MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS 1/

To the United States of America:

That certain land in the County of Beaverhead, State of Montana, described ~~XXXXXXXXX~~ 2/ in a lease and option agreement dated July 14, 1966, and recorded in Book 188 of Leases, Pages 91-101, official records of said county, and in an assignment of mining lease dated August 4, 1966, and recorded in Book 188 of Leases, Page 102, official records of said county,

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

Vipond Mining Corporation 3/,

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

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(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/

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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 3 day of March, 1967.

George S. Gluck (Seal)	Ramsay, Montana	(Street) (City & State)
George S. Gluck		
Margot K. Gluck (Seal)	Ramsay, Montana	(Street) (City & State)
Margot K. Gluck		
(Seal)		(Street) (City & State)
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INT.-DUP. SEC., WASH., D.C. 21103

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MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. _____ Docket No. 6635

Application
- [x] 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- [ ] Withdrawn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
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab) 9-25-67
- [ ] Settlement Sheets reopened 7-2-68
- [ ] Drill Logs

Additional Folders:

Left Side

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

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] 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

72195-65

One

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
U. S. Court House, Rm. 656
W. 920 Riverside Avenue
Spokane, Washington 99201
December 19, 1967

Dispatched
DEC 20 1967

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Application Examination Report
OME-6635 (Silver)
Vipond Mining Corporation
Burgleroon Group
Beaverhead County, Montana

INTRODUCTION

The Burgleroon Group of mining claims were inspected September 25, 1967, in the company of Charles M. Kauffman, President, and George S. Gluck, claim owner and retired mining engineer. About 7 hours were spent on the claims. It is recommended that the application be denied because of the lack of any demonstrably specific target area that might offer a fair chance of containing an ore body. It is also recommended, should the applicant be able to demonstrate such a target by drilling one or more holes at his own expense, that a new application be favorably considered.

LOCATION, ACCESSIBILITY, AND PROPERTY

The claims are located in sec. 34, T. 1 S., R. 11 W., P.M., in the Vipond Mining District, Beaverhead County, Montana. The property may be reached from Divide, a small settlement on U. S. Highway 90 some 23 miles south of Butte, by following paved State Highway 43 for about 6.5 miles westerly to a sign indicating Quartz Hill Mines. Turn left and follow a fair gravel road southerly for 2.2 miles to Quartz Hill. Thence follow the left fork for about 3 miles, then turn right to follow a mine road, little more than wheel tracks, to a cabin which is on the Vega claim.

The property consists of 17 unpatented claims recorded in the county court house, Dillon, Montana, as follows:

ON-SITE
EXAM. RPT.

Claim	Book	Page
Rosalind	155	335-336
Madison	155	333-334
Madison No. 2*	164	635-636
Madison No. 3*	164	637-638
Jefferson	155	331-332
Jefferson No. 2*	164	631-632
Jefferson No. 3*	164	633-634
Lucky Lady	155	275-276
Vega	145	287-288
Vega No. 2	164	639-640
Vega Extension	164	93-96
Burglind	155	277-278
Polaris	145	283-286
Tuxedo No. 2*	164	189-190
Leadville*	164	191-192
Log Cabin*	136	327-328
Leadville No. 2*	(Unrecorded location)	

The applicant requests that the eight claims followed by an asterisk be excluded from the land subject to a contract. There is no doubt that Tuxedo, Leadville, Log Cabin, Leadville No. 2, Jefferson No. 3, and Madison No. 3 are all well away from the areas of probable exploratory drilling, and could safely be excluded.

From what could be seen the vein indicated on the Madison claim (applicant's geologic map) is not exposed to the north more than a few feet beyond his proposed hole 5 but beyond that point much of the bedrock is covered by glacial drift. Also, a vein length of 600 to 700 feet northerly from hole 5 would be within the Rosalind claim. The same condition prevails on the Jefferson claim northerly from proposed hole 5/4 which is about 500 feet south of Jefferson No. 2. Because possible drilling under Stage II and III might disclose ore bodies within 100 feet of the south end lines of Madison No. 2 and Jefferson No. 2 it is advisable to include these two claims in the land subject to a contract, should one be offered.

GEOLOGIC SUMMARY

Rocks within the area of the claims are Meagher dolomite, Pilgrim dolomite and limestone, both of Cambrian age, and Jefferson limestone of Devonian age. These rocks have been folded into a broad syncline plunging slightly to the southeast. On the west limb at least two minor folds are indicated by a swing in strike from N. 30° E. to N. 55° E., to N. 25° E., to N. 67° E., to N. 20° W.; the strikes are successive from south to north on the applicant's geologic map. The east limb shows similar minor folding by strike swings near the synclinal axis, taken from south to north, from N. 55° W., to N. 55° W., to S. 88° W., to N. 40° W. Dips on the west limb range from 4° to 9° SE. to E. and average 6.8°. On the east limb near the axis of the syncline dips range from 4° to 16° SW. to S. and average 12.25°.

About 170 feet east of the synclinal axis is the shortest distance to a fault that strikes N. 9°-12° E. crossing Vega and Vega No. 2 claims diagonally and continuing nearly along the easterly side-line of Vega Extension. Dipping about 60° to 65° E., the fault has dropped beds of the Pilgrim dolomite into a fault contact with those of the Meagher dolomite. The beds east of the fault strike about N. 70° W. and dip about 10° SW.

Ore deposits in the Vipond area are of two types: irregularly shaped shoots in quartz veins and replacement deposits in favorable beds along the veins. Generally, the replacement deposits are higher grade than the vein deposits.

On the Polaris claim about 100 feet from the north end line is an old shaft, steeply inclined (about 85°-90° W.) said to be 60 to 70 feet deep. Long since caved, it has been reopened and retimbered to a depth of about 20 feet. An opening in the timbered north wall exposes a quartz-filled fissure 4 to 5 feet wide with small scattered specks and blebs of sulfide minerals, probably pyrite, galena, and possibly some argentite or tetrahedrite. Four samples taken prior to 1954 by Mr. Gluck across the vein at this point were assayed for silver only; the average grade is 5.32 ounces silver per ton. Three samples taken by Gluck of selected dump material at the shaft collar have an average grade of 13.67 ounces silver per ton, and a grab sample from an outcrop of the vein just south of the shaft assayed 3.2 ounces silver per ton.

Walking southwesterly from the shaft, somewhat zig-zagging across the projected location of the vein, considerable quartz and limestone float was seen within a fairly regular zone up to 30 feet wide, but there appear to be no outcrops. About 1,100 feet southwesterly from the shaft a pit said to be 22 feet deep passed through 19 feet of overburden before entering Pilgrim dolomite. The pit was boarded over and, neither a ladder nor a rope being

available, was not entered. A 1,000 to 1,200 pound sample of float on which the pit location was based, assayed 264.8 ounces silver per ton, 4.2 percent lead, and 2.5 percent copper. Much of the float appeared to be typical hard white vein quartz, but some was more granular and could be weathered dolomite. Sulfides were sparsely scattered in many of the float pieces of both kinds, other pieces appeared barren. The very high silver content, relative to that of most of the samples, suggests that this sample may have been carefully sorted. A slight westerly ground slope and the amount of float strongly suggest that the vein is a few tens of feet to the east. Due to the deep overburden, 25 feet or more in places, exploration by trenching would be costly and is therefore considered to be not feasible.

About 100 feet southwest of the pit a 10- to 12-ton sample of float assayed 3.7 ounces silver per ton. Some of the remaining float that was seen was similar to that near the pit and contained thin seams and scattered particles of sulfides. Similar appearing float another 100 feet from the pit contained very little, if any, sulfide minerals. However, a sample taken from a corner of a large quartz "boulder" assayed 3.2 ounces silver per ton.

About 350 feet southwesterly from the pit just described an old test pit was reopened and deepened to 23 feet but did not pass through the overburden. At a depth of 20 feet a short crosscut driven easterly in the overburden is said to have exposed a large piece of quartz float showing no visible mineralization. This pit also was inaccessible. A 7- or 8-ton sample of float taken a few feet southeast of the test pit assayed 22 ounces silver per ton. All these samples were taken by Gluck prior to 1964.

About 500 feet southwesterly from the old test pit, an adit has been driven a total distance of about 250 feet in limestone, probably the Pilgrim. Starting as a tightly lagged crosscut, the adit, at about 47 feet, crossed a 2- to 3-foot wide zone of crushed limestone and a gouge seam striking N. 45° E. and dipping about 50° NW. Beyond the seam there is another zone of crushed limestone about 8 feet wide, the footwall parallel to the gouge and the hanging wall dipping 80° NW. The adit was turned to follow the seam and crushed limestone for about 50 feet northeasterly. Here, the crushed zone has narrowed to about 5 feet and is cut off by a N. 27° W. striking, 80° SW. dipping fault. The adit was turned northwesterly and driven about 35 feet following the footwall of this fault. At about 23 feet another fault striking about N. 35° E. and dipping 83° NW. was crossed. There is about 5 feet of crushed quartz on the hanging wall of this fault. At 35 feet the drift along the cross fault was again turned to N. 55° E. and driven about 20 feet until the NE. fault was again picked up. This structure was followed for about 100 feet northeasterly,

keeping the structure along or close to the SE. drift wall. There are a few discontinuous streaks of crushed limestone along the hanging wall of the fault, but except for a short distance from where the adit first crossed the fault little, if any, sulfide mineralization was seen. According to Gluck, prior to 1964 he took a few samples of crushed rock from both sides of the fault; they assayed between 2.0 and 3.5 ounces silver per ton.

About 150 feet nearly due south of proposed hole 2 is the Vega discovery pit. This has recently been bulldozed into a sizable open cut about 130 feet long, 20 feet wide, and 10 to 15 feet deep at the NW or uphill side. A quartz vein about 6 feet wide between sheared walls is exposed. Prior to 1964, before the pit was enlarged, Gluck took from the "footwall part" a sample that assayed 3.0 ounces silver per ton and 2.02 percent lead. At the same time he took a sample of float a short distance downhill from the discovery pit; it assayed 41.3 ounces silver per ton and 0.8 percent lead. During the inspection Gluck was asked to take a check sample of the quartz vein. He took a chip across 11 feet to include the sheared wall rock; it assayed 2.3 ounces silver per ton, nil lead, and Tr copper.

From the above cut a walk across Vega Extension to a point about 300 feet southwesterly from the Burglind shaft disclosed no vein, quartz float or mineral-bearing limestone float. The shaft which was inaccessible is said to be 17 feet deep and to expose, at the bottom, mineralized quartz stringers with "bunches of galena" in the hanging wall. Prior to 1964, Gluck sampled a small pile of ore on the shaft dump; it assayed 25.0 ounces silver per ton, 4.7 percent lead, and 0.9 percent copper.

According to Mineral Statistics West of the Rocky Mountains, 1871, page 270 (photocopy with the application), a shaft on the Jefferson claim was put down to a depth of 32 feet on a vein 4 feet wide near the surface and ending at the shaft bottom in a mass of decomposed limestone. At present the shaft collar is completely caved and inaccessible. Three old pits near the shaft were visited; each exposed a quartz vein about 2 to 3 feet thick. Samples taken prior to 1964 by Gluck from each pit assayed respectively 3.6 ounces silver per ton and 9.8 percent lead; 1.4 ounces silver per ton and 0.9 percent lead; and 3.7 ounces silver per ton with no lead assay reported. Float in the area comprises mostly barren looking limestone and quartz; however, it also contains several pieces of mineralized limestone as well as some mineralized quartz. Gluck took two samples of limestone float that assayed respectively 40.6 and 123.3 ounces silver per ton.

On the Madison claim, near the edge of the cliffs, a zone up to 15 feet wide contains many small tight shears some of them stained by copper oxide probably derived from tetrahedrite and contained some galena. A tunnel collared on a shelf 20 to 30 feet below the top rim of the cliffs is said to lead to the shear zone. Due to the precariously steep descent the tunnel was not visited. This zone is the northerly striking vein dipping 85° westerly that Youngberg shows on the map that accompanied his examination report in Docket No. DMEA-1980. In his report he describes the vein as ". . . steeply dipping fissures in which quartz, copper, lead and zinc sulfides and silver have deposited and along which the limestone wall rocks contain replacement of these minerals." Prior to 1964, Gluck in this area took two float samples of replaced limestone which assayed respectively 36.5 ounces silver per ton, 6.5 percent lead, and 1.34 percent copper; and 36.6 ounces silver per ton, 14.2 percent lead, and 1.75 percent copper. He also took two samples of vein material which assayed respectively 2.9 ounces silver per ton, and 8.0 percent lead; and 9.6 ounces silver per ton and 15.9 percent lead. Of 12 assays for lead reported, only 3 indicated that silver comprised less than half the total dollar value.

Using an arbitrary cut-off grade of 10 ounces silver per ton and a price of $2.00 per ounce, 11 of the 27 assays reported range from 10.3 to 264.8 ounces silver per ton and average 59.2 ounces per ton. If the two highest assays, 123.5 and 264.8 ounces per ton, are discarded as being too highly selected, the other nine assays indicate an expected average ore grade of 29.22 ounces silver per ton. The remaining 16 assays reported range from 1.4 to 9.6 ounces silver per ton and average 4.09 ounces per ton.

PRODUCTION

According to the applicant, the only known current production was from the Grey Jockey mine in December 1965, January 1966, and October 1966; there have reportedly been subsequent shipments during 1967, but the tonnage and grade are not known. In 1965-1966, 314 tons shipped to Anaconda Sampler had an average grade of 8.77 ounces silver per ton and 0.37 percent copper. No assays for lead and zinc appear on the settlement sheets.

The U. S. Bureau of Mines office in Albany, Oregon, furnished the following production figures from nearby mines for Government Use Only:

Mine	Production period	Tons ore	Ounces Au	Ounces Ag	Pounds Cu	Pounds Pb
Grey Jockey	1917-1966*	2,752	21	26,757	21,594	1,654
Mammoth	1936 only	18	NR	233	NR	NR
Faithful	1937-1939	268	3	1,569	509	2,800

*Includes shipments covered by the above settlement sheets.

Production was not continuous throughout the periods indicated; the dates are the first and last years in which production was reported. The average grades for each mine, based on the production figures, are:

Mine	Ounces/T Au	Ounces/T Ag	Percent Cu	Percent Pb
Grey Jockey	0.008	9.79	0.40	0.04
Mammoth	NR	12.94	NR	NR
Faithful	0.01	5.83	0.09	0.52

There was considerable prospecting, development, and some mining in the district as early as 1871. Most of the ore produced in the early years was shipped to the Glendale smelter, but all production records for that ore were destroyed when the smelter burned down.

Limited information relative to early activities in the area is given in Mineral Statistics West of the Rocky Mountains; photocopies of pertinent passages covering 1871, 1872, and 1873, accompany the application. Of various mines the data may be summarized:

Grey Jockey.--1872 - 300 tons on the dump average $50.00 per ton. 1873 - a shaft 50 feet deep exposes a vein 18 foot wide.

Mammoth.--1871 - Four shafts are on a vein 1-4 foot wide; one sample assayed $410.00 per ton; average grade about $200.00 per ton in silver and 40 percent lead; 63 tons of ore were treated at the Bobo smelter in Argenta. 1873 - opened by a shaft to a depth of 160 feet. Also Report to the U. S. Director of the Mint states: "... ore taken from a fifty foot shaft was sold to the Glendale smelter ... carried 140 ounces silver to the ton." "... the pay streak is two and a half feet wide."

Mammoth.--1871 - Shaft 25 feet deep exposes a body of ore 4 feet wide at the surface, but only 5 inches wide at the bottom of the shaft. 1872 - crops out for 1,000 feet; 7 feet wide; ore on dump 200 tons, average assay $100.00 per ton.

Forest Lode.--1871 - Apparently a pocket 4 feet wide; ore resembles that of Mewenitoc; 30 tons shipped to Bonn smelter.

APPLICANT'S PROPOSAL

During the inspection the applicant discussed his reasons for presenting his proposal in three stages. He recognizes the fact that the majority of the vein samples contain considerably less values in silver and base metals than do the majority of samples taken from what appear to be beds that have been mineralized by replacement. The five 400-foot holes proposed for Stage I are designed to gain stratigraphic information, to check the location and dip of veins that crop out at the surface, and to search for possible replacement ore bodies. He has located holes 1, 2, and 3 in relation to areas of float, projected veins that outcrop, and the results of his geochemical survey. Hole 4 is located near the Jefferson shaft because of reported high-grade ore found there in the past and because later vein samples, though not approaching ore grade, indicate a channelway for solutions that could form replacement deposits in favorable beds. Hole 5 is located near the projected location of the mineral zone on the Madison claim.

He is aware that ore shoots in the veins pinch out at the bottom of several shallow shafts. However, he points out that there could be deeper beds amenable to the formation of replacement bodies, that veins could open out in deeper beds, that nothing is known about the stratigraphy below the shallow shafts, and that the five Stage I holes would either prove or disprove the existence of potential vein and replacement deposits at depth.

SUMMARY

In summary, there is evidence of at least four silver-bearing veins that strike northeasterly and dip steeply to the west. Due to large areas in which glacial drift covers bedrock the veins can be traced for only short distances except by float. The longest structure so traced extends from the northeast end line of the Polaris claim at least as far as a point about 600 feet from the southwest end line of the Vega claim, a distance of some 2,200 feet. At places along this line some of the float is limestone or dolomite, pieces of which contain good silver values, indicating the presence of near surface beds favorable to replacement. Other veins were similarly traced on the Burglind claim for at least 700 feet, on the Jefferson claim for at least 800 feet, and on the Madison and Rosalind claims for at least 600 feet.

Low-grade silver-lead-copper assays may be said to be widespread throughout the Vipond District. There is evidence that some replacement deposits were formed at shallow depth. In the early days occasional bodies of high-grade silver ore were found, but from available data they were small. Production records from the early period of operation were destroyed by a fire at the Glendale smelter. The few records that can be found account for a production from 5 mines totaling 3,615 tons, of which 3,018 tons came from 3 mines between the years 1917-1966; the balance, from the early years, is only 593 tons from 4 mines. If production during the early years were 10 times the available figure, it would be 5,930, say 6,000 tons which, added to the more complete recent production, indicates a total of 9,018, say 9,000 tons, for which a fair average grade cannot be estimated.

CONCLUSIONS

It is concluded that some high grade silver ore was found at shallow depths during the years 1871-1873, inclusive, almost entirely on nearby properties not controlled by the applicant. The sole exception is the Jefferson claim from which a sample reported in 1871 assayed $143.00 per ton, and in 1872, 25 tons of ore on the dump reportedly had an average value of $125.00 per ton. On this claim a shaft, reported in 1871, collared on a vein 4 foot wide; the vein died out in decomposed limestone at a depth of 36 feet.

It is also concluded that presently available information indicates that ore bodies in the Vipond Mining District have for the most been relatively small. While there is evidence that there may be some replacement deposits in favorable beds at places along some of the veins, it is concluded that there is nothing to indicate their locations and sizes.

Finally, it is concluded that the proposed Stage I is prospecting with an element of wildcat character, although it is recognized that only by drilling can the lithology of the underlying beds and their potential as hosts for wider veins and replacement deposits be determined.

RECOMMENDATIONS

Because of the lack of any positive and demonstrably specific target area that might offer a fair chance of making a significant discovery, it is recommended that the application be denied without prejudice to the claims.

Should the applicant put down one or more holes any of which might indicate such a target, it is recommended that a new application be favorably considered.

D. R. MacLaren

Distribution:
ONR
USGS (ERO)
Docket
MacLaren

BIBLIOGRAPHY

Winchell, A. N., 1914, The mining districts of the Dillon quadrangle, Montana, and adjacent areas: U. S. Geol. Survey Bull. 574, p. 78-79.

Docket No. DMEA-1980 and 2254.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
June 6, 1967

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 9 1967

INITIALS	CODE

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Transmittal of Application for Assistance (Silver)
Vipond Mining Corporation
Burgierosa Group
Beaverhead County, Montana

The enclosed application appears to be complete except for Lien and Subordination Agreements for the Assignment of Mining Lease by which Midland Paint Company assigns its lease with George S. and Margot K. Gluck to Vipond Mining Corporation.

With the possible exception of Jefferson Nos. 2 and 3 and Madison Nos. 2 and 3, the claims the applicant wishes to have omitted from the land appear to be unaffected by his proposed project.

The Madison, Rosalind, and Jefferson claims were the subject of a prior application, Docket No. DMEA-1980 Exp. which was denied November 8, 1951. We do not have a copy of this application, but from the examination report the present application involves additional vein indications and a proposal to explore by diamond drilling, probably to a depth that might make this proposal more feasible.

Some of the samples of dump material and float have interesting silver values, but others and most of the vein samples are not too interesting. Many of the samples were assayed for silver only; those that were assayed for base metals show erratic values in lead and copper.

D. R. MacLaren

Enclosures

MME Form 40
Jan. 65

RECEIVED
MAY 31 1967

Budget Bureau No. 42-R1508
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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.)*

Vipond Mining Corporation
P.O. Box 63
Billings, Montana 59103

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6635
DATE RECEIVED: 6-9-67
REGION: I
DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL [ ]
- CORPORATION [X]
- PARTNERSHIP [ ]
- OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED: Montana

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Chas. M. Hauptman	644 Park Lane, Billings, Mont.	President
Thomas M. Pett	211 No. 34th, " "	Vice Pres.
George E. Guay	532 Howard Ave., " "	Sec.-Treas.

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Silver

ESTIMATED COST OF PROJECT: $ 121,035.50

PROPERTY NAME	LOCATION COUNTY	STATE
Burgierosa Group	Beaverhead	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 two 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, D.C., or with the nearest OME Field Office.~~ Washington, D. C., 20242, 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.

May 26, 1967
DATED

VIPOND MINING CORPORATION
BY *(Signature)* C. M. Hauptman
President
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 cost of the exploration work.

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

INFORMATION REGARDING APPLICATION FOR
FINANCIAL ASSISTANCE IN MINERALS EXPLORATION
MAY 25, 1967

1. Financial Eligibility
   (a.) See attached letters of application for credit and replies.
   (b.) Vipond Mining Corp. is a separate and individual company having no affiliated, parent or controlling companies or organizations.
   (c.) Vipond Mining Corp. will furnish its share of the cost of the exploration work proposed under this application from cash funds now on deposit to Vipond's account and due on committment from corporate share owners.

2. Applicant's Rights in Land
   (a.) Vipond Mining Corporation's interest and control in the land concerned with this application is by virtue of a lease and option agreement dated July 14, 1966, between George S. Gluck and his wife, Margot K. Gluck, owners of the property and Midland Paint Company, a Montana Corporation. Said lease and option agreement was in turn conveyed to Vipond Mining Corporation by assignment of mining lease dated August 4, 1966.

   Both above-mentioned documents, copies of which are attached, are recorded in the official records of Beaverhead County, Montana; such records being in the county courthouse at Dillon, Montana. The subject lease and option agreement is recorded in Book 188 of Leases, pages 91-101, and the subject assignment of mining lease is recorded in Book 188 of Leases, page 102 of said Beaverhead County records.

   Vipond controls other land in the immediate area of the lands covered by the Gluck lease. This other land consists of four unpatented mining claims under control of Vipond Mining Corp. by virtue of a mining lease dated August 23, 1966. The lessors in this lease are Julius Jackelini and his wife, Helen, and Arthur Semsak, a single man. This lease, a copy of which is attached, is recorded in the official records of Beaverhead County, Montana at the courthouse in Dillon, Montana in Book 188 of Leases, pages 103-113.

   There are no liens, mortgages, or other incumbrances on the land subject to this application.

   (b.) All lands controlled by Vipond Mining Corporation in the area, which is the subject of this application, consist of unpatented mining claims. All these claims, shown on the claim map attached (2 copies), are recorded in the records of Beaverhead County at Dillon, Montana. Only part of this land is subject to this application, as follows;

Lands Subject to Government Royalty and Liens (all unpatented lode claims)

Name of Claim	Book of Records	Page
Madison (original)	126 of Lode Location	43-44
" (amended)	155 " " "	333-334
Rosalind (original)	126 " " "	45-46
" (amended)	155 " " "	335-336
Jefferson (original)	108 " " "	27-28
" (amended)	155 " " "	331-332

Name of Claim	Book of Records	Page
Lucky Lady	155 of Lode Location	275-276
Vega	145 " " "	287-288
Vega #2	164 " " "	639-640
Vega Extension	164 " " "	95-96
Burglind	155 " " "	277-278
Polaris	145 " " "	285-286
Lands controlled by Vipond Mining Corp. but not Subject to Government Royalty and Liens		
Madison No. 2	164 " " "	635-636
Madison No. 3	164 " " "	637-638
Jefferson No. 2	164 " " "	631-632
Jefferson No. 3	164 " " "	633-634
Tuxedo No. 2	164 " " "	189-190
Leadville	164 " " "	191-192
Log Cabin	136 " " "	327-328
Leadville No. 2	unrecorded location	

3. Physical Description

(a.) See attached Report on Burgierosa Silver Mine, by George Gluck, for a description of mining activities which have been conducted on the Gluck lease

Vipond dug over one hundred feet of exploration trenching on the south half of the Polaris claim in late November of 1965. This work was to attempt to uncover the vein south of the old Polaris Shaft. The overburden, however, was too thick to be penetrated by the excavating machine.

The only other recent work in the area was the sinking of a 92' vertical shaft on the Leadville claim just south of the Mammoth claim. This shaft was sunk by Vipond Mining Corp. in September-December, 1966, to explore a vertical fissure vein exposed in the bottom of a shallow pit. No quantity of ore grade material was found, but indications are sufficient to warrant further exploration, which will be continued in the summer of 1967.

(b.) See above

(c.) The only recent production of silver ore from this area has come from the Gray Jockey claim, lately being worked by means of a small open pit. The leasers, Omer H. Boeh and Ben Hussman, use a front end loader and the resulting ore is considerably diluted in the process. Copies of the settlement sheets from this production are attached.

Little is known about prior production from the properties in the area, although numerous dumps and shallow shafts attest to considerable work. The best record of the district was destroyed when the Glendale smelter burned. Nearly all production had gone to this plant except for some very early rich shipments, which were packed out to Utah for shipment by rail to California and thence to Wales for smelting.

Attached are copies of various items of historical record which give some information about the prospecting and production that was done, the periods of major activity in the area, and the tenor of the ores.

(d.) The only ore reserves now known in the district are the few hundred tons developed in the small pit at the Gray Jockey mine. No ore reserves are known on the lands controlled by Vipond Mining Corp.

(e.) Refer to the previously mentioned report by George Gluck and the geologic map of the Burgierosa Group (both marked Item 3(a), 3(e). See also attached the article by A.V. Taylor Jr. on ore deposits of the Quartz Hill district, the exerpt from U.S.G.S. Bulletin 574 re Vipond District, and the minerological determination from Montana Bureau of Mines and Geology, dated November 21, 1966.

(f.) Silver ore in substantial quantities are expected for the following reasons;

(1.) The area has a history of production of silver ores of excellent quality, even at the depressed price of silver during some early periods of production.

(2.) Excellent structural conditions for accumulations of commercial quantities of silver ore exist on the properties to be subject to the work herein proposed.

(3.) Stratigraphic conditions appear favorable for replacement deposits adjacent to and extending laterally from the abundant fissure veins on the property. The drilling program proposed is planned to permit accurate correlation and interpretation of the stratigraphic sequence. The present knowledge of this sequence is insufficiently detailed for close control of excavation exploration.

(4.) Random surface samples indicate the presence of silver on the property (see attached assays of hand samples by Goodall Brothers, Helena, Montana.

(5.) Geochemical exploration on the various claims concerned with this application indicate strong metallic anomalies, indicating mineralized areas even where no excavation has been done and extending areas of known metal-bearing structure. The results of the geo-chemical work are shown on the attached 6 maps.

(g.) Two copies of all data are enclosed as requested, and no return of such material is required.

However, to assist the examiner in his consideration of this application, private copies of certain published and unpublished material relating to the Vipond area is forwarded with this application to save time that might otherwise be spent on a search of the literature. These publications, as listed below, are to be returned to Vipond Mining Corp.

(1.) Information Circular 6963, U.S. Bureau of Mines, Mining Methods and Costs of the Quartz Hill Mining Co., Dewey, Montana, 1937.

