

Missed the points

We thank Rep. William Hathaway for taking time from his busy schedule to comment on our editorial last week and appreciate his interest in seeing development of the Dickey-Lincoln School public power project. However, we feel it is significant that Rep. Hathaway did not address his comments to a single point raised by the editorial. Instead, he repeatedly gave citations from "studies" purporting to show the justification for Dickey. Dickey would be a gigantic undertaking. A bronze plaque saying "Planned and Built by the U. S. Army Corps of Engineers" would be beautiful, indeed--to the U. S. Army Corps of Engineers. We, therefore, cannot accept studies by the Corps as completely unbiased and objective.

Rep. Hathaway also called attention to a comparison with fossil fuel costs--even though our editorial did not mention fossil fuel at all. We compared Dickey specifically to tumbling nuclear power costs--it is here, not in fossil

fuel generation, that we find the source of the cheaper power of tomorrow.

Nor did Rep. Hathaway address himself to the most important point of all, a point we did not mention in the editorial because we have made it repeatedly before. And that is simply that, Tennessee Valley, Columbia River and others notwithstanding, public power is simply not authorized by the Constitution of the United States. In fact, by the Constitution, the federal government is specifically excluded from engaging in business activities in competition with free enterprise. The fact that the government IS competing with private business and despite all the laws passed to justify such action, does not alter the basic point that it is in direct violation of the Constitution, hence illegal.

How can we expect people in the streets, in the slums, to obey the laws when the nations legislators, themselves, ignore them?

LAW OFFICES
BLEAKLY, STOCKWELL & ZINK
72 E. MAIN STREET
MOORESTOWN, N. J.

TELEPHONE 235-3150
AREA CODE 609

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CHARLES A. LITTLE

BLEAKLY & STOCKWELL
ESTABLISHED 1901
HAMMONTON OFFICE
209 BELLEVUE AVENUE
CAMDEN OFFICE
317 MARKET STREET

August 14, 1967.

Mr. Albert Sandecki,
50 Tanner Street,
Haddonfield, N.J. 08033

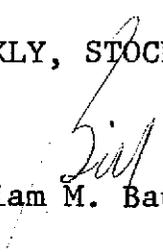
Re: Callahan Mining Corp.

Dear Al:

I am enclosing photocopy of a news item that came over the Dow Jones tape Friday regarding opening of new operations "at the Penobscot Unit" and which I thought might be of interest to you.

Sincerely yours,

BLEAKLY, STOCKWELL & ZINK.


William M. Baumgartner, Jr.

WMB-ec
cc Francis C. Marsano, Esq.
enc.

-CALLAHAN MINING EARNINGS DECLINE

8.11.67

N Y -DJ- NET INCOME OF CALLAHAN MINING CORP FOR THE SIX MONTHS ENDED JUNE 30 WAS 447 200 DLS OR 16 CENTS PER SHARE AGAINST 467 800 DLS OR 17C A YEAR EARLIER NOT INCLUDING A NET CAPITAL GAIN OF 6C PER SHARE ON SALE OF SECURITIES - REVENUES WERE 3 145 400 DLS AGAINST 3 041 900 DLS

-EARNINGS FROM THE GALENA MINE INCREASED IN JUNE DUE TO HIGHER SILVER PRICES BUT THE EFFECT ON THE OVER-ALL RESULTS FOR THE SIX MONTHS WAS MINOR AND MORE THAN OFFSET BY REDUCED PRODUCTION AT THE MINE DURING THAT PERIOD DUE TO A STRIKE- JOSEPH T HALL PRESIDENT SAID

HALL SAID SINCE THE BASIC ISSUES INVOLVED ARE FAR BROADER LABOR PROBLEMS FOR THE MINING INDUSTRY THAN THOSE FOUND AT GALENA THE DURATION OF THE STRIKE IS DIFFICULT TO PREDICT-

CALLAHAN EXPECTS MINING OPERATIONS TO BEGIN AS PLANNED AT THE ZINC-COPPER OPEN-PIT MINE AT THE PENOBSCOT UNIT IN MAINE IN THE FIRST QUARTER OF 1968

-V-

12 30 PM NYSE COMPOSITE INDEX 52 85 OFF: 0 20

-V-

AUG
July 17

BUSINESS AND FINANCE



Newsweek photos by James D. Wilson

Strike at Butte: Inspectors check dead fish for pollutants released in Clark Fork River by copper stream (left)



(which contain an estimated 1.5 billion ounces of silver).

And the government itself has designs on the old coins. Quietly, the Treasury has told the Fed to pull them out of the coin supply and replace them with the new "sandwich" coins that started circulating in 1965. But because the government at present has only one machine that is capable of sorting the old coins, the Fed's vaults and the U.S. mints are bulging with sacks of unsorted coins.

If the situation adds up to nothing more than compounded confusion, it is literally money in the bank to dealer Coen. In fact, among his ever-jangling phones, a woman bringing in coins from a nearby Automat and his open safe, the happy, harried dealer told a visitor: "I am so busy that I don't know which end is up—but it's a good way to be."

STRIKES: River of Poison

To the mining city of Butte, Mont., a mile high in the Rockies, the strike in the copper industry already spelled disaster. As the shutdown at Montana's Anaconda Co.—one of the eight major copper producers affected—entered its second month last week, Butte was beginning to look like a ghost town. Hundreds of the 3,650 idled workers, who with their families make up more than half of Butte's 28,000 population, had gone elsewhere to look for jobs that would tide them over. Those who stayed had no money to spend. Stores and saloons were deserted.

But the economic hardship could be accepted as an inevitable, temporary result of economic warfare. What bothered Montanans more was another strike-created problem, one that could be of far more lasting consequence—the pollution of the trout-rich Clark Fork of the Columbia River. Over a stretch of more than 30 miles downstream from the Ana-

conda mines at Butte, aquatic life was dead or dying. Hundreds of dead trout were washing up on the banks. The fishing that is a main attraction of Montana's tourist industry was already gravely damaged. And if deadly copper solution continued to pour into the Clark Fork, a large part of the upper Columbia system could be ecologically upset for years to come.

During normal operations, water that seeps into the mines is constantly being pumped out, carrying with it quantities of copper ions. This water is passed through Anaconda's precipitation plant, a process that adds to the mines' copper output and at the same time purifies the water flowing into the Clark Fork. When the strike began on July 15, the precipitation plant was closed down. But by agreement with the union, a maintenance staff continued to pump the copper-salted water out of the mines. It was this water that was now pouring directly, and unpurified, into the river.

To negotiators for Anaconda and the seventeen striking unions involved, the resultant pollution was strictly incidental to the issues of wages and fringe benefits. (The strike-bound company is offering increases of 25 to 30 cents an hour; the unions are demanding from \$1.25 to \$2.) But to conservationist groups, the threat to the river transcended everything else.

Hooked: To test their fears, experts from the State Fish and Game Department waded into the stream with electronic devices to drive the trout into nets. They caught only a few, a fraction of what the same experiment netted in another stream where there was no pollution. They also examined the stomach contents of fish from the two streams to see how feeding habits had been affected. What they found convinced them that the Clark Fork was in danger. With the evidence to back it up, the Fish and Game Department applied for a restraining order against both Anaconda and the unions. "We are in an emergency

situation," said Frank H. Dunkle, the agency's 51-year-old director.

In the musty courtroom in Missoula, a hundred miles down the Clark Fork from Butte, gray-haired Judge Jack L. Green gave Frank Dunkle what he wanted: a temporary injunction against Anaconda from further polluting the river, and against the unions from interfering with any steps Anaconda might take.

Anaconda's response was to put the precipitation plant back into operation with management personnel. To the unions, this was tantamount to strikebreaking. As their spokesman saw it, the copper recovered by the plant represented production. "Over 2 million pounds of copper comes out of that plant a month," said United Steelworkers' Barney Rask, chief bargainer for the Montana unions. "We're talking about a \$760,000 operation each month. The company is violating its contract by producing copper. There may well be violence as a result."

Baited Question: Company officials retorted that Rask's figures were "ridiculously" high and that the copper that was recovered was not in a marketable state. "We are running that plant to prevent pollution in accordance with the court order," said Patrick MacDonald, Anaconda's general business manager. "If the unions interfere with our personnel, they would be in contempt of court."

So far, there was no interference. But last week, when both sides were to show cause why the temporary injunction should not be made permanent, Barney Rask moved to contest the Missoula court's authority and to ask for a change of venue. And there matters stood.

On the rest of the strike front, negotiations remained deadlocked. If the stalemate dragged on much longer, Federal intervention would be almost inevitable, and invocation of the Taft-Hartley law a possibility. Meanwhile, the coppery water gushed from the mine was still killing trout in the Clark Fork. Shrugged Barney Rask: "We're interested in people, not fish."

The Ellsworth American

ELLSWORTH, MAINE 04605

667-2545

August 14, 1967

Albert:

Thanks for the note. I would like to interview you for a feature story before you go. Just before you go, since we are sort of loaded with pending features right now. In the course of the story we can bring out some of the things you have told me.

