EXPLORATION CONTRACT
L-D MINES
OME-6460

EXHIBIT A

The purpose of the project is to explore for gold-bearing ore bodies by shaft sinking, long-hole drilling, crosscutting, drifting, and raising in and along B reef, a mineralized reef consisting of altered sedimentary rocks in the Swauk formation of Eocene age, and associated igneous rocks.

General Provisions

All significantly mineralized areas traversed by the exploratory workings shall be sampled by collecting a representative bulk sample of each round broken in significantly mineralized areas. In addition, channel samples cut normal to the trends of the deposits at intervals of not more than 5 feet may be taken where more detailed information is desired. Long-hole drill cuttings showing significant mineralization shall be sampled. No individual long-hole sample shall represent more than 8 feet of hole.

Samples from whatever source shall be split as necessary and assayed for gold and silver. The Operator shall store one split of each sample in a suitable container properly identified as to source and location for Government inspection and possible use. With prior Government approval, the Operator may dispose of the stored samples.

True copies of assay certificates of all samples shall be submitted with the Operator's monthly reports, which shall also include maps or sketches showing the work completed during the reporting period, the location, width, and assay values of the samples, and the general geologic formations and structures traversed by the workings.

The Operator shall provide such supervision, labor, technical services, and equipment as may be required to complete the work in a satisfactory manner.

No work under this contract shall be performed closer than 100 feet to the outer boundary of the project area.

Box ~~749~~
L-D mines
DMEA ~~6640~~
6460

The location, direction, and extent of each work item shall be subject to prior Government approval.

The work shall be divided into two stages. The Operator shall perform all of the Stage I work and as much of the Stage II work as is approved and confirmed in writing by the Government.

Prior to undertaking Stage I of the project and within a reasonable time (4 months) after executing this contract, the Operator at its own cost and expense shall drive an inclined shaft southward through previously explored ground in B reef to a point near mine coordinates 10,430 N., and 24,820 E. This point is about 270 feet south of and about 60 feet lower in elevation than the floor of the shaft at the portal.

Under the contract, the inclined shaft shall be not less than 10 by 7 feet in cross section in the clear of timber, and shall be timbered as necessary using standard 8- by 8-inch cut or equivalent round timbers. Air lines, water lines, and ventilation pipe shall not be less than 4-inch, 2-inch, and 16-inch diameter, respectively. Rails shall be installed where necessary and shall be not less than 30-pound size.

The drifts and crosscuts shall be not less than 5 by 7 feet in cross section and shall be timbered as necessary using standard 8- by 8-inch drift sets or equivalent round timber. Mine rails shall be of not less than 20-pound size, air lines not less than 3-inch diameter, water lines not less than 1-inch diameter, and ventilation pipe not less than 14-inch diameter.

Raises shall be 5 by 7 feet in cross section, and be divided into a manway and chute by a row of 8- by 8-inch stulls with 3-inch lagging nailed to the stulls on the chute side.

Description of the Work

The approximate locations of the work described for Stages I and II are shown in plan view on Figure 2, entitled "Map Showing Underground Workings and Proposed Exploration Work, B Reef Project, Chelan County, Washington," and in elevation view on Figure 3, entitled "Cross Section through Underground Workings and Proposed Exploration Work, B Reef Project, Chelan County, Washington". Both figures are attached hereto and made part hereof.

Stage I

From the face of the inclined shaft near mine coordinates 10,430 N., 24,820 E., and about 60 feet below floor level at the portal, continue the inclined shaft another 290 feet on approximately a -15° incline in a southerly direction to traverse the mineralized zone in B reef as schematically shown on Figures 2 and 3.

To further explore the mineralized zone, a station shall be established at a selected level in the shaft driven in Stage I, and drifts or crosscuts extended to the limits of the mineralized structure. An aggregate of not more than 750 feet of drifting and crosscutting shall be performed on this level.

Percussion long-hole drilling not exceeding 4,000 feet shall be performed from this level to further test the extent of mineralization. Drill stations shall be spaced no less than 100 feet apart, and no more than 6 holes shall be drilled at one station.

Raises totalling not more than 300 feet shall be driven from this level at locations not less than 200 feet apart. Maximum height for individual raises shall not exceed 75 feet.

Stage II

Stage II shall be dependent upon the results of the Stage I work and is subject to prior written approval by the Government.

The work will be a continuation of the inclined shaft with another level established for drifting, long-hole drilling, and raising.

Under Stage II not more than 290 feet of shaft sinking, 750 feet of drifting and crosscutting, 4,010 feet of long-hole drilling, and 300 feet of raising shall be performed.

Estimated Costs of the Project

Fixed Unit Costs

Stage I

290 feet shaft sinking @ $60.00/foot	$17,400.00	
150 feet timbering in shaft @ $10.00/foot	1,500.00	
750 feet drifting and crosscutting @ $40.00/foot	30,000.00	
4,000 feet long-hole drilling including assaying for gold and silver @ $1.00/foot	4,000.00	
300 feet raising @ $40.00/foot	12,000.00	
400 muck and channel samples for gold and silver assays @ $2.50/sample	1,000.00	
Total Stage I		$65,900.00

Stage II

290 feet shaft sinking @ $65.00/foot	$18,850.00	
150 feet timbering in shaft @ $10.00/foot	1,500.00	
750 feet drifting and crosscutting @ $40.00/foot	30,000.00	
4,010 feet long-hole drilling including assaying for gold and silver @ $1.00/foot	4,010.00	
300 feet raising @ $40.00/foot	12,000.00	
400 muck and channel samples for gold and silver assays @ $2.50/sample	1,000.00	
Total Stage II		$67,360.00
Total Estimated Cost Stage I		$65,900.00
Total Estimated Cost Stage II		67,360.00
Total Estimated Cost of the Project		$133,260.00
Government Participation @ 50%		$ 66,630.00

EXHIBIT B

NONDISCRIMINATION IN EMPLOYMENT

(Section 301, Executive Order 10925, March 6, 1961, as amended)

'During the performance of this contract, the contractor agrees as follows:

'(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause.

'(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

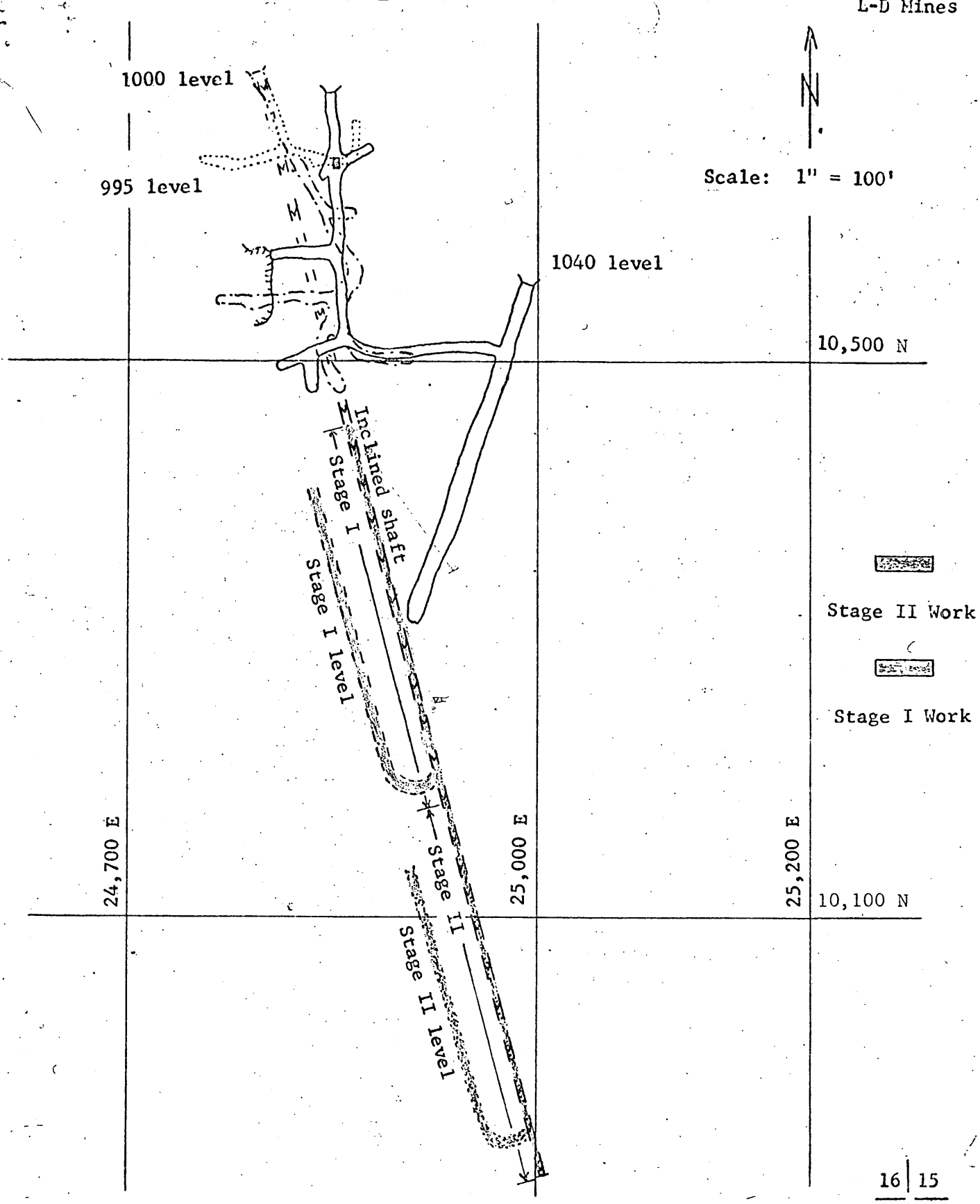
'(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

