

U. S. Steel Corp. - ^{or} Lease

Nov. 3, 1911

Hill to Gilbert Farrer

Local settlement between North Dakota and the Rocky Mts. is beginning to count. Northern Montana is fast becoming a large producer of winter wheat. Last October we moved about 100,000 bus. from Mont.; this year over a million bushels. U.S. Steel has given notice to cancel lease. Already we are having a no. of applications from other parties for large amts of ore. The corp. has spent from \$12,000,000 to \$15,000,000 in exploration and opening up the properties & if they turn over to us mines capable of shipping ~~si~~ billion tons a yr.,

even at present depressed prices, the profit on ore would be equal to a royalty of \$1.50 to \$1.85 per ton."While the lease relieved the trustees from the responsibility of mining it, it is altogether probable that the ore certificates would receive more money & for a much longer time than if the lease was continued. Their reason for cancelling the lease is their fear that the Govt. would prosecute them for endeavoring to control so much ore. It would be very difficult for the court to draw the line between our leases and any other leases held by the Steel Corp. & more than half their ore outside of our lease is held by leasehold."