I also want to see your work before you go. I may rob a bank and buy one someday.

Jack Wiggins

Harborside, Maine
August 9th 1967

John:

Enclosed are a few items you may look over, I think there has been progress.

I went to Augusta on the 17th of July and spoke with Mr. Doyle and have made zerox copies of much of Callahan's file with the Maine Bureau of Mines. There are many interesting items among the papers.

In regard to the "restoration" to be done at the pond it is without a doubt a merrygoround. The M.M.B. in Augusta says what will be done is undecided, the town of Brooksville will have a say in what will be done at the pond. Who will pay for it is a hairy question.

Met and talked with Mr. Hall and Mr. James last week, very convivial over beer, I asked about the restoration of the pond, Hall said, "It's a state problem, being so because the land they are mining is state owned land, and any how is too far in the future to consider at this time."

The State (Maine Bureau of Mines) has yet to negotiate a lease with Callahan Mining. This will be done at some time in the future. I asked if consideration in regard to resoration will be included in the lease when it is drawn up? Doyle's answer to me was by no means really strong on this point the reason he gave was many state organizations (fish, game, highway etc. etc.) will have to have a say in the matter.

Doyle did say his dept. only interest would be to see the pond reflooded and the waste piles leveled and sod put on the waste, however if you have seen the pond lately there are two new dams under construction within the pond and if the pond is simply reflooded it will hardly be a safely navigable body of water with these dams left standing.

I have talked to the selectmen of Brooksville at their past two meetings. The first time to explain my feelings and position in regard to the operation, and after that they had the floor and chewed me out in regard to my attacking saint Callahan of the mines.

After a rather heated exchange many things came out with a better understanding. They even did not seem hostile after I told them of my being given a directorship by Miss Harris and the Holbrook Sanctuary.

Last night I approached them with the idea of a fund I have started in the bank at Blue Hill with the glorious name of "The Friends of Goose Pond" it may sound a bit corny but it was the best I could do.

I have been receiving money (not much) from my petition and do not want to pocket it, so I have started this fund. I told the selectmen there may be a need for the money in 5 or 7 years time to pay for the possible merrygoround ride they may find themselves on latter.

It takes money to get money and they may damn well need it, with all due respect to the State of Maine and The Callahan Corporation.

PENOBSCOT UNIT
CALLAHAN MINING CORPORATION

HARBORSIDE, MAINE 04642
TELEPHONE (207) 326-4238

NOTICE TO HARBORSIDE RESIDENTS
EFFECTIVE AUGUST 8, 1967

The Callahan Mining Corporation will initiate the use of a "BLAST WARNING SIREN." The siren is located at the pit and can be heard at all points adjacent to the blasting area. The signal system is:

- (1) Five minutes before blast - three five second signals.
- (2) One minute before blast - two five second signals.
- (3) Ten seconds before blast - one ten second signal.

The use of this signal will terminate the present personal warning system offered the residents in the immediate area but will not change the other features of the blast procedure. The guards will continue to advise the public using the road in the Goose Falls area. The various approaches to the pit are posted and a guard is assigned to each of these at the blast time.

The blast time may vary due to pit demands but we will attempt to blast at the end of the days' work.



Ted Maestretti
Mine Superintendent

August 7, 1967
Harborside, Maine
04642

Mr. Francis Marsano
Eaton, Glass & Marsano
Savings Bank Building
Belfast, Maine 04915

Dear Mr. Marsano:

With regard to our conversation this morning, I would request that you pursue and terminate my present situation with the Callahan Mining Corporation.

I feel the time is right to clean up the matter, after talking with Mr. Hall, president of the firm.

We seemed to be in accord that compensation was due in respect to the ~~damages~~ to my cottage.

~~DAMAGES~~

After talking with you much has been accomplished with regard to the fly-rook hazard and all nigh drilling due to the pressure applied through the press.

This has in effect brought about the desired results of an injunctive action, and I understand further effort would be unwarranted.

If you would take the following points up with Mr. Chapman of Bar Harbor and settle the matter along the lines we had previously discussed I would appreciate it greatly.

1. Damages to Harborside residence.
2. Trespass.
3. Disregard for consequences of blasting procedures on the part of the Callahan firm towards life, limb and property.

Please advise me as to the results of your efforts on my behalf.

Sincerely yours,

as:ekd

Albert E. Sandecki

TO
THE TOWNSPEOPLE OF
BROOKSVILLE
HANCOCK COUNTY
STATE OF MAINE

THE CONTRIBUTIONS HEREIN REPRESENT THE INCEPTION OF
A FUND TO FACILITATE THE COOPERATION OF THE PROPER
AGENCIES IN THE RESTORATION OF THE GOOSE POND AREA,
AND IS INTENDED TO INSTITUTE A PROGRAM OF RECLAMATION
UPON THE TERMINATION OF THE MINING ACTIVITY NOW IN
PROGRESS ON CAPE ROSIER.

THE PRELIMINARY AMOUNT OF \$ _____ MAY BE USED FOR
LEGAL FEES, REPAIR, MAINTENANCE, AND WHATEVER IMPROVEMENTS
ARE DEEMED NECESSARY TO INSTITUTE A RECLAMATION PROGRAM.

THESE PRELIMINARY CONTRIBUTIONS AND ANY ADDITIONAL
FUNDS RECEIVED FOR THIS PURPOSE WILL BE IN THE CHARGE
OF THE SELECTMEN OF THE TOWN OF BROOKSVILLE, COUNTY OF
HANCOCK, STATE OF MAINE, UNDER THE GUIDANCE OF FEDERAL
AND STATE AGENCIES DESIROUS OF RESTORING AND MAINTAINING
THE GOOSE FALLS POND AREA AS A PLACE OF BEAUTY AND
PLEASURE FOR ALL.

IF THESE FUNDS ARE NOT USED FOR THE ABOVE PURPOSE THEY
WILL BE RETURNED TO THE ATTACHED LIST OF " FRIENDS OF
GOOSE POND" IN THE AMOUNT OF THEIR CONTRIBUTION.

A. Sandecki, Treasurer

SHOWN SELECTMEN 8/8/67

AUGUST 1, 1967

TO THE BROOKSVILLE SELECTMEN:

THE CALLAHAN MINING ACTIVITY ON CAPE ROSIER IS OF CONCERN TO THE TOWN OF BROOKSVILLE WITH REGARD TO THE OPPORTUNITY OF LOCAL EMPLOYMENT AND THE LOWERING OF THE TOWN'S TAX RATE.

THE RESIDENTS, BOTH NATIVES AND SUMMER PEOPLE, WHO LIVE WITH THIS ACTIVITY ON CAPE ROSIER ARE SLOWLY BECOMING ACCUSTOMED TO THE MINE.

ALL THOSE FOR AND AGAINST THE MINE HAVE HAD THEIR SAY.

HOWEVER THE RESTORATION OF THE AREA, AFTER THE MINE CEASES OPERATIONS, IS OF PRIME CONCERN TO THE RESIDENTS OF THE AREA, AND HOPEFULLY THE TOWN OF BROOKSVILLE SHOULD SHARE THIS CONCERN.

THE TOWN OF BROOKSVILLE WILL UNDERSTANDABLY GAIN FOR A SHORT TERM.

5 TO 10 YEARS IS NOT LONG IN PASSING.

WITH THIS GAIN THERE SHOULD BE A PROPER THOUGHTFUL LEGACY LEFT FOR THE FUTURE GENERATIONS WHO WILL LIVE ON THE CAPE.

IT HAS BEEN STATED TO ME BY THE MAINE MINING BUREAU AND CALLAHAN ENGINEERS THAT, "THE FINAL DISPOSITION OF THE WORKED-OUT MINE WILL BE LARGELY IN THE HANDS OF THE PEOPLE OF BROOKSVILLE."

NOW THAT CALLAHAN MINING HAS COMMITTED ITSELF TO THIS OPEN PIT OPERATION BOTH PHYSICALLY AND FINANCIALLY, WHAT HARM CAN THERE BE IN ASKING FOR THEIR SPECIFIC INTENTIONS REGARDING RESTORATION OF THE FALLS, THE POND, AND ADJOINING MINE AREAS WHEN THEY CEASE OPERATIONS?

I FEEL THERE SHOULD BE BROUGHT INTO EXISTENCE, THROUGH NEGOTIATIONS BY THE TOWN OF BROOKSVILLE AND THE CALLAHAN CORPORATION, A WRITTEN LEGAL DOCUMENT WITH REGARD TO RESTORATION OF THE GOOSE POND AREA.

I UNDERSTAND AS OF NOW THERE IS NO SUCH DOCUMENT IN EXISTENCE.

AS A LOVER OF BEAUTY IN NATURE, AND A TAXPAYER IN THE TOWN OF BROOKSVILLE, I RESPECTFULLY REQUEST THAT THE SELECTMEN CONSIDER THE DRAWING UP OF SUCH A DOCUMENT WITH THE COOPERATION OF THE CALLAHAN MINING CORPORATION.