(2.) Exerpts from Geology of the Swamp Creek Triangle Gulch Area, P.A. Guttormsen, 1952

(3.) Montana Bureau Mines & Geology Memoir 25, Geology and Ore Deposits of the Mecla Mining District, Beaverhead Co., Montana.
(4.) Geology and Ore Deposits of the Quartz Hill Mining Area, Beaverhead Co., Montana, H. Gondarzi, 1941
(5.) Geology of the Sheep Mountain -Gray Jockey Peak Area, Beaverhead Co., Montana, Richard Obert, 1962.

4. Accessibility of Property

(a.) Persons who will meet the OME representative and guide him during an examination of property:

Charles M. Hauptman
644 Park Lane
Billings, Montana 59102
Area Code 406 259-8846
or
John A. Bowsher
847 West Quartz
Butte, Montana
Area Code 406 723-6250

The property considered in this application is approximately 40 miles southwest of Butte, Montana and approximately 10 miles southwest of Dewey, Montana in the Beaverhead National Forest. All the property is easily accessible if the ground is not snow covered. All of the property can be driven to. See the attached Wise River-Melrose Recreation Access Map for further details. The area also lies within the Vipond Park Quadrangle map of the U.S.G.S.

(b.) The nearest supply point is Butte, about 40 miles to the northeast. The nearest shipping point is Divide, approximately 20 miles from the property. The ten miles of road south of Dewey are fair to good gravel road maintained by the Forest Service. The two miles of road west of the Forest Service road into the property is unimproved and will need grading before being used as a haulage road.

5. Exploration Work

(a.) The exploration proposed under this application consists entirely of diamond drilling from the surface on claims now under lease to the Vipond Mining Corp; such claims being part of the Burgierosa Group. The total drill footage proposed is 10,000 feet, but all such footage is not to be committed by either the Government or Vipond as one unit. Rather, Vipond proposed to utilize the drill footage under a staged contract. That is, Vipond will contract to drill or have drilled five holes, each to a depth of four hundred feet as the first stage of the contract. These first holes, to be described in detail later, will be located and drilled at carefully selected sites to provide initial information on stratigraphy of the local area and location and inclination at depth of certain fissure veins known by surface outcrop. All holes would be of BX size; every attempt would be made to get full core recovery, and the holes themselves and the data gained from the cores would be mapped by approved procedures as is usual in such work to make

full use of all information obtained.

Following a compilation of the data from this first stage of drilling, a conference would be held to discuss such data and to determine the procedure to be followed in stage two of the drilling which would entail 3,000 feet of drill hole. This conference would be attended by representatives of both the Government and Vipond and agreement must be reached on how stage two is the be pursued. Such meetings will provide a chance for"stock-taking" as the exploration proceeds.

Following Stage two, another conference shall be held at which time the decisions will be made as to how stage three, the final five thousand feet of drilling, shall be pursued.

Inasmuch as stage two will be dependent upon the outcome of stage one, and stage three will in turn be dependent on the outcome of stage two, no definite proposal for stages two and three can be made in this application.

The five drill holes proposed as stage one in the contract concerned with this application are shown on the following maps accompanying this application:

(1.) On the geological map of the Burgierosa Group.
(2.) On the geochemical grid map of the Burgierosa Group.
(3.) On the geochemical map of the individual claim (except for the Madison claim which has had no geochemical study at this time).

Drill Hole No. 1

The proposed site of this 400 foot drill hole is on the Polaris Claim, about 630 feet from the south end line and 230 feet from the west side line. Such site is chosen as it will investigate the area under the up-slope edge of the largest heavy metal (lead,zinc) geochemical anomaly on the claim. Further the drill hole will be drilled at an angle 10° from vertical, inclining southeasterly toward the vein. Thus, if the vein continues to dip steeply to the west, as is indicated in the shallow shaft near the north end of the Polaris Claim, the drill will intersect the vein at depth. The primary purpose of this initial hole on this claim is to provide stratigraphic data. This is the possibility, of course, that replacement deposits of the Quartz Hill type which would have developed laterally from the vein would be found in this first hole.

Drill Hole No. 2

The proposed site of drill hole #2 in this first stage of work is on the Vega Claim, about 700 feet from the north end line and 235 feet from the west side line. Again, this site is chosen for its location up-slope from the strong geochemical anomaly indicated on the attached maps. This hole will be inclined toward the vein approximately 10° from vertical to intersect such vein at depth. Presuming the vein dips steeply to the west, intersection of the vein and drill hole would occur about at a depth of 300 feet. Total depth of the hole is planned at 400 feet.

This drill site is the only one which will require much road work and site leveling. It is on a steep hillside and is presently inaccessible to vehicles. The other four sites are nearly level and can be driven to with no further road work. Only some minor grading and perhaps tree clearing will be necessary.

Drill Hole No. 3

Proposed site for drill hole No. 3 is on the Burglind Claim, about 825 feet from the north end line and 270 feet from the west side line. This site falls near the surface trace of the vein and in a geochemical anomaly. Therefore, the hole will be drilled vertically and to a depth of 400 feet.

Drill Hole No. 4

Proposed site for drill hole No. 4 is on the Jefferson claim, about 500 feet from the north line and 235 feet from the east line. The surface location is on a large geochemical anomaly and quite close to the surface trace of the vein as indicated by old pits and shallow shafts. Because the stratigraphic information expected from this hole is of primary importance, the hole will be drilled vertically rather than on an incline to the west. The vein in this area may or may not dip to the west. Drill holes in later stages of exploration would be utilized in determining the exact attitude of the vein.

Drill Hole No. 5

The proposed site of this drill hole is on the Madison Claim, about 160 feet from the north end line and 310 feet from the east side line. Due to claim overlap, it also falls well within the Rosalind claim. This hole, 400 feet deep, will be drilled vertically to provide primary stratigraphic information. The site is on the crest of a topographic nose which falls off steeply to the southeast, south and west. Small veins occur in the cliffs to the south. Of particular interest are the nearly flat-lying bedding plane type of galena occurences which are found on outcrops approximately 200 feet below the proposed drill site No. 5. This drill hole will help determine the stratigraphic relationship of these lense-like deposits and the high-angle veins.

(b) No access roads to the claims proper will be required under the terms of this proposed contract. A short access trail will be necessary to reach the site of drill hole #2 on the Vega Claim. Such a trail will be less than 300 feet in length, and will connect with an existing trail.

(c) Work would be started on the proposed drilling program within 60 days of execution of a contract, if such contract is signed before July 15. The contractor would like at least 30 days notice to move in his rig and would expect to have at least two months of drilling before winter sets in. The first stage of the contract could easily beccompleted in the summer of 1967. Stages two and three would be completed during the season of 1968. An average of 25 feet of hole drilled per eight hour rig shift is anticipated and two shifts perdday are planned.

6. Experience

The management of Vipond Mining Corporation is knowledgeable concerning government exploration loans, having previous experience as operators and contractors of Midland Mining Co. under DMEA Docket No. 4619, Contract No. Idm-E 1097.

Charles M. Hauptman, president of Vipond Mining Corp, is a graduate geologist (Univ. of Nebr. 1948, M.S.) with nineteen years experience in the oil and mining business. Mr. Hauptman has been a resident of Billings, Montana for fifteen years. He has had extensive experience as consultant and operations manager for a number of exploration mining companies, developing uranium and

in the Pryor Countains of southern Montana and general manager of a mica mine near Bozeman, Montana

John A. Bowsher, operations manager for Vipond Mining Corp., is a graduate of Colorado School of Mines (E.M. 1934, M.S. 1940) and has over thirty years' experience in the mineral industry as laborer, miner, millman, chemist, engineer, shift boss superintendent and resident manager. He has held various engineering and supervisory positions with such companies as Phelps Dodge Corp., American Zinc, Lead and Smelter Co., and the Anaconda Co. He was with the U.S. Bureau of Mines for 13 years, doing, among other things, DMEA exploration program supervision with a G-S 12 rating.

7. Estimate of Costs

Stage I

Actual Costs

(a.) Independent Contracts

Bulldozer work on access roads and drill sites, 40 hours @ $15.00/hr.	$ 600.00	
Diamond Drilling		
2,000 ft. of hole @ $7.60/ft.	14,250.00	
Drilling and casing overburden, 125 feet @ $11.50/ft.	1,437.50	
Reaming and casing 10% of footage. 200 ft. @ $4.00/ft.	800.00	
Casing, 200 ft. @ $1.00/ft.	200.00	
Cementing, stand-by, moving 110 hrs. @ $11.50/hr.	1,265.00	
Mobilization and demobilization, one drill rig @ $750.00	750.00	
Core Boxes	200.00	
Water, $1.15 per ft. drilled	2,300.00	$21,802.50

Fixed Unit Costs

Incidental allowance (including all costs of supervision, technical services, materials and supplies, depreciation, rental of surveying equipment, payroll taxes, and other items of allowable costs under categories (b) through (g) of article 7 of this application) for each foot of drill hole completed, 2000 ft. @ $1.00/ft.	2,000.00	
Chemical analyses for metal content of 25 samples @ $7.50/sample	187.50	2,187.50
Total estimated cost, Stage I		$23,990.00

Stage II

Actual Costs

(a.) Independent Contracts

Bulldozer work on access roads and drill sites, 60 hrs. @ $15.00/hr.	$ 900.00	
Diamond Drilling		
3000 ft. of hole @ $7.60/ft	21,375.00	
Drilling and casing overburden, 200 feet @ $11.50/ft.	2,300.00	
Reaming and casing, 10% of footage. 300 ft. @ $4.00/ft.	1,200.00	
Casing, 300 ft @ $1.00/ft.	300.00	
Cementing, standby, moving, 165 hrs. @ $11.50/hr.	1,898.00	
Mobilization and demobilization, one drill rig	750.00	
Core boxes	300.00	
Water, $1.15 per ft. drilled	3,450.00	$32,473.00

Fixed Unit Costs

Incidental allowance (refer same paragraph, Stage I) for each ft. of drill hole completed, 3000 ft @ $1.00/ft.	3,000.00	
Chemical analyses of 40 samples @ $7.50 per sample	300.00	3,300.00
Total estimated cost, Stage II		$35,773.00

Stage III

Actual Costs

(a.) Independent Contracts

Bulldozer work on access roads and drill sites, 100 hrs. @ $15.00/hr.	$ 1,500.00	
Diamond Drilling		
5,000 ft. of hole @ $7.60/ft.	38,000.00	
Drilling and casing overburden, 315 ft. @ $11.50/ft.	3,622.50	
Reaming and casing, 10% of footage, 500 ft. @ $4.00/ft.	2,000.00	
Casing, 500 ft. @ $1.00/ft.	500.00	

Cementing, stand-by, moving, 275 hrs. @ $11.50/hr.	$ 3,162.50	
Mobilization and demobilization, one drill rig	750.00	
Core boxes	500.00	
Water, $1.15 per ft. drilled	5,750.00	$55,785.00
Fixed Unit Costs		
Incidental allowance (refer same paragraph, Stage I) for each ft. of drill hole completed, 5000 ft @ $1.00/ft.	5,000.00	
Chemical analyses for metal content of 65 samples @ $7.50/sample	487.50	5,487.50
Total estimated cost, Stage III		$61,272.50

SUMMARY

Total Estimated Cost, Stage I	$23,990.00
" " " " II	35,773.00
" " " " III	61,272.50
Total Estimated Cost of project	$121,035.50

Re: Item 1(a)

VIPOND MINING CORPORATION

PHONE 406 245-4765 P. O. BOX 63 BILLINGS, MONTANA 59103

May 25, 1967

First National Bank and Trust Company
Billings, Montana

Gentlemen,

Vipond Mining Corporation wishes to undertake an exploration program on a group of mining claims known as the Burgierosa Group, located in Beaverhead County, Montana. This exploration will be an effort to discover mineable quantities of silver ore.

We have discussed this program at length with officers of your bank so there is no need to go into detail of the project here. Briefly, however, the situation is as follows;

Vipond, as lessee of the above mentioned group of claims, proposes to explore, by means of diamond drilling, for silver deposits in the area of known veins or on geochemical anomalies which indicate concentrations of metals. The work would consist primarily of drilling, a total of 10,000 feet, but some minor road building would also be necessary. The drilling would be done in stages, each successive stage being programmed from the results of the previous stage. Drill footage for each stage and approximate costs are -

Stage I	2,000 feet	$24,000
Stage II	3,000 feet	36,000
Stage III	5,000 feet	60,000
Total	10,000 feet	$120,000

Vipond Mining Corporation does not have immediate capital in the above amount and seeks a loan, at the lowest interest rate obtainable, of $100,000.

A statement from you indicating your interest, or disinterest, in granting such a loan will be very much appreciated.

Very truly yours,

C. M. Hauptman

C. M. Hauptman
President
Vipond Mining Corporation

CMH/am

Re: Item 1(a)

VIPOND MINING CORPORATION

PHONE 406 245-4765 P. O. BOX 63 BILLINGS, MONTANA 59103

May 25, 1967

Security Trust and Savings Bank
Billings, Montana

Gentlemen,

Vipond Mining Corporation wishes to undertake an exploration program on a group of mining claims known as the Burgierosa Group, located in Beaverhead County, Montana. This exploration will be an effort to discover mineable quantities of silver ore.

We have discussed this program at length with officers of your bank so there is no need to go into detail of the project here. Briefly, however, the situation is as follows;

Vipond, as lessee of the above mentioned group of claims, proposes to explore, by means of diamond drilling, for silver depositsin the area of known veins or on geochemical anomalies which indicate concentrations of metals. The work would consist primarily of drilling, a total of 10,000 feet, but some minor road building would also be necessary. The drilling would be done in stages, each successive stage being programmed from the results of the previous stage. Drill footage for each stage and approximate costs are -

Stage I	2000 feet	$24,000
Stage II	3000 feet	36,000
Stage III	5000 feet	60,000
Total	10,000 feet	$120,000

Vipond Mining Corporation does not have immediate capital in the above amount and seeks a loan, at the lowest interest rate obtainable, of $100,000.

A statement from you indicating your interest, or disinterest, in granting such a loan will be very much appreciated.

Very truly yours,

C. M. Hauptman

C. M. Hauptman
President
Vipond Mining Corporation

CMH/am

Re: Item 1(a)

FIRST NATIONAL BANK AND TRUST COMPANY

POST OFFICE BOX 2528
BILLINGS, MONTANA 59103

May 26, 1967

Mr. C. M. Hauptman
President
Vipond Mining Corporation
P. O. Box 63
Billings, Montana 59103

Dear Mr. Hauptman:

I regret to inform you that our loan committee has turned down your request of a loan for $100,000.00 to provide capital for the Vipond Mining Corporation.

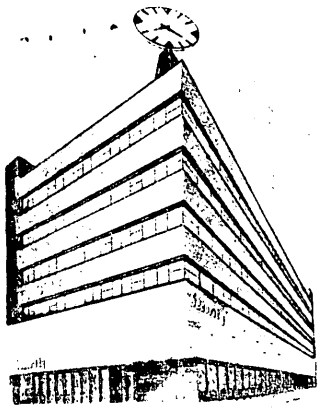
Your financial statement does not indicate that a loan could be properly secured, and it is too speculative to be within the realm of a sound bank loan.

Sincerely yours,

A. F. Winegardner, Jr.
Vice President

AFW:jah

Re: Item 1(a)



commercial
savings
trust

Security Bank

TRUST & SAVINGS

BILLINGS, MONTANA

ZIP CODE 59103
P. O. BOX 2513

TELEPHONE
AREA CODE 406 245-3011

WARREN F. VAUGHAN
VICE PRESIDENT

May 26, 1967

Mr. C. M. Hauptman
President
Vipond Mining Corporation
P. O. Box 63
Billings, Montana 59103

Dear Mr. Hauptman:

This letter refers to your letter of May 25, 1967 which outlines certain exploration costs for a proposed program in Beaverhead County, Montana.

As you know, this matter has also been the subject of several conversations prior to the submission of your letter. Although we find no quarrel with the basic economics of this proposal, it is not the type of an application which is normally handled by a commercial bank. We must, therefore, decline any further consideration of this application.

Sincerely,

Warren F. Vaughan
Vice-President

WFV:bn

Vipond Mining Corp. Billings, Mont

Re: Item 2(a)

Recording data on page 7a.

MINING LEASE

THIS LEASE AND AGREEMENT is made and entered into this 23rd day of August, 1966, by and between JULIUS JACKELINI and HELEN JACKELINI, husband and wife, of 344 E. Mercury Street, Butte, Montana, and ARTHUR SEMSAK, a single man, of 344 E. Mercury Street, Butte, Montana, hereinafter referred to as "Lessors", and VIPOND MINING CORPORATION, a Montana corporation, of 532 Howard Avenue, Billings, Montana, hereinafter referred to as "Vipond":

R E C I T A L S :

A. Lessors are the owners of the following described mining claims situated in Beaverhead County, Montana, to-wit:

Unpatented Claims:

Tuxedo No. II Claim

Log Cabin Claim

Leadville Claim

Leadville No. II Claim,

all located in parts of Section 2 Twp. 2 South, Rge. 11 West, and parts of Sections 26, 27, 34 and 35 of Twp. 1 South, Rge. 11 West, M.P.M., and referred to hereafter as the mining claims or as the "Property."

B. Vipond wishes to lease the aforesaid claims from lessors, and lessors desire to lease the aforesaid claims to Vipond on the terms and conditions set forth hereafter.

NOW, THEREFORE, in consideration of the payment by Vipond to lessors of Ten Dollars ($10.00) and other valuable consideration, recepit of which is hereby acknowledged, the parties do hereby stipulate and agree as follows:

A G R E E M E N T:

1. Lease of Property:

104

For and in consideration of the payments herewith made and to be made by Vipond to Lessors and the covenants and agreements to be observed, kept and performed by Vipond, as hereinafter set forth, Lessors do hereby lease, demise and let unto Vipond, its successors and assigns, for the term hereinafter stated, and upon the terms and conditions hereinafter set forth, all of Lessors' right, title and interest in and to the mining claims and other property and rights described above and otherwise made applicable to this lease; together with all of Lessors' right, title and interest in and to all the ores, mines, minerals, shafts, veins, leads, dips, spurs, and lodes within the same and thereto incident, appendant and appurtenant, including the exclusive right to explore, develop, and mine the same, and to remove and sell the ore and minerals therefrom, to possess, occupy and use all existing mine workings, facilities, and structures, and to rebuild or modify the same, to excavate or drive new mine workings, erect additional buildings and structures, and install new facilities, to utilize surface area for stockpiles, dumps and tailings, and to use all available water and timber on said property owned by Lessors, all for the purpose of and in the course of Vipond's operations therein and thereon, and on the terms and conditions hereinafter set forth.

2. Effective Date and Term:

This lease shall take effect upon the execution thereof by Lessors and Vipond, and shall continue in full force and effect for a period of ten (10) years from and after the date hereof, unless sooner terminated as hereinafter provided. If this Lease shall not have been terminated prior to the end of said term above specified, as herein provided, this Lease shall thereupon be automatically continued for as long as minerals are produced from said claims by Vipond, its successors or assigns on the same terms and conditions

as herein specified including payment of minimum advance royalty of Five Thousand Dollars ($5,000.00) per year.

3. Representations and Warranties:

Lessors represent, warrant and agree as follows:

(a) Lessors have the legal power and right to enter into and perform this lease, and the lawful and proper exercise by Vipond of the rights granted to it by this Lease, and the consummation of the other transactions contemplated by this Lease will not result in the violation of or constitute a default under any law, regulation or order or under any instrument or agreement, (including, without limitation, any agreement granting to any other party a right of first refusal or any similar right) to which Lessors are a party or by which they may be bound.

(b) Lessors are the sole owners of the Property described above. The mining claims have been staked in conformity with applicable laws and regulations and are in good standing, and all the Property, including such mining claims, to the extend of Lessors' interest therein, is free and clear of all liens, encumbrances, equities and conflicting claims and rights.

(c) There are no actions, suits, or administrative or other proceedings pending or threatened against, or affecting, the Property insofar as the interest of Lessors is concerned. Lessors are not in default with respect to any regulation, order or decree of any court or governing department or instrumentality affecting the Property. Lessors have complied with all laws, regulations and orders affecting the Property insofar as their interest therein is concerned, and have paid all Federal, State, local and other taxes and charges payable in respect of their interest therein.

(d) Lessors have not entered into any agreements or understandings with anyone other than Vipond which affect the Property and

which are existing at the date hereof.

(e) No further leave, license, authority or consent is necessary to enable Vipond (and those authorized by it) to enter upon, and conduct activities with respect to, the Property as hereinafter provided.

(f) Lessors have not incurred any obligation or liability, contingent or other wise, for brokers' or finders' fees in respect of any of the matters provided for in this Lease.

(g) Lessors shall indemnify Vipond against, and hold it harmless from, any and all claims, liabilities, damages and expenses (including, without limitation, counsel fees incurred in defending against any claim or liability), in connection with any breach of the representations, warranties and agreements hereinabove set forth in this section.

(h) In the event that Vipond should determine that it is necessary or advisable to take corrective action with respect to any of the Property, including, without limitation, the staking of amended claims, the performance of any required discovery work and the institution and prosecution of suits to quiet title, in addition to such curative work as has already been undertaken, Lessors will cooperate fully with Vipond in taking any such corrective action.

(i) During this lease, Lessors shall have the right to enter upon and into all underground workings in said leased property, and any and all other workings prosecuted by Vipond and inspect the same at any reasonable time, at their own risk, and shall have the use of any and all means of ingress and egress for such purpose.

(j) And Vipond will protect, indemnify and save harmless the Lessors from claims,actions and liabilities of whatever kind arising from the operations of Vipond in its work or mining under the provisions of this lease and will, with due diligence, upon

commencing work upon said property, insure any and all workmen employed by Vipond and working in or upon said premises under the provisions of the Workmens' Compensation Act of the State of Montana, and under such plan as therein provided as Vipond shall elect.

(k) Vipond covenants with Lessors that Vipond will pay all wages for workmen and for all material brought on the properties herein described and all workmen's compensation and unemployment insurance dues promptly when the same fall due and will not suffer or permit any lien or charge to be registered against the said properties herein described.

4. Additional Property:

If at any time during the life of this Lease or any extension or renewal thereof, Lessors, or any of them, shall acquire any interest in any patented or unpatented mining claim or any mineral or other property or rights (in addition to the claims, property and rights specified herein), any part of which claim or property lies (or, in the case of any such rights, which relate, in whole or in part, to any claim or property lying) within Sections 26, 27, 34 and 35 of Twp. 1 South, Rge. 11 West, or Sections 2 and 3 of Twp. 2 South, Rge. 11 West, Lessors shall promptly give written notice thereof to Vipond, and at the request of Vipond made not later than ninety (90) days after the date of such notice, shall execute such instruments, and take all such further action as may be necessary or appropriate to cause the additional claim to be subject thereafter to the terms and conditions of this Lease to the same extent as if such additional claim had been described herein; That Vipond shall during the operation of these leased properties, properly locate, in the names of Lessors, additional claims which shall cover lodes or veins in place which may be discovered in the course of such

operation, or extensions of existing lodes or veins on these leased premises, which shall be included with the premises described in this lease.

It being understood that this shall not overlap any valid claim, other than claims included in this agreement, existing at the time of discovery.

5. Advance Royalties and Royalties:

Vipond shall pay, as advance royalty, the sum of Two Thousand Dollars ($2,000.00) simultaneously with execution of this lease, which said payment shall be consideration for all operations hereunder for one year from the date hereof, unless theroyalty for ore actually mined and shipped exceeds such sum.

Thereafter, Vipond shall pay to Lessors a yearly advance royalty payment of Five Thousand Dollars ($5,000.00) on or before the beginning of each lease year, the first such payment to be made on or before one year from the date hereof.

Vipond shall pay to Lessors, as royalty, ten (10) percent of the net smelter or mill returns on all ores or concentrates mined and shipped from the property: Provided, however, that Vipond shall be entitled to deduct at the time of paying such royalty for the preceding year, the total amount of the advance royalty which it shall have paid to Lessors at the commencement of the lease year. But in no event shall Lessors be entitled to less than the advance royalty amount specified for any particular year.

By "net smelter or mill returns" is meant the full cash proceeds of sale of such ores or minerals after deduction of smelter or mill treatment charges.

Annual royalty payment to Lessors (after deduction of advance royalty payment made for the previous year) shall be made within 45 days after the end of each lease year and shall be made by

deposit in equal amounts to the respective accounts of Julius Jackelini and Arthur Semsak with the Metals Bank and Trust Company of Butte, Montana. Advance royalty payments shall be made by deposit to the same accounts as stated above. At the same,time, copies of all returns and settlement sheets shall be furnished to Lessors.

6. Termination.

(a) Lessors shall have the right to terminate this Lease and Agreement, as hereinafter provided, upon the happening of any of the following events:

(1) Vipond shall not have paid or caused to be paid to Lessors as advance royalty for the use of said Property the sum provided with respect to the initial year or any subsequent year or years, as the case may be.

(2) Vipond shall fail to make royalty payments after the advance royalty amount for each year has been credited.

(3) Breach of any other covenant of the lease.

Time is the Essence of this Lease and in the event Vipond should fail to make any of the payments herein provided on the dates set forth or in the event of Vipond committing any other breach of the within Lease, Lessors may give to Vipond Sixty (60) days' notice of such breach and unless such breach is rectified and cured before the expiration of the said Sixty (60) days' notice, the within Lease shall terminate and be at an end and all right and interest of Vipond hereunder, or in the real property herein described, shall terminate and be at an end, and the within Lease shall be canceled and rescinded and the rights of Vipond hereunder shall be extinguished.

110

(b) Vipond shall have the right to terminate this Lease and Agreement at any time as hereinafter provided. Vipond, its affiliates and any Operating Company may together at any time surrender their respective rights under this Lease and Agreement in respect of any or all of the Property, by giving notice to Lessors of such surrender and by delivering to Lessors a written release and discharge of Lessors from the terms and provisions of this Lease.

(c) Upon termination of this Lease and Agreement for any reason, Vipond and its Affiliates shall have the right during a period of six (6) months following the date of such termination to remove all buildings, structures, and personal property of any kind and description, including, without limitation, all mining plant, machinery, tools, supplies and equipment, which it or they (or any of its contractors, agents or employees) may have placed, constructed or brought upon the Property. Subject to this right, Vipond and its

11588

INDEXED

STATE OF MONTANA, } ss.
County of Beaverhead. }

I hereby certify that the within instrument was filed in my office on the 6 day of Sept. A. D. 1966 at 47 min. past 1 o'clock P. M. and recorded on page 103-13 of Book 188 of Lease Records of Beaverhead County, Montana.
Attest my hand and seal,

By _____ Deputy. _____ County Recorder

Fee $ 22.00

Affiliates shall upon such termination, surrender to Lessors the possession of all of the Property without hindrance or delay and Lessors shall have the right immediately upon such expiration to enter into and upon the Property and take immediate possession thereof without any formal declaration or forfeiture, act of re-entry or process of law.

7. Miscellaneous:

A. It is further understood and agreed that Vipond shall seasonally pay the taxes on all personal property owned by it in years during the operations under this lease, and shall seasonally pay all severance or other proceeds taxes on production from the said land. Lessors agree that they will seasonally pay all taxes on the real estate covered by this lease.

B. All of the terms, provisions and conditions of this lease shall extend to and be binding upon the parties hereto, their successors and assigns.

C. Vipond shall conduct all of its operations on said leased lands in a good miner-like manner in accordance with generally accepted mining standards.

D. The rights of Lessors and Vipond hereunder may be assigned in whole or in part. No change in ownership of Lessors' interest shall be binding on Vipond until Vipond has been furnished with written notice of the change.

E. Vipond agrees that during the assessment year ending September 1, 1967, and at all times thereafter during the term hereof, it will on or before the 1st day of August of each assessment year, perform upon or for the benefit of each of the unpatented claims, assessment work of a character and value necessary to satisfy the requirements of the mining laws of the United States and of the

State of Montana, and file in the office of the Beaverhead County Recorder appropriate affidavits showing that such work has been done on behalf of Lessors as owners.

F. All notices required to be given by either party to the other party hereunder, may be well and sufficiently given under prepaid registered post addressed to either party hereto, as follows:

Julius Jackelini
344 East Mercury Street
Butte, Montana
for Lessor

C. M. Hauptman
Vipond Mining Corporation
P. O. Box 32
Billings, Montana
for Vipond

and any notice so posted shall be deemed to have been received by the other party within forty-eight (48) hours from the time of posting, provided that either party may give to the other, written notice of a change of address for purpose of this clause.