'(4) The contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, as amended, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

'(5) The contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, as amended, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

'(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, as amended, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

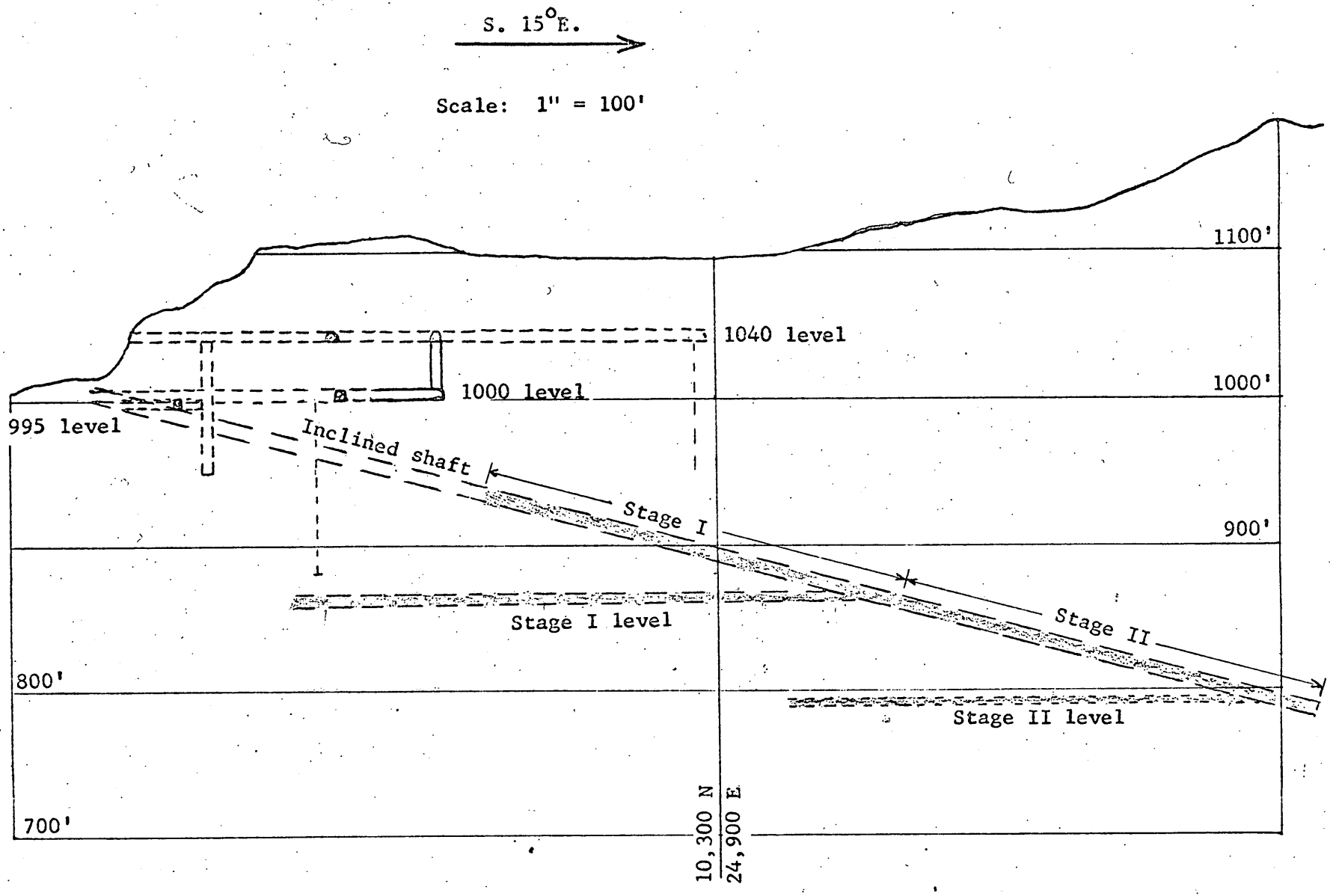
'(7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, as amended, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.'"



16 | 15
21 | 22

Map Showing
Underground Workings
and Proposed Exploration Work
B Reef Project
Chelan County, Washington

Figure 2



Cross Section
through
B Reef
Showing Underground Workings
and Proposed Exploration Work
Chelan County, Washington

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

September 24, 1973

AIRMAIL

Re: OME-6460 (Gold)
L-D Mines
B Reef
Chelan County, Washington
Contract 2210

L-D Mines
Post Office Box 1668
Wenatchee, Washington 98801

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 20 1974
INITIALS CODE
HR

Gentlemen:

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

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

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

I have or rather EIE Mining Ventures Inc have a lease from Wenatchee Mining Partnership & Mrs O Zanelli both of which are of record in the Wenatchee Court House. Term is 50 years. I have copies if you need them

(Copy to RI with letter from H Kirkemo) (gpw)

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since September 12, 1972, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☐

70% owned by Wenatchee Mining Partnership with some changes in ownership within the Partnership
30% Day interest sold to Mrs D Zarelli

2. Since September 12, 1972, has there been any production from the land subject to the contract? Yes ☐ No ☑

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

Purchaser (*name and address*)	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location. None

Type	Quantity (*tons*)	Estimated Grade	Location
Ore			
Concentrates			
Other			

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name E H Lovitt - President E & E Mining Ventures Inc currently mining B Reef

Title E H Lovitt

Address PO Box 1668 Wenatchee Wash 98801

Date Feb 13 1974

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

September 24, 1973

AIRMAIL

Re: OME-6460 (Gold)
L-D Mines
B Reef
Chelan County, Washington
Contract 2210

L-D Mines
Post Office Box 1668
Wenatchee, Washington 98801

Gentlemen:

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

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

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

I have or rather EIE Mining Venture Inc have a lease from Wenatchee Mining Partnership & Mrs D Zarelli both of which are of record in the Wenatchee Court House. Term is 50 years. I have copies if you need them

Copy Received 2-20-74
Copy to R. E.

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since September 12, 1972, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☐

70% owned by Wenatchee Mining Partnership with some changes in ownership within the Partnership
30% Day interest sold to Mrs D Zarelli

2. Since September 12, 1972, has there been any production from the land subject to the contract? Yes ☐ No ☑

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

Purchaser (*name and address*)	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location. None

Type	Quantity (*tons*)	Estimated Grade	Location
Ore			
Concentrates			
Other			

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name E H Lovitt - President → Title
E & E Mining Ventures Inc
currently mining B Reef

Address PO Box 1668
Wenatchee Wash
98801

Date Feb 13 /74

Kirkemo

HKirkemo/mm
9/9/65

EXPLORATION CONTRACT
L-D MINES
OME-6460

ANNEX I

The land, including all rights pertaining thereto, referred to in Article 2 of the contract consists of about 60 acres described as E½SE¼SE¼ sec. 16, E½NE¼NE¼ sec. 21, and the W½NW¼NW¼ sec. 22, all in T. 22 N., R. 20 E., Willamette Meridian, Chelan County, Washington. Mineral rights are held for the land described in section 16, and fee titles are held for the land described in secs. 21 and 22 pursuant to the terms of the L-D Mines Agreement dated 1 December 1961.

This tract of land is shown in heavy outline on Figure 1, entitled "Map Showing Operator's Propperty Rights, B Reef Project, Chelan County, Washington," which is attached hereto and made a part hereof.

EXPLORATION CONTRACT
L-D MINES
ONE-6460

EXHIBIT A

The purpose of the project is to explore for gold-bearing ore bodies by shaft sinking, long-hole drilling, cross-cutting, drifting, and raising in and along B reef, a mineralized reef consisting of altered sedimentary rocks in the Swauk formation of Eocene age, and associated igneous rocks.

General Provisions

All significantly mineralized areas traversed by the exploratory workings shall be sampled by collecting a representative bulk sample of each round broken in significantly mineralized areas. In addition, channel samples cut normal to the trends of the deposits at intervals of not more than 5 feet may be taken where more detailed information is desired. Long-hole drill cuttings showing significant mineralization shall be sampled. No individual long-hole sample shall represent more than 8 feet of hole.