THE FAILURE TO CONSIDER SUCH A PROPOSED DOCUMENT COULD LEAD TO ANY ONE OR ALL OF THE FOLLOWING CONDITIONS: A GAPING OPEN SORE ON THE CAPE, A FLOODED AREA INHOSPITABLE TO ALL MARINE LIFE. HAZARDOUS HARDLY NAVIGABLE WATERS CAUSED BY DAMS BUILT WITHIN THE POND. FRUSTRATING SEEKING OF STATE AND FEDERAL FUNDS FOR FINANCIAL ASSISTANCE TO RESTORE THE DESTROYED LAND. AN EXPENSE THAT WE WILL ALL BE OBLIGED TO PAY.

AN AGREEMENT BETWEEN THE TOWN AND THE FIRM COULD BY-PASS THESE POSSIBLE SITUATIONS. WITH THE MACHINERY AND LABOR FORCE ON HAND AT THE END OF PRACTICAL MINING OPERATIONS, ADDITIONAL EMPLOYMENT AND WAGES THROUGH THE RESTORATION WORK WOULD BE BUT FAIR COMPENSATION TO NATURE FOR HER GIFT OF MINERAL WEALTH.

IF AN AGREEMENT BETWEEN THE TOWN AND THE FIRM CANNOT BE REACHED I WOULD FEEL IT THE DUTY OF THE SELECTMEN TO CONSULT THE STATE GOVERNMENT IN REFERENCE TO RESTORATION OF THE PONDS.

A. SANDECKI
HARBORSIDE MAINE

August 1st 1967

FARNHAM SITUATION:

RUINATION OF SUMMER BOARDING BUSINESS.

MENTAL AND PHYSICAL STRAIN THEY HAVE ENDURED THIS PAST WINTER AND SPRING. HEAVY BLASTING WITH NO WARNING, INCESSANT DRILLING FROM 7 AM - 4 AM..

FLY-ROCK TRESPASS.

GENERAL WANTON DISREGARD FOR THE CONSEQUENCES OF THE MINING ACTIVITY, TOWARDS ADJACENT PROPERTY OWNERS.

OPERATIONS CARRIED ON IN A MANNER TO DRIVE THE FARNHAM'S OUT OF THEIR MINDS AS WELL AS THEIR HOME.

LOSS OF SALE OF OLD TOM AS A DIRECT RESULT OF THE OPEN PIT OPERATION, THE SALE OF THIS PROPERTY WOULD HAVE CONSTITUTED A MEANS OF RETIREMENT FOR THE FARNHAMS.

ALL IN ALL THEIR WAY OF LIFE HAS BEEN DESTROYED, THROUGH YOUR OPERATIONS, WITH DUE CONSIDERATION OF YOUR RIGHT TO DO WITH YOUR PROPERTY AS YOU SEE FIT.

I FEEL THE FARNHAMS SHOULD BE COMPENSATED. MORALLY THIS IS THE LEAST THAT COULD BE DONE.

MY SITUATION:

DAMAGES TO SUMMER HOME, TRESPASS, WANTON DISREGARD FOR CONSEQUENCES OF BLASTING PROCEDURES TOWARDS LIFE AND PROPERTY.

PERSONAL FRUSTRATION WITH REGARD TO INCONSIDERATE ATTITUDES TOWARDS CONTINUANCE OF THIS FLY-ROCK HAZARD.

INTERUPTION OF MY WORK AND PERSONAL EXPENSES AT THE TIME OF THIS FLY-ROCK DAMAGE IN APRIL OF 1967.

A. SANDECKI

A.S. Shown to Hall this day.

• EFFLUENT •

TOTAL IN GALLONS OF DISCHARGE FROM TAILINGS DAM BASED ON PROCESSING 400 TONS OF ORE PER 24 HRS. - ~~432,000~~
174,240

● TOTAL IN GALLONS OF DISCHARGE FROM PIPE IN GOOSE COVE BASED ON PUMPING 900 GALLONS / MIN / 8 HRS. - 432,000

TOTAL WEIGHT IN TONS OF DISCHARGED EFFLUENT - 729.6

FLOWN.

6-14-46

ME - A - 1 - 87

BOARD OF DIRECTORS HOLBROOK ISLAND SANCTUARY:

CHANDLER RICHMOND - STANWOOD WILDLIFE FOUND ELLSWORTH

ORVILLE POLAND - R. BULLER HILL

MISS - KENR HENDERSON -

- MARY E. PORTER - ASTING

ATHLETON FULLER - ELLSWORTH

PLAINTIFFS DAMAGES 3 X'S

WILL FULL WANTON DISREGARD FOR CONSEQUENCES OF THE ACT

AERIAL SURVEY MAP

6-14-46

ME - A - 1 - 87

ROBINSON AERIAL SURVEYS INC

43 SPARTA AVE

NEWTON, N. J.

CENTER OF MAP

LAT 44° 22'

LONG 68° 45'

BY REGIE DANFORTH

AUGUSTA.
MAINE MINING BUREAU
VISIT TO SEE DOYLE.
STATE GEOLOGIST.

JULY 25 1967.

A REPORT ON WILDLIFE MANAGEMENT FOR THE GOOSE POND AREA, HARBORSIDE WAS PREPARED BY WILLIAM D. BARRON OF PRENTISS + CARLISLE COMPANY. ON DEC. 23. 1965.

RECEIVED BY J. W. PEPPARD. REGIONAL GAME BIOLOGIST AND SENT TO KENNETH W. HODGDON?

COPY OF REPORT SENT TO KEITH HAUREY MAINE DEPT. OF INLAND FISHERIES & GAME WATER ST. MACHIAS, ME. UNDER FISHERIES RESEARCH + MANAGEMENT DIV.

121 GALLONS/MINUTE OUTFLOW FROM THILINGS POND.
900 GALLONS/MINUTE INTO TIDAL WATERS, AT 8 HRS A DAY DISCHARGE.

CALLAHAN MINING AND THE MAINE MINING BUREAU AS OF JULY 25th HAVE NOT NEGOTIATED A LEASE.

MR. DOYLE. "PAPER WORK ON LEASE TAKES APPROX 4 MONTHS WE WILL GET TO IT SHORTLY, AS I WANT IT CLEARED UP BY CHRISTMAS."

ANY CONSIDERATION OF PERFORMANCE BONDS? "NO."

ANY CONSIDERATION OF RESTORATION, AFTER THE MINE IS WORKED OUT? "ONLY CONSIDERATION AND CONCERN IS THAT THE WASTE BE LEVELLED, AND SOO AND TREES WILL COVER THIS WASTE, AND THAT THE WATER BE RETURNED TO THE POND." ROBERT DOYLE 7/25/67

DITCH AT WIER COVE - INDEFINATE ABOUT RESTORATION

REMOVAL OF DAMS - INDEFINATE. UP TO FISH + GAME DEPT. COULD BE RETAINED AS FRESH WATER POND INSTEAD OF BRACKISH - OR SALMON FISHERY.

WILL INFORM ME OF THE CONTENT OF LEASE ABOUT TRANSFER TIME. UPON RECEIPT OF MY LETTER REQUESTING COPY. DOYLE FEELS HIS INTEREST IN WASTE LEVELLING + WATER RETURN WILL BE INCLUDED IN THE LEASE.



STATE OF MAINE

MAINE MINING BUREAU

LICENSE TO MINE NO. 1 (Eighth Renewal)

These presents certify that **Callahan Mining Corporation**
Harborside
Maine

holder of Prospector's Permit No. 67-103, dated December 12, '66 is granted a license to
mine valuable minerals in the area composed of Claim(s) 74, 75, 76, 90, 91, and 92
^{3137, 3138, and 3139}

Town of Brooksville, County of Hancock

in accordance with the provisions of the Maine Mining Bureau, Chapter 293, Public Laws of 1957, and

under the following terms and conditions imposed by the Mining Bureau: During calendar year

1967, Callahan Mining Corporation will enter into negotiations with

the Maine Mining Bureau with the objective of completing terms of a

lease and execution of that lease.

January 10, 1967

Date

Authorized Signature
Maine Mining Bureau

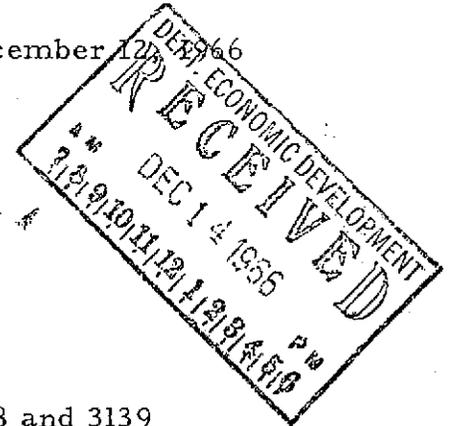
CALLAHAN MINING CORPORATION

277 PARK AVENUE - NEW YORK, N.Y. 10017
TELEPHONE: (212) 826-2950

OFFICE OF THE SECRETARY

December 12, 1966

Mr. Robert Doyle
Secretary
Maine Mining Bureau
State House
Augusta, Maine



Re: License to mine claims No. 3137, 3138 and 3139

Dear Mr. Doyle:

Your records will indicate that the above numbered claims are now held in the name of Callahan Mining Corporation. You will recall my mentioning during our conversations here in New York that these claims are located in the area of and will be used as a part of the proposed mining operation by Callahan in the Town of Brooksville, Hancock County and that we desire to have them placed under license.