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

Julius Jackelini
JULIUS JACKELINI

Helen Jackelini
HELEN JACKELINI

Arthur Semsak
ARTHUR SEMSAK

LESSORS

VIPOND MINING CORPORATION

By C. M. Hauptman
President

VIPOND MINING CORPORATION CORPORATE SEAL STATE OF MONTANA

ATTEST:

Secretary
(CORPORATE SEAL)

112

STATE OF MONTANA)
) ss
COUNTY OF SILVER BOW)

On this 23rd day of August, 1966, before me, the undersigned, a Notary public for the State of Montana, personally appeared JULIUS JACKELINI and HELEN JACKELINI, husband and wife, and ARTHUR SEMSAK, to me personally known to be the persons described in and whose names are subscribed to the within 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.

Notary Public for the State of Montana
Residing at Butte, Montana
My Commission Expires December 25, 1968

(NOTARIAL SEAL)

STATE OF MONTANA)
) ss
COUNTY OF SILVER BOW)

On this 23rd day of August, 1966, before me, the undersigned, a Notary Public for the State of Montana, personally appeared C. M. HAUPTMAN, known to me to be the President of the Corporation that executed the within instrument on behalf of the Corporation therein named and acknowledged to me that such Corporation executed the same.

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

Notary Public for the State of Montana
Residing at Butte, Montana
My Commission Expires December 25, 1968

(NOTARIAL SEAL)

GOODALL BROTHERS

Vipond Mining Corp. Re: Item 3(f)

ESTABLISHED 1909 — ASSAYERS

HORACE HAND, OWNER MANAGER
RES. PHONE 442-0696

PHONE 442-3770
46 SOUTH MAIN ST.
P. O. BOX 537

JEF-6 8/89

Helena, Montana, JUN 29 1965

ASSAYED FOR

William Chebul (will call)

HAND SAMPLE

DESCRIPTION	GOLD OZS. PER TON	SILVER OZS. PER TON	WET LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	INSOL. PER CENT	PER CENT	PER CENT
Tux #1 ~~Dump~~ 888	Trace	14.0	5.0	25.1				
Tux #1 Dump 889	Trace	165.7	32.5	2.2				
Mammoth 951	Trace	12.6	4.4					
~~Log Cabin~~ 952	Trace	17.0	3.4	1:1				

*Gold not deducted

Charges $ 26.00 Paid

GOODALL BROS.

By Horace Hand

VIPOND MINING CORPORATION

PHONE 406 245-4765 P. O. BOX 63 BILLINGS, MONTANA 59103

Re: Item 3(c)

Settlement sheets from recent production from the Grey Jockey mine, Vipond Mining district, Beaverhead Co.,Mont.

181-P-15645—5M—11-2-64

The Anaconda Company, Anaconda Sampler

RECEIVED FROM Omer H. Boeh and Ben Hussman
ADDRESS Box 1088 Anaconda, Montana
MINE Grey Jockey Ore

ANACONDA, MONTANA, 59711 October 6, 1966
SMELTER LOT No. B-676 (Sept. a/c)

CAR NUMBER	WEIGHTS			ASSAYS			TREATMENT CHARGE	PRICE PER TON	VALUE	Draft No.
	Pounds Gross	Per Cent Water	Pounds Dry	Per Cent Copper	Ounces Silver	Ounces Gold	Dollars	Dollars	Dollars	
6 Trucks	201,250	3.41	194,387	.43	9.75	.006		11.60	$1,127.44	
Ben Hussman, Haul @ $ 96.00 per truck									576.00	
									$ 551.44	
Rex F. Henningsen, Royalty @ 6% Gross Returns									67.65	
									$ 483.79	
Theodore Jacobs, Royalty @ 7.5% Net Returns									41.36	
									$ 442.43	

SILICA 90.0
ALUMINA 1.7
IRON 1.9
CaO .5

PAYMENT FOR METALS			
Copper	@	Less 3½c	
Silver 100%	@ 112.854¢	Less 6c	11.00
Gold 100%	@$ 31.81825		.19
Silica			.41
Date of Quotations	9/23/66		

TREATMENT

BASE
Add—12c for each 1% Iron
Add—10% of sum of metal payments in excess of $15.00
Deduct—2.5c for each 1% Silica in excess of Alumina _____
NET TREATMENT - - - - - - - - - - _____

An extra charge of $5.00 made for sampling all lots under ten tons.

Rates subject to change without notice

Extensions and footings correct.

The Anaconda Co., Anaconda Sampler

By _____

The Anaconda Company, Anaconda Sampler

RECEIVED FROM Omer H. Beck and Ben Hassman
ADDRESS Box 1066 - Anaconda, Montana
MINE Grey Jockey Ore

ANACONDA, MONTANA, 59711
January 31, 1966
SMELTER LOT B-457 (January a/c)

CAR NUMBER	WEIGHTS Pounds Gross	WEIGHTS Per Cent Water	WEIGHTS Pounds Dry	ASSAYS Per Cent Copper	ASSAYS Ounces Silver	ASSAYS Ounces Gold	TREATMENT CHARGE Dollars	PRICE PER TON Dollars	VALUE Dollars	Draft No.
9 Trucks	262,550	3.94	252,206	.19	4.25	.004		5.40	$ 680.96	
Ben Hassman, Haul @ $ 96.00 per truck (864.00)									$ 680.96	

SILICA 91.5
ALUMINA 1.0
IRON 1.8
CaO .4

COPY

PAYMENT FOR METALS			
Copper	@	Less 3½c	
Silver 100%	@ 112.8544		4.80
Gold 100%	@ $ 31.81825		.13
Silica			.47
Date of Quotations	1/26/66		

TREATMENT

BASE
Add—12c for each 1% Iron
Add—10% of sum of metal payments in excess of $15.00
Deduct—2.5c for each 1% Silica in excess of Alumina
NET TREATMENT

An extra charge of $5.00 made for sampling all lots under ten tons.

Rates subject to change without notice.

Extensions and footings correct.

The Anaconda Co., Anaconda Sampler
By [redacted]

181-P-15645—5M—11-2-64

The Anaconda Company, Anaconda Sampler

RECEIVED FROM Omer H. Beck and Ben Hassman
ADDRESS Box 1066 - Anaconda, Montana
MINE Grey Jockey Ore

ANACONDA, MONTANA, 59711
December 21, 1965
SMELTER LOT B-395 (December a/c)

CAR NUMBER	WEIGHTS Pounds Gross	WEIGHTS Per Cent Water	WEIGHTS Pounds Dry	ASSAYS Per Cent Copper	ASSAYS Ounces Silver	ASSAYS Ounces Gold	TREATMENT CHARGE Dollars	PRICE PER TON Dollars	VALUE Dollars	Draft No.
6 Trucks	187,000	3.36	181,480	.37	14.05	.004		16.81	$ 1,525.42	
Ben Hassman, Haul @ $ 96.00 per truck									576.00	
									949.42	
Theodore Jacobs, Royalty @ 7.5% Net Returns									71.21	
									878.21	
Max F. Bennington, Royalty @ 6.0% Gross Returns									93.53	
									$ 784.68	

SILICA 88.0
ALUMINA 1.2
IRON 2.0
CaO .4

PAYMENT FOR METALS			
Copper 100% .37%	@ 35.8914	Less 3½c	0.45
Silver 100%	@ 112.8544		15.86
Gold 100%	@ $ 31.81825		.13
Silica			.37
Date of Quotations	12/ 1/65		

TREATMENT

BASE
Add—12c for each 1% Iron
Add—10% of sum of metal payments in excess of $15.00
Deduct—2.5c for each 1% Silica in excess of Alumina
NET TREATMENT

An extra charge of $5.00 made for sampling all lots under ten tons.

Extensions and footings correct.

The Anaconda Co., Anaconda Sampler

VIPOND MINING CORPORATION

PHONE 406 245-4765 P. O. BOX 63 BILLINGS, MONTANA 59103

Re: Item 3(e)

Geological and Mineralogical Data

1. Ore Deposits of the Quartz Hill District, Near Divide, Montana by Alvin V. Taylor, Hr., 1936

2. Exerpt from U.S.G.S. Bulletin 574, Vipond District, 1914.

3. Minerological determination by the Montana Bureau of Mines and Geology, November, 1966.

Vipond Mining Corp. Item 3(a)

FAVORABLE HORIZONS

Most of the ore has come from the upper third of the Martin and lower third of the Escabrosa limestones, especially in the Sacramento Hill area. Similarly, the lower third of the Martin and the upper fifth of the Abrigo limestones are next in importance. Minor ore has been found in the lower part of the Naco. The middle third of the Martin is somewhat shaly and tends to crumple and fold rather than fracture under stress. This results in a tendency to localize sills and flat thrust faults, whereas the steeply-dipping sheeted zones may become dissipated and die-out in the shaly ground and ore is localized under this semi-impervious layer. The thick-bedded lower third of the Escabrosa fractures readily.

A given fracture zone may not produce ore in each horizon. Maximum stratigraphic range of ore localization exceeds 2,000 ft. near Sacramento Hill, and so far as now known decreases in range and drops in horizon away from Sacramento Hill. This apparent change in range and horizon may in part be an illusion due to partial removal of upper formations in the outer part of the district. Or, possibly, the abundance of porphyry masses and greater intensity of fracturing close to Sacramento Hill permitted penetration of mineralizing solutions to higher horizons about this locus of mineralization. Higher horizons appear to increase in importance as ore carriers toward the east (Fig. 8).

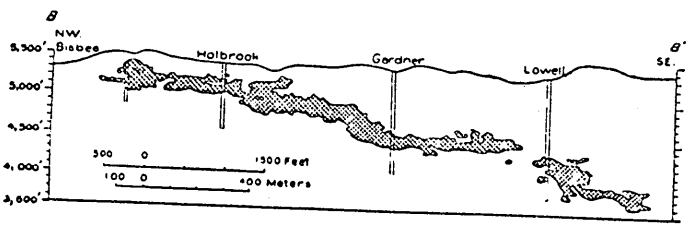


FIG. 8. Vertical projection of ore bodies, Bisbee, Arizona. (From 16th International Geol. Cong. Guidebook 14)

The selection of the specific horizon appears to be due in part to the relatively thick-bedded character of the favorable horizons, as contrasted with the shaly middle Martin which probably was an important factor in intensifying the fracturing in the overlying and underlying important ore horizons. The upper Escabrosa and lower Naco appear to increase in importance as ore horizons in the eastern part of the camp at the Campbell and Denn mines.

QUARTZ HILL DISTRICT, NEAR DIVIDE, MONTANA

*BY ALVIN V. TAYLOR, JR.**

IN the Quartz Hill district, 12 miles south of Divide, Mont., the ores are chiefly valuable for their silver content, the principal valuable mineral being freibergite (silver-bearing tetrahedrite) which is contained in a gangue of quartz with subsidiary barite, calcite, and a little pyrite.

The ore occurs as short shoots or pipes in fissures in Paleozoic crystalline limestone and as bedded replacement

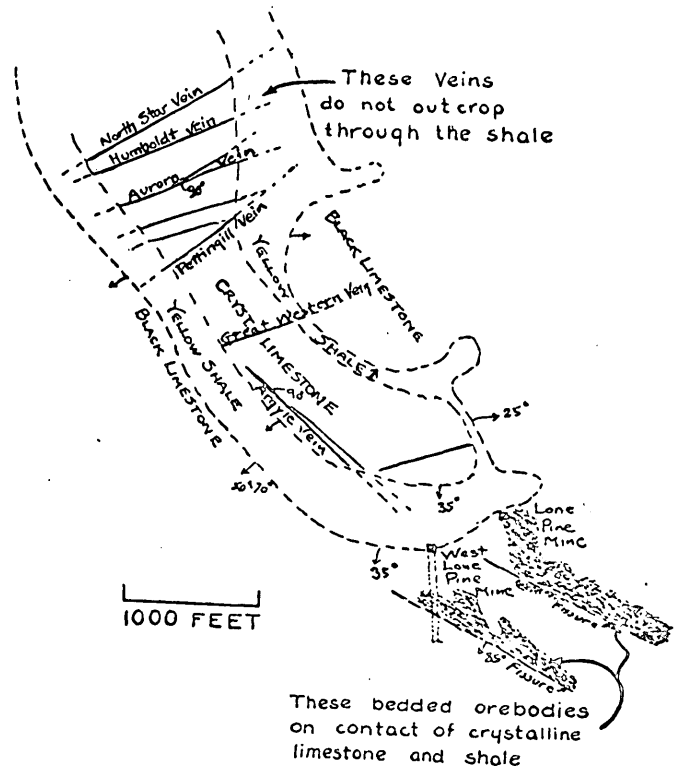


FIG. 1. Sketch map of Quartz Hill mining district, Montana, showing principal veins and bedded ore bodies. (Generalized from map by P. R. Murphy)

deposits at the contact between the crystalline limestone and an overlying yellow, shaly-limestone, into which the mineralization, with minor exceptions, does not penetrate and within which the fissures themselves are greatly dissipated. The largest ore bodies, the Lone Pine and the West Lone Pine (the principal mine at present) are both of this latter form of occurrence.

Widths for both types of occurrence vary from a few inches to ten feet.

Both occurrences are not uncommon and have been noted in many other localities.

Structure has played an important role in the localization of ore shoots. Primarily, the doming of the formation underlying Quartz Hill suggests a cause for the openings through which the mineral-bearing solutions were introducted. These openings consist of a number of nearly vertical fissures which have been mineralized over lengths up to at least a thousand feet. As shown by Fig. 1, most of the fissures strike across the axis of the dome, with a few in the southern part of the district paralleling the axis.

The most favorable location for ore is at or near the point where the fissures abut against the overlying shaly-limestone. Where the fissures intersect the contact at right angles to the strike of the beds, the ore bodies tend to "mushroom" by replacement of the crystalline limestone for short distances on either side of the fissure, thus forming inclined pipes along the intersection of the fissure with the contact (Fig. 2). In those places where the fissures cut the contact obliquely to the strike of the contact larger ore bodies have been formed as a result of the ore spreading up the dip of the contact above the fissure and forming replacement bodies in the crystalline limestone immediately under the shaly-limestone cover (Fig. 3).

These bedded ore bodies as observed in the West Lone Pine mine, show some interesting structural relations. The

* Mining Geologist, Butte, Montana. Jan. 22, 1936.

southeasterly striking, nearly vertical fissure has been developed for several hundred feet and over much of this distance it is weakly mineralized and commercial ore occurs only in several short shoots. However, on the contact of the crystalline limestone and the overlying limestone above the line of intersection of the fissure and the contact, bedded ore extends in a continuous body for well over a hundred feet up the dip of the contact. As shown by Fig. 3, and in contrast with the "mushrooming" previously described, replacement is weak at the line of intersection of the fissure with the contact but rapidly increases within a space of a few feet to form extensive ore bodies which appear to be equally wide above the weakly mineralized lengths of the fissure as above the ore shoots in the fissure. However, there is some indication that the bedded ore extends to a greater distance up the contact above the fissure when there is ore in the fissure than when the fissure is relatively barren. In no cases of this occurrence has any bedded ore been found on the contact down the dip of the beds below the fissure.

These relations suggest that the ore solutions followed a series of steeply raking pipes within the fissures up to the contact where, if the strike of the fissure is oblique to the strike of the contact, the solutions were diverted out and up into the possibly more open channel along the contact between the shaly and crystalline limestones, at which horizon they spread out to form the extensive bedded deposits.

Conversely, where the strike of the fissure is at right angles, or nearly so, to the strike of the contact, the solutions appear to have followed the intersection of the contact and the fissure thus producing the "mushroom" ore bodies of much more limited extent.

Universally, throughout the district, exploration to date of the fissures indicates that the ore in the short shoots in the fissures becomes low grade where more than a hundred feet or so under the contact, although the structure is still strong and gangue mineralization abundant. This merely adds another example to the many which indicate that the zone immediately below an impermeable bed is a propitious

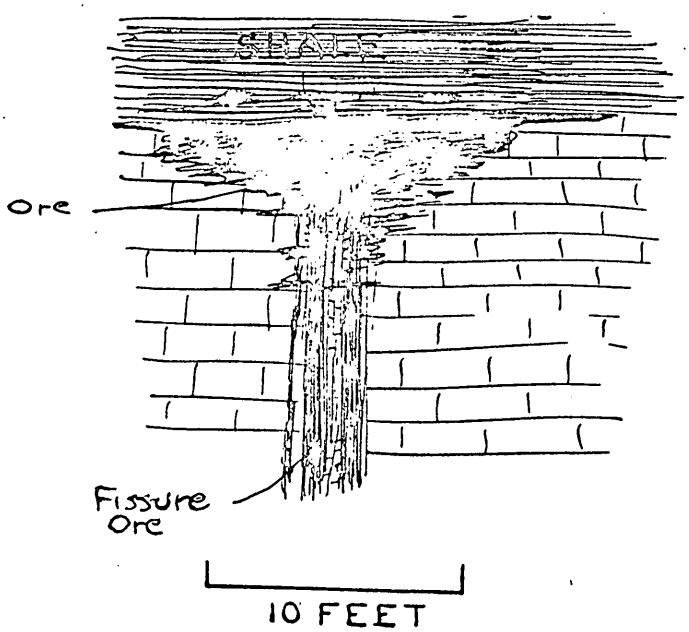


FIG. 2. Showing "mushrooming" of ore under shale where fissure cuts contact at large angles.

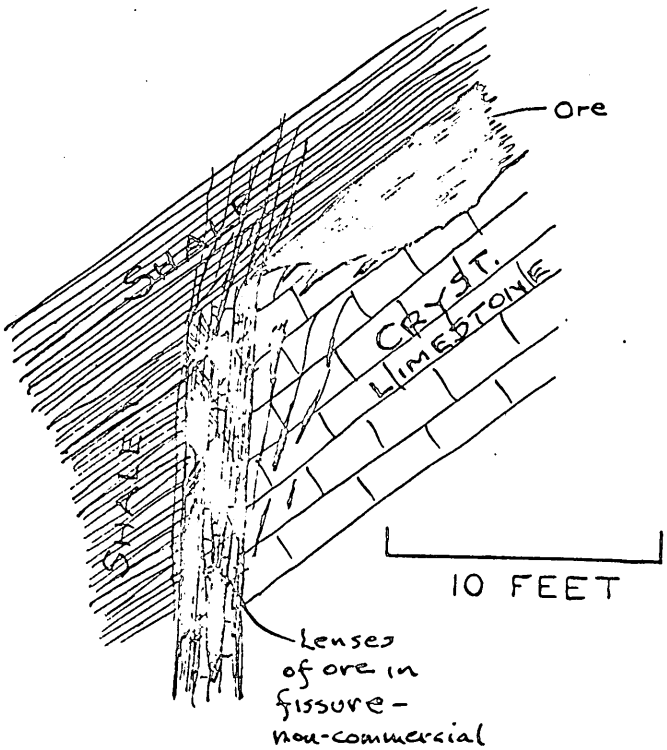


FIG. 3. Showing relations between fissure and contact ore on 650 level West Lone Pine Mine. Fissure cuts contact obliquely.

location for ore deposits.

Cross-fracturing within the limestone at large angles to the fissures appears to have had an influence toward increasing the silver content of the ore as well as localizing greater height of ore extensions or lobes up the dip of the contact. Also minor rolls or arches in the formation have a favorable influence on the ore in that the ore is generally wider in the flat areas and narrower where steepening occurs.

The movement on the fissures appears to have been entirely pre-mineral and will vary from a foot to a maximum observed of twenty-two feet of normal movement with a large horizontal component. No identifiable post-mineral movements have been observed.

To date all the ore bodies which have been discovered in the district have been definitely related to the structures described above.

THE CHAÑARCILLO SILVER DISTRICT, CHILE

*BY W. L. WHITEHEAD**

THE veins of Chañarcillo[1] were discovered at the time of the gold finds in California and in the years from 1860 to 1885 played a preëminent part in Chilean silver mining. In this period from a dozen mines on the Corrida Colorada, Descubridora and Candelaria veins, two and one-half million kilograms of silver were produced, almost one-third of the total production of silver in Chile for 210 years to 1902.

* Mining Geologist; Lecturer, Geology Department, Mass. Institute of Technology. Jan. 24, 1938.

[1] Whitehead, W. L., The Veins of Chañarcillo, Chile: Econ. Geol., vol. 14, pp. 1-45, 1919.

from U.S.G.S. Bulletin 574 1914 3(e)

AJAX MINE.

The Ajax mine was not visited by the writer but deserves mention because it has been productive recently. It is near the head of Lake Creek, about 15 miles west of Jackson, or 50 miles west of Apex, on the Montana side of the Continental Divide. It is reported to have a strong quartz vein carrying argentiferous galena and plates. It was equipped with a 10-stamp mill and concentrator in 1[illegible].

VIPOND DISTRICT.

LOCATION.

The Vipond district occupies a "park" or plateau like region lying about 2,000 feet above Wise River, Bighole River, and Canyon Creek, which nearly surround it. It is not a true plateau, for it is hemmed in by higher land in several directions—to the east and south by mountains that rise 1,000 feet or more above the town of Vipond. Canyon Creek occupies a narrow and very deep gorge in these mountains, but has not yet eroded back far enough to drain the Vipond district.

Its gorge, like that of Trapper Creek, is lined with glacial moraines. South of Vipond a moraine forms a ridge, resting upon and rising 50 to 100 feet above the solid rock on the north side of the gorge.

HISTORY.

The first mining claim in the district was located in 1867 by two brothers named Vipond. No mining was in progress in the district during the field season of 1910, but the [illegible] Mining & Milling Co. is reported to have been active in 1909. The low price of silver has practically stopped mining operations in the district.

GEOLOGY AND ORE DEPOSITS.

The veins commonly strike north and dip steeply west. The ore is in shoots in a gangue of quartz and siliceous limestone. The metals present are chiefly lead and silver, with a little copper and gold. The ore minerals in the oxidized zone include cerusite, wulfenite, cerargyrite, native silver, malachite, azurite, and chrysocolla; and in the sulphide zone galena, argentite, pyrargyrite, and sphalerite. Silver copper glance,[1] or stromeyerite, is reported from the district.

The country rock in the northeastern part of the district is a bluish-gray Paleozoic limestone. Much of the "park" is covered with glacial gravel, probably derived from the mountain west of Vipond, locally called Sheep Mountain. Along the northeastern base and slope of this mountain are outcrops of shales and quartzites

[1] Raymond, R. W., Mineral resources west of Rocky Mountains, 1872.

ich probably belong to the Cambrian but which may include part the Belt series (Algonkian). They are overlain by shales and ose by limestones, probably Cambrian. The northern slope of the ountain is occupied partly by gneiss, which appears again near its uthern base.

The Queen of the Hills mine lies just south of Sheep Mountain, at altitude of about 8,200 feet, in gneiss and schist cut by aplitic kes. Its ore, unlike that of most of the mines in the district, is lued chiefly for its gold, though it contains also native silver, entite, cerusite, galena, pyrite, and chalcopyrite.

The vein on the Rich Hill claim strikes east or east-southeast and s north. The ore is said to be pockety and irregular.

About 3 miles northeast of Vipond prominent outcrops of silver-aring veins occur along the summit of Quartz Mountain, a south-st-northwest ridge about 2 miles long and half a mile wide, sloping ntly to the southeast. The country rock is Paleozoic limestone pping about 30° S. The veins, consisting chiefly of quartz with me barite, are nearly vertical and strike either north or east. ey fault the limestone and contain the same ore minerals as are nd elsewhere in the district. At the Benton mine the ore is highly artzose and contains barite, malachite, chrysocolla, galena, and rolusite.

The Quartz Hill mine, which is reported to have produced con-derable concentrating ore prior to 1894, is situated in the southwest rner of sec. 30, T. 1 S. R. 10 W. A mill for treatment of the silver e of this mine was first erected at Dewey, on Bighole River, and er was moved up the creek to the mine. The mill, now dismantled, s evidently at one time well equipped for handling a moderate ton-ge of ore. The size of the waste dumps and ponded tailings indi-tes that it ran for several years. The waste dumps consist mainly decomposed sandy limestone, but fragments of ore were found owing cerargyrite, embolite, galena, and bornite in a quartz barite ngue. The workings were not accessible at the time of examina-on, but it is locally reported that work was suspended because of e low price of silver.

BRYANT (HECLA) DISTRICT.

LOCATION.

The Bryant mining district is situated at an elevation of 8,500 9,500 feet above sea-level, near the head of Trapper Creek, at the wn of Hecla, about 12 miles nearly due west of Melrose. The dis-ct is reached by wagon road from Melrose by way of Glendale, total distance of about 14 miles.

Identification no. 11,717

MONTANA BUREAU OF MINES AND GEOLOGY

Re: Item 3(a)

Office of the
Associate Director

BUTTE, MONTANA
59701

November 21, 1966

Mr. George S. Gluck
Ramsey, Montana 59748

Dear Mr. Gluck:

The oblong flat specimen is vein material composed mainly of glassy quartz. It contains an altered complex sulfide, which gives tests for copper, zinc, silver, lead, and antimony. This is probably freibergite, the silver-rich variety of tetrahedrite. The blue mineral is azurite and the green mineral is malachite.

The angular specimen is also vein material but is less altered and contains minute pyrite grains and an altered black sulfide, which seems to be a mixture of argentiferous tetrahedrite and the silver sulfide mineral argentite. It would be necessary to make polished sections to be absolutely certain of the argentite.

Sincerely yours,

Don C. Lawson

Don C. Lawson
Laboratory Technician

11/18/66

THE BUREAU OF MINES AND GEOLOGY WAS ESTABLISHED BY LAW IN 1919 TO PROMOTE EFFICIENT DEVELOPMENT OF MONTANA'S MINERAL RESOURCES BY GATHERING AND PUBLISHING INFORMATION ON THE GEOLOGY, TOPOGRAPHY, AND MINERAL DEPOSITS OF THE STATE, INCLUDING METALS, NON-METALS, COAL, OIL, GAS, AND UNDERGROUND WATER SUPPLY.

VIPOND MINING CORPORATION

PHONE 406 245-4765 P. O. BOX 63 BILLINGS, MONTANA 59103

Re: Item 3(c)

HISTORICAL DATA CONCERNING VIPOND PARK MINING AREA

1. Exerpts from Mineral Statistics West of the Rocky Mountains for the years 1871, 1872 and 1875.

2. Exerpt from Report of the U.S. Director of the Mint for 1881.

3. Exerpt from Mineral Resources of the U.S., U.S. Geological Survey, 1908.

of accessible fire-proof material, and the costliness of smelting large quantities of fluxes must be added, could, therefore, not be very profitable, especially as the reduction of the litharge and subsequent shipment of the lead were out of the question. Even since the railroad has come within less than four hundred miles of Argenta the lead cannot be shipped to advantage, except in the winter, when, on account of the scarcity of return freight to Corinne, this may be done at a cost of $[illegible] per ton. But even at Corinne lead has a value of only 3½ cents per pound, thus leaving 2½ cents per pound as a margin for reduction from ores poor in lead and for losses in smelting. The consequence is, of course, that the smelting-works cannot pay anything for the lead in the ores, and that the cost of smelting, as well as freight and the profit of the smelting-works, must come out of the contents in silver. This, and what is still worse for the miner, quite arbitrary buying rates on the part of the furnaces, has permitted the mining of silver-ores in Montana to dwindle down to a small fraction of what it actually should be. Only the richest ores are now mined in especially favored localities, and the production of silver in Montana for this year will, under the most favorable circumstances, not exceed $150,000, whereas it should be, according to the abundance of the ores in the Territory which are available even at present, not less than $2,000,000.

As I mentioned before, by far the greater part of the now known silver-ores of Montana should at present not be treated by smelting at all, but by chloridizing-roasting and amalgamation. This process is not only far cheaper than smelting, but it is also, under the circumstances, less affected by fluctuations in the quality of the ore as furnished by the mines, especially when the Stetefeldt furnace or the Brückner cylinder is used for roasting, since in these apparatus a varying percentage of lead will have little influence on either the cost or the perfection of the roasting.

