

Selby 3-120- June 26

Bunker Hill & Sullivan Mining & Concentrating Company.

MINES AND WORKS AT WARDNER, IDAHO.

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1650

ORE CONTRACTS.

POSTOFFICE ADDRESS, KELLOGG, IDAHO, July 29th, 1899.

F. W. Bradley, Esq., President,
Bunker Hill & Sullivan Mining & Concentrating Co.
Crocker Building, San Francisco, California.

Dear Sir,-

Returning herewith my letter of April 17th with your memorandum thereon. I have advised Rust that we have made a contract with Selbys for 300 tons per month of our concentrates, and have asked him to see what could be obtained in the way of freight rate on Crude Ore which we might send to Selbys via Tacoma. I doubt whether any better rate could be obtained than the rate we have now from the O. R. & N. Co., as the rail rate to Tacoma from Wardner on ore of valuation less than \$50 per ton is \$5 per ton, and the water rate would have to be less than \$1.50 per ton in order to make the total any less than the present O. R. & N. rate. In-as-much as two railroads are interested in the division of the \$5 rate, it is hardly probable that any concession would be made in that direction, and \$1.50 a ton seems about as little as the ore could be handled for by the steamship company, including the cost of transfer from the cars to the ship. I do not believe, however, that we shall have very much shipping ore for some months to come, because, as I have already written you, when we begin to break concentrating ore in the Roberts stope, we shall have to stop breaking the shipping ore until the concentrating ore is brought higher up. As I remember the Tacoma contract, we have the right to ship a maximum of 44 tons of metallic lead per day. Calling the average of our product 60%, this would take care of 73 tons, and ten tons a day to Selby would make a total of eighty--three tons and I think that we shall not exceed that daily output for two or three months yet, and in the meantime probably Rust will get into better shape

F.W.B.#2.O.C.

for handling the output. As I understand the matter, in the event that Rust is unable to take up the 44 tons of metallic lead per day, either he must find a market elsewhere for that portion which he cannot take, or we must, and that he must pay us the difference between the price realized for such ore so diverted, and the price that would be realized under our contract with him. Please send me a copy of the agreement with Tacoma. My understanding of this agreement does not seem to agree with your understanding, or what I infer to be your understanding from your saying that you "suppose Rust will have to give us as good a quotation as Lyne offers".

Yours truly,

Freda Purbridge