The fresh water pond for collection of run off from the water shed will encompass claims 3138 and 3139; our pipe for discharge of effluent will be located within claim #3137.

Submitted herewith is our application for License to Mine covering these claims and our application for a Land Use Ruling to the extent necessary. I believe the Mining Bureau and other agencies have already ruled on claims 3138 and 3139 in the course of approving the legislation passed at the last session. You will recall that these claims are located at the southern end of Goose Falls Pond.

We trust that a license covering these claims can be granted before the end of 1966.

Very truly yours,

Charles D. Snead, Jr.
Secretary

CDS, Jr./gm
Enc.



STATE OF MAINE

MAINE MINING BUREAU

APPLICATION FOR LICENSE TO MINE

I, CALLAHAN MINING CORPORATION

Applicant's Name - Please Print Plainly

277 Park Avenue

Street or Post Office Address

New York

Legal Residence

New York

State

holder of Prospector's Permit No. 66-103, dated December 17, 1965, hereby make application to the Maine Mining Bureau for a License to Mine on Claim(s) No. 3137, 3138 and 3139, Town of Brooksville, County of Hancock. Attached to and part of this application are the following instruments, as required by Chapter 293, Public Laws of 1957.

1. Report from Robert W. Hodder - Sr. Geologist describing proposed mining operations on said claims.
Geologist or Engineer in good standing
2. License fee of \$25 per claim, which totals \$ 75.00.
3. Accurate survey of claim 3137 property boundaries certified by Cecil Whitley (Submitted under separate cover
Qualified surveyor
Survey of 3138 and 3139 included in survey of Goose Falls Pond conducted by A. B. Herrick & Sons now on file with mining bureau.
4. Copy of the Land Use Ruling of the Mining Bureau that the proposed operations will not conflict with any prior or proposed State uses. (If such a ruling has not been granted, make application at this time on Form E, Application for Land Use Ruling).

Application for Land Use Ruling attached.

December 12, 1966

Date

CALLAHAN MINING CORPORATION

By Charles D. Incadja

Signature of Applicant

Secretary



DEPARTMENT
OF ECONOMIC
DEVELOPMENT

STATE HOUSE

AUGUSTA, MAINE 04330

(207) 623-4511

STANDISH K. BACHMAN, Commissioner

December 11, 1964

Mr. Robert W. Hodder, Agent
Callahan Mining Corporation
Harborside, Maine

Dear Mr. Hodder:

This letter acknowledges the renewal of seven (7) mining claims staked by Callahan Mining Corporation, Prospector's Permit 65-103, covering Town of Brooksville, Hancock County, Maine.

The Maine Mining Bureau claim numbers are 3133-3139 inclusive, corresponding consecutively with your 3133-3139 inclusive.

Payment of \$14 in renewal fees is hereby acknowledged as received in check #114, dated December 8, 1964, signed by Robert W. Hodder.

Yours very truly,

Robert G. Doyle, State Geologist
Secretary, Maine Mining Bureau

RGD:sjf



MAINE

DEPARTMENT OF ECONOMIC DEVELOPMENT

STATE HOUSE

AUGUSTA, MAINE 04330

(207) 623-4511

STANDISH K. BACHMAN, Commissioner

December 8, 1964

Mr. Robert Hodder
Callahan Mining Corporation
Harborside, Maine

Dear Mr. Hodder:

I wish to acknowledge the transfer of seven Maine Mining Bureau claims numbers 3133-3139 inclusive, covering the overwater areas of outer Goose Falls Pond and Weir Pond in the town of Brooksville, Hancock County, Maine, on December 3, 1964. These claims have been transferred to Callahan Mining Corporation, holder of Prospector's Permit 64-103.

I wish also to acknowledge receipt of your check #109 in the amount of \$18 which covers the cost of transferring seven claims and the renewal of Prospector's Permits 64-102 and 64-103 for 1965 in the names of Robert W. Hodder and Callahan Mining Corporation, respectively.

I wish also to note that the application for a renewal of License to Mine No. 1 is presently being considered by the Maine Mining Bureau. Renewal of this License will await submission of one further item of information which is being sent by your New York office in the near future. As I noted to you last week, the Maine Mining Bureau meets on December 15, at which time your application will be processed.

Yours very truly,

Robert G. Doyle, State Geologist
Secretary, Maine Mining Bureau

RGD:sjf

Callahan Mining Corporation,
Harborside, Maine 04642,
December 8, 1964

Mr. Robert G. Doyle,
State Geologist,
Secretary, Maine Mining Bureau,
Department of Economic Development,
State House, Augusta.

Subject: Renewal of Claims
3133-3139 inclusive,
Town of Brooksville,
County of Hancock.

Dear Mr. Doyle:

Please consider this letter a formal application for renewal of claims 3133 to 3139 inclusive, Town of Brooksville, County of Hancock, held by Callahan Mining Corporation under Prospector's Permit 64-103. Application for a 1965 Prospector's Permit has been previously submitted.

The aforementioned claims were recorded on November 16, 1964, and under paragraph VII, Section 4, of the Maine Mining Law for State-Owned Lands, affidavit affirming completion of work for the year 1964 need not be submitted.

Our cheque No. 114 for \$14.00 to cover the renewal fee of \$2.00 per claim is enclosed.

Favourable consideration of this application is requested.

Yours truly,

Callahan Mining Corporation

R.W. Hodder,
Resident Geologist



MINING

DEPARTMENT OF ECONOMIC DEVELOPMENT

STATE HOUSE

AUGUSTA, MAINE 04330

(207) 623-4511

STANDISH K. BACHMAN, Commissioner

December 1, 1964

Mr. Robert W. Hodder
Callahan Mining Company
Harborside, Maine

Dear Mr. Hodder:

This letter acknowledges recording of several mining bureau claims staked by R. W. Hodder, Prospectors Permits, No. 64-102 covering the overwater area of parts of Weir Cove and the additional areas on Upper Goose Falls Pond in the coastal area of the Cape Rosier in the Town of Brooksville in the County of Hancock at 1:25, November 16, 1964. (3133-36)

The Maine Mining Bureau claims number 3133 - 3139 inclusive correspond with your claims number 3133 - 3139 inclusive. Mining Bureau claim tags to be affixed to the appropriate corner of your claim posts or witness posts have been issued in hand to you. Payment of \$14.00 in recording fees is also acknowledged herein.

Very truly yours,

Robert G. Doyle
State Geologist
Maine State Mining Bureau

November 16, 1964

Received from Robert Hodder

Fourteen Dollars and no/100 Dollars

(Seven Maine Mining Bureau Claims 3133-3139)

Robert G. Doyle, Secretary
Maine Mining Bureau

14.00

June 7, 1966

Mr. Charles D. Sneed, Jr.
Callahan Mining Co.
277 Park Avenue
New York, New York 10017

Dear Mr. Sneed:

The Maine Mining Bureau has authorized me to write you in regard to an assignment of rights at the Goose Falls Pond locality. It has been decided that pending the execution of a lease to mine the ore body under Goose Falls Pond, the Maine Mining Bureau hereby assigns Callahan Mining Company the rights contained in P & S 1965, Chapter 243, Section 2, of the Maine statutes.

Yours very truly,

Robert G. Boyle
State Geologist

RGD:gb

REPORT OF PROPOSED OPERATIONS

The proposed operation on claim 3137 consists initially in installation of a pipe to discharge mill effluent below low water level. The area of claim 3137 may also be used for loading facilities in the shipment of concentrate.

Claims 3138 and 3139 are within the area of fresh water collection at the head of Goose Falls Pond. As such these claims constitute an important part of the water control system planned for Goose Falls Pond and its water shed. The west side of the claims also flank an area of geological interest which will receive further attention.



R. W. Hodder

KNOW ALL MEN BY THESE PRESENTS,

THAT I, Robert W. Hodder, Harborside, Maine

the holder of Prospector's Permit numbered 64-102
Maine Mining Bureau, October 29, 1964

dated October 29, 1964 issued by the
in consideration of one dollar

paid by Callahan Mining Corporation, 277 Park Avenue, New York, N.Y.

the receipt whereof attached do hereby acknowledge, do hereby remise, release, bargain, sell and convey,
and forever quitclaim unto the said Callahan Mining Corporation

who is the holder of Prospector's permit numbered 64-103 dated October 29, 1964 issued
by the Maine Mining Bureau and ----- Heirs and Assigns forever, all ----- right, title and
interest in and to the following described claim(s): (claim numbers, town, county)

3133, 3134, 3135, 3136, 3137, 3138, 3139, Town of Brooksville, Hancock County

TO HAVE AND TO HOLD the same, together with all the privileges and appurtenances thereunto
belonging to Robert W. Hodder the said permittee

Heirs and Assigns forever.

