MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. _____ Docket No. 6690

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [ ] 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
- [ ] On-site Exam. Report (Tab)
- [ ] Settlement Sheets
- [ ] 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

OME Form 40
Jan. 65

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.)*

Starratt J. Burgess
714 Harrison Avenue
Helena, Montana 59601

Re OME 4183

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6690

DATE RECEIVED: 1-26-68

REGION: I

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED:

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE

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

ESTIMATED COST OF PROJECT: $ 40,000.00

PROPERTY NAME	LOCATION COUNTY	STATE
Emma Bell-Pat.#494	Jefferson	Mont.
Adolphus-Pat.#495	Jefferson	Mont.

Sec. 7, T. 6N, R. 4 W

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 25, D.C. or with the 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.

January 6, 1968
DATED

Starratt J. Burgess

BY (Signature) Starratt J. Burgess

Operator
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

Starratt J. Burgess
714 Harrison Avenue
Helena, Montana 59601

Mr. Frank E. Johnson, Chief
Office of Minerals Exploration
Washington, 25, D. C.

Re: OME-6183 (Silver-Gold-Lead)
Starratt J. Burgess
Mollie McGregor Mines
Jefferson County, Montana

Dear Mr. Johnson:

Enclosed are copies of letters to and from two banks to qualify for the required financial eligibility. The leases enclosed have the legal description of the property to be explored. I own a 1/3 interest in one claim and 5/12 interest of the other claim that make up the Mollie McGregor mine.

The geology of this mine is relatively similar to the surrounding Boulder area of a vein in the Boulder batholite with the exception of the Elkhorn district. The vein is a true fissure type 5 to 15 feet wide standing nearly vertical in granite or quartz monzonite. The Gangue material is quartz in the Emma Bell with a capping of very hard chalcedoney in the Adolphus. This capping of chalcedoney was detrimental in the development of the Adolphus. At depth this evidently gave way to quartz, some of which can be seen on the dumps. The vein lies at right angles to Boomerang Gulch and while there is no surface indication of faulting there is a distinct difference between the East and West sides of the gulch in values and gangue material. The mine is very accesible by a good wagon road from Boulder, Montana. The claims were patented in 1876 and according to newspaper reports, shipped considerable high grade silver ore to Swansea, Wales for smelting.

Some of the ore shoots contained some high gold values as evidenced by specimens of wire gold in the galena, from the upper tunnels on the Emma Bell.

Some sphalerite can be found on the Adolphus dumps from the deepest workings, probably 200 feet. (See assays.) No tunnels or drifts were run on the Adolphus presumably on account of the chalcedony gangue of the vein. A drift was started at gulch level which paralleled the vein for 125 feet in the adjacent country rock, however they did not cross cut to the vein, at the end. This should be done for sampling purposes.

There is a small 40 foot shaft and 60 foot drift on the vein (see map) on the Emma Bell side or East side of the gulch. This shaft and drift is in ore. This is the only adit below the gulch level. Some work is needed on the collar of the shaft and the water removed to make it accessable for inspection and sampling. All of the old records, assays, shipping reports and engineer's reports were lost in a fire some years ago. However, it is difficult to understand why deeper mining was not undertaken in view of the fact that the ore from the surface workings had a high market value and there is no indication on the dumps of low grade ore having been encountered. The dumps are composed chiefly of surface carbonate from the vein (see assay sheet).

There is no reason to believe that the ore shoots do not continue on down to a much greater depth with relatively high value although the lead sulphide might give way to sphalerite in depth. In this area we can expect about 300 feet of depth before the ore shoots lose their values. As indicated on the sketch maps the deepest shaft on the hill is approximately 150 feet and in the canyon level only 40 feet deep. This would indicate considerable depth to explore. The Comet Mine, one mile Northwest which is credited with a 13 million production had considerable production below the 600 foot level. Gold and silver values are higher than the lead value as seen in the assay certificates.

The base metal value will no doubt decrease in depth as sphalerite replaces the zinc.

Core drilling is the most practical and economic manner to explore the extent of the value in the ore shoots because the vein is almost vertical. The core drilling will be done by an independent contractor. The amount of core drilling will depend on the judgment of the engineers in case the vein does not core well. Should this be the case sinking and drifting on the vein with air raises to the surface would permit sampling. The vein can be traced for 3,000 feet on the surface, however from all of the surface and assay indication, most of the production came from 2,000 feet along the vein.

Access roads are established on the West side of the canyon but none on the East slope. Dozing will be necessary on the East slope for drilling setups. Electric power is available one mile distant, but a gas powered compressor for drilling and small electric plant will suffice for pumping water from the shaft and hoisting can be done by gasoline power. Because the Emma Bell or East end has the higher silver and gold values, it should be explored first even though the West end contains more virgin ground above the creek bottom than the East end.

A program on explorations for the Mollie McGregor mine would be the following:

(I) 3 diamond drill holes along the vein on the East side of the gulch starting in the middle of the gulch on the unexplored outcrop of the vein to a depth of 150 feet or deeper if core sample assays indicate good values.

(2) 4 drill holes speced 150 feet apart up the East side. The high holes would necessarily be at least 250 feet deep in order to obtain sample cores below the old tunnel level. This could approximate 1,350 feet at $10.00 per foot or $13,500.00.

(3) The cost to rehabilitate the 40 foot shaft collar would be approximately $300.00 for labor, material $200.00, total $500.00. An extension of 30 feet on the drift from the shaft @ $40.00 per foot - $1,200.00, a 40 foot air raise at end of drift $1,600.00.

(4) Removal of waste dump from the Emma Bell lower caved tunnel, to permit driving a 200 foot drift East on ore at water level at a cost of $40.00 per foot - $8,000.00.

The costs listed below are in addition to the costs in sections numbers (I), (2), (3) and (4), total of which are - - - $ 24,800.00

Supervision	6,000.00
Assays	1,000.00
Access roads for drilling	700.00
Dewatering shaft	500.00
Hoist, compressor, rail, air pipe, ventilating fan, air drill, ore car and bucket and small light plant	3,000.00
Head frame for hoist	100.00
Dry house for men	900.00
Compressor house	700.00
Industrial Accident Insurance	1,000.00
Geologist, two days	100.00
Miscellaneous cost, Portal, Trench & Overpass	1,200.00
Grand Total	$ 40,000.00

The electric plant would be part of the dewatering equipment.

Exploration on the West side of the gulch would depend on the opinion of the Minerals Exploration Field Engineer. The drift which has been started on the vein and is in 125 feet could or should be turned and driven another 75 feet back on the vein. This drift was started on

the vein, but on account of the hard character of the vein material the miners went out into the granite wall which was softer. As far as I know the drift parallels the vein the last 70 feet. This was all done with hand steel work on the West side. From all indications the ore on the West side does not carry as high gold values as the East side. However it is difficult to understand why the ore was extracted by shafts on the Adolphus claim unless it was to go below the chalcedoney capping as the shafts were not sunk on the vein, but on the North side of the vein. Quartz is found on the shaft dump.

One or two diamond drill holes could be programmed for the Adolphus or West side to obtain cores before driving the drift on the vein to determine the values. The silver value holds up in the assays of dump material from the Adolphus, but not the gold values.

It is reasonable to assume that the ore values in the Mollie McGregor mines will extend downward at least 150 feet below the 40 foot shaft. While the water flow is small in this mine it could have prevented the development of the mine in the early days below the creek bottom.

It is always of some concern and very important to a prospective operator to know when and why production stopped in a mine in order to determine the probability of its being a producer again under the present day conditions.