Samples from whatever source shall be split as necessary and assayed for gold and silver. The Operator shall store one split of each sample in a suitable container properly identified as to source and location for Government inspection and possible use. With prior Government approval, the Operator may dispose of the stored samples.

True copies of assay certificates of all samples shall be submitted with the Operator's monthly reports, which shall also

include maps or sketches showing the work completed during the reporting period, the location, width, and assay values of the samples, and the general geologic formations and structures traversed by the workings.

The Operator shall provide such supervision, labor, technical services, and equipment as may be required to complete the work in a satisfactory manner.

No work under this contract shall be performed closer than 100 feet to the outer boundary of the project area.

The location, direction, and extent of each work item shall be subject to prior Government approval.

The work shall be divided into two stages. The Operator shall perform all the Stage I and as much of the Stage II work as is approved and confirmed in writing by the Government.

Prior to undertaking Stage I of the project and within a reasonable time (4 months) after executing this contract, the Operator at his own cost and expense shall drive an inclined shaft southward through previously explored ground in B reef to a point near mine coordinates 10,430 N., and 24,820 E. This point is about 270 feet south of and about 60 feet lower in elevation than the floor of the shaft at the portal.

Under the contract, the inclined shaft shall be not less than 10 by 7 feet in cross section in the clear of timber, and shall be timbered as necessary using standard 8 by 8-inch cut or equivalent

round timbers. Air lines, water lines, and ventilation pipe shall not be less than 4-inch, 2-inch, and 16-inch diameter, respectively. Rails shall be installed where necessary and shall be not less than 30-pound size.

The drifts and crosscuts shall be not less than 5 by 7 feet in cross section and shall be timbered as necessary using standard 8 by 8-inch drift sets or equivalent round timber. Mine rails shall be of not less than 20-pound size, air lines not less than 3-inch diameter, water lines not less than 1-inch diameter, and ventilation pipe not less than 14-inch diameter.

Raises shall be 5 by 7 feet in cross section, and be divided into a manway and chute by a row of 8 by 8-inch stulls with 3-inch lagging nailed to the stulls on the chute side.

Description of the Work

The approximate locations of the work described for Stages I and II are shown in plan view on Figure 2, entitled "Map showing Underground Workings and Proposed Exploration Work, B Reef Project, Chelan County, Washington," and in elevation view on Figure 3, entitled "Cross Section through Underground Workings and Proposed Exploration Work, B Reef Project, Chelan County, Washington." Both figures are attached hereto and made part hereof.

Stage I

From the face of the inclined shaft near mine coordinates 10,430 N., 24,820 E., and about 60 feet below floor level at the

portal, continue the inclined shaft another 290 feet on approximately a -15° incline in a southerly direction to traverse the mineralized zone in B reef as schematically shown on Figures 2 and 3.

To further explore the mineralized zone, a station shall be established at a selected level in the shaft driven in Stage I, and drifts or crosscuts extended to the limits of the mineralized structure. An aggregate of not more than 750 feet of drift and crosscutting shall be performed on this level.

Percussion long-hole drilling not exceeding 4,000 feet shall be performed from this level to further test the extent of mineralization. Drill stations shall be spaced no less than 100 feet apart, and no more than 6 holes shall be drilled at one station.

Raises totalling not more than 300 feet shall be driven from this level at locations not less than 20 feet apart. Maximum height for individual raises shall not exceed 75 feet.

Stage II

Stage II shall be dependent upon the results of the Stage I work and is subject to prior written approval by the Government.

The work will be a continuation of the inclined shaft with another level established for drifting, long-hole drilling, and raising.

Under Stage II not more than 290 feet of inclined shaft sinking, 750 feet of drifting and crosscutting, 4,010 feet of long-hole drilling, and 300 feet of raising shall be performed.

Estimated Costs of the Project

Fixed Unit Costs

Stage I

290 feet shaft sinking @ $60.00/foot	$17,400.00	
150 feet timbering in shaft @ $10.00/foot	1,500.00	
750 feet drifting and crosscutting @ $40.00/foot	30,000.00	
4,000 feet long-hole drilling including assaying for gold and silver @ $1.00/foot	4,000.00	
300 feet raising @ $40.00/foot	12,000.00	
400 muck and channel samples for ~~gold~~ gold and silver assays @ $2.50/sample	1,000.00	
Total Stage I		$65,900.00

Stage II

290 feet shaft sinking @ $65.00/foot	$18,850.00	
150 feet timbering in shaft @ $10.00/foot	1,500.00	
750 feet drifting and crosscutting @ $40.00/foot	30,000.00	
4,010 feet long-hole drilling including assaying for gold and silver @ $1.00/foot	4,010.00	
300 feet raising @ $40.00/foot	12,000.00	
400 muck and channel samples for gold and silver assays @ $2.50/sample	1,000.00	
Total Stage II		$67,360.00

Total Estimated Cost Stage I	$65,900.00
Total Estimated Cost Stage II	67,360.00
Total Estimated Cost of the Project	$133,260.00
Government Participation @ 50%	$ 66,630.00

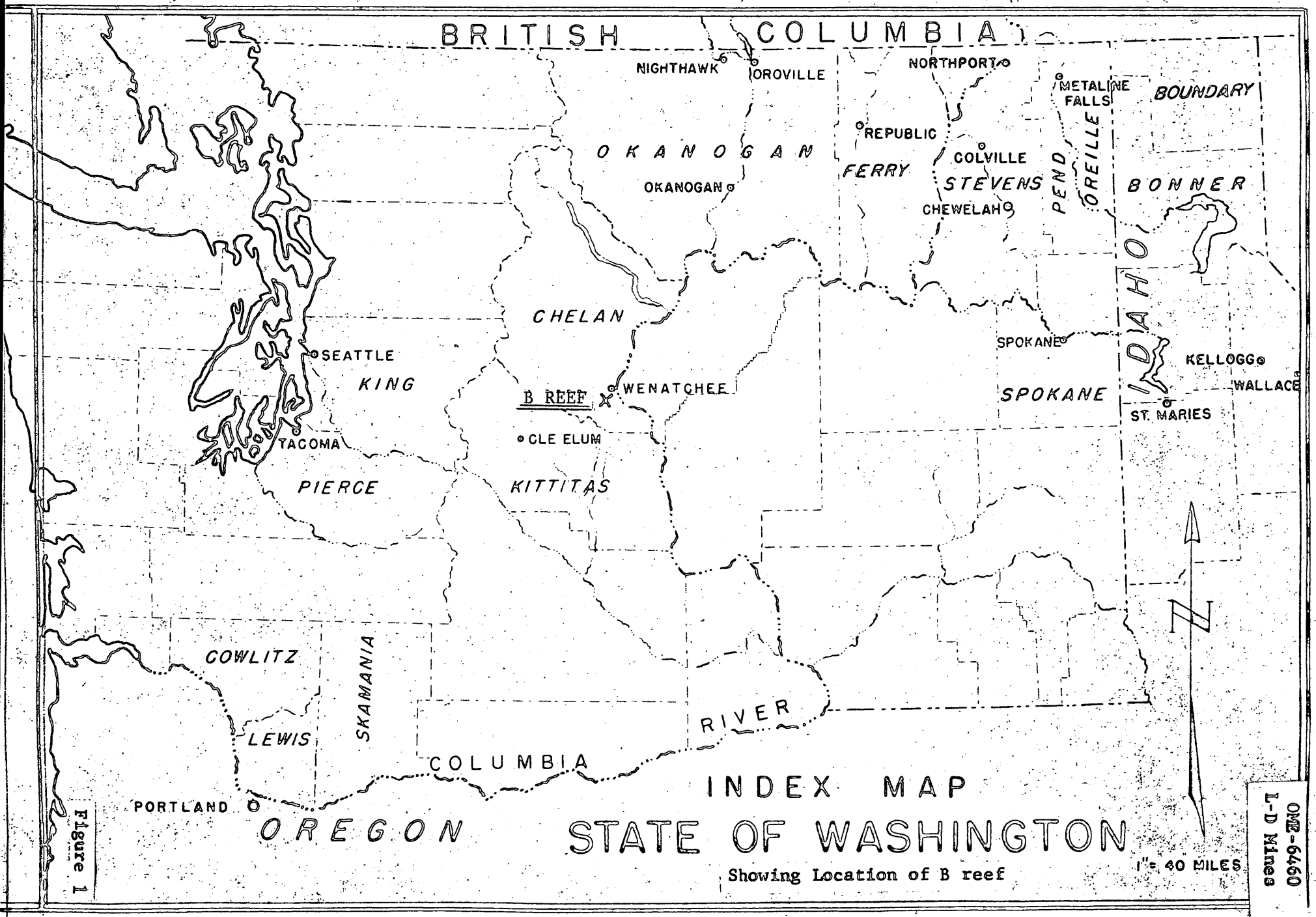


Figure 1

OMZ-6460
L-D Mines

UNITED STATES
DEPARTMENT of the INTERIOR

★★★★★★★★★★★★★★★★★★★★news release

GEOLOGICAL SURVEY Johnson - 343-5369

For Release to PM's, OCTOBER 29, 1965

CONTRACT AWARDED TO EXPLORE FOR GOLD IN CHELAN COUNTY, WASHINGTON

The Geological Survey has contracted through its Office of Minerals Exploration to assist the L-D Mines of Wenatchee, Washington, to explore for gold on its property in Chelan County, Washington, the Department of the Interior announced today.

