followed by an adit for about 350 feet (see Crosby's map accompanying second application, Docket OME-6028). It consists of bleached or kaolinized, white to gray, sheared basalt with stringers of quartz, pods of galena and sphalerite, and some disseminated galena, sphalerite, and pyrite. The vein zone ranges in width from a foot to several feet but the mineralized portions are generally 1-2 feet wide. The vein becomes somewhat stronger and wider toward the eastern end of the drift.

Seven samples from the Deep Gulch adit taken by Garth Crosby and those by Prinz indicate an average grade of 3.1 ounces silver per ton, 4.2 percent lead, and 3.7 percent zinc. Assays of the individual samples are shown on plate 1 and the following table.

Reviewed by
OME OPERATING COMMITTEE
6-19-59
(date)

Deep Gulch adit assays

Distance east of crosscut (feet)	Sample no.	Sample width (feet)	Au (oz./ton)	Ag (oz./ton)	Pb (%)	Zn (%)
48	GMC	2	--	2.2	1.7	--
115	512-B	2	0.050	4.00	6.14	Tr
130	GMC	2	--	3.4	4.2	3.1
245	GMC	1	--	3.2	4.2	4.4
270	511-B	1	0.022	2.30	2.24	2.97
280	GMC	1	--	2.0	3.1	4.0
305	GMC	2	--	2.0	1.8	3.8
330	GMC	2	--	3.4	5.6	6.4
330	510-B	2	0.018	7.10	11.58	7.13
350	GMC	2	--	1.8	1.8	1.8

GMC Sampled by Garth Crosby
Tr Trace
511-B Sampled by Prinz
-- Not determined

East of the bulldozed portion of the Deep Gulch vein (pl. 1), bed rock is covered by thick overburden. However, the vein can be traced 450 feet east of the cuts by gossan on the dumps of several shallow, caved test pits. Also, according to the applicant, the long crosscut to the Hidden Hand vein (pl. 1, Examination Report, Docket No. DMEA-5030) followed the Deep Gulch vein for about 300 feet. The vein there is reported to be up to 5 feet wide and to have been stoped for lead ore. This could not be checked as the crosscut has been caved since before the first examination.

The Deep Gulch vein is a persistent structure that contains significant, though below ore grade, lead and zinc mineralization. In the Deep Gulch adit, the vein is stronger toward the east and the adit has not yet penetrated the area below the old shaft where the best showings are found at the surface. It is believed that the vein warrants further exploration and it is recommended that a two-stage program be approved.

As the grade between the Hidden Hand and the Deep Gulch adit is 18-20 percent, the road work requested by the applicant would be essential before ore could be shipped from the Deep Gulch adit; however, it is not essential for the exploration program. Stage I should consist of completing rehabilitation of the Deep Gulch adit, drifting 200 feet east from the present face, and 80 feet of long-hole drilling. Should Stage I be successful, Stage II should consist of an additional 200 feet of easterly drifting and 80 feet of long-hole drilling.

Attachment 1

Distribution:
OME (3)
USBM (2)
USGS(SRO)
Docket
Prinz

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1201 N. Division St.
Spokane 2, Washington

June 12, 1959

OFFICIAL FILE COPY O. M. E. RECEIVED JUN 15 1959		
DATE	INITIALS	CODE
6/19	JB	130
		220

MEMORANDUM

To: OME Field Team, Region I

From: S. W. Zoldok, Mining Engineer, U. S. Bureau of Mines

Subject: Cost Analysis, Docket No. OME-6028 (Lead-Zinc), Howard C. Banks, Hidden Hand Group, Powell County, Montana

The field examiner recommends the same program requested by the Applicant, except that it will consist of two stages. The applicant has essentially completed adit rehabilitation with the exception of air and water lines.

Should the Government decide to participate in the exploration, the following costs are recommended for consideration:

Preparatory work - 450 feet of adit

2. Labor and supervision

Labor - 2 men 4 days @ $~~17~~ 18/per day $ 136.00

3. Operating materials and supplies

475' 2" pipe @ $0.44/ft.	$209.00	
475' 1" pipe @ $0.21/ft.	99.75	
Pipe fittings (20% of $308.75)	61.75	
460' ventube @ $1.08/ft.	496.80	867.30
Less 50% salvage	-433.65	433.65
Misc. supplies, timber, etc.	100.00	533.65

6. New buildings, etc.

Repair living quarters and existing compressor house 150.00

Reviewed by
OME OPERATING COMMITTEE
6-19-59
(date)

7. Miscellaneous

Insurance, etc. - 15% of $136.00	$ 20.40
Total cost of tunnel preparation	$690.05

Cost per foot - $1.53 - say $1.50

Drifting and/or crosscutting

Operating equipment needed and monthly depreciation or rental:

Item	Value	Monthly rental	Monthly depreciation
Air Comp. 125 c.f.m.	$4,000	$175.00	$ -
Jack-leg drill	540	-	9.00 18.00
Vent fan	300	-	5.00
2 mine cars	600	-	10.00
Pickup	2,000	-	33.33
		$175.00	$ 57.33
			9.00
			66.33

Crosscut or drift - 400 feet

Estimated advance 3.5 ft. per day, 114 days, 4.4 months

1. Independent contracts — none

2. Labor and supervision

Miner-supervisor 4.4 mos. @ $500/mo.	$2,200.00	
2 1 miner - 114 days @ $18/day x 1.083 overtime	2,222.32	
1 helper - 114 days @ $16/day x 1.083 overtime	1,975.39	$ 6,397.71