In the summer Messrs. S. H. Bohm & Co., who own the largest smelting-works of Argenta, acquired by purchase a vein which occurs in the granite immediately on the bank of Rattlesnake Creek. This vein carries very good lead-ores, carbonates, phosphates, and molybdenates on the surface, and galena in the lower part of the shafts. The owners are now hard at work to open this vein so as to get adequate stoping-ground and reserves as soon as possible. The lode is, on an average, as far as exposed, 3 feet wide, and contains an ore-seam of 12 to 15 inches, which is very solid and free from gangue. This vein, which is christened the Ferdinand, and the Eaton and Legal Tender—deposits in the limestone above, which both contain very good smelting-ores in nests—are probably sufficient to deliver all the lead-ores needed for the present capacity of the smelting-works, in order to extract the silver from the quartzose-silver ores bought from other districts. But if in these mines also the percentage of lead should decrease as much in depth as it has done in all the others of the district, the furnaces of Argenta will, indeed, be in a poor location; for, besides the existence of these plumbiferous ores in the immediate vicinity, there is nothing in the location to recommend it, except a very good water-power and the neighborhood of a marl-bed, which furnishes a good hearth for the cupelling-furnace. Charcoal and iron-ore have to be bought at high prices, and a good lining for the blast-furnaces is not at hand, granite being used for this purpose in default of something better.

And, in a commercial point of view, Argenta will certainly never amount to anything, as no railroad is ever likely to touch it. I have hinted above that, in years hereafter, when lead shall have acquired a

certain value in Montana, the amalgamating process, which would be so advantageous at the present time, will not be in place for the beneficiation of the silver-ores of the Territory. But nature, which has so bountifully supplied this Territory with the ores of all the metals, has also here furnished the means of introducing a rational process for the extraction of the precious metals from the ores under discussion. I refer to the existence of a vast amount of sulphureted-copper ores in various parts of the Territory. Some of these deposits are located close to a natural line of railroad, *i. e.*, near the low Deer Lodge Pass in Butte district. It is probable that even the main line of the Territory, the North Pacific Railroad, will run through this pass and down the valley of the Deer Lodge.

These copper-veins carry ores very free from gangue, principally yellow sulphurets and peacock-ore, both mixed with iron pyrites. Near the surface, however, these minerals are oxidized and converted into carbonates, oxides, and silicates. We have here, then, the true basis for the extraction of silver from the quartzose ores of the Territory by smelting. It is true the extraction by means of lead is a much less complicated process, but the use of copper sulphurets will prove far more reliable, because the adequate supply of the latter is assured. It has these further advantages, even at the present time, that copper has a commercial value in the Territory, while lead has none, and that in the case of copper-smelting no buying of iron-ores is required for the purpose of fluxing the quartz of the silver-ores, while the use of the Montana lead-ores involves a heavy outlay in this direction. The reply might be made here, that the argentiferous galena-ores could be dressed up to a high percentage of lead before smelting, thus rendering unnecessary a great portion of the fluxes which are now required. But, unfortunately, this cannot be done with economy, as the friable character of the silver-ores associated with the galena makes dressing unprofitable. The ore, after dressing, would probably be poorer in silver than before, much of the soft floating fahl-ores, sulphides, and antimonious ores having gone with the tailings.

Thus, as the case stands, the extraction of the silver from the Montana ores by smelting, will, in time, be the only rational one, except in districts, if such should ever be found, which would by themselves be able to furnish true silver-ores enough to supply amalgamating-works continually. But in the smelting-works copper, not lead, must be looked for to play the *rôle* of the necessary medium.

On the hill-side above the lead mines at Argenta there are a few placer mines. One of the gulches is worked by hydraulics, and employed in the summer four men. The yield of this claim was at that time reported at $40 per day, and there is no doubt that work could be continued until late in the year, as the ditch delivered an abundance of water. This ditch belongs to Mr. Kingsley, and takes its supply from Rattlesnake Creek, about four miles above the town of Argenta.

The districts which principally furnish ores for the Argenta smelting-works, outside of the Argenta district, are the Blue Wing, (already described,) Moose Creek, and Vipond districts. Both the latter are as yet little developed, but contain rich ore.

Vipond district, especially, promises to furnish a great deal of rich silver-ore in the future. It is situated in the Big Hole country, an exceedingly rugged part of Beaver Head County, about forty-eight miles from Argenta. The ore must be packed eight miles, to the Big Hole River, where it is transferred to wagons and hauled to Argenta.

It was mentioned in last year's report that a large area in this district

is literally covered with float quartz. During the year active prospe ing for the ledges has been going on, and a good many have been loca and partially opened.

For the following detailed description of Vipond district, I am debted to Mr. P. Knabe, mining engineer, of Red Mountain City. T district lies about fifty-five miles northeast of Bannack City, and bounded east by the Big Hole River, north by Wisdom River, and so by Cañon Creek. From each of these streams it rises suddenly to p haps 1,000 feet, forming then a plateau which is intersected toward t streams by deep cañons, while in the west it is limited by high mou ains. A large area of this plain is covered thickly with glacial detri while the banks of Cañon Creek are lined with gigantic moraines of ancient glacier. This renders prospecting extremely difficult in ma places.

The formation of the country is dolomitic limestone; the mineral d posits are invariably silver-bearing.

The first mine was located by the Vipond Brothers in the fall of 18 but not until the summer of 1871 did this locality become the field of vi ous prospecting. Consequently developments are yet very limi though prospects are very good.

In enumerating the different mines, commencing from the west, the following are to be mentioned:

The Miwanotack appears to be a net-work, or a system of lodes pockets. In four shafts ore was found from 1 to 4 feet wide, an as of which yielded as high as $410 per ton, average about $200 in silv besides about 40 per cent. of lead. Sixty-five tons of ore were trea at the Bohm smelting-works in Argenta.

The Forest, apparently a pocket, 4 feet wide. The ore resemb greatly that of the Miwanotack, both in value and general charac The minerals observed in this claim are quartz, carbonate of lead, gale blue and green carbonate of copper, silver-copper glance, horn-silv native silver, and a greenish-yellow substance, consisting of an oxidi mass of lead, copper, and arsenic, and rich in silver. Thirty tons ore hauled to the Bohm smelting-works.

The Gray Jockey, a deposit about 12 feet wide, and supposed w some reason to be a true fissure-lode, is explored by a shaft 20 feet d Its dip is perpendicular, or nearly so; the strike is northeast and sou west. Mineralogically the ore resembles that of the two former min it is, however, not so rich in lead and silver. A selected sample assay $173 per ton.

The Onyx, running northeast and southwest, is 15 feet wide, and sh large croppings of quartz. It is developed to a depth of only 6 f and shows white quartz, galena, carbonate of lead, and compounds copper, arsenic, and lead. A selected sample assayed $162 per ton.

These four mines are located within only one-quarter of a mile fr each other.

The Juno is about half a mile distant, in a westerly direction. I developed by a shaft 36 feet deep. The deposit, 4 feet wide near surface, terminates in the bottom of the shaft in a mass of decomp limestone. A sample of the ore, which resembles also that of the going mines, assayed $143 per ton.

The Mammoth, running northeast and southwest, is located one northwest from the Juno. It is developed by a shaft 25 feet deep posing a body of ore of 4 feet at the surface, and but 5 inches in bottom of the shaft.

A considerable quantity of ore is contracted for to be treated at the Bohm smelting-works in Argenta.

About three miles northeast of the Miwanotack is situated what is known as the Quartz Mountain. It is a ridge running southeast and northwest, about two miles long and one-half mile across, sloping gently toward the southeast. From the middle to its southwestern base its summit is crowned by large outcroppings of a number of silver-bearing deposits; hence the name of the locality. The formation is also limestone, its strata dipping 30° toward the south. They are intersected by all the deposits mentioned in the following. The general character of the deposits of this portion of the district varies materially from that of the foregoing mines. They are vertical or nearly so, and not only, as stated already, intersect the strata, but appear also to have caused the latter to be dislocated. The walls are not always well defined, but a seam, the sides of which are striated planes, runs in the middle of the deposit, and the richest ore is always found in close proximity to it. These facts seem to indicate that the deposits of Quartz Mountain are true fissure-lodes. The gangue of the deposits in question consists of quartz and heavy spar, which latter mineral is entirely wanting in all the mines mentioned heretofore. The next five mines to be cited are parallel to each other, running northeast and southwest, and from fifty to one hundred yards apart from each other.

The Bismarck, the first northwest, is located on the summit of the mountain, and about 500 feet above its base. A shaft 14 feet deep disclosed a body of ore, from 1 foot to 3 feet wide, an average sample of which assayed $422 per ton, and a selected sample as high as $1,169. The following minerals were observed: native silver, silver glance, silver-copper glance, horn-silver, and ruby-silver ore. By amalgamation retort was obtained of .992 fine.

The North Star, a few feet below, is explored by a shaft 5 feet deep. It is about 3 feet wide. A sample of ore assayed $167 per ton.

The Humboldt is near by. It is developed to a depth of 6 feet, and shows a body of ore 5 feet wide, a sample of which assayed $162 per ton. Carbonate of lead is the predominating mineral besides quartz; but all the minerals found in the Bismarck occur here also.

The Aurora, a deposit about 3 feet wide, is explored by a shaft 15 feet deep. It shows all the minerals observed in the Bismarck, also some carbonate of lead. A selected sample assayed $1,451.

The Lone Star, or Pettingill, the ownership of which is in dispute, is cropping out 10 feet high, and is 8 feet wide. The ore resembles that of the Humboldt, and assays as high as $200 per ton.

On the south eastern end of the ridge three more notable deposits are located. These appear to run east and west, and parallel to each other. They stand perpendicular.

The Argyle is 10 feet wide, separated from the northern wall by a clay casing. The ore occurs in irregular bunches in the gangue, which is composed of quartz and heavy spar. Among others, especially galena, carbonate of lead, silver-copper glance, and native silver are met with. It is developed by a shaft 20 feet deep, and eight tons of first-class and twelve tons of second-class ore were obtained from this opening. A selected sample assayed $656 per ton.

The Banner and the Handy Andy are recent locations near the Argyle, which have as yet not been subjected to any investigation; they look, however, promising.

The facilities for erecting reduction-works are ample in this district.

shaft is 130 feet deep. Two hundred tons of ore were sold to the Saint Louis Company at $40 per ton.

The Brownell has two shafts 75 feet deep, and a tunnel of 60 feet along the vein, which is 2½ feet wide. The ore is carbonate of lead.

The Silver Light has a shaft 50 feet deep, the vein being 18 inches wide. The ore is rich argentiferous galena.

The Cable is an 8-foot vein of carbonate of lead, and has a shaft [illegible] feet deep. Over 300 tons of ore have been taken out and sold for from $5 to $10 per ton.

The Tuscarora contains carbonate of lead, and is rich in silver.

Besides these there are hundreds of holes sunk on other leads, from a few feet in depth to 40 or 50 feet.

The failure of the furnace last summer put a stop to all further development. The permanence and richness of the leads in the new Blue Wing district did also their share to attract the attention of the miners, and to draw them away from Argenta.

Bald Mountain, ten miles northwest of Bannock, contains many leads of gold, silver, galena, and copper, but few of them have been developed.

The Badger is a 2-foot vein of argentiferous galena and milling-ore. There is a shaft on it 18 feet deep. Average assays gave $100 per ton. There are 25 tons on the dump.

The Bald Mountain has a 3-foot vein of argentiferous galena. A tunnel has been run 80 feet along the vein. There are 70 tons on the dump. Thirty tons have been sold to the Bannock furnace at $25 per ton.

The Shoo-Fly is a carbonate-of-lead vein, 2 feet wide, and traceable on the surface for 300 feet. A shaft 30 feet deep has been sunk. There are 60 tons of ore on the dump. A few tons were sold at $25 per ton to the Bannock furnace.

The Muck-a-Muck is a strong copper-deposit, rich in gold. By crushing the ore the gold is easily panned out. There is a shaft 15 feet deep, and 75 tons of ore on the dump. It is from 30 to 40 per cent. copper.

There is no work being done on these leads this winter.

On the Big Hole, from sixty to eighty miles northwest of Bannock, there are numerous leads of copper, iron, and gold. The Sherman is the only one recorded. It is a prominent ledge, 10 feet wide. The ore is copper, and bears gold. There is a shaft 10 feet deep, exposing to view a vast amount of ore. It is traceable on the surface several thousand feet, cropping out.

In the hills twenty-five to forty miles west of Bannock, are rich copper-croppings, but no attention is paid to them.

Birch Creek is pre-eminently a copper-district. Besides the copper veins there are extensive ledges of magnetic iron.

The Greenwich is a strong copper-vein, bearing both gold and silver. The croppings are easily traceable for five miles, and the vein is 8 feet wide. There have been seven extensions recorded. The shaft on the Greenwich is 80 feet deep, and shows smooth granite and slate walls. The vein is of uniform width to the bottom of the shaft. Over 10[illegible] tons of ore have been taken out, and about 50 have been sold to Bo[illegible] & Co. at about $10 per ton on the dump. The veins of this district [illegible] north and south, and are in granite or slate. The first Greenwich Extension has a shaft 130 feet deep, showing the same width of vein and characteristics as the Greenwich. There are perhaps over 200 tons of ore on the dump.

The Treasury has a shaft 30 feet deep. It is richer in copper than the Greenwich. This ore is said to yield $800 worth of metals per ton.

The Treasury Extension lies between the Treasury and Greenwich, and in a direct line with them. There is a shaft down about 10 feet, showing the same width of crevice and character of ore as the Treasury.

The Algoma is several hundred feet east of the Greenwich. This vein is 3½ feet wide, and about one-third of the ore is copper-ore. The lead is not traceable on the surface.

There is also an extensive tract of country west of Beaver Head Valley along the foot-hills and mountains, in which there are numerous ledges of iron, copper, and gold. But few of these have been opened, and this so long ago that they are now almost lost and abandoned for the present.

Vipond district.—From this district, which is described at length in my last report, I have the following additional notes furnished by Mr. Charles Wunderlich:

The developments during the past year are slight, the isolated position of the district in the rough Big Hole country keeping back investments of capital. The ores are mainly milling-ores.

Banner, course east and west, crops out prominently for 800 feet; width, 6 feet; depth of shaft, 40 feet; ore on dump, 40 tons; average assay value, $200 per ton.

Argyle, course east and west, dip north, crops out for 1,000 feet; width, 8 feet; depth of shaft, 20 feet; ore on dump, 15 tons; average assay value, $165 per ton. Great quantities of "float"-rock are found below the lode, much of which is rich ore.

Bismarck, course north and south, crops out for 500 feet. This lode was recently discovered, and no developments of consequence have been made. The surface ores assay well.

Humboldt, course north and south, crops out 400 feet; width, 6 feet; ore on dump, 35 tons; average assay value, $200.

Gray Eagle, course north and south; width, 10 feet; ore on dump, 100 tons; average assay value, $90 per ton.

Mammoth, course north and south, crops out for 1,000 feet; width, 7 feet; ore on dump, 200 tons; average assay value, $100 per ton. Some of this ore was sold on the dump, broken up, sacked, and packed on mules to Argenta, a distance of thirty miles. It was there put through the smelter, but as the ore contained but little, if any, lead, it was thought it would not pay to work it by that process.

Juno, course north and south, crops out 700 feet; width, 5 feet; ore on dump, 25 tons; average assay value, $125 per ton.

Horace Greeley, course north and south; width, 10 feet; ore on dump, 25 tons.

Gray Jockey, course north and south; width, 14 feet; ore on dump, 300 tons; average assay value, $50 per ton.

A wagon-road to the district was made last fall. A Pittsburgh company contemplate building a mill next spring on the Big Hole River, about four miles distant from the principal claims.

DEER LODGE COUNTY.

From this county I have received very little specific information; and especially of the placer-mines of the county, from which by far the largest part of the gold-product is derived, the returns have been very meager.

Mr. Conrad Kohrs, of Deer Lodge City, the owner of the rich placer-

from Mineral Statistics West of the Rocky Mountains, 1875

1875

to the miners of the district. The town of Bryant is located at the min and Glendale at the furnace and mill. Roads and bridges are constru ing for communicating n all directions.

Vipond district is about 8 miles north from Trapper. This is an district, but has been almost inaccessible till the past year, being nest among vast and rugged mountains, remote from the lines of pub travel. About a dozen poor men have perseveringly stood by the mines for some eight years, and have finally completed a good road, a cost in labor of not less than $10,000. It is only 5 miles from t mines to large water-privileges on Wisdom or on Big Hole River. Th district is in blue limestone. The ores are black sulphurets of silve with a small percentage of carbonate of lead and copper-glance. The are about 50 acres of ground covered with large quantities of "flo which has been displaced from the various vein outcrops. Large qua tities of ore lie on the dumps, and a still greater amount is in sight the mines. About 30 lodes have been located, and many of them a well prospected. They are owned in 200-foot claims by different parti and companies; and on these claims many shafts have been sunk, fro a few feet to nearly 200 feet in depth. The strike of the veins is gene ally southeast and northwest, and their width is from 3 feet to 20 fe The general average of the ore assays from $30 to $75 and upwar per ton. There are a few veins, however, that yield first-class ore.

The Mewanahawk,* owned by John Vipond, has been opened by shaft to the depth of 160 feet. Mr. Vipond sold ore to Armstrong Co. during the past season, at about $150 per ton. His Gray Jocky lode has a shaft 50 feet deep, showing the vein to be 18 feet wide.

Dewey, Brewbake & Leggett, owning claims on the Argentine, Ban ner, Wassioga, and North Pacific lodes, have done a large amount of work on their several claims.

The Argentine lode has a vein of massive ore 18 feet in width, and is well developed 1,000 feet along the vein.

The Banner lode is 4 feet wide and yields first-class ore, ten tons of which, being shipped, brought $250 per ton.

A five-stamp mill is nearly completed in this district, and will be ready for work early next season. It is confidently anticipated that the energy and perseverance of the pioneers who have prosecuted under so great difficulties the development of mining in this locality will be soon rewarded with success. To those already mentioned should be added the name of Mr. Knabe, an assayer and mining engineer, who has adhered faithfully to the fortunes of the district, opening with his own hands the promising claims of which he is the owner, and to whom I have been indebted for valuable notes.

Elk Horn district is about 25 miles northwest from Bannack, on Grasshopper or Willard Creek, the stream on which Bannack is situated. This is the latest discovered camp in the county, having been first brought to notice in 1874. Only ten claims have been located, 1,500 feet each in length. The country-rock is gray granite. The strike of the veins is northeast and southwest, running at right angles with the ridges; the dip very slight. The croppings are the largest in the county, some of them 15 feet in height, and traceable for a great distance. The veins average 8 feet in width.

The Elk Horn lode, owned by Messrs. Peck & Steel, was opened during the past season to the depth of 50 feet, by a shaft 5 by 14 feet; and

* This is the name as given by Mr. Wheeler. In my report of 1872, what I suppo to be the same vein is called by Mr. Knabe the "Miwanotack." One is as bad as th other; and it would require a Bannack Indian to decide which is correct.—R. W. R.

CONDITION OF TH

15 tons of high-grade ore w silver per ton, and 15 per c ent. There are 75 tons on ounces silver per ton.

The Storm, Keystone, an Berger, and have shafts su Storm lode crops out boldly vein being from 8 to 10 fee ver; that of the Keystone a 15 per cent. copper.

The Comet, (Messrs. Mea John Steiger,) and Liber veins in character and in e

West Bald Mountain distr to notice about the same t been located.

The Emerald is owned b the past season 50 feet de 12 tons to Utah, assaying metal in the ore, and the s 50 tons of ore are on the d

The Caroline is owned b vein of ore, 15 feet in wid the claim. The ore assay

The Elk Horn district i timber covers all the slope ground.

Argenta district.—This d deserted. There has been the ore is generally argen

Birch Creek district is of copper and iron ores. prominent copper-veins fr Greenwich has a shaft 8 the smaller veins yield or There are also large dep are plenty in the district.

The superior attractio tricts in the county are su and these older and poo and a greater population

It cannot well be said is permanently prospero ounces silver per ton mus Cheaper transportation a at home, will ere long, b industry, by permitting class ores.

Atlantic Cable and Geo will be found a descripti near Cable City and Geo anything concerning the There is, however, much Not only has the Atlan

The Vipond District, eight miles north of the mines of the Hecla Consolidated Company, in the Trapper District, is making some show of life by the recent applications for patent of several of its principal locations.

From the Mewonitoc, owned by Jos. A. Browne, the ore taken from a fifty foot shaft was sold to the works at Glendale, returns from which showed that it carried 140 ounces of silver to the ton, and the pay streak is two and a half feet wide. The Gray Rock (Gray Jockey?) and the Forrest lodes are being worked. The former produces free milling ore which saves 30 ounces of silver to the ton by the simplest process, and the pay streak is fully six feet wide.

-from Report of the U.S. Director of the Mint upon the Statistics of the Production of the Precious Metals in the U.S., 1882, p. 213. (Covers 1881)

VIPOND DISTRICT - Ore shipped from the district in 1908 contained principally silver with a little gold. The Benton Mining and Milling Company, operating the Argyle property (Quartz Hill area), six miles south of Dewey, was the largest producer. The ore was desirable at the smelters as converter lining.

- from Mineral Resources of the United States, U.S.G.S., 1908, vol. 1.

True Copy

Vipond Mining Corp.
Billings, Montana
Re: Item 2(a)

91

LEASE AND OPTION AGREEMENT

THIS AGREEMENT, Made and entered into this 14 day of ~~June~~ July, 1966, by and between GEORGE S. GLUCK and MARGOT K. GLUCK, his wife, hereinafter called "Gluck", as First Parties, and MIDLAND PAINT COMPANY, a Montana corporation, hereinafter called "Midland", as Second Party:

R E C I T A L S:

A. Gluck is the owner of the following described unpatented mining claims situated in Beaverhead County, Montana, to-wit:

Name of Claim	Book of Records	Page
Rosalind	155	335-6
Madison	155	333-4
Madison #2	164	635-6
Madison #3	164	637-8
Jefferson	155	331-2
Jefferson #2	164	631-2
Jefferson #3	164	633-4
Lucky Lady	155	275-6
Vega	145	287-8
Vega #2	164	639-40
Vega Extension	164	95-6
Burglind	155	277-8
Polaris	145	285-6

all located in or near Sec. 34 of Township 1 South, Range 11 West, M.M., comprising thirteen (13) lode mining claims in the aforesaid group, known as the Burglerosa Group.

B. Midland wishes to secure an option from Gluck to lease Gluck's interest in the aforesaid claims, with option to purchase.

NOW, THEREFORE, in consideration of the payment by Midland to Gluck of TEN DOLLARS ($10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, the parties do hereby stipulate and agree as follows:

OPTION TO LEASE

1. Gluck grants to Midland an option to lease the aforesaid claims, exercisable at or before 12:00 o'clock noon, M.S.T.,

115832 INDEXED

STATE OF MONTANA, County of Beaverhead } ss.

I hereby certify that the within instrument was filed in my office on the 6th day of September A. D. 19 66 at ~~[illegible]~~ min. past 1:00 o'clock P. M. and recorded on page 97-101 of Book 188 of Lease Records of Beaverhead County, Montana.

Witness my hand and seal.

By _____ Deputy

Evelyn D. Sass
County Recorder

Fee $22.00

August 1, 1966, upon the terms and conditions hereafter set forth.

ESCROW:

2. Upon exercise of said option, Gluck and his wife shall execute and deliver in escrow with the Miners Bank of Montana, at Butte, Montana, as escrow agent (hereinafter referred to as escrow), an executed counterpart of this contract, plus a grant deed from Gluck and wife to Midland, conveying the above described claims to Midland, subject to the terms and provisions of the within agreement.

3. Escrow fees shall be borne in equal shares by the parties hereto.

OPERATIONS DURING OPTION PERIOD:

4. Until Midland exercises the option granted herein, both Gluck and Midland may operate the claims or participate in the operation thereof as each sees fit. Provided, that neither party shall obligate the other, or the said properties, for any expense incurred in any such operations. Midland shall be entitled to none of the benefits of any ore shipments mined or shipped from the property by Gluck until such time as the option is exercised, and Gluck shall be entitled to none of the benefits of any ore shipments mined or shipped from the property by Midland during the option period, except a royalty of 10% of net smelter or mill returns, as hereinafter defined, upon all concentrates, ores or other valuable metals or minerals removed from the above described properties by Midland.

METHOD OF EXERCISING OPTION:

5. Midland shall deliver to Gluck a written notice stating that it has elected to exercise the option to purchase the aforesaid claims, and at the same time shall pay to Gluck, by deposit to Gluck's account at The Miners Bank of Montana, Butte, Montana, the sum of TWO THOUSAND DOLLARS ($2,000.00), as advance royalty, less whatever

sum has been paid by Midland to Gluck as royalty during the option period, whereupon Gluck shall execute and deliver to Midland an acknowledgement of exercise of the option.

The sum of payment in royalty to Gluck by Midland to be charged against the Two Thousand Dollars ($2,000.00) to be paid the escrow for Gluck shall be evidenced by cancelled checks or receipts.

If after the expiration of the option period, Midland has not elected to exercise the option, then this entire agreement, including the purchase option herein contained, shall terminate and thereafter shall be of no further force or effect.

PAYMENTS AND OPERATIONS AFTER EXERCISE OF OPTION TO LEASE

6. (a) In the event the option to lease is exercised, Midland shall make another payment of advance royalty on October 1, 1966, in an amount of $3,000.00, less any amounts paid on royalty during the period from August 1, 1966, to October 1, 1966, and Midland shall thereafter pay to Gluck a yearly advance royalty payment of $10,000.00 at the beginning of each lease year, the first such payment to be made on August 1, 1967. Midland shall pay to Gluck a royalty of ten per cent (10%) of the net smelter or mill returns on all concentrates, ores or other valuable metals or minerals removed from the above described claims. By "net smelter or mill returns" is meant the full cash proceeds of sale of such ores and minerals after deduction of smelter or mill treatment charges only. Midland shall request the smelter or mill to furnish Gluck with copies of all settlement sheets delivered to Midland.

(b) Royalty payments by Midland to Gluck by deposit to Gluck's account at the Miners Bank of Montana at Butte, Montana, shall be made within twenty (20) days from the end of each calendar quarter, and shall be made beginning with the calendar quarter following the quarter in which royalty chargeable against the advance royalty ex-

ceeds the advance royalty payment. Each payment shall be accompanied by a statement showing the basis of the calculation of that particular payment.

(c) Gluck agrees to execute any lien papers or other documents required by the United States in connection with loans from the Office of Mineral Exploration or any similar agency of the United States Government.

(d) After exercise of the option to lease, the relationship of the parties shall be lessor and lessee, subject only to the option to purchase provided hereafter. Conditioned upon exercise of the option to lease, Gluck hereby leases and lets the claims to Midland under the terms and provisions hereof for mining, extracting, exploring, drilling, milling and disposing of minerals, ores and concentrates of every nature on the claims, including all rights of way, easements, and water rights owned by Gluck; together with all of Gluck's right, title and interest in and to all the ores, other minerals, shafts, veins, leads, dips, spurs, and lodes within the same and thereto incident, appendant and appurtenant, including the exclusive right to explore, develop and mine the same, and to remove and sell the ore and minerals therefrom, to possess, occupy and use all existing mine workings, facilities, and structures, and to rebuild or modify the same, to excavate or drive new mine workings, erect additional buildings and structures, and install new facilities, to utilize surface areas for stockpiles, dumps and tailings, and to use all available water and timber on said property owned by Gluck, all for the purposes of and in the course of Midland's operations therein and thereon, and on the terms and conditions hereinafter set forth.

EFFECTIVE DATE, TERM AND TERMINATION:

7. This Lease and Agreement shall take effect upon the exercise

of the option to lease, as aforesaid, and shall continue in full force and effect for a period of ten (10) years from and after August 1, 1966, unless sooner terminated as hereinafter provided. If this Lease and Agreement shall not have been terminated prior to the end of said term above specified, as herein provided, this Lease and Agreement shall thereupon be automatically renewed for an additional period of fifteen (15) years from and after the expiration of said original term, subject, however, to the earlier termination of said renewal thereof as herein provided.

(1) Time is of the essence of this Lease and Agreement, and Gluck shall have the right to terminate this Lease and Agreement, as hereinafter provided, upon the happening of any of the following events:

(a) Midland shall not have paid or caused to be paid to Gluck as advance royalty for the use of said property the sum provided with respect to the initial year or any subsequent year or years, as the case may be.

(b) Midland shall fail to make royalty payments after the advance royalty amount for each year has been credited.

