DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

1099
27 MAY 1957

DMEA NO. 4710

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
✓ Report of Review
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
(3) Envelope for maps

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
(2R) Interim Reports
(2R) Operator's monthly reports and all attachments (latest on top)
✓ ~~On-site Exam Report~~ Ex. Off. Memo(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order)
Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

9775

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:	INITIALS	DATE
1. ~~Mr. Mittendorf~~	Conr	5/20
2. Mr. Johnson	JEJ	"
3. ~~Mr. Selfridge~~		
4. ~~Mr.~~ Ellis Murphy		5/20
5.		
FROM: J. L. Chambers JC		5/19

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

MAY 19 1958

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Southeastern Mining and Exploration Company, Inc.
Juneau, Alaska

pertaining to Exploration Project Contract No. Idm-E1090, Docket No. DMEA 4710, dated May 27, 1957, without Amendments, for the months of June 1957 to December 1957 inclusive, covering a project for the exploration of uranium, columbium and rare earths on property known as the Lucky Six Group of Claims, located in the Juneau Mining District, Territory of Alaska.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

All of the costs incurred ($19,210.00) were under a contract provision for payment by the Government on the basis of fixed unit costs of units of work actually performed.

The review disclosed the following facts in regard to the amounts paid or to be paid the contractor:

Total cost claimed by Operator		$19,225.00
Exceptions per schedule		
By Finance Officer	$ None	
By Audit	15.00	15.00
Total accepted cost claimed		$19,210.00

The contract calls for a 75 percent participation of accepted costs. Therefore, payments as follows are valid and proper:

Amount payable on audited claim	$14,407.50
Amount reimbursed	14,116.25
Balance due Operator	$ 291.25

C. A. Turner, Auditor

May 16, 1958

Schedule of Exceptions

Southeastern Mining and Exploration Company, Inc. | DMEA-4710 | Idm-M1090

Claimed by Operator

Final Operator's Monthly Report on Voucher Form MF-104 for December 1957 signed by Operator April 10, 1958 — $19,225.00

Accepted Costs

Fixed Unit Costs

Diamond Drilling	1356' @ $14.00	$18,984.00		
Cementing, Reaming, Casing	57' @ 3.00	171.00		
Analyses	11 @ 5.00	55.00		
Total accepted costs				19,210.00

Disallowed

Analyses	3 @ 5.00	$ 15.00

Three analyses were disallowed because the determinations were made of minerals not authorized under the terms of the contract.

G. A. Turner, Auditor

May 16, 1958

Government's copy

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DMEA
RECEIVED JUN 13 1957

DATE	INITIALS	CODE

MF-200A
(Rev. April 1956)

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No.*	~~County~~	~~State~~
4710	Uranium Columbium Rare Earths	*Idm–E* **1090**	Juneau Mining District	Territory of Alaska

It is agreed 27 MAY 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and SOUTHEASTERN MINING AND EXPLORATION COMPANY, INC., organized under the laws of the Territory of Alaska,

whose mailing address is P. O. Box 1121
Juneau, Alaska
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before June 20, 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 5 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $24,000.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $18,000.00, in accordance with the provisions of Articles 4 and 5.

(c) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: none

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: none

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after certification of discovery or development, to inspect production operations and underground workings. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain his interest in the land), shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling, assaying, or transportation performed or paid by the Operator or by anyone other than the buyer are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent) after the lapse of six months from the date the ore was extracted from the ground remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this Article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

Long
Dunger
"Appd. Sol. Off."
Murphy
Ellis
Chambers
Selfridge

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O Meitendorf
Administrator, Defense Minerals
Exploration Administration

SOUTHEASTERN MINING AND EXPLORATION COMPANY, INC.
(Operator)

By Howard C Hayes

Title President

I, R. Boochever, certify that I am the secretary of the corporation named as Operator herein; that Howard C. Hayes, who signed this contract on behalf of the Operator, was then President 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.

R. Boochever

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE : 1956—O-383069

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 13 1957

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
SOUTHEASTERN MINING AND EXPLORATION CO., INC.
DOCKET NO. DMEA-4710

ANNEX I

The land referred to in Article 2 of the contract consists of nine (9) unpatented lode mining claims situate in the Juneau Mining District, Territory of Alaska, about two miles northwest of William Henry Bay and about one and one-half miles southeast from Endicott River. Notices of location and amended locations of the claims have been recorded in the Office of the Recorder, Juneau Recording District of Alaska, as follows:

Claim	Date recorded	Volume of lodes	Page
Lucky 6 No. 1	Sept. 10, 1955	30	263-264
Lucky 6 No. 2	Sept. 10, 1955	30	264
Lucky 6 No. 3	Sept. 10, 1955	30	264-265
Lucky 6 No. 4	Sept. 10, 1955	30	265
Lucky 6 No. 5	Sept. 10, 1955	30	265-266
Lucky 6 No. 6	Sept. 10, 1955	30	266
Lucky 6 No. 7	Discovered August 22, 1955	30	266
Lucky 6 No. 8	Discovered July 12, 1956	30	289-290
Lucky 6 No. 9	Discovered July 12, 1956	30	290

The approximate location of the claims is shown on the map entitled "Figure 1 - Map of Radioactive Area near William Henry Bay, Southeastern Alaska," attached hereto and made part hereof.

The Operator is the owner of the claims.

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DMEA
RECEIVED JUN 3 1957

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
SOUTHEASTERN MINING AND EXPLORATION CO., INC.
DOCKET NO. DMEA-4710

EXHIBIT A

Description of the Work

The object of this project is to explore a radioactive diorite stock area for uranium, columbium, and rare earths, by means of core drilling.

The work shall consist of drilling four (4) diamond drill holes from the locations, and approximately on the bearings and inclinations, shown on the map entitled "Figure 2 - Sketch Lucky Six Claim No. 1," attached hereto and made part hereof. With previous Government approval the location, inclination, and depth of D.D.H. 2 may be changed to that shown for D.D.H. 2 (Alt.).

The Government will not contribute to the cost of an incompleted hole, nor to a hole that bottoms less than EX core size.

All diamond drilling core and cuttings shall be saved and checked for radioactivity. Mineralized sections of the core shall be split into halves, the Operator using one half for assay purposes and the other half shall be stored with the rest of the core for Government inspection and possible use. The core shall be stored in boxes properly identified as to hole number and with markers placed in the core sections to indicate the depth represented. The cuttings shall be stored in suitable containers properly identified as to hole number and depth represented, for possible check assaying purposes by the Operator, if the Government so requests.

With previous Government approval the Operator may dispose of the core and cuttings. The Operator shall transport and deliver to the DMEA office in Juneau, Alaska, such portions of the core and/or cuttings requested by the Government.

Not in excess of four (4) holes totaling 1,500 feet shall be diamond drilled, not in excess of 500 feet of cementing and drilling out or reaming and casing of holes, and not more than 300 chemical analyses for the uranium, columbium,* or rare earth* content of core or cutting samples shall be performed under this contract.

The direction, extent, and manner of performing the work under this contract shall be subject to prior Government approval.

Fixed Unit Costs

(1)	1,500 feet of diamond drill hole @ $14.00 1/ /ft.	$21,000.00	
(2)	Cementing and drilling out and/or reaming and casing holes 500 feet @ $3.00/ft.	1,500.00	
(3)	Chemical analyses for uranium, columbium*, or rare earths* content of samples 300 analyses @ $5.00/each	1,500.00	
	Total Estimated Cost of Project		$24,000.00
	Government Participation @ 75%		$18,000.00

1/ Includes all costs whatsoever that are not included in items (2) and (3) and covers such costs as transporting equipment, materials, and personnel to and from project area; supervision, labor, and technical services; payroll taxes; drilling; etc.

* Analyses may be made spectrographically with previous written Government approval.

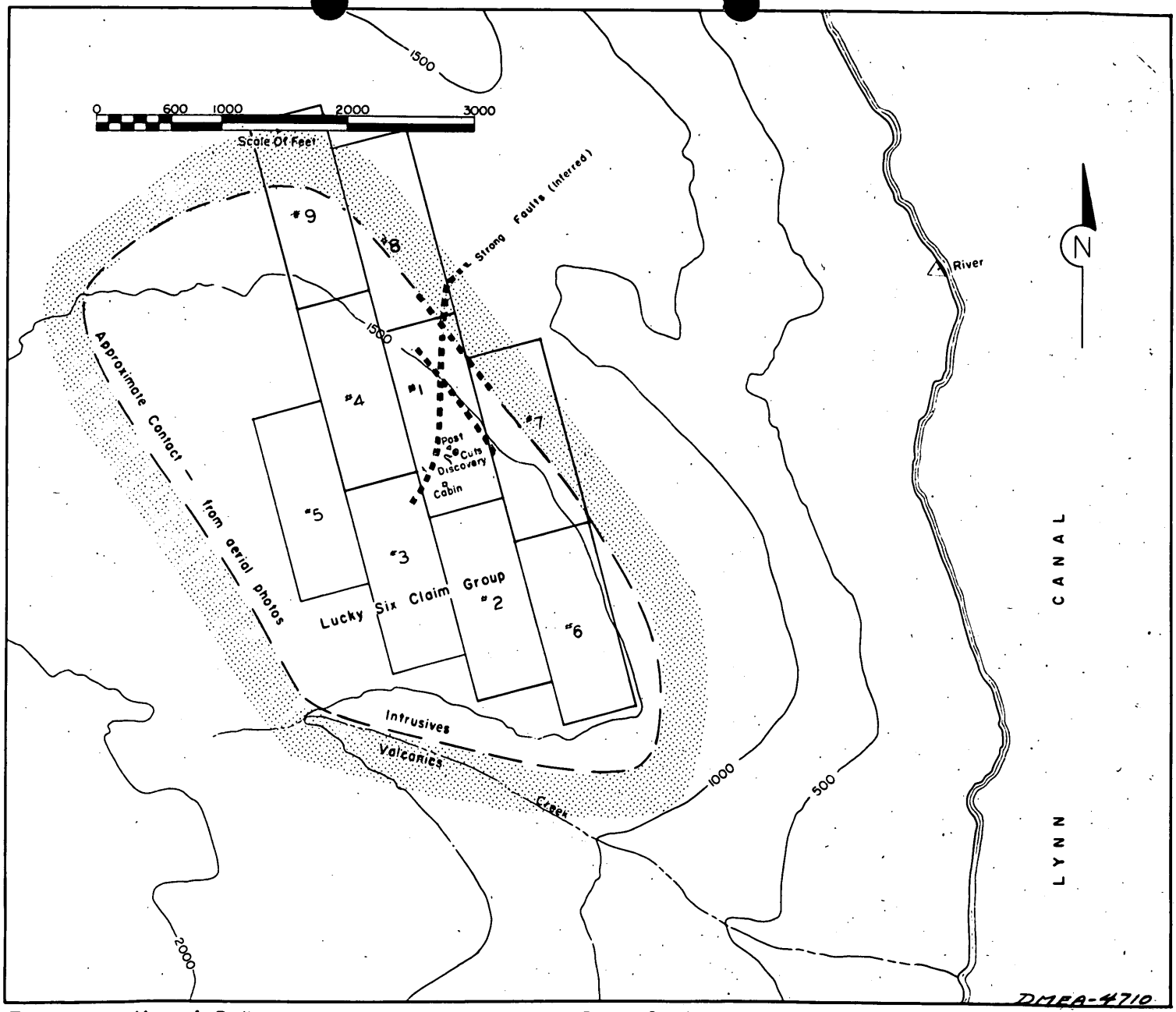
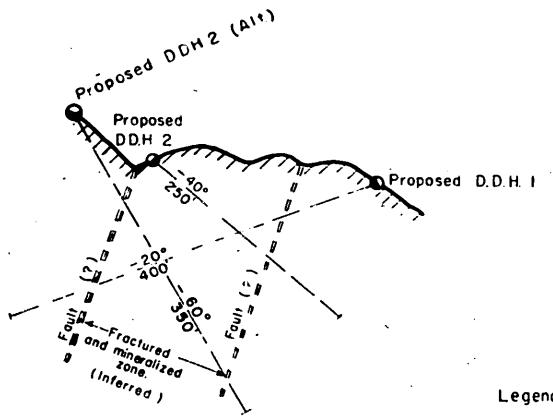


Figure I — Map of Radioactive Area near William Henry Bay, Southeastern Alaska

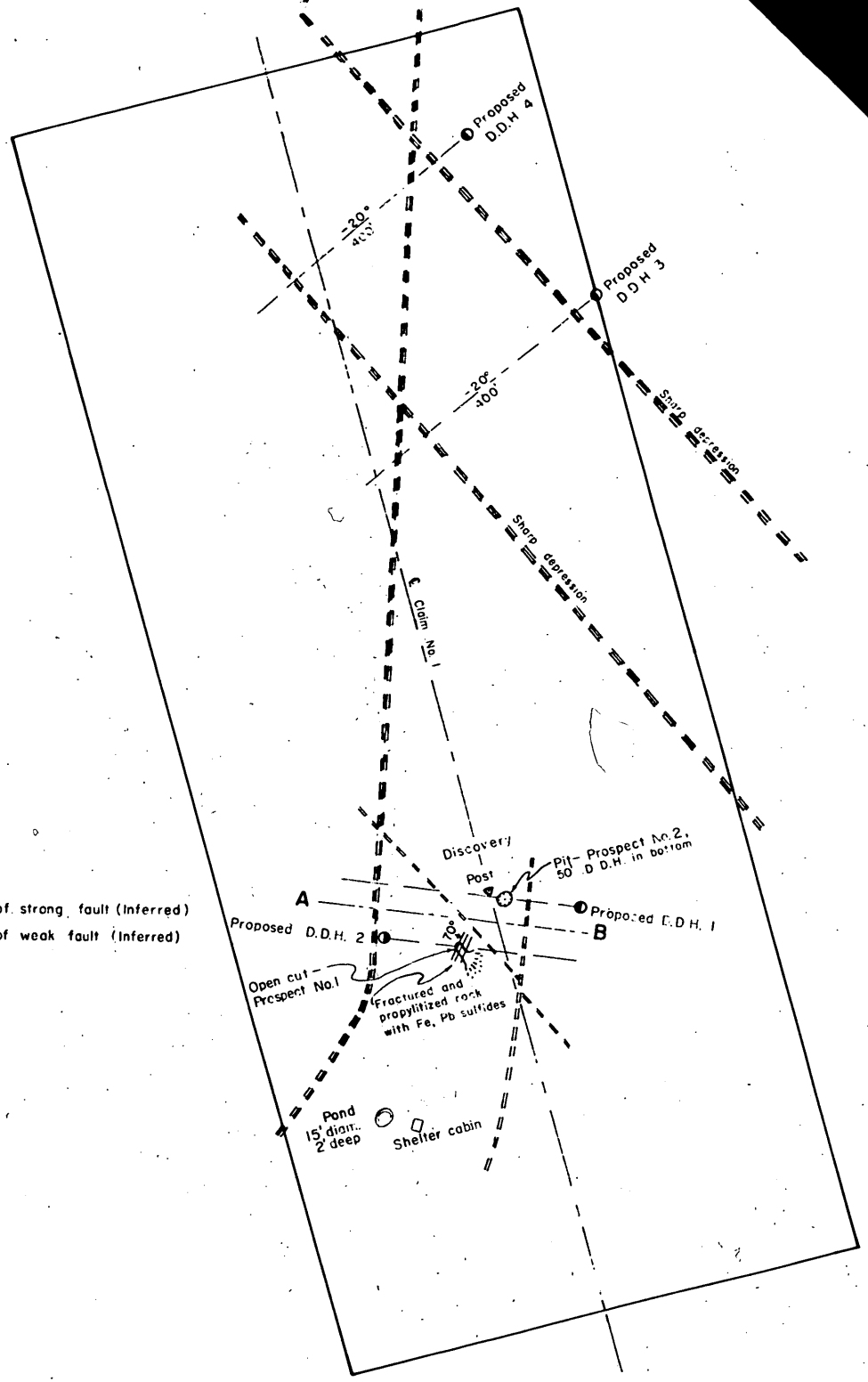


Section A — B

Legend

Surface trace of strong fault (Inferred)

Surface trace of weak fault (Inferred)



Sketch-Figure-2
Lucky Six Claim No. 1
Showing
Prospect Working and Proposed
Diamond Drill Holes

Scale of Feet

0 100 200 300 400

DMEA-4710

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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DATE	INITIALS	CODE

P. O. Box 2688
Juneau, Alaska

March 28, 1957

Memorandum

To: Operating Committee, Defense Minerals Exploration Admin., Department of the Interior, Washington 25, D.C.