3. Operating materials and supplies

Drill bits, 22 @ $15/ea.	$ 330.00	
Drill rods, 18 @ $9.10/ea.	163.80	
Dynamite, 3600# @ $23/100# #24	828.00	864.00
Caps, 1500 @ $0.02/ea. 0.025	30.00	37.50
Fuse, 12,500 ft. @ $13.45/m	168.13	
Gas, 1500 gal. @ $0.35/gal.	525.00	
Lube oil, grease, etc.	60.00	
Ties, 270 @ $0.30/ea.	81.00	
Fish plates, spikes, etc.	96.00	
Air hose, 1"	44.00	
Water hose, ½"	25.00	
Small tools	50.00	
Repair parts	100.00	2,500.93

2544.93

3. Operating materials and supplies (cont'd).

Salvagable items

Line oiler	$ 21.00	
2" air line, 380' @ $0.44/ft.	167.20	
1" water line, 380' @ $0.21/ft.	79.80	
Pipe fittings	49.40	
Rail, 12#, 3600# @ $12/100#	432.00	
Water tank and fittings	60.00	
	809.40	
Total less 50% salvage		$ 404.70

4. Operating equipment

Depreciation and rental 4.4 mos. @ $232.33/mo.	1,022.25

5. Rehabilitation and repairs — none

6. New buildings, etc. — none

7. Miscellaneous

Insurance, etc., 15% of $6,397.71	959.66
Total cost drilling and/or drifting	$11,285.25

Cost per foot $28.21 - say $28.25

SUMMARY ESTIMATED COST OF PROJECT

Stage I

Repair existing quarters and compressor house - job	$ 150.00
Place vent, compressed air and water line in adit - 450' @ $1.50/ft.	675.00
Crosscut and/or drifting - 200 ft. @ $28.25/ft.	5,650.00
Long hole drilling - 80 ft. @ $1.25/ft.	100.00
Consulting engineer or geologist, 3 days @ $75/day	225.00
Assaying (~~Cu~~ Zn, Pb, Ag) 30 @ $3/ea.	90.00
Total cost Stage I	$6,890.00

Stage II

Crosscut and/or drifting - 200 ft. @ $28.25/ft.	$5,650.00
Long hole drilling - 80 ft. @ $1.25/ft.	100.00
Consulting engineer or geologist, 3 days @ $75/day	225.00
Assaying (~~Cu~~ Zn, Pb, Ag) 30 @ $3/ea.	90.00
Total cost Stage II	$6,065.00

Total cost of project	$12,955.00
Government Participation - 50%	6,477.50

Distribution:
- OME (3)
- USGS (3)
- Docket
- Engineer

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 18 1959

DATE	INITIALS	CODE
5/18	a	220
5/19	[illegible]	500

Sq. 157 Howard Street
Spokane 4, Washington

May 13, 1959

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana

Dear Mr. Banks:

As you know, your OME application has been referred to our office for a field examination. I plan to be in Montana week after next and will examine the Deep Gulch adit on Tuesday, May 26. If the property will not be accessible at that time, or if this date is not convenient for you, please let me know as soon as possible. If I do not hear from you further, I will see you at the mine the morning of May 26.

Sincerely yours,

William C. Prinz
Geologist

cc: OME (2)
USBM (2)
Prinz

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
4-23	Klugescheid	500
	Griswold	500
4/24	Martin	130
"	Johnson	110
		~~100~~
		HB
4/27	Ce	220
		500

APR 27 1959 500

Memorandum

To: Executive Officer, OME Field Team, Region I

From: ACTING Chairman, Operating Committee, OME

Subject: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana

The cited application for exploration assistance is being referred to your office for a new field examination and recommendations.

If the project is favorably considered by the Field Team, it will be necessary for the Applicant to obtain and submit the Lien and Subordination Agreements from the Lessors.

It will also be necessary for Mr. Banks to obtain the necessary permission to use the Forest Service road for his operations.

Apparently the Applicant is in agreement with the revised plan of the Field Team for the project but until the examination of the recently opened workings has been made no definite plan can be arrived at. An analysis of the cost estimates will also be necessary.

Copies of memoranda dated April 15 and April 22, 1959, by N. E. Nelson, Geological Survey, and H. M. Callaway, Bureau of Mines, respectively, relating to the project are enclosed for your information. We are also enclosing one copy of the application for the use of the Field Team.

/S/
W. S. Martin (JHB)

Enclosures

APPROVED:

(sgd.) G. W. Josephson (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

WPKlugescheid/er 4-23-59
Copy to: Docket
Dir Read File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
4-17	[illegible]	500
	[illegible]	500
4/24	Martin	130
		~~130~~
4/24	Kilgaard	130
		~~110~~
		~~100~~
		~~HB~~
4/27	G	220
		500

4/24 Graham 130

APR 27 1959

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana

Dear Mr. Banks:

Your letter giving requested information, dated April 10, 1959, has been received.

Your application for Government assistance to explore the cited property is being referred for a further field examination to:

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

The Regional Office will contact you at an early date as to when the examination is to be made. Any assistance that you may give the members of the Field Team during the examination will be appreciated.

Sincerely yours,

Frank E. Johnson

Acting Director

WPKlugescheid/er 4-17-59
Copy to: Docket
Dir Read File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region (2)
Chron.

43683

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

OFFICIAL COPY
O. M. E.
RECEIVED APR 22 1959

DATE	INITIALS	CODE
4/22	a	220
~~4/23~~	~~Kbg.~~	~~500~~

April 22, 1959

Re: OME 6028, Pb, Zn
$19,712
Howard C. Banks
Hidden Hand Group
Powell County, Montana

Memorandum

To: W. R. Griswold, Office of Mineral Exploration

From: Commodity Specialist, Branch of Base Metals

Subject: Application dated March 21 and received in Washington March 30, 1959

Since denial of a previous application Mr. Banks has reopened 350 feet of drift along a steeply dipping vein in altered basic flow rock. Back samples indicate a narrow, but persistent vein carrying minor values in lead-zinc-silver.

