No. 1 Done - [illegible]
The cost of my and my partners share will be in cash for labor, equipment already owned and material such as lumber and timber.

No. 2 I am the leasee of the property which is unencumbered - copy of lease is enclosed, owners Frances and Dean Bakke, 136 Circle Drive, Wichita, Kansas.

No. 3 In January 1961 renovation of the inclined shaft was begun--first work was done with hoist and bucket and hand tools. Later on a drag line was employed. Thirty feet from the surface, water was encountered. I gave a 25% interest in the lease to Richard Barnett if he would diamond drill. The first hole was drilled near the shaft. The vein was encountered at 57' but was carbonate with little value 36¢. (drill mud)

The second hole encountered the vein at 86' but no core was recovered--drill mud assayed $14.26 in lead and silver.

The third hole was better but not satisfactory. Drill logs-geology maps--sent in.

Good ore is being mined 1600 feet south on this vein--production has been intermittent due to the shaft and slopes being in the broken Metamorphosed zone between the Rhyolite and the granite. Our incline is in the granite.

The mine is 3 miles from Helena and is accessable at all times. I will meet the O.M.E. Representative at any designated time and place to conduct him to the mine.

The A.S.&R. Company is 8 miles distant from the mine.

Water is the main obstacle which prevents opening old (1873) incline 50° shaft which is supposed to be 80' deep with 10 inches of silver-lead ore at the bottom incline is on the vein. The dump, most of which has been removed, shows very little value although small pieces of carbonate have been found and assayed $80 in silver and lead.

I have had approximately 25 years experience with mining and milling--in Virginia City, Rimini and Mike Horse Montana. I was first Superintendent of the mill at the Mike Horse--which had a successful run. A compressor (115 ft) and air pump would pump out the shaft as it will take approximately $2,000 to run a power line over to the shaft for pump operation. A 200 g.m. pump can be rented. There is no timber near the mine for stulls but sawed 8"x10" are available from the saw mills @ $65 M.

One more diamond drill hole is desirable 150' deep to insure possibilities below the shaft.

Good values are found on the 550 ft level 1000 ft south of my prospect and the values should go much deeper. The vein dips at 50° for 90' to 100' then dips at 80° on the workings south of my hole.

Diamond drilling can be done or is available at $9.00 per ft.

Labor [illegible] available (muckers-miners) [illegible] $20 to $23 a shift.

Supervision of operations by myself or partner will not be an item of expense.

There are no buildings on the property and there should be a small compressor house $300 and an outside privy.

Industrial accident insurance is in force.

Gentlemen —

In a previous letter I sent a small geological map - drill log - patent map and a description of the drill holes — Actually - I only want to verify the presence of commercial ore at the bottom of the incline shaft. The water has prevented an examination I had not anticipated finding water because 1500 ft south on the same vein the water was pumped down to the 400 ft level.