Such right of termination shall be exercisable by written notice given to Midland not later than 60 days after the occurrence of any of such events, and if such notice shall not be given within such 60-day period, such right to terminate by reason of such occurrence referred to in such notice shall cease and determine, without prejudice, however, to Gluck's right to terminate this Lease and Agreement as in this paragraph provided, for any subsequent occurrence of any of said events mentioned in this paragraph (1) of this Section. Notwithstanding the foregoing provisions of this paragraph (1), Midland

96

shall have the right to remedy any event forming the basis for such notice of termination, making payment of said royalty or advance royalty to Gluck, as the case may be, at any time prior to the expiration of fifteen (15) days after receipt of such notice of termination. G.S.G. H.K.G.

(2) The failure of Gluck to insist in any one or more instances upon the performance of any of the terms, covenants or conditions of this Lease and Agreement by Midland shall not be construed as a waiver or relinquishment of the future performance of any such term, covenant or condition by Midland, but the obligation of Midland with respect to such future performance shall continue in full force and effect.

(3) Midland shall have the right to terminate this Lease and Agreement at any time as hereinafter provided. Midland, its affiliates and any operating company may together at any time surrender their respective rights under this Lease and Agreement in respect of any or all of the property, by giving notice to Gluck of such surrender and by delivering to Gluck a written release and discharge of Gluck from the terms and provisions of this Lease and Agreement. Upon receipt of such notice of surrender and release, Gluck shall deliver to Midland a written release and discharge of Midland, its affiliates and any operating company, as may be appropriate, from the terms and provisions of this Lease and Agreement. Provided, that such termination shall not cancel any obligation theretofore accrued hereunder; and such termination shall not become effective until any and all such accrued obligations shall have been fulfilled and satisfied.

(4) Upon termination of this Lease and Agreement for any reason, Midland and its affiliates shall have the right during a period of

six months following the date of such termination to remove all buildings, structures, and personal property of any kind and description, including, without limitation, all mining plant, machinery, tools, supplies and equipment, which it or they (or any of its contractors, agents or employees) may have placed, constructed or brought upon the property, but excepting all pipes, piping, rails, timber and timbering affixed to the walls, ceiling or floor of any underground workings, which said fixtures shall remain the property of Gluck. Subject to this right, Midland and its affiliates shall upon such termination, surrender to Gluck the possession of all of the property without hindrance or delay and Gluck shall have the right immediately upon such expiration to enter into and upon the property and take immediate possession thereof without any formal declaration or forfeiture, act of reentry or process of law.

REPRESENTATIONS AND WARRANTIES:

8. (a) Gluck has the legal power and right to enter into and perform this Option, Lease and Agreement, and the lawful and proper exercise by Midland of the rights granted to it by this Option, Lease and Agreement and the consummation of the other transactions contemplated by this Lease and Agreement will not result in the violation of or constitute a default under any law, regulation or order or under any instrument or agreement (including, without limitation, any agreement granting to any other party a right of first refusal or any similar right) to which Gluck is a party or by which he may be bound.

(b) Gluck is the sole owner of the property described above. The mining claims have been staked in conformity with applicable laws and regulations and are in good standing, and all the property, including such mining claims, to the extent of Gluck's interest there-

in, is free and clear of all liens, encumbrances, equities and conflicting claims and rights.

(c) Gluck shall indemnify Midland against, and hold it harmless from, any and all claims, liabilities, damages and expenses (including, without limitation, counsel fees incurred in defending against any claim or liability) in connection with any breach of the representations, warranties and agreements hereinabove set forth in this Section.

(d) In the event that Midland should determine that it is necessary or advisable to take corrective action with respect to any of the property, including, without limitation, the staking of amended claims, the performance of any required discovery work and the institution and prosecution of suits to quiet title, Gluck will cooperate fully with Midland in taking any such corrective action and will indemnify Midland for one-half (1/2) of the costs and expenses incurred by Midland in taking such corrective action. However, the total cost to Gluck of such corrective action, or actions, shall not exceed $750.00. Gluck's share of such expenses shall be deducted from advance royalty payments due him.

PURCHASE OPTION:

9. In the event of exercise by Midland of the option to lease hereinabove set forth, then Gluck hereby grants to Midland the option to purchase said properties for the sum of $250,000.00. Notwithstanding anything herein to the contrary, at such time as Gluck shall have received royalty, advance royalty, or any other payments from Midland which in the aggregate total $250,000.00, the claims shall be considered paid for, and upon proof of payments equal to such amount, the escrow shall release the grant deed provided for hereinabove to Midland. Gluck shall not otherwise convey or in any manner dispose of his interest in the above claims during the term of this agreement.

GSG
M.K.G.

EXPENSES AND LIENS; HOLD HARMLESS CLAUSE:

10. Midland shall keep the said properties free and clear of liens for labor done or performed thereon, or materials furnished to Midland on or for the same, and shall protect and hold Gluck harmless from all costs, loss, or damage which may arise by reason of injury to any persons employed by Midland in or on the said properties or any part thereof, or which may arise by reason of injury to any person, livestock or other property thereon during Midland's possession or occupancy of the properties, arising out of or in any manner connected with Midland's operations thereon.

ASSESSMENT WORK:

11. Midland agrees that during the assessment year ending September 1, 1966, and at all times thereafter during the term hereof, it will on or before the 1st day of August of each assessment year, perform upon or for the benefit of each of the Burgierosa Claims, assessment work of a character and value necessary to satisfy the requirements of the mining laws of the United States and of the State of Montana, and file in the office of the Beaverhead County Recorder appropriate affidavits showing that such work has been done on behalf of Gluck as owner. Midland agrees that on or before August 1, 1966, and on or before August 1st of any year thereafter, during which Midland is required to perform assessment work upon or for the benefit of the Burgierosa Claims as above provided, it will give notice to Gluck of the assessment work which has been performed by it during said assessment year, and deliver to Gluck executed copies of such affidavits.

TAXES:

12. Midland shall pay before delinquent all taxes upon any and all personal property of whatsoever nature placed upon the said

100

property by it, and any and all net proceeds taxes upon ores and minerals extracted from said properties by it during the term of this lease.

GEOLOGICAL DATA:

13. Midland shall furnish Gluck with a copy of any geological map, plat or report prepared by it or by its employees or agents pertaining to the above claims. This provision shall be personal to Gluck and upon his death, incompetency or sale of his interest in the claims shall be of no further force or effect and Midland shall be entitled to immediate return of such maps,etc. Gluck shall not re-copy or furnish such maps, etc. for the use of any person or entity other than himself.

ADDRESSES FOR NOTICE:

14. Any notices to be given hereunder shall be ~~deemed complete when the same shall have been~~ by registered mail placed in any United States Post Office, securely sealed in an envelope properly addressed to the party or parties to whom the same shall be directed, with full first class postage prepaid thereon. Until otherwise specified in writing by the appropriate party, any such notices to Midland shall be addressed to Box 63, Billings, Montana, and any such notices to Gluck shall be addressed to Ramsay, Montana.

RIGHT OF ENTRY BY GLUCK:

15. Notwithstanding any other provision of this agreement, in the event Midland shall exercise its option to lease as above set forth, then Gluck shall have the right thereafter throughout the life of this agreement, to enter upon the said properties in person or by representatives, to examine the workings and operations of Midland and to examine Midland's maps, plats and other records of its said operations, and to conduct such ~~testing and~~ examination of said

properties as Gluck may deem proper; provided, that Gluck shall not interfere with the operations of Midland, and any and all entries or examinations of said properties by Gluck or his representatives shall be at his or their sole risk, notwithstand Paragraph 10 hereof.

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

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

GEORGE S. GLUCK

MARGOT K. GLUCK, his wife

MIDLAND PAINT COMPANY

By _____
Its President

ATTEST

Secretary

STATE OF MONTANA)
) ss.
COUNTY OF GALLATIN)

On this 14th day of July, 1966, before me, a Notary Public for the State of Montana, personally appeared GEORGE S. GLUCK and MARGOT K. GLUCK, his wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and severally acknowledged to me that they executed the same.

Notary Public for the State of Montana
Residing at Bozeman, Montana
My Commission expires _____

STATE OF MONTANA)
) ss.
COUNTY OF YELLOWSTONE)

On this 14 day of July, 1966, before me, the undersigned Notary Public for the State of Montana, personally appeared GEROGE E. GRAY, known to me to be the President of MIDLAND PAINT COMPANY, the corporation which executed the foregoing instrument and acknowledged to me that such corporation executed the same.

Notary Public for the State of Montana
Residing at BILLINGS, MONTANA
My commission expires SEPT. 23, 1967

True Copy Vipond Mining Corp. Billings, Montana Re: Item 2(a)

Mid-Continent Association Form KINTZEL BLUE PRINT CO., 124 N. CENTER, CHICAGO

INDEXED

115833 1

STATE OF Montana } SS.
COUNTY OF Beaverhead

This instrument was filed for record on the 6th day of August, 1966 at 1:46 o'clock P.M. and duly recorded in Book 188 Page 102 of the records of this office.

Witness my hand and seal of the Clerk and Recorder of Deeds.

When Recorded Return to Vipond Mining Corp. P.O. Box 63 Billings, Montana 59102

102

ASSIGNMENT OF ~~[illegible]~~ MINING LEASE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Midland Paint Company, a Montana corporation (hereinafter called Assignor), for and in consideration of One Dollar ($1.00) the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto Vipond Mining Corporation, a Montana corporation (hereinafter called Assignee), all right, title and interest in and to the ~~oil and gas~~ mining lease dated July 14, 19 66, from George S. Gluck and Margot K. Gluck, his wife, Lessor, to Midland Paint Company, Lessee, recorded in book 188 of leases, page 91-101, insofar as said lease covers the following described ~~lands~~ claims in Beaverhead County, State of Montana.

Name of Claim	Book of Records	Page
Rosolind	155	335-6
Madison	155	333-4
Madison #2	164	635-6
Madison #3	164	637-8
Jefferson	155	331-2
Jefferson #2	164	631-2
Jefferson #3	164	633-4
Lucky Lady	155	275-6
Vega	145	287-8
Vega #2	164	639-40
Vega Extension	164	95-96
Burglind	155	277-8
Polaris	145	285-6

all located in or near ~~of~~ Section 34, Township 1 South, Range 11 West, and ~~containing~~ comprising 13 lode mining claims know as the Burglind group ~~acres more or less~~, together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used in connection therewith.

And for the same consideration the Assignor covenants with the Assignee, its or his heirs, successors or assigns; That the Assignor is the lawful owner of and has good title to the interest above assigned in and to said lease, estate, rights and property, free and clear from all liens, encumbrances or adverse claims; That said lease is a valid and subsisting lease on the land above described, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed; and that the Assignor will warrant and forever defend the same against all persons whomsoever lawfully claiming or to claim the same.

~~Executed~~ This 4th day of August, 19 66.

Midland Paint Company (SEAL)
by George E. Guay (SEAL)
George E. Guay
President (SEAL)

State of Montana } SS.
County of Yellowstone

MONTANA ACKNOWLEDGMENT

On this 4 day of August, 19 66, before me personally appeared George E. Guay, President of Midland Paint Co., to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that executed the same.

Witness my hand and notarial seal the day and year hereinabove written.

My commission expires Nov 9, 1968

Notary Public for the State of Montana

State of Montana } SS.
County of Yellowstone

CORPORATION ACKNOWLEDGMENT

On this 4 day of August, 19 66, before me personally appeared George E. Guay to me personally known, who, being by me duly sworn, did say that he is the President of Midland Paint Company and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and said George E. Guay acknowledged said instrument to be the free act and deed of said corporation, and that said corporation executed the same.

Given under my hand and notarial seal the day and year hereinabove written.

My commission expires

NOTARY PUBLIC in and for the State of Montana
Residing at Billings, Montana
My Commission Expires November 9, 1968

Notary Public for the State of Montana Residing at Billings, Montana

VIPOND MINING CORPORATION

PHONE 406 245-4765 P. O. BOX 63 BILLINGS, MONTANA 59103

Re; Item 2(b)

True copies of papers regarding Semsak and Jackelini's ownership of claims under lease to Vipond Mining Corp.

1. Certificates of location of Tuxedo #2, Leadville and Log Cabin claims.

CERTIFICATE OF LOCATION

Of the Log Cabin Quartz Lode Mining Claim

I, Arthur Lemesat, Leonilla Lemesat a citizen of the United States of lawful age, do hereby certify and declare as follows, to-wit:

That on the 1 day of July A. D. 1954, the Log Cabin Quartz Lode Mining Claim situate in Vipond Mining District, County of Beaverhead State of Montana, was duly discovered.

That on said day a written or printed Notice of Location of said claim was duly posted, conspicuously, at the point of discovery on said claim, which said notice contained the name of the Locator, the date of the location (which said date of location was the date of the posting of such notice), and the approximate area of the claim intended to be appropriated.

That thereafter and within thirty days of the posting of said notice of location the locator distinctly marked the location of said claim on the ground so that its boundaries could be readily traced, by placing monuments at each corner and angle of said claim, which said monuments consist of trees, posts, stumps, stones and boulders described as follows, to-wit:

Beginning at the ~~Southeast~~ Cor. No. 1 of this claim, which is a Blazed tree marked Log Cabin Cor. No. 1 of the Log Cabin Lode.

Thence First Course Southeast a distance of 600 feet to the Southeast Cor No. 2 of this claim, which is a Blazed tree marked Log Cabin Cor. No. 2 of the Log Cabin Lode.

Thence Second Course Northeast a distance of 1500 feet to the Northeast Cor. No. 3 of this claim, which is a Blazed tree marked Log Cabin Cor. No. 3 of the Log Cabin Lode.

Thence Third Course Northwest a distance of 600 feet to the Northwest Cor. No 4 of this claim, which is a Blazed tree marked Log Cabin Cor. No. 4 of the Log Cabin Lode.

Thence Fourth Course Southwest a distance of 1500 feet to the Southwest Cor. No 1, the place of beginning.

That each tree so marked was at least eight inches in diameter, and blazed on four sides; that each post so marked was at least four inches square by four feet and six inches in length set one foot in the ground, except where solid rock occurred at less depth, in which case the post was set upon such rock, and in all cases such posts were surrounded by a mound of earth and stone at least four feet in diameter by two feet in height, that each stump so marked was squared and was at least eight inches in diameter by four feet in height, and was surrounded by a mound of earth and stone four feet in diameter by two feet in height; that each stone so marked was at least six inches square by eighteen inches in length, set two thirds of its length in the ground, with a mound of earth and stone alongside at least four feet in diameter by two feet in height; that each boulder so marked was at least three feet above the natural surface of the ground on the upper side of said boulder.

That within sixty days after the date of posting said notice of location:

1. The locator~~s~~ named herein sunk a discovery shaft on said claim at the point of discovery ..... feet by ..... feet, to the depth of at least ten feet vertically, below the lowest part of the rim of such shaft at the surface, and then the cubical contents of said shaft excavated is not less than one hundred and fifty cubic feet. (If you sink a discovery shaft, cancel all of paragraphs 2 and 3.)

2. The locator ... named herein excavated an open cut on said claim at the point of discovery ..... feet wide by ..... feet long and to the depth of at least ten feet, vertically, below the natural surface of the ground, and which said cut consists of at least one hundred and fifty cubic feet of excavation. (If you excavate an open cut, cancel all of paragraphs 1 and 3.)

3. The locator~~s~~ named herein excavated a tunnel on said claim at the point of discovery 5' feet wide by 6 feet in height and 5'0 feet in length, and to the depth of at least ten feet, vertically, below the natural surface of the ground, and which said tunnel consists of at least one hundred and fifty cubic feet of excavation. (If you excavate a tunnel, cancel all of paragraphs 1 and 2.)

That said locator ... did there, in the bottom of said tunnel (Shaft, Cut or Tunnel) at the lowest vertical depth thereof, disclose the vein, lode or deposit so located.

That said locator~~s~~ claim 25'0 feet in a Southerly direction, and 125'0 feet in Northerly direction, along the course of the vein each way from the discovery shaft, and 300 feet on each side of the center of the vein, the same being 600 feet wide by 1500 feet in length.

That the following reference is hereby made to natural objects and permanent monuments so as to identify said claim to-wit:

On the south this claim joins the Faithful Lode which is a patented claim. On the east the Grumpy Lode this claim the Log Cabin is situated near the headwaters of Adsum Creek and formerly known as the Bob Cat.

That the following claims adjoin this claim, to-wit: On the North the ..... Quartz Lode Mining Claim. On the South the Faithful Lode Quartz Lode Mining Claim. On the East the Grumpy Lode Quartz Lode Mining Claim. On the West the ..... Quartz Lode Mining Claim.

That the claim so located, marked and designated as aforesaid is named and known as the Log Cabin Quartz Lode Mining Claim, and it is situate in Upper Mining District, County of Beaverhead, State of Montana.

That the name S of the locator S and claimant S follows, to-wit:

Arthur Semsak
Leonilla Semsak
Locators and Claimants

STATE OF MONTANA,
County of S Bow } ss.

Arthur & Leonilla Semsak being first duly sworn, on his oath says: That he is citizen of the United States, and that he is of lawful age, that they are the locator S and claimant S of the Quartz Lode Mining claim; that said location is made in good faith; that this "Certificate of Location" is made in good faith, and for the purpose of securing and enjoying all the rights and benefits of Chapter 16 of the Laws of 1907 of the State of Montana entitled "An Act governing the manner of locating, recording and holding possession of mining claims upon the public domain of the United States within the State of Montana," approved February 18, 1907; and that the matters and things stated in the foregoing "Certificate of Location" are true of his own knowledge.

Arthur Semsak, Leonilla Semsak

Subscribed and sworn to before me this 10 day of July A. D. 1924

R. F. Rosellini
Notary Public for the State of Montana.

Residing at Butte My Commission expires 4-17-1926

INDEXED 86834

CERTIFICATE OF LOCATION

Of the Log Cabin Quartz Lode Mining Claim

Mining District, Upper

County, State of Montana. Beaverhead

STATE OF MONTANA, } ss.
County of Beaverhead

Filed for Record on the 11th day of July A.D. 1924 at 2:00 o'clock P.M. and recorded in Book 63 of Loc. Location at Page 328

Geo. W. Shewalter
County Clerk.

By ..... Deputy.

Fee. $1.00

Arthur Semsak
Box 77 Butte
Beaverhead Co., Mont.

490

191

CERTIFICATE OF LOCATION

Of the Leadville Quartz Lode Mining Claim

I, Arthur Semsak Julius Jackelini a citizen of the United States of lawful age, do hereby certify and declare as follows, to-wit:

That on the 25 day of July A. D. 1962, the Leadville Quartz Lode Mining Claim, situate in Vipond Mining District, County of Beaverhead State of Montana, was duly discovered.

That on said day a written or printed Notice of Location of said claim was duly posted, conspicuously, at the point of discovery on said claim, which said notice contained the name of the locator....., the date of the location (which said date of location was the date of the posting of such notice), and the approximate area of the claim intended to be appropriated.

That thereafter and within thirty days of the posting of said notice of location the locator.... distinctly marked the location of said claim on the ground so that its boundaries could be readily traced, by placing monuments at each corner and angle of said claim, which said monuments consist of trees, posts, stumps, stones and boulders described as follows, to-wit:

Beginning at the N. E. Cor. No. 1 of this claim which is a Staked Post marked Leadville Cor. No. 1 of the Leadville Lode,

Thence First Course South East a distance of 1,500 feet to the S. E. Cor. No. 2 of this claim, which is a Blazed Tree marked Leadville Cor. No. 2 of the Leadville Lode,

Thence Second Course South West a distance of 600 feet to the S. W. Cor. No. 3 of this claim, which is a Blazed Tree marked Leadville Cor. No. 3 of the Leadville Lode,

Thence Third Course Nourth West a distance of 1,500 feet to the N. W. Cor. No. 4 of this claim, which is a Staked Post marked Leadville Cor. No. 4 of the Leadville Lode,

Thence Fourth Course North East a distance of 600 feet to the N. E. Cor. No. 1, the place of beginning.

That each tree so marked was at least eight inches in diameter, and blazed on four sides; that each post so marked was at least four inches square by four feet and six inches in length set one foot in the ground, except where solid rock occurred at less depth, in which case the post was set upon such rock, and in all cases such posts were surrounded by a mound of earth and stone at least four feet in diameter by two feet in height, that each stump so marked was squared and was at least eight inches in diameter by four feet in height, and was surrounded by a mound of earth and stone four feet in diameter by two feet in height; that each stone so marked was at least six inches square by eighteen inches in length, set two-thirds of its length in the ground, with a mound of earth and stone alongside at least four feet in diameter by two feet in height; that each boulder so marked was at least three feet above the natural surface of the ground on the upper side of said boulder.

That within thirty days after the date of posting said notice of location:

1. The locator.... sunk herein such a discovery shaft on said claim at the point of discovery ..... feet by ..... feet, to the depth of at least ten feet vertically, below the lowest part of the rim of such shaft at the surface, and that the cubical contents of said shaft excavated is not less than one hundred and fifty cubic feet. (If you sink a discovery shaft, cancel all of paragraphs 2 and 3.)

2. The locator.... caused herein excavated an open cut on said claim at the point of discovery ..... feet wide by 10 feet long and to the depth of at least ten feet, vertically, below the natural surface of the ground, and which said cut consists of at least one hundred and fifty cubic feet of excavation. (If you excavate an open cut, cancel all of paragraphs 1 and 3.)

3. The locator.... caused herein excavated a tunnel on said claim at the point of discovery ..... feet wide by ..... feet in height, and ..... feet in length, and to the depth of at least ten feet, vertically, below the natural surface of the ground, and which said tunnel consists of at least one hundred and fifty cubic feet of excavation. (If you excavate a tunnel, cancel all of paragraphs 1 and 2.)

That said locator.... did there, in the bottom of said Cut (Shaft, Cut or Tunnel) at the lowest vertical depth thereof, disclose the vein, lode or deposit so located.

That said locator.... claim 1,400 feet in a Southerly direction, and 100 feet in a Northerly direction, along the course of the vein each way from the discovery shaft, and 300 feet on each side of the center of the vein, the same being 600 feet wide by 1,500 feet in length.

Certificate of Location

INDEXED

192

That the following reference is hereby made to natural objects and permanent monuments so as to identify said claim, to-wit:

This claim is situated on what is known as "Gray Jockey Mtn." located in the Vipond Mining Dst.

That the following claims adjoin this claim, to-wit: On the North the Mammoth Lode pa. lend claim *Quartz Lode Mining Claim. On the South the* _____ *Quartz Lode Mining Claim. On the East the* _____ *Quartz Lode Mining Claim. On the West the* _____ *Quartz Lode Mining Claim.*

That the claim is located, marked and designated as aforesaid is named and known as the Leadville *Quartz Lode Mining Claim, and it is situate in* Vipond *Mining District, County of* Beaverhead *State of Montana.*

That the names of the locator is and claimant is follows, to-wit:

Arthur Semsak
Julius Jackelini

Locator and Claimant

STATE OF MONTANA,
County of Silver Bow } ss.

Arthur Semsak Julius Jackelini

being first duly sworn, on his oath says: That he is a citizen of the United States, and that he is of lawful age, that he is owner *the locator S and claimant S of the* Leadville *Quartz Lode Mining Claim; that said location is made in good faith; that this "Certificate of Location" is made in good faith, and for the purpose of securing and enjoying all the rights and benefits of Chapter 16 of the Laws of 1907 of the State of Montana entitled: "An Act governing the manner of locating, recording and holding possession of mining claims upon the public domain of the United States within the State of Montana," approved February 18, 1907; and that the matters and things stated in the foregoing "Certificate of Location" are true of his own knowledge.*

Arthur Semsak Julius Jackelini

Subscribed and sworn to before me this 10th *day of* September *A. D. 19* 62.

Nora T. Duggan
Notary Public for the State of Montana

Residing at Butte, Montana *My Commission expires* July 26, *19* 65.

INDEXED 105198

Certificate of Location

Of the Leadville *Quartz Lode Mining Claim* Vipond *Mining District,* Beaverhead *County, State of Montana.*

STATE OF MONTANA,
County of Beaverhead } ss.

Filed for Record on the 11th *day of* Sept. *A. D. 1962 at* 9:31 o'clock A. M. *and recorded in Book* 19 *of Lode Locations at Page* 192 *Evelyn* [illegible] *County Clerk.*

By _____ *Deputy.*

Fee, $ 4.00

UM-00-WZ

Arthur Semsak
3221 Leatherwood
Butte, Mont

189

CERTIFICATE OF LOCATION

Of the Tuxedo No. 2 Quartz Lode Mining Claim

I, Arthur Semsak a citizen of the United States

Julius Jackelini

of lawful age, do hereby certify and declare as follows, to-wit:

That on the 23 day of August A. D. 19 62 the

Tuxedo No. 2 Quartz Lode Mining Claim, situate in

Vipond Mining District, County of Beaverhead State of Montana, was duly discovered.

That on said day a written or printed Notice of Location of said claim was duly posted, conspicuously, at the point of discovery on said claim, which said notice contained the name of the locator, the date of the location (which said date of location was the date of the posting of such notice), and the approximate area of the claim intended to be appropriated.

That thereafter and within thirty days of the posting of said notice of location the locator distinctly marked the location of said claim on the ground so that its boundaries could be readily traced, by placing monuments at each corner and angle of said claim, which said monuments consist of trees, posts, stumps, stones and boulders described as follows, to-wit:

Beginning at the South East Cor. No. 1 of this claim which is a Blazed Tree

marked Tuxedo No. 2 Cor. No. 1 of the Tuxedo No. 2 Lode,

Thence First Course South West a distance of 600 feet to the South West

Cor. No. 2 of this claim, which is a Blazed Tree

marked Tuxedo No. 2 Cor. No. 2 of the Tuxedo Lode,

Thence Second Course North West a distance of 1,500 feet to the North West

Cor. No. 3 of this claim, which is a Blazed Tree

marked Tuxedo No. 2 Cor. No. 3 of the Tuxedo No. 2 Lode,

Thence Third Course North East a distance of 600 feet to the North East

Cor. No. 4 of this claim, which is a Blazed Tree

marked Tuxedo No. 2 Cor. No. 4 of the Tuxedo Lode,

Thence Fourth Course South East a distance of 1,500 feet to the South East

Cor. No. 1, the place of beginning.

That each tree so marked was at least eight inches in diameter, and blazed on four sides; that each post so marked was at least four inches square by four feet and six inches in length set one foot in the ground, except where solid rock occurred at less depth, in which case the post was set upon such rock, and in all cases such posts were surrounded by a mound of earth and stone at least four feet in diameter by two feet in height, that each stump so marked was squared and was at least eight inches in diameter by four feet in height, and was surrounded by a mound of earth and stone four feet in diameter by two feet in height; that each stone so marked was at least six inches square by eighteen inches in length, set two-thirds of its length in the ground, with a mound of earth and stone alongside at least four feet in diameter by two feet in height; that each boulder so marked was at least three feet above the natural surface of the ground on the upper side of said boulder.

That within sixty days after the date of posting said notice of location:

1. The locator named herein sunk a discovery shaft on said claim at the point of discovery

feet by feet, to the depth of at least ten feet vertically, below the lowest part of the rim of such shaft at the surface, and that the cubical contents of said shaft excavated is not less than one hundred and fifty cubic feet. (If you sink a discovery shaft, cancel all of paragraphs 2 and 3.)

2. The locator named herein excavated an open cut on said claim at the point of discovery Five

feet wide by 10 Ten feet long and to the depth of at least ten feet, vertically, below the natural surface of the ground, and which said cut consists of at least one hundred and fifty cubic feet of excavation. (If you excavate an open cut, cancel all of paragraphs 1 and 3.)

3. The locator named herein excavated a tunnel on said claim at the point of discovery feet

wide by feet in height, and feet in length, and to the depth of at least ten feet, vertically, below the natural surface of the ground, and which said tunnel consists of at least one hundred and fifty cubic feet of excavation. (If you excavate a tunnel, cancel all of paragraphs 1 and 2.)

That said locator did there, in the bottom of said Cut (Shaft, Cut or Tunnel)

at the lowest vertical depth thereof, disclose the vein, lode or deposit so located.

That said locator claim 1,450 feet in a Northerly direction, and 50

feet in a Southerly direction, along the course of the vein each way from the discovery shaft, and

300 feet on each side of the center of the vein, the same being 600 feet wide by 1,500

feet in length.

Certificate of Location

190

That the following reference is hereby made to natural objects and permanent monuments so as to identify said claim, to-wit:

This cla im is situa ted on Grey Jockey Mt. in the vipond Mining Dst.