Mr. Banks requests OME assistance in a program to repair an access road; stabilize the ground at the adit portal; clean out 450 feet of old sill work; and drift 400 feet on the easterly extension of the vein.

Low assay values and narrow vein widths discourage hope for a significant ore strike. Can the applicant offer additional information that would support hope for a betterment of width and grade eastward from the present drift breast?

I recommend field referral.

H. M. Callaway

H. M. Callaway

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 17 1959

DATE	INITIALS	CODE
4/17	C	220
4/17	Klug	500

April 15, 1959
Re: OME 6028
Howard C. Banks
Hidden Hand Group
Powell County, Montana
$19,712.80 - Lead-Zinc

Memorandum

To: W. R. Griswold, Office of Minerals Exploration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application

In application DMEA 5030, assistance was requested in stripping and exploring a narrow silver-lead-zinc vein from which small shipments have been made. An examination was made by W. C. Prinz, geologist, who recommended denial without prejudice of the application. The application was denied in August, 1958.

Since that time, the applicant has opened a caved crosscut adit and a 330-foot drift on the vein. As revealed by the drift, the vein appears to be from mere inches to 2 feet wide and, on average, carries low values in silver, lead, and zinc, as indicated by the sampling of G. M. Crosby, of Day Mines Company. The vein is 2 feet wide in the face of the drift and Crosby's sample shows:

Width (ft.)	Oz Au	Oz Ag	% Pb	% Zn	% Cu
2	-	1.8	1.8	1.8	-

The applicant now proposes the following work:

Road building	$1,000.00
Rehabilitation of adit	2,500.00
Drifting and crosscutting 400 ft.	8,645.00
Supplies	2,500.00
Equipment	2,506.13
Repairs, cabin, bins, etc.	650.00
Miscellaneous	1,911.67
	$ 19,712.80

Mr. Prinz's claim and mine map of the Hidden Hand Mine copied from a Montana Bureau of Mines map, suggests an old Hidden Hand adit may have followed the Deep Gulch vein for perhaps 300 feet at an elevation about 5 feet above the open cut at the shaft and 135 feet above and over a part of the proposed extension of the Deep Gulch adit.

The proposed work promises little. Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
4/3	Klugescheid	500
4/3	[illegible]	120
"	Johnson	110
		100
4/3		220
		500

APR 3 1959

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana

Dear Mr. Banks:

Your application for Government assistance to explore the cited property has been reviewed by the Division of Base Metals of the Office of Minerals Exploration.

Before we can continue to process the cited application we will require some further information in order to determine your financial eligibility.

We must have a statement of your assets and liabilities and we also would like to know if any collateral was offered to the banks when the loan was solicited.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Base Metals

WPKlugescheid/er 4/3/59
~~WRGXXXXX~~
Copy to: Docket
Dir Read File
Region I (2)
Chron.

43683

March 31, 1959

Mr. Howard C. Banks
General Delivery
Deer Lodge, Montana

Subject: OME-6028

Dear Mr. Banks:

Your application for exploration assistance, dated March 21, 1959 submitted to our office at Spokane, Washington has been assigned Docket Number OME-6028 and referred to the Base Metals Division in the Washington Office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to: Region I

J. R
OME

So. 157 Howard Street
Spokane 4, Washington

November 6, 1958

OFFICIAL FILE
O. M. E.
RECEIVED NOV 10
D
11 12 8 200

Mr. Howard C. Banks
General Delivery
Deer Lodge, Montana

Dear Mr. Banks:

This will acknowledge your letter of October 30, 1958. We have not yet received the regulations on the new OME program and don't expect them from our Washington office before the end of this month at the earliest. We have your name on our mailing list and will send you the information just as soon as we receive it.

Please feel free to call at our office any time to discuss any proposal you may have.

Sincerely yours,

A. E. Weissenborn
Executive Officer, OME
Field Team Region I

cc: OME (2)
USEM (2)

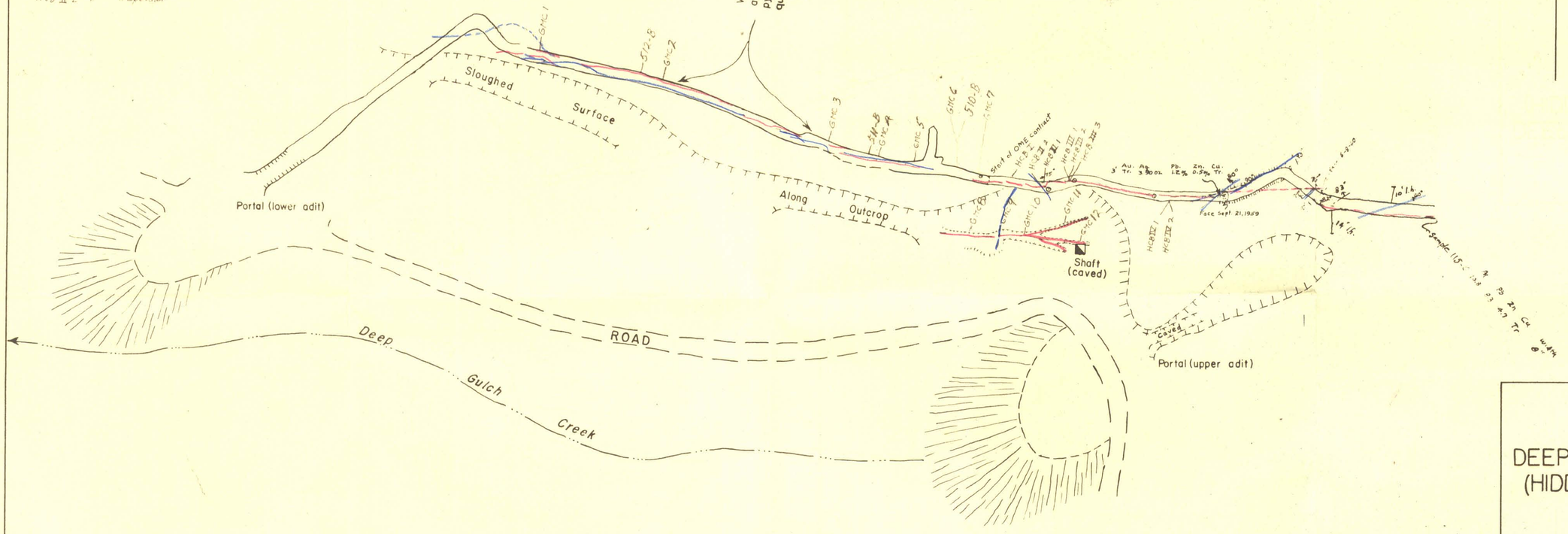
UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
OFFICE of MINERALS EXPLORATION
REPORT