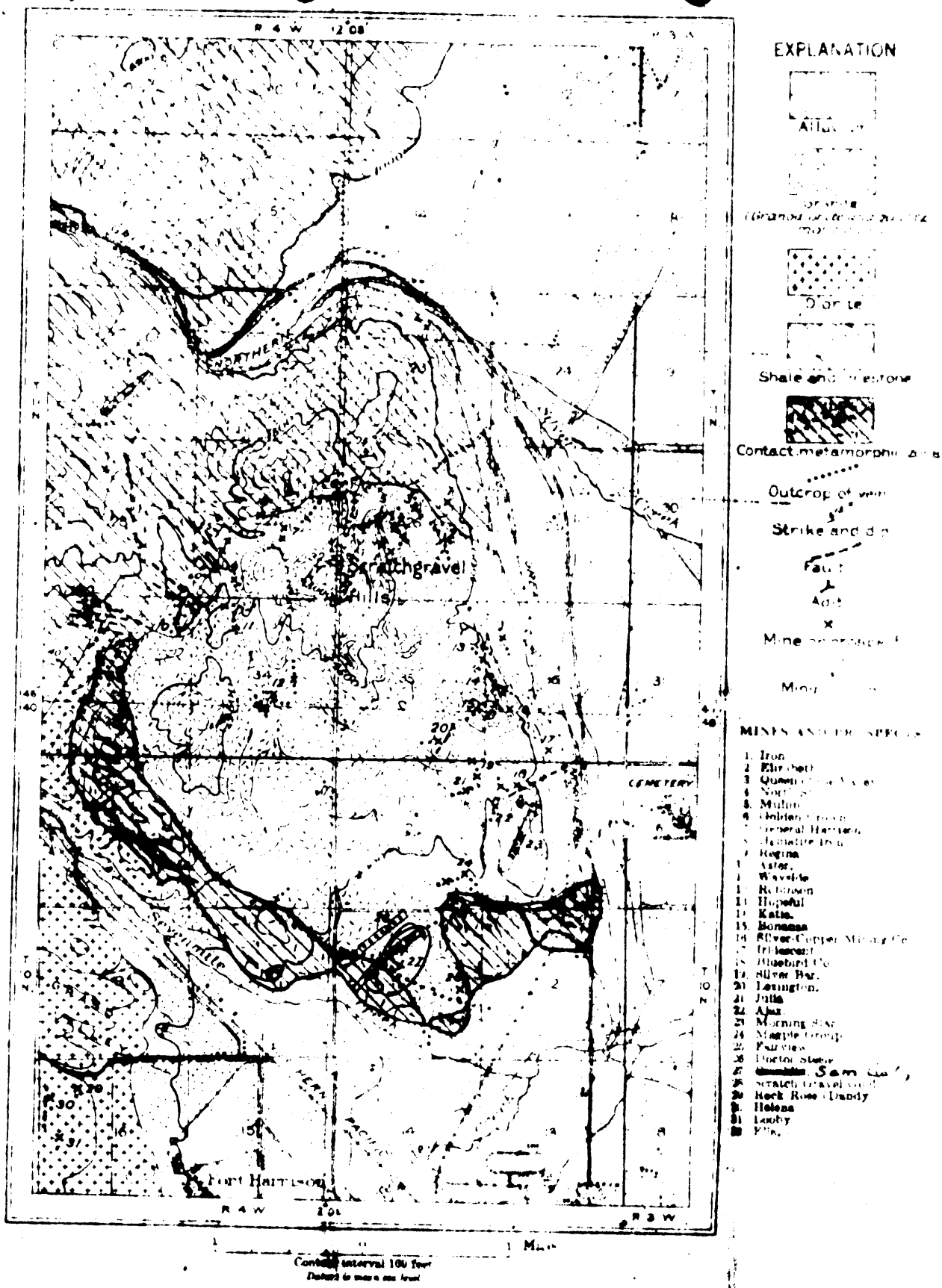
I have spent approximately $1,000.00 in cash which includes insurance, Social Security, Unemployment Insurance — etc. Diamond drilling of 361 ft in three holes over 2,000.

I think the property justifies a trip from your office if you are not already familiar with the area of Scratch Gravel.