The total cost of the work is estimated at $133,260, of which Government participation is $66,630.

Past production from the property is reported as having been approximately $13,500,000 in gold. Exploration for gold-bearing ore bodies in reefs of altered sedimentary rocks associated with igneous intrusive rocks is to be performed by shaft sinking, long-hold drilling, crosscutting, drifting, and raising.

To encourage domestic minerals exploration, the Federal Government participates with private industry in the cost of exploration for 35 mineral commodities. Funds provided by the Government are repaid by a royalty on production.

Additional information and application forms for exploration assistance in Washington, Alaska, Idaho, Montana, and Oregon may be obtained from the OME, Region I, South 157 Howard Street, Spokane, Washington 99204. Other areas are covered by the following offices:

OME - Region II, Room 9007, 450 Golden Gate Avenue, P. O. Box 36012, San Francisco, California 94102;

OME - Region III, Building 20, Denver Federal Center, Denver, Colorado 80225;

OME - Region IV, Room 11, Post Office Building, Knoxville, Tennessee 37902.

The Office of Minerals Exploration, Geological Survey, Department of the Interior, Washington, D. C. 20240.

x x x P.N. 70827-65

U. S. Geological Survey 2 COPIES
Harold Kirkemo
Room 5223, Interior Bldg.

DMEA 7

UNITED STATES
DEPARTMENT of the INTERIOR

★★★★★★★★★★★★★★★★★★★★news release

GEOLOGICAL SURVEY Johnson - 343-5369

For Release to PM's, OCTOBER 29, 1965

CONTRACT AWARDED TO EXPLORE FOR GOLD IN CHELAN COUNTY, WASHINGTON

The Geological Survey has contracted through its Office of Minerals Exploration to assist the L-D Mines of Wenatchee, Washington, to explore for gold on its property in Chelan County, Washington, the Department of the Interior announced today.

The total cost of the work is estimated at $133,260, of which Government participation is $66,630.

Past production from the property is reported as having been approximately $13,500,000 in gold. Exploration for gold-bearing ore bodies in reefs of altered sedimentary rocks associated with igneous intrusive rocks is to be performed by shaft sinking, long-hold drilling, crosscutting, drifting, and raising.

To encourage domestic minerals exploration, the Federal Government participates with private industry in the cost of exploration for 35 mineral commodities. Funds provided by the Government are repaid by a royalty on production.

Additional information and application forms for exploration assistance in Washington, Alaska, Idaho, Montana, and Oregon may be obtained from the OME, Region I, South 157 Howard Street, Spokane, Washington 99204. Other areas are covered by the following offices:

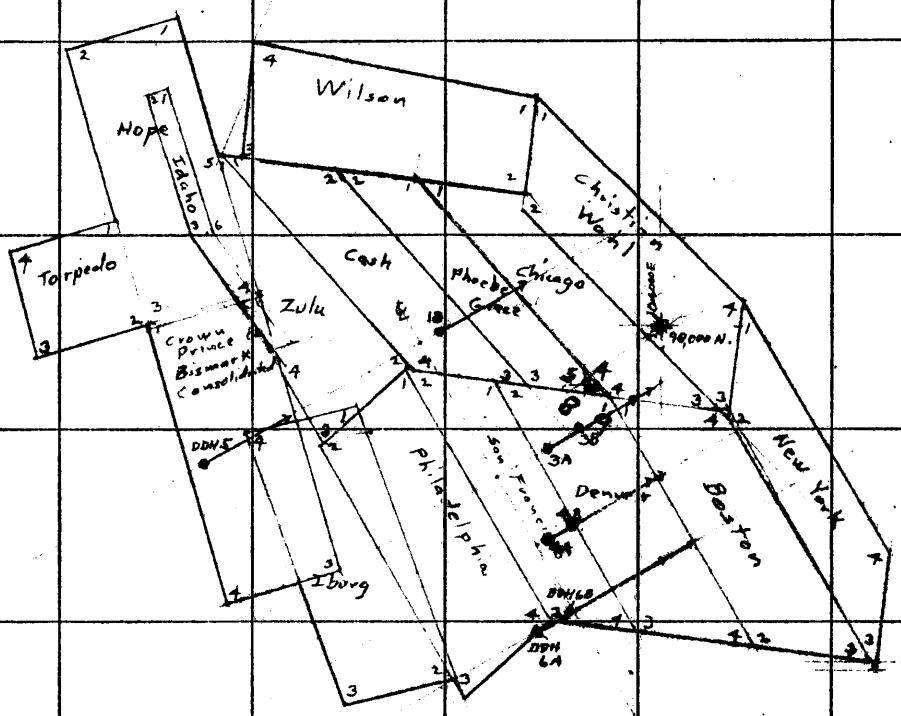
OME - Region II, Room 9007, 450 Golden Gate Avenue, P. O. Box 36012, San Francisco, California 94102;

OME - Region III, Building 20, Denver Federal Center, Denver, Colorado 80225;

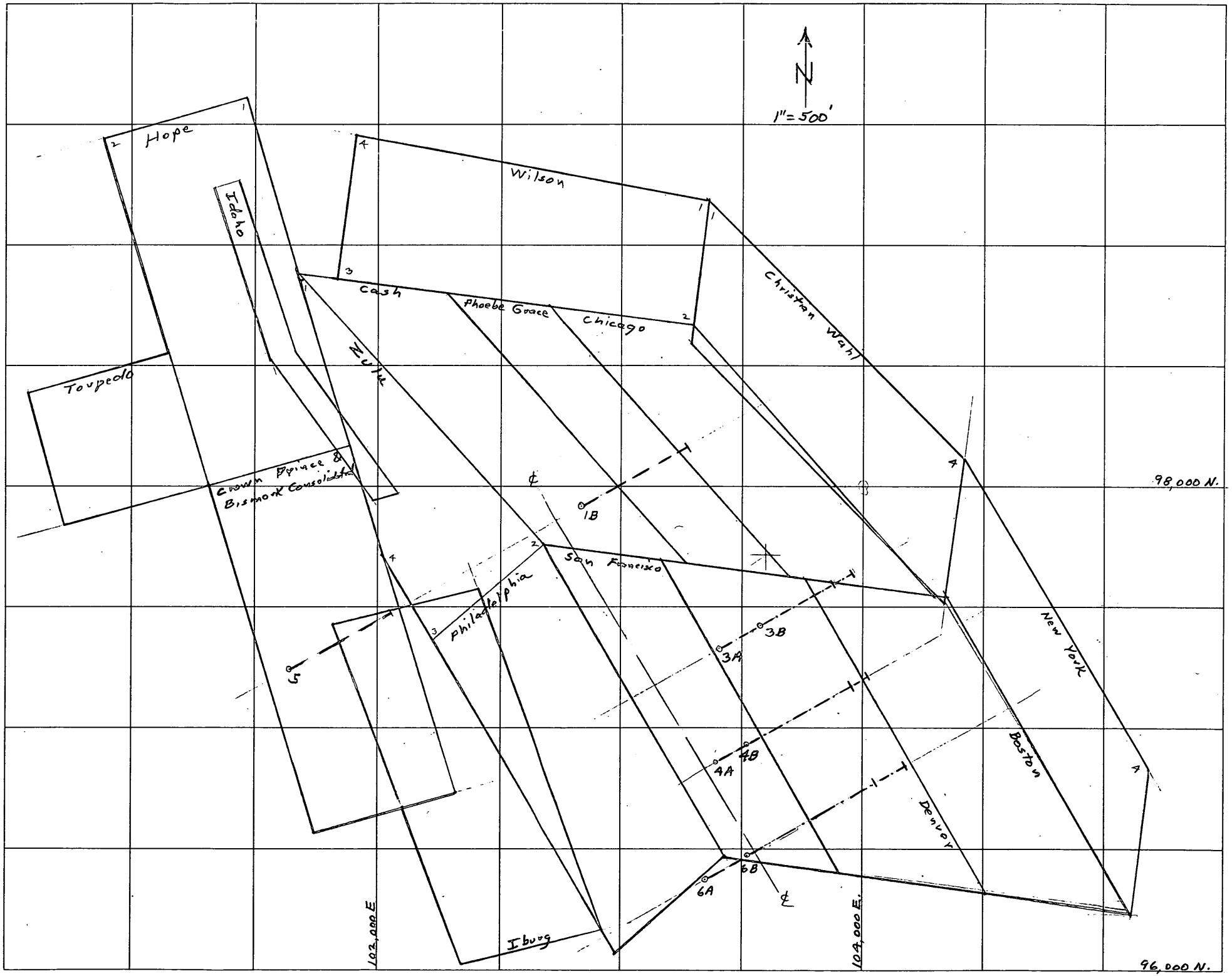
OME - Region IV, Room 11, Post Office Building, Knoxville, Tennessee 37902.