Docket No. OME-6028 (Lead-Zinc)

Sample No	Assays ounces per ton Au	Ag	Percent Lead	Zinc	copper	Sample width
GMC 1	Nil	2.2	1.7	Nil	Nil	2 ft
GMC 2	Nil	3.4	4.2	3.1	Nil	2 "
GMC 3	Nil	3.2	4.2	4.4	Nil	1 "
GMC 4	Nil	2.0	3.1	4.0	Nil	1 "
GMC 5	Nil	2.0	1.8	3.8	Nil	1 "
GMC 6	Nil	3.4	5.6	6.4	Nil	2 "
GMC 7	Nil	1.8	1.8	1.8	Nil	2 "
GMC 8	Nil	2.8	1.9	Nil	Nil	4 " Altered basalt
GMC 9	Nil	0.4	0.1	0.2	Nil	Gouge material
GMC 10	0.05	10.8	10.0	Nil	Nil	1 ft
GMC 11	0.04	1.0	Nil	Nil	Nil	1 " Altered basalt
GMC 12	Nil	0.4	0.2	Nil	Nil	2 " Check on GMC 6
510 B	0.02	7.1	11.85	7.13	NA	1 "
511 B	0.02	2.3	2.24	2.99	NA	2 "
512 B	0.05	4.0	6.14	Tr	NA	Not available
HCB I	0.04	1.0	0.75	1.50	NA	" "
HCB II 1	0.01	2.85	3.70	2.85	NA	" "
HCB II 2	0.005	1.55	2.55	3.23	NA	" "
HCB III 1	0.012	2.35	2.77	NA	0.15	" "
HCB III 2	0.06	1.50	1.80	NA	0.08	" "
HCB III 3	Tr	0.05	1.05	NA	0.09	" "
HCB IV 1	0.015	0.6	0.81	0.3	NA	" "
HCB IV 2	0.01	0.5	0.59	0.7	NA	" "

GMC 3 Sampled by G.M. Crosby (Day Mines)
511 B " " W.C. Prinz and J.A. Bowsher
HCB II 2 " " Operator



Note: Slightly modified from base map by G.M. Crosby (Day Mines), W.C. Prinz (U.S.G.S.) & J.A. Bowsher (U.S.B.M.)

GEOLOGIC MAP of the DEEP CREEK WORKINGS (HIDDEN HAND GROUP)

HOWARD C. BANKS
Powell County, Montana

0 25 50 100 FT.
R.D.S.