A mortgage can be procured from the owners —

Yours very truly

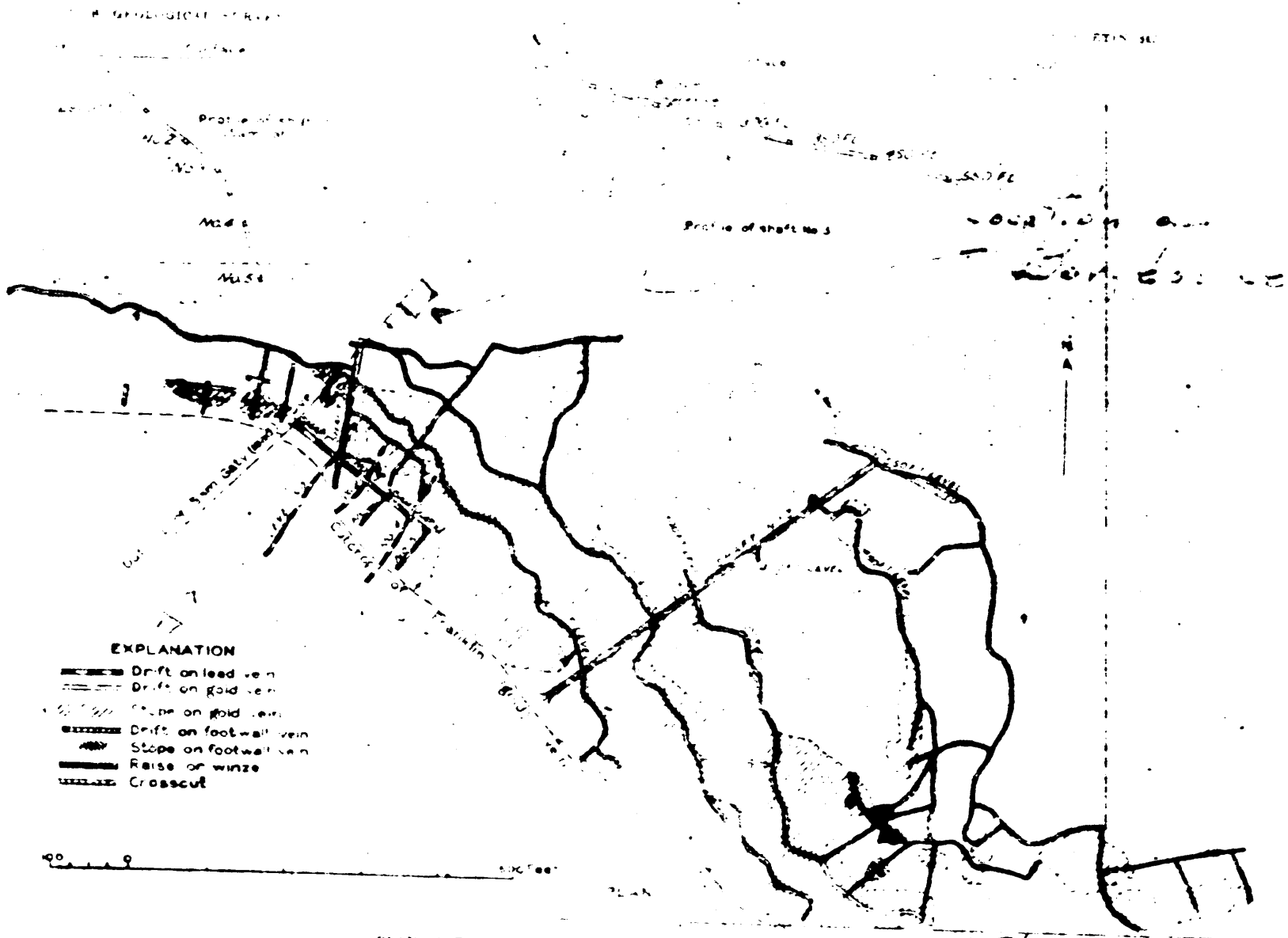
Harold J. Burgess —



GEOLOGICAL MAP OF SCRATCHGRAVEL HILLS AND CRASS VALLEY DISTRICTS

Ben Burgess

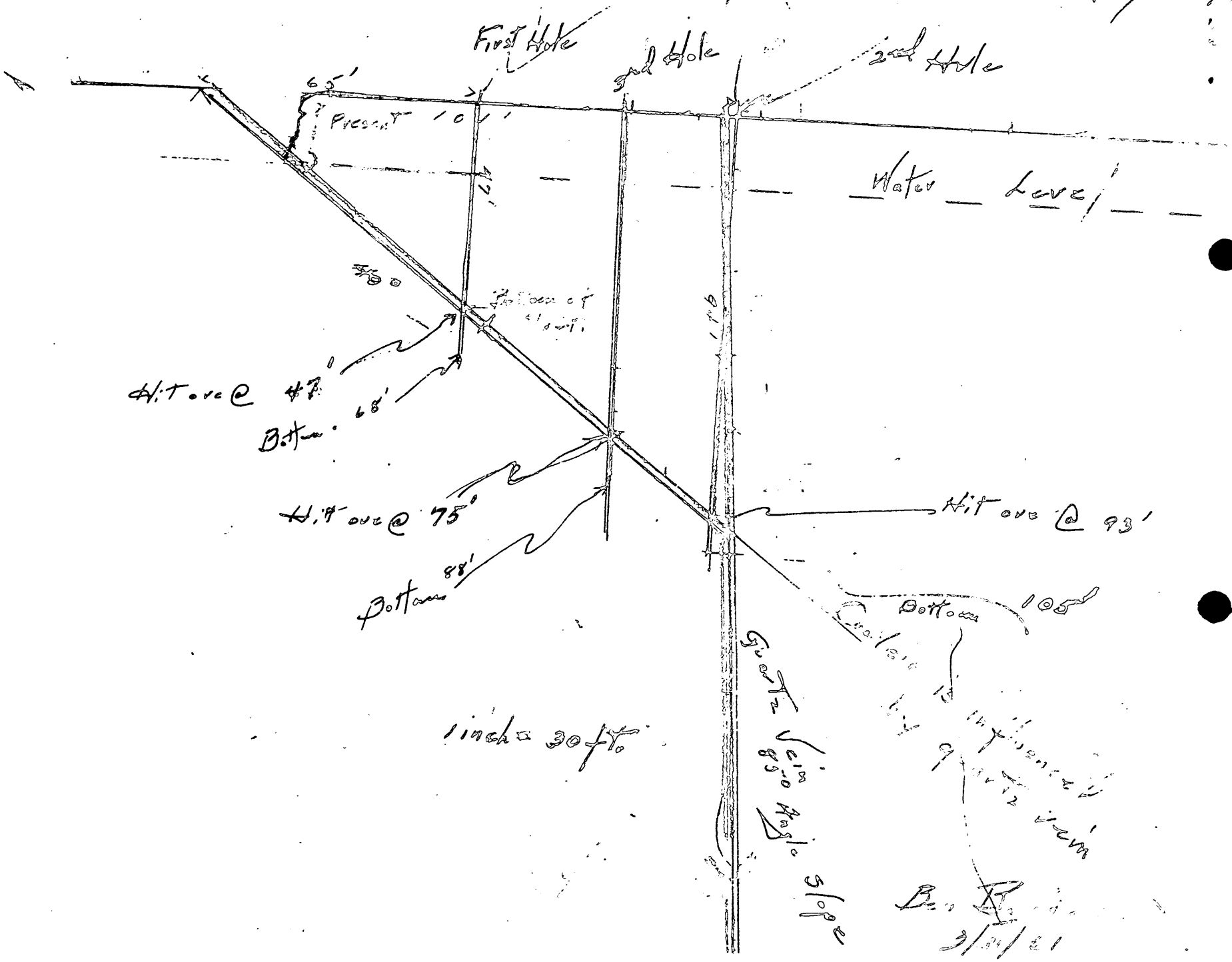
3-26-6



PLAN OF FRANKLIN MINE AND PROFILES OF SHAFTS 1 AND 3

From map by William F. Ward, 1917

Location of Diamond Drill Holes on Sam Gaty Lode



Form 30
Revised 12-22-55

Helena, Montana

Core Log No. _____ Project No. _____ Hole No. 1

Termini _____ Date Taken Feb. 18, 20, &21, 1961

Location Sam Gaty Structure _____

Driller: Richard W. Barnett Others (Helper) H ans Kaushagen

Party Chief _____

Stratification Depth	Stratification Legend	Description of Materials Type, Color & Consistency	Casing Blows	Casing Penet-ration	Rotary Drilling	Miscellaneous Data: Depth of Hole, Rock, Wt. of Hammer, Average Fall of Hammer, Elev. of Ground Water. Remarks
0 1		Top Soil				
1 15		Granitew/ red oxide streaks				16" of 2" pipe
15 16		Quartz (Hard- out bit)				
16 27		Granite				
27 29		Talc (Plugged bit)				Fault
29 34		Granite				
34 35		Talc (plugged bit)				
35 38		Granite (firm)				
38 46		Soft Red or yellow carbonate (with streaks of Granite)				Soft
46 51		Soft yellow & red carbonate				No carbonate ore recovered
51 56		Changing to granite with dark streaks in the mud				