From: Executive Officer, Alaska District, Region I.

Subject: Application for DMEA contract
Southeastern Alaska Mining & Exploration Co., Inc.
(Uranium, columbium, and rare earth metals)

I am enclosing 4 copies of an application for a contract to perform essentially pioneer exploration of a newly (1955-56) discovered radioactive area about 40 miles northwest of Juneau. The request is for a contract (total) of $25,000 which is about minimum requirement for the job. The "Independent Contract" estimate is based on a proposal by a former Bureau of Mines drill foreman who has been in business for himself during the past year. The applicants have sent out invitations for competitive bids to provide the support required; however they want to get the application started through channels without further delay. The claim map shows only 7 claims but it now appears that two more claims have been located; these will be shown on an amended claim map in the near future.

The application was prepared in close consultation with the Field Team; therefore it presents, essentially, all of the data that is available to us or anyone else. The proposed exploration program also was worked out with us and has our approval subject to your policy determination. I want to explain that, because of complete lack of access except by helicopter or by foot travel this method of exploration is the cheapest and quickest way of obtaining decisive results.

My personal reason for recommending this project is that the area obviously contains strong "structure" and the rocks show very strong hydrothermal alteration with abundant sulfides in addition to the anomalous radioactivity. I do think that the indicated fault or fracture zones, and the intervening alteration "halos" deserve one good test; Mr. Velikanje is in agreement. The final decision resolves into a question of your policy with respect to participation in preliminary or "pioneer" exploration. However that sort of thing is about all that is left in Alaska since the results of USBM wartime "pioneer" exploration have been pretty well exploited.

S. H. Lorain

Enclosures-2
cc: Velikanje
Herdlick

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

RECEIVED MAR 29 1957 D.M.E.A.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 4710
Metal or Mineral URANIUM-COLUMBIUM
Date Received 3-29-57
Estimated Cost $25,000
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Southeastern Mining & Exploration Co., Inc.
P. O. Box 1121, Juneau, Alaska

For balance of application see attached sheets.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore .....

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within ..... days and be completed within ..... months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of 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.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—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 the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated March 27, 1957

SOUTHEASTERN MINING & EXPLORATION CO., INC.
(Applicant)

By Howard C. Hayes
Howard C. Hayes, President

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—66551-1

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

1. Name of applicant. -

(a) SOUTHEASTERN MINING & EXPLORATION CO., INC. a corporation organized under the laws of the Territory of Alaska
P. O. Box 1121, Juneau, Alaska

OFFICIAL FILE COPY
RECEIVED MAR 29 1957

DATE	INITIALS	CODE

(c) Howard C. Hayes - President
Juneau, Alaska
Ray R. Mansfield - Vice-President
Juneau, Alaska
Gordon Kanouse - Treasurer
Juneau, Alaska
Joseph M. Smith - Secretary
Juneau, Alaska

3. Applicant's property rights. -

(a) Those certain lode, millsite and tunnelsite claims located in the Juneau Mining District, Territory of Alaska, about two miles northwest of William Henry Bay and about one and one-half miles southeast from Endicott River, particularly described as follows, to-wit:

LUCKY SIX NO. 1 MINING CLAIM, discovered July 17, 1955, which claim was originally described in the original location notice recorded in Volume 30 of Lodes at page 244 in the office of the recorder for the Juneau Recording District of Alaska, and which claim as now located is fully described in an amended notice of location dated September 10, 1955 and recorded in Volume 30 of Lodes at pages 263-264 in the office of said recorder.

LUCKY SIX NO. 2 MINING CLAIM, discovered July 17, 1955, which claim was originally described in the original location notice recorded in Volume 30 of Lodes at page 244 in the office of the recorder for the Juneau Recording District of Alaska, and which claim as now located is fully described in an amended notice of location dated September 10, 1955 and recorded in Volume 30 of Lodes at page 264 in the office of said recorder.

LUCKY SIX NO. 3 MINING CLAIM, discovered July 22, 1955, which claim was originally described in the original location notice recorded in Volume 30 of Lodes at pages 244-245 in the office of the recorder for the Juneau Recording District of Alaska, and which claim as now located is fully described in an amended notice of location dated September 10, 1955 and recorded in Volume 30 of Lodes at pages 264-265 in the office of said recorder.

LUCKY SIX NO. 4 MINING CLAIM, discovered July 22, 1955, which claim was originally described in the original location notice recorded in Volume 30 of Lodes at page 245 in the office of the recorder for the Juneau Recording District of Alaska, and which claim as now located is fully described in an amended notice of

3. (a)(Cont.)

location dated September 10, 1955 and recorded in Volume 30 of lodes at page 265 in the office of said recorder.

LUCKY SIX NO. 5 MINING CLAIM, discovered July 22, 1955, which claim was originally described in the original location notice recorded in Volume 30 of Lodes at pages 245-246 in the office of the recorder for the Juneau Recording District of Alaska, and which claim as now located is fully described in an amended notice of location dated September 10, 1955 and recorded in Volume 30 of Lodes at pages 265-266 in the office of said recorder.

LUCKY SIX NO. 6 MINING CLAIM, discovered July 22, 1955, which claim was originally described in the original location notice recorded in Volume 30 of Lodes at page 246 in the office of the recorder for the Juneau Recording District of Alaska, and which claim as now located is fully described in an amended notice of location dated September 10, 1955 and recorded in Volume 30 of Lodes at page 266 in the office of the said recorder.

LUCKY SIX NO. 7 MINING CLAIM, discovered August 22, 1955, which claim is fully described in the location notice recorded in Volume 30 of Lodes at page 266 in the office of the recorder for the Juneau Recording District of Alaska.

LUCKY SIX NO. 8 MINING CLAIM, discovered July 12, 1956, which claim is fully described in the location notice recorded in Volume 30 of Lodes at pages 289 and 290 in the office of the recorder for the Juneau Recording District of Alaska.

LUCKY SIX NO. 9 MINING CLAIM, discovered July 12, 1956, which claim is fully described in the location notice recorded in Volume 30 of Lodes at page 290 in the office of the recorder for the Juneau Recording District of Alaska.

LUCKY SIX TUNNEL AND TUNNELSITE, located July 24, 1955, the tunnel of which is approximately 5 feet x 7 feet for a distance of 3,000 feetWSW from the mouth of the tunnel which is at an elevation of 75 feet above sea level, as appears by the notice of location thereof recorded in Volume 30 of Lodes at pages 246-247 in the office of the recorder for the Juneau Recording District of Alaska.

LUCKY SIX MILLSITE NO. 1 and LUCKY SIX MILLSITE NO. 2, which are appurtenant to the Lucky Six Lode Claims, which millsites were located August 19, 1955 and which are situated on the beach about one mile northwest or north of Lance Point, and the location notices of which have been filed of record in the office of the recorder at Juneau, Alaska, and recorded in Volume 30 of Lodes at page 267.

The above described lode claims are situated at an elevation of approximately 1,800 feet, with the exeeption of numbers 6 and 7 which are situated at an elevation of approximately 1,600 feet; and are situated approximately 3/4 of a mile westerly of the west shore of Lynn Canal.

SOUTHEASTERN MINING & EXPLORATION CO., INC.
P. O. Box 1121, Juneau, Alaska

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 29 1957

DATE	INITIALS	CODE

3. (b) "Lucky Six"

(c) Applicant is owner.

(d)

(e) No liens or encumbrances

4. Physical description. -

(a) This is, essentially, a raw prospect; ~~it was discovered late~~ in the season of 1955 by detection of radioactivity with an airborne scintillometer. Very little work except claim staking could be accomplished during the remainder of the season. In the summer of 1956 three small prospect pits or trenches were excavated by hand work and a vertical diamond drill hole about 50 feet deep was drilled in the bottom of one pit. A small shelter cabin also was built during the season. All of this work was performed by the locaters or by the applicant company which has acquired the interests of the locaters.

The property is accessible from Juneau by boat or plane about 40 miles northwesterly from Juneau along Lynn Canal, thence by unimproved foot trail approximately one mile on an (average) 36 percent grade. Alternatively, a helicopter can be flown from Juneau directly to within 50 feet of the discovery pits in about 30 minutes to 45 minutes flying time.

(b) None.

(c) Neither the geology of the area nor the true nature of the deposit has been determined with accuracy or detail; the area is geologically unmapped and unexplored. Preliminary examinations by Federal and Territorial mineral agencies have indicated that the prospect is within a dioritic stock intrusive into (Paleozoic?) volcanics. The approximate boundaries of the stock (as inferred from aerial photographs) are shown on the attached area sketch. Anomalous radioactivity readings were obtained by the locaters and by officials of the Territorial Department of Mines over an area about 1,500 feet wide by 3,000 feet long; this anomalous area coincides, approximately, with the area covered by the "Lucky Six" claim group as shown on the attached area sketch. Radioactivity readings indicated the existence of three parallel radioactive "high" zones which trend westerly within the general area of anomalous radioactivity.

At ground level the strongest indications were found in an area of relatively thin cover in the vicinity of three stong (inferred) fault depressions one of which appears to coincide with the intrusive contact; these strongly indicated "faults" appeared to be associated with weakly indicated parallel "faults" as shown on the attached sketch of Claim No. 1. A trench, shown as "Prospect No. 1", exposed a zone of northeasterly trending fractures in hydrothermally altered feldspar, calcite, sericite, chlorite, magnetite, epidote, apatite, limonite, and quartz. Pyrite is disseminated throughout the zone of fracturing, and considerable galena was exposed near the eastern edge of the cut. A sample of galena-bearing rock assayed (by U. S. Bureau of Mines) 4.2% Pb., 4.32 oz. Ag., and 0.09 oz. Au.; specimens of massive galena assayed about 60% Pb. and 80 oz. Ag. Although the radioactivity in this trench was generally negative, a nearby prospect pit

4. (c) (Cont.)

("Prospect No. 2") yielded highly radioactive specimens. A 50 foot diamond drill hole was drilled vertically with a "Packsack" type diamond drill in the bottom of Prospect No. 2; this hole yielded a two inch section of core which assayed (by radiometric determination) 1.02 percent equivalent uranium; the remainder of the core scaled about 0.08 percent equivalent uranium. The radioactive mineral in the specimens was classified by the U. S. Bureau of Mines petrographer as euxenite.

(d) See 4 (a) above.

(e) Men, equipment, and supplies will have to be imported from Juneau (or Seattle). Water for diamond drilling may be obtained from melted snow catch-basins or from small streams in the immediate vicinity of the prospect.

5. The exploration project. -

(a) The project is to explore for uranium, columbium, and rare-earth minerals. Base metals, gold, or silver may be associated but are not prime object of the exploration.

(b) It is proposed to determine by about 1,500 feet of Ax or Ex size diamond drill hole whether the valuable minerals are in sufficient quantity to justify further exploration and, if possible, to determine the structural or lithologic control. The work that was done last season indicated that the radioactive minerals are distributed very sparsely in the general mass of intrusive rock. However, no work has been done on or immediately adjacent to the indicated fault lines or along the contact. The radioactive pattern, as indicated by aerial reconnaissance, indicates that the radioactivity trends westerly, therefore it may be controlled by the contact or by fractures parallel to the contact; on the other hand, the north to northeast trending fracture system appears to be the strongest and to have the greatest strike continuity. The proposed diamond drill holes, as platted on the sketch of Claim No. 1, will crosscut the inferred faults or fracture zones and the rock between them.

(c) The work will be started as soon as practicable after the winter snows have melted; this date differs from year to year but should not be later than June 15, 1957. The work will be completed by October 1, 1957.

(d) The corporation has a management committee of three shareholders. Howard C. Hayes, one of the three, is an experienced prospector. Keith G. Wildes, co-manager, is a substantial businessman in Juneau, the New York Life Insurance agent and a member of the Board of Directors of the First National Bank of Juneau. Robert Boochever, the third co-manager, is an attorney in Juneau, a member of the Board of Directors of the First National Bank of Juneau and past president of the Juneau Chamber of Commerce.

The work will be done by a reliable contractor at locations and in a manner approved by the local representatives of the DMEA.

6. Estimate of costs. -

(a) It is intended to let the work to Jesse Snyder of Douglas, Alaska, an independent contractor, experienced in drilling operations. Mr. Snyder has offered

6. (a) (Cont.)

to do the work including payment of all labor, supervision, consultants, operating materials and supplies, operating equipment rehabilitation and repairs, for a fixed fee based on $15.00 per foot of drilling. This would involve a total payment of approximately $22,500.00.

There is a small building now located at the site and aside from that small building it is planned to use a temporary tent camp at no additional expense.

(g) The contractor will take care of the analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes for the fixed fee specified above.

(h) An additional sum for contingencies is estimated at $2500.00.

7. The corporation is prepared to furnish its share of the cost of the proposed project in accordance with the regulations on Government participation by investment of money.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated March 27, 1957.

SOUTHEASTERN MINING & EXPLORATION CO., INC.

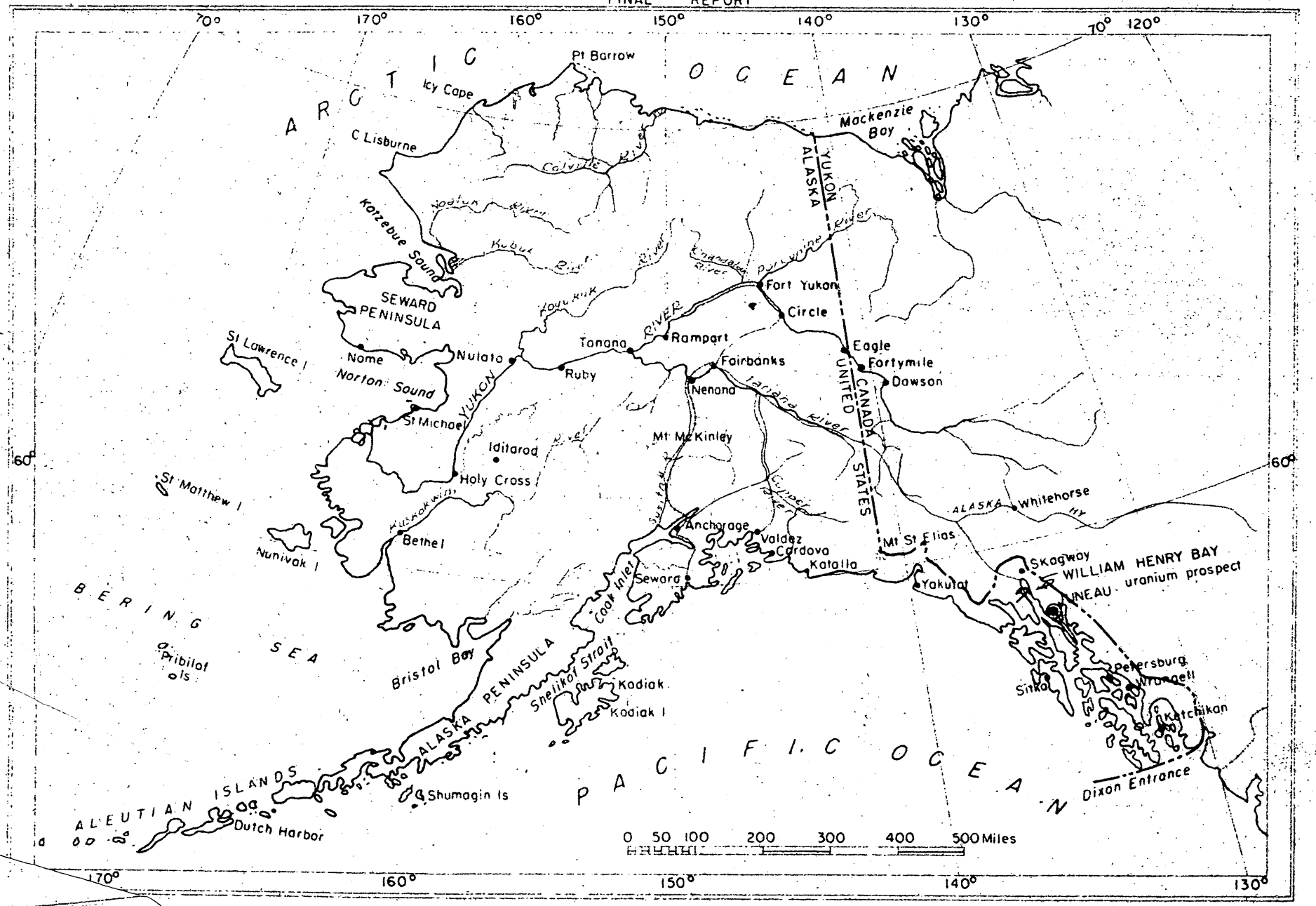
By Howard C. Hayes

Howard C. Hayes, President

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
FINAL REPORT

DOCKET NO DMEA 4710



Index map of Alaska showing the location of the William Henry Bay uranium prospect

Read w/F.T. Final Report

U. S. Government Messenger Envelope

Standard Form No. 65 (Rev. 1/46)

1. Use blocks consecutively, one
2. Void previous block.
3. Write clearly.

NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND
Mr. Karin Lauer 4-711 HEW North	RUN STOP	~~Mrs. Elva R. Hobson~~ ~~Indian Bureau~~ Files
DIV OF FIN ~~ANCE~~ ~~R~~ 7TH HEW NO	RUN STOP	~~350~~
~~Dept. of Interior~~	RUN ~~STOP~~	~~Bureau of Land Management~~
~~Indian~~	RUN STOP	Defense Minerals Exploration
141	RUN STOP	
~~Branch of Realty~~ ~~Attn: Mr. Derdyn~~	RUN STOP	
~~Bureau of Land Management~~	RUN STOP	
~~Bradshaw~~ ~~Room 6038~~	RUN STOP	
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~~Deputy Director~~ 6352	RUN STOP	

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Use other side

Use RUN and STOP only when messenger service between Government buildings in Washington is required. Your mail room has RUN and STOP information.

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Project Summary Report

By: F. M. Murphy May 21, 1958

1. Docket No. DMEA-4710 (Uranium, columbium, rare earths)
Contract No. Idm-E1090

Operator - Southeastern Mining and Exploration Co., Inc.
P. O. Box 1121
Juneau, Alaska

Operator's Property Rights -

Owner of Lucky 6 claims Nos. 1 through 9, situate on the east slope of Chilkat Peninsula, about a mile west of Lynn Canal and about 50 miles northwest of Juneau.

2. Contract dated May 27, 1957

Amendments - None

Work under the contract started June 10, 1957, and was completed September 10, 1957.

Work Authorized -

(One stage - fixed unit cost)

1500 feet diamond drilling @ $14.00/ft.	$21,000.00
500 cementing and drilling out, or reaming and casing @ $3.00/ft.	1,500.00
300 analyses @ $5.00 each	1,500.00
Total Estimated Cost of Project	$24,000.00
Government Participation @ 75%	$18,000.00

Work Completed -

1356 feet diamond drilling @ $14.00/ft.	$18,984.00
57 feet cementing, reaming, casing @ $3.00/ft.	171.00
11 chemical and spectrographic analyses @ $5.00 each	55.00
Total Actual Cost of Project	$19,210.00
Government Participation @ 75%	$14,407.50

3. Audit Report of Review, dated May 16, 1958

Cost as billed by Operator	$19,225.00
Exceptions (Audit)	15.00
Total Accepted Costs	$19,210.00
Government Participation @ 75%	$14,407.50

4. Certification not recommended.

5. Field Team's Final Report: Received January 27, 1958
Operator's Final Report: Received Region I, April 8, 1958

Excerpts from above reports -

Anomalous radioactivity in the area was detected during an airborne scintillometer survey and aerial photographs were taken. Ground work verified that anomalous radioactivity occurred within an intrusive dioritic stock, over an area 1500 feet wide by 3000 feet long. The highest anomalies were noted in the vicinity of three inferred fault depressions, one of which appeared to coincide with the intrusive contact. Five shallow pits were excavated by the Applicant prior to the contract.

The project work consisted of drilling four core holes to explore beneath the exposures that showed the highest radioactivity.

Neither ore, nor favorable indications of ore, were found by the drilling program. Therefore, the Field Team recommended that no certification be issued as a result of the DMEA work.

Personnel and equipment were flown into the project area by helicopter. Some delay in the work was caused by lack of drilling water, because of an unprecedented dry summer, bears chewing up the water hoses, and core barrel trouble.

In its final report, the Operator concludes that some additional work might be warranted. However, juding from the results of the four holes, the writer does not agree with this conclusion.

F M Murphy

F. M. Murphy

DMEA Form 17
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

WORK COMPLETED ANALYSIS

After final audit or review report is received, prepare original only and file in official docket

Operator **Southeastern Mining & Exploration Co., Inc.**		Actual Cost	
State **Alaska**		Agreed Unit Cost	X
Final Report of Audit		Commodity **Uranium**, columbium, rare earths.	Docket No. **DMEA-4710**
Final Report of Review	x		Contract No. **Idm-E1090**

Operation	Authorized by Contract and Amendments		Completed		Net cost after sale of Government Property
	Units	Cost	Units	Cost	
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Reaming, cementing & drilling out	500	1,500.00	57	171.00	171.00
Drilling core (Specify) EX or larger	1500	21,000.00	1356	18,984.00	18984.00
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify) analyses for U_3O_8, Cb, and rare earths		1,500.00		55.00	55.00
Totals		$24,000.00		$19,210.00	* 19,210.00

* Net cost total must agree with final report of audit or review.

Prepared by F. M. Murphy Date 5/22/58

31390

DMEA Form 7
(12-56)

Hold until 10/8/58

OFFICIAL FILE COPY

Date	Surname	Code
10/8/58	Murphy	700
10/8	Rhodes	700
10-8	Chambers	800
10/9	Selfridge	120
"	Johnson	110
"	Mittendorf	100
10/10	C T	220
		700

OCT 9 1958

Mr. Howard C. Hayes, President
Southeastern Mining and Exploration Company, Inc.
P. O. Box 1121
Juneau, Alaska

Re: Docket No. DMEA-4710
(Uranium-columbium-rare earths)
Lucky Six Group
Juneau Mining District, Alaska

Dear Mr. Hayes:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. Mittendorf (fw)

ACTING Director

FMMurphy/gla
(5-21-58) rewritten 9-30-58
cc to: Director's Reading File
Contract Adm. & Audit Division
Mr. Murphy
OME Field Team, Region I (2)

8623

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DMEA
RECEIVED JUN 5 1958

DATE	INITIALS	CODE
6/5	C	220
6/5	[illegible]	800
"	[illegible]	700

So. 157 Howard Street
Spokane 4, Washington

June 3, 1958

Air Mail

Southeastern Mining and Exploration Co., Inc.
Juneau, Alaska

Re: Docket No. DMEA-4710 (Uranium-Columbium-Rare Earths)
Lucky Six Group of Claims
Juneau Mining District, Alaska
Contract No. Idm-E1090

Gentlemen:

Enclosed for your information and files is a copy of a Report of Review dated May 16, 1958 by C. A. Turner, DMEA Auditor. This Report of Review covers the period of June to December 1957 inclusive.

This report shows a balance due Southeastern Mining and Exploration Company as $291.25. This money was scheduled for release June 2, 1958 and you should receive payment shortly.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

Enclosure

cc: DMEA (3)
USBM (2)
USBM (AD)
Turner

1211 N. Division St.
Spokane 2, Washington

May 26, 1958

Mrs. Dorothy Long, Certifying Officer
DMEA Field Team, Region I
1211 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA-471 (uranium-columbium-rare earths)
Southeastern Mining & Exploration Co., Inc.
Lucky Six Group
Juneau Mining District, Alaska
Contract No. Ida-4109

Dear Mrs. Long:

The project work under the referenced contract was completed on September 10, 1957. All the work performed was done to the satisfaction of the Government. A final report evaluating the results of the exploration program has been presented by the Operator and accepted by the Executive Officer.

The Government has no equity in equipment, materials or supplies used at the project.

A certification of discovery or development was not recommended in the Field Team final report.

A final Report of Review dated May 16, 1958 by DMEA Auditor C. A. Turner has been received.

As all contract requirements have been met, it is requested that final settlement of our account with the Operator be made.

Sincerely yours,

A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region I

cc: DMEA (2)
USGS (2)
Contract Admin. & Audit Div. (2)
Docket

ndard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. 2172

U. S. .....
(Department, bureau, or establishment)

Voucher prepared at Spokane, Washington 6/2/58
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idn-81090

To Southeastern Mining & Exploration Co., Inc.
(Payee)

P. O. Box 1121 Juneau Alaska
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	December 1957	As per attached certified form MF-103 dated April 10, 1958				41	25
		Funds withheld from Voucher No. 2979, dated December 2, 1957				250	00
PAYMENT: Complete ☐ Partial ☐ Final ☐		FINAL PAYMENT					
		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	291	25

(Payee must NOT use this space)

Differences .....

Account verified; correct for 291 25

(Signature or initials) A. L.

Contract No. Date Req. No. Date Invoice Rec'd.

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐.
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

☆ U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

Form MF-154 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

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

Month of December, 1957 Docket No. DMEA 4710 Contract No. Idm-E1090
Operator's Name Southeastern Mining & Exploration Co., Inc. Minerals Uranium
Address P. O. Box 1121, Juneau, Alaska Columbium & Rare Earths
Contract Amount, $ 24,000.00 Government Participation: 75 % Amount, $ 18,000.00

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		18,984.00	18,984.00		18,984.00	18,984.00
Bulldozing						
Crosscutting						
Drifting						
Casing, reaming & cementing		171.00	171.00		171.00	171.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	70.00					
Sampling and Analysis	~~14~~	None	70.00	55.00	—	55.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS		19,155.00	19,225.00	55.00	19,155.00	19,210.00

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

Date Apr 10 1958 *Payee Southeastern Mining & Exploration Co., Inc.

Per [signature] Title Secretary

*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:

$ 41.25

Signature Dorothy F. Young
(Authorized Certifying Officer)

Date 6/2/58 Vou. No. 2172

(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. E 1090 in accordance with the terms of the contract.

Signature /s/ Stephen W. Koldok Title Mining Engr Date 5-29-58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ A. E. Wressenbard Title Exec Officer Date May 29, 1958

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.

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED JUL 9 1958 D.M.E.A.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1957 Docket No. DMEA 4710 Contract No. Idm-E1090

Operator's Name Southeastern Mining & Exploration Co., Inc. Minerals Uranium

Address P. O. Box 1121, Juneau, Alaska Columbium & Rare Earths

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.			18,984.00	1356	14.00	1500	14.00/ft.
Churn								
Auger								
Stripping Reaming;								
Trenching Casing; Cementing	Ft.			171.00	57	3.00	500	3.00/ft.
Test Pits								
Roads and Trails								
Assays	Each	70.00	14	70.00	14	5.00	300	5.00/ea.
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 April 10 1958 Operator Southeastern Mining & Exploration Co., Inc.

Per R. Brooker Title Secretary

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)

5-29-58

Stephen W. Goldock
Mining Engr.

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.

GPO 872894

COPY

THE BROWN LABORATORY

2263 Broadway

Phone CHapel 2-4589

GRAND JUNCTION, COLO.

Customer's Order No. _____ Date 12 - 18 195 7

Howard Hays

Address Douglas, Alaska

Sold By Cash X

Quan.	Description	Price	Amount
5	U_3O_8 Assay	3.50	17.50
3	V_2O_5 "	1.50	4.50
3	pb "	2.50	7.50
2	ag "	2.00	4.00
1	Br "	3.50	3.50
			$37.00

"PAID"

No. 10262

THE BROWN LABORATORY

2263 Broadway

GRAND JUNCTION, COLORADO

DEPARTMENT

CHAPEL 2-[illegible]

CERTIFICATE OF ANALYSIS

Date 12-20-57

Order No. 10262-S

Howard Hayes
P. O. Box 1136
Douglas, Alaska

Material: Ore Samples
Received: 12-18-57
For: Analysis

Lab No	Your No.	Description	Ounces Per Ton Ag	% U_3O_8	% V_2O_5	% Pb	[illegible]
10262-1	1			0.012			
10262-2	2			0.015		Trace	
10262-3	3			0.012	0.03		
10262-4	4		Trace	0.022	0.02	Trace	
10262-5	5			0.015			
10262-6	6		Trace		0.02	Trace	0.0[illegible]

/s/ H. D. Brown
Analyst

INVOICE

SMITH-EMERY COMPANY

FORM 6 25M 11-57

Chemists - Engineers

CHEMICAL, PHYSICAL, AND METALLURGICAL LABORATORIES

TELEPHONE RICHMOND 9-3411

BUREAU OF INSPECTION AND TESTS
781 EAST WASHINGTON BLVD.
LOS ANGELES 21, CALIFORNIA

December 18,1957

In Account with Southeastern Mining & Exploration Co.,
Box 1136
Douglas Alaska,

Att: Howard C. Hayes.

SMITH-EMERY CO.
DEC 18 1957
BY

TERMS: Net. This is a professional labor bill and is due upon presentation.
Payment of regular monthly accounts expected by 10th of following month.

E. & O. E.

TO PROFESSIONAL SERVICES

Lab.No. 443862-866 Determining Columbium & Tantalum in three samples of Pulp -- $12.50 each ------	$37.50
Determining Titanium Oxide in one sample ----------	7.50
Determining Iron in one sample ----------	5.00
Spectrographic Examination of one sample ----------	7.00
Total Rare Earths in two samples - $15.00 each ---------	30.00
	$87.00

OUR LIABILITY FOR ERROR OR NEGLIGENCE IN CONNECTION WITH THE WORK AND REPORT COVERED BY THIS BILL IS LIMITED TO THE ABOVE AMOUNT.

LABORATORY REPORT

SMITH-EMERY COMPANY

ESTABLISHED 1880

CHEMISTS - ENGINEERS

701 EAST WASHINGTON BOULEVARD

LOS ANGELES 21, CALIFORNIA

[illegible] AS THE CONFIDENTIAL PROPERTY OF CLIENTS. AUTHORIZATION FOR PUBLICATION OF OUR REPORTS, CONCLUSIONS [illegible] REGARDING THEM IS RESERVED PENDING OUR WRITTEN APPROVAL AS A MUTUAL PROTECTION TO CLIENTS, THE PUBLIC AND OUR [illegible]

- 8 -

Date December 18, 1957

Pulps

12-9-57 Marked

Southeastern Mining & Exploration Co.,
Box 1136
Douglas, Alaska

Att: Howard C. Hayes.

REPORT OF DETERMINATIONS

"Sample No. 1"

Columbium & Tantalum (Cb_2O_5+ Ta_2O_5) ---	Nil

"Sample No. 2"

Titanium Oxide (TiO_2) ----------	Trace
Iron (Fe) ----------	1.68%

"Sample No. 4"

Columbium & Tantalum (Cb_2O_5+Ta_2O_5) ----	Nil
Total Rare Earth Oxides ----------	Nil

"Sample No. 5"

Columbium & Tantalum (Cb_2O_5+Ta_2O_5) ----	Nil
Total Rare Earth Oxides ----------	Nil

Respectfully submitted,

/s/ SMITH - EMERY CO.
CHEMISTS AND ENGINEERS

December 18, 1

Pulp

12-9-57 "Sample No. 3"

Southeastern Mining & Exploration Co.,
Box 1136
Douglas, Alaska

Silicon, Calcium -------- Major Constituents

Aluminum, Potassium,
Sodium ---------- Intermediate Constituents

Minor Constituents

Barium ----------	1%
Iron ----------	1%
Strontium ----------	0.5%
Magnesium ----------	0.1%
Manganese ----------	0.1%
Titanium ----------	0.1%
Zirconium ----------	0.05%
Copper ----------	0.005%
Gallium ----------	0.005%
Lead ----------	0.005%
Vanadium ----------	0.005%
Boron ----------	0.001%
Chromium ----------	0.001%
Columbium ----------	None found
Tantalum ----------	None found
Tungsten ----------	None found
Rare Earths ---------	None found

Respectfully submitted,

/s/ SMITH - EMERY CO.
CHEMISTS AND ENGINEERS

C... FILE COPY
DMEA

1201 N. Division St.
Spokane 2, Washington

May 26, 1958

5/29	C	220
5/29		800
"	Marche	700

Mrs. Dorothy Long, Certifying Officer
DMEA Field Team, Region I
1201 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA-4710 (uranium-columbium-rare earths)
Southeastern Mining & Exploration Co., Inc.
Lucky Six Group
Juneau Mining District, Alaska
Contract No. Idm-E1090

Dear Mrs. Long:

The project work under the referenced contract was completed on September 10, 1957. All the work performed was done to the satisfaction of the Government. A final report evaluating the results of the exploration program has been presented by the Operator and accepted by the Executive Officer.

The Government has no equity in equipment, materials or supplies used at the project.

A certification of discovery or development was not recommended in the Field Team final report.

A final Report of Review dated May 16, 1958 by DMEA Auditor C. A. Turner has been received.

As all contract requirements have been met, it is requested that final settlement of our account with the Operator be made.

Sincerely yours,

A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region I

cc: DMEA (2)
USGS (2)

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/19	Alley	800
5/19	Talbert	800
5/20	H. S.	220
		700

MAY 20 1958

Mr. Charles A. Turner
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-E1055, DMEA-4504 (Tungsten)
Cordero Mining Company

and

Idm-E1090, DMEA-4710 (Uranium)
Southeastern Mining & Exploration
Co., Inc.

Dear Mr. Turner:

Your reports of review covering the above-cited contracts are acceptable and normal distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

AMAlley/ama
May 19, 1958

Copy to: Docket - DMEA#4710
Admr. Reading File
Mr. Chambers

P
$19,210.00
75% 14,407.50

8623

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DMEA
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1/5 ~~Tony~~ 70C

1201 N. Division St.
Spokane 2, Washington

April 25, 1958

Mr. C. A. Turner
DMEA Auditor, Region I
1201 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA-4719 (uranium-columbium-rare earths)
Southeastern Mining & Exploration Co., Inc.
Lucky Six Group
Juneau Mining District, Alaska
Contract No. Idm-X1990

Dear Mr. Turner:

The project work under the referenced contract was completed on September 18, 1957. All the work performed was done to the satisfaction of the Government.

A final inspection report on the completed work was submitted by R. W. Parsons on April 22, 1958.

The Operator's final engineering and geological report was received on April 7, 1958. It is considered as having met the requirements of Article 5(e) of the contract.

The Government has no equity in equipment, materials or supplies used at the project.

A certification of discovery or development was not recommended in the Field Team final report.

Work units completed within the term of the contract are:

Item	Authorized	Completed
Diamond drilling	1,500 ft.	1,356 ft.
Cementing, reaming, casing	500 ft.	57 ft.
Chemical analyses and spectrographic	300	11

It is now in order for you to issue your Report of Review.

By Field Team, Region I

Wing G. Agnew, Member
U. S. Bureau of Mines

A. M. Weissenborn, Exec. Officer
U. S. Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1201 N. Division St.
Spokane 2, Washington

ORIGINAL FILE COPY
DMEA
RECEIVED JUN 9 1958
CODE
6/9 C 220
Copy 100
110
6/10 800
6/11 Murphy

April 22, 1958

MEMORANDUM

To: DMEA Field Team, Region I

From: E. W. Parsons, Mining Engineer, Bureau of Mines

Subject: Final inspection report, Docket No. DMEA-4710 (uranium) Southeastern Mining & Exploration Co., Inc., William Henry Bay Prospect, Juneau, Alaska, Contract No. Idm-E1090

The diamond drill cores resulting from 4 holes drilled under the contract were transported by heliocopter and boat from the property to Juneau during the second week of September 1957 and deposited in a company warehouse. On September 13 and 14 the cores were logged and checked by E. M. MacKevett, Jr., Geologist, U. S. Geological Survey, and myself. Total footage was 1,356 feet.

By checking the driller's daily log the footage claimed for casing, reaming, and cementing was verified as totaling 57 feet.

Assay certificates furnished by the Operator indicate that 11 samples were analyzed which resulted in 13 assay results, plus one qualitative examination, or a total of 14 analyses. Two samples, one labeled No. 2, assayed for titanium oxide and iron and considered as two determinations, and the other labeled 10262-6, assayed for vanadium, lead and barium, were deleted as they were not authorized under terms of the contract; therefore, the charge for 11 samples at $5.00 each is a just charge against the contract.

Work units completed within the terms of the contract are:

	Authorized	Completed
Diamond drilling	1,500 feet	1,356 feet
Cementing, reaming, casing	500 "	57 "
Chemical and spectrographic analyses	300	11

The Government has no equity in equipment or supplies used on the project.

Certification of discovery is not recommended.

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
Turner
Docket
Parsons

E. W. Parsons

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED APR 18 1958

DATE		CODE
4/18	C	220
4/18		220

April 14, 1958

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-4710 (Uranium)
Southeastern Mining and Exploration Company, Inc.
Juneau Mining District, Alaska
Contract No. Idm-E1090

Dear Mr. Selfridge:

Enclosed are the original and one copy of the Operator's final report. This report is acceptable to the Field Team.

In our letter of January 23, 1958, sending in the Field Team final report, it was recommended that no Certification of Discovery or Development be made.

By Field Team, Region I

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

cc: USBM (2)
USBM (AD)
MacKevett

RECEIVED
APR 8 1958
U. S. G. S.
SPOKANE, WASH.

OFFICIAL FILE COPY
DMEA
RECEIVED APR 18 1958
DATE | INITIALS | CODE

UNITED STATES

DEPARTMENT OF THE INTERIOR

Defense Minerals Exploration Administration

OPERATOR'S FINAL REPORT

Docket No. DMEA 4710
Operator's Name:
Southeastern Mining & Exploration Co., Inc.
P. O. Box 1121, Juneau, Alaska
Contract Amount: $24,000
Government Participation: 75%
Amount: $18,000

~~Contract No. 10-90~~
Minerals: Uranium
Columbium & rare earths

DMEA

Op. Final Report

Radio Active Deposit North of William Henry Bay Area, Identified as the Lucky Six Group of Claims.

There are nine claims in this group and nearly cover the whole of an area of a late intrusion. They are at about sixteen hundred feet elevation and they are only about four thousand feet from salt water.

This deposit appears to have been formed when certain extrusives of carboniferous and late Mesozoic Volcanics had been intruded by a Magma Rock and a contact Metamorphism deposit created. This dynamic Metamorphism created a highly altered and faulted area. The mineralization is evidently of hydrothermal origin.

The Volcanics classed as No. 1 on the map lie on the East side of the zone almost parallel to Lynn Canal. This zone is well altered with some limestone bodies.

The Intrusives marked No. 2 on the map are a light rock, some Diorite, coarse Granite and altered Pegmatites. Very little fluorescence, if any, observed, and no lime to speak of. Some radio activity noted, especially on Claim No. 7 where the rock has been classed as a coarse Granite.

The Greenstones classed as No. 3 on the map are in quite an abundance to the south of this property, and there is one small body that shows up on the north end of No. 4 claim and a small amount on No. 1 claim. No radio activity noted in the Greenstones.

The Complex Stockwork marked No. 4 on the map makes up the main part of the area covered by the Lucky Six Group of claims. It differs from the intrusive rock around it, in that it is well faulted and appears to be a series of small vein like structures of varying compositions,

containing altered Pegmatites, some Diorite, lime rock, white and dark mica, feldspars calcite, sericite, chorite, magnetite, epidote, potassium, apatite limonite, hematite, quartz. Some syenite and Monzonite have been noted. Considerable limonite halo's have been noted in some areas close to the best radio active zones. Minerals noted close to the radio active areas are: One small vein of Galena twelve inches wide assaying 4% lead and five ounces silver to the ton. Galena is deciminated across the width of the radio active zone with abundant pyrite. Some assays across ten to thirty feet were one quarter of one percent with silver and trace of gold. Brookite and Rutile have been identified and in some areas are quite abundant. Barite is an accessory mineral varying in amounts from one to two percent. Iron makes up about 2% of the zone by assay.

There has been some question as to the Uranium mineral found. Three possible identifications have been made, namely: Ellsworthite by the Colorado School of Mines, Davidite identified by the Alaska Territory Assay office, and Euxenite identified by the U.S. Bureau of Mines. The identification of the mineral as Euxenite has been given credence by the fact that several Specto-Analysis have shown Columbium-Tantulum, dysprosium Lanthunum and Cerium. No thorium has been detected. Some samples showed 2% Flourite. Although a very thorough check of the cores in the field for uranium were made, there was but very little counter-reaction observed. An EU equivelent on about twenty, ten foot sections at the Bureau of Mines Station showed from .005% to .02%. A chemical assay sent to Browns Laboratory, Colorado, on a representative sample from a hundred foot width showed an assay of .022%. All of our chemical assays have been higher than radio metric. No Columbium-Tantulum was present according to chemical assay. Although I understand, according to Mr. Ray Wells, Metallurgist at the Bureau of Mines, that Columbium-Tantulum in less than .15% is extremely difficult to detect. In the area of our test pit samples from.02% to 1% can be obtained. The best Uranium mineralization is found along the shear zones and appears to be in pockets and globs. All the area of this complex stockwork is exceptionally fluorescent. Intense fluorescence of pink, orange, yellow, blues and some greens is present. None have been identified except for the fluorescent pink of calcium.

On the basis of a .022% assay across 100 foot width this stockwork being over two thousand feet long, and assuming a depth of one half length of what? Jmm we would assume an inferred tonnage of fifteen million tons.

This may warrant additional explanation ? at some future date.
exploration

The work performed under the Defense Mineral Exploration Administration program has consisted of drilling four holes consisting of a total of 1,356 feet at a unit cost of $14.00 per foot.

In addition six assays were obtained from Brown Laboratory and eight assays were obtained from Smith-Emery Laboratory. Copies of these assays are affixed hereto.

Dated at Juneau, Alaska, this 2nd day of April, 1958.

Southeastern Mining & Exploration Company, Inc.

By [signature]
Secretary

RICHMOND 9-3411

FORM 1

COPY

LABORATORY REPORT

SMITH-EMERY COMPANY

ESTABLISHED 1910

CHEMISTS - ENGINEERS

781 EAST WASHINGTON BOULEVARD

LOS ANGELES 21, CALIFORNIA

ALL REPORTS ARE SUBMITTED AS THE CONFIDENTIAL PROPERTY OF CLIENTS, AUTHORIZATION FOR PUBLICATION OF OUR REPORTS, CONCLUSIONS, OR, EXTRACTS FROM OR REGARDING THEM IS RESERVED PENDING OUR WRITTEN APPROVAL AS A MUTUAL PROTECTION TO CLIENTS, THE PUBLIC AND OURSELVES.

LABORATORY No. 443862-63 & 443865-66 *Date* December 18, 1957

Sample Pulps

Received 12-9-57 *Marked*

Submitted by Southeastern Mining & Exploration Co.,
Box 1136
Douglas, Alaska

Att: Howard C. Hayes.

OFFICE FILE COPY
DMEA
RECEIVED APR 18 1958
DATE | INITIALS | CODE

REPORT OF DETERMINATIONS

"Sample No. 1"

Columbium & Tantalum (Cb_2O_5+ Ta_2O_5) ---	Nil

"Sample No. 2"

Titanium Oxide (TiO_2) ----------	Trace
Iron (Fe) ----------	1.68%

"Sample No. 4"

Columbium & Tantalum (Cb_2O_5+Ta_2O_5) ----	Nil
Total Rare Earth Oxides ----------	Nil

"Sample No. 5"

Columbium & Tantalum (Cb_2O_5+Ta_2O_5) ----	Nil
Total Rare Earth Oxides ----------	Nil

Respectfully submitted,

Smith-Emery Co.

CHEMISTS AND ENGINEERS

G.L.C.

RECEIVED
APR 8 1958
U. S. G. S.
SPOKANE, WASH.

COPY

SMITH-EMERY COMPANY

ESTABLISHED 1910
CHEMISTS - ENGINEERS
METALLURGICAL AND TESTING ENGINEERS
781 EAST WASHINGTON BOULEVARD
LOS ANGELES 21
CALIFORNIA

LABORATORY
No. 443864 *Date* December 18,1957

Sample Pulp

Received 12-9-57 *Marked* "Sample No. 3"

Submitted by Southeastern Mining & Exploration Co.,
Box 1136
Douglas, Alaska

DMEA
RECEIVED DEC 18
DATE

REPORT OF QUALITATIVE SPECTROGRAPHIC EXAMINATION

Element	*Approximate Quantity*
Silicon, Calcium --------	Major Constituents
Aluminum, Potassium, Sodium ----------	Intermediate Constituents

Minor Constituents	
Barium ----------	1%
Iron ----------	1%
Strontium ----------	0.5%
Magnesium ----------	0.1%
Manganese ----------	0.1%
Titanium ----------	0.1%
Zirconium ----------	0.05%
Copper ----------	0.005%
Gallium ----------	0.005%
Lead ----------	0.005%
Vanadium ----------	0.005%
Boron ----------	0.001%
Chromium ----------	0.001%
Columbium ----------	None found
Tantalum ----------	None found
Tungsten ----------	None found
Rare Earths ---------	None found

Respectfully submitted,

Smith-Emery Co.
CHEMISTS AND ENGINEERS

G.L.C.

All reports are submitted as the confidential property of clients. Authorization for publication of our reports, conclusions, or extracts from or regarding them is reserved pending our written approval as a mutual protection to clients, the public and ourselves.

(See statements on reverse side regarding qualitative spectrographic examination)

REGARDING QUALITATIVE SPECTROGRAPHIC EXAMINATION

Ores, metals and other substances can be examined. These qualitative examinations are useful in determining the presence of elements as a guide for chemical analyses and to identify elements, the presence of which were not suspected. This method of examination is especially valuable in finding elements present in small amounts and in examining relatively small samples.

The elements are reported but not their compounds.

Most metals and the alkali earths and metals are determined, if present, in amounts from 0.001% up. Gold, silver and the platinum group metals, because of their high values, must be determined by regular assay. Chlorine, bromine, iodine, fluorine, sulphur, selenium, carbon, hydrogen and oxygen are not determined. Arsenic, phosphorus and uranium are determined only when present in amounts of approximately 0.5% or more.

The quantities reported are approximately accurate to the nearest factor of ten.

THE BROWN LABORATORY
2203 Broadway
GRAND JUNCTION, COLORADO

DEPARTMENT

CERTIFICATE OF ANALYSIS

Date 12-20-57
Order No. 10262-S

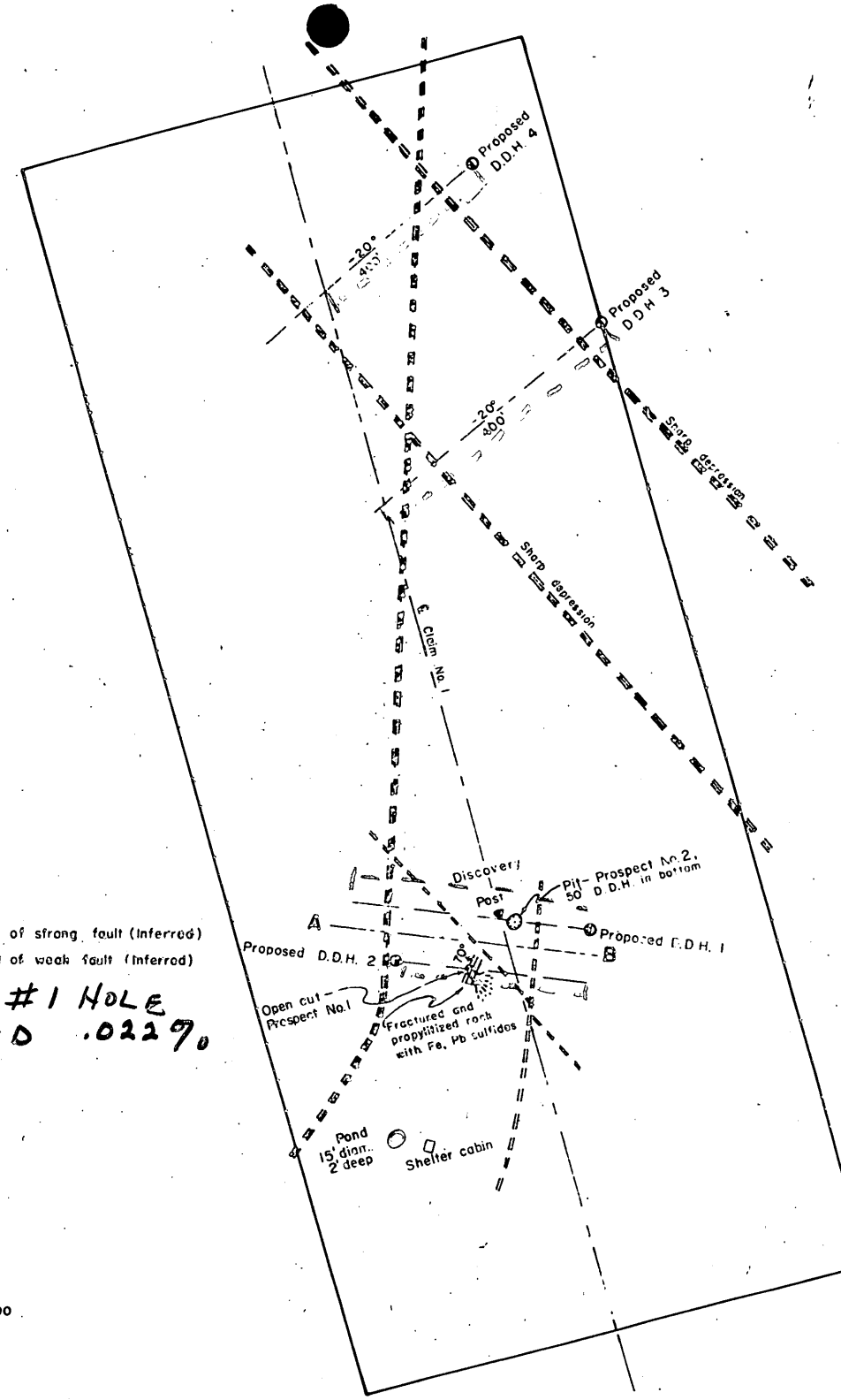
Howard Hayes
P. O. Box 1136
Douglas, Alaska

Material: Ore Samples
Received: 12-18-57
For: Analysis

Lab. No.	Your No.	Description	Ounces Per Ton Ag	% U_3O_8	% V_2O_5	% [illegible]
[illegible]-1	1			0.012		
[illegible]-2	2			0.015		Trace
[illegible]-3	3			0.012	0.03	
[illegible]-4	4		Trace	0.022	0.02	Trace
[illegible]-5	5			0.015		
[illegible]-6	6		Trace		0.02	Trace

RECEIVED

/s/ H.D. Brown
Analyst



SECTIONS OF CORE FROM #1 HOLE ACROSS 100FT ASSAYED .022% Ou3 Og AVERAGE

Sketch-Figure-2
Lucky Six Claim No. 1
Showing
Prospect Working and Proposed Diamond Drill Holes

Scale of Feet
0 100 200 300 400

DMEA-4710

3/28

United States
Department of the Treasury
Bureau Alcohol Tobacco
Administration
[illegible]
[illegible]

Attention: Mr. [illegible] and Mr. [illegible]

Re: Permit No. [illegible] (Corrected)
Establishment Working and Operation
[illegible]
[illegible]
[illegible]

Gentlemen:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

DMEA RECEIVED JAN 27 1958		
DATE	INITIALS	CODE
1/27	C	220
1/27	es	130
"	[illegible]	110
1/31	[illegible]	130
1/31	C	220
2/12	FMM	

January 23, 1958

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-4710 (Uranium-columbium-rare earths)
Southeastern Mining & Exploration Co., Inc.
William Henry Bay Uranium Prospect
Lucky Six Group
Juneau Mining District, Alaska
Contract No. Idm-E1090

Dear Mr. Selfridge:

Enclosed are three copies of a Field Team final report on this project.

The project was limited to diamond drilling 4 holes totaling not more than 1,500 feet to explore for uraniferous euxenite, the presence of which had been indicated by airborne Geiger counter traverses.

No uranium or rare earth ore minerals were found in any of the core. A composite sample of slightly radioactive parts of the four cores was subjected to qualitative and semi-quantitative spectographic analysis at the different laboratories. One laboratory detected trace amounts of lanthanum, cerium, neodymium, ytterbium and equivalent uranium. No other rare earth minerals, uranium, or thorium were detected.

It is recommended that no Certification of Discovery or Development be made.

By Field Team, Region I

A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

Maps in envelope

Reviewed by
DMEA OPERATIONS & CONTROL
1-31-58
(GSO)

F.T. Final Report

Enclosures

cc: USBM(2) USGS(SRO)
MacKevett Gates

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION I

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DATE	INITIALS	CODE
1/31	JB	130
		220

FINAL REPORT

Contract Idm-E1090

by

E. W. Parsons
Mining Engineer
U. S. Bureau of Mines

E. M. MacKevett, Jr.
Geologist
U. S. Geological Survey

SOUTHEASTERN MINING & EXPLORATION COMPANY, INC.
P.O. Box 1121
Juneau, Alaska

Docket No.:	DMEA-4710
Commodity:	Uranium-Columbium-Rare Earths
Contract date:	May 27, 1957
Completion date:	September 10, 1957

Reviewed by
DMEA OPERATING COMMITTEE
1-31-58
(date)

WILLIAM HENRY BAY URANIUM PROSPECT
Lucky Six Group
Juneau Mining District
Territory of Alaska

Spokane, Washington

January 1958

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FINAL REPORT

SOUTHEASTERN MINING & EXPLORATION COMPANY, INC.
William Henry Bay Uranium Prospect
Lucky Six Group
Juneau Mining District
Territory of Alaska

Contract Idm-E1090

✡ ✡ ✡ ✡

INTRODUCTION

The Lucky Six group of claims (William Henry Bay uranium prospect), located on the Chilkat Peninsula about 50 miles northwest of Juneau, Alaska, was explored by the Southeastern Mining and Exploration Company, Inc., P.O. Box 1121, Juneau, Alaska. The exploration, which was done in cooperation with the Defense Minerals Exploration Administration under Contract No. Idm-E1090, commenced on June 10, 1957, and was completed on September 10, 1957.

Summary

The purpose of the project was to explore for uraniferous euxenite whose anomalous radioactivity had been detected with an airborne Geiger counter. The euxenite was also believed to contain columbium and rare earths. Four slightly inclined diamond drill holes totaling 1,350 feet were drilled. There were no indications of ore in any of the drill cores.

Conclusions and Recommendations

Neither ore nor favorable indications of ore were found by the drilling program, and it is recommended that no Certification of Discovery or Development be made.

There are a few unexplored outcrops that emit weak anomalous radioactivity between 200 and 500 feet approximately S. 30° W. of the discovery monument. These apparently are similar to the radioactive outcrops near the discovery monument, which are caused by sparsely disseminated euxenite and do not justify further exploration.

LOCATION, ACCESSIBILITY, LOCAL FACILITIES

The Lucky Six group of claims is in the Juneau mining district about 50 miles northwest of Juneau. The claims are at altitudes near 1,900 feet and lie on the eastern slopes of the Chilkat Peninsula about a mile west of Lynn Canal (fig. 1).

Boat or air transportation provides access to the property. Float planes and boats can reach the western shores of Lynn Canal from where the property is accessible by hiking over a steep, ill-defined trail a little over a mile long. Helicopters, which are able to land at the prospect, are the most practical means of access. Float planes, helicopters and boats are available for charter in Juneau. Most of the materials, supplies, personnel and DMEA field-men who visited the property were transported by helicopter.

The working season at the property is approximately from June 1 to October 1 depending on annual variations in weather. The average annual precipitation is similar to that of Juneau which is about 80 inches and falls mostly during the fall and winter months. Labor is available in Juneau, although good miners are difficult to obtain. Small amounts of water are available from the numerous ponds in the area, but during dry summers, such as 1957, these are unreliable sources. Juneau is the nearest supply source and communication center. There are no commercial assaying facilities in the Territory. The Territorial Department of Mines provides free assaying service to prospectors, and, possibly the U. S. Bureau of Mines in Douglas (a few miles from Juneau) would do a small amount of assaying for local mines and prospects. Otherwise samples to be assayed have to be sent to Seattle or elsewhere in the United States.

PROPERTY

The Lucky Six group constitutes nine claims. The initial discovery and locations were made by the present owners during August and September 1955, and in July 1956 they staked two additional claims. The claims are recorded in the Office of the Recorder, Juneau Recording District in v. 30, p. 263-266, inclusive, and p. 289-290.

The DMEA-sponsored exploration was on the Lucky Six No. 1 claim on which the initial discovery was made (pl. 1). Five small exploratory pits and trenches are on the property and prior to the DMEA-sponsored diamond drilling one diamond drill hole had been drilled, but there is no development work nor production.

light colored minerals like quartz, the feldspars, and muscovite prevail

GEOLOGY

The Lucky Six group of claims are in an altered and brecciated intrusive plug or boss, about 1 square mile in areal extent, which has intruded a Mesozoic(?) metavolcanic sequence (E. H. Lathram, U. S. Geological Survey, personal communication). The plug is composite. It is chiefly composed of a medium-grained leucocratic granitic rock, probably a quartz monzonite, that locally contains coarse K-feldspar crystals as much as 3 or 4 inches long. Biotite quartz monzonite that contains hornblende and biotite rich segregations, and fine-grained diorite were discerned in the drill cores but were not recognized in outcrops. Very fine-grained dikes, probably andesites, were cut in a few drill cores. All of the rocks contain abundant disseminated pyrite. In addition, they are brecciated and cemented with calcite. The prevailing rock, leucocratic quartz monzonite(?), is strongly altered and has abundant sericite along with subordinate chlorite, epidote, and clay minerals.

The regional structure is complex and marked by numerous large faults (E. H. Lathram, U. S. Geological Survey, personal communication). Structures within the granitic plug are difficult to delineate because of poor exposures. Post-breccia faults are exposed in several of the pits near the discovery monument and are locally indicated in the drill cores. Two strong sets of lineaments, visible on aerial photographs, probably also indicate faulting subsequent to the brecciation and calcite veining in the intrusive.

The sought-after ore mineral is cuprite, which occurs sparsely disseminated in the leucocratic quartz monzonite, chiefly associated with coarse-grained K-feldspar. No cuprite was found in any of the DMEA-sponsored drill holes, but a few grains of it were identified by the U. S. Bureau of Mines from a hole drilled by the Operator. V. L. Freeman of the U. S. Geological Survey (written communication, 1957) reports that thorianite has been questionably identified from the property.

Some of the calcite that occurs as breccia fillings is pyrite bearing, and in a few places it contains very minor amounts of galena and a lead sulfosalt(?). No ore bodies or reserves are known on the property.

SAMPLING

Inasmuch as no uranium or rare earth ore minerals were visible in the diamond drill cores and as no significant anomalous radioactivity was detected, sampling posed somewhat of a problem. A composite grab sample was taken of each of the four diamond drill cores; the composite samples were further consolidated into one sample and subjected to qualitative spectographic analyses by the

Washington Testing Laboratory in Spokane, and by the U. S. Bureau of Mines in Albany, Oregon. The results of these analyses are shown in table 1. Additional analyses were made for rare earths, uranium, and thorium by the Geochemistry and Petrology Branch of the U. S. Geological Survey in Denver, Colorado. The results are shown in table 2.

THE DMEA PROJECT

The DMEA program as defined in the contract consisted of 4 diamond drill holes to total not more than 1,500 feet of drilling. DDH's 1 and 2 were designed to explore beneath the exposures that showed the strongest anomalous radioactivity, and DDH's 3 and 4 were planned to cut intersections of lineaments that are visible on aerial photographs. The 4 holes were drilled, although DDH 4 was curtailed at 300 feet with mutual consent of the Operator and DMEA following a series of mishaps. The locations of the diamond drill holes and their projections to a horizontal plane at the surface are shown in plate 1. Logs of the four diamond drill holes are shown in Appendix A. DDH 1 was 405 feet long, DDH 2, 251 feet long, DDH 3, 400 feet long, and DDH 4, 300 feet long. The drilling was done in a competent manner by the Boyles Brothers Drilling Company.

During the contract period interim inspections of the property was made by A. E. Weissenborn and E. M. MacKevett, Jr., of the U. S. Geological Survey on June 28, 1957, and by MacKevett and H. C. Berg of the U. S. Geological Survey, accompanied by Howard Hayes, president of the Southeastern Mining and Exploration Company, on August 16, 1957. MacKevett and E. W. Parsons, U. S. Bureau of Mines, finished logging the diamond drill cores in Juneau on September 13, 1957. The application examination was made by S. H. Lorain, U. S. Bureau of Mines, and R. S. Velikanje, U. S. Geological Survey.

EXPENDITURES

The total estimated cost of the project was $24,000, of which the Government's participation was to be $18,000. An aggregate length of 1,356 feet of diamond drilling was completed at a fixed unit cost of $14.00 a foot, or a total cost of $18,984. The Government's contribution, subject to final audit was $14,238.

? assays

Enclosures
Distribution:
DMEA(3) Gates
USEM(5) Docket
USGS(SRO)
MacKevett

Table 1.--Qualitative spectrographic analyses of a composite sample of drill holes at the William Henry Bay uranium prospect.

Washington Testing Laboratory:

<0.01%	0.01% to 1%	1% to 5%	5% to 30%
Bi	Cu	Al	Ca
B	Pb	Fe	K
Cr	Mn	Mg	Na
Ga	Mo	Si	
Ni	V		
Ag	Sr		
Ti			

U. S. Bureau of Mines:

<0.001%	0.001% to 0.01%	0.01% to 0.1%	0.1% to 1%	1% to 5%	5% to 10%	>10%
Be	B	Mo	Mg	Ba		Al
	Co	Ni	Mn	Na		Ca
	Cr	Pb	Li	Sr		Fe
	Cu		V			Si

Table 2.--Semiquantitative Spectrographic Analysis (U.S.G.S. Geochemistry & Petrology Branch) showing only the detected rare earth elements, uranium, and thorium.

Element	Percent	Element	Percent	Element	Percent
La	0.03	Nd	0.03	eU	0.004
Ce	0.07	Yb	0.0003	U	0
				Th	0

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APPENDIX A

DIAMOND DRILL HOLE LOGS

WILLIAM HENRY BAY URANIUM PROSPECT*

*All drill cores are EX or larger.
Explanation: Altered -- principally to sericite with less abundant chlorite and epidote.

DIAMOND DRILL HOLE 1

Footage From-To	Recovered (in feet)	Description
0.0-7.5	2.5	Iron-stained, leached quartz monzonite, abundant sericite.
7.5-12.0	2.1	Do.
12.0-15.0	0.8	Do. , some small specks of magnetite(?).
15.0-18.0	3.0	Altered and brecciated quartz monzonite, minor pyrite in calcite veinlets with uncommon specks of lead sulfosalt.
18.0-20.5	1.8	Quartz monzonite with disseminated pyrite, minor calcite veinlets with pyrite and lead sulfosalts(?).
20.5-21.0	0.5	Do.
21.0-28.5	1.7	1.3 feet of strongly iron-stained and altered quartz monzonite; 0.4 feet of brecciated granodiorite intermixed with andesite(?) dike, fairly abundant pyrite.
28.5-33.5	3.7	1.7 feet brecciated quartz monzonite with local hornblende-rich pods; calcite cement; fairly abundant pyrite -- remainder altered quartz monzonite with minor breccia and considerable iron staining and leaching.
33.5-38.5	4.0	Quartz monzonite with local breccia and several strongly iron-stained and sericitized zones.
38.5-39.5	1.3	Quartz monzonite, fairly fresh, with minor iron staining, some disseminated pyrite, some in pyritohedrons.
39.5-46.0	5.9	First 0.8 foot similar to preceding; rest brecciated quartz monzonite with some hornblende-rich clots, calcite cement, pyrite both disseminated and in calcite, minor lead minerals, a few specks of a dark metallic mineral.

Footage From-To	Recovered (in feet)	Description
46.0-49.0	3.0	First foot, brecciated quartz monzonite with calcite cement, much sericite and minor pyrite; next 1.2 feet, quartz monzonite fairly fresh with some sericite and disseminated pyrite; remainder, chiefly calcite veinlets as much as 2 inches thick, contains pyrite and minor amounts of a lead sulfosalt, minor amounts of dark fragment in breccia, probably from a basic dike.
49.0-54.0	4.5	First 0.7 foot, brecciated andesite dike; next 1.8 feet chiefly quartz monzonite with minor breccia, calcite veinlets and minor pyrite; rest, strongly brecciated rock containing fragments of quartz monzonite and andesite(?), iron staining; radioactivity 1.3 x background.
54.0-58.5	4.2	First 2.2 feet, altered quartz monzonite with minor calcite veins containing pyrite; rest, strongly iron-stained breccia composed chiefly of andesite(?).
58.5-59.5	1.0	Breccia consisting chiefly of andesite(?) dike with minor pyrite-bearing calcite cement.
59.5-64.5	5.0	Brecciated quartz monzonite, disseminated pyrite throughout.
64.5-69.5	5.0	Brecciated quartz monzonite, abundant iron stain, some pyrite and minor amounts of lead mineral associated with calcite veinlets, a few specks of a hard, black mineral.
69.5-71.0	1.5	Altered and iron-stained quartz monzonite with abundant calcite veins, and minor pyrite.
71.0-79.0	8.0	Brecciated and altered quartz monzonite with abundant calcite cement, chlorite-coated fractures.
79.0-81.0	2.0	Do.

Footage From-To	Recovered (in feet)	Description
81.0-89.0	8.0	Altered quartz monzonite with local breccia, clots of hornblende, several shears.
89.0-91.0	2.0	Altered quartz monzonite, minor calcite veinlets, some pyrite and iron stain.
91.0-99.0	8.0	91.0-96.5, brecciated altered quartz monzonite with much calcite, moderately abundant disseminated pyrite; remainder, strongly iron-stained altered quartz monzonite with local shears.
99.0-101.0	2.0	Altered mafic-rich quartz monzonite, contains biotite and hornblende, abundant fractures.
101.0-109.5	7.4	Mainly brecciated, iron-stained and altered quartz monzonite with local clots of hornblende and biotite, numerous iron-coated fractures.
109.5-111.5	2.0	Brecciated biotite-rich quartz monzonite, numerous iron-stained fractures, pyrite associated with calcite cementing material.
111.5-119.0	5.0	Brecciated, altered quartz monzonite, strongly fractured, calcite cement.
119.0-121.0	2.0	Do.
121.0-131.5	9.4	Chiefly altered quartz monzonite with disseminated pyrite, minor calcite veinlets, and local magnetite(?), iron-coated fractures.
131.5-142.5	9.5	Iron-stained, altered quartz monzonite, locally brecciated with calcite cement, contains abundant pyrite and biotite, minor amounts of magnetite(?); radioactivity 1.3 x background.
142.5-153	9.0	Altered quartz monzonite, locally leached and strongly iron-stained, minor calcite veinlets, minor pyrite and very uncommon lead minerals in veinlets.

Footage From-To	Recovered (in feet)	Description
153.0-163.0	9.0	Brecciated altered quartz monzonite with calcite cementing material, 2-foot thick andesite(?) dike near 163.0.
163.0-164.5	1.3	163.0-163.7, biotite-rich diorite; 163.7-164.5, breccia consisting of clots of diorite cemented with calcite that contains disseminated pyrite and minor amounts of lead minerals.
164.5-169.0	4.5	First 2 feet consists of altered quartz monzonite with minor calcite veinlets; next foot, fine-grained andesite(?) dike locally fractured; remainder, altered quartz monzonite with minor calcite veinlets and disseminated pyrite.
169.0-176.0	4.0	First 2 feet, altered quartz monzonite with disseminated pyrite; last 2 feet, breccia with diorite clots and calcite cement.
176.0-179.0	1.8	Brecciated and iron-stained quartz monzonite, some disseminated pyrite.
179.0-188.5	8.1	179.0-182.5, chiefly quartz monzonite with disseminated pyrite in calcite veinlets; 182.5-184.0, dark biotite-rich quartz monzonite or diorite with disseminated pyrite; 184.0-188.5, altered quartz monzonite with abundant disseminated pyrite and minor calcite veins; radioactivity 1.3 x background.
188.5-199.5	10.0	Altered quartz monzonite locally brecciated and cemented with calcite, some chlorite-coated fractures.
199.5-210.5	10.0	Strongly iron-stained and brecciated quartz monzonite with numerous iron-coated fractures, locally leached.
210.5-220.0	9.5	Fairly fresh quartz monzonite with some dark inclusions and abundant disseminated pyrite; a small amount of fluorite coating a fracture at 211.5.

Footage From-To	Recovered (in feet)	Description
220.0-230.0	10.0	Brecciated quartz monzonite with moderate amounts of pyrite in calcite cementing material and a few specks of a lead sulfo-salt locally with the pyrite, disseminated pyrite throughout the quartz monzonite.
230.0-241.0	11.0	Altered quartz monzonite, local breccia and a few iron-coated fractures.
241.0-252.0	10.0	Altered and iron-stained quartz monzonite, numerous iron-coated fractures, a few calcite veinlets, locally leached, minor amounts of a dark metallic mineral.
252.0-261.5	9.5	Altered and brecciated quartz monzonite with calcite cement, disseminated pyrite, some iron- and chlorite-coated fractures.
261.5-271.0	9.5	Iron-stained brecciated quartz monzonite with several strong iron partings up to 2 inches thick, lower part of section is mainly calcite with disseminated pyrite.
271.0-281.0	10.0	Chiefly altered quartz monzonite with disseminated pyrite, locally strongly iron-stained, minor magnetite.
281.0-291.5	10.0	Altered and brecciated quartz monzonite, disseminated pyrite.
291.5-300.0	8.5	Do. , minor leached zones, local chlorite.
300.0-321.5	10.0	300.0-311.0, strongly iron-stained and fractured altered quartz monzonite, locally leached, contains a few calcite veinlets; 311.0-321.5, iron-stained and brecciated quartz monzonite, locally highly fractured, contains disseminated pyrite, sericite and chlorite.
321.5-336.0	10.0	Altered brecciated quartz monzonite with calcite cement, disseminated pyrite.
336.0-347.3	10.0	Do.
347.3-359.5	10.0	Do.

Footage From-To	Recovered (in feet)	Description
359.5-369.5	10.0	Strongly brecciated altered quartz monzonite with minor fragments of dark minerals including some coarse biotite, and moderately abundant pyrite in calcite cementing material.
369.5-381.0	10.0	Strongly iron-stained altered and brecciated quartz monzonite, local dark metallic minerals as well as pyrite, some leaching.
381.0-392.0	10.0	381.0-386.0, quartz monzonite with disseminated pyrite and minor calcite veinlets; 386.0-392.0, brecciated quartz monzonite with local dark clots, calcite cement, disseminated pyrite.
392.0-402.5	10.0	Mainly biotite-rich quartz monzonite with local breccia and minor strongly iron-stained zones, disseminated pyrite and calcite cement.
402.5-405.0	2.5	Chiefly brecciated quartz monzonite with some biotite-rich clots, calcite cement, pyrite both in calcite and disseminated throughout quartz monzonite.

End of hole

DIAMOND DRILL HOLE 2

Footage From-To	Recovered (in feet)	Description
0.0-7.0	6.0	Weathered quartz monzonite with pyrite casts.
7.0-10.0	3.0	Biotite-hornblende quartz monzonite, some sericite.
10.0-16.0	4.4	Brecciated quartz monzonite containing calcite cement, minor amounts of pyrite and a sulfosalt with calcite.
16.0-20.0	4.0	Do.
20.0-33.0	13.0	Altered quartz monzonite with abundant calcite veins, disseminated pyrite.
33.0-44.0	10.0	Do.
44.0-49.0	4.0	Strongly iron-stained alteration zone, much limonite.
49.0-58.5	8.8	Altered quartz monzonite, abundant calcite veinlets.
58.5-61.5	2.5	Andesite(?) dike with pyrite at upper edge.
61.5-67.5	5.5	Andesite(?) to 62.5, then altered quartz monzonite with disseminated pyrite.
67.5-76.0	7.7	Quartz monzonite with abundant calcite veinlets, minor pyrite.
76.0-86.0	10.0	Altered brecciated quartz monzonite with abundant calcite veins.
86.0-91.0	4.7	Strongly brecciated and iron-stained calcite.
91.0-99.0	7.4	Strongly brecciated quartz monzonite with calcite veins and pyrite.
99.0-109.0	9.9	Do.
109.0-114.0	5.0	Do.
114.0-124.0	8.8	Do.
124.0-132.0	8.0	Do.

Footage From-To	Recovered (in feet)	Description
132.0-136.0	3.2	Altered quartz monzonite, minor calcite veins.
136.0-143.5	6.6	Do.
143.5-152.5	8.9	Brecciated altered quartz monzonite with calcite cementing material, some diorite fragments.
152.5-162.0	9.5	Do. , local pyrite.
162.0-172.5	8.0	Predominantly calcite, some quartz monzonite fragments and pyrite.
172.5-178.5	5.9	Do.
178.5-188.0	9.0	Do. , with little pyrite.
188.0-194.0	5.3	Do.
194.0-212.0	16.1	Mainly altered quartz monzonite with minor calcite veins.
212.0-228.0	12.0	Quartz monzonite with numerous calcite veins, some iron staining.
228.0-238.0	9.0	Chloritized quartz monzonite with a few calcite veinlets.
238.0-244.0	3.0	Quartz monzonite with minor calcite and quartz veinlets.
244.0-251.0	6.7	Altered quartz monzonite, minor quartz and calcite veinlets.

End of hole

DIAMOND DRILL HOLE 3

Footage From To	Recovered (in feet)	Description
0.0-12.0	0.5	Altered, iron-stained, leached quartz monzonite.
12.0-30.0	3.5	0.5 foot of altered andesite(?) dike; the rest, strongly iron-stained altered quartz monzonite.
30.0-35.0	4.4	Altered quartz monzonite with local strong iron stain.
35.0-36.0	1.0	Altered leached quartz monzonite.
36.0-37.0	1.0	Altered quartz monzonite, considerable iron stain, minor pyrite.
37.0-40.0	3.0	Altered quartz monzonite, a few calcite veinlets.
40.0-42.0	1.8	Do.
42.0-45.5	2.8	Do.
45.5-48.0	1.5	Altered and leached quartz monzonite.
48.0-51.0	1.5	Altered quartz monzonite, minor calcite veinlets.
51.0-56.0	1.5	Altered quartz monzonite with calcite veinlets, limonite pseudomorphs after pyrite in veinlets, also minor amounts of a lead sulfosalt.
56.0-61.0	5.0	Altered quartz monzonite, minor calcite veinlets.
61.0-63.0	2.0	Do.
63.0-71.0	5.3	Strongly altered locally iron-stained quartz monzonite, numerous chlorite-coated fractures.
71.0-75.5	2.3	0.5 foot of altered quartz monzonite; rest, andesite(?) dike with calcite veinlets and iron stain.

Footage From-To	Recovered (in feet)	Description
75.5-79.0	0.5	Probable fault, consists of finely crushed material, mostly andesite(?).
79.0-83.5	1.3	Do.
83.5-84.3	0.5	Altered quartz monzonite.
84.3-100.5	12.0	Fine-grained andesite(?) dike, locally fractured and iron-stained.
100.5-109.3	4.0	Fine-grained andesite(?) dike, locally porphyritic and in places strongly iron-stained.
109.3-137.1	24.0	Altered quartz monzonite, locally fractured.
137.1-144.0	6.0	Altered quartz monzonite with numerous calcite veinlets as much as 2 inches thick, some pyrite and minor amounts of a lead sulfosalt(?).
144.0-149.0	2.3	Altered quartz monzonite, abundant sericite.
149.0-158.0	7.0	Iron-stained altered quartz monzonite, minor calcite veinlets, disseminated pyrite.
158.0-159.5	1.5	Do. locally sheared and leached.
159.5-162.5	3.0	Fine-grained andesite(?) dike with abundant calcite veinlets.
162.5-163.5	1.0	Altered quartz monzonite.
163.5-179.0	6.0	Altered fine-grained andesite(?) with abundant calcite veinlets.
179.0-192.0	12.0	Altered quartz monzonite.
192.0-193.0	0.0	Drillers report crevice or cave-in 1-foot thick.
193.0-216.0	12.0	Iron-stained altered quartz monzonite.
216.0-219.0	3.0	Fine-grained andesite(?) with calcite veinlets, some iron stain.

Footage From-To	Recovered (in feet)	Description
219.0-255.0	29.0	Altered quartz monzonite with calcite veinlets, locally strongly iron-stained.
255.0-257.0	1.5	Altered quartz monzonite with calcite veinlets, minor amount of fluorite in one veinlet.
257.0-260.5	3.0	Chiefly calcite, contains local pyrite and minor amounts of a lead sulfosalt.
260.5-285.0	20.0	Altered and brecciated quartz monzonite, calcite cementing material minor amounts of a lead sulfosalt in calcite, some biotite in quartz monzonite.
285.0-305.0	20.0	Iron-stained altered quartz monzonite with calcite veinlets, local anomalous radioactivity at 290, about 1.5 x background over 6 inches of core.
305.0-314.0	9.0	Chiefly andesite(?) dike with minor amount of altered quartz monzonite, calcite veinlets.
314.0-323.5	8.0	Chiefly andesite(?).
323.5-333.5	10.0	About 50 percent altered quartz monzonite and 50 percent calcite veins with minor pyrite.
333.5-356.0	18.0	Chiefly altered quartz monzonite with calcite veins, local disseminated pyrite, local fractures.
356.0-374.0	15.0	Chiefly pyrite-bearing calcite with a few fragments of altered quartz monzonite.
374.0-375.0	1.0	Altered quartz monzonite.
375.0-375.5	0.2	Mainly crushed sandy material, probable fault.
375.5-383.0	7.0	Altered quartz monzonite with calcite veinlets and minor pyrite.
383.0-384.0	0.5	Sand and water worn pebbles. ?

Footage From-To	Recovered (in feet)	Description
384.0-386.0	2.0	Altered quartz monzonite with calcite veinlets.
386.0-397.0	10.0	Breccia with abundant calcite and altered quartz monzonite fragments, minor pyrite.
397.0-398.0	1.0	Altered quartz monzonite.
398.0-399.0	1.0	Do. with pyrite-bearing calcite veinlets.
399.0-400.0	1.0	Andesite(?) dike with minor calcite veinlets.

End of hole

DIAMOND DRILL HOLE 4

Footage From-To	Recovered (in feet)	Description
0.0-14.0	10.0	Iron-stained altered and leached quartz monzonite with disseminated pyrite.
14.0-33.0	9.0	Strongly altered and fractured quartz monzonite, local leaching.
33.0-36.0	1.0	Fine-grained andesite(?) dike, highly fractured.
36.0-37.5	1.4	Do.
37.5-59.0	21.6	Fine-grained diorite cut by a few calcite veinlets as much as 1 inch thick, minor disseminated pyrite.
59.0-61.0	1.5	Very fine-grained, highly fractured andesite(?) dike.
61.0-66.0	5.0	Altered quartz monzonite with disseminated pyrite, local iron stain along fractures.
66.0-76.0	10.0	Quartz monzonite with disseminated pyrite, local biotite-rich inclusions, minor calcite veinlets.
76.0-86.0	10.0	Quartz monzonite with disseminated pyrite, minor calcite veinlets containing pyrite and small amounts of galena.
86.0-98.0	10.0	Mainly altered quartz monzonite with disseminated pyrite, local iron-stained fractures in upper of section, minor calcite veinlets.
98.0-108.0	10.0	Altered quartz monzonite with disseminated pyrite, considerable iron staining and leaching in center part of section, minor breccia with some dark inclusions in lower part of section, calcite cement.
108.0-115.4	7.4	Altered quartz monzonite with disseminated pyrite and minor calcite veinlets, calcite contains moderately abundant pyrite.
115.4-118.0	2.6	Fine-grained andesite(?) dike with minor fractures.

Footage From-To	Recovered (in feet)	Description
118.0-120.0	2.0	Altered and leached quartz monzonite.
120.0-134.8	13.0	Fine- to medium-grained dike, andesite(?), minor disseminated pyrite, very fine-grained near contacts.
134.8-136.2	1.4	Altered quartz monzonite with a few iron-stained fractures.
136.2-143.0	6.0	Fine-grained andesite(?) dike with minor calcite veinlets.
143.0-152.0	7.4	Altered quartz monzonite with dark inclusions, locally brecciated, calcite cement.
152.0-163.0	10.0	Do.
163.0-173.0	10.0	Altered quartz monzonite with disseminated pyrite, minor calcite veinlets, locally anomously radioactive, 1.3 x background.
173.0-196.5	19.5	Altered quartz monzonite with disseminated pyrite, minor calcite veinlets, locally fractured and iron-stained.
196.5-207.0	10.0	Mainly fine-grained andesite(?) dike, local medium-grained, biotite-rich inclusions or segregations.
207.0-229.0	20.0	Brecciated quartz monzonite with abundant calcite cementing material and a few dark inclusions -- calcite contains pyrite and minor amounts of a lead sulfosalt.
229.0-243.5	14.0	Strongly brecciated quartz monzonite, containing disseminated pyrite, some biotite-rich inclusions.
243.5-245.0	1.5	Iron-stained altered quartz monzonite.
245.0-246.5	1.5	Fine-grained, fractured andesite(?) dike.
246.5-250.0	3.5	Highly fractured altered quartz monzonite with abundant calcite.
250.0-262.0	9.0	Brecciated altered quartz monzonite with dark inclusions, disseminated pyrite in quartz monzonite and in calcite cementing material.

Footage From-To	Recovered (in feet)	Description
262.0-264.0	1.0	Fine-grained andesite(?) dike.
264.0-274.0	10.0	Strongly brecciated altered quartz monzonite with biotite-rich inclusions, calcite cementing material, contains pyrite, both disseminated in quartz monzonite and in calcite.
274.0-289.0	10.0	Do.
289.0-300.0	9.0	Do.

End of hole

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

Date January 31, 1958

DMEA Docket No. 4710
DMEA Contract No.
Commodity Uranium-columbium-rare earths
Name of applicant Southeastern Mining & Exploration Co
Name of property Lucky Six Group
Location of property Juneau Mining District, Alaska
Estimated cost of project $24,000

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee
From: James Paone, Bureau of Mines Member JP
Uranium Commodity Committee
Subject: Review of Field Team Report
(Application, Field Team Report, etc.)

1. Date of subject document: 1/23/58. 2. Date received by reviewer: 1/27/58.

3. Prior reports on this property known to reviewer: Yes ☐ No ☐

4. Prior reports on nearby properties known to reviewer: Yes ☐ No ☐

5. Information available on past production: Yes ☐ No ☐

6. Other pertinent factors known to reviewer: Yes ☐ No ☐

7. Explain items marked yes above:

8. Factors needing special consideration:
   a. Location ☐
   b. Ownership ☐
   c. Evidence of mineralization ☐
   d. Geology ☐
   e. Proposed exploration method ☐
   f. Alternate exploration method ☐
   g. Costs ☐
   h. _____ ☐

9. Action advised:
   a. Obtain information from applicant ☐
   b. Refer to Field Team ☐
   c. Denial ☐
   d. Agree with Field Team ☒
      i. Consult with Mr. _____ at _____ AEC office.
   e. Disagree with Field Team ☐
   f. Suggest alternate plan ☐
   g. Request another examination ☐
   h. Approval ☐

10. Remarks: (Use back of page if necessary)

Recommend no certification of discovery or development be made.

IN REPLY REFER TO:

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

January 30, 1958
Re: DMEA 4710 Idm-E1090
Southeastern Mining & Expl. Co., Inc
Lucky Six Group
Juneau Mining District, Alaska
Uranium-Columbium-rare earths

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Final Report

The contract approved the expenditure of $24,000 on the exploration, by diamond drilling, of an area underlain by a somewhat brecciated granitic rock (quartz-monzonite) plug, in which, as first shown by aerial surveys are centers of anomalous radioactivity. Ground surveys tended to check the aerial indications and with a few pits and a shallow drill hole, spots warranting drilling were located.

The results of the drilling were distinctly unfavorable. None of the uranium-bearing mineral, euxenite, was found in any of the 4 DMEA drill holes.

Drilling, totalling 1,356 feet, was done at a cost of $18,984 (or $14.00 per foot), of which the Government contributed $14,238.

The examiners recommend that no certification be made. I concur with the recommendation.

N. E. Nelson

N. E. Nelson

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So. 157 Howard Street
Spokane 4, Washington

Air Mail

December 5, 1957

Faulkner, Banfield, & Boochever
P. O. Box 1121
Juneau, Alaska

Attention: R. Boochever

Re: Docket No. DMEA-4710 (Uranium)
Southeastern Mining & Exploration Co.
Lucky Six Group of claims
Juneau Mining District, Alaska
Contract No. Idm-E1090

Dear Mr. Boochever:

This is in further reference to our letter of October 4, 1957 regarding assaying samples of the drill cores from the Lucky Six Group.

Our field men took a sample of the most radioactive section of core from each hole, although at best the radioactivity was only slightly over background. We made a composite of the four samples and had them analyzed at three laboratories. The laboratory reported no chemical uranium and only a trace amount of equivalent uranium. Likewise, only trace amounts of lanthanum, cerium, neodymium, and ytterbium were reported.

Therefore, if you have not already done so, we advise you not to have any samples from these cores assayed.

By Field Team, Region I

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USBM (2)
USBM (AD)
MacKevett

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12/9		700

1201 N. Division St.
Spokane 2, Washington

December 2, 1957

Southeastern Mining & Exploration Co., Inc.
P. O. Box 1121
Juneau, Alaska

Re: Docket No. DMEA-4710 (Uranium, Columbium and Rare Earths)
Contract No. Idm-E1090
Monthly operating reports for June, July and August 1957

Gentlemen:

The subject monthly operating reports have been processed and forwarded to the Disbursing Officer for payment.

We are withholding an amount of $250.00 pending receipt of your final report and a final audit by a representative of the Contract Administration and Audit Division of Defense Minerals Exploration Administration. This is the customary procedure and is applicable to all contracts.

By Field Team, Region I

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

cc: DMEA (2)
USGS (2)

Wing G. Agnew, Member
U. S. Bureau of Mines

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So. 157 Howard Street
Spokane 4, Washington

Air Mail

December 2, 1957

Mr. R. Boochever
Attorney at Law
P. O. Box 1121
Juneau, Alaska

Re: Docket No. DMEA-4710 (Uranium)
Southeastern Mining and Exploration Company, Inc.
Juneau Mining District, Alaska
Contract No. Idm-81090

Dear Mr. Boochever:

Thank you for your letter of November 18, 1957 enclosing the June, July, and August narrative reports, maps and drilling logs.

There is no form for preparing a final report. It should be a narrative describing the geologic and engineering evaluation of the work performed, including an estimate of the resulting ore reserves, if any, available assay data, a map showing the geology and the location, bearing, and dip of drill holes, together with a summary of the work performed and the unit costs thereof. It will not be necessary to duplicate the drillers logs, which we already have. In essence your final report will be a combination of the various data contained in your separate monthly narratives, 104's and 104A's.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

cc: DMEA (2) w/2 copies of incoming
USBM (2)
USBM (AD)
MacKevett

HERBERT L. FAULKNER
NORMAN C. BANFIELD
ROBERT BOOCHEVER
FRANK M. DOOGAN
JOHN H. DIMOND

LAW OFFICES OF
FAULKNER, BANFIELD & BOOCHEVER
P. O. BOX 1121
JUNEAU, ALASKA

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DATE	INITIALS	CODE

United States
Department of the Interior
Defense Minerals Exploration Administration
No. 157 Howard Street
Spokane 4, Washington

Attention: A. E. Weissenborn

Re: Contract No. [illegible] (Tracking)
Southeastern [illegible] Exploration
Company
Ketchikan, Alaska
Contract No. [illegible]

Dear Mr. Weissenborn:

In accordance with your letter of [illegible] we enclose herewith narrative report of work performed during [illegible] monthly period under the above entitled contract as well as a [illegible] sketch showing the location of the holes drilled during the reporting period and driller's logs of each hole drilled.

With reference to the requirement [illegible] we would appreciate your forwarding necessary forms [illegible] may be prepared and submitted.

[illegible]

FAULKNER, BANFIELD & BOOCHEVER

[illegible] Boochever

PR:sp

Enc.

RECEIVED
NOV 21 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

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~~Murphy~~ | | 700

November 8, 1957

Mr. George C. Selfridge
Chairman Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-4710 (Uranium-RE-Cb)
Southeastern Mining & Exploration Co.
Lucky Six Group
Juneau Mining District, Alaska
Contract No. Idm-E1090

Dear Mr. Selfridge:

This is in reference to your letter of October 21, 1957, regarding our letter of October 4, 1957, addressed to Faulkner, Banfield, and Boochever on the subject of samples.

When our field men examined and logged the core of the drill holes they could find no visible evidence of columbium-tantalum, uranium, thorium or rare earth minerals. The highest radioactivity they could detect was only one-third above background. However, they sampled the most promising section of core from four holes. Pulps of these samples were made at the Bureau of Mines office in Spokane and a composite of the four pulps was split and sent to the Bureau of Mines Laboratory at Albany, Oregon and to a commercial laboratory for spectrographic analysis. None of the above elements was reported. As a further check, we are sending a third split to the Geological Survey laboratory in Denver, Colorado for spectrographic analysis for those elements. If the results of the analysis show an appreciable content of any of the elements listed above, we will advise the operator to have semi-quantitative spectrographic analyses made.

By Field Team Region I

for Stephen W. Zolotok
Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren
Donald R. MacLaren, Acting Member
U. S. Geological Survey

cc: USBM (2)
MacKevett

DMEA
RECEIVED 1957

11/4	gb	220
11/4		800
11/5		700

So. 157 Howard Street
Spokane 4, Washington

Air Mail

October 30, 1957

Mr. R. Boochever
Attorney at Law
P. O. Box 1121
Juneau, Alaska

Re: Docket No. DMEA-4710 (Uranium)
Southeastern Mining and Exploration Company, Inc.
Juneau Mining District, Alaska
Contract No. Idm-E1090

Dear Mr. Boochever:

This is in reference to your letter of October 18, 1957, with which you enclosed forms MF-104 and 104-A for the months of June, July and August 1957.

Before we can continue processing these vouchers for payment, we must have for each voucher period five copies of a narrative report of work performed during that period. Each narrative should include a map or sketch showing the location of the holes drilled during the reporting period and drillers logs of each hole drilled during the reporting period. This requirement is stated in the contract under item 3 of Article 5(b) "Progress reports and vouchers." The drill footage or other work described in the narrative should agree with the footage or work claimed in the MF-104 and 104A.

As soon as we receive this information, we will continue processing your June, July and August vouchers.

We also call to your attention Article 5(c) of the contract "Final report." We will have to withhold a portion of the money due you on your June, July and August vouchers pending receipt of an acceptable final report and completion of a final audit. Any money so withheld will be released as soon as your final report has been accepted and a final audit completed.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

cc: DMEA (2)
USBM (2)
USBM (AD)
MacKevett

DMEA Form 7
(12-56)

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Date	Surname	Code
10/21	Murphy	700
10/21	Ellis	700
10/21	[illegible]	130
"	Johnson	110
"	Mikeladze	100
10/22	C	220
		700

OCT 21 1957

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane, Washington

Re: Docket No. DMEA-4710 (Uranium-rare earths-columbium)
Contract No. Idm-E1090
Southeastern Mining & Exploration Co.
Lucky Six Group
Juneau Mining District, Alaska

Dear Mr. Weissenborn:

Please refer to your letter, dated October 4, 1957, addressed to Faulkner, Banfield, and Boochever.

Your comment relating to the possible costs for chemical analyses for columbium and rare earths is noted. Recent information on chemical assay prices show the following:

	Chas. C. Parker Denver, Colo.	Henry B. Wood Denver, Colo.	Chapman & Wood Albuquerque, N.Mex. 1-4 Samples	Chapman & Wood Albuquerque, N.Mex. 5 or more Samples
Uranium	$5.00	$5.00		
Rare earths (total plus thorium)	-	$5.00		
Columbium-tantalum (combined)	$20.00	-	$15.00	$12.50

Actual assay prices of various laboratories vary greatly, usually their prices are much lower when a considerable number of samples are submitted by one client. Since the subject contract was on a fixed unit cost base for 300 samples, we scaled the price per analyses down to what we considered a fair estimate of what the cost would be if a large number of samples were assayed.

However, if only a few samples appeared worth analyzing, a provision was made in the contract that analyses for columbium and rare earths could be made spectrographically. The usual cost for such analyses ranges from $2 for qualitative to $5 for semi-quantitative.

Our information indicates that the spectrographic method can identify Cb as low as .01% and is fairly accurate quantitatively until the grade is quite high. This also applies to combined rare earths.

8623

In fact a large number of private firms in preparing alloys and rare earths are using modifications of the spectrographic method to determine the percentage of the various elements in the material being treated.

Since the subject contract price is at a fixed unit cost per assay for each element, the Government will only contribute its share of $5 per element; any additional cost must be for the Operator's own account. However, we believe that semi-quantitative spectrographic analyses for the columbium and rare earth content of any samples selected would be sufficiently accurate for our purposes.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

APPROVED:

Frank D. Lamb (FDL)

Member, Bureau of Mines

Thor H. Kiilsgaard (THK)

Member, Geological Survey

FMMurphy/izm 10-21-57

cc: Mr. Murphy
Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224

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10/17	C	220
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DMEA

So. 157 Howard Street
Spokane 4, Washington

Air Mail

October 4, 1957

Faulkner, Banfield, & Boochever
P. O. Box 1121
Juneau, Alaska

Attention: R. Boochever

Re: Docket No. DMEA-4710 (Uranium)
Southeastern Mining & Exploration Co.
Lucky Six Group ~~of Claims~~
Juneau Mining District, Alaska
Contract No. Idm-E1090

Dear Sir:

On September 13 and 14, E. M. MacKevett and E. W. Parsons, DMEA representatives, accompanied part of the time by Mr. Howard Hayes, finished logging the diamond drill core from your William Henry Bay uranium prospect. Upon completion of the examination of the core they report that they talked to you over the telephone.

Upon their return to Spokane, Parsons and MacKevett stated that the core showed very little radioactivity, the best sections showing counts of only one-third above background. Also, that aside from sections containing pyrite and traces of lead minerals no other minerals of possible economic significance could be detected by eye. A representative sample from a section of each of the four cores was taken and tests are being run to determine whether it would be advisable to run assays for any minerals. Pending results of these samples, we cannot advise as to number or kind of assays which should be made. One complication is that the contract states that there may be up to 300 chemical analyses at $5/each. As a chemical analysis for columbium may cost from $20 to $50 or more and one for rare earths about $15, it is evident that we could not certify this type of analysis for payment. A spectographic analysis is very misleading and cannot be used to form an opinion as to the value of an ore.

It is our candid opinion, pending the results of previously mentioned tests, that the cores in question show no evidence of containing an economic quantity of uranium or other valuable mineral.

To - Ken. B. Higgs RM 3044
Anthony E. Benoch RM 3044

So that there may be no doubt, we will authorize that 3 representative samples from representative sections of each core, a total of 12 samples be run under the terms of the contract. In our opinion nothing is to be gained by crushing a considerable part or all of the core and making a concentrate to be assayed and as there is no such provision in the contract, we cannot authorize payment for preparation of a concentrate.

By Field Team, Region I

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Thomas E. Howard, Acting Member
U. S. Bureau of Mines

cc: DMEA (2)
USBM (2)
USBM (AD)
MacKevett

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT
Date 10/7

Referred to:

1. ~~Mr. Stanford~~
2. ~~Mr. Williamson~~
3. ~~Mr. Chambers~~
4. Docket Control Mails and Files
5. Division
6. Docket Control Mails and Files
7. 700

Note comments in report regarding:

1.

2.

3.

4.

and take appropriate action.

- - - - - - - -

Action taken by Division: None
Field Team will
submit final report.