According to reliable sources the Mollie McGregor ceased all but spasmodic operation in the late 1880's due to a partnership feud that carried through two generations which prevented any legitimate operation. Some sniping was done from time to time without the owners knowledge which was detrimental to the present condition of the mine openings.

A search of the old newspapers revealed very little in the way of news on the operation of this mine after 1885.

The total production of the mine during its operation is estimated at $650,000.00.

It is quite difficult to give a good description of a mine when all of the adits are closed and all the miners who worked in it have long since passed away. Nevertheless, the original patent plats provide outlines of early day development to justify this proposed exploration.

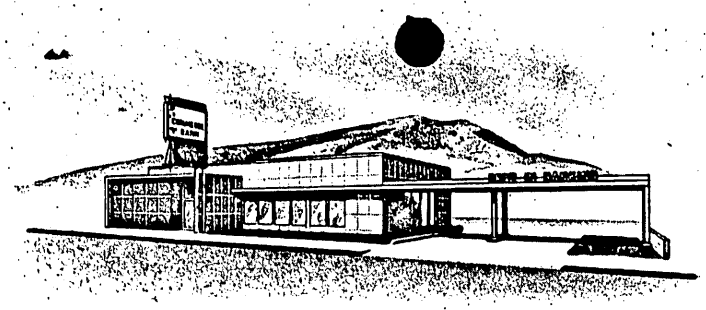
Because this mine is at a relatively low elevation and very accessible it would be possible for your field ingineer to visit the mine in the early Spring. We are getting a very heavy snow fall this year, but the Spring might be earlier than usual.

Kindly advise after going over this request, if there are any additional documents or other information you may need.

Yours very truly,

Starratt J. Burgess

Encl: Assay certificates
Letters from banks
Map
Leases



Commerce Bank
& TRUST COMPANY

HELENA, MONTANA

P. O. BOX 1732 AREA CODE 406 442-1850

September 22, 1967

Starratt J. Burgess
714 Harrison Avenue
Helena, Montana

Dear Mr. Burgess:

Reference is made to your letter of September 18, 1967 to Mr. Lyle Olson.

In regard to your request for $40,000.00, please be advised that we are unable to take care of your request at this time.

Regards,

Tom Kirwin
Assistant Cashier

TK:jdf

714 Harrison Avenue
Helena, Montana
September 18, 1967

Mr. Lyle Olson, President
Commerce Bank & Trust Company
Helena, Montana 59601

Dear Mr. Olson:

At your earliest convenience would you let me know of the probability of your Board of Directors granting an exploration loan of $40,000.00 on the "Mollie McGregor" mining property.

This mine consists of two adjoining patented claims in Boomerang Gulch some three miles west of Boulder, Montana. I own five-twelfths of one claim and one-third of the second, the remaining interests are under bond and lease. Considerable diamond drilling is necessary to define the value and size of the ore bodies, also some drifting on the vein to explore the present haulage level to insure sufficient tonnage of shipping ore to pay back the loan on a royalty basis.

Respectfully yours,

Starratt J. (Ben) Burgess

cc: Office of Minerals Exploration
U. S. Dept of the Interior

Starratt J. Burgess

FIRST NATIONAL BANK AND TRUST COMPANY

CHASE PATRICK
ASSISTANT
VICE-PRESIDENT

September 18, 1967

Mr. Starratt J. Burgess
714 Harrison Avenue
Helena, Montana

Dear Mr. Burgess:

Your recent request for a loan in the amount of $40,000 to be repaid from an over riding royalty on smelter returns and secured by a lien on your interest in the property, will not qualify within the rules promulgated by our Board.

At this time of heavy demand for funds we would not be interested in a risk of this quality.

Very truly yours,

Chase Patrick

Chase Patrick
Asst. Vice President

CP:km

LAST CHANCE GULCH AND SIXTH AVENUE • HELENA, MONTANA - 59601 • PHONE 406/442-2540

September 18, 1967

714 Harrison Avenue
Helena, Montana

Mr. Chase Patrick, Jr.
Vice President
First National Bank & Trust Co.,
Helena, Montana

Dear Mr. Patrick:

I am planning on reopening the "Mollie McGregor" mine, a good producer of silver ores in the early 1870's and 1880's.

In order to prove that there is ore of commercial value in sufficient quantity in unexplored levels of the mine, it is necessary to do considerable diamond drilling, drifting and sampling of the vein below the present level.

To perform this exploratory work which will cost approximately $50,000.00, it is quite imperative to secure a loan of $40,000.00. This money would be secured by a lien on my interest in the property and would be paid back with an over riding royalty on smelter returns.

Kindly let me know if your Board of Directors would be interested in financing this project.

Yours very truly,

Starratt J. (Ben) Burgess

cc: Office of Minerals Exploration
U. S. Dept. of Interior

Starratt J. Burgess

E.H. 8—2M—7-56—2625

NAME OF MINE Molly McGregor

WHERE LOCATED 3 Miles from Boulder

R. R. SHIPPING POINT Boulder

NAME OF SHIPPER Ben Burgess

P. O. ADDRESS 714 Harrison Helena, Mont

HAND SAMPLE SERIAL NO. 8638 –

ASSAY OF HAND SAMPLE

American Smelting & Refining Co.

EAST HELENA PLANT

AUG 7 1967, 19

MARK NO.	GOLD OZS. PER TON	SILVER OZS. PER TON	LEAD PER CENT	COPPER PER CENT WET	INSOLUBLE PER CENT	IRON PER CENT	MANGANESE PER CENT	SULPHUR PER CENT	ZINC PER CENT	ARSENIC PER CENT	ANTIMONY PER CENT	BISMUTH PER CENT	GROSS VALUE PER TON
1	0.58	7.7	5.5	0.1	83.0	Dump Samples				Mollie McGregor			
2	0.74	7.25	6.3	0.1	79.6	"		"		"			
3	0.26	52.35	55.0	0.2	23.0	Emma Bell				"			3
4	0.32	10.5	20.7	0.4	13.6	"		"		"			14

Dear Sir:

The above are the assays of the samples which you submitted to us. In sending hand samples for assays, please in all cases, furnish the name and location of the mine and railroad shipping point. Will you kindly supply this information in the case of these samples if not stated hereon. We will be pleased to quote rates for treatment upon application.

AMERICAN SMELTING AND REFINING COMPANY

E. W. Chief Assayer. Per S. M. Lane Manager.

Assay sheet #1

Carbonate Dump

GOODALL BROTHERS

ESTABLISHED 1909

ASSAYERS

HORACE HAND, OWNER MANAGER
RES. PHONE 406/442-0696

PHONE 406/442-3770
46 SOUTH MAIN ST.
P. O. BOX 537
HELENA, MONTANA
59601

Helena, Montana, August 11, 1967

ASSAYED FOR

Ben Burgess

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	
Mollie McGregor 7565	0.04	34.0							
Adolphus Upper Shaft									

*Gold not deducted

Charges $ 3.50

GOODALL BROS.

By Horace Hand

24-P-15154-A-45M 5-67 96834 TRIBUNE

THE ANACONDA COMPANY

ANACONDA REDUCTION DEPARTMENT

ASSAY OFFICE

DATE 9-11-67, 19

Hand Sample Assay for Silica Flux for Smelter

	Date of Sample	Lot	Ag	Au	Cu	SiO_2	Fe	Al_2O_3	CaO		
Ore #1	1011		2.96	.140	.1	78.4	3.5	6.5	.5		
Upper Shaft & Dump											
Ore #2	1011A		.53	.022	.02	83.2	2.6	7.1	.4		
T8nnel Dump											
Ben Burgess											
714 Harrison											
Helena, Montana											

E M Boyce

Chief Chemist

L E A S E

THIS AGREEMENT, Made the 15th day of November, A. D. 1967 by and between Mrs. Wanda Glass, Corte Madera, California, Mrs. Nan Slusher, Missoula, Montana, and Mrs. Doris Burke, Bozeman, Montana, parties of the first part and Starratt J. (Ben) Burgess of Helena, Montana, party of the second part.