The Office of Minerals Exploration, Geological Survey, Department of the Interior, Washington, D. C. 20240.

x x x P.N. 70827-65


32
33
5
4
Wilson
Hope
Idaho
Torpedo
Zulu
Cash
Phoebe
Chicago
Christ
Wash
Crown Prince
Bismark
Consolidated
DDH 5
Iborg
Philadelphia
San Francisco
Denver
Boston
New York
DDH 6A
DDH 6B
3A
3B
18
Sec. 4
Sec. 6
Sec. 7
Sec. 8

FORM 1006


N
1" = 500'
Hope
Idaho
Wilson
Cash
Phoebe Grace
Chicago
Christian Wahl
Zulu
Torpedo
Crown Prince & Bismark Consolidated
San Francisco
Philadelphia
New York
Boston
Denver
Ibuog
1B
3A
3B
4A
4B
5
6A
6B
98,000 N.
96,000 N.
102,000 E.
104,000 E.
SALT LAKE BLUE

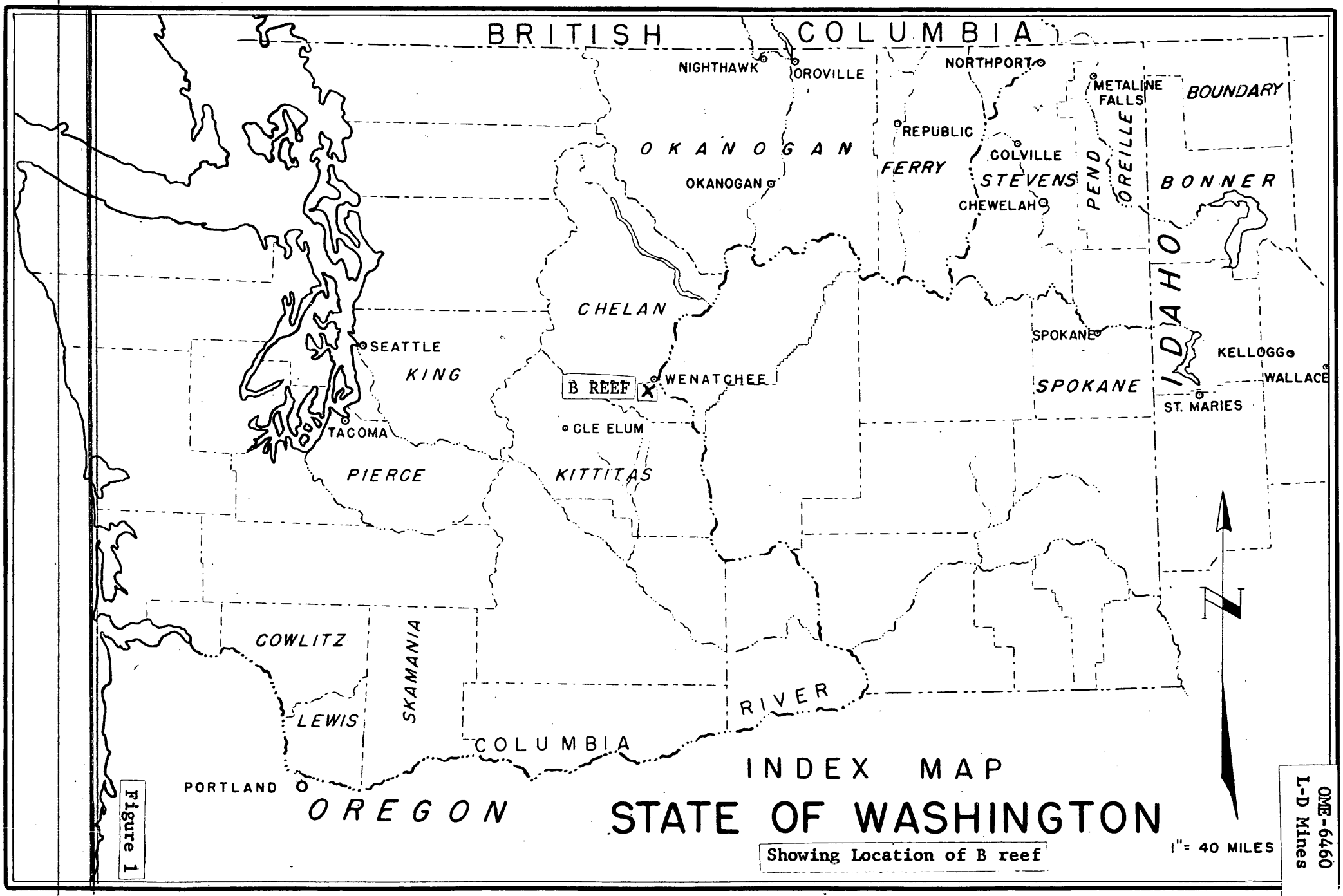
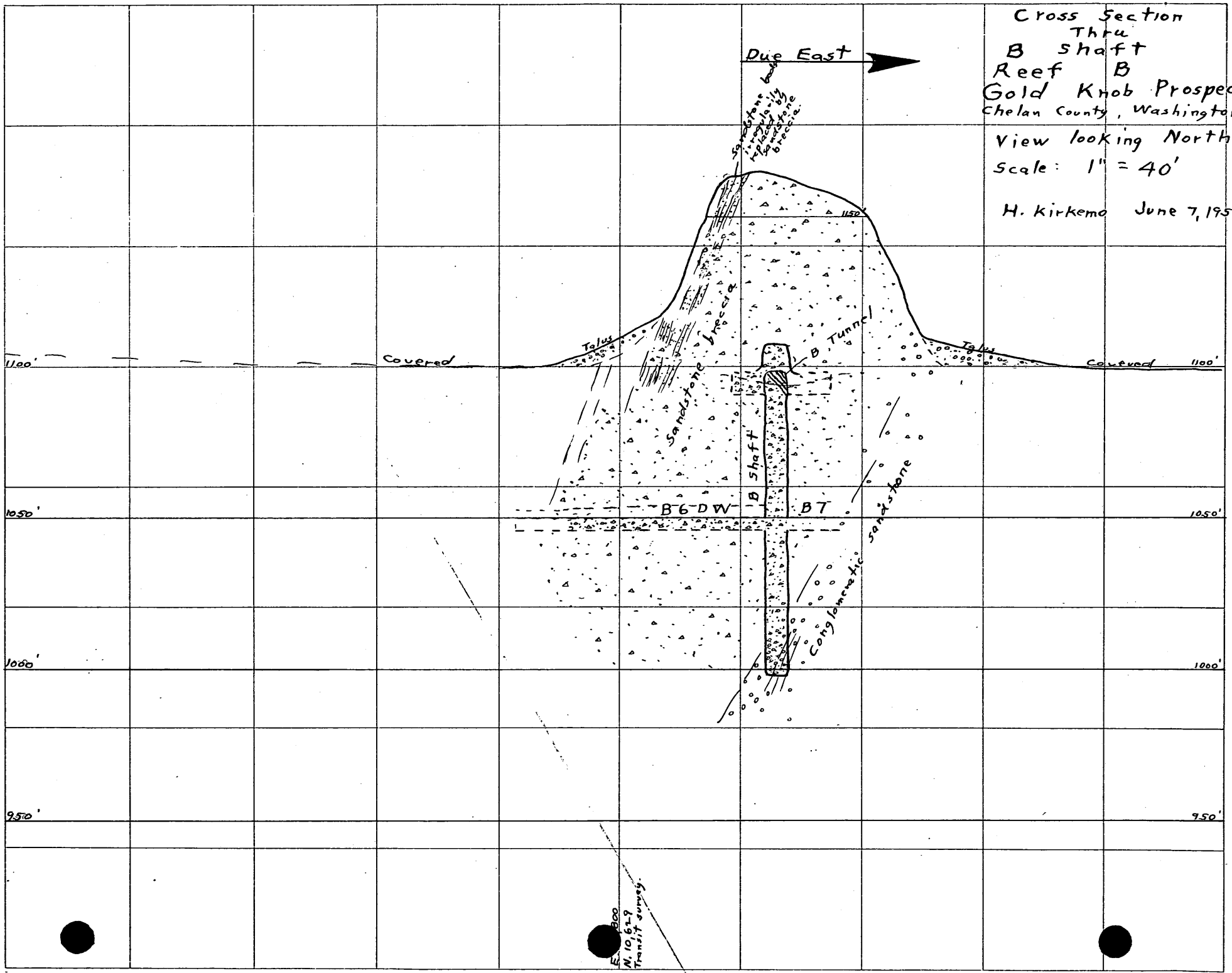


Figure 1

OME-6460
L-D Mines

Map I


Cross Section
Thru
B shaft
Reef B
Gold Knob Prospect
Chelan County, Washington
View looking North
Scale: 1" = 40'
H. Kirkemo June 7, 1952
Due East
Sandstone body irregularly replaced by sandstone breccia
1150'
Talus
Covered
Sandstone breccia
B Tunnel
B shaft
B6DW
B7
Conglomeratic sandstone
1100'
1050'
1000'
950'
E. 800
N. 10,62-9
Transit survey

18-19 miners, etc. underground.

