

27119-1

Vol. 4

February 14th, 1947.

7787

The Deputy Minister of Justice,
O t t a w a, Ontario.

Dear Sir:

150,605

Re: Stony Indian Reserve,
Morley, Alberta and
Mitford Coal Company Lease.

Since reporting to you on January 15th, I have had several interviews with Mr. Hannah, Solicitor for the Mitford Company here and with Mr. Gooderham of the Department of Indian Affairs in regard to a lease of the acreage, approximately 810.87 acres, owned by the Mitford Company and described in the memorandum enclosed with my letter to you of April 4th, 1946, and on a portion of which, i.e. the South half of Section 13, Township 26, Range 5, West of the 5th Meridian, the corrals, loading platform and scales purchased from Coppock and Crawford are located. This acreage has heretofore been leased to Mr. Crawford on a year to year basis expiring at the end of each calendar year so that as of January 1st, the Department of Indian Affairs has no lease of this acreage and strictly speaking no right of access to the loading pens and platform across the land.

Mr. Hannah indicated that his principals had left it very largely up to him as to what arrangements they should make with regard to leasing this land to the Department. He indicated that his principals had little or no knowledge of the value of the land which they took over from the defunct Mitford Coal Company Limited, which Company had acquired the property at a very high price and on which they apparently lost very substantial sums in the development of the coal mines.

Mr. Hannah indicated that the present owners' ideas of value were largely influenced by the price which was originally paid for the property as potential coal producing lands.

I suggested to Hannah that this was an opportune time for the Coal Company to sell the surface rights outright and reserve the coal, oil and mineral rights thereunder indicating that according to my information the surface area was of no value for other than grazing land and that it was not sufficiently extensive to make it attractive to a private individual.