W I T N E S S E T H :

In consideration of the sum of One Dollar ($1.00) lawful money of the United States of America, to first parties in hand paid by second party, and in consideration of the covenants and agreements herein contained to be kept and performed by the second party, the first parties do hereby let into possession of the second party, with the option to purchase all of the right, title and interest of the first parties, of, in and to the following described mining properties, commonly known as "The Mollie McGregor Mine:"

(1) Emma Belle Lode Claim #494 A - an undivided one-third interest.

(2) Adolphus Lode Claim #495 - an undivided one-third interest.

All in Township 6 North, Range 4 West, Jefferson County, Montana;

TOGETHER with the right to enter upon said properties above described from the date hereof, and to prospect, work and mine and to extract therefrom and market any and all metaliferous ores that may be found thereon or therein.

For the above-mentioned consideration and for the further consideration of the promises of the parties hereto as hereinafter set forth, it is mutually agreed by and between the parties hereto as follows:

1. The second party shall enter upon said premises above described on or before the 1st day of June, 1968 and shall cause to have performed twenty (20) days labor each and every month thereafter. Work on one claim will satisfy the work on the other claim. Mining

CHURCH, HARRIS,
JOHNSON & WILLIAMS
ATTORNEYS AT LAW
FORD BUILDING
GREAT FALLS, MONTANA

operations shall be carried on each month excluding December, January, February and March.

2. The term of this lease shall be for a full period of five (5) years from and after the date of November 15,1967. In the event the lessee has paid at least Three Thousand Dollars ($3,000.00) towards the purchase price, the lessee shall have the right and option of renewing this lease for one additional period of five (5) years. The option of renewal can be exercised if notice to that effect is given to the first parties on or before September 1st, 1972.

3. The second party shall pay the first parties a royalty of twelve per cent (12%) of the total value of all ores removed from the said property. The royalty payments shall apply on the purchase price. Unless otherwise directed in writing all royalty payments for all of the first parties shall be payable to Mrs. Doris Burke, 730 South Fifteenth, Bozeman, Montana.

4. The production tax shall be paid by the second party.

5. Continuous operation shall mean operations during the mining season only, which is dependent upon weather conditions, machinery breakdowns, failure of transportation, strikes, acts of God, and things beyond the control of the second party, and that by reason of such delays second party shall be excused during such shut-down periods, it being the purpose and intention of the party hereto that said operations shall be continuous during the mining season which from year to year must be determined by weather conditions, and that second party shall not be required to operate said properties during the winter time or when shut down as aforesaid.

6. All mining operations shall be at the sole cost and expense of the second party. No liability of any kind or character shall attach to said premises or to the first parties by reason of or on account of such mining operations. Second party shall at all times during the existence of this writing keep said premises posted with a notice in a conspicuous place at or near the place where mining operations are bing conducted to the effect that:

~~"THIS PROPERTY IS NOT BEING OPERATED BY THE OWNER AND OWNER WILL NOT BE RESPONSIBLE FOR SAID OPERATIONS IN ANY MANNER WHATSOEVER."~~

All work done and performed or caused to be done and performed by second party shall be done in good workmanshiplike manner and second party shall maintain and keep in good repair all structures on said property.

7. The first parties shall pay promptly when due and payable all taxes of every kind, city, county, state and federal, levied against said premises as now constituted with the improvement thereon, and second party shall promptly pay when due and payable all taxes of every kind, city, county, state and federal, that may be levied and assessed against the personal property and mining machinery and equipment owned by the second party and which second party may place on said premises for the purpose of mining and operating the same. Second party shall pay promptly when due and payable all taxes levied on second party or collectible from income based on second party's payroll, franchises or gross or net income.

8. All products which are acceptable to the smelter shall be shipped to the American Smelting and Refining Company or to the Anaconda Company in the names of the second party or assigns, with proper instructions for royalty payments to the first parties.

9. A copy of this writing shall be deposited by the second party with the said smelters in order that said smelters may comply with the requirement herein pertaining to the payment of the royalties.

10. The purchase price of the right, title and interest of the first parties shall be the sum of Twenty-five Thousand Dollars ($25,000.00). The said purchase price of $25,000.00 includes all right, title and interest of the First Parties in and to the Emma Belle Lode Claim and the Adolphus Lode Claim.

11. The first parties or agents of first parties shall have the right to enter said premises at all reasonable hours during the life of this writing for the purpose of inspecting said premises,

CHURCH, HARRIS, JOHNSON & WILLIAMS
ATTORNEYS AT LAW
FORD BUILDING
GREAT FALLS, MONTANA

and all operations therein or thereon; and for such purposes shall have the right of ingress and egress to and from said premises insofar as the same does not interfere with the operations of the second parties.

12. All costs and expenses of mining said premises hereunder shall be borne by the second party and second party shall pay when due all charges for all labor and materials used in and upon said premises. Second party shall not allow any liens of any kind or character to attach to said properties or any part thereof by reason of operations of second party unless it be for an exploration loan and then only by mutual consent.

13. Second party shall at all times at his own cost and expense, comply with the Workmen's Compensation Act in the State of Montana, take out such insurance as may be required by the laws of the State of Montana to protect the workmen of the second party and comply with all the laws of the State of Montana relative to the operation of said premises. Second party, however, reserves the right to determine the nature and character of insurance to be written, provided the same complies with the laws of the State of Montana.

14. The second party is given the right and privilege of sub-letting the premises described in this writing to any corporation now organized or to be organized for the purpose of mining and operating said premises, subject, however to all the terms, covenants and conditions hereof. Said sub-lessee shall be subject to and bound by all the terms, conditions and covenants herein contained on the part of said second party to be made, kept and performed. In the event of any subletting of the premises described in this writing, or any part thereof, said second party shall immediately notify first party in writing of such subletting, specifying the name and post office address of such sub-lessee.

15. All buildings, machinery, tools and mining equipment placed by second party upon said premises may be removed by second party at any time within sixty (60) days from and after the termination of this writing, either by forfeiture or otherwise. Upon failure of said second parties to so remove said property, tools, machinery and

CHURCH, HARRIS,
JOHNSON & WILLIAMS
ATTORNEYS AT LAW
FORD BUILDING
GREAT FALLS, MONTANA

equipment within said time, then such property as shall remain on said premises shall become the property of the first parties, provided, however, that the first parties shall in the event of a termination of this writing, or a cancellation of the same, have the right to purchase any and all equipment that may have been placed on said premises by second party or sub-lessees at the actual cost of said material when purchased, less reasonable depreciation sustained by or from actual use of the premises.

16. Upon the failure of the second party to comply with any of the terms, covenants, and conditions of this writing, the first parties may declare this lease and all rights of the second party or assigns, hereunder, forfeited, terminated, and at an end and of no further force and effect upon written notice served on said second party or his representatives in charge of the said property above described, or sent by registered mail addressed to:

Starratt J. (Ben) Burgess
714 Harrison Avenue
Helena, MOntana 59601

which notice shall specify the default or failure complained of. The second party may remedy such default or failure within fifteen (15) days after service of such notice, in which event the right to terminate this writing for such default or failure so remedied shall thereupon cease and determine. In case, however, the default or defaults complained of are not remedied within said period of fifteen (15) days, this lease and all rights of the second parties hereunder, shall thereupon be forfeited, terminated, and ended and of no further force and effect; and said first parties shall thereupon be entitled to the quiet and peaceable possession of said premises and all thereof without further notice.