That the following claims adjoin this claim, to-wit: On the North the _____ Quartz Lode Mining Claim. On the South the Tuxedo patened Quartz Lode Mining Claim. On the East the _____ Quartz Lode Mining Claim. On the West the _____ Quartz Lode Mining Claim.

That the claim so located, marked and designated as aforesaid is named and known as the Tuxedo No. 2 Quartz Lode Mining Claim, and it is situate in Vipond Mining District, County of Beaverhead State of Montana.

That the name of the locator S. and claimant S. follows, to-wit:

Arthur Semsek
Julius Jackelini

Locator and Claimant

STATE OF MONTANA,
County of Silver Bow } ss.

Arthur Semsek and Julius Jackelini being first duly sworn, on his oath says: That he is a citizen of the United States, and that he is of lawful age, that he is owners the locator S. and claimant S. of the Tuxedo. No. 2 Quartz Lode Mining Claim; that said location is made in good faith; that this "Certificate of Location" is made in good faith, and for the purpose of securing and enjoying all the rights and benefits of Chapter 16 of the Laws of 1907 of the State of Montana entitled: "An Act governing the manner of locating, recording and holding possession of mining claims upon the public domain of the United States within the State of Montana," approved February 18, 1907; and that the matters and things stated in the foregoing "Certificate of Location" are true of his own knowledge.

Arthur Semsek Julius Jackelini

Subscribed and sworn to before me this 10th day of September A. D. 19 62

Nora T. Duggan
Notary Public for the State of Montana

Residing at Butte, Montana My Commission expires May 26, 1965

INDEXED
105197

Certificate of Location

Of the Tuxedo No 2
Quartz Lode Mining Claim
Mining District, Vipond
County, State of Montana

STATE OF MONTANA,
County of Beaverhead } ss.
Filed for Record on the 11th
day of Sept A. D. 19 62
at 9:30 o'clock A. M. and
recorded in Book 16 of Lode Locations
at Page 190
Eugene J. Sedlak
County Clerk
By _____ Deputy.
Fee, $ 4.00

UM-QB-WZ

Arthur Semsek
222 Leadwood
Butte.

Vipond Mining Corp. Re: Item 7(a)

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

1415 Riverside P.O. Box 4307
SPOKANE, WASHINGTON 99202
Phone (509) KE 4-0862

General Offices and Plant
1624 Pioneer Road P. O. Box 58
SALT LAKE CITY, UTAH 84110
Phone 487-7595

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
SANTIAGO CHILE
LIMA, PERU

September 16, 1966

Mr. C. ... Hauptman
Vipond Mining Corporation
P. O. Box 63
Billings, Montana

Dear Sir:

The following schedule of terms are presented as our proposal for doing the drilling on your Vipond Park property starting in the spring of 1967. The rates are based on the conditions indicated to me on my visit to the area 9-14-66.

"TERMS"

1. Mobilization and demobilization each drill rig: $750.00

2. Drilling and casing unconsolidated overburden: Per foot $1.50

3. Diamond Core Drilling:

	NC	NXWL	BXWL
0.0 to 500	$9.50 per ft.	$8.55 per ft.	$7.60 per ft.

4. Reaming and casing if required: BX $4.00 per ft. NX $5.00 per ft.

5. Cementing, waiting for cement to set during a regular drill shift, drilling out cement, per hour: $11.50 plus cost of cement, cement substitutes, or drill mud and additives.

6. Moving from hole to hole, tearing down, and setting up: per hour $10.00

7. Adequate roads will be furnished and maintained to level drill sites at no cost to Boyles Bros. Drilling Company.

8. It is understood that water for drilling will be made available from a pipe line in the vicinity.

9. Casing left in holes at your request: list price F. O. B. the job site.

10. Delays for your convenience: Per hour $10.00

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros.
DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

1415 Riverside P.O. Box 4307
SPOKANE, WASHINGTON 99202
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Phone 487-7595

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
SANTIAGO, CHILE
LIMA, PERU

11. Boyles Bros. will furnish 1 or 2 drills of suitable design and capacity with supplies, fittings and accessories to perform the work. The drill will be operated 2 shifts a day, 6 days a week. The drilling will be under the direct supervision of a foreman driller who will operate a drill one shift each day.

We sincerly thank you for your interest in Boyles Bros. Drilling Company's services. Should you have any questions regarding this or any other project please call on us at your convenience.

Very truly yours;
Boyles Bros. Drilling Company

E. G. Tucker

E. G. Tucker - District Manager

ET/nd

Vipond Mining Corp. Re: Item 7(a)

MOHAWK DRILLING
AND EXPLORATION CO.
BOX 1902,
GRAND JUNCTION, COLORADO 51801

November 5, 1966

Charles M. Hauptman,
Vipond MINING CORP.
BOX 63,
Billings, Montana 59102

Dear Mr. Hauptman,

The following schedule of charges will apply to your exploratory drilling program near Dewy, Montana.

	NX	BX	AX
1. Core drilling -			
0 to 250, per linear foot,	$7.50	$7.00	$6.50
250 to 500, per linear foot,		$7.50	$7.00
2. Reaming, if necessary, all sizes, per foot			$3.20
3. Cementing, if required, plus cost of cement or mud, per foot			12.00
4. Survey time and standby, as requested per hour			10.00
5. Cardboard boxes(core) to hold 10 feet of core each			1.00

6. Water haul, if required, would be charged for at truck rental of $190.00 per month, plus 12 cents per mile. We would expect to use the drill helper as driver, should this delay drilling operations and require a driver, his wages plus payroll taxes would be charged to your account.

7. Drill sites and roads to be prepared and maintained at no cost to Mohawk Drilling and Exploration Company.

I will have equipment on the job and ready to start when you are.

Very truly yours,
Mohawk Drilling &
Exploration Company
Owner, J. D. Elam

J. D. Elam

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/28/68	Peterson	120
	On leave	120
8/28	Johnson	110
8/29	Shelton	
8/30	James	
		220

AUG 30 1968

Hon. Arnold Olsen
House of Representatives
Washington, D. C. 20515

Dear Mr. Olsen:

This is in reply to your letter of August 21 to Mr. Frank E. Johnson, Chief, Office of Minerals Exploration, concerning the application (OME-6635) for exploration assistance submitted by the Vipond Mining Corporation, Billings, Montana.

An on-site examination of the Vipond property was made by an OME representative from the Spokane office on September 25, 1967. Approximately six hours was spent by the examiner inspecting the property in the company of Mr. Charles Hauptman, President, Vipond Mining Corporation, and Mr. George Gluck, claim owner and retired mining engineer.

The six hours was sufficient for an examination of accessible mine workings and surface excavations and to obtain factual data, which, together with other information available on the Vipond mining district, enabled the examiner to prepare a report and make his recommendations regarding the application.

Unfortunately, the information obtained indicated that although silver deposits may be found on the property, their small size, irregular distribution and erratic grade did not justify Government participation in the proposed exploration. Accordingly, the Applicant was informed on July 12, 1968, that the application was denied.

Should the Vipond Mining Corporation perform additional work and furnish sample and assay data which indicate a geologic target of merit, the OME will be pleased to schedule a new field examination of the property.

The engineering report by the Hammond-Everly Engineering Company, mentioned in your letter as being enclosed, was not received.

Sincerely yours,

Arthur A. Baker

Acting Director

cc: General Files
Director's chron
Division copy
Economic Geology File
OME Docket 6635

OME Reading File
OME Region I w/cy incoming letter
Mr. Peterson

ECPeterson/gla 8-28-68

Arnold Olsen
1st District, Montana

CONGRESS OF THE UNITED STATES
House of Representatives
Washington, D. C. 20515

August 21, 1968

Mr. Frank E. Johnson
Office of Minerals Exploration
Department of Interior
Washington, D. C.

Dear Mr. Johnson:

I am writing you concerning an application by the Vipond Mining District for financial assistance to develop their mining claims.

The attorney for this company advised me that a representative from the Spokane, Washington Office of Minerals Exploration arrived at the claim, looked at what had been done, but did not spend any time there. This visit could not possibly have given him the information that would be required to determine whether the application would be approved or disapproved.

I am sending you a copy of an engineering report by the Hammond-Everly Engineering Company. I want to request once again that you have a representative of the Spokane office visit this area to make a more thorough investigation of this mining claim.

With kindest personal regards, I am

Sincerely,

/s/ Arnold Olsen

ARNOLD OLSEN

AO:bj

c
o
p
y

OFFICIAL FILE COPY

Date	Surname	Code
7/9/68	Peterson	120
7/9/68	Kirkham	120
"	Johnson	110
7/10	Kilgoane	
7/10	Hyer	
		110
		220

AIRMAIL

Vipond Mining Corporation
P. O. Box 63
Billings, Montana 59103

Re: OME-6635 (Silver)
Vipond Mining Corporation
Burgieresa Group
Beaverhead County, Montana

Gentlemen:

We have carefully studied your amended application for financial assistance to explore the cited property. The information submitted and other available data indicates that the probability of disclosing significant ore reserves on the property is not sufficiently promising to justify Government participation in the proposed exploration. Although replacement type bodies of ore-grade material may occur, their small size, irregular distribution and erratic grade of mineralization does not warrant further exploration for this type of deposit. Accordingly, we must inform you that your application for exploration assistance is denied.

The five (5) engineering and geological reports submitted with your application are returned to you as requested.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region I
Mr. Peterson
130

ECPeterson/bsl 7/9/68

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/9/68	Kirkamo	120
		120
7/9	Johnson	110
7/10	Pepper	
		120M
		220

July 9, 1968

Memorandum

To: The File

From: Edward C. Peterson

Subject: OME-6635 (Silver)
Vipond Mining Corporation
Burgierosa Group
Beaverhead County, Montana

Justification for Denial of Application

The OME Field Officer recommended that the cited application as originally submitted be denied without prejudice to the property (see memo to the file dated December 29, 1967). Since that date an amended application was received from the Applicant.

After careful consideration of the new material furnished, it is concluded that any silver deposits which may be found on the property would be small and of erratic grade. There is less than a fair chance of discovering any significant ore reserves with the proposed work.

In addition, the lack of geologic evidence to identify specific exploration targets on the Madison-Jefferson claims indicates that some of the proposed work is considered prospecting.

I concur with the Field Officer and recommend that the application for assistance be denied.

Edward C Peterson
Edward C. Peterson

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Mr. Peterson

ECPeterson/bsl 7/9/68

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY
U. S. Court House, Rm. 656
W. 920 Riverside Avenue
Spokane, Washington 99201
July 2, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 5 1968
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120
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Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Appraisal of Amended Application
OME-6635 (Silver)
Vipond Mining Corporation
Burgierosa Group
Beaverhead County, Montana

INTRODUCTION

The original application was received in Spokane May 31, 1967, and referral to the Field was received June 28, 1967. A heavy backlog of previously referred applications and other administrative obligations rendered it impossible to inspect the property until September 25, 1967, and to submit an examination report until December 19, 1967. Denial was recommended "because of the lack of any positive and demonstrably specific target area * * *." A memorandum to the files dated December 29, 1967, explains why the applicant was advised by telephone that the "application as submitted would be denied * * *."

With his letter of March 14, 1968, the applicant submitted an amended application. Little new data was submitted but additional sample assays suggest one area in which specific targets may exist.

This appraisal will discuss the additional data and its effect on the Conclusions and Recommendations given in our memorandum of December 19, 1967, to which you are referred.

REAPPRAISAL

Mr. George Gluck loaned us his copy of Obert's thesis and maps. After reviewing the entire paper, it is concluded that Gluck, in his report dated February 1968 which accompanies the amended application, has given an accurate summary of the salient structural features. There is little doubt that Cuts V-17 and V-23 are on the same vein. It is also probable that the tunnel about 200 feet northerly from Cut V-23 exposes offset segments of the same vein; one offsetting fault is exposed in the tunnel and there probably is at least one more between

AMENDED
LD. APPLI.
REPORT

Cut V-23 and the tunnel. Due to deep overburden the vein could not be traced from the tunnel to Cut "G" but from the fairly regular line of float the structure probably continues throughout that distance. However, there are stretches within which mineralized float could not be found or was represented by an occasional piece with little mineralization. According to Gluck's February 1968 report (p. 3, par. 5) ore bodies at the nearby Hecla and Quartz Hill mines have been characterized as occurring in Meagher and Pilgrim dolomites as "irregular chambers, chimneys, or pipes."

Available sample assays all show silver to be present but there are wide variations in grade. For example, Cut V-23 includes the original Vega discovery pit. Before this pit was enlarged Gluck reports a footwall sample containing 5.0 ounces silver per ton and 2.02 percent lead; a float sample taken a short distance downhill from the pit contained 41.3 ounces silver per ton and 0.8 percent lead; during the on-site inspection, he took a sample across 11 feet of vein and sheared wall rock that assayed 2.3 ounces silver per ton and nil lead; finally, after the on-site inspection the cut was deepened and he took another sample including "silicified bands in brecciated decomposed dolomite" that assayed 33.6 ounces silver per ton and 4.10 percent lead.

In Cut V-17 about 550 feet southerly from Cut V-23 a sample across 5 feet of vein quartz assayed 22.30 ounces silver per ton and 7.43 percent lead. In the tunnel some 200 feet northerly from Cut V-23, Gluck took a few samples of crushed rock from both sides of the vein or mineralized fault that assayed from 2.0 to 3.5 ounces silver per ton.

It is possible but not necessarily probable that Cuts V-17 and V-23 cut separate "chambers, chimneys, or pipes," and it is not unreasonable to suppose that a possible ore zone exists in the area between the two cuts. How significant a potential discovery in this zone might be defies a valid estimate for the following reasons:

1. There is no record of the sizes and grades of various ore bodies mined in the 1870's.

2. Available assays show erratic values within relatively short distances.

3. There is no satisfactory record of the depths to which ore has been found on the applicant's claims except for a shaft on the Jefferson claim said to have been put down to a depth of 32 feet on a vein 4 feet wide near the surface and ending at the bottom of the shaft in a mass of decomposed limestone. Bits of information regarding early development, shaft depths, and ore tenor are summarized in our December 19, 1967 memorandum on pages 7 and 8.

APPLICANT'S PROPOSAL

The applicant proposes to explore in 1 area by shafting, drifting, and diamond drilling, and in 2 other areas by diamond drilling as follows:

1. Polaris-Vega Area.--On the vein exposed in Cuts G and V-23 he proposes to sink two inclined shafts each to a depth of 250 feet. From each shaft at depths of 125 and 240 feet he proposes to drive 300 feet of drift totalling 1,200 feet. From each level of the Cut G shaft drifts would be driven 100 feet northerly and 200 feet southerly; from each level of the Cut V-23 shaft they would be driven 100 feet southerly and 200 feet northerly.

West of the vein it is proposed to diamond drill from surface drill sites eight holes approximately 200 feet apart to depths of 200 feet each.

2. Burglind Area.--West of apparently disconnected veins exposed in 3 trenches and 1 shaft and west of an area of geochemical anomaly it is proposed to diamond drill from the surface 6 holes, each 200 feet deep, collared at 150- to 200-foot intervals. Near a vein exposed in 1 trench and within an area of geochemical anomaly 1 diamond drill hole from the surface would be drilled to a depth of 200 feet.

3. Madison-Jefferson Area.--It is proposed to test geochemically anomalous areas on the Jefferson claim by drilling in a grid pattern 16 holes, each 200 feet deep. In the area of Madison-Rosalind claim overlap 3 holes each 200 feet deep are proposed.

DISCUSSION OF APPLICANT'S PROPOSAL

1. Polaris-Vega Area.--About 150 feet from the northeasterly end line of the Polaris claim is an old steeply inclined shaft said to be 60 to 70 feet deep. During the examination of September 25, 1967, the shaft was accessible and entered to a depth of about 20 feet. The shaft was timbered but an opening in the north wall exposed a quartz-filled fissure 4 to 5 feet wide that appeared to dip parallel to the shaft footwall--85° to 90° W. On his map accompanying the amended application Gluck indicates a vein dip of 55° westerly.

Trench "G" was also visited but the westerly dipping vein shown on the map was not exposed except as a broad slight hump of harder rock in the bottom of the shallow trench. The arithmetical average of 9 samples (3 of selected material on the shaft dump, 4 chipped from the vein exposed in the shaft, 1 chipped from the vein cropping next to the shaft and 1 from Cut "G") is 8.2 ounces silver per ton. Only one of these samples was assayed for lead (1.46 percent) and copper (0.10 percent).

On the Vega claim Cut V-23 and the adit about 150 feet to the northeast were both inspected September 25, 1967, but V-17 was not because at that time it was said not to have disclosed any vein. The arithmetical average grade of 5 samples (3 from Cut V-23, 1 of float a short distance downhill from V-23, and 1 from V-17) is 20.9 ounces silver per ton and 2.87 percent lead. Three of these samples were assayed for copper indicating an average grade of 0.06 percent. During the inspection Gluck could not give the number of samples of crushed rock taken on each side of the fault in the adit about 47 feet from the portal. He could only say that a few such samples ranged in grade from 2.0 to 3.5 ounces silver per ton.

As mapped the veins exposed in Cuts V-17 and V-23 are most probably the same vein, but between Cut V-23 and the adit the vein appears to have been offset by a fault with left lateral displacement. This supposition is supported by a similarly offsetting fault exposed in the adit.

2. Burglind Area.--During the inspection in September 1967 the only evidence of a mineralized structure on the Burglind claim was dump material a sample of which assayed 25.0 ounces silver per ton, 4.7 percent lead, and 0.9 percent copper. Since the inspection a cut about 280 feet southerly from the shaft has exposed a vein that assayed 0.002 ounce gold and 9.6 ounces silver per ton, 1.67 percent lead and 0.1 percent copper over a width of 2 feet. The Burglind map with the amended application shows two more vein exposures. As they are plotted on the map the exposures appear to represent possibly 2 parallel veins; either that or no 2 exposures are on the same structure. Gluck describes them as being "most likely a tensional fracture or a series of fractures. There is no way to predict the behavior of these fractures with a depth. They may either die out or join together in forming one large fissure as a channel for mineralization."

3. Madison-Jefferson Area.--No new evidence has been presented to change the last paragraph on page 5 and the first paragraph on page 6 of my December 19, 1967 memorandum examination report relative to this area.

From the foregoing, there appear to be only 2 areas worthy of reconsideration, 1 on the Polaris claim and 1 on the Vega. Very little is known concerning the production and the depth of old workings. On the applicant's claims are many shallow pits and a few old shafts, for only three of which is there any data. On the Polaris claim the shaft is said to be 60 to 70 feet deep; no other data are available. On the Burglind claim a shaft is said to be 17 feet deep with mineralized quartz stringers and bunches of galena at the bottom. On the Jefferson claim, according to Mineral Statistics West of the Rock Mountains, 1871, a shaft is 32 feet deep; it was collared in a 4-foot wide vein which gave way to a mass of decomposed limestone at the shaft bottom.

These meager notes suggest that veins pinch out or lose their metal content at depths from 32 to 70 plus feet. This may be true but it cannot be so concluded on the basis of only three widely separated shafts and hearsay. It does however point up the difficulty in estimating ore potential.

To make the most favorable and optimistic estimate of the ore potential of the two areas let us for the moment assume that the ore extends to the 250-foot depth of the proposed shafts; that Block A extends from 50 feet northeasterly of the Polaris shaft to 50 feet southwesterly of Cut G, a length of 500 feet, and has an average width of 10 feet (5 feet in the shaft and 15 feet in Cut G); that Block B extends from 50 feet northeasterly of Cut V-23 to 50 feet southwesterly of Cut V-17, a length of 700 feet, and has an average width of 5.5 feet (5 feet in Cut V-17 and 6 feet in Cut V-23). Based on these extremely and most unrealistically optimistic bases, the maximum potential of each block is:

Block A: $\frac{500 \times 10 \times 250}{12}$ = 104,167 tons containing, at 8.5 ounces silver per ton and 1.46 percent lead, 854,169 ounces silver and 3,041,676 pounds lead.

Block B: $\frac{700 \times 5.5 \times 250}{12}$ = 80,208 tons containing, at 20.9 ounces silver per ton and 2.87 percent lead, 1,676,347 ounces silver and 4,603,939 pounds lead.

Based upon all available information it would appear to be more realistic and reasonable to reduce the lengths and depths of the assumed potential ore shoots by at least 60 percent and the grades by 45 percent. The estimated potential discovery would then be:

Block A: $\frac{200 \times 10 \times 100}{12}$ = 16,667 tons containing, at 4.7 ounces silver per ton and 0.80 percent lead, 78,335 ounces silver and 266,672 pounds lead.

Block B: $\frac{280 \times 5.5 \times 100}{12}$ = 12,833 tons containing, at 11.5 ounces silver per ton and 1.58 percent lead, 147,580 ounces silver and 405,523 pounds lead.

Total: 29,500 tons containing 225,915 ounces silver worth $564,787 at $2.50 per ounce and 672,195 pounds of lead worth $87,385 at $0.13 per pound.

CONCLUSIONS AND RECOMMENDATIONS

It would thus appear that a significant amount of silver could be discovered by the proposed shafts and drifts. However, the chance that this amount will be discovered is concluded to be less than fair. It is also concluded that the more promising area is the one including Block B. Here the vein appeared to be stronger and in general the sample assays are higher grade, but the chance of discovering an ore body equal to or better than the potential amount estimated is concluded to be less than fair.

It is finally concluded that the chance of making a significant discovery of silver ore is less than fair although it is recognized that there most probably are small concentrations of fairly high grade ore.

It is recommended that the application be denied.

D. R. MacLaren

D. R. MacLaren

Distribution:
OME
USGS(SRO)
Docket
MacLaren

GEOLOGICAL SURVEY
656 U. S. Court House
W. 920 Riverside Avenue
Spokane, Washington 99201

June 7, 1968

Mr. George S. Gluck
Ramsay, Montana 59748

Re: OME-6635 (Silver)
Vipond Mining Corporation
Burgierosa Group
Beaverhead County, Montana

Dear Mr. Gluck:

Last Wednesday I returned to the office and found your letter of May 28, 1968, awaiting me. I apologize for having kept Obert's report so long.

I have made a hasty review of the text during the last two days and have found the thesis, especially the map and sections, most helpful in clarifying certain geologic and structural relations.

The thesis will be returned under separate cover, certified mail, this afternoon. Thank you for lending it to me.

Sincerely yours,

D. R. MacLaren
Field Officer, OME
Region I

DRMacLaren:my

OME w/copy incoming ✓
Director's reading file

George S. Gluck
Ramsey, Montana
59748

RECEIVED
JUN 5 1968

May 28, 1968

Mr. D. R. Maclaren
Office of Minerals Exploration
U.S. Geological Survey
W 920 Riverside, Room 656
Spokane, Wash.

Dear Mr. Maclaren:

With the approaching summer season I am getting ready to continue with my geological work.

Trusting that Obert's report on the Vipond Park area, (Geology of the Sheep Mountain - Gray Jockey Peak area, Beaverhead county, Montana), which I loaned you last month, did serve well to your purpose, I would appreciate very much to have it back.

Obert's work has been of great assistance to me in identifying the stratigraphy in the area of my claims.

Sincerely yours,

George S. Gluck

George S. Gluck

VIPOND MINING CORPORATION

PHONE 406 245-4765 P. O. BOX 63 BILLINGS, MONTANA 59103

May 14,1968

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 16 1968

INITIALS	CODE
	130
bsl	130 m
	Re: OME - 6635 (Silver)
KJ	110 Burgierosa Group
EDD	120 Beaverhead Co., Mont.

Sent Copy to R-I

Office of Minerals Exploration
Geological Survey
U.S. Dept. of Interior
Washington, D.C. 20242

Gentlemen,

The enclosed data is submitted in response to your letter of April 16, 1968.

The maps of the bull-dozer cuts were made in the Fall of 1967, shortly after the work was completed. The examiner from Spokane, Mr. McLain, saw these cuts as indicated as he made his examination on the ground a day or two before we completed our bull-dozer work in the area.

The orientation of the cuts is as shown, the top of the page being north. Note that the dip of the larger vein in Cut "G" and the vein in Cut "V-17" are both 55°, supporting the contention that the vein is one and the same between these two points and through Cut "V-23". The dip of the vein on the Burglind claim is somewhat steeper, 70°.

Samples were taken of the wide quartz ledge in Cut "G" and of the quartz veins in Cut "V-17" and the Burglind Cut this Spring. In each case, the cuts were cleaned out and the surface of the vein in the center of the cut cleaned of dirt and loose rock. Chip samples (about 1' in width) were taken across the vein exposure indicated in red on the maps of the cuts. Copies of the assay certificate showing the results of the assay of these samples are enclosed.

Very truly yours,

VIPOND MINING CORP.

C. M. Hauptman

C. M. Hauptman
President

CMH/am
Encl. (2 Map of cuts
(2 Assay cert.

Sent to Field

6/11/68 Pete Vipond called asking about the status of application. He was informed Martinson expect a final decision shortly. EP.

MONTANA LABORATORY COMPANY

CHEMISTS AND ASSAYERS

Philipsburg, Montana, May 13, 1968

The Following Analyses Were Made For Vipond Mining Corporation

Sample No.	Per Cent H_2O	Ozs. Silver Per Ton	Ozs. Gold Per Ton	$ Gold Per Ton	Per Cent Copper	Per Cent Mn. Dioxide	Per Cent Iron	Per Cent Lead	Per Cent Manganese	Per Cent Silica	Per Cent Zinc
Burglind Cut		9.60	0.002		0.10			1.67			
Cut "G"		8.60	0.002		0.10			1.46			
Cut "V-17"		22.30	0.003		0.07			7.43			

MONTANA LABORATORY COMPANY

By W. L. Rosenhaut

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/16/68	Peterson	120
		120
		110
4/16	cal	220
		120M

APR 16 1968

AIRMAIL

Vipond Mining Corporation
P. O. Box 63
Billings, Montana 59103

Re: OME-6635 (Silver)
Vipond Mining Corporation
Burglerosa Group
Beaverhead County, Montana

Gentlemen:

This will acknowledge receipt of your letter of March 14, 1968, with the accompanying amended application for exploration assistance submitted to our office in Spokane, Washington.

A preliminary review of this new material indicates that the following additional information is needed to complete our evaluation of the proposal.

Please furnish a description of the veins exposed in Cut G, Cut V-17, and the cut about 660 feet north of the south end line and midway between the side lines on the Burglind Claim where a vein is shown to dip 70°SW. Information should also include the location of samples taken, sampling methods used, sample widths, and copies of the assay certificates.

Upon receipt of the requested data the application will continue to receive careful consideration, and we shall notify you promptly of our decision regarding your new proposal.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Assistant Chief
Office of Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Peterson
Region I

ECPeterson/bsl 4/16/68

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY
U. S. Court House, Rm. 656
W. 920 Riverside Avenue
Spokane, Washington 99201
April 12, 1968

OFFICIAL
COPY
O. M. E.
RECEIVED
APR 15 1968
INITIALS | CODE
gla | 130
Vol | 120
(on leave) | 110
120 p

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Re-application OME-6635 (Silver)
Vipond Mining Corporation
Burgierosa Group
Beaverhead County, Montana

The enclosed application for reconsideration of this docket and an amended proposal was received April 3, 1968, but was held up pending a complete study. The original application was denied because of the lack of any demonstrably specific target area that might offer a fair chance of containing an ore body.

The original proposal called for a 3-Stage Diamond Drilling Program, Stage I limited to 1 hole on each of 5 claims: Polaris, Vega, Burglind, Jefferson, and Madison. The new proposal calls for one Stage comprising 2 winzes each 250 feet deep and 300 feet of drifting on each of 2 levels from each shaft, and 8 diamond drill holes each 200 feet deep in the Polaris-Vega area; 7 diamond drill holes each 200 feet deep in the Burglind area; and, in the Madison-Jefferson area, 16 holes each 200 feet deep and 3 holes each 400 feet deep.

The new justification presented by George S. Gluck, E. M., dated February 1968, outlines the general geology and his reasoning a bit more clearly than does his report dated January 1964 which accompanied the original application. Other than that and the statement that 4 trenches were bulldozed in the fall of 1967 where surface conditions permitted, to follow up the results of geochemical surveys, and the offering of 1 new sample assay, little new evidence of a specific target is offered.

April 10, 1968, a telephone call to George E. Guay, Secretary-Treasurer of the company, confirmed that the original lease dated July 14, 1966, transferring control of the property from the Glucks to Midland Paint and the Assignment dated August 4, 1966, were still in effect. However, Guay advised that only Gluck had a copy of Obert's 1961 thesis and maps and all sample assay data.