IN WITNESS WHEREOF,

the said Robert W. Hodder

and -----
(no wife)
wife of the said

joining in this conveyance and relinquishing and con-
veying all ----- rights by descent and all ----- other rights in the above described claim, have
hereunto set hand and seal this third day of December in the year
of our Lord one thousand nine hundred and sixty-four

Signed, Sealed and Delivered

December 3, 64

19

Received from Callahan Mining Corporation

dollar and other considerations Dollars

State of Maine mining claims, Nos.

3133 through 3139, Brooksville, Hancock.

19

\$1.00

R. W. Hodder
R.W. Hodder

and acknowledged the foregoing instrument to be

free act and deed.

Before me,

Justice of the Peace.

Robert W. Hodder, Harborside, Maine

64-102

October 29, 1964

Having as its south border the north border
of Penobscot Mining Corp. Claim 74 and covering tidal Goose Falls Inlet
Brooksville Hancock

The sulphide minerals of Cu and Zn plus
associated metallic minerals of economic consequence.

Having as its south border the north
border of Penobscot Mining Corp.
claim No. 74 and as its east and west borders the low tide
line of the tidal inlet below Goose Falls and their due northerly
extensions for the full length of a valid claim plus that part of
Goose Falls Pond lying between the falls and the north boundary of
Penobscot Mining Corp. Claim No. 72.

Drawing attached.

fourteenth November 64
Robert W. Hodder, Harborside, Maine

64-102

Oct. 29, 1964

STATE No. 3137

600 ft. East-West

State No. 3137

True North

Penobscot Bay

750' Due North

525' Due North

Post #1 Robert W. Hodder
 Permit # 69-102
 November 14, 1964
 Witness overwater corner
 525 ft. distant in a
 direction due North
 Post #1 lies 780 ft. distant
 from post #2 in a
 direction North 15 1/2° East

Post #A Robert W. Hodder
 Witness overwater corner
 750 ft. distant in a
 direction due North.

Post #A lies approx. 785 ft.
 distant from Post #B
 in a direction North
 16 1/2° West.

Private Land.

Tidal Inlet

Private Land

Gravel Road rough Sanctuary

Post #2 Robert W. Hodder

Private land

Goose Falls

Bridge

Causesway

Post #2 Robert W. Hodder

Claim No. 74
Penobscot Mining Corp.

Goose Falls Pond

Claim No. 75
Penobscot Mining Corp.

No. 1 Shaft
Penobscot Mining Corp.

Road Through Harborside
To Harborside
distance approx. 1/2 mi

Brook

Gravel road

----- outline of Claim

No. 3137

Claim of Robert W. Hodder
 Maine Mining Bureau No.
 Town of Brooksville
 County of Hancock
 Approximate Scale 1" = 200'
 Date _____

with north boundry that of the south boundry of Penobscot Min. Corp. Cl.
Brooksville Hanceck

The sulphide minerals of Cu and Zn plus
associated metallic minerals of economic consequence.

Having as its north boundry the south
boundry of Penobscot Mining Corp. claim
No. 92 and as its east and west boundries the low tide line
of Upper Goose Falls Pond and its northwest corner approximately
900 feet in a direction South 62 degrees East from the large Chicken
House of Russell Redman.

Drawing attached.

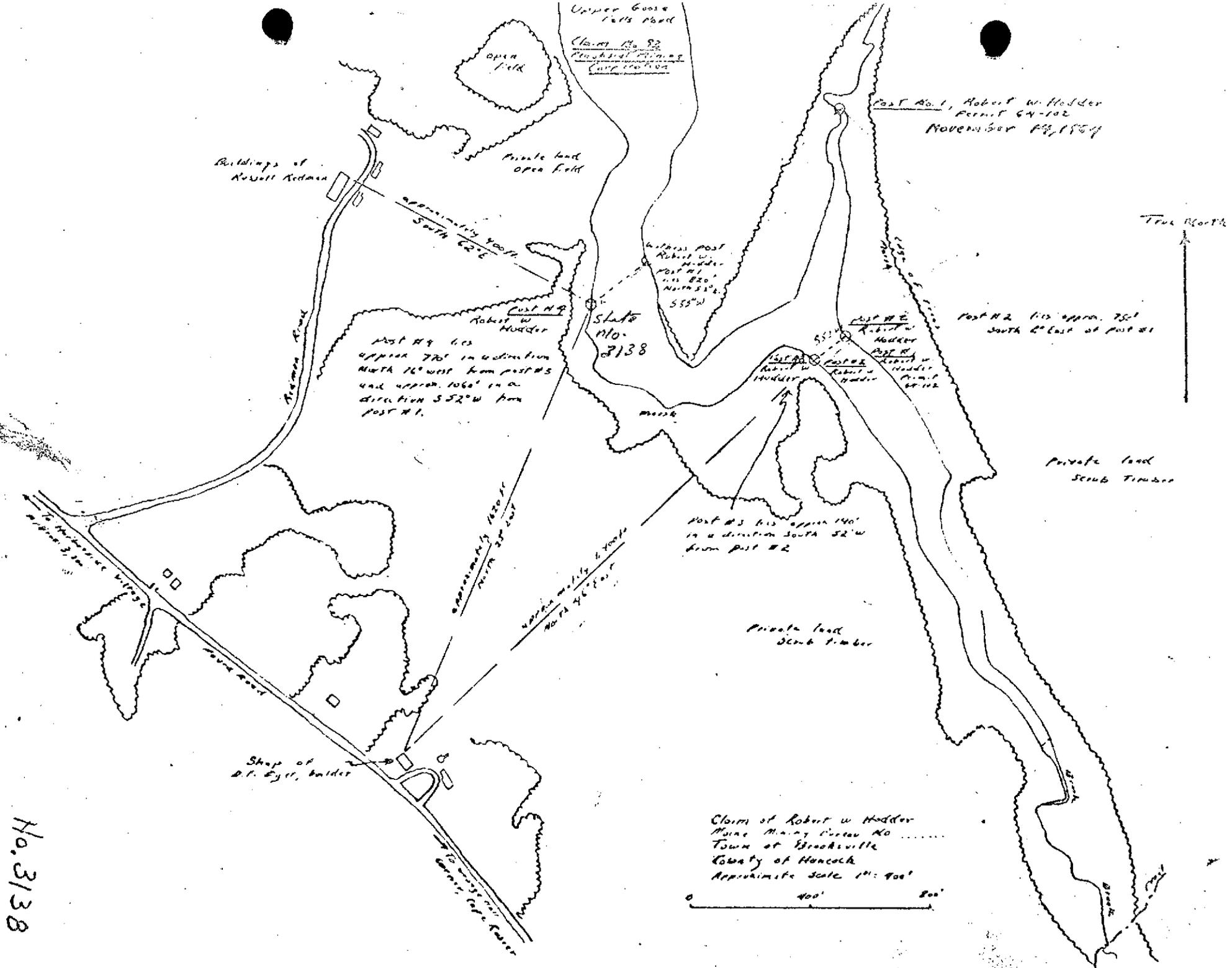
fourteenth November 64
Robert W. Hedder, Harborside, Maine.

64-102

Oct. 29, 1964

STATE No. 3138

No. 3138



Robert W. Hodder, Harborside, Maine

64-102

October 29, 1964

Covering a part of Upper Goose Falls Pond
and specifically the most southerly and head or blind end of said Pond.
Brooksville Hancock

The sulphide minerals of Cu and Zn plus
associated metallic minerals of economic consequence.

Having as its north boundry the south
boundry of the claim of Robert W. Hodder
No. _____ and as its south boundry the south end of Upper
Goose Falls Pond; as its east and west boundries the low tide line
of Upper Goose Falls Pond and its northwest corner approximately
1,900 feet in a direction North 46 degrees East from the shop of
D.F. Dyer, builder.

Drawing attached.

fourteenth November 64
Robert W. Hodder, Harborside, Maine

64-102

Oct. 29, 1964

STATE No. 3139

True North

Upper Coosa
Falls Land

Claim No. 82
Petersen Mining
Corporation

open
field

Private land
open field

Buildings of
Russell Redman

Thomas River

Post #2, Robert W. Hodder, Permit # 64-112
Post #1, Robert W. Hodder, Permit # 64-102
November 14, 1859.

Post No. 3
Robert W. Hodder

State
No. 3139

Post #2
Robert W. Hodder

Post #4 is
approx. 148' in a direction
N 31° W from
Post #5
and approx.
130' in a direction
S 46° E from
Post #1

Private land
Scrub timber

Private land
Scrub timber

To Post
#4

Approximately 1/4 mile
North 96° East

Post #2, Robert W. Hodder

Post #2 is approx
1500' in a direction
South 26 1/2° East
from Post #1

approximately 2120 ft.
North 89° East

Post #3
Robert W. Hodder

Post #5 is approx
30' in a direction
South 60° west from
Post #2

Shop of
D. F. Dyer, Builder

Claim of Robert W. Hodder
Main Mining Bureau No.
Town of Brooksville
County of Hancock
Approximate Scale 1" = 400'
900'

No. 3139

Carroll County

July 31st, Joseph ^{Jack} Hall - James ^{Carson} Young ^{John} Daring & W. S. Decker

Met at 4 PM visited Mine Site
talked in my studies 2:30 PM.