Failure on the part of the first parties to declare this writing forfeited for default on the part of the second party shall not be deemed a waiver of the rights of the first parties to declare this writing forfeited for any subsequent default or defaults.

17. The second party shall have the right to terminate this

agreement at any time on ten (10) days notice to the first parties for any cause whatever withinthe exclusive judgment and discretion of said second party; but the same shall not be cancelled or surrendered until second party has paid all royalties or other obligations due under this agreement, and any payments made on account of royalties or otherwise, shall, in case of surrender, be forfeited to first parties.

18. Second party, upon termination of this writing by forfeiture, surrender or otherwise, shall deliver up said premises to first parties and the quiet and peaceable possession thereof without cost, expense or trouble of any kind to the first parties; and second party shall leave the workings thereon in good order and condition.

19. Time is of the essence of this agreement and of each clause and condition in the same contained.

20. Any and all notices to go to the first parties under this lease shall be deemed delivered when deposited in the United States mails, properly sealed and stamped and containing the following address:

Mrs. Doris Burke
730 South Fifteenth
Bozeman, Montana

Any notice to the second party shall be deemed delivered when deposited in the United States mails, properly sealed and stamped and containing the following address:

Starratt J. (Ben) Burgess)
714 Harrison Avenue
Helena, Montana 59601

Either party can change the place where said notice is to be given by serving the other party by registered mail with a notice of such change of address, which notice can be given as often as either party desires to do.

21. The second party enters into this lease upon his own

investigation of the property and the title thereto; and first parties make no representations of any kind and make no warranties of title, express or implied.

22. In the event the second party enters into a lease or leases with the owners of the other undivided portions of the above-described property which involve a higher royalty than the 12% set forth above, or a higher proportionate purchase price than $25,000.00 for a full undivided interest in both mines or which provide for a down payment to enter into the lease or for a cash rental or for any other terms which are more favorable than are herein contained, then this lease and agreement shall automatically be modified and amended so that the most favorable terms shall be applicable to this lease and to the first parties hereon.

23. All ores placed on the dumps during the term hereof and all ores mined and left in the stokes, mill or workings of said property at the termination hereof shall be considered the property of the owners of the mines and shall remain on the property.

24. This lease and agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the parties executing and signing the same.

IN WITNESS WHEREOF, we have hereunto set our hands to be effective the day herein first above written.

Mrs. Doris Burke

MRS. DORIS BURKE

Mrs. Nan Slusher

MRS NAN SLUSHER

Mrs. Wanda Glass

MRS. WANDA GLASS

"FIRST PARTIES"

CHURCH, HARRIS,
JOHNSON & WILLIAMS
ATTORNEYS AT LAW
FORD BUILDING
GREAT FALLS, MONTANA

Starratt J. (Ben) Burgess

STARRATT J. (BEN) BURGESS

"SECOND PARTY"

CHURCH, HARRIS,
JOHNSON & WILLIAMS
ATTORNEYS AT LAW
FORD BUILDING
GREAT FALLS, MONTANA

THIS AGREEMENT, made the 10th day of October A.D. 1967 by and between Mrs. J. R. Moran, of Spokane, Washington, party of the first part, and S. J. (Ben) Burgess of Helena, Montana, party of the second part,

WITNESSETH:

In consideration of the sum of One ($1.00) lawful money of the United States of America, to the first party in hand paid by second party, and in consideration of the covenants and agreements herein contained to be kept and performed by the second party, the first party does hereby let into possession of the second party, with the option to purchase all of the right, title and interest of the first party, of, in and to the following described mining properties, commonly known as - "The Mollie McGregor Mine."

(I) Emma Belle Lode Claim #494 A - An undived one third (1/3) interest.

(2) Adolphus Lode Claim #495 - An undived one quarter (1/4) interest.

All in T. 6N. R. 4 W., Jefferson County, Montana

TOGETHER with the right to enter upon said properties above desscribed from the date hereof, and to prospect, work and mine and to extract therefrom and market any and all metaliferous ores that may be found thereon or therein.

FIRST: The second party agrees to enter upon said premises above described on or before the First day of November, 1967 and to do and perform twenty (20) days of labor each and every month, work on one claim will satisfy the work on the other claim. Mining operations shall be carried on each month, excluding December, January, February and March.

SECOND: The term of this writing shall be for a period of five (5) years from and after the date hereof with option of renewal providing three thousand ($3,000.00) dollars has been paid on the purchasw price.

THIRD: The party of the second part shall cause the smelter to which all ores from said mine are shipped to remit the proper share of the twelve percent (12%) of the net smelter returns directly to party of the first part. Net smelter returns are hereby defined to be returns from ore and ore concentrates shipped after deducting transportation charges, smelting and treating charges only. Ore and ore concentrates shall be shipped in not less than carload lots.

FOURTH: The production tax shall be paid by the second party.

FIFTH: Continuous operation shall mean operations during the mining season only, which is dependent upon weather conditions, failure of transportation, strikes, acts of God, and things beyond the control of the second party, and that by reason of such delays second party shall be excused during such shut-down periods, it being the purpose and intention of the party hereto that said operations shall be continuous during the mining season which from year to year must be determined by weather conditions, and that second party shall not be required to operate said properties during the winter time or when shut down as aforesaid.

SIXTH: All mining operations shall be at the sole cost and expense of the second party, and that no liability of any kind or character shall attach to said premises or to the first party by reason of or on account of such mining operations; that second party will at all times during the existence of this writing keep said premises posted with a notice in a conspicous place at or near the place where mining operation are being conducted to the effect that :

"THIS PROPERTY IS NOT BEING OPERATED BY THE OWNER AND OWNER WILL NOT BE RESPONSIBLE FOR SAID OPERATIONS IN ANY MANNER WHATSOEVER."

All work done and performed or caused to be done and performed by second party shall be done in good minerlike manner and second party agrees to repair and keep in good repair all structures on said property.

SEVENTH: The first party shall pay promptly when due and payable all taxes of every kind, city, county, state and federal, levied against said premises as now constituted with the improvement thereon, and second party will promptly pay when due and payable all taxes of every kind, city, county, state and federal, that may be levied and assessed against personal property and mining machinery and equipment owned by the second party and which second party may place on said premises for the purpose of mining and operating the same. Second party agrees hereby to pay promptly when due and payable all taxes levied on second party or collectable from income based on second party's payroll, franchises or gross or net income.

EIGHTH: All products which are acceptable to the smelter shall be shipped to the American Smelting and Refining Company, East Helena, Montana or to the Anaconda Reduction Company, Anaconda, Montana in the names of the second party or assigns, with proper instructions for royalty payments to the first party.

NINTH: A copy of this writing shall be deposited by the second party with said smelters in order that said smelters may comply with the requirement herein pertaining to the payment of the royalties.

TENTH: The purchase price of the right, title and interest of the first party shall be the sum of twenty five thousand ($25,000.00) dollars.

ELEVENTH: First party or agent of first party shall have the right to enter said premises at all reasonable hours during the life of this writing for the purpose of inspecting said premises, and all operations therein or thereon; and for such purposes shall have the right of ingress and egress to and from said premises in so far as the same does not interfere with the operations of the second parties.

TWELFTH: All costs and expenses of mining said premises hereunder shall be borne by the second parties and second parties shall pay when due all charges for all labor and materials used in and upon said premises; and second parties shall not allow any liens of any kind or character to attach to said properties or any part thereof by

reason of operations of second parties unless it be for an exploration loan and then only by mutual consent.

