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UNITED STATES  
DEPARTMENT of the INTERIOR

★★★★★★★★★★★★★★★★★★★★★★ news release

OFFICE OF THE SECRETARY

For Release JUNE 14, 1966

GOVERNMENT GRANTS LEASES FOR NICKEL AND COPPER MINING

The Department of the Interior announced today that mining leases have been granted to The International Nickel Company, Inc., on 4,894 acres within the Superior National Forest in Lake and St. Louis Counties, Minnesota, to produce copper and nickel ore.

"The company has assured Department officials that it will proceed rapidly with operations, offering promise of new economic life for an area beset with increasing job layoffs," said Secretary of the Interior Stewart L. Udall.

The leases make possible development work leading to the anticipated large-scale production of copper and nickel in the area near Ely, Minn. They grant mining rights to the company for 20 years, renewable for 30 years at 10-year intervals if the property is brought into production within the initial 20-year term.

The company must, within the first year, conduct drilling operations and ship ores to pilot plants for metallurgical process research. The leases call for royalty payments to the Government, based on the value of the minerals mined, beginning at four percent and escalating over the years of the contract. The royalty structure is designed to stimulate early and rapid development of the properties.

In executing the leases, the Department of the Interior has collaborated with the Department of Agriculture and other government agencies in requiring precautions to protect surface resources in the mining area. The leased land is outside the famous Boundary Waters Canoe Area.

NOTED  
JUN 24 1966  
W. B. GAZDIA

NOTED  
JUN 24 1966  
J. D. TURNER

The company has conducted exploration work for some 15 years under prospecting permits issued by the Government. In taking core samples, the company found mineral deposits in quantities legally sufficient to establish preference rights to lease. Since the Government's rejection of a lease proposal in 1956, prospecting permits have been renewed on an annual basis.

If any of the copper is processed outside of the United States, the Government may demand that an equivalent amount be returned to the United States for use in the company's domestic operations, or for sale. Copper so returned would be priced on the same basis as if it had been processed entirely in the United States.

The ore deposits range from 33 feet to about 815 feet in thickness.

The Department of the Interior, through its Bureau of Land Management, has responsibility for mineral leasing on National Forest lands as well as on public domain lands under the Bureau's direct jurisdiction.

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Form 1274-7  
(January, 1965)  
(Previously 4-1274)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
FUTURE ACTION SUSPENSE CARD

|               |          |
|---------------|----------|
| Serial Number | 88-01352 |
| Area Type     | 15.6     |
| Call-up Date  | 6-1-86   |

Remarks

*Lease Expires*  
*20 yr. lease 6/1/66*

Send Case To

*Minerals*

GPO 847-254

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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Form 4-1179  
(October 1960)

No. 170503

June 10, 1966 DATE

ES 01353 (Minn.) PARENT SERIAL NUMBER

ASSIGNMENT SERIAL NUMBER

**Preference Right Mining Lease Application**

APPLICANT:

SUBJECT  
REMITTER IF DIFFERENT THAN APPLICANT:

The International Nickel Co., Inc.  
67 Wall Street  
New York, New York 10005

| PURPOSE                          | FUND SYMBOL | AMOUNT     |
|----------------------------------|-------------|------------|
| FILING FEE EARNED                | 142490      |            |
| ADVANCE FILING FEE AND/OR RENTAL | 14X6800     | \$2,327 00 |

| ACRES                    | COUNTY | EFFECTIVE DATE | OLD LEASE | NEW LEASE |
|--------------------------|--------|----------------|-----------|-----------|
| NEW LEASE 2,334.71 GROSS |        |                |           | 6-1-66    |
| 2,254.71 NET             |        |                |           |           |

|  | FUND SYMBOL                | COUNTY | AMOUNT   |
|--|----------------------------|--------|----------|
| APPLY:<br>FILING FEE 142599                        |                            |        |          |
| ASSIGNMENT: COMPLETE AREA <input type="checkbox"/> | 1st year - ES 01353        |        |          |
|  | RENTAL 125008.227          |        | 2,255.00 |
| PORTION OF AREA: ASSIGNED AREA                     | 1st year rental - ES 01352 |        |          |
|  | (BALANCE) 125008.227       |        | 41.00    |
|  | REFUND                     |        | 31.00    |
| RETAINED AREA                                      | RETAIN IN UNEARNED ACCOUNT |        |          |
|  | TOTAL                      |        | 2,327.00 |

OF INTEREST BUT NOT OF SPECIFIC AREA:

BOND FILED

NO BOND FILED

REMARKS Preference right lease issued for 20 years.  
See 170502 for balance of payments.

E.F. Smith 9-1-66 BY *[Signature]* DATE

DO NOT ACCEPT THIS COPY AS A RECEIPT  
CASE FOLDER COPY

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|  |   |  |
|--|---|--|
| <p>Legal Reference<br/>MINERAL LEASE<br/>Act of June 30, 1950 (64 Stat. 311)</p>   | <p>File Code<br/>15.6</p>   | <p>Serial Number<br/>ES-01353 (Minn)</p> |
| <p>Name and Mailing Address<br/><br/>The International Nickel Co., Inc.<br/><del>67 Wall Street</del> One New York Plaza<br/>New York, New York <del>10005</del> 10004</p>   |   |  |
| <p>Description of Land</p> <p> <i>88</i><br/> <i>1526.21</i> { T. 62 N., R. 10 W., 4th P.M., Minnesota<br/>                 ✓ Sec. 19, All <del>444</del> <i>666.52</i><br/>                 ✓ Sec. 20, SW¼ <i>160.-</i><br/>                 ✓ Sec. 29, N½ <i>-320.-</i><br/>                 ✓ Sec. 30, Lot 3, N½ <i>-379.69</i><br/>                 T. 62 N., R. 11 W.,<br/> <i>Acq. 888.50</i> { Sec. 24, Lot 7, SE¼SW¼, S½SE¼ (Acq) <i>168.56</i><br/>                 Sec. 25, N½, NE¼SE¼ (Acq) <i>360.00</i><br/>                 Sec. 25, W½SW¼ (Undivided one-half interest) <i>80.00</i><br/>                 Sec. 26, S½NE¼, NE¼SW¼ (Acq) <i>120.00</i><br/>                 Sec. 26, E½SE¼ (Undivided one-half interest) (Acq) <i>80.00</i> </p> <p style="text-align: right;">2,334.71 acres Gross<br/>2,254.71 acres Net</p> <p>MINERAL: Copper, nickel</p> |   |  |
| <p>DATE OF ACTION</p>  | <p>ACTION TAKEN</p>   |  |
| <p>June 1, 1966</p>  | <p>Preference right lease issued. Based on prospecting permits BLM-A-026980; 028232; 022697; 024828; 026710; 026733; 027082; 027086; 027173; 028035; 028059; 029094; 029095; 030141 and 030564.</p> |  |