Hall - willing to compensate Foreman for loss of
business, and my damages.

Show letter to Selection in regard to performance regarding
Hall "You're putting the cart before the horse" My son
then is state owned land we are working on, "It's their
problem" not the town of Brooksville - I said "that's funny
the state said it's your problem & the town will have
a say in what will be done to the ponds."

Bill, "Well whatever it is it's too far off in the future
to bother with now." I said, "I didn't think so."

I said your firm could ease a lot of fears by the
people of the area by coming out with some ^{written} ~~stated~~ commitment
in regard to the ponds' restoration. you could set a precedent
by instituting restoration proposals, You're in a virgin state
as far as open pit mining is concerned you could help the
state and for that matter other firms interested in coming into
the state for open pit mining purposes ~~with~~ by working
out some reasonable legislation for both parties.

I received no reply. —

August 17. ^{at 10:30 AM} went to Augusta to see Nat Pol Council
with Mr. Greene - spoke with Mr. Marshall Burke.
Explained situation down at Goose Pond - no performance
bonds, dumping spoil into ponds, construction of other
dams etc. etc.

He seemed concerned - expressed intention to get
some members of the organization to come down to see the
ponds. Asked to write a piece for the Conservation
Bulletin - Mr. Greene to write to a Mr. _____ ^{at Bar Harbor}
and Mr. Clinton Townsend of Scarborough Me, Pres. of N.R.C.

~~Spoke~~ talked until 12:30 PM. returned to Harborside.
Mr. Greene and I will jointly draw up a file for the
N.R.C. Bulletin

Holbrook Island.

Dear Mr. Paudeeki,

would you honor
Holbrook Island
Sanctuary by becoming
one of its directors? No one
could be better fitted.

We are holding a directors' meeting on day next week (I hope) no date set as yet on the Island and I want you to come.

I was told of that greasy young's slip of the tongue about getting around the directors later, meaning, I



Senate to probe mining ravages

By William C. Selover

Staff correspondent of
The Christian Science Monitor

Washington

Every year in the United States, more than 150,000 acres of land are laid waste by surface mining. Altogether, this gouging and quarrying has scarred 3.2 million acres in the United States, through the years.

Laws now on the books in nine states can finance the restoration of about one-third of that ravaged earth.

But the rest is left to scar the landscape, erode the soil, pollute the water, dislocate businesses and homes, flood towns and cities, and spoil outdoor sports.

So far, the Johnson administration has not come up with specific proposals to meet this seeping disaster.

Impatiently, the Senate is beginning to prod the President into action. Sen. Frank Lausche (D) of Ohio is angling to get a presidential message on this issue.

Last January, Mr. Lausche came up with his own proposal to handle a big chunk of the problem—the damage done by surface and strip mining.

200-ton bites

This type of mining disturbs about 41 percent of the total amount of land mined in this way each year—by far the largest single source of land damage. Next is sand and gravel mining, amounting to about 26 percent. Stone mining accounts for 8 percent. The remainder is in smaller amounts.

When introducing his mined-lands conservation bill last Jan. 12, Mr. Lausche insisted that it was "folly to speak about spending money for beautification, for planting trees and otherwise, while at the same time we allow to go unregulated the strip miners who are doing such damage to the land."

With expansive drama he told his colleagues of a machine in Illinois, 20 stories high, capable of taking bites out of the land 200 tons per bite.

"Unless the federal government does something, ghost towns will be the result," he warned the upper chamber.

Here is what the Senator's bill would do. It would provide for the secretary of the interior to set up minimum

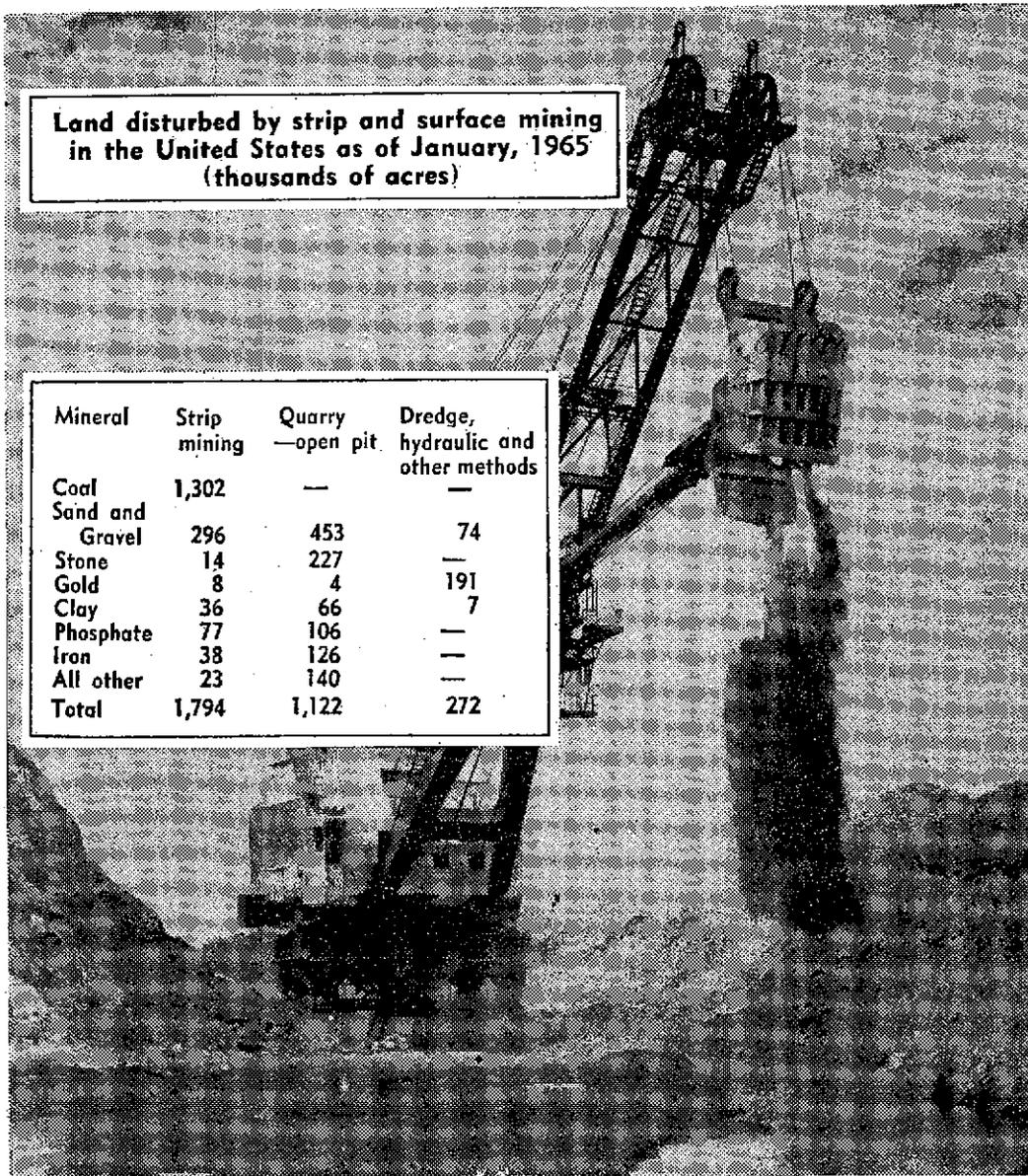
Land disturbed by strip and surface mining in the United States as of January, 1965 (thousands of acres)

Mineral	Strip mining	Quarry —open pit	Dredge, hydraulic and other methods
Coal	1,302	—	—
Sand and Gravel	296	453	74
Stone	14	227	—
Gold	8	4	191
Clay	36	66	7
Phosphate	77	106	—
Iron	38	126	—
All other	23	140	—
Total	1,794	1,122	272

Data from Departments of Agriculture and Interior

Scooping or scarring?

Each time this giant strip-mining shovel fills its dipper, 80 tons of earth is moved. It can scrape 100,000 tons of overburden away from a mineral seam in 24 hours. Senate hearings open next month on legislation to regulate the surface destruction caused by these mining processes.



★ Senate to probe strip-mining ravages

Continued from Page 1

standards for the restoration of mined lands. This would be on a region by region basis, taking into account the needs of the specific topography.

This would not be a uniform standard, and it would allow states whose laws are equal to or stronger than the secretary's regulations, to remain free from federal jurisdiction.

[States which regulate strip and surface mining are Kentucky, Tennessee, Maryland, Ohio, Pennsylvania, Illinois, Indiana, Virginia, and West Virginia.]