THIRTEENTH: Second parties agree and covenant that second party will at all times at their own cost and expense, comply with the Workmen's Compensation Act in the State of Montana, take out such insurance as amy be required by the laws of the State of Montana to protect the workmen of the second parties and comply with all the laws of the State of Montana relative to the operation of said premises. Second parties, however, reserve the right to determine the nature and character of insurance to be written, provided the same complies with the laws of the State of Montana.

FOURTEENTH: The second parties are given the right and privilege of subletting the premises described in this writing to any corporation now organized or to be organized fo the purpose of mining and operating said premises, subject, however to all the terms, covenants and condition hereof, and said sub-lease shall be subject to and bound by all the terms, conditions and covenants herein contained on the part of said second parties to be made, kept and performed. In the event of any subletting of the premises described in this writing, or any part thereof, said second parties hereby agree to immediately notify first party in writing of such subletting, specifying the name and post office address of such sub-lessee.

FIFTEENTH: It is hereby covenanted and agreed that all buildings, machinery, tools and mining equipment placed by second parties upon said premises may be removed by second party at any time within sixty (60) days from and after the termination of this writing, either by forfeiture or otherwise, and upon failure of said second parties to so remove said property, tools, machinery and equipment within said time, then such property as shall remain on said premises shall become the property of the first party; provided, however, that the first party shall in the event of a termination of this writing, or a cancellation of the same, have the right to purchase any and all equipment that may have been placed on said premises by second parties or

sub-lessees at the actual cost of said material when purchased, less reasonable depreciation sustained by or from actual use of the premises.

SIXTEENTH: IT IS HEREBY MUTUALLY COVENANTED AND AGREED that upon the failure of the second parties to comply with any or all of the terms, covenants, and conditions of this writing, or wither of them, the first party may declare this writing and all rights of the second parties or assigns, hereunder, forfeited, terminated, and at an end and of no further force and effect upon written notice served on said second parties or their representatives in charge of the said property above described, or sent by registered mail addressed to the second parties herein at 714 Harrison Avenue, Helena, Montana, which notice shall specify the default or failure complained of, and provided, however, that the second parties may remedy such default or failure within fifteen (15) days after service of such notice, in which event the right to terminate this writing for such default or failure so remedied shall thereupon cease and determine. In case, however, the default or defaults complained of are not remedied within said period of fifteen (15) days, this writing, and all rights of the second parties hereunder, shall thereupon be forfeited, terminated, and ended and of no further force and effect; and said first party shall thereupon be entitled to the quiet and peaceable possession of said premises and all thereof without further notice, and to retain as rent and liquidated damages for failure of the party of the second part to comply with the terms of this writing any and all payments which theretofore have been made to party of the first part.

Failure on the part of the first party to declare this writing forfeited for default on the part of the second parties shall not be deemed a waiver of the rights of the first party to declare this writing forfeited for any subsequent default or defaults.

Second party accepts the premises in the condition in which they now are, and the first party shall not be responsible for the condition of any tunnel, drift, raise, shaft, passage or other working, or improvement now on the property.

SEVENTEENTH: The second parties shall have the right to terminate this agreement at any time on ten(10) days notice to the first party for any cause whatever within the exclusive judgment and discretion of said second parties; but the same shall not be cancelled or surrendered until second parties have paid all royalties or other obligations due under this agreement, and any payments made on account of royalties or otherwise, shall, in case of surrender, be forfeited to first party.

EIGHTEENTH: Second parties, upon termination of this writing by forfeiture, surrender or otherwise, shall deliver up said premises to first party and the quiet and peacable possession thereof without cost, expense or trouble of any kind to the first party, and that second parties will leave the workings thereon in good order and condition.

NINTEENTH: Time is of the essence hereof of this agreement and of each clause and condition in the same contained, and it is binding upon all of the heirs, administrators, executors, successors and assigns of all parties signing the same.

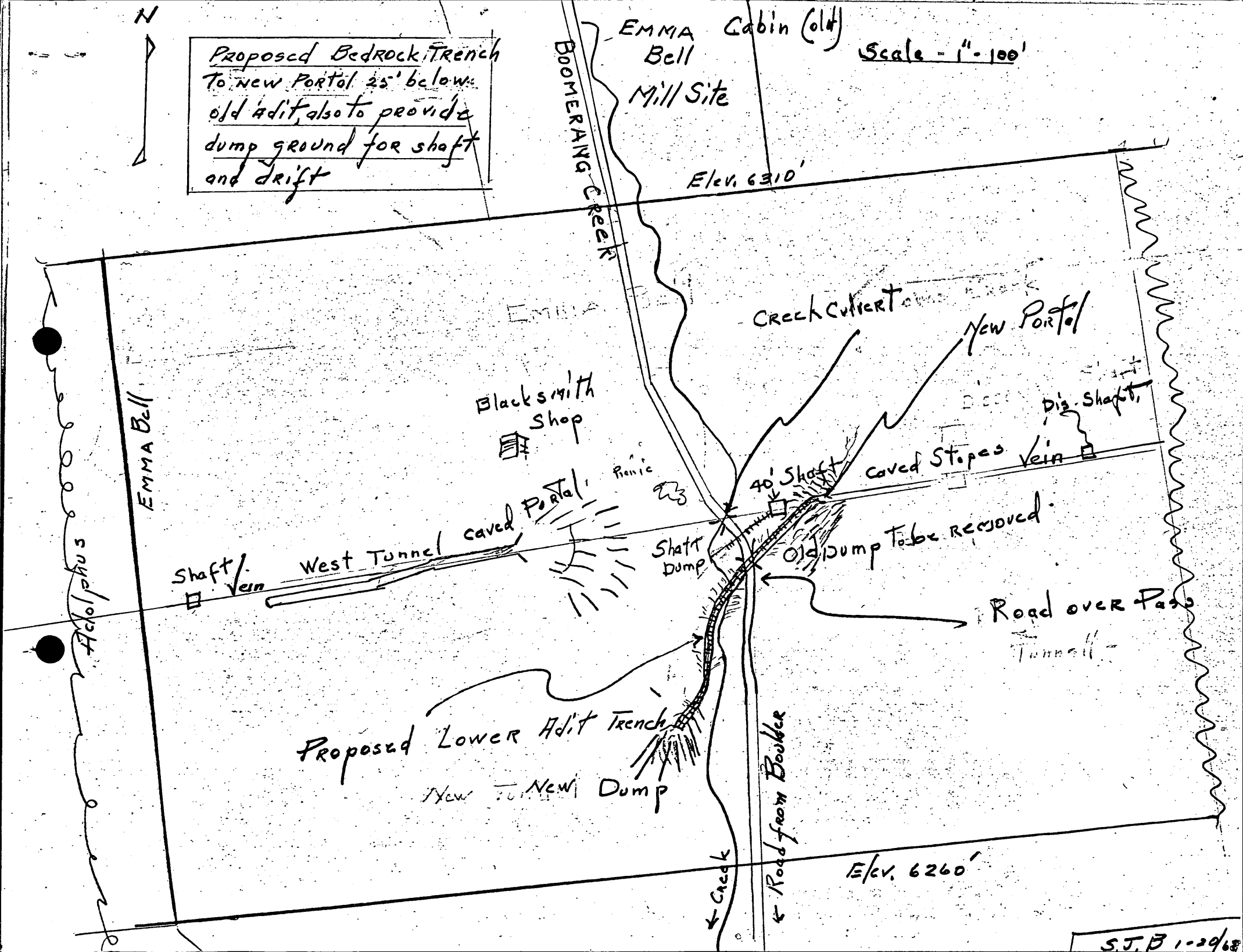
TWENTIETH: It is further covenanted and agreed that for the purpose of all notices under this agreement and as required herein to be given, the address of the first party shall be E 10909 Boone, Spokane, Washington, and the address of the second parties shall be 714 Harrison Avenue, Helena, Montana, 59601, and either party can change the place where said notice is to be given by serving the other party by registered mail with a notice of such change of address, which notice can be given as often as either party desires to do.

This agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the parties executing and signing the same.

In witness thereof, we have hereunto set our hands on the date herein first above written.

Mrs J R Morgan
First Party

L. J. Dan Burgess
Second Party


N
Proposed Bedrock Trench To new Portal 25' below old adit, also to provide dump ground for shaft and drift
Emma Cabin (old)
Bell Mill Site
Scale - 1" - 100'
Boomerang Creek
Elev. 6310'
Creek Culvert
New Portal
Blacksmith Shop
Picnic
Dig Shaft
40' Shaft
Caved Stopes
Vein
Emma Bell
Caved Portal
Shaft
West Tunnel
Shaft Dump
Old Dump To be Removed
Road over Pass
Tunnel
Proposed Lower Adit Trench
New Dump
Road from Boulder
Creek
Elev. 6260'
S.J.B 1-30/68

Vertical Scale 200' To 1" - Hor. Scale 300' To 1"

- Key - To Old Workings

#1 600' Tunnel (caved) #2 400' Tunnel (caved) #3 caved stopes #4 caved 350 shaft + old ore bin

#5 caved shaft #6 caved shaft #7 caved Portal 120' Drift #8 40' Shaft - 60' Drift

Proposed ⬡ Diamond Drill Core Holes for exploration program - (proposed)

I #1-#2-#3 in bottom of Gulch - #4-#5-#6-#7 on East side of gulch - 1350' Total

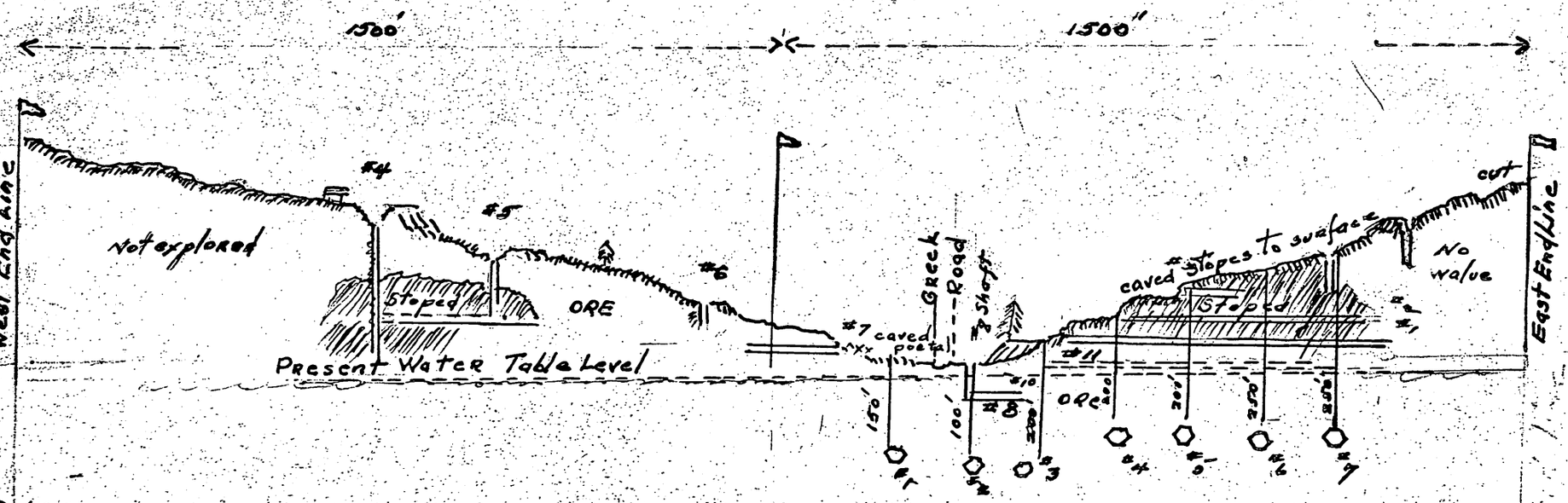
II #10 Extreme of drift from shaft - Tree removal on old waste dump

III #11 Waste Dump removal to permit driving 200' drift at water level into ore shoot

N
W E
S

ADOLPHUS SUR No 495

EMMA BELL SUR. No 494



Re-OME-6183

Vertical Section of Ore Bodies in Mollie McGregor Mine
Section 7 T6NR4W Jefferson Co. Montana

SJB-1-5-68

Starratt-J. Burgess - 714 Harrison Ave. Helena - Montana

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/4/68	Kibbemo	120
		120
11/4	Johnson	110
		220

November 4, 1968

Memorandum

To: The File

From: E. C. Peterson

Subject: OME-6690 (Gold and Silver)
Starratt J. Burgess
Emma Bell and Adolphus Claims
Jefferson County, Montana

The Applicant has not replied to our letter of July 26, 1968, and the 90-day extension period granted has expired. Accordingly, the subject docket is referred to the inactive file and the application considered as having been withdrawn.

Edward C. Peterson

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

ECPeterson/bsl 11/4/68

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/26/68	Peterson	120
7/26/68	Skinkame	120
		110
		220
		120M

JUL 2 6 1968

AIRMAIL

Mr. Starratt J. Burgess
714 Harrison Avenue
Helena, Montana 59601

Re: OME-6690 (Gold and Silver)
Starratt J. Burgess
Emma Bell and Adolphus Claims
Jefferson County, Montana

Dear Mr. Burgess:

This will acknowledge your letter of July 23 informing us that you plan to continue with the subject application.

As we wish to cooperate with you fully in allowing ample time to furnish the data necessary to continue the processing of your application, we shall be pleased to keep your file active for an additional 90 days pending receipt of the material previously requested. However, we cannot defer action on an application indefinitely. Therefore, if we do not receive the data by about November 1, we shall consider the application as having been withdrawn and place it in our inactive files.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

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

ECPeterson/bsl 7/26/68

F. J. Burgess - 714 Harrison. Helena Mont

July 23 - 68

Re: OME 6690 Gu + Cog.
Burgess
Jefferson Co.

Frank E. Johnson Chief
O.M.E
Geological Survey
Wash DC.

Dear Mr Johnson —

In answer to your letter of July 3rd. I can say we are still interested in a loan. ~~at~~ this time we are drilling + holding the property and will no doubt be shipping ore by the 1st of Aug. However we would like to do some extensive exploration in width + depth.

Sincerely yours

Harold F. Burgess

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 25 1968
INITIALS | CODE
~~1130~~
1120
~~1110~~
~~1120~~

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/3/68	Peterson	120
7/3/68	Kirkham	120
		110
7/5	Coe	220
		120M

JUL 3 1968

AIRMAIL

Mr. Starratt J. Burgess
714 Harrison Avenue
Helena, Montana 59601

Re: OME-6690 (Gold and Silver)
Starratt J. Burgess
Emma Bell and Adolphus Claims
Jefferson County, Montana

Dear Mr. Burgess:

We have not had a reply to our letter of May 8, 1968. If you require additional time to prepare the information previously requested, please let us know. If we do not receive a reply from you within thirty days from the date of this letter, we will assume that you are no longer interested in proceedding with your application and shall consider it as having been withdrawn.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

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

ECPeterson/bsl 7/3/68

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/8/68	Peterson	120
5/8/68	Kirkemo	120
		110
		220
		120m

MAY 8 - 1968

AIRMAIL

Mr. Starratt J. Burgess
714 Harrison Avenue
Helena, Montana 59601

Re: OME-6690 (Gold and Silver)
Starratt J. Burgess
Emma Bell and Adolphus Claims
Jefferson County, Montana

Dear Mr. Burgess:

We have not had a reply to our letter of February 28, 1968. Will you please advise us when we may expect to receive the necessary information so that we may continue processing your application.