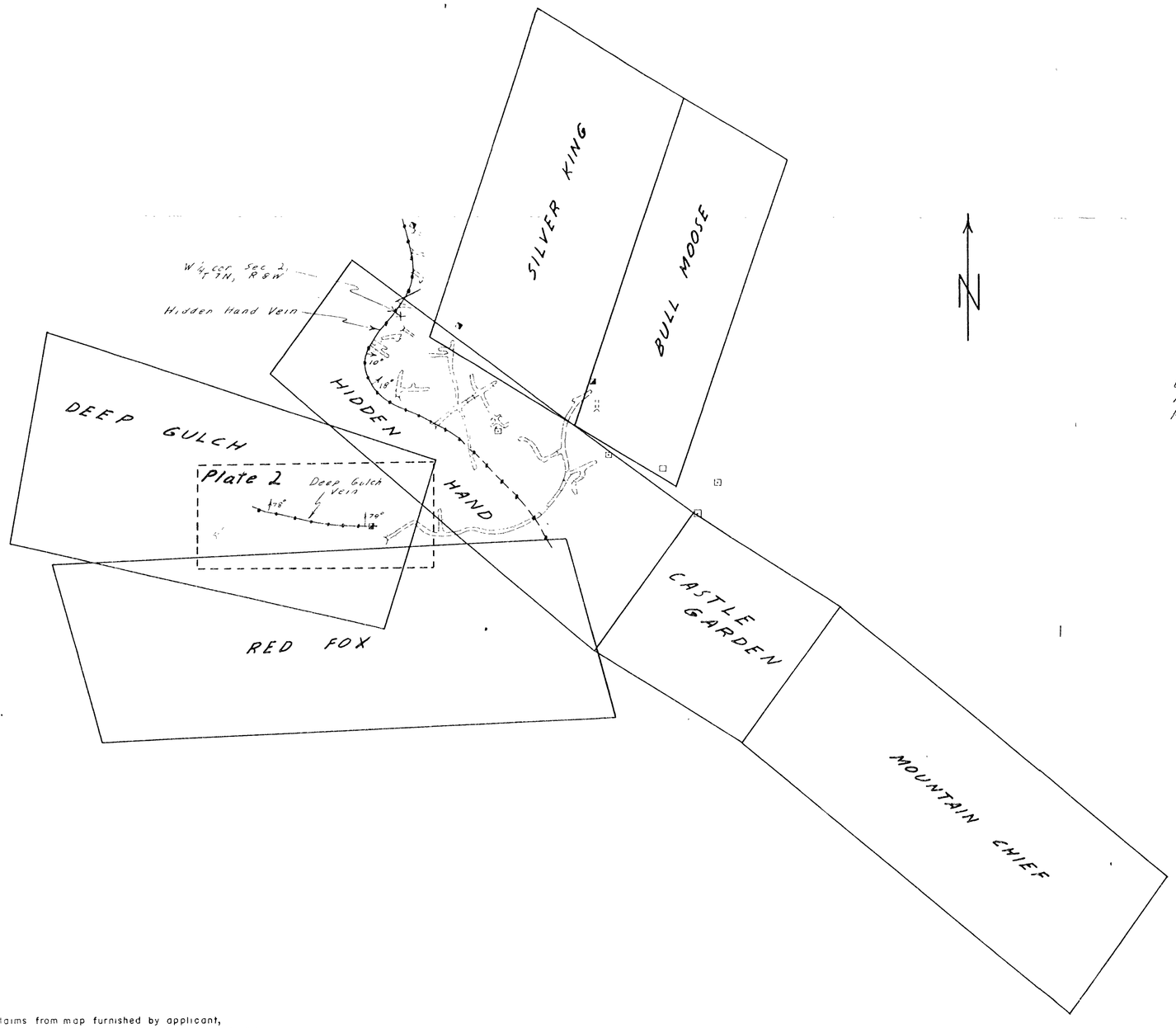
July 1960

Plate I

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE OF ~~DEFENSE~~ MINERALS EXPLORATION ~~ADMINISTRATION~~
PREPARED FOR
FINAL ~~APPLICATION~~ REPORT

DOCKET NO DMEA -6028



EXPLANATION

Vein

Inaccessible shaft

Inaccessible adit or incline

Unmarked post, position relative to shafts on Bull Moose and Deep Gulch claims

CLAIM MAP

HIDDEN HAND MINE

POWELL COUNTY, MONTANA

300 150 0 300 600 FEET

Sept 1958

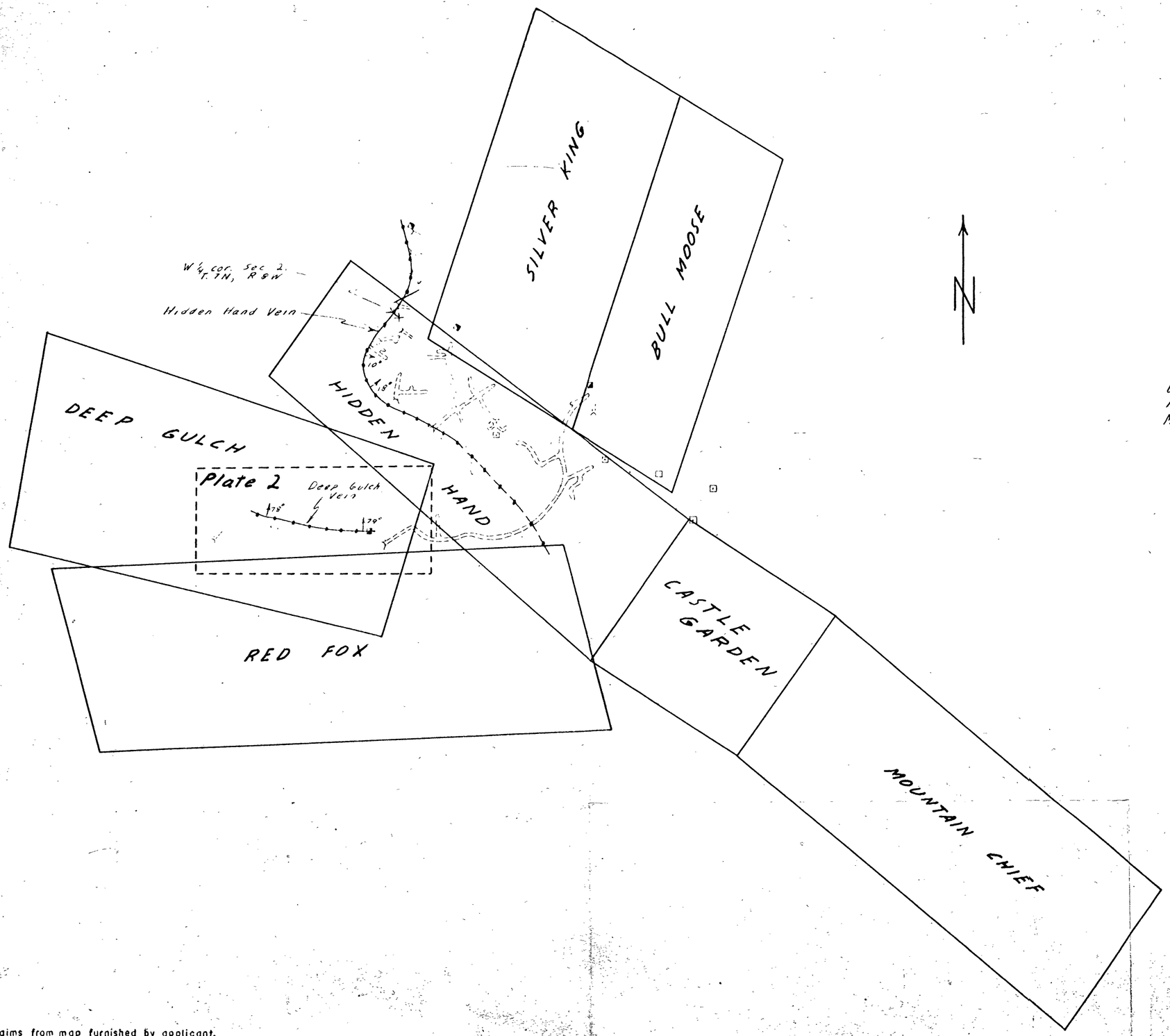
Plate 2

Claims from map furnished by applicant, workings from Mont Bureau Mines Memoir 34

UNITED STATES
DEPARTMENT OF THE TERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
APPLICATION REPORT

DOCKET NO DMEA - [redacted]



EXPLANATION

Vein

Inaccessible shaft

Inaccessible adit or incline

Unmarked post, position relative to shafts on Bull Moose and Deep Gulch claims

OME-6028.