A call to Gluck April 11, disclosed that these trenches were not actually new; they had been started prior to, and seen during our September 25, 1967 inspection; since then they were deepened a few feet. The new assay certificate relates to a composite sample taken from five bands of quartz, each 6" wide and separated by crushed and sheared zones of barren rock each about 7" wide exposed in deepened Cut V-23. None of the other trenches were sampled.

Gluck did not seem to think that samples from the other three trenches would be of much use as they would probably be low grade due to the shallowness of the trenches which would now have to be cleaned out for sampling. I pointed out that only one new sample assay did not give us particularly strong grounds on which to recommend his proposal and that if I had to revisit the property, much time would be lost in processing. It might help, when you acknowledge receipt of the new proposal, if you asked for sample widths, descriptions and assays of veins exposed in Cut G, Cut V-17, and the cut about 660 feet north of the south end line and midway between the side lines on the Burglind claim where a vein is shown to dip 70° SW.

In hope that a better understanding of the structure and control of mineral deposits in the area would result, Gluck promised to lend me his copy of Obert's report and maps. It is recommended that no decision be made until I have a chance to study that material in the light of what I saw during my inspection of September 25, 1967.

D R MacLaren

D. R. MacLaren

Enclosures

VIPOND MINING CORPORATION

PHONE 406 245-4765 P. O. BOX 63 BILLINGS, MONTANA 59103

March 14, 1968

U.S. Dept. of Interior
Office of Minerals Exploration
Geological Survey
South 157 Howard Street
Spokane, Washington 99204

Re: OME - 6635 (Silver)

Gentlemen,

This letter and the data submitted herewith are to support a proposed change in Vipond Mining Corporation's application for OME assistance dated May 26, 1967. Said application was subsequently assigned the above noted docket number.

In the light of the consideration given the proposed project thus far by the Government and because of additional information gained during the summer of 1967, it was deemed wise to amend the exploration program as originaly proposed.

The main changes in the application as originaly submitted are in Section 5., Exploration Work, and Section 7., Estimate of Costs. The only other changes refer to Sections 4 and 6 wherein Mr. John Bowsher is mentioned. Mr. Bowsher is no longer associated with Vipond Mining Corporation.

The proposed change in the exploration program on the property controlled by Vipond as shown in the original application is discussed in detail in the enclosed report and proposed program by George S. Gluck, E.M., dated February, 1968.

The amended Estimate of Costs (Section 7) for the program herein proposed is attached with this letter.

Other data enclosed herewith(2 copies each) are;

1. Quotations from two contractors for shaft sinking and drifting.
2. Recent data from Mont. Bur. Mines & Geol. regarding mineralization on the Polaris-Vega fault.

Your careful consideration of this change in our application will be greatly appreciated.

Very truly yours,

VIPOND MINING CORPORATION

C. M. Hauptman

C. M. Hauptman
President

RECEIVED
APR 3 1968
O. M. E.
SPOKANE, WASH.

CMH/bs

OME - 6635
March 14, 1968

Amendment to Application, dated May 26, 1967

7. Estimate of Costs
Actual Costs
A. Polaris-Vega Area

(1) Sinking	Two inclined shafts, 6X9 rock section, 250 ft. deep each. 500' @ $113.76/ft.	$ 56,880.00
(2) Drifting	1200 ft., 5 X 7 rock section @ $38.13/ft.	45,756.00
(3) Diamond Drilling		
	1600 ft. of hole @ $7.60/ft.	12,160.00
	Drilling & casing overburden 120 ft. @ $11.50/ft.	1,380.00
	Reaming & casing 5% of footage 80 ft. @ $4.00/ft.	320.00
	Casing, 200 ft. @ $1.00/ft.	200.00
	Cementing, standby & moving 60 hours @ $11.50/hr.	690.00
	Mobilization & demobilization of one rig	750.00
	Core boxes 160 @$1.00	160.00
	Water $1.15 per ft. drilled	1,840.00
	Chemical analysis for metal content of 25 samples @ $7.50/sample	187.50

Total cost on Polaris-Vega area $120,323.50

B. Burglind Area

(1) Diamond Drilling		
	1400 ft.of hole @ $7.60/ft.	10,640.00
	Drilling & casing overburden 105 ft. @ $11.50/ft.	1,207.50
	Reaming & casing 5% of Footage 70 ft. @ $4.00/ft.	280.00
	Casing 175 ft. @ $1.00/ft.	175.00
	Cementing, standby & moving 50 hours @ $11.50/hr.	575.00

(Burglind area continued)

Core boxes 140 @ $1.00	140.00
Water $1.15 per ft. drilled	1,610.00
Chemical analysis for metal content of 25 samples @ $7.50/sample	187.50
Total cost of Burglind area	$ 14,815.00

C. Madison-Jefferson Area

(1) Diamond Drilling

4400 feet of hole @ $7.60/ft.	33,440.00
Drilling & casing Overburden 200 ft. @ $11.50/ft.	2,300.00
Reaming & casing %5 of footage 220 ft. @ $4.00/ft.	880.00
Casing 420 ft. @ $1.00/ft.	420.00
Cementing, standby & moving 50 hours @ $11.50/hr.	575.00
Core boxes 440 @ $1.00	440.00
Water $1.15 per foot drilled	5,060.00
Chemical analysis of 50 samples @ $7.50/sample	375.00
Total cost of Madison-Jefferson area	$43,490.00

D. Supervision and Technical Services
100 days @ $100.00/day $10,000.00

Total Estimated Cost of Project as Proposed

$188,628.50

BURGIEROSA GROUP

Vipond Mining District

Beaverhead County, Montana

EXPLORATION PROGRAM

George S. Gluck, E.M.
Ramsay, Montana

February, 1968

This report, as a supplement to my report of 1964, is based on recent geological and geochemical surveys and is intended to serve as a guide for a proposed exploration program of the Burgierosa group of mining claims.

In early days of mining in the Vipond Park district, i.e. in the period from its discovery in 1867 to the turn of the century, to the time of closing the Glendale smelter where the most of produced ore was shipped, Gray Jockey, Mewonitoc, Forest Lode and Faithful were the principal producing properties.

With the exception of exerpts from Mineral Statistics for the years of 1871, 1872 and 1875, and the exerpt from Report of the U.S. Director of the Mint for 1881, there is no known authentic information as to the tonnage and the value of production from these properties during this period, as all the record of shipments to the Glendale smelter were destroyed at the time of its fire. However, the remnants of old buildings and mine dumps would indicate that mine production might have been quite appreciable for those days.

The four above-mentioned one time producers are all located in the southern part of the area, along four nearly parallel structures, trending in north-easterly direction.

From the field examination of the area it has been concluded that a post mineral, north-west trending fault or series of faults displaced these four structures, and that the structures of Polaris-Vega, Burglind, Jefferson and Madison, trending in the same north easterly direction, are their respective extensions north of the fault.

These conclusions are based on the following findings:

a. Polaris-Vega mineralization is controlled by the fault fissure between Cambrian Pilgrim and Meagher dolomites, like that of Gray Jockey. In both cases the alteration of fissure walls is very similar.

b. Mineralization of Madison claim is also controlled by the fault fissure, much like that of the Faithful, with the difference that the Madison fault is between two distinct horizons of Meagher dolomites, while the stratigraphically lower Faithful fault is between Cambrian Meagher dolomite and pre-Cambrian Belt quartzites.

c. Not excluding minor local faults, mineralization of Burglind and Jefferson claims is controlled by what appears to be tensional fissures, so is the case with mineralization of Mewonitoc and Forest Lode.

d. There is no indication of any mineralization south of Adson Creek that may be taken as extensions of the four structures north of the creek, just as there is no apparent mineralization extending north of the limits of past producers.

In reference to the structure of the area, Obert states:

"Structure of the area is complex. At least two periods of faulting have taken place. Normal, vertical, and high-single reverse, transverse (to southeast plunging folds) and longitudinal faults resulted from tension during folding. The transverse faults trend north-east and are cut by a series of later north-west trending nearly vertical faults. Vertical displacement on the transverse faults varies from a few feet to over 1000 feet. Lead

and silver mineralization and quartz veins occupy many of the fractures, but are absent in later north-west trending faults.

Displacement on the latter appears to be largely strike to oblique slip. The horizontal component of movement ranges from about forty to several thousand feet. Where the intersection with mineralized, north-east trending faults occur, the north-east set is clearly offset.

Neither the north-east trending nor the north-west faults are traceable once they penetrate the homogeneous Belt Quartzites in north-west portion of the map area owing to indistinct lithological differences, poor exposures and thick vegetation."

(Geology of the Sheep Mountain - Gray Jockey Peak area, Beaverhead County, Montana by Richard Obert, 1962).

The program of geochemical and bio-geochemical survey was inaugurated in order to ascertain whether or not the mineralization of four known structures did extend beyond the north-west post mineral fault, and beyond the extent indicated by large quartz floats scattered on Polaris claim and by numerous shallow old prospect pits. As the result of this survey, anomalies were discovered on Polaris, Vega, Vega #2, Burglind and Jefferson claims.

In the fall of 1967, the geochemical survey was followed up with a number of dozer cuts whenever the surface conditions permitted. Four cuts (one on Polaris, two on Vega and one on Vega #2) disclosed the mineralized fault fissure, the identity of which for a distance of about 3500 feet is supported by the characteristic wall alteration shown in all four cuts. One cut on Burglind claim disclosed the silicified brecciated zone.

Evaluation of geochemical dispersion patterns suggests that:

a. The source of mineralization of Polaris anomaly is likely to be two parallel veins. This deduction was later supported by the dozer cut.

b. The source of mineralization of Vega and Vega #2 anomalies is the East vein of two Polaris veins. The presence of talus prevented the widening of sample grids along these two claims to disclose the effect of both veins.

c. The source of mineralization of Burglind anomaly is a vein occupying a tensional fracture of a series of fractures.

d. Dispersion pattern of Jefferson anomaly differs in a marked degree from those on other claims and may be attributed to the replacement deposits along bedding planes of favorable horizons in dolomites as a source of mineralization.

Information gained from geological and geochemical survey and from discoveries in dozer cuts suggests that the future exploration should be centered about three specific areas: Vega-Polaris, Burglind and Madison-Jefferson, and should be directed to two targets:

1. Exploration along the strikes of four structures, as respective extensions of one time producers in the area.

2. Exploration of bedded replacement deposits.

Extent and method of exploration, however, should be adapted to particular structural conditions and source of mineralization in each area.

Polaris-Vega area:

Current mining operations on the Gray Jockey ground and on the claim immediately adjacent to its west side line disclosed two parallel veins carrying ore of commercial grade close to the surface. Topographically the subject ground is 200 to 480 feet higher than the Gray Jockey.

The displacement produced by the north-west normal fault and the magnitude of erosion in both areas would determine the stratigraphical difference in elevation between the present surface of the subject ground and the productive zone as it is exposed on the Gray Jockey.

According to Obert the displacement on the fault appears to be largely strike to oblique slip, and assuming that the magnitude of erosion being about the same for both areas, we may conclude that the depth of exploration should at least be equal to the topographical difference in elevation.

As the Polaris-Vega structure has been traced for about 3500 feet along the strike, it would be very unlikely that it will change much within 200-300 feet on a dip, as far as its strength is concerned.

On the other hand, the past operations of Hecla and Quartz Hill demonstrated that the ore bodies in Meagher and Pilgrim dolomites were characterized as having been rather irregular and occured as chambers, chimneys or pipes.

Bearing these two factors in mind, it is recommended that both the underground exploration and surface diamond drilling should be used. However, in this case, these two methods should be used in the order reversed, so to speak, to that conventionally accepted, i.e. underground exploration should precede the surface diamond drilling.

To gain knowledge of the size, shape and the value of ore along Polaris-Vega fissure it is proposed to sink 2 inclined shafts to the depth of 250 feet each, one at the dozer cut V-23 (near the Vega discovery pit) and another at the dozer cut "G", on Polaris ground, about 600 feet south of its north end line.

The distance between these two exploration shafts would be about 1700 feet, with a difference in a collar elevation about 280 feet.

Further, it is proposed to drive drifts at 125 foot level or thereabout and near the sump of each shaft. These drifts to be 100 ft. long south of the Vega shaft and north of the Polaris shaft, and 200 feet long north and south of these shafts, respectively.

In this manner we explore the Polaris-Vega fissure for 500 feet along the dip and for 300 feet laterally along 4 levels.

To gain knowledge of characteristics of the fissure between these two shafts, as well as of the west vein (exposed in the cut "G") it is proposed to diamond drill 8 holes, 200 feet deep.

These holes should be staggered and spaced at about 200 foot intervals.

Information gained from underground exploration will simplify interpretation of the drill hole results and would be advantageously used in locating the site for the future development shaft.

Incidentally, both the shafts and drill holes may penetrate through bedding replacements deposits, should these be present in this area.

Burglind area:

As has been indicated the source of mineralization of Burglind anomaly is most likely a tensional fracture or a series of fractures. There is no way to predict the behavior of these fractures with a depth. They may either die out or join together in forming one large fissure as a channel for mineralization.

For the present it is proposed to limit exploration work in this area to 7 diamond drill holes, 200 feet deep and spaced at about 200 foot intervals.

Madison-Jefferson area:

Exploration is this area will be directed to two targets simultaneously: a) exploration along strikes of two structures and b) exploration of the bedding source of mineralization as indicated by the dispersion pattern of Jefferson anomaly.

As has been stated earlier Madison mineralization is controlled by the fault fissure, while that of Jefferson by a series of tensional fractures.

To deliniate the ore body responsible for Jefferson anomaly it is proposed to apply a pattern drilling, beginning at the point "24-)" and extending the pattern along coordinates 55° NE-SW and 35° NW-SE.

Due to the rough terrain and the abundance of talus on the steep south slope of Madison claim, on most of Rosalind claim and on the north-west side of Jefferson claim, it would be impractical to extend the drilling pattern throughout the area, and it is proposed to confine this pattern to the area of Jefferson claim. 16 holes, 200' deep each will complete this drilling pattern.

The cliffs on the Madison claim expose a mineralized quartz vein occupying the fault fissure, two off-shoots from this vein extending into the hanging wall of the fault and forming two replacement beds, and a lenticular quartz-galena ore body occupying the crest and flanks of the anticline gently (5° - 10°) pitching in north-easterly direction. This lens extends into Rosalind claim, where another similar body, about 50 feet lower stratigraphically, pitching in the same direction and at the same angle, has been exposed. These two lenticular ore bodies are about 200 feet below the bench of the cliffs.

It is proposed to drill 3 holes, 400 feet deep, from this bench to intercept the junction of lenticular ore bodies with the fault fissure and the extension of replacement beds exposed in the cliffs.

Summary of Exploration work:

A. Polaris - Vega area:

Sinking - 2 inclined shafts, 6' x9' rock section, 250 feet deep each
Drifting - 4 drifts, 5' x 7' rock section, 100 ft. long each.
4 drifts " " " 200 ft. " "
Diamond drilling - 8 holes, 200 ft. each, size BX

B. Burglind area:

Diamond drilling - 7 holes, 200 ft. each, size BX

C. Madison - Jefferson area:

Diamond drilling - 16 holes, 200 ft. each, size BX.
3 " 400 ft. each, size BX.

Respectfully submitted,

George S. Gluck, E.M.

Identification no. STS 11,992

MONTANA BUREAU OF MINES AND GEOLOGY

BUTTE, MONTANA 59701

OFFICE OF THE ASSOCIATE DIRECTOR

October 13, 1967

Mr. George Gluck
Ramsay, Montana 59748

Dear Mr. Gluck:

The two specimens of quartz contain coatings and blebs of black to lead-gray secondary copper, and lead minerals, both of which give tests for silver. Weak spotty tests for silver chloride also were obtained. Some unaltered tetrahedrite (copper silver zinc iron antimony sulfide) and cubic unaltered galena (lead sulfide) were observed. The silver is probably derived from tetrahedrite or galena.

The only way of positively identifying all of the intermixed minerals in a specimen such as this is to have polished sections made for a thorough mineralogical study, which is beyond the scope of the Bureau's public service.

Sincerely yours,

Don C. Lawson

Don C. Lawson
Laboratory Technician

Enclosure

Note:
These specimens of quartz, siliceous bands in brecciated and decomposed dolomites of Polaris-Vega fault fissure, were taken by Mr. Kenneth T. Bondurant, geologist of Montana Bureau of Mines and Geology, in the dozer cut V-23.

George Gluck

10/9/67

THE BUREAU OF MINES AND GEOLOGY WAS ESTABLISHED BY LAW IN 1919 TO PROMOTE EFFICIENT DEVELOPMENT OF MONTANA'S MINERAL RESOURCES BY GATHERING AND PUBLISHING INFORMATION ON THE GEOLOGY, TOPOGRAPHY, AND MINERAL DEPOSITS OF THE STATE, INCLUDING METALS, NON-METALS, COAL, OIL, GAS, AND UNDERGROUND WATER SUPPLY.

Field no.	Lab no.	Description	Oz. per ton Au (Gold)	Oz. per ton Ag (Silver)	% Cu (Copper)	% Pb (Lead)	% Zn	%	%	%	%	%
								Feb., 21, 1968.				
		...ica bands in brecciated decomposed dolomite. Polaris-Vega fault fissure.										
		Dozer Cut V-23	0.010	33.6	0.12	4.10						
								Charges	$7.00			
								Jones & Larson				
								Frank Jones				

#5 @ .40 - 2.00
2 lbs @ 1 2.00
4.00

$1.00

To OME

RAY HOLM

ROY SUTHERLAND

HOLM SUTHERLAND CO., INC.

Excavating Utilities and Earth Moving Contractors

TELEPHONE 259-2583 - P. O. BOX 578 - 27 FOSTER LANE - BILLINGS, MONTANA 59103

March 8, 1968

Vipond Mining Corporation
P.O. Box 63
Billings, Montana 59103

Gentlemen:

In answer to your letter of February 26, 1968 requesting bids for work in the Vipond Park area of Beaverhead County, Montana we submit the following quotation:

2 Shafts- 250 Ft. in depth with a rock section of 6 X 9 @ $ 117.00 Per Ft.
All Drifting as per your letter will be 41.00 per Ft.

Sincerely yours,
Holm-Sutherland Co., Inc.

Roy R. Sutherland
Vice President

To OME

VIPOND MINING CORPORATION

PHONE 406 245-4765 P. O. BOX 63 BILLINGS, MONTANA 59103

February 26, 1968

Holm Sutherland Co.
29 Foster Lane
Billings, Montana

Gentlemen:

Vipond Mining Corporation proposes to do extensive underground work in the Vipond Park area of Beaverhead County, Montana. As you have expressed an interest in bidding on the contract for such work, the necessary data and maps showing the proposed work on the Polaris and Vega claims are enclosed.

The work with which you would be concerned is the shaft and drift work as illustrated on the attached map. Note that there is to be an inclined shaft just southeast of George Gluck's cabin on the Vega claim and in about the same location as dozer cut V-23 which was made with a tractor last fall. As the shaft is proposed to follow the dip of the vein, it appears that an inclination of about 55° from the horizontal will be required. The other shaft, inclining in the same amount, will be near the long dozer cut on the Polaris claim. This cut is called Cut "C" on the map.

The shafts are to be each 250' in depth with a rock section of 6' x 9'. These will be two compartment shafts with timbering as required to separate the man-way from the hoisting compartment. Slides will be installed for the sinking bucket or skip and pipe installed for air and water.

The drifts will be at the 125' and 250' levels, all of 5' x 7' rock section. As the ground holds up well, timber will probably not be required. As is illustrated on the map, there will be a hundred foot section of drift and a two hundred foot section of drift on each level of each shaft for a total of 1200' of drifting. Pipe and rail sufficient to service the drifts are to be permanently installed.

If you should have further questions, please do not hesitate to call me or George Guay. We will be happy to supply all information available to us.

Very truly yours,

VIPOND MINING CORP.
C. H. Hauptman, President

CHH/am
Encl.

Pat Wilhelm
CONTRACTOR
Phone 835-2521
Melrose, Montana

February 22, 1968

Vipond Mining Corporation
P.O.Box 63
Billings,Mont.

Dear Sirs;

This is the cost proposal you requested in your letter of February 10, 1968,regarding proposed underground work on Vega and Polaris claims in Vipond Park area.

2_68x9'shafts on 55 degree incline,250' deep, timbered at 5'4" spacing to hold slide rail and separate compartments.

$113.76 per foot of depth.

600 feet of 5'x7' drift, not timbered, with pipe and rail permanently installed.

$38.13 per foot of drift.

Sincerely yours,
Pat Wilhelm
Pat Wilhelm

VIPOND MINING CORPORATION

PHONE 406 245-4765 P. O. BOX 63 BILLINGS, MONTANA 59103

February 10, 1968

Mr. Patrick Wilhelm
Melrose, Montana

Dear Pat,

This letter is to give you the necessary data for you to submit a bid for the proposed underground work Vipond plans to do on the Polaris and Vega claims at Vipond Park.

The work with which you would be concerned is the shaft and drift work as illustrated on the attached map. Note that there is to be an inclined shaft just southeast of George Gluck's cabin on the Vega claim and in about the same location as dozer cut V-23 which was made with your equipment last fall. As the shaft is proposed to follow the dip of the vein, it appears that an inclination of about 55° from the horizontal will be required. The other shaft, inclining in the same amount, will be near the long dozer cut made with your machine on the Polaris claim. This cut is called Cut "G" on the map.

The shafts are to be each 250' in depth with a rock section of 6' X 9'. These will be two compartment shafts with timbering as required to separate the man-way from the hoisting compartment. Slides will be installed for the sinking bucket or skip and pipe installed for air and water.

The drifts will be at the 125' and 250' levels, all of 5' X 7' rock section. As the ground holds up well, timber will propbably not be required. As is illustrated on the map, there will be one hundred foot section of drift and one two hundred foot section of drift on each level of each shaft for a total of 1200' of drifting. Pipe and rail sufficient to service the drifts are to be permanently installed.

Since you are acquainted with the country, this is probably all the information you need. However, if I have erred in some way and you should need more data, please do not hesitate to call me. The City Center Motel in Butte during the week (nights) is a likely prospect. Otherwise at home in Billings.

Very truly yours,

C. M. Hauptman

CMH/am
Encl.

INSTRUCTIONS FOR USE

Standard Form No. 65
November 1961
General Services Administration
FPMR (41 CFR) 101-11.6

U.S. Government Messenger Envelope

NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM		NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM	
~~E. L. Yochelson~~	STOP	Mrs. Jones	STOP
~~Mrs. M. May Room 4207 GSA Bldg.~~	STOP	~~Mrs.~~ B. B. Jones Rm. B-212-5, GSA Bldg.	STOP
W. B. Roberts 223 GS	STOP	Military	STOP
Mills Smith Property Control Crystal Plaza	STOP	~~Mr. Taylor~~	STOP
[illegible]	STOP	[illegible]	STOP
~~Dennis 2209 GSA~~	STOP	~~H. W. Brown 18th St. Fourth floor~~	STOP
Pontenkoard [illegible]	STOP	JOHNSON 4460 INT	STOP
~~Fiscal Management 2209 GSA Bldg.~~	STOP		STOP
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[illegible]	STOP		STOP

Use other side

Use STOP only when messenger service between Government buildings in Washington, D.C., is required or wherever a STOP system is used. Your mail room has STOP information.

65-107

2. Identify Agency of Addressee
3. Write Clearly
4. Send Surplus Envelopes to Supply Room for Reissue

NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM		NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM	
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Use other side first

☆ U. S. GOVERNMENT PRINTING OFFICE: 1966—O—249-909

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
12/27/67	Nelson	120
"	Johnson	120
		110
		220
		120M

12/29/67

Memorandum

To: The File

From: E. C. Peterson

Subject: OME-6635 (Silver)
Vipond Mining Corporation
Burgierosa Group
Beaverhead County, Montana

A telephone call was made on December 26 to Mr. Charles Hauptman, Billings, Montana, President of Vipond Mining Corporation, regarding their application for exploration assistance. The call was necessitated due to unavoidable Government delays in the processing of the application, and the Applicant's desire to be notified of our decision before January 1, 1968, the due date for payment of further claim fees.

When informed that his application as submitted would be denied because the property lacked a specific exploration target, Mr. Hauptman was quite indignant. He complained about the long delay in the processing, inadequate field examination, and voiced his displeasure with OME's interpretation of what constitutes an exploration target.

Approximately 30 minutes was spent on the telephone discussing the project as to withdrawal of the application, additional information needed, and generalities of the OME program. Finally, the Applicant made the statement that he was going to appeal the decision to "Higher Ups", and requested that we delay the denial of the application for the time being.

He also indicated that he planned to write the Chief, OME, expressing his dissatisfaction in our decision.

3/28/68
A representative of Vipond called today informing us that they were mailed an amended application to Spokane about a week ago. Sweeney Wadsworth has not received it yet. If the material cannot be found they submit another copy.
EP

Edward C. Peterson

cc: Director's Reading File
Division File
Economic Geology File
~~OME~~ FIle
OME Reading File
Mr. Peterson

ECPeterson/bsl 12/27/67

Edward C. Peterson

1/18/68
Mr Hauptman called today informing us that he will submit an amended application shortly for work on a specific target. He inquired if another field exam was required and he was told that the F.O. probably had enough info and another exam would not be needed.
EP

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY
U. S. Court House, Rm. 656
W. 920 Riverside Avenue
Spokane, Washington 99201
December 20, 1967

OFFICIAL COPY
O. M. E.
RECEIVED
DEC 22 1967

INITIALS	CODE
glu	120
glu	120
FEJ	110
EP	120

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: OME-6635 (Silver)
Vipond Mining Corporation
Burgierosa Group
Beaverhead County, Montana

In a telephone conversation with the applicant on December 12, 1967, he expressed concern because of a sizable payment due right after the first of the year in order to hold the claims. He asked if he could be advised before that date whether the application was being given favorable or unfavorable consideration.

He was told that we hoped to have the report in the mail within a week and would request that processing be given top priority and that he be advised by telephone from your office as to the final decision.

The application was received in Spokane on May 31, 1967, and the referral on June 28, 1967. It was unfortunate but unavoidable that an examination could not be made until September 25, 1967, and that the report could not be completed until today. Although he was understandably frustrated, the applicant has been uncommonly patient.

Therefore, when the report has been processed, will you kindly telephone Mr. Hauptman or Mr. Guay at Billings, Montana, FTS 8-406-245-6711 then 259-8846 for Hauptman or 245-4765 for Guay.

D R MacLaren
D. R. MacLaren

Enclosure

See left side of folder

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/24/67	Peterson	120
	(on leave)	120
		110
11/27	Cae	220
		120M

AIRMAIL

NOV 24 1967

Vipond Mining Corporation
P. O. Box 63
Billings, Montana 59103

Re: OME-6635 (Silver)
Vipond Mining Corporation
Burgierosa Group
Beaverhead County, Montana

Gentlemen:

This is in response to your inquiry of November 22 regarding the status of the subject application.

Unfortunately, Mr. MacLaren has been away from his office due to illness, and a final decision regarding your proposal has been delayed. However, we expect him back in the office on November 27, and you shall be informed of our decision shortly thereafter.