We wish to cooperate fully in allowing you ample time to obtain the requested data; however, we cannot indefinitely postpone action on an application.

Sincerely yours,

FRANK E. JOHNSON

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

ECPeterson/bsl 5/8/68

Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/28/68	Peterson	120
	(on leave)	120
		110
2/28	cal	220
		120M

FEB 28 1968

AIRMAIL

Mr. Starratt J. Burgess
714 Harrison Avenue
Helena, Montana 59601

Re: OME-6690 (Gold and Silver)
Starratt J. Burgess
Emma Bell and Adolphus Claims
Jefferson County, Montana

Dear Mr. Burgess:

This will acknowledge your letter of February 15, 1968, concerning the subject application for financial assistance.

As we previously indicated, the proposal to reopen old underground mine workings for sampling purposes, and to test areas encompassing these workings does not qualify as a search for new or unexplored ore bodies. Therefore, we suggested that other untested areas on your property should be considered for possible exploration.

One of the criteria we must consider in reviewing an application is the estimated cost of the exploration in relation to the size and grade of the potential deposit as set forth in Par. 301.7(b) of the regulations governing the OME program. If after mining, transportation, and other necessary expenses are added to the exploration, and the costs outweigh possible returns, it is apparent that such a situation does not offer the expectation of a significant discovery that the regulations imply as a necessary criteria for favorable consideration.

In view of this, if an exploration project is proposed, you should furnish adequate geological evidence to indicate that commercial quantities of ore reserves would be discovered to justify the cost of the proposed work. This should include sample and assay data showing predominant values of the mineralization expected in the target area would be in gold and silver. Currently, lead and zinc are not eligible for exploration assistance.

In addition, we suggest that you review our letter of January 30 wherein we cite other data needed to qualify your application for further consideration.

Field examinations are made only after the information requested on the back of the application form has been received and reviewed, and the data presented indicates that the proposal merits further consideration.

We shall be pleased to consider your application further upon receipt of the requested information; however, nothing in this letter should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

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

Cy of ltr 2/15/68-Region I ECPeterson/bsl 2/28/68

Copy to R-I

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 19 1968
INITIALS | CODE
Fry | 110
Bell | 120
| 130
EP 420 P

Starratt J. Burgess
714 Harrison Avenue
Helena, Montana 59601

February 15, 1968

Frank E. Johnson, Chief
Office of Minerals Exploration
U. S. Department of The Interior
Geological Survey
Washington, D. C. 20242

Re: OME-6690 (Gold and Silver)
Emma Bell and Adolphus Claims
Jefferson County, Montana

Dear Mr. Johnson:

I appreciated your prompt review of the loan application, however I did not expect any action on it until one of your regional engineers had had an opportunity to make a field survey and report on the geology of the area and the claims in question in order to give you first hand information on the merits of the application.

There is no assurance that the ore body and values continue downward since the adjacent mine, "The Bullion" only goes down seventy five feet. You will find in your files a record of a loan to a Mrs. Romereo on the "Bullion Claim". Mrs. Romereo did considerable bulldozing on the outcrop and might have shipped some surface ore, however two years ago a Mr. Shipman sunk a shaft on the property and was quite disappointed to find that the values cut off at a mere seventy five feet. The vein system of the "Bullion Mine" is less than a mile north from the Emma Bell. While there is no reason to believe that there is a relation between the two vein systems the possibility does exist.

Before revising or proposing exploration on another area or so called "target" in this mine or adjoining claims I feel that I should seek a better understanding of the evidence you require on the probability of finding sufficient tonnage and value

to insure the repayment of the exploration loan since the policy has evidently changed regarding the latter. If you will note in my previous application (OME-6183) Sam Gaty Mine, in 1962 I first core drilled the ore body to a depth of 125 feet to obtain sufficient evidence such as value and size for a basis to ask for an exploration loan, even though it had been mined to a depth of 500 feet on the south end of the property and was still in excellent ore.

According to the present policy this would have precluded the possibility of obtaining an exploration loan. I did apply for a modest loan of $8,000.00 to put down some deeper holes however, the late Mr. Griswold informed me that a larger loan would be in order to better insure repayment. He also asked me to acquire more ground. This I was unable to do because the other claim owners had learned of the good assays from my core drilling. ?

During my long experience, thirty five years in mining and milling, I have learned to have a great respect for the "old timers" that first opened up the lode mines in this country. In very few instances did they leave any ore that was economically feasible to mine and ship.

Next to the Emma Bell and Adolphus claims are three patented claims which have never been explored beyond the necessary shafts and pits required to obtain the patents. Perhaps these are what you mean by new and unexplored ore bodies.

I have a very large low grade deposit. It measures 200 feet wide, 80 feet deep and 2800 feet long in the oxidized zone, the face averages $5.00 per ton. Am I correct in assuming that your regulations do not permit exploration loans on low grade gold deposits. Not correct

In closing I would reiterate a statment in my previous letter relative to may first concern, being the repayment of the exploration loan. It would take the mining and shipping of $800,000.00 worth of ore to repay a $40,000.00 loan, and because the Emma Bell has a much richer ore value than the Adolphus, the odds of repayment are much greater. Therefore, a loan on the Adolphus would have to be a great deal smaller and drilling and mining costs would be much higher due to the hard character of the vein material.

I will let you know what my plans will be as soon as my superintendent returns. He is presently engaged in supervising the re-lining of the discharge tunnel of the Yellow Tail Dam near Hardin Montana.

Very truly yours,

SJB/hb

Starratt J. Burgess

OME Docket

Peterson 120
Kirkemo 120
110
220
120M

AIRMAIL

Mr. Starratt J. Burgess
714 Harrison Avenue
Helena, Montana 59601

JAN 30 1968

Re: OME-6690 (Gold and Silver)
Starratt J. Burgess
Emma Bell and Adolphus Claims
Jefferson County, Montana

Dear Mr. Burgess:

A careful review of your application for financial assistance indicates that the proposal to test for the continuation of previously mined ore bodies only a short distance below the old workings is not eligible for Government assistance. Under the regulations that govern the program the OME can participate only in the exploration for new or unexplored ore deposits. Unless you can present geologic evidence to indicate a new exploration target, we would have no alternative but to deny your application. Perhaps targets exist in the untested area west of the old workings that may warrant some work.

If an exploration project is proposed, you will also have to furnish the following information, in addition to the geological evidence to support the proposal, to complete your application.

State how you propose to furnish your share of the project costs in the event of an exploration contract.

For your information, the Government pays its share of the cost at the end of each month after a voucher for the costs incurred has been submitted and approved. It usually takes two or three weeks to process such a voucher. An Applicant, therefore, should have sufficient funds readily available to pay for all the costs of the project for the first two or three months.

As other individuals retain interests in the properties where work is contemplated, properly executed Lien and Subordination Agreements are required in accordance with Item 2(c) of the application form.

If a new proposal is submitted, a revised cost estimate for the work to be performed will be required. If any of the work is to be contracted, cost estimates must be supported by bids from three independent contractors if possible.

