DEPARTMENT OF INDIAN AGEORDS

OFFICE OF INDIAN AGENT

Okanagan Indian Agency,

Vernon, B.C.,

January 20, 1938.

Sir,-

Replying to your letter of the 12th instant regarding the fact that no rentals have been collected on various mineral claims on Upper Similkameen I.R.No.2, I would advise that no work has been done on these claims and consequently no occupation or disturbance of the surface, the Hedley Chief Mines Ltd. evidently desiring to follow the usual procedure of testing the possibilities of one claim before investigating the others. I assumed that until such time as some development commenced that rentals could not be demanded, this view being indicated in your letter of June 13th, 1934, (File 18164-5), in reference to the application of Mr.4.N.Gartrell covering land on Okanagan I.R.No.1 in which you state "it is therefore suggested that Mr.Gartrell make formal application for an interim mining permit to cover the definite area on which this development work is proposed". Also vide paragraph two of your letter of August 29, 1933, (File 18164-21). Also I took up this specific question in my letter to the Department dated May 18, 1934, with regard to an operator recording several claims on a Reserve and doing all the work on one and whether in such cases the Department required rental for the whole, but so far appear to have received no reply to same.

This particular instance would indicate the necessity of a ruling on the subject. The main objection to the grouping of several claims with payment of rentals on only one is that it would thereby prevent other operators from securing claims that might be worked and prove a source of revenue. On the other hand the operator is confined to a comparatively short time under an interim lease in which to decide whether he has anything worth while developing into a producing mine and there are advantages in not having a number of small operators tearing up the surface of a Reserve entirely on speculation.

I might add at this time that the opinion of the local Gold Commissioner is that insofar as precious metals are concerned that as they are governed by the old Order-in-Council that we have no right to demand a payment of \$5.00 for a permit to prospect for previous metals as the Order-in-Council does not provide for the collection of same. This would also of course apply to issuance of an "interim permit" under such circumstances.

Your instructions will be appreciated.

JC/HM.

The Secretary, Indian Affairs Branch, O t t a w a. Your obedient servant,

(Jas. Coleman). Indian Agent.

Indian Affairs. (RG 10, Volume 7639, File 18164-21 Pt. 2)