56 65		Granite- Hard with Iron pyrites				

Hole No. 2

Date Taken Feb. 28th & March 1st

Structure

Others Helper: Hans Bauschgen

Description of Materials Type Color & Consistency	Casing Blows	Casing Penetration	Rotary Drilling	Miscellaneous Data
				Depth of Hole
				Rock
				Wt of Hammer
				Average Fall of Hammer
				Elev. of Ground Water
				Remarks 38" 2" pipe

Helena, Montana

Log No. _____ Project No. _____ Hole No. 3

Date Taken March 6, 7, 8 & 9

Sun City Structure _____

Chief Richard . Barnett Others Helper: Hans Hushagen

Elevation	Legend	Description of Materials Type, Color & Consistency	Casing Blows	Casing Penetration	Rotary Drilling	Miscellaneous Data: Depth of Hole, Rock, Wt. of Hammer, Average Fall of Hammer, Elev. of Ground Water
		Top Soil				24" - 8 cu. yds. 24" pipe
		Granite				
		Streaks of carbonate				
		Hard granite & quartz				
		Carbonate (soft)				
		Granite (hard)				
		Carbonate (soft)				Cave hole at 36 to 44
		Granite & quartz (hard)				Carbonate falls in.
		Small streak of sulfide				
		Granite (hard)				
		Sulfide (ore vein) (Both of blue and black)				Water. At 80 ft. water was [illegible]
		Granite (hard to bottom)				(Assay [illegible])
						Very hard drilling. Was troubled with drill rod clutter from 44 ft. to [illegible]