- It would provide federal grants in aid to help with the costs of restoration of the approximately 3.6 million acres of land spoiled before state laws were enacted or in states where no laws apply.

This would be done on several bases:

If the land to be restored is publicly owned, the federal government could grant the money straight out. This is also the case if it is owned by an individual who agrees to put the land into public use. If he wants to retain it for commercial use, the legislation provides loan money for restoration.

Senatorial support

Mr. Lausche has strong support for his legislation in the Senate. Cosponsors include Sen. J. W. Fulbright (D) of Arkansas, Sen. Lee Metcalf (D) of Montana, Sen. Gaylord Nelson (D) of Wisconsin, Sen. Hugh Scott (R) of Pennsylvania, Sen. Joseph D. Tydings (D) of Maryland, and Sen. Stephen M. Young (D) of Ohio.

This long has been a special interest of Mr. Lausche. During his five terms as Governor of Ohio, he consistently fought for a state law regulating surface mining. He was ultimately successful.

As Senator, he repeatedly has introduced bills on this subject, beginning in 1962. By 1965 he contents of one of his proposals was incorporated into the Appalachia bill.

This authorized the secretary of the Interior to prepare a study of strip and surface mining in the United States, and to report to Congress the results of this study.

Presidential praise

That study now is complete, after two years of work, and it was transmitted to the Congress by President Johnson on July 3.

In his letter of transmittal, the President called the report "a major step forward in our understanding of the problems caused by surface mining."

Mr. Johnson also agreed that it "outlines many constructive actions that can be taken by mining operators, by the states, and by the federal government. I believe it war-

rants careful study and consideration by all of these parties in order to minimize any future damage to our environment."

He called on all federal agencies to review their land-use policies to see that they don't violate the standards of good practice set out by the study.

Senator Lausche is deeply impressed by the report—especially since its recommendations "follow very closely to the provisions and objectives set forth in S 217"—his own bill.

Hearings on the bill are scheduled to begin Aug. 7. Senator Lausche hopes the President will send a message of support for the bill to the Congress before the start of the hearings.

Opposition expected

But until now, he has been silent on it. Furthermore, the Budget Bureau, which always reviews legislation, has not given its blessing. The act would authorize the spending of \$740 million over a 20-year period. Budget officials are watching all spending very carefully now.

The Senator has no special timetable for the legislation. He is hopeful the hearings will help gather support for it. But it is expected to remain at the discussion stage into the next session of this Congress, with passage coming, hopefully, before the end of the 90th Congress.

Biggest opposition is expected from the mining companies. They say the costs will be prohibitive.

But the study by the Department of the Interior refutes this.

The study shows that the cost per acre is surprisingly little.

The other source of opposition comes from those who fear this could be a step toward government interference in state and local affairs.

To that, Senator Lausche says only: "Let me say to those who advocate state's rights that my bill does not contemplate the invasion of the rights of the state, if and when laws are passed adequately to take care of preventing this damage to our land."

No marking time!

By the Associated Press

Colchester, England

Army Lance Corporal Michael Jeffries has captured the world nonstop marching record; he completed 155 miles and kept walking.

However, he failed by four hours to eclipse the time—40 hours—of the previous record, believed to have been set in the 1920's.

19.66 Poland Visit 20 July 67

States having bond returned by Callahan when
mining activity is terminated

M. M. Burein

Signature
Declared Public now

Jesse Callahan

Compensate??

12/30/65

Pay for repair rights (Berta Harris)

Kentucky - makes mining firms reclaim &
restore waste dumps.

Freedom of information law. (NAT SEC.
INCOM TAX REI)

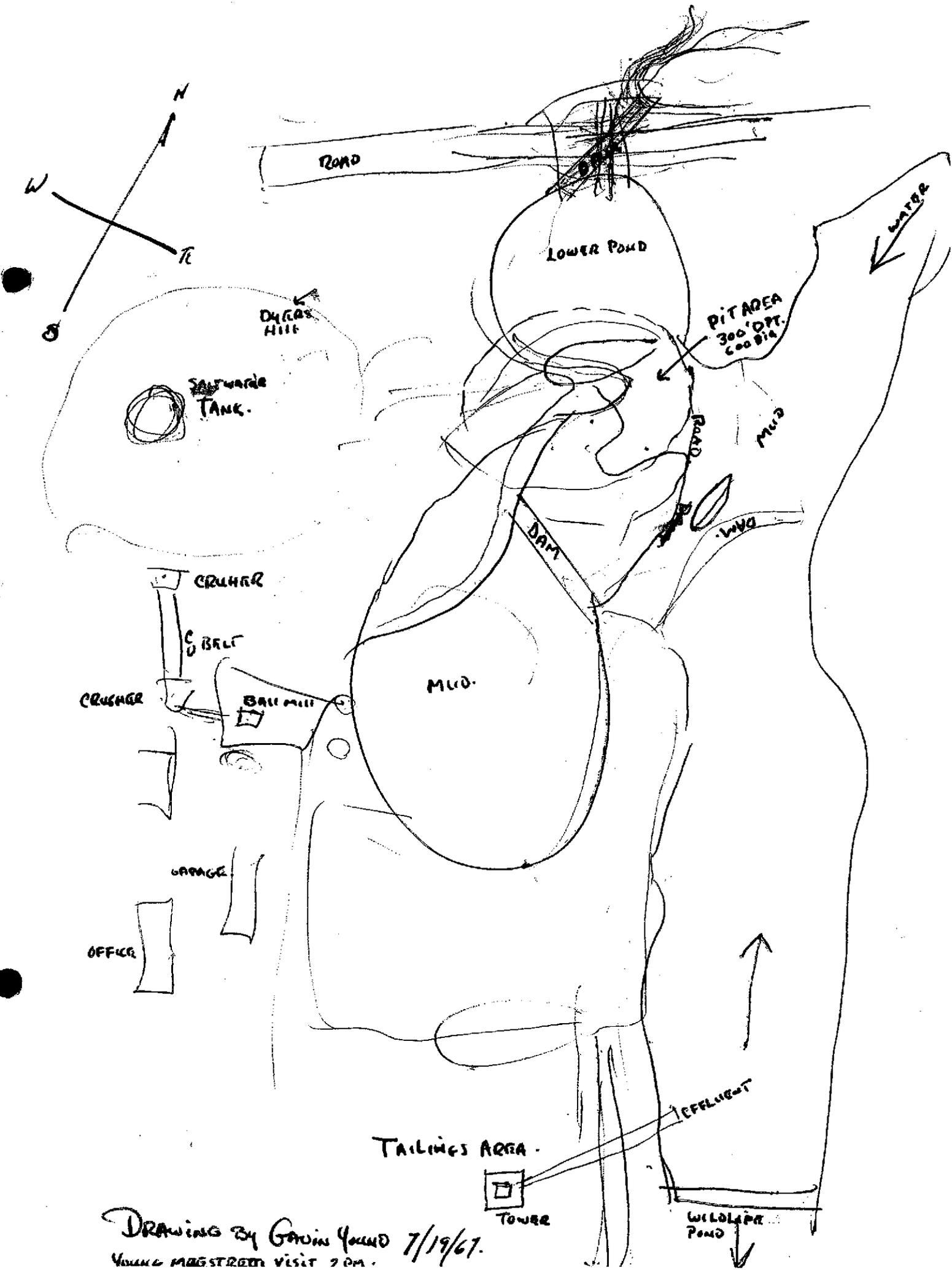
Go to Maine Mining Bureau. (Bureau of Mines.

ask to see lease, to Callahan - King Corp.

Amateur of lease: read.

Copy of lease.

See Doyle - acquire.



DRAWING BY Gavin Young 7/19/67.
 Young MAGSTREET VISIT 2 PM.

Wednesday, July 19, 1967

The Ellsworth American, Ellsworth, Maine

LETTER TO THE EDITOR

July 12, 1967

The Ellsworth American Inc.
Ellsworth,
Maine
04605

Letter to the Editor:

The present blast warning system of the Callahan Mining Company at Goose Falls is inefficient and archaic compared to the one which I propose as follows:

1. Install siren or whistle atop mine office, audible within a two mile radius, with the wind in any quarter.
2. Hand deliver to all residents in this two mile area a signed letter explaining the blast warning system, and approximate frequency of blasts.
3. Adhere to a described system, — which might be as follows:

One toot before a light blast.

Two toots before a medium blast.

Three toots before a Heavy blast.

Four toots in rapid sucession as an all clear signal.

Additionally, the letter should explain the precautions that are being taken to prevent fly rock injury to person and property of nearby residents. (This has occured to Mr. Sandeck and his neighbor, Mr. Farnham.)

Sincerely,
WM. MELAS.

* * * *

Callahan Mining initiates employe medical program

BROOKSVILLE--Effective July 1, Callahan Mining Corporation has initiated a hospital-medical program for all Callahan employes at the Cape Rosier mine site.

According to Accountant Earl Mithaug, approximately 51 Callahan employes will be covered under the program, all but eight of them from within Maine, and most of them from the local area.