CLAIM MAP

HIDDEN HAND MINE

POWELL COUNTY, MONTANA

300 150 0 300 600 FEET

Sept 1958

Plate 1

Claims from map furnished by applicant, workings from Mont Bureau Mines Memoir 34.

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
OFFICE OF MINERALS EXPLORATION
APPLICATION REPORT

OME 6028

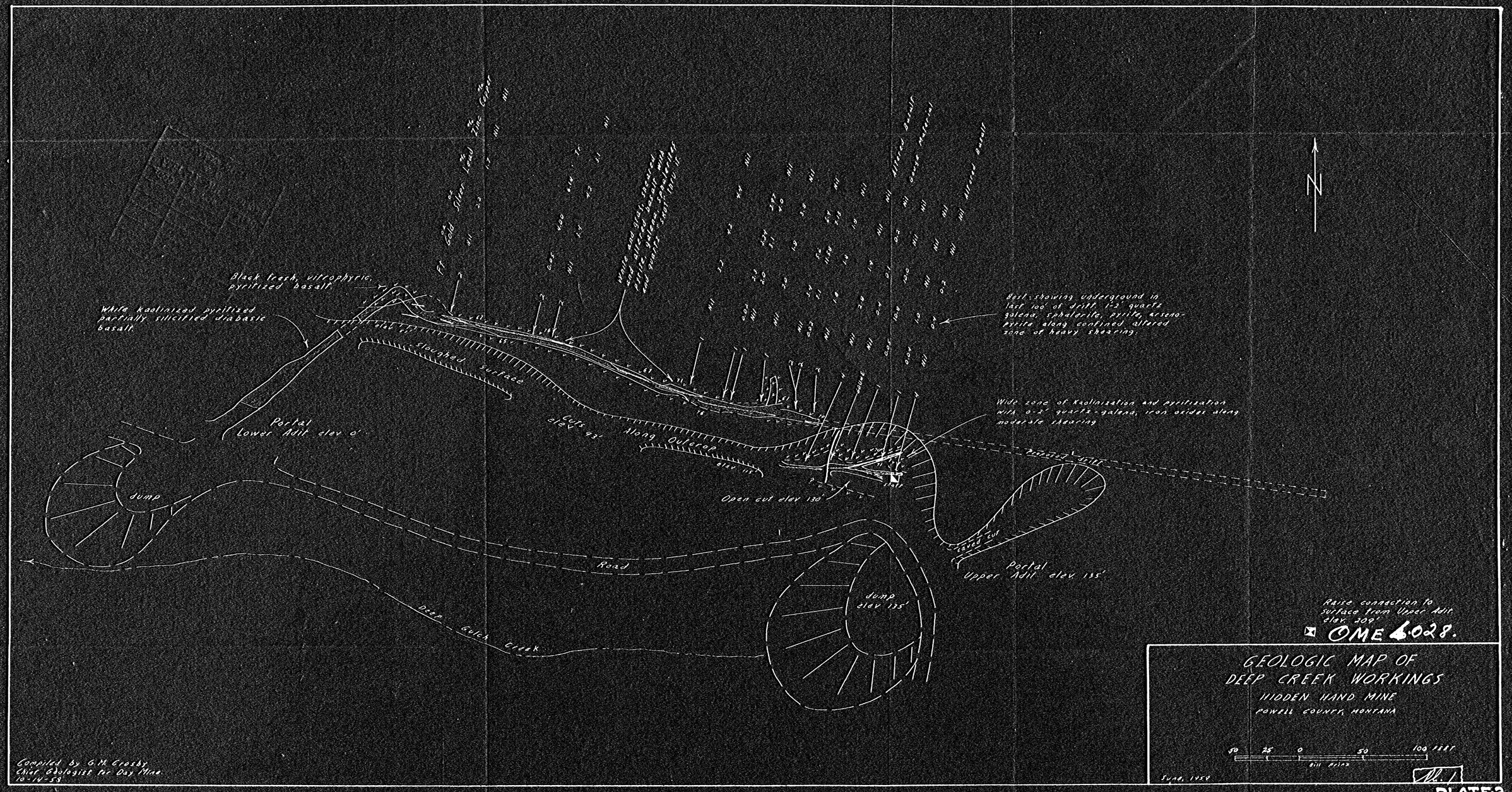


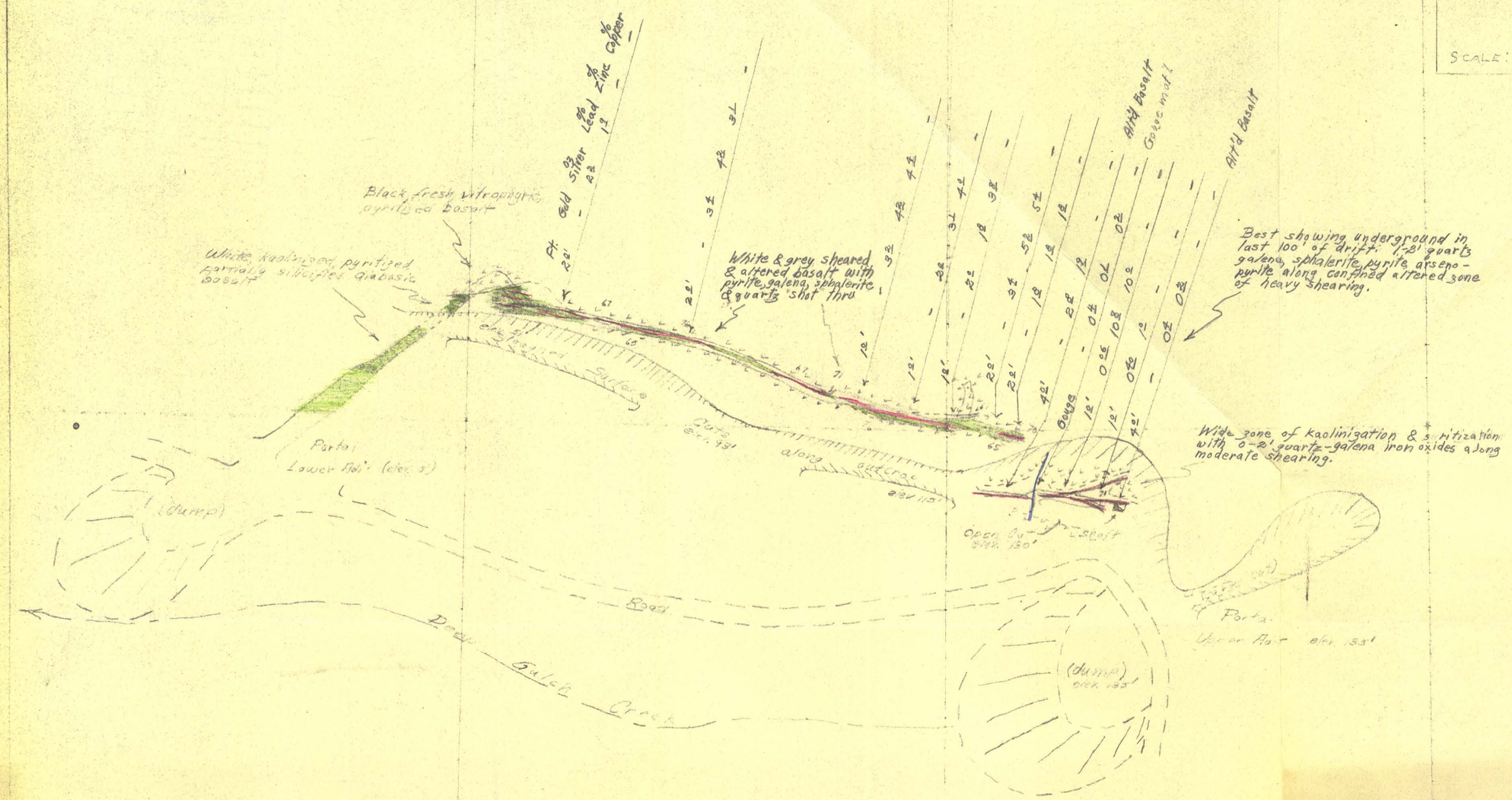
PLATE 2

HIDDEN HAND MINE

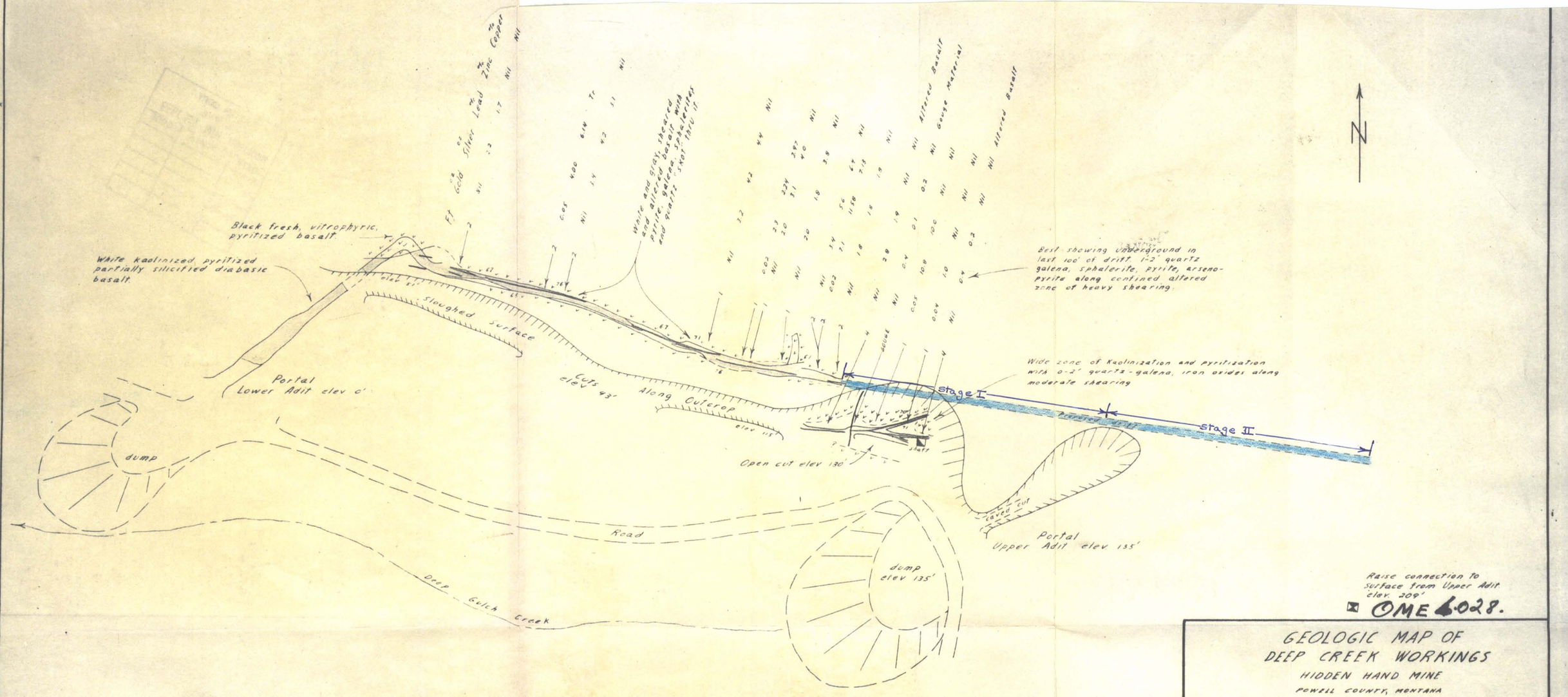
COMPOSITE PLAN
SURFACE AND UNDERGROUND
GEOLOGY