Sincerely yours,

FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
Mr. Peterson
Region I w/cy Telegram

ECPeterson/bsl 11/24/67

23263

Telefax

western union

Telefax

[illegible] FR [illegible] AR 1 EXTRA RD BILLINGS MONT 22 1003A MST
OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY DEPT OF INTERIOR WASHDC
RE: DOCKET [illegible](SILVER)
A FIELD EXAMINATION OF THE SUBJECT PROPERTY WAS AUTHORIZED
ON JUNE 26 1967. SUCH EXAMINATION HAS NOT BEEN MADE UNTIL SEPTEMBER
23 1967. TODATE WE HAVE HAD NO FURTHER INFORMATION CONCERNING
OUR APPLICATION AND OR EXCLUSION AS AVAILABLE IN SPOKANE TO
ANSWER OUR INQUIRY. KINDLY ADVISE US TO THE STATUS OF OUR APPLICATION
CHARLES H ANDERSON PRESIDENT WESTERN MINING CORP
[illegible](SILVER) 26 1967 25 [illegible]

1967 NOV 22 PM 1 24

OFFICIAL
COPY
O. M. E.
RECEIVED
NOV 22 1967

INITIALS	CODE
BH	12007
EP	HOT

WU 1270 (R8-66)

Copy sent to Region I

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

TO: Chief, OME	DATE	INITIALS
1.	10/2/67	
Re: OME-6635 (Silver)		
2. Vipond Mining Corp.		
Burgierosa Group		
3. Beaverhead County, Montana		
4.		
5. D. R. MacLaren		
FROM: Fld. Officer, Reg. I		

FOR: Check items for action desired

____ Action ____ Reply for signature of ____
____ Approval ____ Investigate ____ Surname
____ Comment ____ Recommendations ____ Signature
____ Conference ____ Rewrite ____ File
____ Instructions X Your information

REMARKS:

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 4 1967

INITIALS	CODE
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	120

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

M56300-62

OME

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 15 1967

INITIALS	CODE
gm	30
BH	20 ME
JA	110
ED	120 P

GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
September 13, 1967

AIRMAIL

Mr. Charles M. Hauptman, President
Vipond Mining Corporation
P. O. Box 63
Billings, Montana 59103

Re: OME-6635 (Silver)
Vipond Mining Corporation
Burgieross Group
Beaverhead County, Montana

Dear Mr. Hauptman:

I plan to arrive at the Mary Lou Motel in Butte the afternoon of September 24, 1967, and to inspect the Burgieross Group the following day. I will call John Bowsher upon my arrival.

Should John not be in town, or unless I hear differently from you, I will plan to meet you at Dewey-Quartz Hill road junction about 9:00 a.m. on September 25.

Sincerely yours,

D. R. MacLaren
Field Officer, OME
Region I

DRMacLaren/mls

cc: OME

Director's Reading File

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/23/67	Peterson	120
6/26/67	Skibbens	120
		110
6/26	CAL	220
		120M

AIRMAIL

JUN 28 1967

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6635 (Silver)
Vipond Mining Corporation
Burgiarosa Group
Beaverhead County, Montana

We are referring the subject application to you for further consideration, a field examination if warranted, and recommendations.

In reference to the Gluck claims where work is contemplated, additional Lien and Subordination Agreements will not be required as the Assignment of Mining Lease by which the Midland Paint Company assigned its lease, including all rights, to the Applicant is sufficient.

A review of Docket No. DMA-1980 added little additional information. The application was denied on the basis that inferred reserves were too small and low grade to warrant further exploration. Reserves were estimated to be 5,000 to 7,000 tons of lead-silver ore assaying 3 to 4 percent lead and 1 to 2 ounces silver per ton. However, recent work performed by the Applicant, upon examination, may provide sufficient new information to indicate that a staged exploration program may be justified.

FRANK E. JOHNSON

Frank E. Johnson

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
Mr. Peterson
130

ECPeterson/gla 6-23-67

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/23/67	Peterson	120
6/26/67	Kiebens	120
		110
		220
		120M

AIRMAIL

JUN 26 1967

Vipond Mining Corporation
P. O. Box 63
Billings, Montana 59103

Re: OME-6635 (Silver)
Vipond Mining Corporation
Burgierosa Group
Beaverhead County, Montana

Gentlemen:

Your application for exploration assistance has been reviewed in our Washington office and referred to Mr. D. R. MacLaren, Field Officer, Region I, Office of Minerals Exploration, U. S. Geological Survey, South 157 Howard Street, Spokane, Washington 99204.

Mr. MacLaren will notify you if additional information concerning the application is needed, and possibly to make arrangements for a field examination.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
OME Region I
Mr. Peterson

ECPeterson/gla 6-23-67

23263

June 12, 1967

Mr. Charles M. Hauptman, President
Vipond Mining Corporation
P. O. Box 63
Billings, Montana 59103

Subject: OME-6635

Dear Mr. Hauptman:

Your application for exploration assistance, dated May 26, 1967, submitted to our office at Spokane, Washington, has been assigned Docket No. OME-6635.

Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

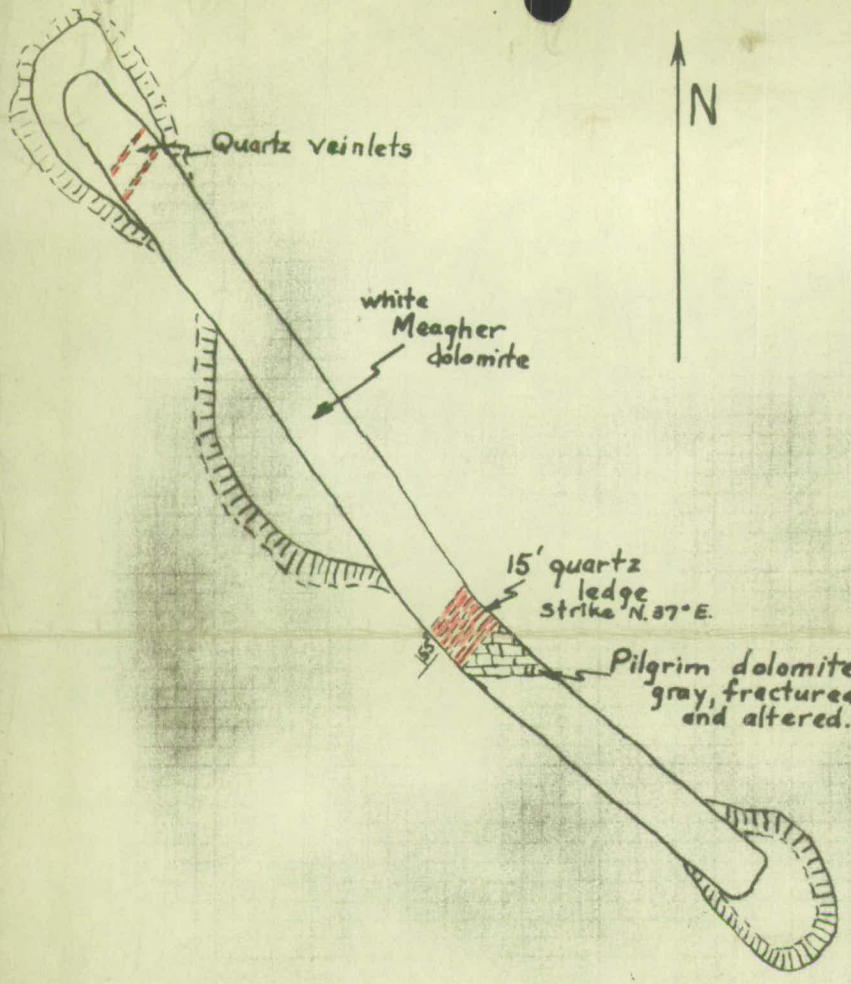
Copy to Region I

OME - 6635
Vipond Mining Corp.

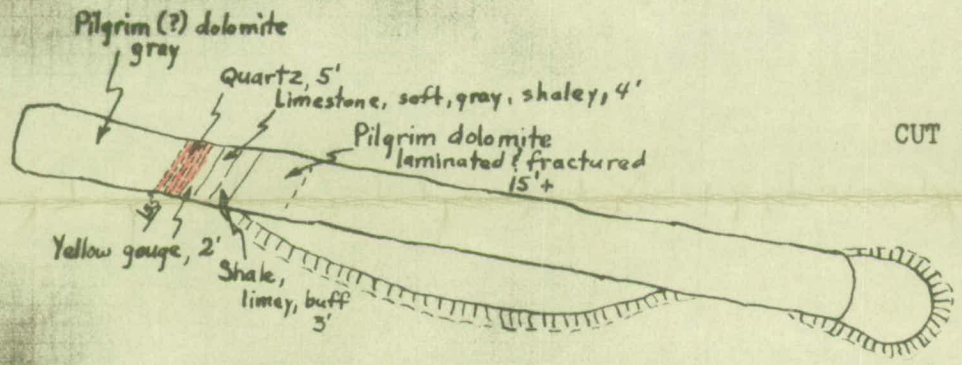
D-8 BULLDOZER CUTS ON CLAIMS
OF THE
BURGIEROSA GROUP

Work done Aug. - Sept., 1967

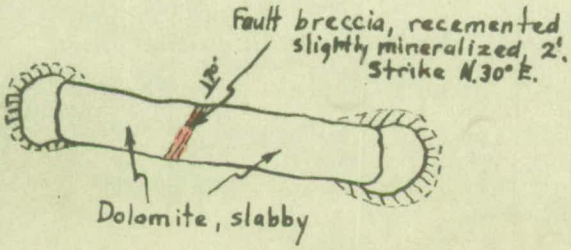
Scale: 1" = 50'



CUT "G" (Polaris Claim)



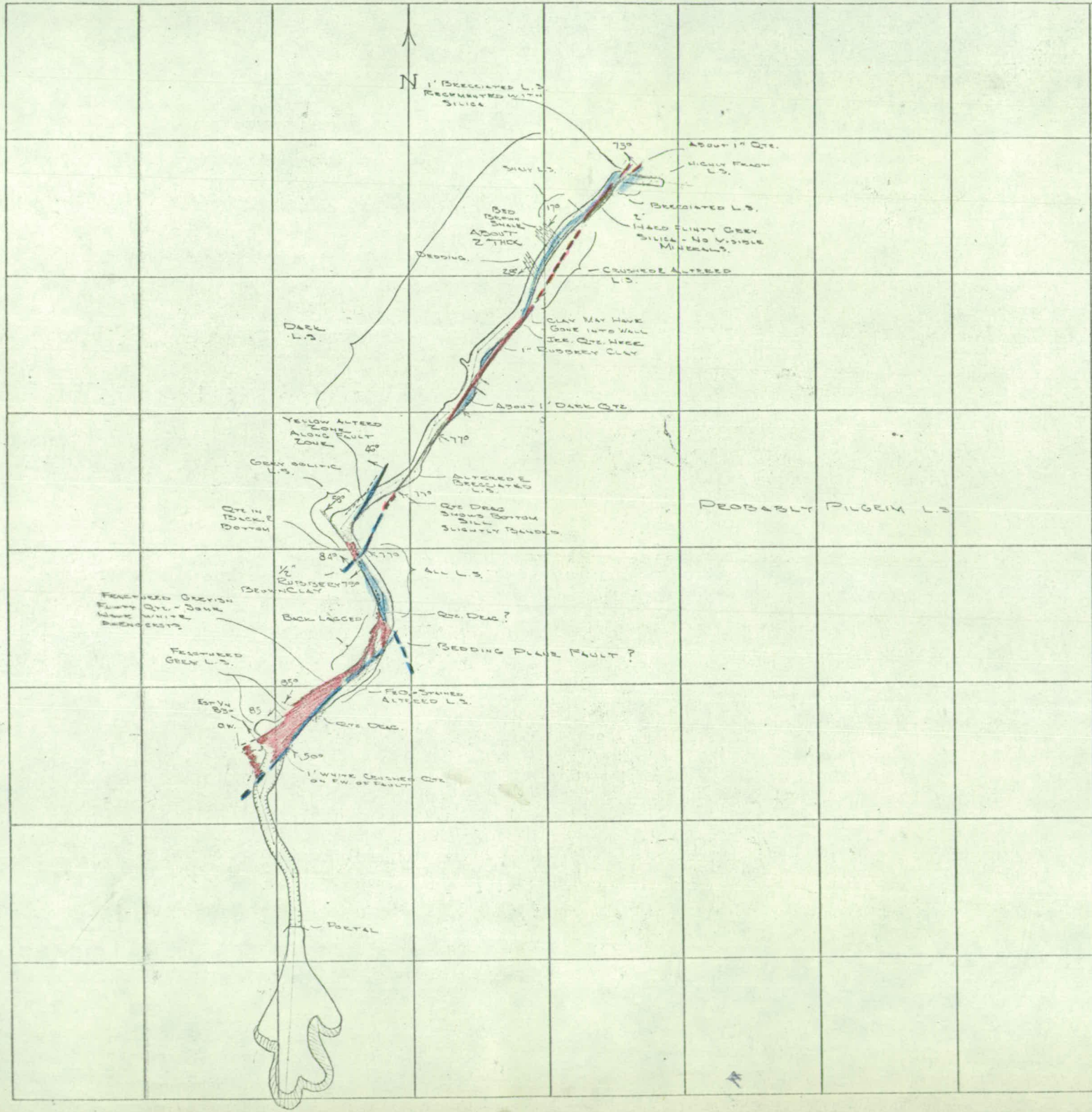
CUT "V-17" (Vega Claim)



CUT on Burglind Claim
(about 660' northerly from
south end line)

BEAVERHEAD CO.
BURGIE-ROSA GROUP
VIPOND DISTRICT
GEORGE GLUCK OWNER
1" = 40'
VEOL R.D.G.
CLAIM

Re: OME-6635



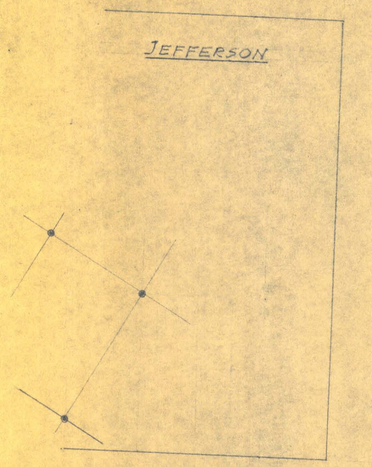
MINE _____ LOCATION _____ LEVEL _____

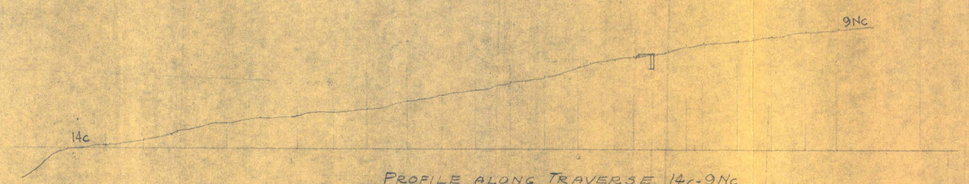
GEOLOGY BY Bob Gerch, Mont. Bur. Mines & Geol. Butte SURVEY _____ DATE Fall 1966 SCALE _____

N _____ E _____ EL. _____

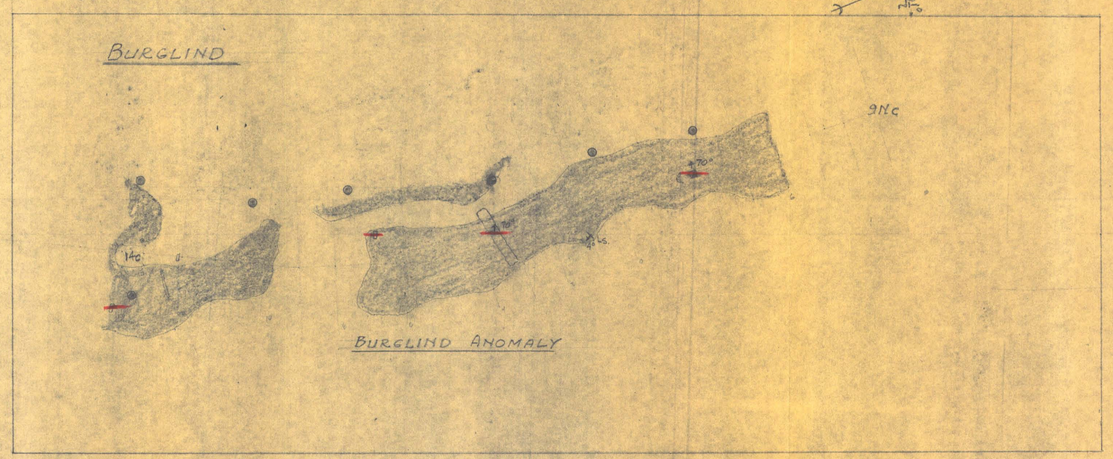
Blue ink on linen. WATERPROOF FORM S-25 J. L. DARLING CORP. BROWNS POINT, TACOMA, WASH.

RECEIVED
OCT 2 1967
O. M. E.
SPOKANE, WASH.





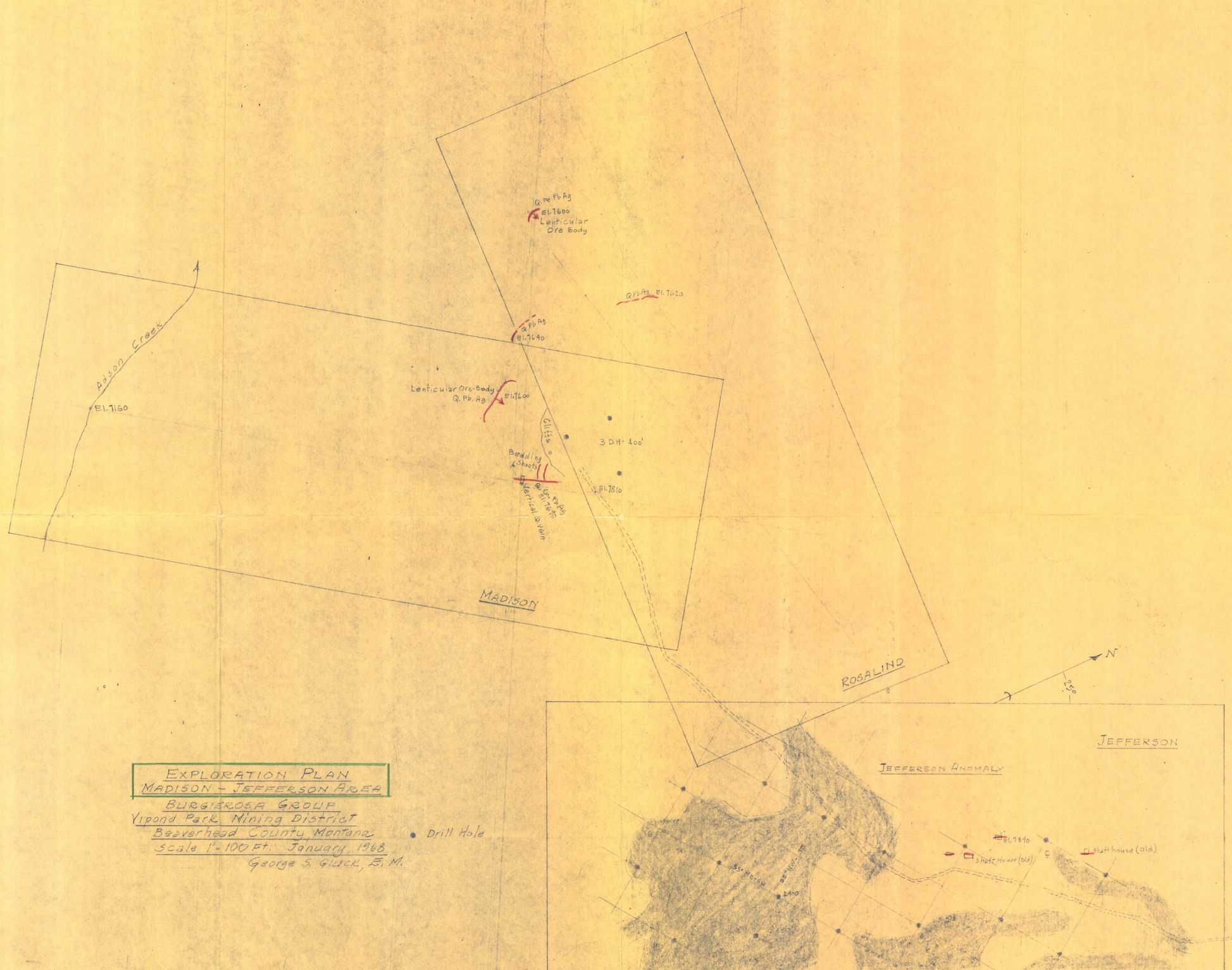
PROFILE ALONG TRAVERSE 14c-9Nc
Vertical Scale 1"=100 Ft.



• Drill Hole

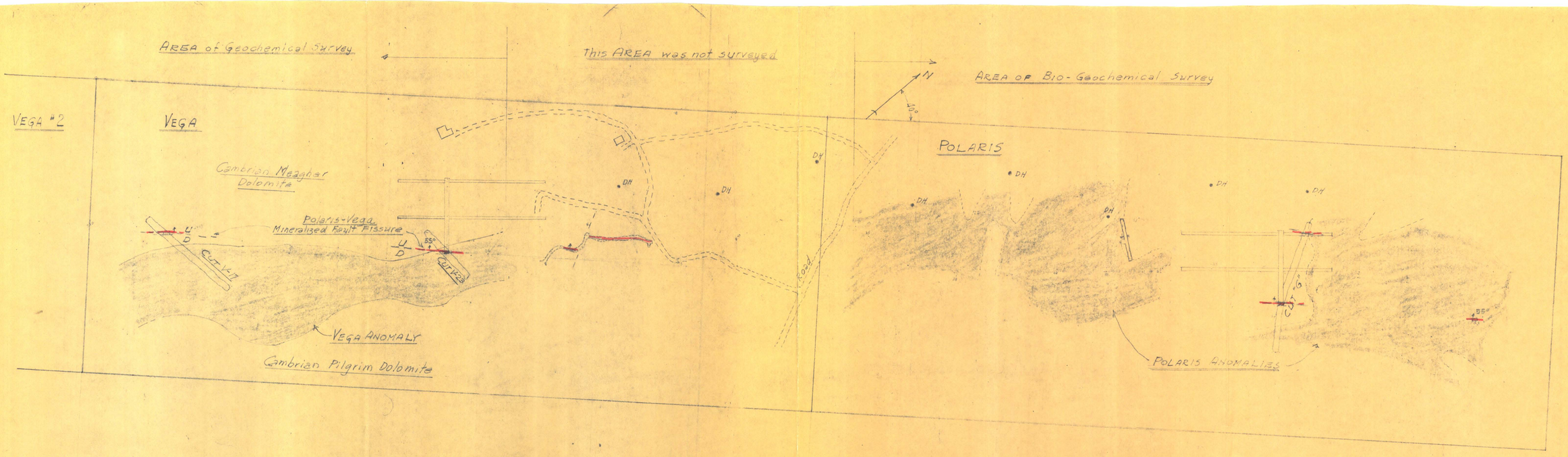
EXPLORATION PLAN
BURGLIND AREA
BURGIEROSA GROUP
Vipond Park Mining District
Beaverhead County, Montana
Scale 1"=100 Ft. January 1968
George S. Gluck, E.M.

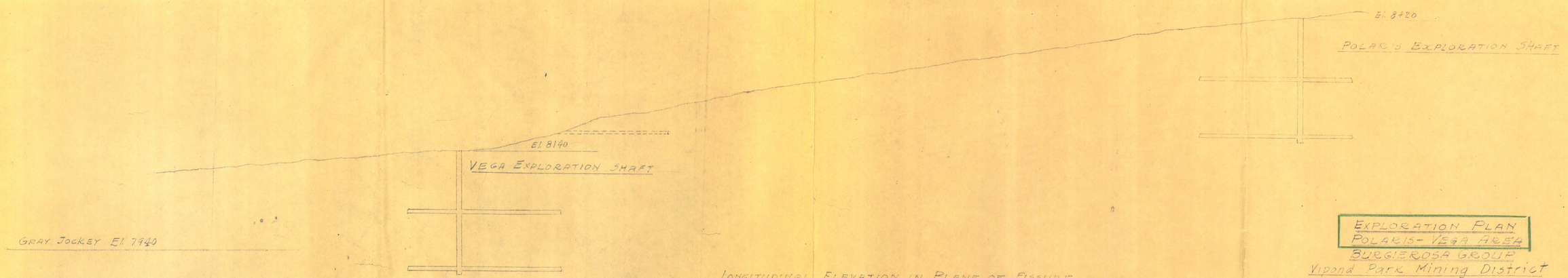
BME-6635
Re: 7/25/68 Change in Application
Item 5



EXPLORATION PLAN
MADISON - JEFFERSON AREA
BURGIEROSA GROUP
Yipond Park Mining District
Beaverhead County, Montana
Scale 1" = 100 Ft. January, 1968
George S. Gluck, E. M.

OME-6635
Rel. 2/28/68 change in
Application
Item 5





LONGITUDINAL ELEVATION IN PLANE OF FISSURE

EXPLORATION PLAN
POLARIS-VEGA AREA
BURGIEROSA GROUP
Vipond Park Mining District
Beaverhead County, Montana
Scale 1"=100 Ft. January 1968
George S. Gluck, E.M.

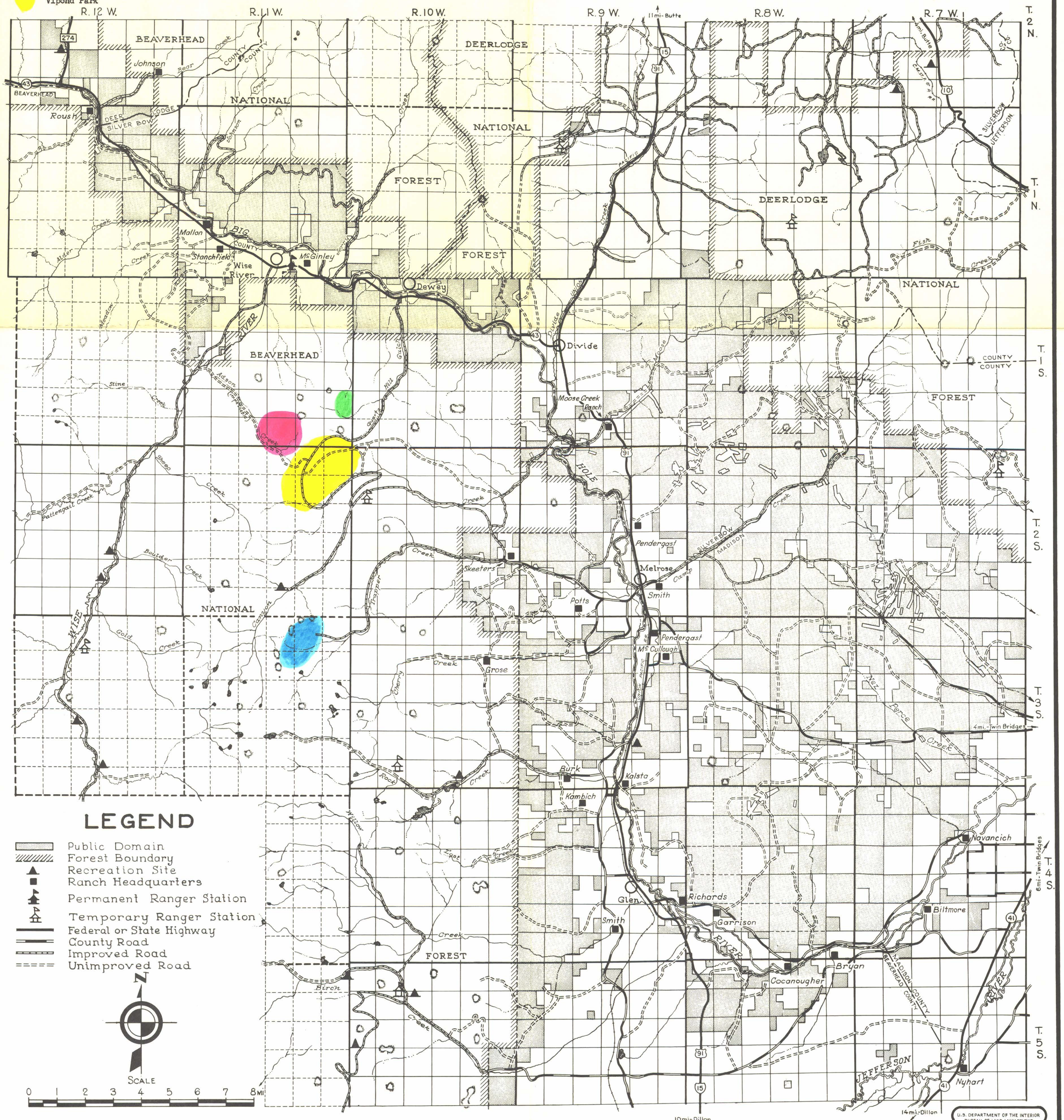
OME-6635
Re: 2/28/68 Change in Application
Item 5

Vipond Mining Corp. Re: Item 4(a)

WISE RIVER – MELROSE

RECREATION ACCESS MAP

Area of interest of Vipond Mining Corp.
Quartz Hill Area
Hecla (Bryant) District
Vipond Park



LAND STATUS AND ROADS ACCURATE AS OF SEPTEMBER 1966

PREVENT FOREST AND RANGE FIRES

OBTAIN PERMISSION BEFORE CROSSING PRIVATE LAND

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT