UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 2469

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

- ✓ Certificate of Audit (Final).
- Interim Audit(s).
- Report of Review.
- ✓ Closing Letter
- Termination Notice or Agreement.
- Recision Notice.
- Assignment of Contract.
- Contract Amendments (latest on top).
- ✓ Contract with all exhibits and annexes.
- Owner's Consent to Lien.
- ✓ Subordination Agreement.
- ✓ Leases and assignments of leases.
- ✓ Application and attachments.
- Schedule of Collections.
- ✓ Operator's monthly reports and all attachments (latest on top).

Right Side

- ✓ Project summary.
- ✓ Work completed analysis.

All other material is filed in chronological order with correspondence including the following reports as checked:

- ✓ Final Field Team Report. (Tab)
- ✓ Operator's Final Report.
- ✓ Interim Reports.
- ✓ On-site Exam Report(s). (Tab)
- Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number _____

Operator's Monthly Reports in folder number _____

WMC
Reviewer's Initials

7973

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of:

Alaska Copper Corporation
1013 Smith Tower
Seattle, Washington

pertaining to Exploration Project Contract No. Idm-238, Docket No. [illegible]-2469, for the period June 10, 1952 to November 28, 1952, covering a project of exploration for tungsten on the Rocky Mountain Creek Claims, located on the Seward Peninsula, Alaska.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit disclosed the following facts in regard to the amount to be paid the contractor:

Total cost as billed by contractor		$12,420.10
Less: Salvage sales of property	$806.40	
Other termination adjustments	72.02	878.42
Net claimed cost		11,541.68
Exceptions (See Audit Report for details):		
Prior to this audit	-0-	
During this audit	973.49	973.49
Total accepted cost		$10,568.19

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Seven thousand nine hundred twenty-six and 14/100 Dollars,

"$7,926.14"

is valid and proper.

This certificate is issued on the provision that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

W. J. BRAKHUS
Auditor

October 5, 1953

AUDIT REPORT

I INTRODUCTION

On October 1 and 2, 1953, a final audit (covering the period of June 10, 1952 to November 28, 1952) was made of the records and accounts of operations pertaining to Contract No. Idm-E338, Docket No. DMTA-2469 with the:

Alaska Copper Corporation
1013 Smith Tower
Seattle, Washington

covering a project of exploration for tungsten on Rocky Mountain Creek Claims, located on the Seward Peninsula, Alaska.

The accounting records under this contract are located in the Company's main office at the above address.

During the course of the audit Mr. Charles F. Herbert, President of the Corporation was present and was consulted as required. His cooperation and assistance greatly facilitated the audit.

II GENERAL INFORMATION ON RECORDS

The accounting records of the project are maintained in an individual general ledger with detailed cost allocations which provided the basis for billings on the MF-104's. A separate ledger covering disbursements for the project also is maintained. However, the general records did not furnish the necessary cost allocations to the individual items of cost designated in the contract as allowable maximums. Expenditures for labor were supported by payrolls and cancelled checks covering the net amounts paid. The expenditures for equipment, materials and services were supported by vendors' invoices and cancelled checks. Cost segregations between the category of New Buildings, Improvements, etc., and the actual exploration work, and between Stages I and II, were not maintained.

The public accounting firm of Baulet and Kohler of Fairbanks, Alaska, performed the detailed accounting for the project. The general accounts of the Corporation are audited annually by the firm of Sites and Lala, certified public accountants of Seattle, Washington.

III SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety and validity of the costs as shown in the "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher, for the months of August and September, 1952, and subsequent adjustments necessary for closing out the project. The extent of the audit and the findings under each of the items of cost follow:

(1) Independent Contracts:

Not applicable to this project.

(2) Labor and Supervision: $2,389.46

The charges under this category were checked against the payrolls, cancelled checks, estimated rates and allowable maximums shown in Exhibit "A" of the contract. An amount of $140.00 in direct labor was charged to (6) New Buildings, Improvements, etc. The balance of direct labor was charged to exploration without breakdown between the work called for under Stages I and II. The supervision was performed by Charles F. Herbert, President of the Corporation, who spent approximately 239 hours directing the work, taking samples and performing other manual work necessary.

In lieu of charging a portion of his salary to the operation, Mr. Herbert charged an amount equivalent to his travel expense to the payroll for supervision. However, the contract does not provide for an individual supervisor as such. It provides for a "working foreman", which is interpreted to mean someone nominally in charge at the site continuously. In view of the above and the prohibition against payment of travel expenses of corporate officers as stipulated in the contract, this amount of $700.16 as shown under supervision on the Operator's MF-104 is disallowed.

The audit disclosed that the costs shown under this item on the August-September 1952 MF-104 properly chargeable and allowable under the terms of the contract to be:

Labor—				
1 Man	81 Days @ $560.00 per Month			$1,493.33
1 Man	282 Hours Regular Time @ $2.25		$634.50	
	119 " Overtime @ $3.375		401.63	1,036.13
				2,529.46
Less: Amount transferred to New Buildings, Improvements, etc.				140.00
Total				$2,389.46

(3) Operating Materials and Supplies: $1,231.26

Analysis was made of all charges in this category and reclassification made as presented below. All invoices were examined and a sufficient number for audit purposes were traced to the disbursement ledger and cancelled checks issued in payment therefor. The Operator assumed cost of inventory remaining when the project was terminated allowing credit against the respective accounts at full cost value. One billing, for materials not included in the final MF-104, was allowed and added to the costs previously submitted. This was considered fair and equitable, and further justified because some of the items were part of the inventory which the Operator assumed.

The Operator assumed an inventory of $1,062.05, of which $401.71 were items coming under this category. However it was found that several items credited were not purchased under this contract, but were on hand prior to initiation of the DMPA project. This amount was therefore reduced to $284.95 as the proper credit under this contract. Included in the above variation in credit of $116.76 in operating materials and supplies is an amount of $34.16 for overpricing lumber taken over by the Operator.

The total net charges, properly chargeable and allowable under this item, were found to consist of the following:

	Accepted Cost
Timber	$ 89.63
Explosives	74.62
Pipe	50.00
Drill Steel	81.90
Diesel Fuel, Gas and Oil	854.45
Small Equipment and Hand Tools	19.40
Hose and Couplings	18.00
Miscellaneous Supplies	43.26
Total	$1,231.26

(4) Operating Equipment: $4,202.87

The Operator rented a D-6 Caterpillar Tractor at a rate of $1,200.00 per month and a 105 CFM Sullivan Air Compressor for $300.00 per month plus freight to job from Solomon and return. The rental rates were within those estimated in the contract for this item of cost.

An Ingersall Rand Model JB-4 Jackhammer was purchased for the operation under Stage I. This piece of equipment which included a line oiler costing $268.00 was taken over by the Operator, at the time the project was terminated, at full cost credit to the project.

The total costs properly chargeable and allowable under this item of costs were found to be:

Rented:		
D-6 Caterpillar @ $1,200.00 per month		$3,360.00
105 CFM Sullivan Compressor @ $300 per month		600.00
Purchased:		
I-R Model JB-4 Jackhammer	$250.00	
I-R Line Oiler Lubricator	18.00	
Part 27-JA 45 Water Tube for Drill	1.85	
	$269.85	
Credit allowed by Operator at close of project	268.00	1.85
Freight on Compressor from Solomon and return		241.02
Total		$4,202.87

(5) Initial Rehabilitation and Repairs:

Not applicable to this contract.

(6) New Buildings, Improvements, etc.: $629.33

The costs properly chargeable and allowable under this item of cost were found to consist of the following:

		Accepted Cost
3 Jamesway Huts purchased for	$150.00	$
Sold at close of project for	25.00	125.00
6- 6x6x16 Timbers for skidding		48.80
Freight on above to Railroad		65.28
3 Doors		15.00
48 Sheets Plywood	$120.00	
Less 12 Sheets in closing inventory	36.00	84.00
Rail freight on Huts and Timbers and Stoves		108.15
2 Sheets 32x32 DS Glass		13.00
2 Coleman Space Heaters	$120.00	
Taken over by Operator at close of operations	120.00	-0-
Pipefittings		30.90
		$489.33
Labor: Installation of the above		140.00
Total		$629.33

The twelve sheets of plywood and two Coleman space heaters credited above were taken over by the Operator at full cost value after the exploration work was terminated.

(7) Miscellaneous: $2,043.27

Miscellaneous items of cost shown on the Operator's August-September MF-104 were analyzed and reclassified as presented below. Payroll taxes and Liability Insurance, as charged, both contained amounts applicable to the operations prior to the date of the contract. During the audit contact was made with the insurance broker and additional refunds were obtained for the account of the Operator.

The total costs charged, the auditor's disallowances, and net costs properly applicable in accordance with the terms of the contract were found to consist of the following:

	Costs Charged	Auditor's Disallowances	Accepted Costs
Repairs to Equipment	$ 283.53	$	$ 283.53
Payroll Taxes	161.59	55.35 1/	106.24
Liability Insurance	232.25	90.33 2/	141.92
Transportation of Personnel	362.59	127.65 3/	234.94
Freight	474.87		474.87
Camp Equipment	108.52		108.52
Accounting	285.00		285.00
Office Expense	40.73		40.73
Boarding House Loss	367.52		367.52
Totals	$2,316.60	$273.33	$2,043.27

1/ Total amount on MF-104 for June and July was applicable to labor prior to date of contract.

2/ Included in amount used as basis for settlement per audit by insurance carrier was $1,318.00 of labor prior to the date of the contract. The net insurance cost to Operator was $215.87 of which $2,529.46/$3,847.46 is applicable to this contract.

3/ Disallowance made in sum of $31.05 for transportation of Charles F. Herbert, President, specifically prohibited by footnotes on pages 4 and 5 of Exhibit "A" of contract. Balance of $96.60 disallowed is for plane fares for Mrs. Earl F. Ellingsen, who was not an employee on the project.

Adjustments made after submission of the August-September MF-104 are $2.35 for a repair part, and $10.00 for a 16 foot circular tent not previously claimed, and also credits for a $219.37 refund on Liability Insurance and $97.45 for camp equipment taken over by the Operator upon termination of project at full cost value. The total of these items amounting to a net credit of $304.47 was submitted by the Operator in a letter to the Executive Officer dated November 28, 1952, which credit was accepted by the certifying officer at time of making payment on the final MF-104.

IV CONCLUSIONS

The Operator in the letter of November 28, 1952 to the Field Team presented an inventory of equipment, materials and supplies which he agreed to take over at its full cost value of $1,062.05. However, a detailed examination of the items disclosed that only $806.40 of the total had been purchased under this contract. This audit therefore has credited the accounts affected with the correct amounts on the inventory. The adjustments as shown in the third column of the summary of costs, which appears on a following page, are made up of the following:

Credit for unused insurance premium		$ 219.37
Credit for inventory taken over		806.40
		$1,025.77
Less: Invoice from Mike Kelly	$145.00	
Invoice from Northern Commercial Company	2.35	147.35
Net credit adjustment		$ 878.42

This audit has disclosed that all costs as charged to this project, with the exception of the disallowances itemized under (2) Labor, Supervision, etc., and (7) Miscellaneous, are reasonable and proper under the terms of the contract, including Exhibit "A" thereof. The individual elements of cost have been reviewed with the Executive Officer of the BPEA Field Team of Region I, who indicated his concurrence as to their propriety under the terms of the contract.

The adjustments between Items of Costs, as shown on the August-September 1952 MF-104, less subsequent adjustments, the recommended disallowances, and approved amounts are summarized as follows:

	Totals Aug.-Sept. MF-104	Distribution Corrected	Adjustments & Sales of Bal. on Hand	Disallowed by Audit	Accepted Cost
(2) Labor & Supervision					
Labor	$ 2,389.46	$ 2,389.46	$	$	$ 2,389.46
Supervision	700.16	700.16		(700.16)	
Technical Services	319.60				
(3) Oper. Mat'ls. & Sup.	1,761.91				
Timber		148.93	12.70		161.63
Explosives		74.62			74.62
Pipe		83.20	(33.20)		50.00
Drill Steel		118.50	(36.60)		81.90
Diesel Fuel, Gas & Oil		854.45			854.45
Small Equip. and Hand Tools		53.95	(34.55)		19.40
Hose and Couplings		86.30	(68.30)		18.00
Misc. Supplies		33.26	10.00		43.26
(4) Operating Equipment					
Rental	4,201.02	3,960.00			3,960.00
Purchase	432.01	269.85	(268.00)		1.85
Frt. on Equip. Rented		241.02			241.02
(6) New Buildings, Improvements, etc.	909.33	785.33	(156.00)		629.33

	Totals Aug.-Sept. MF-104	Distri-bution Corrected	Adjustments & Sales of Bal.on Hand	Disallowed by Audit	Accepted Cost
(7) Miscellaneous					
Repairs to Equipment	266.93	281.18	2.35		283.53
Payroll Taxes	161.59	161.59		(55.35)	106.24
Liability Insurance	451.62	451.62	(219.37)	(90.33)	141.92
Trans. of Personnel	357.08	362.59		(127.65)	234.94
Freight		474.87			474.87
Camp Equipment	108.87	195.97	(87.45)		108.52
Accounting		285.00			285.00
Office Expense		40.73			40.73
Boarding House Loss	360.52	367.52			367.52
Totals	$12,420.10	$12,420.10	$(878.42)	$(973.49)	$10,568.19

The audit also disclosed that the status, as of November 28, 1952, of the "allowable maximums" under the contract were as follows:

	Allowable Maximums			Total	
	Stage I	Stage II	Total	Costs	Balance
Working Foreman	$ 1,890.00	$ 1,890.00	$ 3,780.00	$ -0-	$ 3,780.00
Labor & Supervision	4,715.00	-	4,715.00	2,389.46	2,325.54
Oper. Mat'ls. & Sup.	1,500.00	4,300.00	5,800.00	1,231.26	4,568.74
Operating Equipment	3,600.00	-	3,600.00	3,361.85*	238.15
New Bldgs.,Improvements	1,300.00	4,250.00	5,550.00	629.33*	4,920.67
Total of Contract	16,000.00	25,000.00	41,000.00	10,568.19	30,431.81

*Costs clearly identifiable to Stage I. Total costs for other category, both Stage I and II do not exceed the allowable maximum for either stage.

At the conclusion of the audit the findings were discussed with Mr. Charles F. Herbert, President of the Corporation, who indicated his full acceptance of them, as above presented.

E. J. BREKHUS
Auditor

October 5, 1953

AUDIT CERTIFICATE

Alaska Copper Corporation
Contract 14m-1-338

The attached MF-104, covering the months of August and September 1952, constitutes final payment under this contract.

It has been administratively determined that this contract is not subject to audit by Defense Minerals Exploration Administration auditors and is hereby certified for final payment.

General comments of the condition of this contract account are submitted as follows:

Each monthly MF-104 has been checked for accuracy; adjustments, when necessary, were made before certification for payment. Monthly vouchers were properly supported with itemized invoices, bills of lading, pay-roll, etc.

Supplies and equipment purchased under this contract have been inventoried by the contractor (copy of inventory attached). The following items listed on the company's inventory did not appear on invoices submitted this office for payment:

1	Anvil	$ 45.00
3	Shovels @ 4.95	14.85
1	Pick	4.00
1	Swede Saw & extra blade	12.75
1	Coleman gasoline stove	16.75
1	Coleman lamp	13.10
1	Portable typewriter	40.00
1	Flashlight	1.95
1	First Aid Kit	4.99
1	Mineral light	66.50
		221.49

It is also noted that the company's inventory contains lumber amounting to $132.46, which apparently was unused on the project.

Since the Company has agreed to purchase the inventory items at cost of government participation, we are deducting from this final voucher 75% of the total inventory submitted, or $296.54.

A refund on compensation insurance was obtained by the company. This amount was included under item 7 "Insurance" on the final NF-104.

Under item 8 on NF-104, a claim for loss on boardinghouse has been included. Computation of loss on operation of boardinghouse was submitted by the company as follows:

Mess supplies purchased	-	$736.52
Less: Board deductions	-	376.00
Loss		$360.52

Invoices were submitted as proof of mess supplies purchased. These invoices were checked and found to total $736.52. Amount claimed as board deductions was checked from pay rolls submitted this office. These figures are as follows:

July 1952	$144.00
August and September 1952	110.00
	$254.00

The differences in the account as reflected in the foregoing; i.e. in the inventory and loss on boardinghouse, are advantageous to the Government. Since the account is in order in every other respect, final voucher will be approved for payment on the following basis:

Approved total of NF-104 for August & September 1952, 75% of $6,393.03	$ 4,794.77
Less: 75% of inventory, $ 1,062.05	796.54
Total due	$ 3,998.23

Subsequent claims may be presented the Government by the Alaska Copper Corporation for adjustments on the inventory and boardinghouse accounts. Such claims will be approved to the extent of the computations presented herein. The company's accounts should be held for a period of at least three years should further audit be considered necessary.

S. W. Lorain, Executive Officer
Alaska Field Team, Region I

Approved:

C. T. Sainsbury
Member, Field Team

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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

December 15, 1953

Mr. Charles F. Herbert
Alaska Copper Corporation
1125 Smith Tower
Seattle 4, Washington

Re: Docket No. DMEA 2469 - Tungsten
Rocky Mountain Creek Claims
Seward Peninsula, Alaska
Contract No. Idm-E338

Dear Mr. Herbert:

This is with reference to the subject exploration contract between Alaska Copper Corporation and the Government.

The final audit of the contract expenditures and the final reports of the Operator and of the Field Team have been received and Accepted by this Administration. Of the total amount of $41,000.00 approved under the contract the sum of $10,568.19 was expended, 75% of which or $7,926.14 represented the Government's share. Unused materials, supplies or equipment have been disposed of for the joint account of the Operator and the Government. The exploration work was completed in a satisfactory manner.

Because the results of the exploration were unfavorable it is not our intention to make a Certification of Discovery or Development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to Article 7(d) of the contract which requires the Operator to "keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract".

Your interest in the Exploration Program of the Defense Minerals Exploration Administration and your willingness to participate therein are appreciated.

Sincerely yours,

/s/ C. O. Mittendorf

Administrator

JHopkins:foc
12-11-53
cc: Docket
Code 400
FT, Reg. 1
Admr. Reading File
Operating Comm.
R. W. Geehan, USBM
T. P. Thayer, USGS

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA 2469

COMMODITY Tungsten

Idm-E338 Government's Copy

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 10th day of June, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Alaska Copper Corporation, a corporation organized and existing under the laws of the Territory of Alaska
1125 Smith Tower
Seattle 4, Washington

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Territory of Alaska, County of Nome Mining District, described as follows: [3] 7 unpatented lode mining claims on Rocky Mountain Creek, 20 miles northwest of Nome. (See Fig. 2 and Annex I attached).

the Operator represents and undertakes: [4]

~~(a) That the Operator is a lessee, in possession and entitled to possession, and that the property is subject only to the following [illegible] of the lease is attached.~~

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within one days from the date of this contract shall commence work on a project of exploration for [5] tungsten

in or upon the described land; and shall bring the project to completion within a period of 2 years from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 75 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $30,750.00, which is 75 percent of $41,000.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* ....

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By [signature]
Acting Administrator
Defense Minerals Exploration Administration

ALASKA COPPER CORPORATION
(Operator)

By Charles F. Herbert, Pres.

I, , certify that I am the secretary of the corporation named as Operator herein; that , who signed this contract on behalf of the Operator, was then of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

ANNEX I

Mining Claim Name	Date of Recording	Volume	Page
Lucky Shot	1-25-51	228	122
Irish	8-20-51	228	137
Nugget	8-20-51	228	136
Rocky Mountain	8-20-51	228	136
Coffee	9-24-51	228	167
Good	9-24-51	228	168
Nome	7-30-51	228	133

ALASKA COPPER CORPORATION
EXPLORATION PROJECT CONTRACT
Lindfors Tungsten Prospect
Rocky Mountain Creek
Seward Peninsula, Alaska
DOCKET NO. DMEA-2469

EXHIBIT "A"

Description of the Work

Stage I

Time Schedule: 0 - 2½ Months

1. Erect temporary camp buildings for summer work.

2. Trench surface with a bulldozer along vein outcrops.

3. Sampling and assaying will be carried on concurrently with the progress of the trenching in a manner agreeable to the Government. Each sample shall be crushed and quartered and a representative part of the sample shall be furnished the Government.

Stage II

Time Schedule: 2 - 5½ Months

Stage II may be undertaken before the completion of Stage I, if the results are to the satisfaction of and approval by the Government.

1. Explore the vein by an adit and/or one or more shafts with drifts. As the nature and amount of the work is presently unknown, the estimated costs cover a season's work if warranted. This work to be set up with the approval of the Government.

If and when the above work is carried out, sampling and assaying will be carried on concurrently with the progress of the work. The sampling shall be carried out in a manner agreeable to the Government. Each sample shall be crushed and quartered and a representative part of the sample shall be furnished the Government.

Estimated Costs of the Project
(*Indicates allowable maximum)

(1) Independent Contracts

Stage I and II

None

(2) Labor, Supervision, Consultants

Stage I

1 Working foreman[1] @ $630.00 per month, includes board allowance, 3 months	$1,890.00*	
1 Bulldozer operator @ $630.00 per month, includes board allowance, 2½ months	1,575.00	
1 Cook and roustabout @ $500.00 per month, 2½ months	1,250.00	$ 4,715.00*

Stage II

1 Working foreman[1] @ $630.00 per month, includes board allowance, 3 months	1,890.00 *	
1 Bulldozer operator @ $630.00 per month, includes board allowance, ½ month	315.00	
2 Miners @ $630.00 per month, includes board allowance, 3 months	3,780.00	
1 Cook and roustabout @ $500.00 per month, 3 months	1,500.00	7,485.00

1/ The foreman shall supervise the work and see that sampling is carried out to the satisfaction of and approval by the Government.

(3) Operating Materials and Supplies

Stage I

Diesel oil, stove oil, gasoline, lubricating oils, drill steel, carbide bits, explosives, tools, lumber, etc.		$1,500.00*

Stage II

Diesel oil, stove oil, gasoline, lubricating oils, drill steel, carbide bits, explosives, tools, lumber, etc.		4,300.00*

(4) Operating Equipment

Stage I

To be purchased

1 Barco J-2A gasoline drill and battery	$ 600.00	

To be rented

1 D-6 Bulldozer[2] $1,200.00 per month, 2½ months	3,000.00	3,600.00*

To be furnished by the Operator

None

Stage II

To be purchased

Gasoline hoist (shall be rented if available at a reasonable rate)	1,200.00	
Buckets, sheave, cable	500.00	
Air and water pipe, rail (12 lb.) includes fittings, fish plates, etc.	500.00	

To be rented

1 Compressor, $350.00 per month, 3 months	1,050.00	

2/ The bulldozer is to be paid for only for time in use.

2 Air drills and accessories, $33.00 per month, 3 months	$ 200.00	$
1 D-6 Bulldozer[3] intermittent use	600.00	4,050.00

To be furnished by the Operator

None

(5) Rehabilitation and Repairs

Stage I and II

None

(6) New Buildings, Improvements, Installations

Stage I

Temporary living quarters	800.00	
Toolhouse and work shop	500.00	$1,300.00*

Stage II

1 Arctic hut	1,750.00	
1 Portable compressor and hoist house	2,000.00	
1 Portable headframe	500.00	4,250.00*

(7) Miscellaneous

Stage I

Tractor repair[4]	1,000.00
Travel expense[5]	1,200.00

3/ The bulldozer is to be paid for only for time in use.

4/ The repair and maintenance items are to be charged only as incurred and spent while the equipment is working on the project.

5/ Travel expense is limited to transportation of employees to and from the site of the work for a season's work. Travel of corporate officers or officials will not be allowed.

Assaying, 50 samples @ $4.00 each	$ 200.00	
Air freight (samples, etc.)	200.00	
Camp equipment	400.00	
Freight and hauling	300.00	
Compensation Insurance, Social Security, etc.	550.00	$ 3,850.00
Stage II		
Travel expense 6/	1,500.00	
Assaying, 75 samples @ $4.00 each	300.00	
Air freight (samples, etc.)	200.00	
Freight and hauling	300.00	
Compensation Insurance, Social Security, etc.	825.00	3,125.00

(8) Contingencies

Stage I		1,035.00
Stage II		1,790.00
Total Cost of Stage I	$16,000.00 *	
Total Cost of Stage II	25,000.00 *	
Total Cost of the Project		$41,000.00 *
Government participation at 75 per cent		$30,750.00 *

6/ Travel expense is limited to transportation of employees to and from the site of the work for a season's work. Travel of corporate officers or officials will not be allowed.

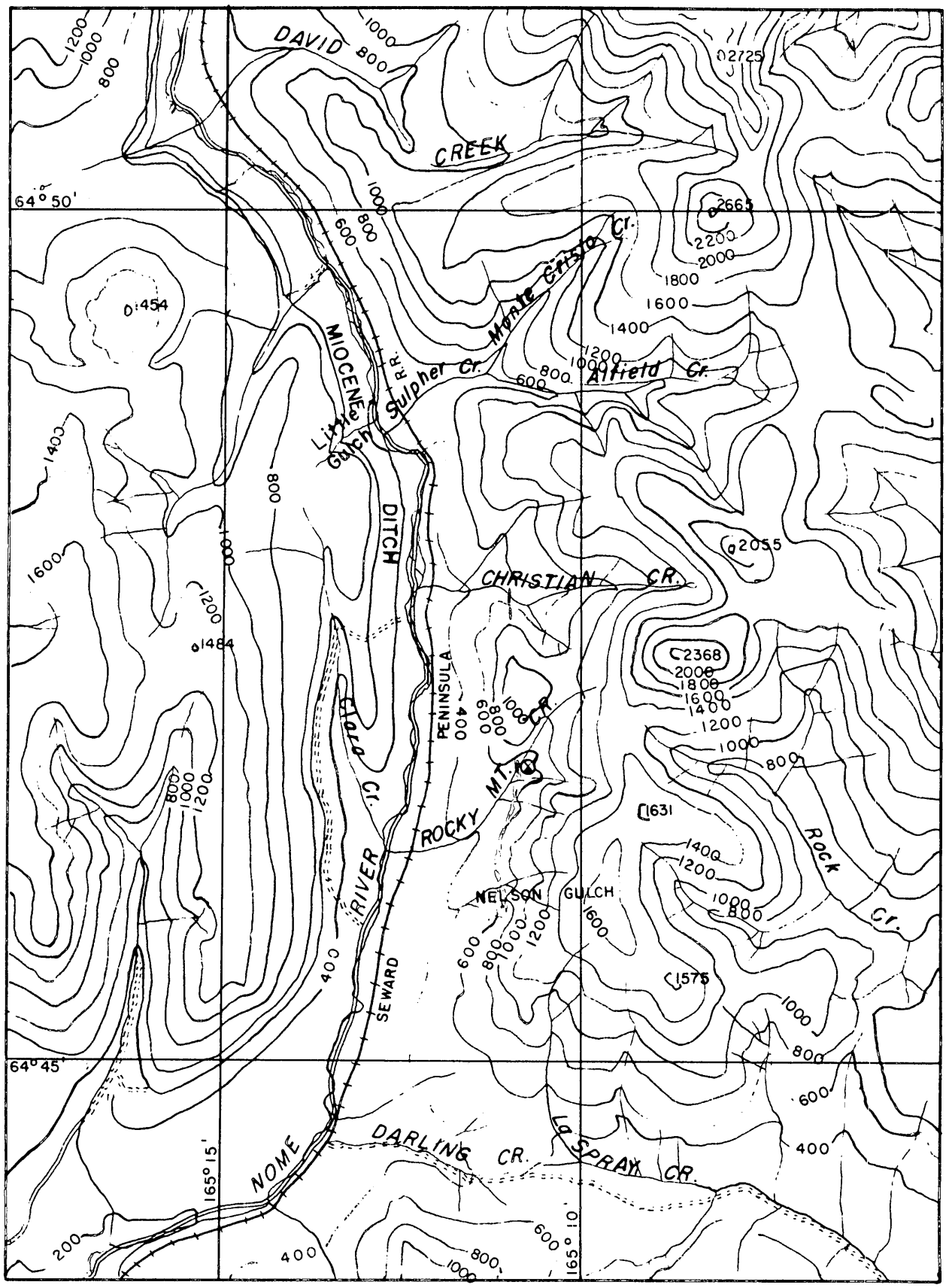

FIG. 2 ROCKY MOUNTAIN CREEK TUNGSTEN LODE

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the Second Judicial Division, Territory of Alaska county of ....., State of ....., described in a certain Exploration Project Contract dated June 10, 1952, between Alaska Copper Corporation, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated February 5, 1952, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 22nd day of April, 1952

Chas D Jones

Mary Bale

Margt Sandifors

U. S. GOVERNMENT PRINTING OFFICE 16—84582-1

MINING LEASE

THIS INDENTURE made this 5th day of Feb., 1952 between HUGO LINDFORS, CHAS. D. JONES and MAY BALE, all of Nome, Alaska, hereinafter referred to as LESSORS, and ALASKA COPPER CORPORATION, an Alaskan corporation with its head office at 1125 Smith Tower, Seattle, Washington, hereinafter referred to as LESSEE,

W I T N E S S E T H :

That the said Lessors, for and in consideration of the royalties hereinafter reserved, and the covenants and agreements hereinafter expressed, and by the said Lessee to be kept and performed, have granted, demised and let, and by these presents do grant, demise and let, unto the said Lessee, all of the following described mine and mining property, situated in the Nome Mining District, Second Judicial Division, Territory of Alaska, to wit:

The Lucky Shot Lode Claim
The Irish Lode Claim
The Nugget Lode Claim
The Nome Lode Claim
The Rocky Mountain Lode Claim
The Coffee Lode Claim
The Good Lode Claim

Together with the appurtenances to have and to hold unto the said Lessee for the term of twenty years from the date hereof, unless sooner forfeited or determined through the violation of any covenant hereinafter reserved.

And in consideration of the said demise, the said Lessee does covenant and agree with said Lessors as follows:

1. That said Lessee will enter upon said premises on or about April 15, 1952, and will thereafter diligently prosecute such sampling and exploratory work as permitted by weather conditions.

2. On or before June 1, 1952 Lessee will pay to Lessors the sum of ONE THOUSAND DOLLARS ($1,000.00) as advanced royalty.

3. On or before November 1, 1952, Lessee will pay to Lessors the sum of TWO THOUSAND DOLLARS ($2,000.00) as advanced royalty and on November 1 of each subsequent year during the period of this lease, Lessee shall pay to Lessors the sum of THREE THOUSAND DOLLARS ($3,000.00) as advanced royalty, except to the extent that such minimum annual payments shall be reduced by an amount equal to the royalties paid to Lessor during that year under the terms of paragraph 4, below.

4. Lessee shall pay to Lessors, as royalty, an amount equal to ten per cent (10%) of the selling price of each shipment of ore or concentrates, less the cost of transportation, smelting, refining and marketing. The cost of mining and concentrating at the mine premises shall not be deducted from the selling price. Royalties become due and payable within thirty days after payment has been received by Lessee.

5. All payments made by Lessee to Lessors shall be tendered to the Miners and Merchants Bank of Nome, Alaska, for the account or order of Lessors, unless otherwise directed in writing by Lessors.

6. Except when prevented by weather conditions or as exempted under the terms of paragraph 7, below, Lessee agrees to occupy said premises continuously and to diligently prospect, develop and mine said premises in a minerlike fashion so as to recover the greatest amount of ore possible; and at all times to maintain buildings and working places in a safe and usable condition.

7. In the event that war, strikes, governmental edict, civil disturbance, low metal price or other unfavorable conditions, beyond the control of Lessor, prevent the profitable operation of said mine, Lessor shall be free of all obligations under this lease except as to the payment of accrued royalty and as to the proper maintenance of the premises. Upon the removal of such unfavorable condition or conditions, Lessor shall resume mining operations as soon as possible, but in no event shall resumption of mining be delayed more than eight months after the removal of such condition or conditions.

8. Lessors or their agents shall at all times have the right to inspect the mine premises and workings and to sample all ores or concentrates.

9. Lessee agrees to furnish Lessors with copies of all freight bills, bills of lading, smelting and refining charges and statements from ore buyers regarding the shipment and sale of ores or concentrates.

10. Lessee agrees to keep Lessors free and harmless from any suits or attachments arising from Lessee's occupation of said premises and operations thereon and agrees to permit Lessor to post notices of non-liability.

11. If Lessors discover that Lessee has failed to comply with any of the provisions of this lease, they shall notify Lessee in writing of his non-compliance and demand that compliance be effected within sixty days; if Lessee fails to so comply within sixty days, this lease shall become null and void.

12. Lessee may cancel this lease by giving to Lessors sixty days advance notice in writing and Lessee shall then be free of all obligations under this lease except as to the payment of accrued royalty.

13. Following the cancellation or forfeiture of this lease, Lessee shall remove all equipment, tools, supplies and portable buildings before twelve months have elapsed.

14. Following the expiration of the period of this lease, Lessee shall have the option to renew the lease for an additional twenty-year period.

15. All the terms and conditions of this lease shall be binding on all parties hereto and to their heirs and assigns.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on the day and year first above written.

IN THE PRESENCE OF

_____	) ---	
_____	)	_____ Hugo Lindfors, Lessor
_____	) ---	
_____	)	_____ Chas. D. Jones, Lessor
_____	) ---	
_____	)	_____ May Bale, Lessor
_____	) ---	ALASKA COPPER CORPORATION, Lessee
_____	) ---	By_____

C O P Y

Territory of Alaska

DEPARTMENT OF MINES

Assay Office

Nome, Alaska, October 19, 1951

REPORT OF ASSAY

On samples received from Hugo Lindfors
Nome, Alaska

Assay No.	Mark on Sample	Tungsten trioxide
19	117	13.30
20	118	17.90
21	119	30.62
22	120	32.62
23	121	13.47
24	122	15.76

(s)
A. E. Glover
ASSAYER

C O P Y

ELECTRO METALLURGICAL DIVISION

UNION CARBIDE AND CARBON CORPORATION

NIAGARA WORKS

NAGARA FALLS NEW YORK

CERTIFICATE OF ANALYSIS AND WEIGHT

NIAGARA FALLS, N.Y. February 19, 1951

No. 9986

The sample of Scheelite from Rocky Mountain Mining Co. for E. M. Division Account

From 29 bags redeived January 29, 1951, by truck

Marked: Our Lot No. 16968

Sampled by Electro Metallurgical Divison Union Carbide and Carbon Corporation At Niagara Falls, N.Y.

Contains

Moisture - nil

After Drying

Tungstic Oxide (WO_3) -		64.09%
Equivalent to tungsten		50.82
Iron		4.03
Tin	less than	0.01
Copper	less than	0.01
Molybdenum		0.01
Phosphorus	less than	0.01
Sulphur		0.60
Arsenic		0.02

Gross Weight	1540 Pounds
Tare	16.5 "
Net	1523.5
Dry	1523.5

Note: Taken into stock in February, 1951

F. Dewise (s)
Weigher

John J. Furey (s)
Chief Chemist

J.J. Furey:EMT
Copies (4)

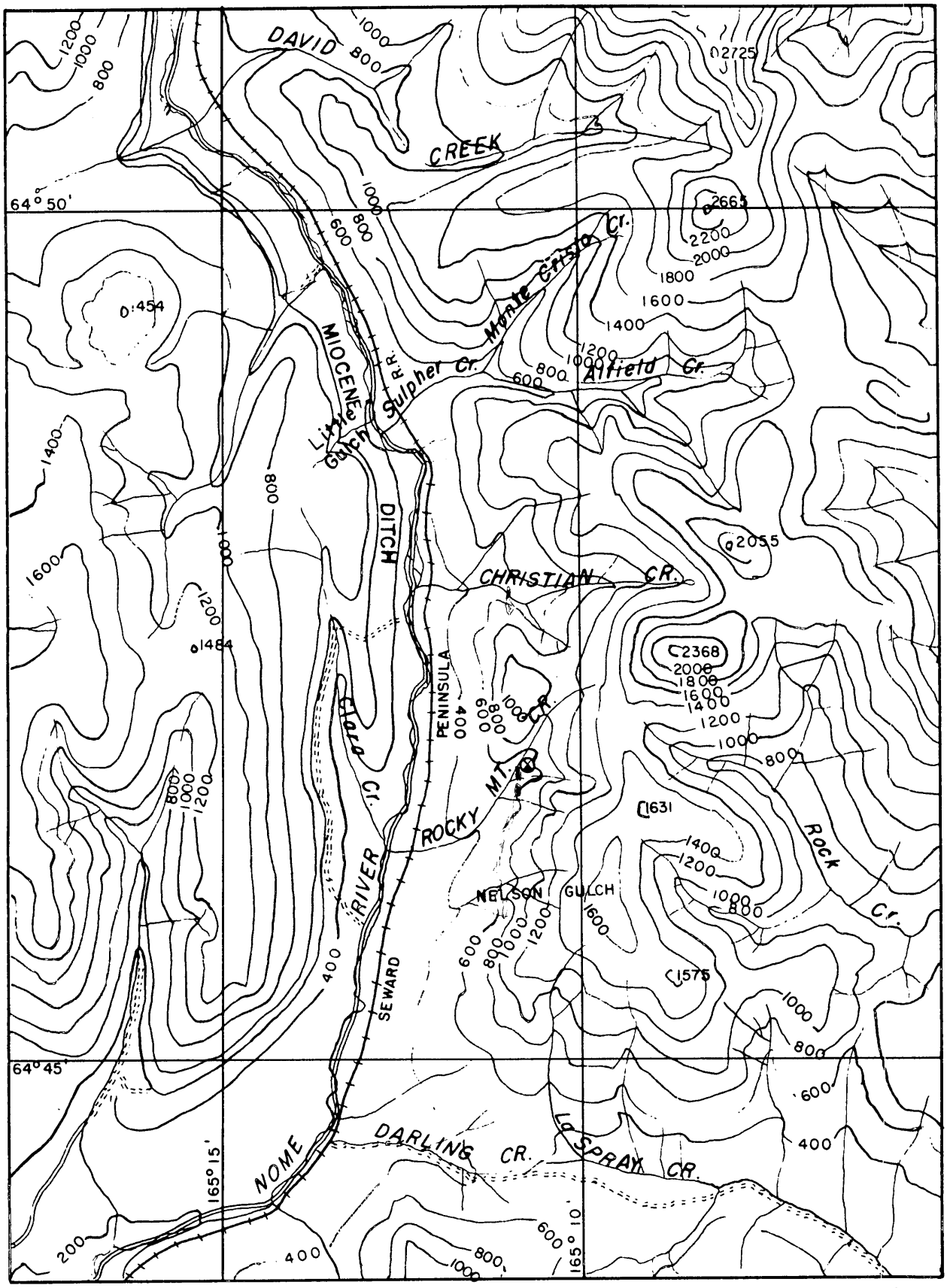

FIG. 2 ROCKY MOUNTAIN CREEK TUNGSTEN LODE

-- WO2 FLOAT

Form MF-103
(April 1951)

U. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMEA-2469

Date received 4-3-52

Participation

Alaska Copper Corporation
1125 Smith Tower
Seattle 4, Washington

Name and address of applicant

Date March 31, 1952

FILL IN THIS BLOCK

Date of application March 31, 1952

Estimated cost $ 50,000

Mineral or metal Tungsten

Percentage of Government participation ~~75%~~

Location of mine Nome, Alaska

Date of filing MF-100 March 31, 1952

DMA Docket Number, if available

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200 for your signature.

Department of the Interior
Defense Minerals Administration
RECEIVED
APR 3 - 1952

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

ALASKA COPPER CORPORATION
1125 SMITH TOWER
SEATTLE 4, WASH.
(Name of company)

By Charles F Herbert
(Signature of authorized official)

3/31/52
(Date)

Pres.
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Alaska Copper Corporation
1125 Smith Tower, Seattle
Form MF-103

1 to 5. Answered on Form MF-100

6. Applicant is not the owner.

7. Copy of lease is attached. Landlor's subordination agreement has not been signed because two of the three lessors have not been available. The third lessor, who has power to act for the others, has agreed to sign Form MF-202. These forms will be completed and submitted about April 20.

8. Applicant is a development company financed by Yukon Placer Mining Company and Transcontinental Resources, Ltd. Cash is supplied as needed. Present cash balance is $ 5, 169.89. An additional $ 19,000 will be supplied in a few weeks. There are no liabilities.

9. Applicant will invest $ 15,000 in this project.

10. a. Property consists of the following lode mining claims:

Lucky Shot	Recorded	1/25/51,	Volume	228,	Page	122,	Nome	Recording	District.
Irish	"	8/20/51	"	"	"	137	"	"	"
Nugget	"	8/20/51	"	"	"	136	"	"	"
Rocky Mountain	"	8/20/51	"	"	"	136	"	"	"
Coffee	"	9/24/51	"	"	"	167	"	"	"
Good	"	9/24/51	"	"	"	168	"	"	"
Nome	"	7/30/51	"	"	"	133	"	"	"

b. Same area as above.

11 to 14. Answered on Form MF-100

15. The ore would be concentrated at the property, sacked and shipped 19 miles over the narrow gauge railroad to Nome. From there it would be lightered to ocean going vessels and shipped to Seattle, Washington. Favorable air freight rates permit shipment by air during the closed season. Pan American World Airways operates an air freight service between Nome and Seattle.

Since the scheelite is remarkably free from impurities it may be sold without further treatment than concentration. Kenametal Corporation will purchase the concentrates in Seattle.

16 to 19. Answered on Form MF-100

20. Exploration will be for tungsten.

Alaska Copper Corporation
1125 Smith Tower
Seattle 4, Washington
Form MF-103

21. Since the terrain is ideally suited to exploration with a bulldozer, the line of discovered float, which conforms to the estimated strike of the ore zone, will be crosscut and the better showings will be opened up with a bulldozer.

If sampling of the exposures thus made indicates the probable worth of the deposit, small shafts or adits will be driven to block out ore at the best location.

Surface work should extend from the middle of May to the end of July, 1952. Underground work, if initiated, will extend from the end of July to November of 1952.

22. The ore occurs in schist which contains numerous quartz veins. Considerable float indicates an ore zone with a length of a mile and a half or more.

The ore discovered in place is in a white quartz vein with little mineralization other than scheelite. Width of ore varies from two and a half to four feet and grade is estimated at over 5%. Copy of assays of sampling by the Territorial Department of Mines is attached. These samples represent the enriched part of the vein and are said to average ten inches in width.

23. The project is divided in two parts; (1) surface trenching with a bulldozer, (2) underground work to be done only if surface work is encouraging.

(1) Surface work: to be completed in three months

a. Labor		
1 Cat operator @ 600 av. earnings	$ 1,800	
1 Cook and roustabout @ 500	1,500	
Taxes, Ins., board loss	700	4,000 ~~5,000~~
b. Supervision, foreman and sampler @ 600	1,800	
Taxes, Inc., board loss	300	2,100
c. Repairs to existing facilities, none		
d. Construction		
Temporary living quarters	800	
Tool house, sample shed	500	1,300
e. Equipment to be purchased		
Barco J-2A gasoline drill and battery		600
f. Rentals		
D-6 Caterpillar tractor and bulldozer @ 1,200		3,600

Carried forward		11,600
g. Not Applicable		
h. Materials and Supplies		
Tractor repair parts, tracks, rollers, etc.	3,000	
4000 gal. diesel fuel @ 0.21	840	
500 gal. stove oil @ 0.21	110	
100 gal. gasoline @ 0.38	40	
Lubricating oils and greases	160	
Drill steel, carbide bits	150	
Explosives	200	
Sample sacks, tags, etc.	50	
Camp equipment	200	
Freight and hauling	780	5,500
i. Not provided above		
Travel expense, men and engineer	1,200	
Assaying, air freight on samples	1,000	
Contingencies	700	2,900
TOTAL COST OF SURFACE WORK		$ 20,000

- - - - - - - - - - -

The character of the underground work cannot be decided at this date and will depend entirely on the information gained from surface prospecting. It seems probable that the vein or ore zone will dip into the hill in such a manner that a small inclined shaft can be used to explore the deposit at moderate depths; however it is possible that an adit on the vein would be more satisfactory.

A decision to do underground work must be made sometime in July in order to attempt to block out enough ore to justify continued development during the winter or possibly enough to justify the erection of a concentrator and mine operating plant in 1953.

Since it takes at least a month to get equipment from Seattle it is proposed that all equipment necessary for underground exploration be borrowed, rented, or purchased in the Nome area. Where a choice exists, the type of underground workings might be dictated by the kind of equipment readily available. It is understood that the U.S. Smelting, Refining and Mining Company at Nome has considerable underground equipment that may be rented at moderate rates.

Without going into extensive winter construction it is unlikely that more than three months in 1952 could be used for underground work. This would necessarily limit the amount of underground work to three hundred feet of workings, or less. The indicated cost of this work is about $ 100 a foot of development, a cost that can only be justified by the necessity of getting information on the deposit during 1952.

If the surface showing clearly warrants a more extensive underground development program the applicant will allocate additional funds to the project and seek an amendment to the contract to allow for the construction of winter quarters and for continuous work through the winter. The cost of doing this would probably be about $ 100,000, instead of the $ 30,000 proposed in this application. The unit cost of development would likely be reduced to about $ 35 a foot.

Applicant does not seek a commitment for more than the amounts specified in this application.

- - - - - - - - - - - -

(2) Underground work: to be completed in three months

a. Labor

2 miners @ $ 600 av. monthly earnings	3,600	
1 cook and roustabout @ 500	1,500	
Taxes, Ins., board loss	1,000	6,100

b. Supervision

1 foreman and sampler	1,800	
Taxes, Ins., board loss	300	2,100

d. Construction

1 Arctic Hut	1,750	
Portable compressor and hoist house	2,500	
Portable headframe	500	4,750

e. Equipment to be purchased (may be rented)

Gasoline hoist	1,200	
Skip, sheaves, cable	1,000	
500 ft. air and water pipe	250	
500 ft. light rail (12 lb.)	500	
Tools and hardware	300	
Heaters and misc. camp equip.	600	3,850

f. Rentals

Compressor @ $ 350	1,050	
2 air drills, hoses, fittings, etc. @ 30	200	
D-6 tractor and bulldozer, intermittent use	500	1,750

h. Materials and Supplies

400 gal. diesel oil @ 0.21	90	
800 gal. stove oil @ 0.21	170	
1,500 gal. gasoline @ 0.38	570	
Lubricating oils and grease	50	
Drill steel and bits, etc.	200	
Explosives	700	
Carbide, lamps, hats, etc.	100	
Timber and lumber	2,000	
Misc. hardware and tools	500	
Freight and hauling	600	4,980

i. Not provided above:

Travel expense, men and engineer	1,500	
Assaying, air freight on samples	500	
Contingencies (local air service, emergency repairs, unforseen items)	4,470	6,470
TOTAL COST OF UNDERGROUND WORK		$ 30,000

24. Time Schedule

May 15, 1952 to August 1, 1952, 2½ months, complete surface work.

August 1, 1952 to November 1, 1952, 3 months, complete underground work.

Surface work and underground work may over-lap by two weeks or more. Cost of surface work is estimated at $ 20,000; cost of underground work is estimated at $ 30,000.

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA FOR USE UNDER THE DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMEA-2469

Date received 4-3-52

Alaska Copper Corporation
1125 Smith Tower
Seattle 4, Washington

Name and address of applicant

Date March 31, 1952

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 3 - 1952

4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
Charles F. Herbert 1125 Smith Tower, Seattle	Pres., D.	None	70,000	50			
Harold H. Schmidt Healdsburg, Calif.	D	None	85,000	50			
Glen D. Franklin Douglas, Alaska	Secty-T., D	None	80,000	50			
L. J. Stampe Pasco, Washington		None	?	50			
Earl Ellingen Portland, Oregon		None	?	50			
Transcontinental Resources, Ltd. Vancouver, B.C.		None	2,000,000	250			
	Total	None	x x x x x	500		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$ 50,000	$ 50,000	$ 100	500	None
Preferred stock	$ None	$ None	$		

*Indicate period covered.

10. Production: 1,523 lbs. ore, 64.09% WO3 in 1951

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by a available report on the geology and ore reserves.

Alaska Copper Corp.
Form MF-100

GENERAL TECHNICAL DATA

1. Materials produced:

   a. Tungsten (Scheelite Ore)

   b. No by products

2. Name of property: Lindfors tungsten prospect

   a. No underground workings

3. a. Property is about 20 miles from Nome, Alaska

   b. Located in the Nome Mining District on Rocky Mountain Creek, a tributary of the Nome River.

4. The property is not in operation.

   b. Alaska Copper Corporation holds a lease from the owners.

5. A small amount of tungsten concentrate was produced in 1951.

   Production would begin in 1953, although a small amount of ore might be produced from development in 1952.

6. Experience of operators:

Alaska Copper Corporation is a development company now owned jointly by Yukon Placer Mining Company and Transcontinental Resources, Ltd.

Yukon Placer Mining Company is a partnership that has been operating gold placer mines in Alaska since 1938. During World War II, this partnership operated the Red Devil quicksilver mine at Sleetmute, Alaska. The partnership owns all of Ballarat Mines, Ltd. a company with two gold placer mines in Yukon Territory, Canada, both in operation, and operates a dredge and dragline at Glacier Creek in Yukon Territory.

Transcontinental Resources, Ltd., Vancouver, B.C. and Toronto, Ontario has under development or operation: the Van Roi (lead, zinc, silver); Crown Silver (silver, lead); Kootenay Belle (lead, zinc); Black Diamond (tungsten); Nicholson (uranium); Nisto (uranium); Jardun (lead, zinc) and has interests in Steep Rock (iron) and other mines and prospects.

6. b. Operations will be managed by Charles F. Herbert, mining engineer. Engineer Fern Gold Mines, Willow Creek Mines, Alluvial Golds, from 1934 to 1937; Supervising Engineer, RFC Mining Division 1937 to 1941; present partnership 1938 to date; US Navy, Civil Engineer Corps, 1943 to 1946, Reserve Commission as Lietenant Commander.

Operations at the Lindfors prospect will be under Earl Ellingen, partner of Yukon Placer Mining Company since 1938.

7. History:

a. Scheelite has been known to occur in the placer deposits of Rocky Mountain Creek but there was little lode development. A small vein of scheelite in quartz and albit was found and examined in 1943 but its small size discouraged development.

In 1951 Hugo Lindfors discovered a four foot vein that gave high assays in tungsten. Some of the ore from the broken outcrop was concentrated in sluice boxes and the concentrates were shipped.

b. No adjoining properties have been productive or have had any development.

c. No reports have been made.

8. The net worth of Yukon Placer Mining Company is $ 227,500. The net worth of Transcontinental Resources, Ltd. is estimated at more than $ 2,000,000.

9. It is proposed to increase the capitalization to 500,000 shares at a par value of $ 0.50 in order to permit North American Mines, Inc. of Boston, Mass. to acquire an interest and to provide a means for Yukon Placer Mining Co. and Transcontinental Resources to pub more money into Alaska Copper Corporation.

10. Production has been negligible.

11. Little is known of the probable size of the orebody so production cannot be estimated.

12. Reserves

a. Scheelite occurs as streaks and bands in a vein of white milky quartz. No sulfides have been found. The vein varies from two and a half to four feet in width, about ten inches of which is very high grade (tungstic oxide content about 15%). The vein has been traced by a bulldozer cut for a distance of 35 feet and other cuts indicate its extension for at least another 100 feet.

Samples cut from the high grade portion of the vein assayed as follows:

No. 117	13.30	WO3
118	17.90	
119	30.62	
120	32.62	
121	13.47	
122	15.76	

These samples were taken by Dan Jones, engineer for the Alaska Territorial Department of Mines and assayed by A. E. Glover, assayer for the Territorial Department of Mines at Ketchikan, Alaska, assay report dated October 19, 1951.

Robert Thorne, engineer for the US Bureau of Mines estimates a tungstic oxide content of about 5% over the width of the vein.

Scheelite float has been found over a strike length of a mile and a half.

b. No assay plans have been made. No ore has been developed.

13. Access Roads

The property is about a mile and a half from the Territorial narrow gauge railroad and nineteen miles to Nome, Alaska by the railroad. This railroad is maintained by the Territorial Government but users must supply their own transport.

At Nome freight is lightered to ocean going vessels which discharge at Seattle, Washington.

14. Water Supply

Rocky Mountain Creek will furnish sufficient water during the open season, but an underground water supply would have to be developed for winter operation.

15. Power

Diesel power would have to be supplied.

17. Property owners have and will lease the following:

a. Small portable camp, suitable for two or three men.

b. Caterpillar D-6 tractor with bulldozer.

c. Miscellaneous hand tools.

18. Development of the property will be made difficult by the short open season. The snow does not melt until May and work becomes difficult because of cold weather in the middle of October. It becomes essential that surface work be done rapidly during the open season.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

ALASKA COPPER CORPORATION
1125 SMITH TOWER
SEATTLE 4, WASH.
(Name of company)

By Charles F Herbert
(Signature of authorized official)

3/3/52
(Date)

Pres.
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval Expires 12-31-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Adm.
RECEIVED
DEC 22 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Aug. & Sept. 1952 Docket No. DMEA 2469 Contract No. Idm-E-338
Operator's Name Alaska Copper Corp. Minerals Tungsten
Address Nome, Alaska
Contract Amount, $ 41,000.00 Government Participation: 75 % Amount, $ 30,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1164.13	1225.33	2389.46	1,164.13	1,225.33	2,389.46
Supervision	237.30	462.86	700.16	237.30	462.86	700.16
Technical Services	319.60		319.60	319.60		319.60
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Operating Supplies	985.73	775.18	1761.91	1,134.08	775.18	1,909.26
(4) Operating Equipment:						
Rental	2081.02	2120.00	4201.02	2,081.02	2,120.00	4,201.02
Purchase	432.01		432.01	432.01		432.01
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	304.05	605.28	909.33	304.05	605.28	909.33
(7) Miscellaneous:						
Repairs to Equipment	66.93	200.00	266.93	66.93	200.00	266.93
~~Sampling and Analysis~~ PAYROLL TAXES	106.24	55.35	161.59	106.24	55.35	161.59
~~Payroll Taxes~~ INSURANCE		451.62	451.62	[illegible]	451.62	232.25
Liability Insurance						
Employes Travel & Misc.	277.65	79.43	357.08	297.65	79.43	377.08
Camp Equipment	108.87		108.87	108.87		108.87
(8) Contingencies (specify): Loss on Boardinghouse	360.52		360.52	360.52		360.52
TOTALS	6415.05	5975.05	12,420.10	6,393.03	5,975.05	12,368.08

Less Inventory 7,000.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 10/31/52 *Payee Alaska Copper Corp.

Per Charles F. Nelson Title Pres.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 3,998.23

"See attached audit certificate"

Signature [illegible]
(Authorized Certifying Officer)

Date 12/15/52 Vou. No. DMEA-27

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. ..... in accordance with the terms of the contract.

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title Executive Officer, Alaska Field Team Region I Date 12/15/52

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Aug. & Sept. 1952 Docket No. DMEA 2169 Contract No.
Operator's Name Alaska Copper Corporation Minerals Tungsten
Address Nome, Alaska

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	ft.	5,458.99	115	5,458.99	115	47.47		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	ft.	250.00	120	5,619.77	3,120	1.80		
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		5,708.99		11,078.76				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		432.01		432.01				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		324.05		909.33				
TOTAL COSTS		6,465.05		12,420.10				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date October 31, 1952 Operator Alaska Copper Corporation

Per Charles F. Herbert Title President

REMARKS:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

U. S. GOVERNMENT PRINTING OFFICE 205676

INVENTORY

Supplies and equipment stored in Nome, Alaska:

Drilling Equipment and Supplies

Ingersoll Rand JB-4 jackhammer	1 @	$250.00	$250.00	
2 ft. lengths threaded drill steel	2	4.55	9.10	
4 ft. " " " "	2	6.10	12.20	
6 ft. " " " "	2	7.65	15.30	
Line oiler	1	18.00	18.00	
Water tank	1	20.00	20.00	
Air hose, clamps, fittings		68.30	68.30	
20 ft. lengths 1-1/4" pipe	15		83.20	
				$ 476.10

Tools

Anvil	1 @	45.00	45.00	
Shovels	3	4.95	14.85	
Picks	1	4.00	4.00	
Sledge hammer	1	6.00	6.00	
Claw hammer	1	5.00	5.00	
Swede saw and extra blade	1	12.75	12.75	
Carpenters brace w/ two augers	1	8.30	8.30	
Gold pan	1	1.25	1.25	97.15

Lumber

6 x 6 x 12'	7	8.00	56.00	
1 x 12 x 12'	3	1.98	5.94	
1 x 12 x 14'	5	2.47	12.35	
2 x 3 x 14'	10	1.23	12.30	
2 x 3 x 16'	7	1.41	9.87	
1.4" plywood (rough) 4 x 8 sheets	12	3.00	36.00	
				132.46

Camp Equipment

Steel cots and mattresses	5	12.00	60.00	
Coleman space heaters	2	60.00	120.00	
Coleman gasoline stove	1	16.75	16.75	
Coleman single burner lamp	1	13.10	13.10	
Portable typewriter	1	40.00	40.00	
Lunch pails	2	4.30	8.60	
Coffee pot	1	4.35	4.35	
Flashlight	1	1.95	1.95	
First aid kit	1	4.59	4.59	
Pack board	1	18.50	18.50	
				287.84
Mineral Light	1	68.50	68.50	68.50
				$1,062.05

Form MF-104 (Rev.)
(April 19[illegible])

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Bu. Vou. No. DMEA-5
Sch. No.
R. O. No.
~~Cont. No.~~ 1-13-52

Month of JULY, 1952 Docket No. DMEA 2469 Contract No.
Operator's Name Alaska Copper Corp. Minerals Tungsten
Address Nome, Alaska
Contract Amount, $ 41,000.00 Government Participation: 75 % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1225.33		1225.33	1,445.33	-0-	1,445.33
Supervision	462.86		462.86	464.86	-0-	464.86
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Operating Supplies	775.18		775.18	775.18	-0-	775.18
(4) Operating Equipment:						
Rental	2120.00		2120.00	2,120.00	-0-	2,120.00
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	605.28		605.28	605.48	-0-	605.48
(7) Miscellaneous:						
Repairs to Equipment	200.00		200.00	400.00	-0-	400.00
Sampling and Analysis						
Payroll Taxes	55.35		55.35	55.35	-0-	55.35
Liability Insurance	451.62		451.62	451.64	-0-	451.64
Employee Travel & Misc.	79.43		79.43	79.43	-0-	79.43
(8) Contingencies (specify):						
TOTALS	5975.05		5975.05	5,975.05	-0-	5,975.05

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 8/1/54 *Payee Alaska Copper Corp.

Per Charles F. Herbert Title Pres.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 4,481.49

Signature
(Authorized Certifying Officer)

Date 8/17/54 Vou. No.

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. ..... in accordance with the terms of the contract.

Signature ..... Title Regional Director Date 8/13/52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

U. S. GOVERNMENT PRINTING OFFICE 205675

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~

P. O. Box 2990
Juneau, Alaska
August 27, 1952

Mr. Frank A. Johnson, Chairman
Operating Committee
Defense Minerals Exploration Administration
Interior Building
Washington 25, D. C.

Re: Docket No. DMEA-2469
Alaska Copper Corp.

Dear Mr. Johnson:

Enclosed are two copies of the subject Form MF-104 for the month of July. No narrative report nor 104-A has yet been received. Mr. Herbert is now at the property; he will, I assume, submit the missing documents as soon as possible.

I have just returned from a visit to the project where I found that the work has been proceding in a very efficient and workmanlike manner.

Surface trenching has been completed in such a manner as to leave practically no doubt that nothing has been overlooked and the correct "picture" of the deposit has been obtained. It is apparent that the original discovery was "it" and that no strike continuity may be expected.

A short crosscut is being driven from creek level to undercut the discovery at a shallow depth. If no downward continuity is indicated the project will be stopped - probably by the end of August. When I was there the crosscut was very near to its objective. I do not expect it to expose enough ore to justify sinking.

Yours sincerely,

S. H. Lorain
Executive Officer
Alaska Field Team, Region I

Enclosures 2

cc: E. A. Youngberg

Alaska Copper Corporation
1013 Smith Tower
Seattle 4, Wash.

PROGRESS REPORT - LINDFORS LEASE

July 28, 1952

This report covers the period from June 10 to July 25, 1952.

During the period covered by this report, the following work was accomplished:

1. An airfield 1,200 feet long was constructed and put into service. The airfield work also served to prospect an area on which some tungsten float had been found.

2. A small camp was built on Rocky Mountain Creek.

3. Approximately 3,000 linear feet of trenching was done with the bulldozer. The trenches were examined for tungsten and numerous shallow pits and trenches were dug by hand.

SUMMARY

Tungsten bearing float was found at many places, in fact traces of scheelite can be found in nearly every trench, and a few small tungsten bearing quartz veins were discovered. Tungsten has been found in small specks along the parting planes in schist, but with one minor exception there is no evidence of replacement of the schist by tungsten minerals.

The outcrop discovered by Lindfors in 1951 has been free of snow for only a short time. Trenching has failed to disclose an extension of the ore bearing structure along its apparent strike, but several parallel veins with erratic tungsten mineralization have been cut.

The most promising prospect discovered, consists of the main outcrop and the veins parallel to it. These comprise an area about one hundred feet long and eighty feet wide. A shallow tunnel and one or more trenches in rock will be used to further prospect this area.

GENERAL

The unusually late season made it necessary to work on slopes that were free of snow. As the main outcrop lies in a small valley that was deeply filled with snow, it has been possible to work on it only since the middle of July. Consequently, much of the trenching has been done in an effort to discover other veins whose existence was indicated by float.

While construction of an airfield had not been originally planned, it proved to be necessary since the railroad was not opened until July 10, and there was no other way to obtain supplies. As the minimum cost of a load of freight on the railroad is $75.00 plus $10.00 an hour for a truck to load and haul to the railroad and the light plane charter cost is only about $20.00, the airfield may eventually represent a saving.

During the report period, one man was employed steadily and one man part time until July 10. Since that date, two men have been employed.

The shipping strike has caused a serious depletion of stores in Nome, so that outfitting the camp has been difficult.

DEVELOPMENT

Nelson Gulch Area. For convenience, the area south of the East Fork of Rocky Mountain Creek to Nelson Gulch and the high hills at the head of Nelson Gulch are referred to as the Nelson Gulch Area. This area has not been mapped by the writer.

Float has been reported along the lower slopes of the hills between the East Fork of Rocky Mountain Creek and Nelson Gulch; on a knoll just below the forks of Nelson Gulch; and in Nelson Gulch itself. Trenches were dug along the lower slopes, but not all of these were completed to bedrock as some of the ground was frozen. The knoll at the forks of Nelson Gulch was trenched but snow in the Gulch itself prevented trenching there. However, the entire hill that forms the northerly slope of Nelson Gulch was trenched from its base to the top.

A little float and small specks of scheelite were found in nearly all trenches. There are a few lenses of glassy quartz. The best float was found at an elevation of 1,400 to 1,500 feet. This was traced to a small stringer with erratic mineralization by scheelite and sulfides (arsenopyrite and pyrite). A second vein bearing at a forty-five degree angle from the first was also discovered. This vein followed along the wall of a massive quartz vein that apparently was not mineralized. The smaller vein occasionally has streaks of scheelite and larger masses of sulfides. Although the sulfides tend to replace the schist in the vicinity of the vein, only very minor amounts of scheelite are found along parting planes in the schist. A brown mud found along cracks in the schist sometimes fluoresces as brightly as pure scheelite.

The hilltops have gentle slopes and the rocks appear to be deeply weathered. Consequently, the larger quartz veins are prominent and it was a simple matter to explore them. In nearly every case, these large barren quartz veins proved to be smaller and less extensive that their surface exposures would indicate. Their strike most often conforms to the strike of the surrounding schist, but their dip is usually steeper. A characteristic feature is the abrupt termination of the quartz (often several feet wide) against a barely perceptible fault or joint plane.

While the Nelson Gulch area has not been completely explored, it is felt that further work is not presently justified.

Rocky Mountain Creek Area. This area comprises that part of the property from the East Fork of Rocky Mountain Creek to the divide between Rocky Mountain Creek and Liberty Fork of Christian Creek. Map A, attached, is an incomplete sketch of this area, based on a pace and compass survey.

As the hills west of Rocky Mountain Creek became bare, trenches were dug to follow float and to determine if the ore seen previously found in the creek extended up the hill. A small stringer was found near the top of the hill. Barren quartz is a common constituent of the schist and fluorescent mud and moss has been frequently noticed.

In the eastern part of the area, on the hill south of the upper part of Rocky Mountain Creek, there is an old shaft that was apparently sunk on a stringer of solid jamesonite with small cubes of pyrite. Evidence of scheelite mineralization has not been found on this hill.

Main Outcrop Area. This is part of the Rocky Mountain Creek area and is shown in detail on Map B, attached.

The outcrop was discovered in 1951 by Hugo Lindfors, who opened up a large quartz vein by a series of pits along the strike. This was mapped and sampled by Dan Jones, engineer for the Territorial Department of Mines.

Scheelite occurs as masses, veinlets and blebs along the walls and in cracks and seams in the otherwise barren quartz. One very rich stringer seems to continue into the schist away from the main quartz vein. Arsenopyrite and pyrite are in minor amounts. Calcite is common.

At one place, immediately adjacent to the richest part of the outcrop, the schist is enclosed with small specks of scheelite, but this enrichment does not follow the bed away from the vein.

It is believed that the vein is substantially in place and that the discontinuous pattern is a formational feature rather than a result of hillside creep. It is noted that the strike of the quartz bodies is easterly from the alignment of these bodies.

The quartz veins follow the strike of the bedding, but cut across the bedding on the dip. The quartz varies from solid masses to badly fractured "sugar quartz". There is little gouge along the veins. At several places solid quartz ends abruptly against minor faults that appear to be older than the scheelite mineralization and also probably older than the quartz.

Trenching along the apparent strike of the vein failed to show a continuation of the ore structure although several very small seams of quartz and scheelite were found on the southerly projection. Trenching along the northerly projection, was limited by the steepness of the hillside. The first trench had a few traces of scheelite mineral and several spots of brown mud that fluoresces brilliantly. It is not known if this mud is very finely divided scheelite or some other mineral, possibly a scelite. It has been noticed here, as elsewhere in the whole area, fragments of moss sometimes fluoresce with a color identical to that of the scheelite.

On the west side of the creek, a quartz vein had been found early in May by a short trench dug out under the snow. In the vein there was one rich pocket of quartz and scheelite, measuring about two feet by two feet and one foot thick. It would probably assay over ten per cent in tungstic oxide. Bulldozing could not quite reach this vein as the rock was hard, but two parallel veins were uncovered. These veins have a few small pockets of rich scheelite are in them, but otherwise appear to be barren. Their northerly extension appears to be cut off abruptly.

There is a long trench on the hillside westerly of the outcrop area. This trench is not shown on Map B, but its position is indicated on Map A. A six to eight inch vein of "good looking" quartz was cut, but it did not appear to carry any scheelite. Additional work in this trench will be done as parts of it were frozen and bedrock was imperfectly exposed.

PROPOSED WORK

For the present, it is proposed to confine the work to the outcrop area. Although its location in the bottom of the creek will undoubtedly make underground work more difficult, it is the only known occurence of ore.

Since it is possible that undiscovered veins may lie between the eastern and western limits of the area and trenching with the bulldozer in the creek bottom is difficult, a shallow tunnel will be driven from creek level to the best of the known exposures. This tunnel will prospect the valley floor and give about ten feet of back under the outcrop. Drifting can be done along the vein in order to permit sampling and, if advisable, a winze can be sunk at any selected spot.

A rock trench will be put across the western veins and possibly continued as a crosscut into the western hillside if indications remain favorable for the discovery of other parallel veins.

It is not felt that present knowledge of the ore occurence justifies sinking a shaft for fifty feet or more with drifts along the vein. It would appear that the structure may consist of four or more veins within a limited area and that the immediate problem is to determine if the tungsten enrichments in these veins is sufficient to warrant underground development. Since surface sampling would be misleading because of residual concentration in the weathered portions of the vein, it is thought that shallow tunnel work is the cheapest reliable method of procuring samples.

Original plans had called for the purchase of a gasoline jackhammer to cut rock trenches at favorable places in bulldozer trenches. Since it now appears that limited underground work is preferable, the gasoline jackhammer will not be purchased but a compressor has been rented at a cost of $300.00 a month and a new air jackhammer, hose and steel have been shipped.

ALASKA COPPER CORPORATION

By Charles F. Herbert

Charles F. Herbert

400 FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Hopkins
Martin

December 14, 1953

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division

Subject: Docket No. 2469 - Tungsten
Contract No. Idm-E338
Rocky Mountain Creek Claims
Locally known as "Linfors Tungsten Prospect"
Seward Peninsula, Territory of Alaska
Nome Mining District

Operator: Alaska Copper Corporation, 1125 Smith Tower, Seattle, Washington

Operator's property rights: Lessee of 7 unpatented lode claims, Lucky Shot, Irish Nugget, Rocky Mountain, Good, Nome and Coffee.

Contract: Dated June 10, 1952

(a) Work authorized:

Stage I

1. Erect temporary camp buildings for summer months.
2. Trench surface with bulldozer along vein outcrops.
3. Sample and assay concurrently with trenching progress

Cost $16,000.00

Stage II

1. Explore vein with an adit and/or one or more shafts with drifts.
2. Sample and Assay - Cost $25,000.00

Total Costs (Stages I & II)	41,000.00
Government's participation @ 75%	$30,750.00

(b) Amendments: - None

(c) Work completed:

Trenching	3,120 lineal feet)	
Open Cutting	40 feet)	$9,938.86
Crosscutting	115 ")	
Camp construction		629.33
		$10,568.19
Government's participation @ 75%		$ 7,926.14

Work completed in September, 1952.

R. G. 12-15-53

Audit certificate issued October 5, 1953.

No certification of discovery issued.

Comments:

Work was done on Stage I only of the project because it was concluded that work under Stage II was not warranted. The project was conducted in an expert, efficient and economical manner. The operator furnished good engineering and geological reports. The project was established to explore small scheelite-bearing quartz veins in a schist bedrock that had apparently furnished the small quantities of scheelite recovered in sluicing the auriferous creek gravels on Rocky Mountain Creek.

Mapping by the Geological Survey outlined a zone of scheelite-bearing float, and a number of scheelite bearing quartz veins on the slopes of upper Rocky Mountain Creek. Trenching along a line of float commonly disclosed a quartz-scheelite stringer, pod or veinlet in the enclosing schist. A crosscut to the down-dip extension of the quartz lenses exposed at the surface did not intersect either quartz, or any vein structure. The quartz lenses were proved to be irregular quartz bodies aligned along a joint direction of the enclosing schists, but, except at the point of original discovery no scheelite concentrations were found in the quartz. No significant amounts of scheelite were found, and it is concluded that no discovery was made.

W. S. Martin, Chief
Iron and Ferro-Alloys Division

JHOPKINS:foe
12-14-53
cc: Docket
Code 400
Admr. Reading File

Audited

Certified

WO[illegible] ANALYSIS SHEET - DMEA PROJECT[illegible]

Analysis as of 12/14/1954
Incl. Voucher for

~~Yes~~ Actual Cost

Agreed Unit Costs

Name Alaska Copper Corporation

Docket No. DMEA-2469

State Alaska

Commodity Tungsten

Idm-E No. 338

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	* 327.4'	15,545.00	115	5,458.99	5,460.84 47.48ft
Raising					
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation		13,780.00		4,478.02	4.478.02
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		2,800.00		1.85	
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		5,550.00		629.33	629.33
Other (Specify) Assaying, contingencies		3,325.00			
Totals		41,000.00		10,568.19	~~10,568.19~~

* No footage noted in contract. This figure obtained by dividing by cost of operation.

Prepared by TLC

71626

FINAL REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 19 1953

DMEA Docket 2469, Contract Idm-E 338
Tungsten, Alaska Copper Corporation
1125 Smith Tower, Seattle 4, Washington
Property at Rocky Mountain Creek, Nome, Alaska

Final Rpt

Introduction

The property explored under the subject contract is located on Rocky Mountain Creek, a tributary of the Nome River, about 20 miles northeasterly of Nome, Alaska. It consists of seven unpatented lode claims, known locally as the "Lindfors tungsten prospect", or the Lindfors lease.

Rocky Mountain Creek has been sluiced for placer gold, and during the placer operations considerable scheelite was found in the creek gravels. In order to determine the bedrock source of the scheelite, the Geological Survey in 1943 mapped the area near the prospect, and outlined a zone of scheelite-bearing float that extended at least 4,000 feet northeasterly from the placer concentrations of scheelite. Several small scheelite-bearing quartz veinlets were found, and the deposit explored under the subject contract appeared to be a larger quartz vein, in this float zone, carrying considerable scheelite. The scheelite in several pockets was concentrated in sluice boxes, and the concentrates were shipped. In August, 1951, the prospect was visited and sampled by Daniel A. Jones, Territorial Department of Mines. His samples and assays were reported as follows:

Sample No.	Width	% of WO_2
115	3"	3.01
117	8"	13.30
118	14"	17.90
119	6"	30.62
120	12"	32.62
121	10"	13.47
122	7"	15.76

These samples, supposedly cut normal to the strike and dip of the vein, appear to have been selected samples, and not representative of the entire quartz vein.

In September, 1951, the prospect was visited by R. L. Thorne, U. S. Bureau of Mines. Thorne reported that quartz lenses were exposed intermittently for about 100 feet by trenches, and one continuous exposure about 20 feet long and 2 feet wide was estimated to contain 5% of WO_3. This examination was accepted by the Field Team as the basis for the field processing of the loan application subsequently received from Alaska Copper Corporation.

The project was visited in late June, 1952, by P. L. Killeen, U. S. Geological Survey, who prepared a map of the area near the prospect. His map and one-page narrative is included.

Members of the Field Team, Region I, visited the property in August, 1952, when it was agreed to discontinue the exploration because of discouraging results of initial work.

Summary of Exploration Project Authorized

The exploration project was set up in two stages - only Stage I was completed prior to the discontinuation of work as agreed in August, 1952, among Government representatives and the Alaska Copper Corporation. A recapitulation of the program follows:

Description of the Work
Stage I.

1. Erect temporary camp buildings for summer work.

2. Trench surface with a bulldozer along vein outcrops.

3. Sampling and assaying will be carried on concurrently with the trenching.

Stage II.

1. Explore the vein by an adit and/or one or more shafts with drifts. As the nature and amount of the work is presently unknown, the estimated costs cover a season's work if warranted. This work is to be set up with the approval of the Government.

Work Completed under the Exploration Program: The work was begun on June 10 and field work abandoned on September 1. The following work was completed:

Trenching	3,120	lineal feet
Open Cutting.	40	feet
Crosscutting.	115	feet

In addition, a camp consisting of two units was built on Rocky Mountain Creek, and an airfield approximately 1,200 feet long was constructed in an area where trenching to explore scheelite float could be utilized. During the period September 1 - October 1, the camp was dismantled and freighted back to Nome. Equipment and supplies were stored in Nome. A geologic map of the trenches, prepared by C. F. Herbert, engineer for Alaska Copper Corporation, is attached.

Performance and Costs: In the opinion of the Field Team, the operator did the work expertly and effectively, and in accordance with the terms of his contract. In view of the fact that he had an unusually late season, with heavy winter snows that covered the ground six weeks later than usual, the Field Team believes any slight departures from the program were justifiable, and served to expedite progress and minimize costs. The immediate area of the major outcrop was buried under a deep snow drift until late in July. Prior to this time (June 10 - July 15), work was confined to trenching along the zone of float scheelite, and on smaller scheelite-bearing quartz veinlets near the prospect. These trenches were lamped and mapped by Mr. Herbert, but no encouraging scheelite-bearing veins were uncovered. A breakdown of costs follows:

Table I.

Schedule of Exploration Costs:

A. By Item	Expended	Contract Estimate
Labor, supervision, and technical services	$ 3,409.22	$ 12,200.00
Operating materials, supplies, general miscellaneous.	1,909.26	5,800.00
Operating Equipment,		
purchase	432.00	2,300.00
Rental	4,201.00	4,850.00
Rehabilitation and repairs	none	none
New Buildings, improvements, Installations	909.33	5,550.00
Miscellaneous		
Tractor repair	266.93	1,000.00
Travel	377.08	2,700.00
Assaying	none	500.00
Air freight	none ?	400.00
Freighting & hauling	not shown on MF-104	600.00
Camp equipment	108.00	400.00
Compensation, insurance, payroll taxes	393.84	1,375.00
Contingencies	360.52	2,825.00
Total Expended	12,368.08	
Total Costs Authorized Stage I.		16,000.00

Stage II.	25,000.00	
Grand total cost	41,000.00	

B. By Operation

Trenching, stripping, bulldozing	5,619.77	or $1.80/lin. ft.
Drifting	5,458.99	or 47.47/lin. ft.
Other (new Bldgs., equip. purchase)	1,341.34	
	12,420.10	

Minus 75% of inventoried equipment value $11,623.56 (Expended)

Results of the Exploration: The exploration trenches revealed several small stringers of scheelite-bearing quartz, and shceelite-bearing replacements of schist. None were persistent, wide, or contained scheelite in appreciable amounts.

The crosscut to the down-dip extension of the quartz lenses exposed at the surface did not intersect either quartz, or any vein structure. The quartz lenses were proved to be irregular quartz bodies aligned along a joint direction of the enclosing schists, but, except at the point of original discovery no scheelite concentrations were found in the quartz. The exploration was terminated by mutual agreement of the Government and the Company when the crosscut failed to encounter ore. The attached maps, prepared by C. F. Herbert, of the Alaska Copper Corporation, and P. L. Killeen of the Geological Survey are believed in all respects to adequately depict the geologic relations shown by the exploration. Progress reports submitted by Alaska Copper Corporation to Washington are detailed, and give additional data.

Geology

The following notes on geology are based upon reports by C. H. Herbert, Alaska Copper Corporation; P. L. Killeen, U. S. Geological Survey; and upon personal observation of the Field Team, Region I.

In general, it can be stated that tungsten-bearing float is ubiquitous in the slopes of upper Rocky Mountain Creek, and the Nelson Gulch Area. Trenching along one of the lins of float commonly discloses a quartz-scheelite stringer, pod or veinlet in the enclosing schists. These quartz veins, in the writers opinion, are similar to many small, discontinuous and erratic quartz veins commonly found in intensely metamorphosed schists. At no place was a persistent vein uncovered that could be traced any distance, or that was a typical vein structure. Those disclosed by trenching on Rocky Mountain Creek do not differ materially from those exposed at many places in the schists and slates between the towns of Nome and Solomon. The scheelite, however, seems to post-date the formation of the quartz pods.

Locally, small gougy zones in the schist contain disseminated scheelite and a flourscent brown mud. The gougy zones normally do not exceed an inch or so in thickness. Often, the scheelite associated with a quartz vein or pod will resist a few feet out into a gougy zone in the schist.

At the site of the original discovery, trenching disclosed a very irregular quartz mass containing scheelite in patches, veinlets and blebs in otherwise barren quartz. The scheelite appears to be later than the quartz, and in a small gougy zone in the adjacent schist the scheelite is accompanied by arsenopyrite and pyrite. Very little replacement of the schist is apparent. Several calcareous bands of schist near the main quartz pod contained no scheelite.

The quartz pod and adjacent veinlets tend to strike parallel to the schistosity, but to crosscut on the dip. This direction coincides with a well-developed joint, and many of the quartz pods appear to be joint fillings, or "blowouts" in a joint. The fact that a very wide quartz "vein" or recognizable structure did not continue to a depth of only 15 feet indicates that the quartz is a pod only, and similar to the other pods cropping in the general area.

It is concluded that exploration of quartz pods in this general area is not justified unless a continuous structure can be found by surface means. No major importance should be attached to small bits of scheelite-bearing quartz, or to creek pannings that disclose scheelite.

Conclusions and Recommendations

It is concluded that no discovery was made; in fact, no scheelite was discovered in notable amounts. No assays were made because the ultraviolet light disclosed no scheelite, except for scattered specks. The Field Team recommends that no certification of discovery be issued. The contract has been audited by a D.M.E.A. auditor, and adjustments made to conform to the contract. The contract should be closed from the active file, and final payment made to the Operator.

C. L. Sainsbury

C. L. Sainsbury
U. S. Geological Survey Member
Alaska Field Team, Region I.

C
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UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 19 1953

Rocky Mountain Creek tungsten (scheelite) area
east of Nome River, Seward Peninsula.

P. L. Killeen and C. L. Hummel
June 30 - July 7, 1952.

The accompanying map was prepared in response to a request by C. L. Sainsbury of the Juneau Office. It is preliminary in nature and merely summarizes information obtained during a short investigation. The principal site of lode scheelite is still covered by snow 8 to 10' in depth, and hence was inaccessible. All prospecting and exploration sites are indicated with the exception of a few hand trenches in the stream banks that are to small to indicate on the scale used.

The claims could not be mapped in the limited time available, and the names have been placed in such manner as to indicate roughly the relative position of the claims. A few corner posts are indicated on the map. A few discrepancies also exist, and suggest that some corners may be improperly marked. Not all claims are involved in the project loan.

Strike and dip of the schistosity of the chlorite schist is indicated at several points. The readings are not consistent and suggest the need of further structural work in the area. The trend of a few quartz veins has been shown. Quartz float is abundant in the area, but few of the veins (or lenses?) are exposed naturally or have been exposed by pitting. The trenches are being dug in seasonally frozen surface material and are not yet deep enough to reach firm bedrock. The trenching sites are placed on the basis of float lines, the apparent trend of the known lode, and the overall linear position of the three areas (Liberty Gulch, the main lode in Rocky Mt. Creek, and the float at the head of Nelson Gulch).

Limestone occurs on the northeast flank (high) of the hill between Rocky Mountain Creek and Christian Creek, and is also found in one exposure on Rocky Mountain Creek. These sites have not been indicated on the map. Further work will be required to determine the relation of this limestone to the schist. Moffit's older map (B-533) shows limestone in the high outcrop at the head of Rocky Mountain Creek, and in the high peak that lies between the head of Rocky Mountain and Christian Creek. The distribution of scheelite as now known has no specific relation to the position of these limestone beds.

The Survey party had the opportunity to pan stream gravels only on Rocky Mountain Creek and on Nelson Gulch, because of snow in the valleys. Coarse scheelite (3/16" grains) was found at a falls well above the principal lode cut in Rocky Mountain Creek, and fine scheelite persists at least to the upper bend of the creek. The scheelite panned from surface gravels in Nelson Gulch was fine.

Obviously the area is in the initial prospecting stage and considerable work will have to be done, and climatic conditions clear up, before a good appraisal may be made. If time permits, the Survey party should return to this area later this season.

/s/ P. L. Killeen

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1952

XXXXXXXXXXXXXX

P. O. Box 2990
Juneau, Alaska
December 17, 1952

MEMORANDUM

To: Operating Committee
Defense Minerals Exploration Administration
Washington 25, D. C.

From: S. H. Lorain

Subject: Final report Docket No. DMEA-2469, tungsten
Alaska Copper Corporation

Enclosed herewith are two copies of the following; forms MF-104 and MF-104A for August and September 1952, Operator's Final Report and Maps, Audit Certificate (three copies) for Contract Idm-E-338.

The documents listed above describe the basis for final payment and for closing of the project. We think that everything is in order but, if there is anything else that we should do, we will try to take care of it upon receipt of instructions.

The operations on this project were directed by a competent mining engineer with whose report we are in essential agreement. The accounts were handled in a very businesslike manner throughout the period of the contract. You will note that the final inventory submitted by the company contained items amounting to about $353.95 which never had been charged to the project; nevertheless we are making deductions for final settlement on the basis of their own inventory. I assume that it will be possible for them to put in a claim for the difference. We do not consider that a discovery was made, consequently no certification of discovery will be submitted.

S. H. Lorain, Executive Officer
Alaska Field Team, Region I

Enclosures

cc: C. L. Sainsbury
J. A. Herdlick

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON, D.C.~~
P. O. Box 2659
Juneau, Alaska

MDS

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 19 1953

November 16, 1953

Mr. George C. Selfridge
Chairman, Operating Committee
Defense Minerals Exploration Administration
Washington 25, D. C.

Docket DMEA 2469
Tungsten, Alaska Copper Corp.
Rocky Mountain Creek, Alaska

Dear Mr. Selfridge:

Enclosed are four copies of the final report on the subject docket as requested by you at various times since last spring.

There seemed to have been a little misunderstanding in the field about the need for a final report on this docket, no doubt because of the early audit which indicated that the books were in good order.

I trust this report will fulfill all the requirements so that the docket can be closed officially.

Very truly yours,

C. L. Sainsbury

C. L. Sainsbury
Acting Executive Officer
Alaska Field Team, Region I.

Enclosures - 4

cc: Lorain

FILE COPY
SURNAME:
800

Brekhus
Talbert

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

NOV 10 1953

Mr. S. H. Lorain
Executive Officer
DMTA Field Team, Region I
P. O. Box 560
Juneau, Alaska

Dear Mr. Lorain:

Enclosed herewith for distribution in accordance with the provisions of Sec. 3 to Supl. No. 4 of DMTA Circular 19, are two Final Audit Reports which Mr. Brekhus prepared during his recent visit to Juneau:

Idn-[illegible]276, DMTA-1232X Alaska Copper Corporation

Idn-[illegible]338, DMTA-2469 Alaska Copper Corporation

Sincerely yours,

E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

Enclosure

BJBrekhus/wb
November 8, 1953

Copy to: Docket
Mr. Chambers
Mr. Brekhus
Admr. Reading File

FILE COPY
SURNAME:

400

Rutledge
Martin
Selfridge
Hamilton

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

SEP 21 1953

Mr. S. H. Lorain, Executive Officer
DMEA Field Team, Region I
P. O. Box 560
Juneau, Alaska

Re: Docket No. DMEA 2469 - Tungsten
Alaska Copper Corporation
Rocky Mountain Creek claims
Seward Peninsula, Alaska
Contract No. Idm-E338

Dear Mr. Lorain:

The exploration program under the subject contract was completed prior to October 1, 1952, and the Operator's final report received in Washington on December 22, 1952.

It would be appreciated if you would expedite the submission of the Field Team's final report in order that we may close out this docket.

Sincerely yours,

George C. Selfridge (GCS)
Chairman, Operating Committee

APPROVED:

J. H. Hedgos (JHH)
Member, Bureau of Mines

A. R. Kinkel, Jr. (ARK)
Member, Geological Survey

FARutledge:foc 9-21-53
cc: Docket
Code 400
Operating Comm.
Adm. Reading File
FT. Reg. 1
R. W. Geehan, USBM
Mary Miller, USGS

R.C.G.
9-21-53

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Rutledge
Martin
Hoffman
Chandler
Selfridge
Mitt

FEB 6 1953

Mr. S. H. Lorain, Executive Officer
DMEA Field Team, Region I
P. O. Box 560
Juneau, Alaska

Re: Docket No. DMEA 2469 - Tungsten
Alaska Copper Corporation
Rocky Mountain Creek Claims
Seward Peninsula, Alaska
Contract No. Idm-E-338

Dear Mr. Lorain:

Reference is made to the subject docket and your letter of January 23, 1953, regarding the correct procedure for closing out DMEA contracts.

To completely terminate a contract, the DMEA requires all copies of the MF-104 and MF-104A; the Operator's final report, complete with maps, sample and geologic data, and calculated ore reserves where applicable; the final Field Team report; final audit; and a release of the remaining funds to the U. S. Treasury. However, since the final audit takes time, the contracts are closed out in the other aspects by the statement in regard to the funds expended: "Subject to final audit."

We are enclosing two copies of DMEA Memorandum No. 9 dated July 15, 1952, which explains preparation of the final Field Team report.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

cc: Docket
Field Team, Region I
Code 400, 800, 140
Admn. Read. File
Operating Committee
R. W. Geehan, USBM
D. M. Lemmon, USGS

FARutledge/hhb
1/29/53

FILE COPY
SURNAME:
800

Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

FEB 6 1953 BW.

AIR MAIL

Mr. S. H. Lorain
Executive Officer
DMEA Field Team, Region I
P. O. Box 560
Juneau, Alaska

Re: Docket DMEA-2469
Contract Idm-E338
Alaska Copper Corporation

Dear Mr. Lorain:

Reference is made to your letter of January 14, 1953, in regard to final payments on the above-cited contract.

The Contract Administration and Audit Division has given careful consideration to this project. It is noted that all of the expense items which have been allowed have been supported by documentation which you and your certifying officer have approved. It is also noted that the contractor has offered to pay to the Government the total amount expended by the Government for inventories which are unused and on the property.

J.C. 2/6/53

The project has been closed with the total Government expenditure of $8,479.52, less than one-third of the Government's share of funds to the project. Since the Government has approved the cessation of this project there appears to be no reason why the final payment to the contractor should not be made. The permission to make final payment on this operation is given prior to an audit for the following reasons: (1) The total amount expended by the Government is comparatively small; (2) All documentation has been examined by you and your certifying officer and found in order; and (3) It will be several months before our Audit Division can send a man to Alaska to make the audit. This does not establish a precedent for the larger projects which you have in your Region. These projects under our present plan are to be audited in late spring or early summer.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

JLChambers/wb
February 5, 1953

Copy to: Docket
Admr. Reading File
Administrator
Mr. Chambers

800

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

FEB 6 1953

Mr. S. H. Lerain
Executive Officer
DMEA Field Team, Region I
P. O. Box 560
Juneau, Alaska

AIR MAIL

Re: Docket DMEA-2469
Contract Idm-2338
Alaska Copper Corporation

Dear Mr. Lerain:

Reference is made to your letter of January 14, 1953, in regard to final payments on the above-cited contract.

The Contract Administration and Audit Division has given careful consideration to this project. It is noted that all of the expense items which have been allowed have been supported by documentation which you and your certifying officer have approved. It is also noted that the contractor has offered to pay to the Government the total amount expended by the Government for inventories which are unused and on the property.

The project has been closed with the total Government expenditure of $8,479.52, less than one-third of the Government's share of funds to the project. Since the Government has approved the cessation of this project there appears to be no reason why the final payment to the contractor should not be made. The permission to make final payment on this operation is given prior to an audit for the following reasons: (1) The total amount expended by the Government is comparatively small; (2) All documentation has been examined by you and your certifying officer and found in order; and (3) It will be several months before our Audit Division can send a man to Alaska to make the audit. This does not establish a precedent for the larger projects which you have in your Region. These projects under our present plan are to be audited in late spring or early summer.

Sincerely yours,

C. O. Mittendorf

Administrator

JLChambers/wb
February 5, 1953

Copy to: Docket
Admr. Reading File
Administrator
Mr. Chambers
Mr. Martin

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~
P. O. Box 560
Juneau, Alaska
January 14, 1953

Defense Minerals Exploration Administration
RECEIVED
JAN 19 1953

FEB 6 1953

Mr. C. O. Mittendorf
Administrator
Defense Minerals Exploration Administration
Interior Building
Washington 25, D. C.

re: Docket DMEA-2469, Contract Idm-E338
Alaska Copper Corporation

Dear Mr. Mittendorf:

I have recently received your letter of January 7 regarding our "Audit Certificate" with regard to the subject contract.

The issuance of the "Audit Certificate" was the result of a misunderstanding of the instructions by our administrative officer. Usually he is very dependable in such matters; consequently I accepted his interpretation. We are voiding the "Audit Certificates" according to your instructions. The operator was notified that his books would be subject to audit by the government at any time within three years.

I assume that it will still be permissible to make final payments (subject to final audit) on contracts which we have determined to be in proper shape?

Yours sincerely,

S. H. Lorain, Executive Officer
Alaska Field Team, Region I

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~

P. O. Box 560
Juneau, Alaska
Janaury 23, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 26 1953

Mr. George C. Selfridge
Chairman, Operating Committee
Defense Minerals Exploration Administration
Washington 25, D. C.

re: Docket No. DMEA-2469 (tungsten)
Alaska Copper Corporation

Dear Mr. Selfridge:

I have just received Mr. Johnson's letter of January 9 in which he asks about reports and audits pertinent to the completion of this project.

This office has done all that it can do with regard to the audits. Please note Mr. Mittendorf's letter of January 7 and my reply of January 14. Evidently the final audit will have to wait for a visit from the Contract Administration and Audit Division. You should have received all copies of MF-104.

On December 17 I mailed you two copies of the operator's final report and maps. The operator is a competent mining engineer; consequently I was hoping that his data would be acceptable in lieu of a rehash by the Field Committee. We are in agreement with Mr. Herbert's data and conclusions. If this is not satisfactory please advise exactly what you need and we will work it up during the winter.

This is the first Alaskan project to be closed officially; therefore we are not too sure as to the formal requirements.

Yours sincerely,

S. H. Lorain, Executive Officer
Alaska Field Team, Region I

cc: C. L. Sainsbury
J. A. Herdlick

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

JAN 9 1953

Mr. S. H. Lorain
Executive Officer
DMEA Field Team, Region I
P. O. Box 2990
Juneau, Alaska

Re: Alaska Copper Corporation
Docket No. DMEA-2469 (Copper)
Contract No. Ida-8338

Dear Mr. Lorain:

A review of our dockets as of January 1, 1953, indicates that exploration under the subject contract has been completed, but we have not yet received either the final field team report, all of the MF-104 cost reports, and/or the final audit report. Possibly in this case the Operator has not disposed of the equipment.

It will be appreciated if you will furnish us with these reports at your earliest convenience in order that we may close out this contract.

Sincerely yours,

Frank E. Johnson

Chairman, Operating Committee

APPROVED:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

FERutledge/FEJohnson/bih
1/8/53
cc to: Docket
Admr. Reading File
Region I
Operating Committee
Messrs. Hedges R-4604
Kinkel GSA R-4234
Selfridge
Rutledge
FEJohnson

FILE COPY
SURNAME:

Rt Hodge
Sel Hodge

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Mr. S. F. Lorain, Executive Officer
DMEA Field Team, Region I
P. O. Box 2990
Juneau, Alaska

Dear Mr. Lorain:

A review of our dockets as of January 1, 1953, indicates that exploration under the following contract has been completed, but we have not yet received either the final field team report, all of the MF-104 cost reports, and/or the final audit report. Possibly in this case the operator has not disposed of the equipment.

It will be appreciated if you will furnish us with these reports at your earliest convenience in order that we may close out the following contract:

DMEA 2469 - Alaska Copper Corporation.

Sincerely yours,

~~Frank E. Johnson~~

Chairman, Operating Committee

Approved:

~~J. H. Hodges~~

Member, Bureau of Mines

A. ~~H. Kinkel, Jr.~~

Member, Geological Survey

cc: DOCKET
FT, REG. 1
CODE 400
OPER. COMMITTEE
ADMN. READ. FILE
R. W. GEEHAN, USBM
D. M. LEMMON, USGS

FILE COPY
SURNAME:
800

Talbot
Chambers

BW

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

AIR MAIL

JAN 7 1953

Mr. S. N. Lorain
Executive Officer
DMEA Field Team, Region I
P. O. Box 2990
Juneau, Alaska

Re: Docket DMEA-2469
Contract Idm-5338
Alaska Copper Corporation

Dear Mr. Lorain:

Reference is made to the three copies of an "Audit Certificate" transmitted with your final report on the referenced project by your memorandum of December 17, 1952, addressed to the Operating Committee.

This "Audit Certificate" includes a statement that "It has been administratively determined that this contract is not subject to audit by Defense Minerals Exploration Administration auditors ***". Your issuance of this certificate, as well as your administrative determination that the contract is not subject to audit, is not understood. These functions are a responsibility of the Contract Administration and Audit Division.

The policies and procedures relative to Audit Certificates and Reports of Review are detailed in DMEA Circular 19, Supplement 3, as revised by Supplement 4. Your attention is invited specifically to the last sentence of section 1 of Supplement 3, which reads, in part, "a determination has been made that all final payments will be covered by either an Audit Certificate or Report of Review issued by a representative of the Contract Administration and Audit Division." Accordingly, all copies of the "Audit Certificate" issued by you should be voided.

It should be noted, however, that under the terms of DMEA Circular 19 the Executive Officer of the field team does have the authority to waive the requirements for documentary support of the Form MF-104 with the understanding that final payment cannot be made until after an audit of the operator's records by a representative of the Contract Administration and Audit Division. It is believed that you may have misconstrued this authority to include authority for the issuance of audit certificates.

The present plans of the Administration contemplate having an auditor representative of the Contract Administration and Audit Division visit Region I during the coming summer for the purpose of performing such audits and reviews as may be required.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

EDTalbert/wb
January 6, 1952

Copy to: Admr. Reading File
Docket
Administrator
Mr. Chambers

fc. 1-1-53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1952

P. O. Box 2990
Juneau, Alaska
December 17, 1952

MEMORANDUM

To: Operating Committee
Defense Minerals Exploration Administration
Washington 25, D. C.

From: S. H. Lorain

Subject: Final report Docket No. DMEA-2469, tungsten
Alaska Copper Corporation

Enclosed herewith are two copies of the following; forms MF-104 and MF-104A for August and September 1952, Operator's Final Report and Maps, Audit Certificate (three copies) for Contract Idm-E-338.

The documents listed above describe the basis for final payment and for closing of the project. We think that everything is in order but, if there is anything else that we should do, we will try to take care of it upon receipt of instructions.

The operations on this project were directed by a competent mining engineer with whose report we are in essential agreement. The accounts were handled in a very businesslike manner throughout the period of the contract. You will note that the final inventory submitted by the company contained items amounting to about $353.95 which never had been charged to the project; nevertheless we are making deductions for final settlement on the basis of their own inventory. I assume that it will be possible for them to put in a claim for the difference. We do not consider that a discovery was made, consequently no certification of discovery will be submitted.

S. H. Lorain, Executive Officer
Alaska Field Team, Region I

Enclosures

cc: C. L. Sainsbury
J. A. Herdlick

Alaska Copper Corporation
1013 Smith Tower
Seattle 4, Washington

FINAL REPORT
LINDFORS LEASE

OMEA 2469

This report covers the period from July 25 to October 1, 1952.

During the period covered by this report the following work was accomplished:

1. 120 feet of bulldozer trench in the creek valley disclosed a small stringer.

2. A shallow tunnel consisting of forty feet of open cut in rock and seventy-five feet underground was driven under the outcrop. No vein or other ore structure was cut.

3. The project was abandoned on September 1, 1952. The compressor was returned to the owner and supplies and equipment purchased under the project were stored in Nome, Alaska.

SUMMARY

A discovery of scheelite ore has not been made, and it is believed that within the parts of the property that have been investigated, the geological conditions do not favor the existence of a commercial body of scheelite.

GENERAL

The Lindfors property had seemed to be well worth development because considerable scheelite had been found in the gold placer workings along Rocky Mountain Creek and considerable quartz-scheelite float had been found along the hillside between Rocky Mountain Creek and Nelson Gulch, on the hills West of Rocky Mountain Creek and at the head of Christian Creek.

A quartz-scheelite vein had been uncovered in the valley of Rocky Mountain Creek. Sampling by an engineer for the Territorial Department of Mines indicated an ore shoot forty feet long with an average tungstic oxide content of 16.6% over an average width of eight inches.

Inasmuch as the outcrop was buried under a deep snowdrift until late in June, preliminary work was necessarily confined to bulldozer cuts on the explored hillsides (see previous progress reports). This work was designed to trace scheelite bearing float to its source and to determine the character of what appeared from the float distribution to be a northerly trending ore structure.

No minable veins were discovered in the bulldozer trenches. It soon became apparent that the float represented a detrital accumulation of quartz-scheelite fragments from erratic quartz lenses that were infrequently mineralized by high grade stringers of scheelite.

The gold placer tailings in Rocky Mountain Creek were sampled by rocking one half cubic yard samples from the individual tailing piles. Since the tailing piles were built up by a bulldozer from the lower end of the sluice boxes, it is believed that the tailings would give a reasonably accurate indication of the original scheelite content of the placer ground. The amount of scheelite present in the tailings proved to be insignificant.

When the snowdrifts in the Rocky Mountain Creek valley had melted, it was possible to map the outcrop. It was found that high grade scheelite stringers had an erratic distribution in discontinuous quartz bodies that were probably formed as replacements of schist between minor faults and joint planes. Away from the larger quartz bodies, the scheelite persisted as very narrow stringers of quartz and scheelite. The owners had removed most of the high grade portions of the deposit so that it was almost impossible to correlate the Territorial Department of Mines sampling with the observable features.

A shallow tunnel was driven to determine if the structure persisted below the surface and to give a suitable sampling surface if it did persist. No quartz or scheelite was found in the tunnel or in the five six-foot long drill holes drilled from the tunnel.

It was decided that further work was not justified. Representatives of the U. S. Bureau of Mines and the U. S. Geological Survey concurred.

There had been some old work done on a narrow (possibly three feet) bed of calcareous schist that had been mineralized with jamesonite, sphalerite, arsenopyrite and quartz. Assays of a sample taken from a dump near the old shaft are shown on the attached map. A similar bed with little or no jamesonite outcrops in the creek near a massive quartz deposit on which an old adit and shaft had been driven. A few specks of scheelite, were noted at one place on the east (hanging) wall of the quartz.

EQUIPMENT AND SUPPLIES

The compressor and bulldozer were returned to the owners and other supplies were taken to Nome for storage. A list of these supplies is attached.

In order to conclude the DMEA project, Alaska Copper Corporation will purchase the government's interest in the inventory at cost.

ALASKA COPPER CORPORATION

By Charles F. Herbert
Charles F. Herbert

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~

TO: Field Team, Region I. D.M.E.A. September 6, 1952

FROM: C. L. Sainsbury, Geologist, U. S. Geological Survey

SUBJECT: Interim report by inspecting geologists

II. D.M.E.A. Docket No. 2469, tungsten, Alaska Copper Corporation, 1125 Smith Tower, Seattle 4, Washington. Property at Rocky Mountain Creek, Nome area, Alaska. Contract Idm-E 338 $41,000.00

The property was visited August 27, by E. A. Youngberg and C. L. Sainsbury of the Geological Survey; Mr. Charles Herbert was at the property during the visit.

Owing to the discontinuity of the "vein", it was agreed that the exploration should be terminated. The "vein" appears to be a massive quartz pod filling a joint in the enclosing schist, and apparently is similar to many other small quartz bodies known in the general area. Although some scheelite occurs in these quartz pods, it is doubtful if any will constitute a commercial ore body.

The work completed at the time of examination consisted of trenching as called for in the contract, and the driving of approximately 30 feet of a crosscut to the "vein" from the creek bottom. At that time the crosscut was directly underneath the surface crop of the quartz, but no quartz was found in the crosscut. The pod may have a slight dip into the hill, so another round or two will be shot before the crosscut is abandoned. In any event, it appears unlikely that shafting or drifting will be justified.

C. L. Sainsbury, Acting
Executive Officer, Region I.

cc: T. P. Thayer

Contract Idm-E 276 - August 1952:

Amount approved for payment	$1,442.48

Contract Idm-E 338:

Overpayment	553.38
Net Payment	$ 889.10

Above payment made in accordance with Audit Certificates dated September 30, 1953 and October 5, 1953.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~

P. O. Box 2990
Juneau, Alaska
August 27, 1952

Mr. Frank A. Johnson, Chairman
Operating Committee
Defense Minerals Exploration Administration
Interior Building
Washington 25, D. C.

Re: Docket No. DMEA-2469
Alaska Copper Corp.

Dear Mr. Johnson:

Enclosed are two copies of the subject Form LF-104 for the month of July. No narrative report nor 104-A has yet been received. Mr. Herbert is now at the property; he will, I assure, submit the missing documents as soon as possible.

I have just returned from a visit to the project where I found that the work has been proceding in a very efficient and workmanlike manner.

Surface trenching has been completed in such a manner as to leave practically no doubt that nothing has been overlooked and the correct "picture" of the deposit has been obtained. It is apparent that the original discovery was "it" and that no strike continuity may be expected.

A short crosscut is being driven from creek level to undercut the discovery at a shallow depth. If no downward continuity is indicated the project will be stopped - probably by the end of August. When I was there the crosscut was very near to its objective. I do not expect it to expose enough ore to justify sinking.

Yours sincerely,

S. G. Lorain
Executive Officer
Alaska Field Team, Region I

Enclosures 2

cc: L. A. Youngberg

400

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Martin
Selfridge
Matt

AUG 25 1952

Mr. S. H. Lorain
Executive Officer, DMEA Region I
P. O. Box 2990
Juneau, Alaska

Re: Docket No. DMEA 2469 - Tungsten
Alaska Copper Corporation
Rocky Mountain Creek Claims
Seward Peninsula, Alaska

Dear Mr. Lorain:

Reference is made to your letter of August 7, 1952, enclosing two copies of the July progress report for the captioned contract.

We note your conclusion from the progress data that we cannot expect more than a very small, but perhaps rich, "pocket" on the original discovery or on the associated quartz veins. Consequently, it would appear to us that there is no great probability of finding enough ore through the project as approved to repay the Government's share of the cost.

Under the circumstances, particular care should be taken by your office to impress upon the applicant the necessity of expending the exploration aid in accordance with the contract, or such amendments as you feel should be made therein, under your delegated authority. The extent and limits of that authority are clarified in DMEA Memorandum No. 7 of June 24, 1952, copy of which is enclosed for your convenience.

The above comments are prompted by the reported construction of an airfield 1200 feet long, concerning which the progress report mentions: "The airfield work also served to prospect an area on which some tungsten float had been found." Furthermore, by our letter of June 10 we advised you that an amendment should be written if Stages I and II of the contract were to be allowed to overlap, and that if you approved carrying out the work of Stage II an amendment should be written designating the type of work agreed upon.

We hope that after returning from your proposed trip to the Seward Peninsula and your planned visit to the subject project you will be in a position to report to us at your early convenience regarding such amendments as are necessary because of the foregoing considerations.

Sincerely yours,

G. C. Selfridge
ACTING Chairman, Operating Committee
(JHB)

J.N. 8-25-52

Enclosure

Approved:

C. H. Johnson
Member, Bureau of Mines (JHB)

D. M. Lemmon
Member, Geological Survey (JHB)

WSMartin:ls
8/21/52

Copy to: Docket
Admn. Read. File
Field Team, Region I
G. C. Selfridge
W. S. Martin
Operating Committee
D. M. Lemmon, USGS
R. W. Geehan, USBM

FILE COPY
SURNAME:

200

Adams

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Mr. S. H. Lorain
Executive Officer
Region I
Bureau of Mines
P. O. Box 2990
Juneau, Alaska

Dear Mr. Lorain:

There is enclosed herewith the Finance Office's copy of Exploration Project Contract Idm-X338, Docket No. DMEA 2469, on the Alaska Copper Corporation.

Ordinarily this copy of the contract would be transmitted by the Bureau of Mines Fiscal Office, however, in accordance with Operating Committee Memorandum No. 10, the copy for the Finance Officer will be distributed by the Executive Officer at the time a copy is retained for his files, and a copy forwarded to the Operator.

Operating Committee Memorandum No. 10 covering this change will be issued shortly.

Sincerely yours,

C. O. Mittendorf (for)

Acting Administrator
Defense Minerals Exploration
Administration

Enclosure

READams/meb
8-15-52
cc to: Adm.Reading File
Mails & Files Br.

Defense Minerals Exploration Administration
Robert E. Adams
2017 4070

14X3923 Working Fund Interior, DMEA
August 14, 1952
12:05 P. M

L. S. Wilcox Region I P. O. Box 2990, Juneau, Alaska

Contract Idm-E338

Finance Office copy DMEA contract Idm-E338 Alaska Copper Corporation mailed to you today.

C. O. Mittendorf (for) 8-14-52

ACTING ADMINISTRATOR

READams/jms
8-14-52
cc to: Adm. Reading File
Mails & Files Br.
Audits Division

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

Acc

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

LDC007 GVT NL PD

WUX WASHINGTON DC AUG 11 AUG 11 PM 1[illegible]

KENFIELD BAILEY

BUREAU OF MINES WASHDC.

111919Z HAVE NOT RECEIVED FINANCE OFFICE COPY DMEA CONTRACT IDM-E338

ALASKA CORPN CORPORATION FIRST VOUCHER HAS BEEN PRESENTED FOR PAYMENT.

L J WILCOX BUREAU OF MINES JUNEAU ALASKA.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

AUG 12 6 53 AM '52
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
P. O. Box 2990
Juneau, Alaska
August 7, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee
Defense Minerals Exploration Administration
Interior Building
Washington 25, D. C.

Re: Docket No. DMEA-2469 (tungsten)
Alaska Copper Corporation

Dear Mr. Johnson:

Enclosed herewith are two copies of the July progress report for the subject contract. We have not yet received the voucher for July but, rather than delay the progress information, I will not hold it for the voucher.

The progress data indicates to me that we cannot expect more than a very small, but perhaps rich, "pocket" on the original discovery nor on the quartz veins that are associated with it. I think that the veins are lenses along the schistosity or, in some cases, short gash veins associated with local faulting. Possibly the scheelite is localized in the gash veins.

"Pem" Killeen, of the Geological Survey, has reported the existence of limestone on Rocky Mt. Creek and on the hill between Rocky Mt. Creek and Christian creek to the north. This limestone appears to be nearly on the strike of the mineralization. I suspect that it might bear some investigation.

Next Monday I am leaving on a two or three week trip to Seward Peninsula. While there I will look over the situation and see if any new approach can be worked out. The work proposed by the operator seems to be a logical approach to the further exploration of the original discovery.

Yours sincerely,

S. H. Lorain
Executive Officer
Alaska Field Team, Region I

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 11 1952

Enclosures 2

cc: E. A. Youngberg
Geological Survey
Juneau, Alaska

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~

P. O. Box 2990
Juneau, Alaska
August 7, 1952

BL

Mr. Frank E. Johnson, Chairman
Operating Committee
Defense Minerals Exploration Administration
Interior Building
Washington 25, D. C.

Re: Docket DMEA-2469 (tungsten)
Alaska Copper Corp.

Dear Mr. Johnson:

Pursuant to your letter of July 3 regarding the mixup in contract copies relevant to the subject contract, I have made the exchange with Mr. Herbert and am enclosing the "Division" copy herewith. Also I am enclosing a copy of the Landlord's Subordination Agreement with the date of the contract inserted.

We have inserted the requested information on lines 1 and 4 of Article 3 of the contract.

Yours sincerely,

S. H. Lorain
Executive Officer
Alaska Field Team, Region I

Enclosures

cc: E. A. Youngberg
Geological Survey
Juneau, Alaska

cc: Chas. F. Herbert
Box 1108
Fairbanks, Alaska

Copy retained 400

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Mail
AUG 11 1952

Frank E. Johnson

7/15/52

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~

Box 2990
Juneau, Alaska
July 9, 1952

Charles F. Herbert
Polaris Hotel
Nome, Alaska

Re: Docket No. DMEA 2469 - tungsten
Alaska Copper Corporation

Dear Mr. Herbert:

I am enclosing herewith a copy of a letter from Mr. Frank E. Johnson and the "operators copy" of the subject contract.

Probably you did not notice, nor did I at the time, that each of the contract copies was marked near the upper right hand corner. Evidently you have kept the "division" copy and sent the "operators" copy to Washington. Will you please keep the copy that is enclosed herewith and send me the "division" copy for forwarding to Washington. Also will you complete the blanks in line 1 and 4 article 3 as requested in Mr. Johnson's letter. Inasmuch as you were already on the ground the number of days for the blank on line 1 of article 3 could be any amount you wish. I assume that the blank in line 4 should be filled in with "2 years".

Yours sincerely,

S. F. Lorain
Regional Director, Region I

cc: Frank E. Johnson ✓

Copy retained 400

FILE COPY 409
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

JUL 3 1952

Selfridge
Hot Dump

Mr. S. H. Lorain
Executive Officer, Region I
P.O. Box 2990
Juneau, Alaska

Re: Docket No. DMEA 2469 - Tungsten
Alaska Copper Corporation
Rocky Mountain Creek Claims
Seward Peninsula, Alaska
Exploration Contract No. Ldn-[illegible]

Dear Mr. Lorain:

This is to acknowledge receipt of your letter of June 25, 1952, forwarding the original and three copies of the signed subject contract.

We note that the blanks in lines 1 and 4, Article 3, of the contract have not been filled in with the appropriate information as requested in our letter of June 10 and in keeping with the instructions of DMEA Circular 21, Article 3, item (d). Will you please furnish us with this information and insert the same in the Field Office and the Operator's copies. In addition, the contract date, June 10, 1952, should be inserted in the Landlord's Subordination Agreement.

We are returning herewith the Operator's copy of the subject contract to be given to him in lieu of the Division's copy of the contract which should be returned to us. The exchange of these particular copies is necessary because of the surnaming which appears only on the docket and Division copies of the contract.

GCSelfridge'lm
7/1/52

Sincerely yours,

(signed) FRANK E. JOHNSON
(GHS)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

J.N. 7-3-52

Enclosure

Approved:

J. H. Hedges (GHB)
Member, Bureau of Mines

D. M. Lemmon
Member, Geological Survey

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. I
Operating Committee
G. C. Selfridge

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~
Box 2990
Juneau, Alaska
June 25, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 30 1952

Mr. Frank E. Johnson, Chairman
Operating Committee
Defense Minerals Exploration Administration
Interior Building
Washington 25, D. C.

Re: Docket DMEA 2469 (tungsten)
Alaska Copper Corporation

Dear Mr. Johnson:

I am enclosing herewith the original and 3 copies of the signed contract for the subject project. One copy has been retained by the applicant and another copy has been retained by this office.

Mr. Herbert has obtained the Landlords Subordination Agreement which is attached to the contract. Probably you are aware that the Alaska Copper Corporation started work on the project some time ago because they were obliged to start at a certain date in order to hold their lease. It will be necessary for us to inspect the property immediately in order to determine the status of the work at this point. We will arrange to send in a man either from the Bureau of Mines or Geological Survey to make this examination.

Yours sincerely,

S. H. Lorain
Executive Officer
Alaska Field Team, Region I

Enclosures

cc: E. O. Youngberg
Geological Survey
Juneau, Alaska

Extract from June 1952 report of Region I

Docket DMEA-2469 (tungsten), Alaska Copper Corp.

In order to retain their interest in the property the applicants were obliged to start work before contract approval. The contract was received from Washington late in the month, signed by the applicant, and returned to Washington. DMEA representatives are at the property making a determination of the cut-off point between private and contract operation.

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
EXPLORATION
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Selfridge
Mitt

JUN 11 1952

Mr. Charles F. Herbert
Alaska Copper Corporation
P. O. Box 1108
Fairbanks, Alaska

Re: Docket No. DMEA 2469 - Tungsten
Lucky Shot, et al. claims
Nome, Alaska

Dear Mr. Herbert:

This is to acknowledge receipt of your letter of June 6, 1952, in which you inform us that the landlord's subordination agreement should have been mailed to us. Since we did not hear from you and in order to save time, we have mailed the contract to Mr. Lorain to secure the Company's signature and to attach the subordination agreement. If this letter reaches you before the subordination agreement is mailed to Washington, please have it mailed to Mr. Lorain at Juneau.

Sincerely yours,

C. O. Mittendorf (for) CL 6-11

Acting Administrator
Defense Minerals Exploration
Administration

GCSelfridge:ls
6/11/52

Copy to: Docket
Admn. Reading File
Field Team, Region 1
G. C. Selfridge
D. M. Lemmon, USGS
R. W. Geehan, USBM

ALASKA COPPER CORPORATION
P.O. Box 1108
Fairbanks, Alaska

June 6, 1952

DMEA 2469

Mr. C. D. Mittendorf
Acting Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Dear Sir:

Your telegram of May 4th to Alaska Copper Corporation has just been received by me as I have been out of communication at the copper property of this company at Fidalgo Bay.

Alaska Copper Corporation is an Alaskan corporation which was incorporated at Seattle, Washington, in 1942. The subordination agreements covering the tungsten prospect at Nome, Alaska, ~~can be~~ should have been mailed to your office. I shall be going to Nome in a few days and will determine if this has been done.

Very truly yours,

ALASKA COPPER CORPORATION

By Charles F. Herbert
Charles F. Herbert

CFH:jrb

DEPARTMENT OF THE INTERIOR
Office Chief Administrative
Officer
JUN 10 1952

Docket 400
FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Chadman
Selfridge
Stefrand

JUN 10 1952

Mr. N. H. Lerain
Executive Officer, Region I
P.O. Box 2990
Juneau, Alaska

Re: Docket No. DMEA 2469X - Tungsten
Alaska Copper Corporation
Rocky Mountain Creek Claims
Seward Peninsula, Alaska

Dear Mr. Lerain:

We are enclosing the original and five copies of the above referenced exploration contract signed by this office for the Government, together with Exhibit "A" (5 pages) and Fig. 2, an areal map of the district.

If the terms and conditions of this contract are satisfactory to you and the Operator, all six copies should be signed by a duly authorized official of the Corporation. One copy is to be given to the Operator, one copy retained by your office and the original and three copies returned to this office.

If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

Before this contract is signed by the Operator, it will be necessary to obtain Owners Consent to Lien from the owners of the property and attach a copy to each of the contract copies.

While the contract is set up for two stages, due to the shortness of the season and with the approval of the field team, they may be allowed to overlap. If this is agreed upon, an amendment should be written to this effect. If it is agreeable to carry out the work of Stage II, it will be necessary to write an amendment designating the type of work agreed upon.

Please note that the following reductions have been made in the application as originally presented:

(a) Tractor repair parts	$3,000	to	$1,000
(b) Assaying and air freight	1,500	to	900
(c) Compressor and hoist house	2,500	to	2,000
(d) Pipe and rail	750	to	500
(e) Skip, sheave wheel, cable	1,000	to	500
(f) Contingencies	5,170	to	2,825
(g) Camp equipment	800	to	400
(h) General	4,000	to	2,000

The applicant's request for a loan of $20,000.00 for Stage I and $30,000.00 for Stage II have been reduced to $16,000.00 for Stage I and $25,000.00 for Stage II, in the contract.

The contract has been set up for an operating time of 5-1/2 months. The time of starting the contract and the total time have been omitted from the contract and it will be necessary to fill them in when the contract is signed.

Sincerely yours,

6-10

(Signed) FRANK H. JOHNSON
(JHB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosures

TLChapman'lm
6/6/52

Approved:

W. E. Hodges

Member, Bureau of Mines (JHB)

D. M. Lemmon

Member, Geological Survey (JHB)

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. I
Operating Committee
G. C. Selfridge
T. L. Chapman

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

June 4, 1952

Memorandum

To: Acting Administrator

Through: G. C. Selfridge

From: Acting Chief Counsel

Subject: Alaska Copper Corporation - Docket No. DMEA-2469

There is attached in satisfactory legal form for execution, a contract covering the subject project. However, prior to the execution of the contract, there must be attached to it the Owner's Consent to Lien and Figure 2 referred to in Article 2.

Acting Chief Counsel

Attachment

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Selfridge

Chief Counsel, DMEA

N.S
R&R

May 20, 1952

Iron and Ferro-Alloy Division, DMEA

Review and preparation of exploration project contract--
Docket No. DMEA 2469 - Tungsten
Alaska Copper Corporation
Rocky Mountain Creek prospect
Nome Mining District, Alaska

Forwarded herewith is a rough draft of an exploration project contract pertaining to the subject docket. It is complete with the exception of the "Consent to Lien" forms. These were promised about April 20 but to date have not been received. Since the lessors are domiciled in Alaska, we think it best that the contract be drawn up and sent to Region I for completion.

Will you please give this case preference over any other contracts that this division has with you?

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

Attachment

GCSelfridge:ls

Copy to: Docket
Admn. Reading File
G. C. Selfridge

T. L. Chapman - Ext. 5285

Department of the Interior

Defense Minerals Exploration
Administration

STRAIGHT WIRE

MAY 14, 1952

Area 2469

ALASKA COPPER CORPORATION
1125 SMITH TOWER
SEATTLE, WASHINGTON

PLEASE ADVISE PLACE OF INCORPORATION OF YOUR COMPANY.

WE ARE AWAITING REQUIRED SUBORDINATION AGREEMENTS.

C. O. Mittendorf

C. O. MITTENDORF, ACTING ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

TLChapman:ls

cc: Docket
Admn. Reading File
T. L. Chapman
G. C Selfridge

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

May 8, 1952

Memorandum

To: George C. Selfridge, DMEA

From: D. M. Lemmon, USGS

Subject: Field Report
Alaska Copper Corporation
Rocky Mountain Creek prospect
20 miles N. from Nome, Alaska

DMEA 2469 - Tungsten

The Field Team, in a letter dated April 29, 1952, verifies the applicant's description of the property and ore exposures, and recommends favorable consideration of the proposal made by the applicant.

I concur with the field team recommendation. However, in the light of very high costs of exploration in this region, I suggest that the Field Team carefully evaluate results of surface trenching and sampling (stage 1) before giving approval to underground work (stage 2). The target should be commensurate with exploration cost.

D. M. Lemmon

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 8 1952

Copy retained 400

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
P. O. Box 2990
Juneau, Alaska

April 29, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: DMEA Docket No. 2469X (Tungsten)
Rocky Mountain Creek, Alaska
Alaska Copper Corporation
1125 Smith Tower
Seattle 4, Washington

Dear Mr. Johnson:

In reply to your letter of April 16, I am forwarding a Field Team Report which is our evaluation of the subject application. We did not go into a long discussion in the light of the seven criteria for the evaluation because your letter indicated that you would consider the application favorably if the Field Team concurred.

As stated in the report, we did not make a field examination as one of our engineers had visited the property late last fall, and had discussed the proposed application. The exploration program is essentially that which the Field Team recommended for the prospect; therefore, we are in complete accord with the application.

Considering the shortness of the operating season on the Seward Peninsula, we hope the contract can be negotiated without delay.

Very truly yours,

W. S. Twenhofel

W. S. Twenhofel, Alternate Executive Officer,
DMEA, Region I

cc: Lorain

Encls.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 5 1952

400

FILE COPY
SURNAME:

Selfridge
Lemmon

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

AIR MAIL

APR 16 1952

Mr. S. H. Lorain
Executive Officer, Region I
P.O. Box 2990
Juneau, Alaska

Re: Docket No. DMEA 2469X - Tungsten
Alaska Copper Corporation
1125 Smith Tower
Seattle 4, Washington
Rocky Mountain Creek, 20 miles
North of Nome
Alaska

Dear Mr. Lorain:

In consideration of the short working season in the Nome area, we are requesting an opinion on the above noted property from your office.

A copy of the application was sent you from Washington on April 4, 1952, in which it was stated, among other things, that the property had been visited and sampled by the Alaska Territorial Department of Mines.

We will, if you consur, write a contract and send it to your office and when the season opens, a visit to the property can be made. If this examination substantiates the applicant's statements, you could have the contract signed, forthwith. If necessary, the contract could be amended by you to the extent of your delegated authority and thus eliminate most of the usual time interval between examination and final contract signature.

We suggest that you confer with the Territorial Department of Mines in this respect, and inform us as to your opinion of the property and the proposed project, together with such comments as you may be able to make concerning the proposed work and its method and costs. We will then prepare the contract giving due consideration to your recommendations.

We are enclosing two copies each of the recommendations of the Commodity Division of the U. S. Bureau of Mines and of the U. S. Geological Survey for your files.

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. I
G. C. Selfridge
Operating Committee

Enclosures

Sincerely yours,
(signed) FRANK B. JOHNSON
Chairman, Operating Committee (JHB)
Acting Administrator
Defense Minerals Exploration
Administration

D M Lemmon (JHB)
For Geological Survey

J. B. Hedges (JHB)
For Bureau of Mines

GCSelfridge'lm
4/14/52

J.N. 4-17-52

IN REPLY REFER TO:

G-MD-DME

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

April 9, 1952

Memorandum

To: George C. Selfridge, DMEA

From: D. M. Lemmon, U.S.G.S.

Subject: Exploration application $50,000 DMEA 2469 - Tungsten
Alaska Copper Corporation
1125 Smith Tower
Seattle 4, Washington

Property: Seven claims (Lucky Shot, Irish, Nugget, Rocky Mountain, Coffee, Good, and Nome) on Rocky Mountain Creek, 20 miles north of Nome, Alaska. The claims are leased from Hugo Lindfors, Chas. D. Jones, and May Bale.

Proposal: The applicants propose to trench the property with a bulldozer as stage 1 ($20,000). If results are encouraging, 300 feet of underground work will be done as stage 2 ($30,000).

Comment: The Geological Survey has no first-hand knowledge of the property, according to P. L. Killeen of the Alaska Branch, U.S.G.S.

Recommendation: It is recommended that the application be referred to the Field Team, Region I, Juneau for Appraisal and field examination if the property has not been visited by a member of the Field Team.

D. M. Lemmon

2 copy to Reg 1 4/11

DMEA FIELD TEAM REPORT - REGION I

Docket No. DMEA 2469X - (Tungsten)
Rocky Mountain Creek, Seward Peninsula, Alaska
Alaska Copper Corporation
1125 Smith Tower
Seattle 4, Washington

The subject application was forwarded to the Field Team by letter of April 4, 1952, and was followed by a request, dated April 16, 1952, for a field examination and appraisal of the property to facilitate rapid processing of the application by DMEA. An evaluation, by the DMEA Field Team, of the property and the exploration proposal follows:

That lode scheelite occurs in possible economic amounts on Rocky Mountain Creek has been known for some time. Placer operations on Rocky Mountain Creek have recovered appreciable amounts of scheelite and scheelite-bearing vein quartz. The existence of several scheelite-bearing veins had been reported. This area was visited by Robert R. Coats of the Geological Survey in 1943. Coats' results are set forth in a mimeographed report titled "Lode Scheelite Deposits of the Nome Area, Seward Peninsula, Alaska", dated 1944. Coats noted two small quartz veins which contained an estimated 3% by volume of scheelite. Coats also traced a zone of coarse scheelite-bearing float for over 4,000 feet along the strike of these veins. The present discovery is on a larger vein in the zone of float ore.

In August, 1952, the prospect was visited by Daniel Jones of the Territorial Department of Mines, who cut the following listed samples across the incompletely exposed ore zone:

Sample No.	Width	Percent of WO_3
115	3"	3.01
117	8"	13.30
118	14"	17.90
119	6"	30.62
120	12"	32.62
121	10"	13.47
122	7"	15.76

These samples, cut normal to the dip and strike of the exposed parts of the vein, are considered to be higher grade than the average tenor of the full vein as exposed by subsequent exploration.

The prospect was visited by Robert L. Thorne of the U. S. Bureau of Mines, and Daniel Jones in September, 1952, after more trenching had exposed intermittently the vein throughout a strike length of 100 feet.

Reviewed by
DMEA OPERATING COMMITTEE
5-9-52
(date)

On-Site Rpt

In one continuous exposure of 20' the vein had an average width of 2', and had been exposed vertically for a depth of 4 to 5 feet. Throughout the exposures the vein ranged from 1 foot to 2.5 feet in width and contained an estimated 5% of WO_3. The scheelite occurred in nearly pure bands up to 4" thick occupying cross fractures in the vein, consequently a representative sample would have to be cut along the strike of the vein. The examining engineer did not take such a sample because the deposit obviously was sufficiently high grade to merit extensive exploration.

The Field Team is in accord that the deposit merits a DMEA loan to accomplish (1) surface trenching and stripping to determine the extent of the vein and the distribution of scheelite in the vein and (2) underground exploration of the higher grade sections of the vein.

The applicant proposes to make the underground exploration contingent upon favorable results of the surface exploration—the Field Team considers such an arrangement to be ideal.

The applicant also expresses the intent to put up more funds and ask for an amendment to the contract to increase the total amount of the exploration to $100,000.00. This indicates that the applicant is prepared to invest appreciable capital to explore the property if it appears to warrant it.

Several factors combine to influence the Field Team's endorsement of the subject application.

(1) The tungsten content and the width of the vein at the exposed outcrops are great enough to constitute ore of commercial grade if sufficient strike length can be proved. Float and placer material along the projected strike extension indicate the probability that strike length extensions at least several hundred feet long, and possibly longer, will be found.

(2) The prospect is in an area in which scheelite float and scheelite placers are widespread (the Geological Survey considers the Nome area as being second only to the Fairbanks area in its scheelite potentialities).

(3) The deposit is situated within a mile of the Seward railroad; therefore transportation of equipment to the property is facilitated.

(4) Equipment to carry out the exploration can be rented locally, thus eliminating the high freight charges into the Nome area.

(5) The Alaska Copper Corporation, and its chief Alaskan representative, Charles H. Herbert, are well known to the Field Team, and their reputation in Alaska is impeccable.

In consideration of the above factors it is recommended that a contract in the amount of $50,000.00, Government to furnish 75%, be drawn up and signed with the applicant. Details of underground exploration will be worked out under the power to amend exploration extended to the Field Team. The Field Team points out that a field examination at the present time would not give additional information to that already available to them.

Field Team, Region I

W. S. Twenhofel

W. S. Twenhofel, Alternate Executive Officer

Robert L. Thorne

R. L. Thorne, Alternate, Bureau of Mines

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

April 7, 1952

Memorandum

To: George C. Selfridge, DMEA

From: Robert W. Geehan, Bureau of Mines

Subject: Alaska Copper Corporation
Seattle, Washington

DMEA 2469, Tungsten

It is recommended that this docket be referred to the Field Team.

Robert W. Geehan
Robert W. Geehan

Attachment

Awaiting G.S. reply.
Sent to G.S. on 4/4
Copy retained 400
Copy to Reg 1 4/4

EXPLORATION

Subject: DMEA-2469
Re: Exploration Loan
Lindfors Tungsten Prospect
April 4, 1952

Mr. Charles F. Herbert
Alaska Copper Corporation
1125 Smith Tower
Seattle 4, Washington

My dear Mr. Herbert:

This will acknowledge receipt of your application dated March 31, 1952 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2469 and referred to the Iron and Ferro-Alloys Division.

Kindly refer to DMFA-2469 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Acting Administrative Officer

7862

DMEA-2469

ALASKA COPPER CORPORATION

1125 SMITH TOWER
SEATTLE 4, WASHINGTON
MUTUAL 1487

April 1, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 3 - 1952

Defense Minerals Administration
Department of the Interior
Washington 25, D.C.

Gentlemen:

Enclosed are four copies each of Forms MF-100, MF-103 and MF-200covering an application for a tungsten exploration project near Nome, Alaska in the amount of $ 50,000.

Landlord's Subordination Agreements will be sent at a later date as not all of the lessors are now available.

Because of the very short open season in the Nome area, your early consideration of the application would have a most important bearing on its possible success.