1 crusher. — days
4 2 Flotation / shift (2)
1 mill supt.
1 " mechanical
1 tails

10 - mill operation.

payroll
45 total
operation

Purchase agent — Leo Mackey - surface foreman.
Accountant.

Conrad
Thompson
Diemont
Reynolds
Assayer

machine shop
hoistman
ladder maker
carpenter

2 miners
can supply
mill —

$7/ton. mining & milling.

concentrates
$35/ton - 50-1 ratio.

$12.50/ton heel
20.00/ton smelter treatment
Umpire assay
Sampling

$8/ton mining & milling
smelter
Development work

1000
125
775
125
650

shaft
265' to 775 ft. level.
515' to 650 ft. level.

780' — shaft
60
45,800

500' drift 775' level
1000' " 650' level

1500' drifts
70
60,000
45,800
105,800
.625
529000
21160
6348
661250.000

Development
600/month
@ Golden King

Modification of circuit in mill for B reef ore. Partially flotation plant. Recovery is low 80% ratio of concentrate is too low for economical operation

Cyanide circuit only gets 95% recovery.
Needs 15,000,000 tons reserve to warrant cyanide plant.

8 - 9 truckloads / 20 ton-loads.

180 - 8000

180) 8000

300 - 305 tons / daily
/ 6 days / wk.

8000 tons / month.

100 - 1
80 tons month.

B reef 1 shift per day. proposed.

Shaft. - 4' / day

Raise 4' / day.

Drift - 5' - 6' / day

long-hole - $4 / ft long-hole steel.

$1 / ft (½ for wages)

$4 / hr. =

$2 / hr. + bonus.

$2.75 / hr. non-contractor (few such)

$2 / assay Au

$3 / Au + Ag

(Assay every 8' Au + Ag long hole.)

9/6/65

Long holes samples at 8' or 10' intervals? —

Array of shaft ~~anuch~~ and cut sampler extra?

Rail in shaft? 30#

How close long hole drilling station? — 150' spacing.
O.K. Lovitt.

60°

4-foot sectional steel usually at 8' intervals.

#2.50/Au-Ag. — O.K. with Lovitt

Water problem — artesian source — coming up drill hole.

turn around 210' —

Channel sampling not satisfactory —
don't do it as normal procedure.

0.80 oz Au
0.40 " "

125
6
750
4
3000

DAY MINES, INC.
WALLACE, IDAHO

DUPLICATE

August 25, 1965

Mr. E. H. Lovitt, Manager
L-D Mines,
P. O. Box 1668,
Wenatchee, Washington.

Dear Mr. Lovitt:

We have reviewed your proposed exploration program on "B" reef.

We believe the program has considerable merit, but we are heavily committed on other projects which we feel have greater merit. As a consequence, we would not bear our full share of the cost. With the OME putting up 50% of the cost, we would be willing to put up our proportionate share of the remaining 50% of the cost.

Yours very truly,

Henry L. Day

HLD:KAE
Encls. 3 dc

DAY MINES, INC.
WALLACE, IDAHO

DUPLICATE

August 25, 1965

Mr. E. H. Lovitt, Manager
L-D Mines,
P. O. Box 1668,
Wenatchee, Washington.

Dear Mr. Lovitt:

We have reviewed your proposed exploration program on "B" reef.

We believe the program has considerable merit, but we are heavily committed on other projects which we feel have greater merit. As a consequence, we would not bear our full share of the cost. With the OME putting up 50% of the cost, we would be willing to put up our proportionate share of the remaining 50% of the cost.

Yours very truly,

Henry L. Day.

HLD:KAE
Encls. 3 dc

WENATCHEE MINING PARTNERSHIP

P.O. Box 1668

Wenatchee, Washington

August 26, 1965

Manager
L-D Mines
P.O. Box 1668
Wenatchee, Washington

Re: Proposed Exploration Program on "B" Reef

Dear Sir:

If the OME will put up 50% or better of the costs of doing this work, we will put up our share of the remaining cost.

We have been interested in the program for sometime, but have hesitated to take the full risk.

Yours very truly,

WENATCHEE MINING PARTNERSHIP

E. H. Lovitt, Manager

August 26, 1965

Mr. Frank E. Johnson
Chief, Office of Minerals Exploration
United States Department of the Interior
Washington 25, D.C.

Re: OME-6460 (Gold)
L-D Mines
B-Reef
Chelan County, Washington

Dear Mr. Johnson:

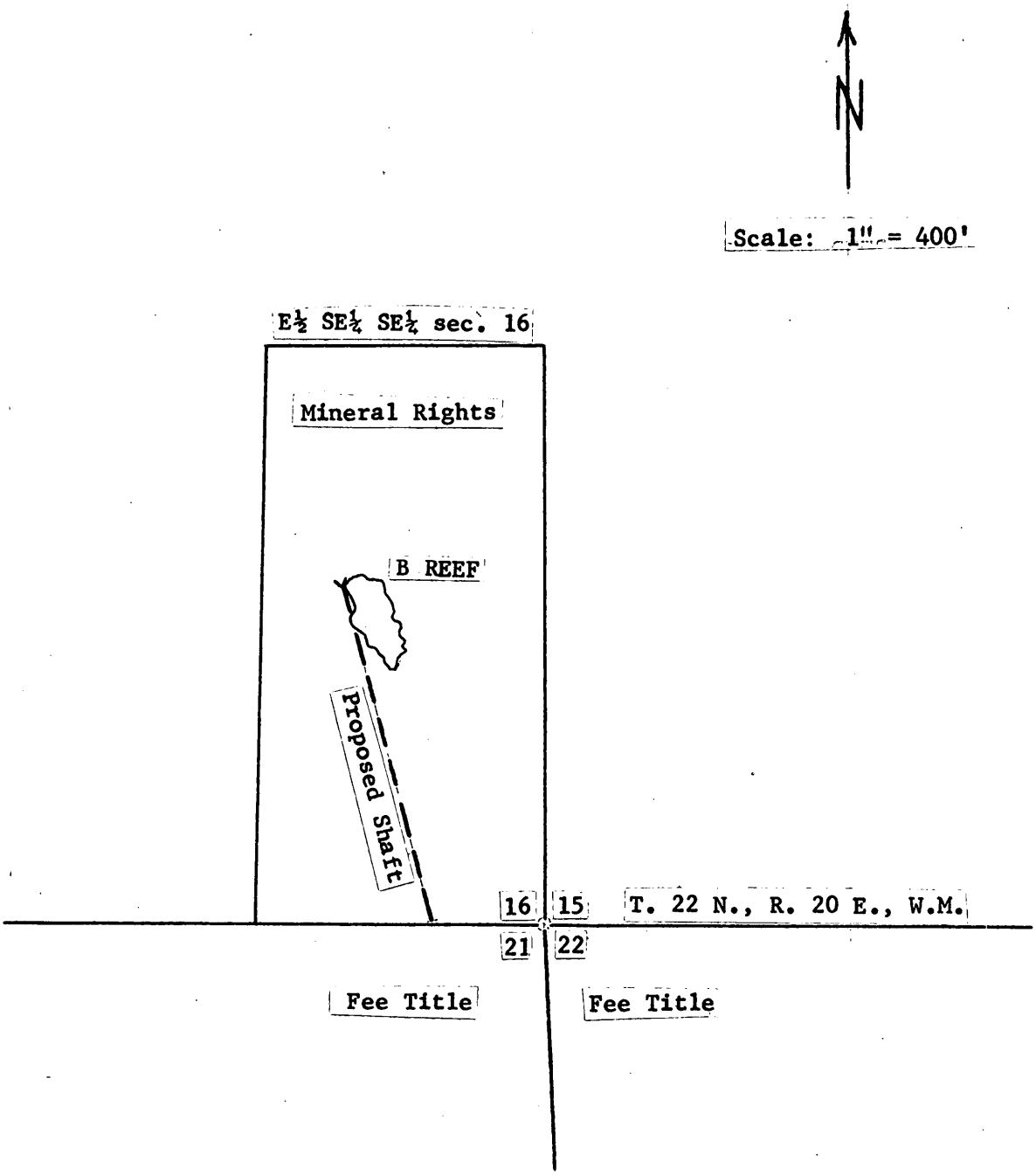
Enclosed please find copies of the letters you requested.