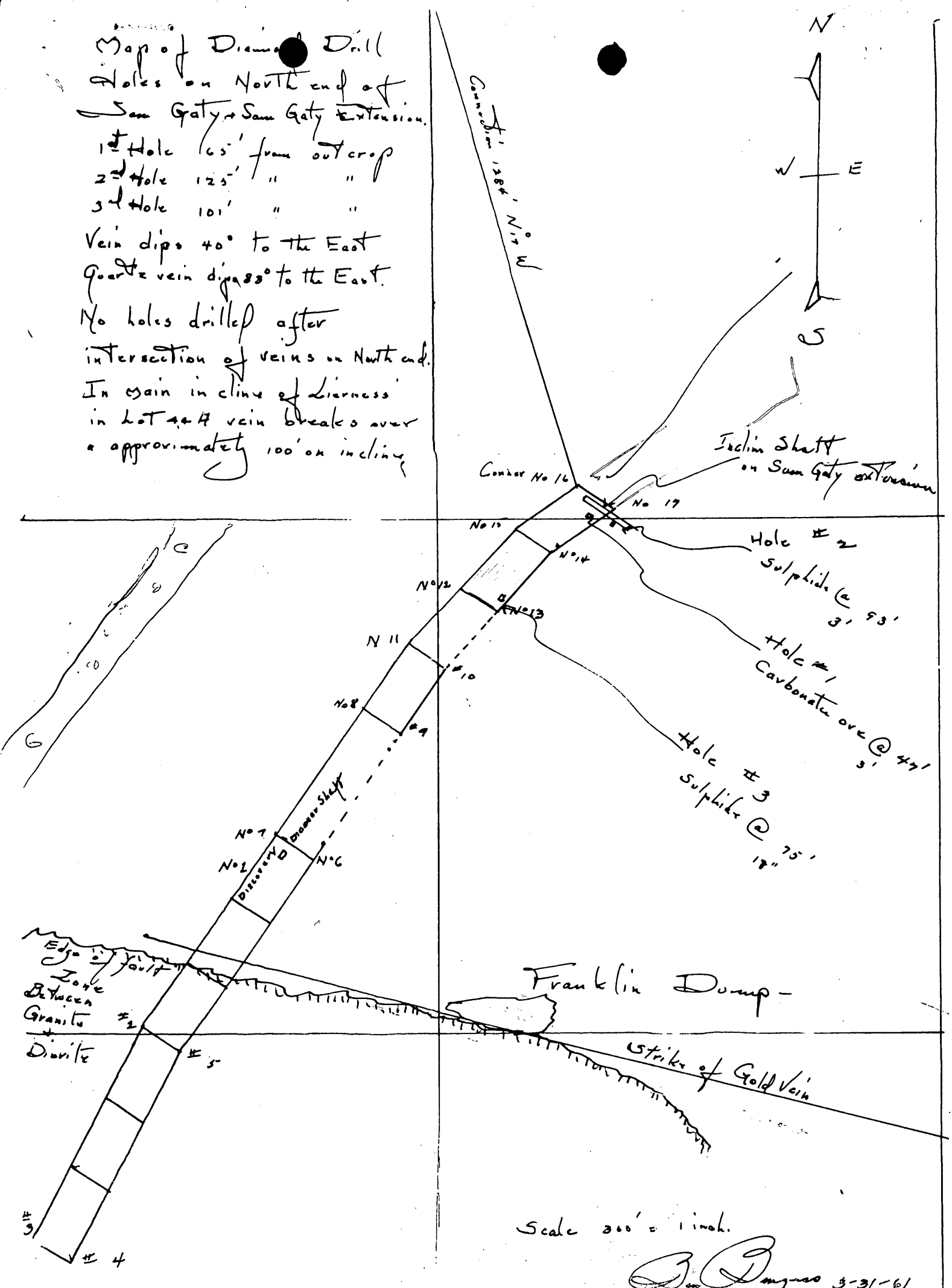
Map of Diamond Drill Holes on North end of Sam Gaty & Sam Gaty Extension.

1st Hole 65' from outcrop
2nd Hole 125' " "
3rd Hole 101' " "

Vein dips 40° to the East
Quartz vein dips 83° to the East.

No holes drilled after intersection of veins on North end.

In main incline of Lierness in Lot 4 & 4 vein breaks over a approximately 100' on incline



3-31-61