The plan is established jointly through the Blue Cross-Blue Shield program, and the Phoenix Mutual Insurance Company, which provides major medical coverage up to \$10,000.

The program is the beginning of an expanding fringe benefit program at Callahan, Mithaug said.

U.S. Won't Try To Hold Silver Price At \$1.29

WASHINGTON (UPI) — The Treasury Department announced Friday that it will no longer try to hold the price of silver at \$1.29 an ounce to protect the nation's coins.

The department said it was removing the \$1.29 ceiling because it had succeeded in producing enough of the new silverless coins to meet the needs of the economy.

In other words, there are enough silverless coins on hand for vending machines and other transactions so that the country could survive the sudden disappearance from circulation of all the silver coins, Treasury officials said.

The Treasury has been holding the price of silver at \$1.29 an ounce since 1963 in order to keep silver coins out of the melting pot. When the price of silver rises above \$1.29, it pays people to melt down some coins for their silver contents.

The world price of silver is now above \$1.60 an ounce. The Treasury said it would continue selling up to 2 million ounces of silver a week at whatever the world price happened to be.

July 19/67

Gavin Young & Meistratti stopped by today at 2:pm. to discuss the mine.

Reference to mine restoration work was passed over, as it's being too far in the future. discussed my questions in regard to night drilling (ceasing by Monday the 24th) if drill arrives - promised Friday. Siren for blasting (installed as soon as power is gotten to mine office.

Dock at Temptress Blakespoint (tentative ^{\$250,000 to build.} bargen point) truck definite to Ellsworth for Zinc concentrate to be processed at St. Joseph, P.A. Lead & Zinc smelter there Copper indefinite Canada or Japan ?? Silver in a 2% / ton quantity. Dams discussed - mud rush problem tailing on Redna Property effluent into ^{south} middle pond. to be piped into Goose Cave (pipe on bottom of the cave (pumped flow) "Dike A." pointed out agreed it should be removed (mud) or surfaced for parking area. boat ramp?

Fly rock controlled - stemming of holes. Fly rock witness by Mrs. Melas denied. No tailing in the pond on Redna farm. dikes and mud to be pushed into open pit at end of operation. possible higher bridge over falls. for Gavin's of boaters into cave. development of recreation area.

State however a town will be deciding factor in restoration Callahan has no plans presently. Ore body is core shipped ore map. veining into ~~hill~~ Dyer Hill. Will run a tunnel at 100' level of open pit to pursue vein. Survey indicates largest ore body to be in distance between Goose falls and Mantel's Island out cropping on Raven Island.

Pit should not be bigger than 600' x 300' depth. ^{LENGTH}

Can't go on ^{EAST} Junction - ^{WEST} Dyers Hill ^{NORTH} ocean, ^{South} upper pond

Road bed will be improved gravel (waste rock ~~from~~ ^{to be put there.} crushers.)

Saltwater is ~~to be~~ ^{used} for processing, not ~~enough~~ ^{enough} fresh water available. if ^{private} wells are run dry by pit, they will be drilled elsewhere at Company's expense and water will be assured.



THE OLDEST COMMERCIAL LABORATORY IN AMERICA

BOOTH, GARRETT & BLAIR, INC.

ANALYTICAL AND CONSULTING CHEMISTS

SWORN WEIGHERS AND SAMPLERS

180 SOUTH MAIN STREET

P. O. BOX 58

AMBLER, PA. 19002

CABLE ADDRESS "BARGET,"

(WESTERN UNION)

(A B C CODE)

(215) 646-8320

July 18, 1967.

Mr. Albert Sandecki
50 Tanner Street
Haddonfield, N.J. 08033

Dear Mr. Sandecki:

We enclose our report of the examination of your rock samples. Our people were unwilling to make any more precise statements than shown without a thorough petrographic examination of the various samples.

If this should be necessary, I will be glad to recommend a reliable firm to you.

Very truly yours,

BOOTH, GARRETT & BLAIR, INC.

J.H. Ormsbee
Executive Vice President

JHO gs
Enc.

**BOOTH, GARRETT & BLAIR, INC.**

ANALYTICAL AND CONSULTING CHEMISTS
 SWORN WEIGHERS AND SAMPLERS
 180 SOUTH MAIN STREET
 P. O. Box 58
 AMBLER, PA. 19002

CABLE ADDRESS "BARGET,"
 (WESTERN UNION)
 (A B C CODE)
 (215) 846-8320

July 18, 1967

Mr. Albert Sandecki
 50 Tanner Street
 Haddonfield, N.J. 08033

Dear Mr. Sandecki:

As requested by you, we have examined the various rock samples received from you on the dates indicated and marked as below:

Received May 12, 1967:

- 1) Rock sample from outside studio - 87 pound piece.
- 2) Rock sample from inside house - 62 pound piece.
- 3) Rock sample from Brainard Farnhams Property.

Received June 5, 1967:

- 4) Sample (3 pieces) from Northeast pit.
- 5) Sample (3 pieces) from Southeast pit.

The Southeast pit samples appear to be some kind of schist such as a Chlorite schist.

The Northeast pit samples are visually different from the above.

The rock sample from outside studio, 87 pound piece, resembles the sample from the Southeast pit.

The rock samples from inside house, 62 pound piece, and also the rock samples from Brainard Farnham's property resemble the sample from the Northeast pit.

In summarizing we would say that the gross, visual examination made by us of the rock samples found on your property and Brainard Farnham's property show them to appear very similar to rock samples from the pits, and quite possibly to have originated in the pits.

Very truly yours,

BOOTH, GARRETT & BLAIR, INC.

J.H. Ormsbee
 Executive Vice President

JHO gs

RONALD W. GREEN, COMMISSIONER



STATE OF MAINE

DEPARTMENT OF SEA AND SHORE FISHERIES

STATE HOUSE

AUGUSTA, MAINE 04330

July 17, 1967

Mr. Albert E. Sandecki
Harborside
Maine 04642

Dear Mr. Sandecki:

Thank you for your letter of July 13.

Please be advised that our Marine Scientist John Hurst has checked the area since the complaint was made and, in his opinion, Callahan Mining is complying with the requirements established by the Department of the Interior.

Very truly yours,


RONALD W. GREEN
Commissioner

RWG:gmk



ADDRESS ONLY THE DIRECTOR,
BUREAU OF SPORT FISHERIES
AND WILDLIFE

UNITED STATES
DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
BUREAU OF SPORT FISHERIES AND WILDLIFE
WASHINGTON, D.C. 20240

JUL 14 1967

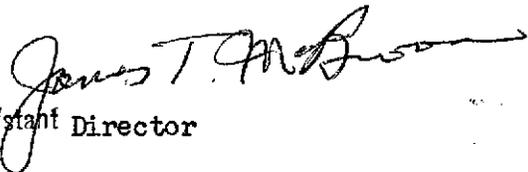
Mr. Albert E. Sandecki
c/o Mr. Brainard L. Farnham
Harborside, Maine 04642

Dear Mr. Sandecki:

Secretary Udall has asked us to thank you for your recent letter and enclosures concerning Callahan Mining Corporation work at Cape Rosier, Maine.

We are reviewing the situation and shall respond in more detail at a later date.

Sincerely yours,


Assistant Director



MAINE

DEPARTMENT OF ECONOMIC DEVELOPMENT

STATE HOUSE

AUGUSTA, MAINE 04330

(207) 623-4511

STANDISH K. BACHMAN, Commissioner

July 13, 1967

Mr. Albert E. Sandecki
50 Tanner Street
Haddonfield, New Jersey 08033

Dear Mr. Sandecki:

I answered your earlier letter on May 23 advising you that we had not been able to get sufficient support from other State agencies to carry through on a Mine Safety Law. I am enclosing a copy of that letter and also a copy of the minutes of the May meeting of the Mining Bureau at which time the problem was discussed. The Mining Bureau plans to make a visit to the area sometime later this month, and at that time will look at the entire area including the location and damage to your property.

I have visited the property at several occasions and have found that the company officials are making every effort to keep both damage and nuisance problems at a minimum. I feel fairly certain that there will never be a repetition of the rock damage from blasting. I can do very little about drilling, trucking of ore, and times of blasting since this is the justifiable prerogative of the company.

At my very first opportunity, I will review this problem with the Governor's office to see if we can work out some method of getting the necessary Mine Safety Code. I wish you would realize, however, that the industrial safety and control is not something that I can enter into without the support and cooperation of other existing State agencies. My job is to provide assistance and support to those who are interested in rocks and minerals of the State. I do recognize the problem that you raised; and as I said before, I will make every effort to see that something is done.

Very truly yours,

MAINE GEOLOGICAL SURVEY

A handwritten signature in cursive script, appearing to read 'Robert G. Doyle'.

Robert G. Doyle
State Geologist

RGD:gb

Enc. VACATION TRAVEL PROMOTION

INDUSTRIAL PROMOTION

GEOLOGICAL SURVEY

PUBLICITY and PUBLIC RELATIONS

RESEARCH and PLANNING