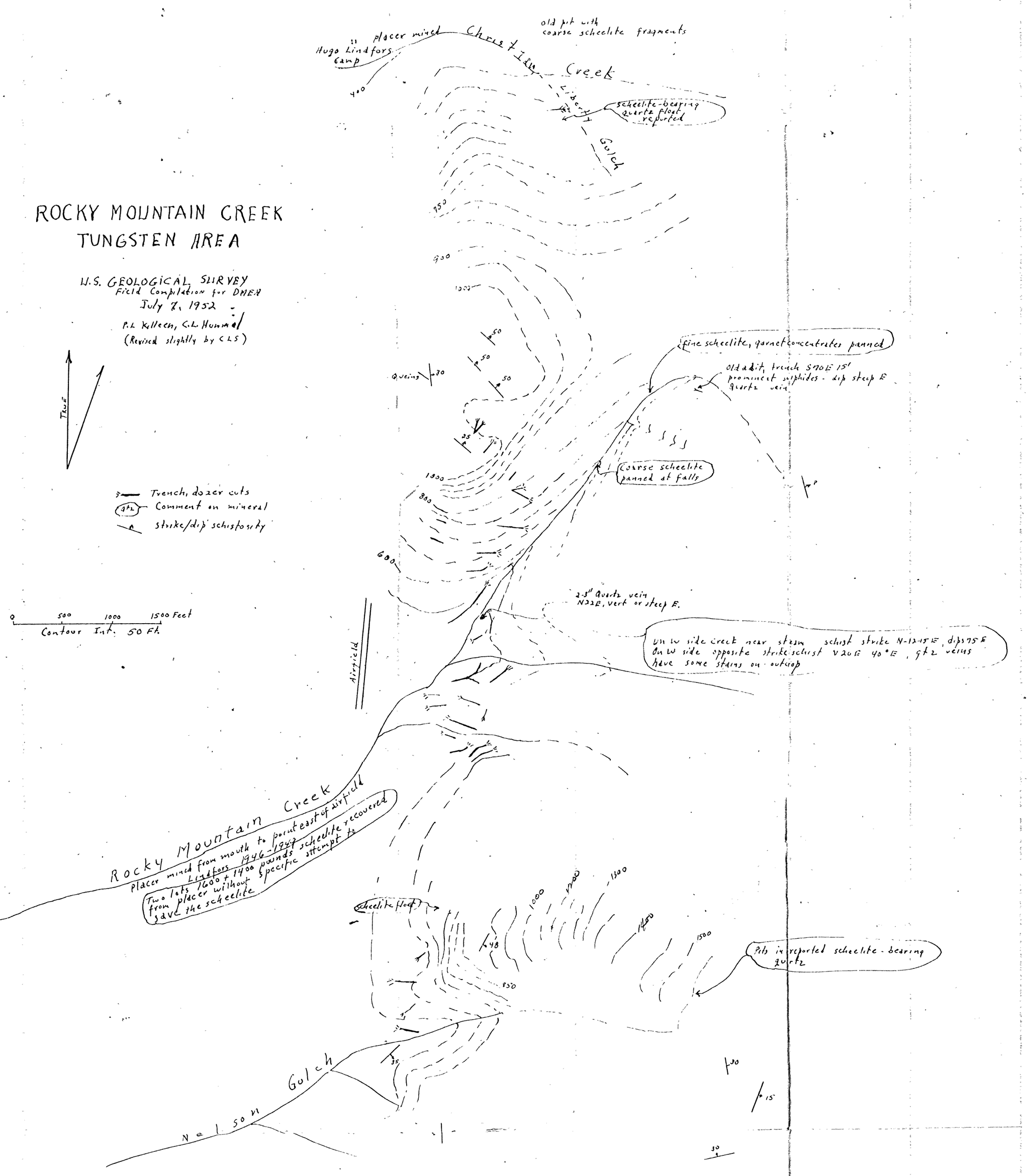
Very truly yours,

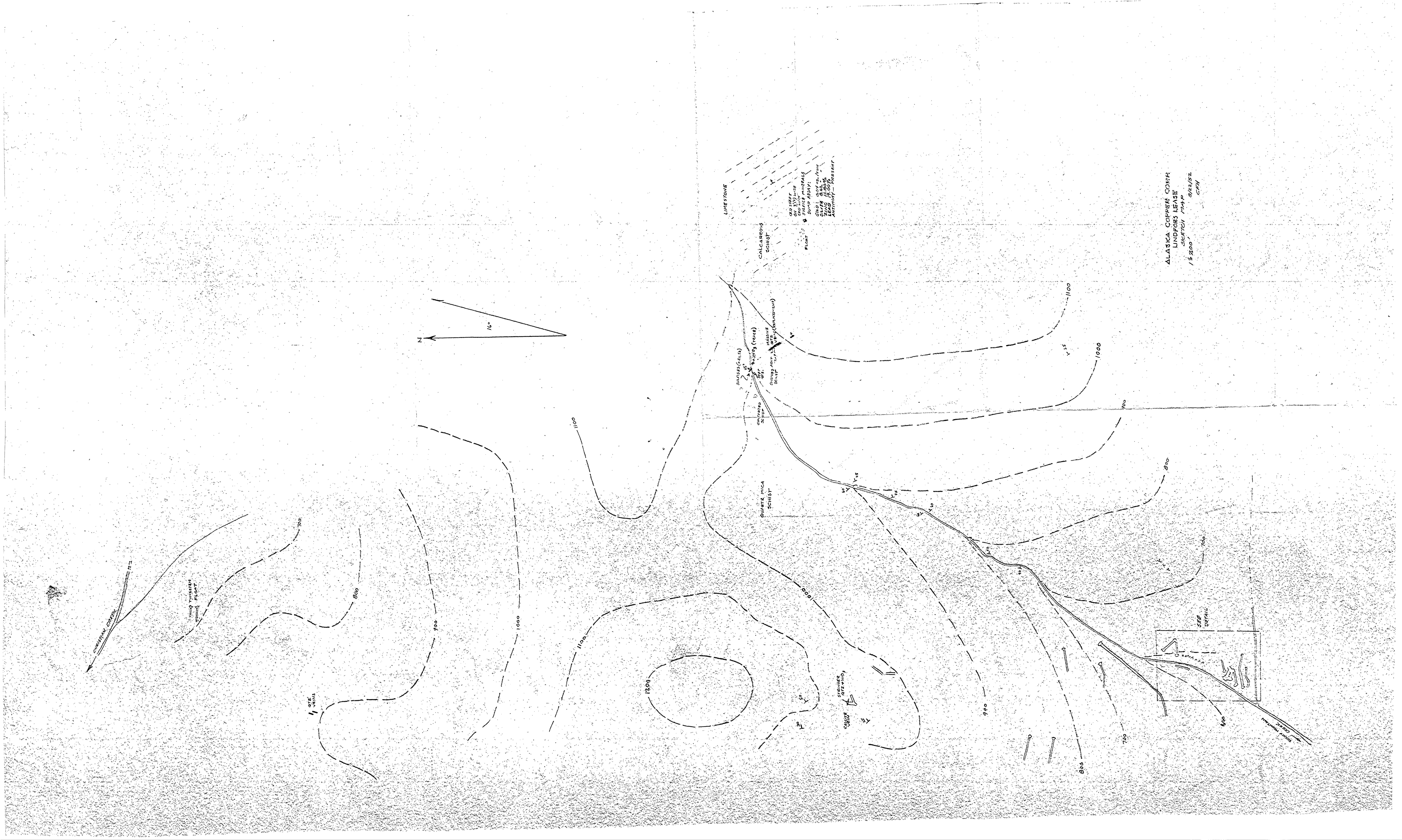
ALASKA COPPER CORPORATION

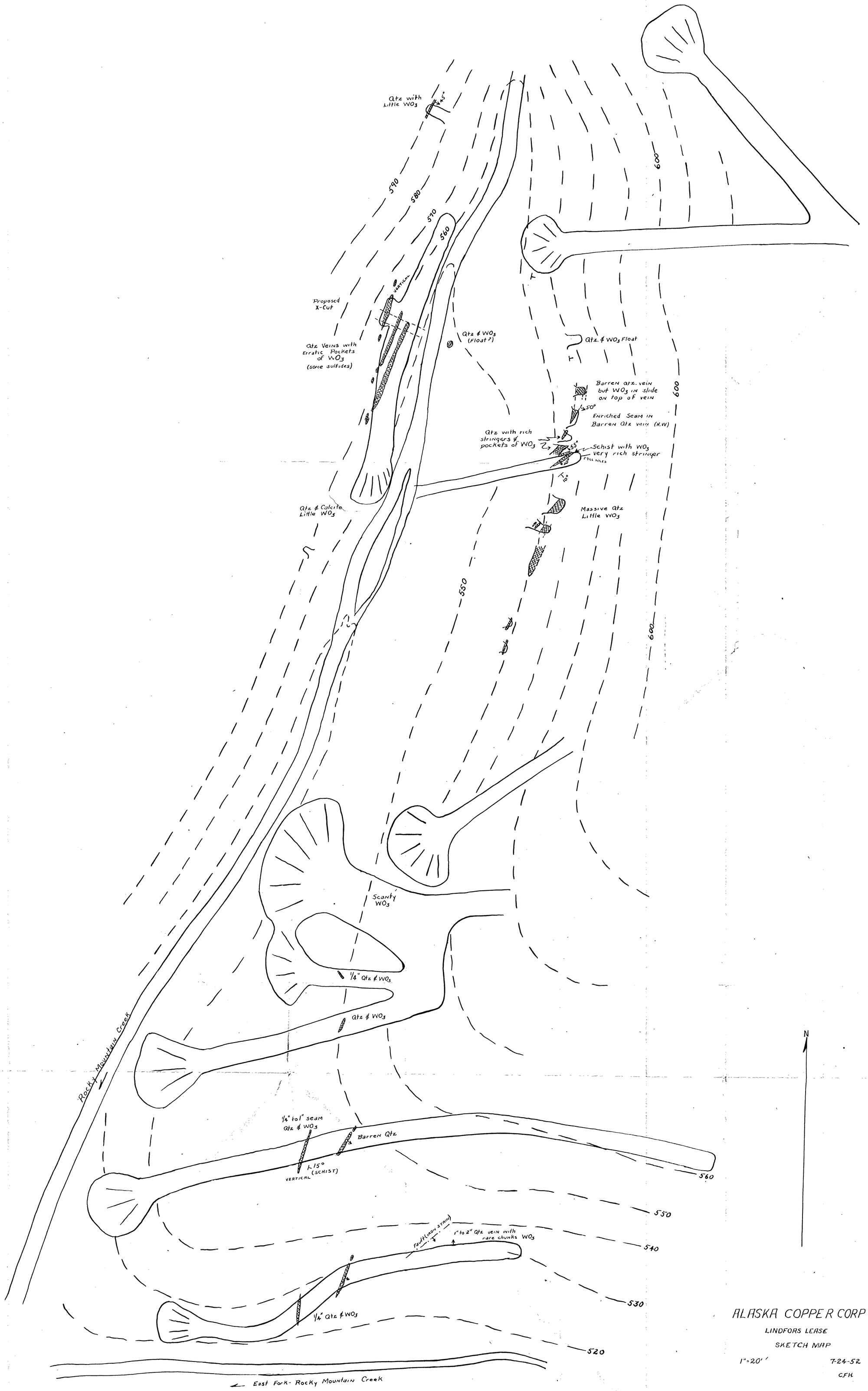
by Charles F. Herbert
Charles F. Herbert, President

ROCKY MOUNTAIN CREEK TUNGSTEN AREA

U.S. GEOLOGICAL SURVEY
Field Compilation for DMEA
July 7, 1952
P.L. Killeen, C.L. Hummel
(Revised slightly by CLS)




ALASKA COPPER CORP.
LINDFORS LEASE
SKETCH MAP
1" = 200'
8/23/52
CFH
N
16°
LIMESTONE
CALCAREOUS SCHIST
QUARTZ MICA SCHIST
OLD SHAFT
OLD STOPE
OLD DUMP
TRACE MINERALS
BURRO ASSAY:
GOLD 0.04 oz. Per ton
SILVER 0.8 oz.
ZINC 11.8%
ANTIMONY — TRACE
SHADES CALES
BURRO TRACE
MISSING ASSAY (SAMPLE LOST)
CHRISTIAN CREEK
LONG THOMPSON FLOAT
CHARGE OFF + BURRO
SEE DETAIL
700
800
900
1000
1100
1200



ALASKA COPPER CORP

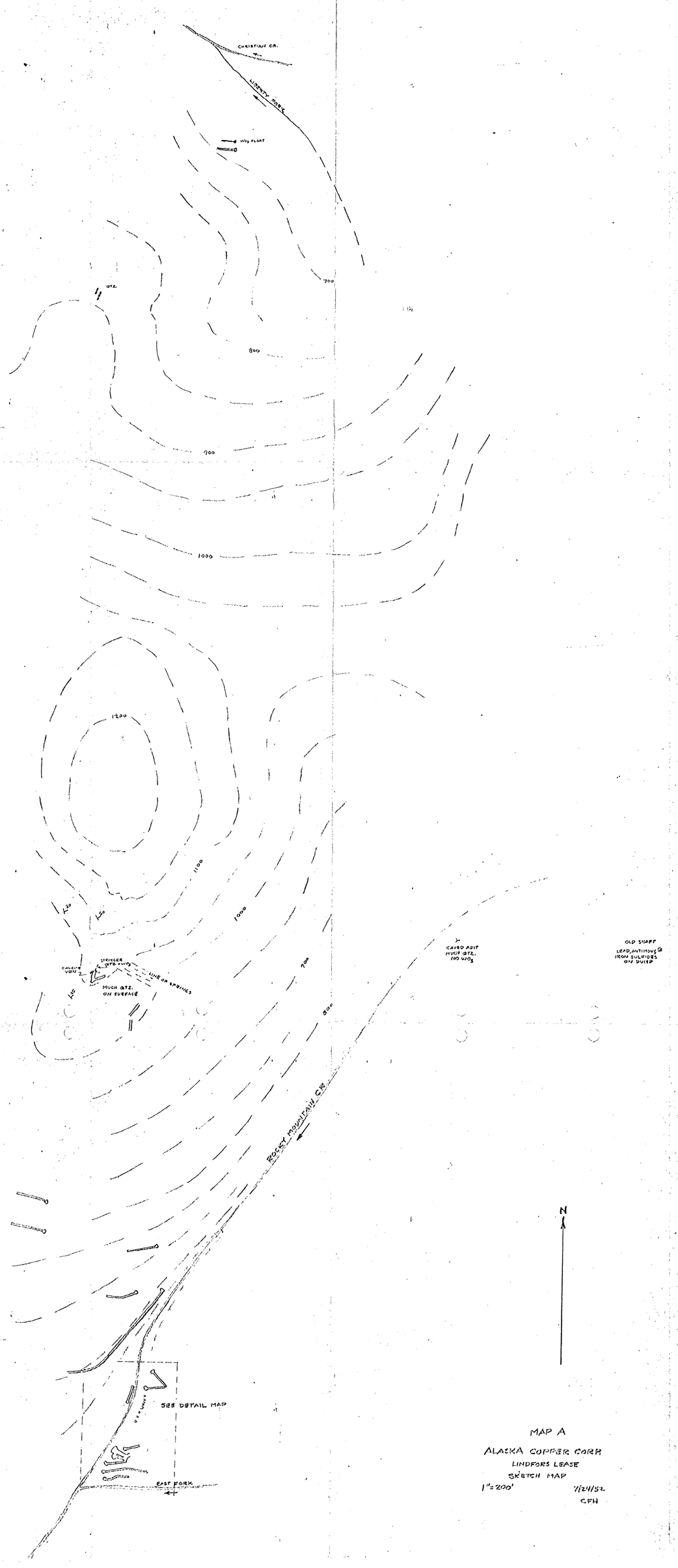
LINDFORS LEASE

SKETCH MAP

1"=20'

7-24-52

CFH



MAP A

ALASKA COPPER CORP.

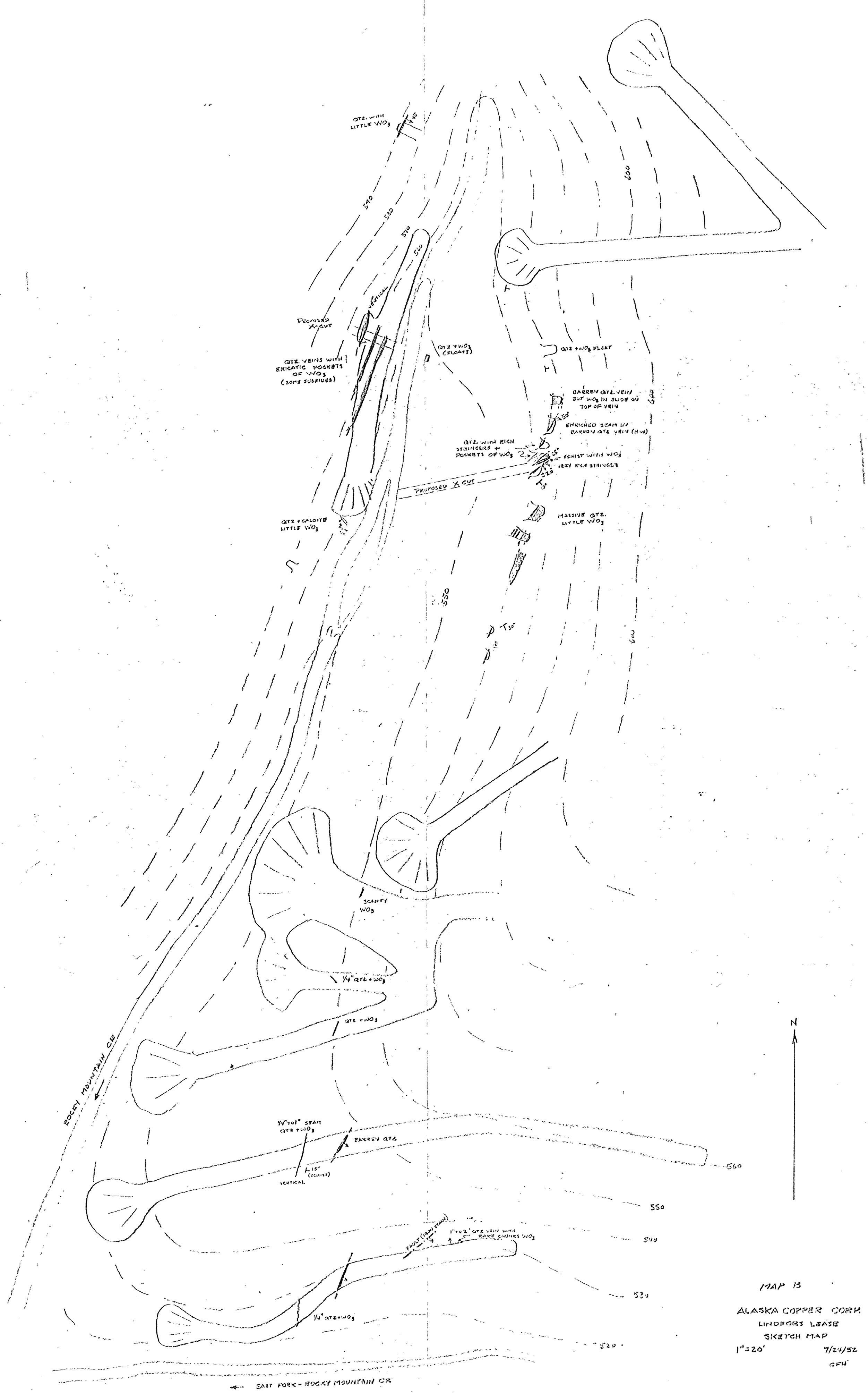
LINDFORS LEASE

SKETCH MAP

1" = 200'

7/24/52

C.F.H.



MAP B

ALASKA COPPER CORP.
LINDFORS LEASE
SKETCH MAP
1" = 20' 7/24/52
GFH