Regarding the requested coordinates of shaft, we are preparing a map with this information. It should be in the mail tomorrow or the next day.

Yours very truly,

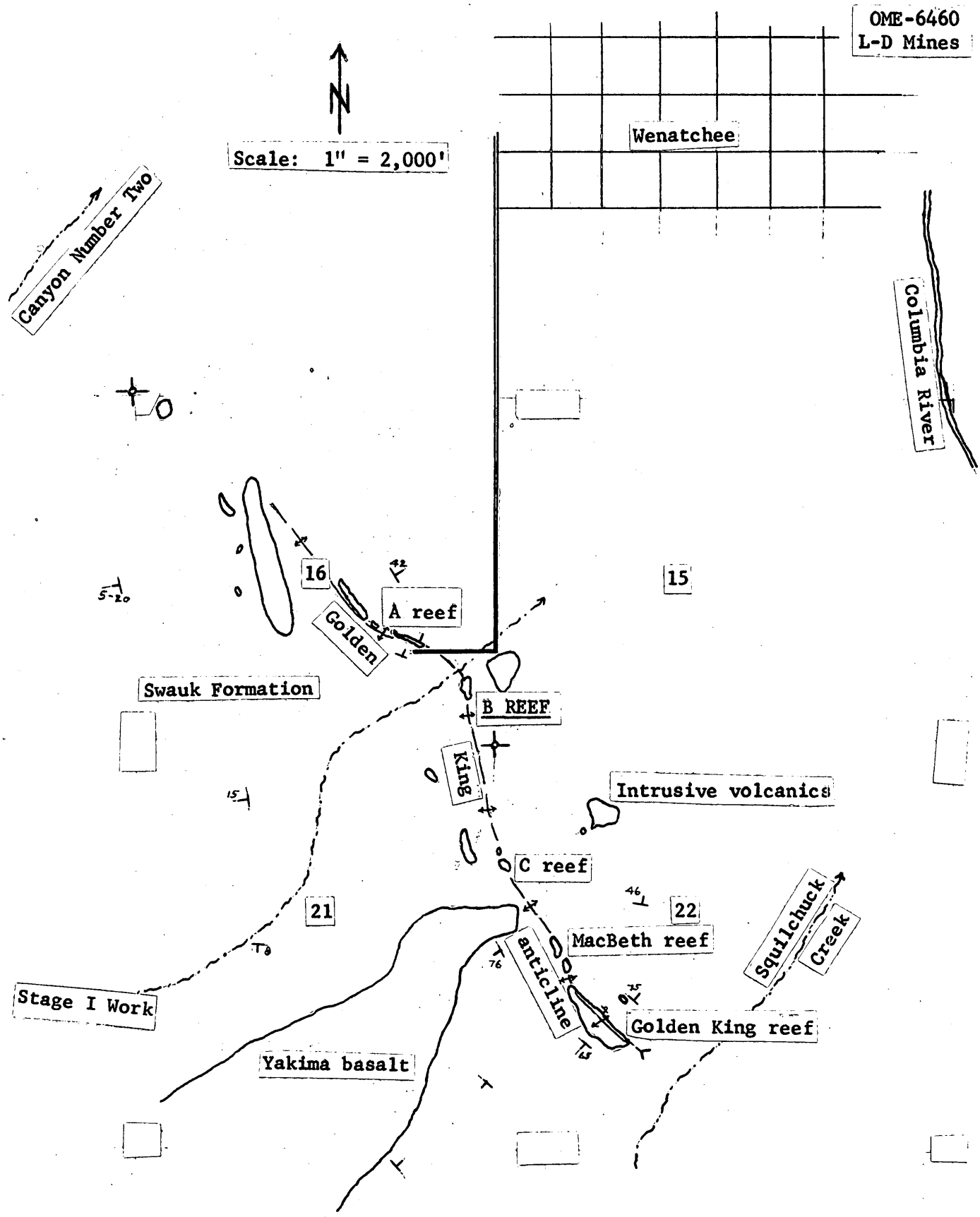
E. H. Lovitt
Manager

Enc



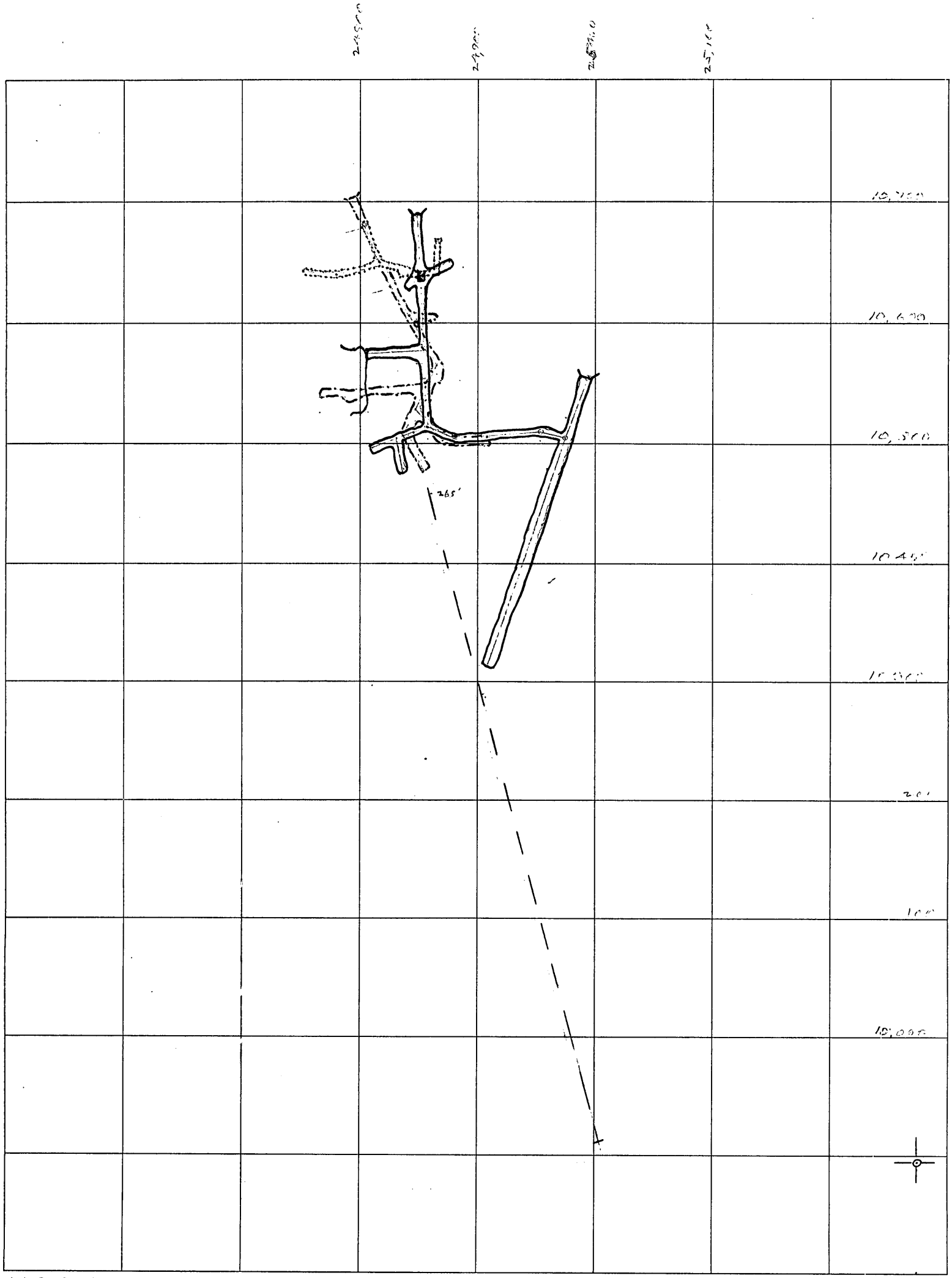
Map Showing
Applicant's Property Rights
B REEF
Chelan County, Washington

Figure 2



MAP SHOWING GEOLOGY
in vicinity of
B REEF
Chelan County, Washington

Figure 5



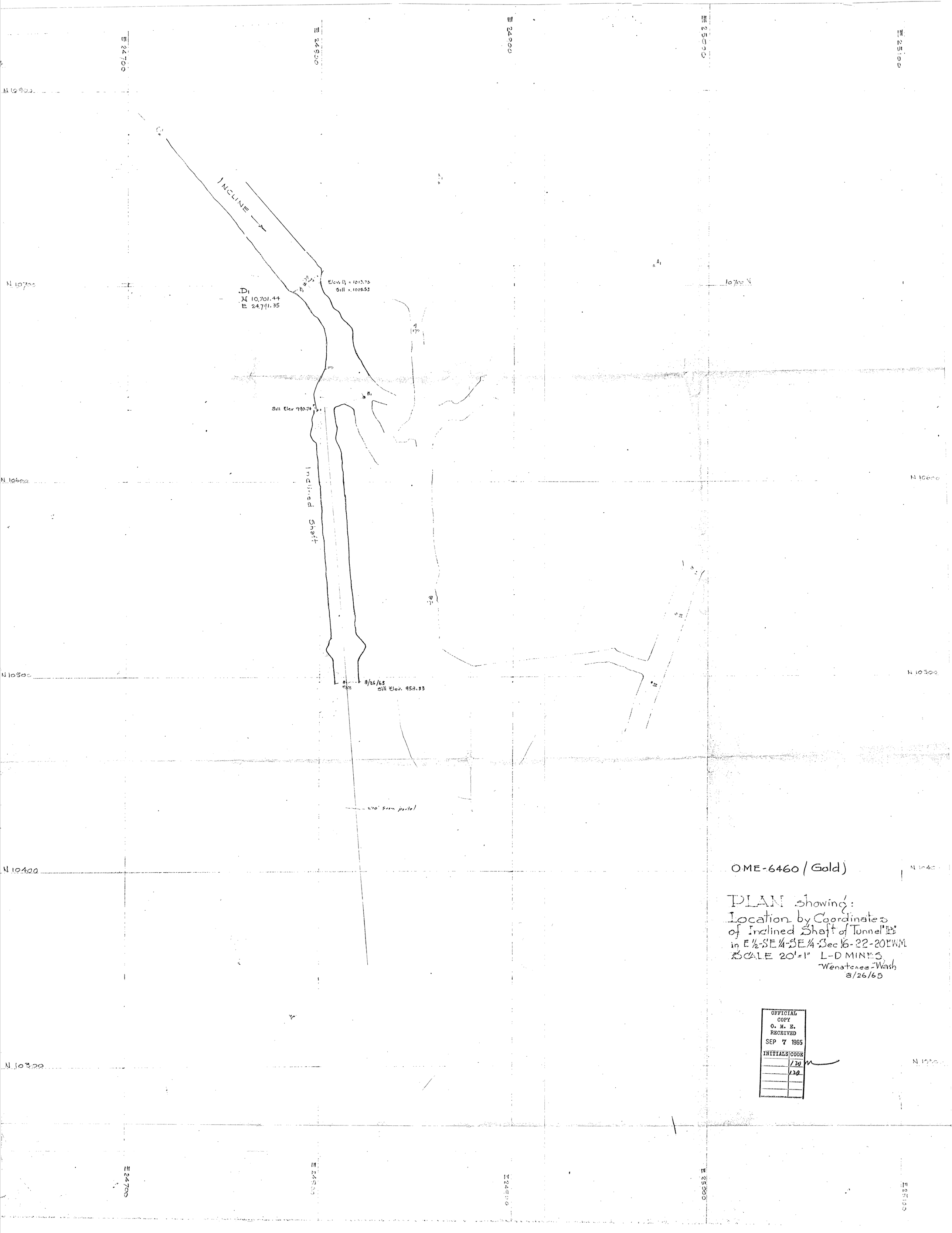
J. A. Gendron Co., Spokane

Fig. 3

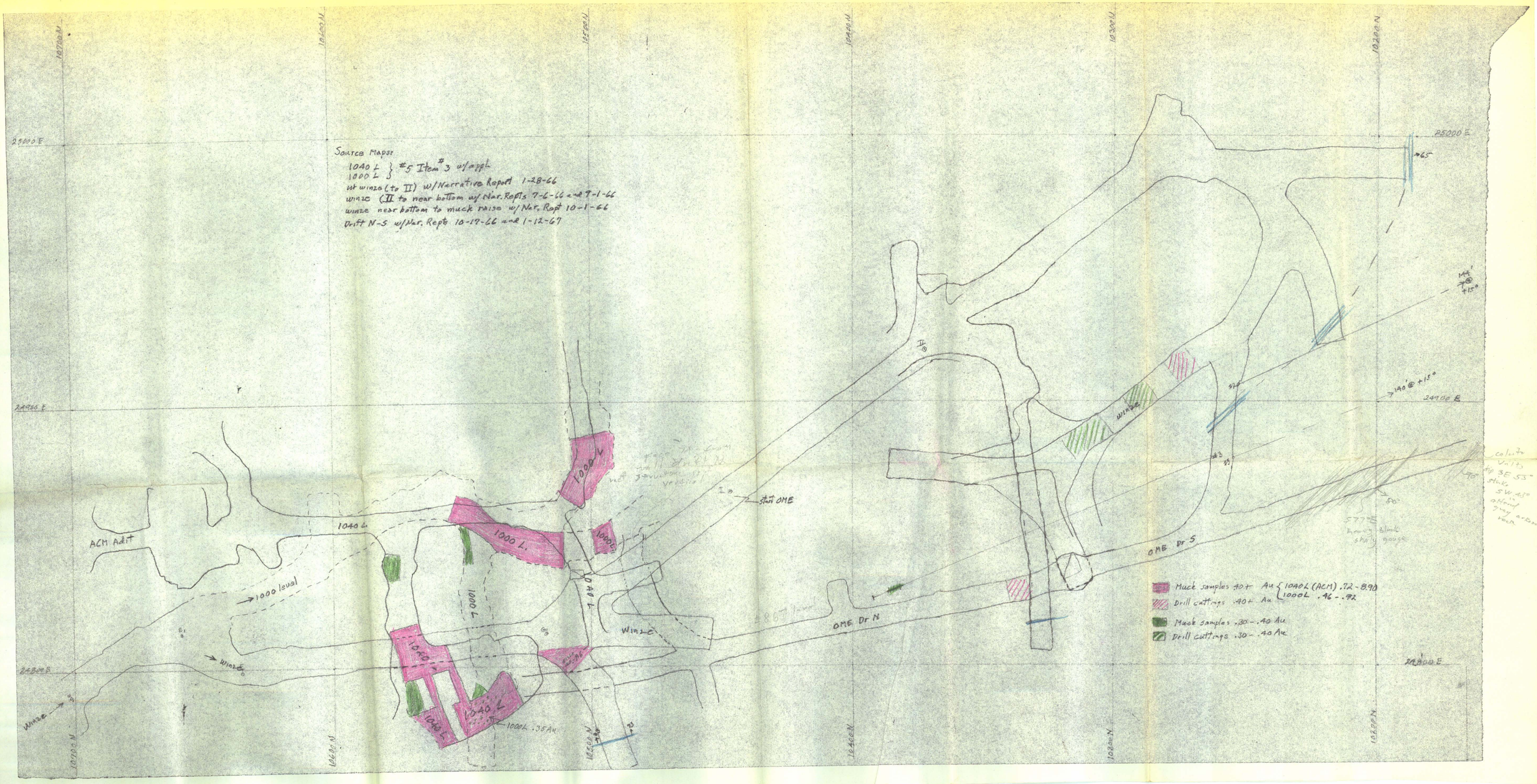
K+E ALBANENE 196M TRACING PAPER 62943

I. S. & R. FORM 16-G

Old Butte
Squaw Saddle
Dry Gulch
Colorado River
N 16000
N 14000
N 12000
N 10000
N 8000
N 6000
E 28000
E 26000
E 24000
E 22000
E 20000



OFFICIAL
COPY
O. M. E.
RECEIVED
SEP 7 1965
INITIALS CODE
120
120


Source Maps:
1040 L } #5 Item #3 w/appl
1000 L }
at winze (to II) w/Narrative Report 1-28-66
winze (II to near bottom w/Nar. Rep'ts 7-6-66 and 9-1-66
winze near bottom to muck raise w/Nar. Rep't 10-1-66
Drift N-S w/Nar. Rep'ts 10-19-66 and 1-12-67
ACM Adit
1040 L.
1000 level
1000 L.
1000 L
1040 L
1040 L
1000 L
1000 L
1000 L .35 Au
Winze
Winze
Winze
Winze
Stat OME
OME Dr N
OME Dr S
Muck samples .40+ Au
Drill cuttings .40+ Au
1040 L (ACM) .72 - 8.90
1000 L .46 - .92
Muck samples .30 - .40 Au
Drill cuttings .30 - .40 Au
25000 E
24900 E
24800 E
10700 N
10600 N
10500 N
10400 N
10300 N
10200 N
10100 N