SCALE: 1" = 50' 10/14/58 G.M. CROSBY

(Not Patented for Dog Fritter)



UNITED STATES
DEPARTMENT OF THE INTERIOR



Raise connection to surface from Upper Adit. elev. 209'

OME 4-028.

GEOLOGIC MAP OF DEEP CREEK WORKINGS

HIDDEN HAND MINE

POWELL COUNTY, MONTANA

50 25 0 50 100 FEET

Bill Prinz

June, 1959

Compiled by G. M. Crosby
Chief Geologist for Day Mine.
10-14-58

PLATE-2

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
OFFICE OF MINERALS EXPLORATION
APPLICATION REPORT

OME 6028

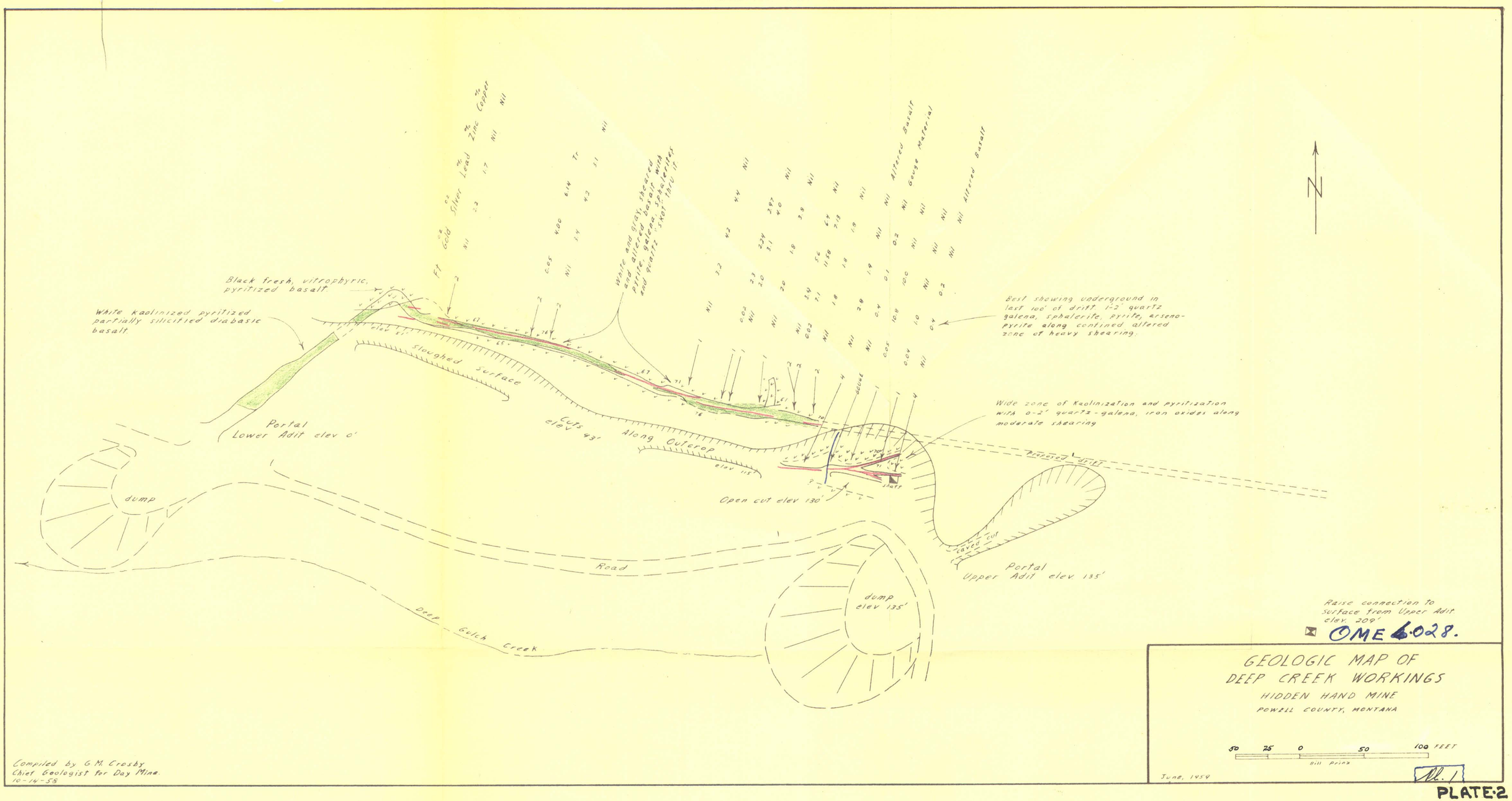


PLATE-2