State your operating experience and background to conduct the proposed work and also that of the person who would supervise the project.

If a 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.

This request for additional information should not be construed as a commitment by the Government to grant an exploration contract. We shall hold the further processing of the application until the information is received.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
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 1/30/68

January 29, 1968

Mr. Starratt J Burgess
714 Harrison Avenue
Helena, Montana 59601

Subject: OME6690

Dear Mr. Burgess:

Your application for exploration assistance, dated January 6, 1968, submitted to our office at Washington, D C., has been assigned Docket No. OME 6690.

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 R-I with copy of
again.

73 ft by Sur. 1638.

3rd Course is S.73 W. 1473 ft by Sur. 1638.
3rd " " 1460.6 " " " 5599

ADOLPHUS

SURVEY No. 495

PLAT

OF THE

Lode MINING CLAIM OF

Albert G. Clarke

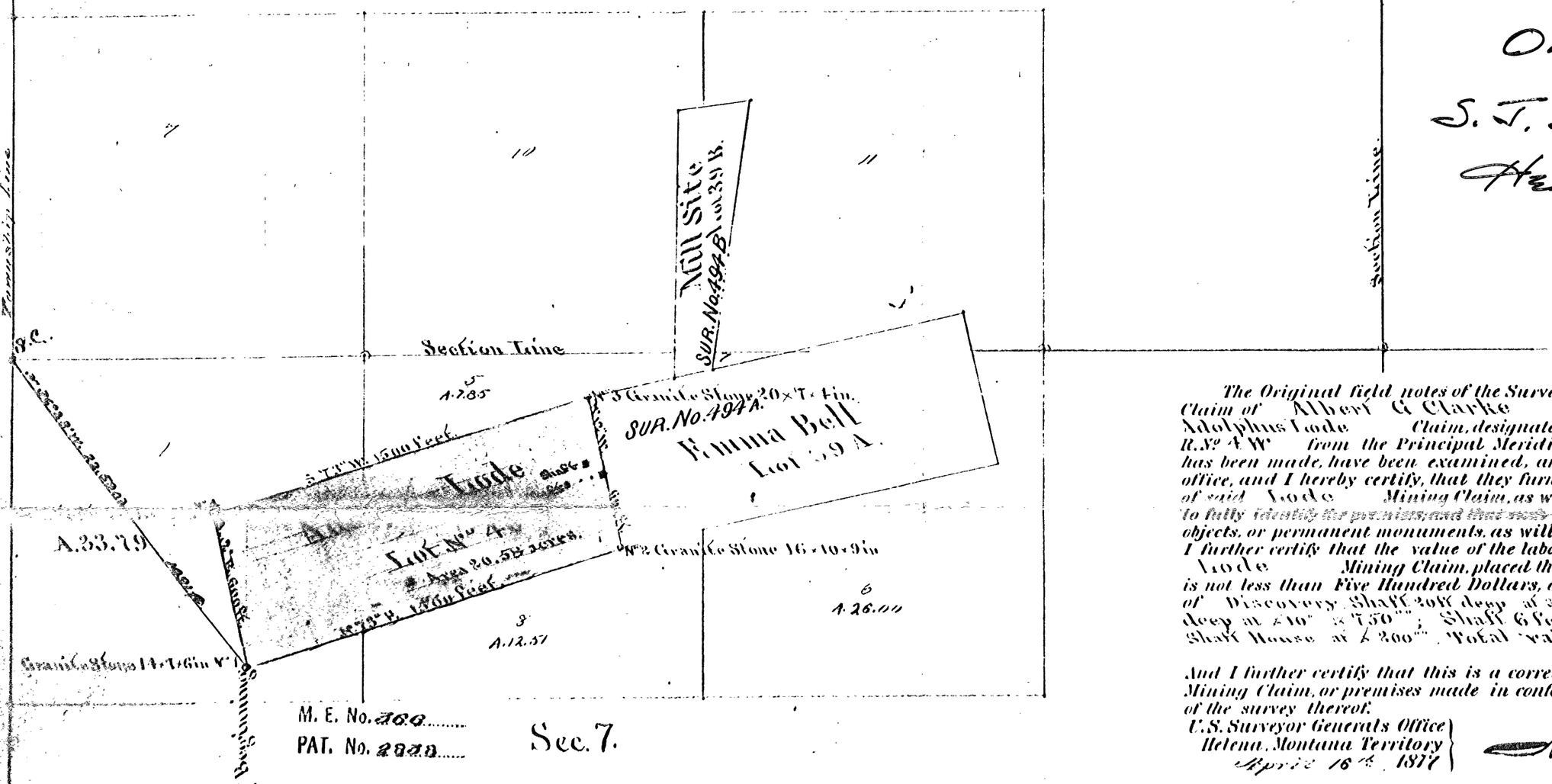
on the

Adolphus Lode

Designated as Lot No. 40 *in Township No.* 6 North *Range No.* 4 West *from the Principal Meridian Montana, situated in* Boulder *Mining District.* Jefferson *County Montana Territory*
Containing an Area of 20.58/100 *Acres.*
Scale of 400 *feet to 1 Inch.*
Variation 23 45' East.
Surveyed by
Benjamin F. Marsh
U.S. Deputy Mineral Surveyor.
April 5th
1877

ONE - 6183

S. T. Burgess
Helena Mont



M. E. No. 488
PAT. No. 2888

495 Index Claim.
Index Claimant.
Con. Sheets 21 27

The Original field notes of the Survey of the Lode *Mining Claim of* Albert G. Clarke *named in title, on the* Adolphus Lode *Claim, designated as Lot No.* 40 *T. No.* 6 N *R. No.* 4 W *from the Principal Meridian Montana from which this Plat has been made, have been examined, and approved, and are on file in this office, and I hereby certify, that they furnish such an accurate description of said* Lode *Mining Claim, as will if incorporated into a patent, serve to fully identify the premises, and that they furnish such objects, or permanent monuments, as will perpetuate and fix the location of said claim. I further certify that the value of the labor and improvements, upon the said* Lode *Mining Claim, placed thereon by the applicant, or his grantor is not less than Five Hundred Dollars, and that said improvements consist of* Discovery Shaft 20 ft deep at $10.00 $200.; Shaft 75 feet deep at $10.00 $750.00; Shaft 6 feet deep at $10.00 $60.00 and Shaft House at $300.00. Total value $1310.00.

And I further certify that this is a correct Plat of said Mining Claim, or premises made in conformity with said original field notes of the survey thereof.

U.S. Surveyor Generals Office
Helena, Montana Territory
April 16th 1877

U.S. Surveyor General
for Montana Territory.

495

Mountain View 8899
Jersey Lillie
Freddie Gebbhard
1639 A
PAT.
Grant 5142
PAT.
Jack Rabbit 8899
Jersey Lillie M.S.
Amma Bell
494 A.
PAT
Adolphus
495
PAT
Boomerang M.S.
1636 B.
Freddie Gebbhard M.S.
1639 B
PAT.
Western Union M.S.
1637 B.
PAT.
W.B. 6152
PAT
HAZEL'S CORNER
1636 A
Western Union
1637 A.
PAT.
Boomerang
1636 A.
Mona 9689
PAT.
Last Hope 9689
PAT.
Minnie 9689
PAT.
Maryland 9689
Baltimore
PAT.
Skipper 9690
PAT.
Placer 1471
PAT.
See Sheet 1859
276
3
728
R. OME 6183
S.T. Burgess
T.6N.R.4W.
Boulder Mining District
-SECTION 7-
SURVEYED
Scale 300 ft to 1 inch
227
227