Robert E. Adams

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 7 1957

DATE	INITIALS	CODE
10/9	Cow	100
	FMM	

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

September 22, 1957

MEMORANDUM

To: DMEA Field Team, Region I

From: E. M. MacKevett, Jr., Geologist, U. S. Geological Survey and E. W. Parsons, Mining Engineer, U. S. Bureau of Mines

Subject: Interim inspection report, Docket No. DMEA-4710, Southeastern Mining and Exploration Company, Inc. (William Henry Bay prospect), Juneau Mining District, Alaska, Contract No. Idm-E1090.

DMEA representatives, E. M. MacKevett, Jr. and E. W. Parsons, spent September 13 and part of September 14 logging and sampling diamond drill core from the William Henry Bay prospect. The core had been brought to Juneau by the operators after the completion of DMEA-sponsored diamond drilling. Mr. Howard Hayes, president of the Southeastern Mining and Exploration Company, spent part of one day with us. We also conferred with Mr. Robert Boochever, secretary-treasurer of the company, by telephone.

The previously unlogged diamond drill holes, Nos. 1 and 4, were logged. Hole No. 4 was terminated at a length of 300 feet instead of the scheduled 400 feet. This curtailment has been approved by DMEA and was advisable because of mechanical difficulties with the drill and because of the generally discouraging results in all of the drill holes.

A sample of the core was taken from each of the four drill holes. Each sample consists of the split core from a 10-foot section of core, and, in general, represents the best-appearing rock found in the drill holes. Some of the samples contain moderately abundant pyrite and traces of galena and a lead-silver(?) sulfosalt, and others represent slightly radioactive rock. None of the drill holes appear to have cut ore of any kind. The highest anomalous radioactivity detected was only slightly above the background radioactivity, about 1.3 times the background, and the anomalous readings represented only small sections of the core. The chances of finding niobium or rare earths in minable amounts are likewise remote as there are no megascopic indications of minerals that contain these elements.

Mr. Hayes is inclined to use the full amount of the DMEA allocation for sampling, whereas Mr. Boochever favors taking only a few representative samples. In view of the poor indications in the cores, we are inclined to agree with Mr. Boochever.

A final report on this property will be submitted shortly after the assay results are received and other pertinent data are assembled.

Distribution:
DMEA (Orig. & 3)
USBM (2)
USBM (AD)
Docket
MacKevett
Alaskan Branch (Menlo Park)

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D.M.E.A.
RECEIVED OCT 7 1957
DATE | INITIALS | CODE

So. 157 Howard Street
Spokane 4, Washington

September 22, 1957

MEMORANDUM

To: DMEA Field Team, Region I

From: E. M. MacKevett, Jr., Geologist, U. S. Geological Survey and E. W. Parsons, Mining Engineer, U. S. Bureau of Mines

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Distribution:
DMEA (Orig. & 3)
USBM (2)
USBM (AD)
Docket
MacKevett
Alaskan Branch (Menlo Park)

LAW OFFICES OF
FAULKNER, BANFIELD & BOOCHEVER
P. O. BOX 1181
JUNEAU, ALASKA

HERBERT L. FAULKNER
NORMAN C. BANFIELD
ROBERT BOOCHEVER
FRANK H. DOBSON
JOHN H. DIMOND

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 27 1957

DATE	INITIALS	CODE
9/27	B	220
9/30	[illegible]	800
	[illegible]	[illegible]

September 3, 1957

Mr. A. E. Weissenborn
Executive Office
Defense Minerals Exploration Administration
Geological Survey
[illegible] Howard Street
Spokane, Washington

Dear Mr. Weissenborn:

Re: Docket No. DMEA-4710 (Uranium)
Contract No. Ida-E1090
Southeastern Mining & Exploration Co.

Reference is made to our telephone conference of this morning pertaining to the drilling program undertaken on the property of Southeastern Mining & Exploration Co. in the vicinity of William Henry Bay near Juneau, Alaska. As explained in our conversation, the Boyles Bros. Drilling Company has had a great deal of difficulty due to an unprecedented dry summer. They have run out of water on a number of occasions and have had to secure additional pumping facilities as well as a great deal of additional water line in order to accomplish the drilling program. This has caused extensive delays and much time spent in laying lines, finding new sources of water, etc., none of which were anticipated at the commencement of the program.

The entire amount of the drilling specified in the DMEA contract has now been completed with the exception of one hundred feet on the final hole. Three hundred feet of this hole has been drilled, but a core barrel is now stuck in the hole at that level. Since the remaining one hundred feet would not appear to involve any vital area and since the only structure which would be penetrated by that one hundred feet of drilling has already been drilled through by the No. 3 hole with no significant finds, we requested your permission to terminate the drilling program at this time. This is to confirm the fact that you have authorized us to terminate the program and, accordingly, we have instructed the Boyles Bros. to break camp and to bring in the cores which we shall have stored in boxes and in order.

It is our understanding that Mr. Machenett will be back through Juneau in approximately one week to two weeks and at that time, we will have the cores available for his inspection. We further understand that at that time he will designate the portions of the core which are to be assayed.

airmail

September 3, 1957
Mr. A. E. Weissenborn

We appreciate your cooperation in this matter and feel that the action taken is the only sensible one in view of the great amount of additional expense which would probably be involved to obtain the extra hundred foot of drilling. There is a strong likelihood that the existing water supply will not last a sufficient time to take care of the reaming and drilling that would be required and the only other available source is over a mile away and at the bottom of a deep valley.

Very truly yours,

FAULKNER, BANFIELD & BOOCHEVER

[illegible] Boochever

RB:ej

Edward M. MacKevett, Jr., USGS Field Team
Representative, Alaskan DMEA, Box 2659, Juneau, Alaska.

September 4, 1957

A. E. Weissenborn, Executive Officer, DMEA, Field Team, Region I
South 157 Howard Street, Spokane 4, Washington.

Docket No. DMEA-4710 (Uranium-Columbium-Rare Earths), Southeastern Mining and Exploration Company, Inc., Lucky Six Group, Juneau Mining District, Alaska, Contract No. Idm-K1090

I have just received a telephone call from Mr. Robert Boochever, one of the three co-managers of the subject company, regarding difficulties in completing the final hole. After drilling to a depth of 300 feet the core barrel stuck. Also the driller is having trouble obtaining water. In view of the poor showings in the other holes I told Mr. Boochever he could consider that hole completed. The company will bring the cores to Juneau and they should be there when you return from the interior.

If you see Mr. Boochever, please explain to him that payment for his June and July drilling is held up because his 104's were incorrect in that they were made out only for the month of June but claimed payment for work done in June and July; and no narrative report or drill logs were included. As soon as we receive copies of the correct 104 form, the narrative describing the work done during the report period and the logs of any holes for which payment is claimed, his claims will be processed for payment.

This was explained to him in a letter dated August 12, 1957 from the Certifying Officer returning the incorrect 104's. Apparently he misunderstood her letter, as she also asked for assays of samples and thought that payment was withheld because of failure to include assays. They will only be necessary when he claims reimbursement for assaying.

I asked Mr. Boochever to have all the cores boxed and brought to Juneau. I imagine that you will not object to not having to visit the property again, although I am sure Parsons will be sorry not to have to climb the hill while fighting off the bears.

Have a good trip.

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

cc: DMEA (2) w/2 copies of incoming memo fr MacKevett
USGS (2) " " " " "
USBM (AD) w/copy of incoming memo

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D M E A
RECEIVED SEP 9 1957

DATE	INITIALS	CODE
9/9	O	220
9/9	[illegible]	800
~~9/9~~	~~[illegible]~~	~~700~~

Memorandum • UNITED STATES GOVERNMENT

DATE:

FROM

SUBJECT

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 9 1957

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
Box 2659
Juneau, Alaska

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DMEA
RECEIVED AUG 26 1957

DATE	INITIALS	CODE
8/26	Core	100
8/27	FMH	

August 17, 1957

MEMORANDUM

To: DMEA Field Team, Region I

From: E. M. MacKevett, Jr., U. S. Geological Survey

Subject: Interim inspection report, Docket No. DMEA-4710 (Uranium), Southeastern Mining and Exploration Company, Inc. (William Henry Bay uranium prospect), Lucky Six group of claims, Juneau Mining District, Alaska, Contract No. Idm-E1090.

On August 16, 1957, E. M. MacKevett, Jr., and H. C. Berg visited the above named prospect. The examination was facilitated by the use of the helicopter from the U. S. Geological Survey southeastern Alaska project, and by assistance from Berg, a member of the southeastern party. Mr. Howard Hayes, one of the prospect's owners, accompanied the Survey geologists for part of the examination, and was helpful.

The prospect is on the west side of Lynn Canal about 60 miles north of Juneau at altitude near 1900 feet.

The examination consisted of making a brunton-tape geologic map of the cuts and pits, checking the workings and diamond drill core for radioactivity, logging the core from diamond drill hole 3, plotting the locations of the diamond drill holes and noting their bearings and inclinations, and briefly checking the various radioactivity anomalies on the property from the air using the helicopter and a Detectron "Nucliometer".

The drilling program has been impeded by nearby water sources drying up necessitating using long water hoses, and by bears persistently chewing up the water hoses. At the time of our visit diamond drilling was in progress on drill hole 4, the last hole on the contract, and about 30 feet had been drilled. Core recovery is generally good.

No ore or signigicant anomalous radioactivity have been detected in any of the drill holes. Diamond drill hole 3 intersects several fine-grained basic volcanic dikes that dip steeply but generally are not exposed at the surface. The airborne radioactivity reconnaissance revealed

several small radioactive anomalies between 200 and 400 feet approximately S. 30° W. from the discovery monument. These anomalies are generally small--less than twice background radioactivity at altitudes near 50 feet above the ground and probably indicate small amounts of euxenite? in pegmatitic blebs.

It was originally planned to have this examination form the basis of the final inspection report on the prospect, but due to diamond drill hole 4 being incomplete, another inspection trip will be necessary. The maps and diamond drill hole logs resulting from the August 16 inspection will be combined with earlier maps and submitted with the final report.

As yet no samples have been analysed from the drill core. Mr. Hayes says that he will do his sampling within the next few weeks. DMEA representatives will sample the core during the final inspection--probably around September 1.

Distribution:
Wash. (Orig. & 3)
USBM (2)
USBM(AD)
Docket
MacKevett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

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DMEA
RECEIVED AUG 1 1957

DATE	INITIALS	CODE
8/1	C	220
1	Com	100
8/2 ~~[illegible]~~		

July 11, 1957

MEMORANDUM

To: DMEA Field Team, Region I

From: A. E. Weissenborn and E. M. MacKevett, U. S. Geological Survey

Subject: Interim Inspection Report, Docket No. DMEA-4710 (Uranium), Southeastern Mining and Exploration Company, Inc. (William Henry Bay Uranium Prospect), Lucky Six group of claims, Juneau Mining District, Alaska, Contract No. Idm-E____.1090

On June 28, 1957, the above-named property was visited. It is about 60 miles north of Juneau on the west side of Lynn Canal on a steep hill about 1,900 feet above sea level. We were fortunate in being able to have the use of the helicopter and pilot (Jim Cox) from the U. S. Geological Survey Southeastern Alaskan party.

Two drillers, John Kolman and his brother, and a camp jack were on the property. They had completed drilling Hole 2 at 200 feet and were setting up on Hole 1. Hole 2 had been drilled first because it was at a higher elevation. As the drill had been brought in by helicopter it was easier to start with the highest hole and work down hill.

Hole 2 was logged and a sketch map made of the area. The area being explored is a granitic plug in volcanics. The granitic rock is a highly altered mass of quartz-feldspar with calcite veins and some chlorite. It contains abundant pyrite and some galena and, in places, is a cemented breccia. There are a number of radioactive spots and the radioactive mineral has been identified by the Bureau of Mines as euxenite; a 2-inch vein of euxenite is reported in a drill hole put down previous to the contract in a hot spot. Very little euxenite is visible on the surface.

In one pit a calcite vein has some galena. On brief inspection little evidence could be seen for the faults which were inferred from the air photos, and, although the alteration and presence of pyrite is interesting, there seems to be a lack of a definite target. It probably would have been wise to have made a surface radiometric map to check on the relation of the radioactivity to the presumed faults.

Drill Hole 2 penetrated highly altered rock with numerous calcite veins, abundant pyrite, some galena and some breccia but did not cut anything resembling ore nor does it appear to have cut a fault. The owners are reported to have tested the core for radioactivity with negative results. Core recovery was very good, but there was no water return and consequently no sludge. Core was laid out on the ground and carefully marked but should be put in boxes.

Mr. Howard Hayes, one of the owners, was contacted at Juneau after much difficulty and Weissenborn talked to him over the telephone. Effort to contact the other owners were unsuccessful.

Mr. Hayes was told that MacKevett would return to Juneau about July 9 or 10 and would discuss the contract with him further. He was told that as long as the core recovery was as good as it had been not to be too concerned about the loss of sludge, but if core was lost, then the hole should be cemented and sludge recovered. Hayes was also told that he should provide core boxes and that all core should be saved until the Field Team had examined it to determine what should be brought in for assay.

Since there is no definite target, the holes specified in the contract seem as good as any and no changes seem required at this time. MacKevett will examine the core later in the season. The logs of Hole 2 and the sketch map will be submitted later.

A. E. Weissenborn

A. E. Weissenborn

Distribution:
DMEA (Orig. & 2)
USBM (2)
USBM (AD)
Docket
MacKevett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

P. O. Box 2688
Juneau, Alaska

June 10, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 13 1957

DATE	INITIALS	CODE
6/13	JWZ	220
6/13	B	215
6/14	Murphy	700

Memorandum

To: Operating Committee, Defense Minerals Exploration Admin., Department of the Interior, Washington 25, D.C.

From: Alternate Acting Executive Officer, Alaska District, Region I.

Subject: Docket No. DMEA-4710 (Uranium-Columbium-Rare Earth)
Southeastern Mining and Exploration Co., Inc.
Lucky Six Group
Contract No. Idm-E1090

The subject contract has been signed and sealed by the Operator; Government, Audit, Division copies are enclosed.

Work on the project is scheduled to start June 13 but is subject to the vagaries of weather and helicopter transportation.

J. A. Herdlick

J. A. Herdlick

Enclosures-1

cc: Velikanje
Herdlick
Wilcox

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/23	Murphy	700
5/24	[illegible]	700
5-24	Chambers	800
5/27	[illegible]	130
"	Patterson	100
5/28	[illegible]	220
		700

MAY 28 1957

Mr. S. H. Lorain
Executive Officer
DMEA Field Team, Region I
Alaska District
P. O. Box 2688
Juneau, Alaska

Re: Docket No. DMEA-4710 (Uranium-columbium-rare earths)
Southeastern Mining & Exploration Co., Inc.
Lucky Six Group
Juneau Mining District, Alaska

Dear Mr. Lorain:

Enclosed are the original and five copies of a proposed short-form contract signed by the Administrator for the Government. Attached to each contract form MF-2COA are Annex I (1 page), Exhibit "A" (2 pages), and two maps, Figure 1 and Figure 2. Also enclosed are two extra copies of Annex I, Exhibit "A," and the two maps for Field Team use.

If you and the Applicant find the proposed contract in order, please insert in Article 1 of the contract form the date work shall begin, then have an authorized representative of the company sign the original and all copies. Thereafter, kindly distribute the copies in the usual manner.

If any part of the proposed contract does not meet with your approval and the Applicant's and cannot be amended within your delegated authority, then the original and all copies, including the extra copies, are to be returned to this office with the proposed changes for consideration.

The difference in the cost of the proposed contract and the Field Team's recommendation is due to omitting the $1,000 "Contingencies" item suggested. Contingencies are not contemplated in a short-form contract which, in this case, appears to be the best type to cover the proposed project work.

FMMurphy/gla
5-23-57
cc to: Admr.'s Reading File
Operating Committee
THKiilsgaard, Rm. 5224
Enclosures Code 700, Mr. Murphy

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

APPROVED:
A. D. McMahon
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

8623

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 21 1957

DATE	INITIALS	CODE
5/21	JWG	220
5/21	Mughy	700

UNITED STATES
[illegible]
DEPARTMENT OF INTERIOR
Washington 25, D. C.

Date: May 20, 1957

DMEA Decision No. 4710
DMEA Contract No.
Commodity Uranium-columbium
Name of applicant S. E. Alaska Min. & Exp. Co., Inc.
Name of property Near
Location of property / William Henry Bay, S. Alaska
Estimated cost of project $25,000

Ernest William Ellis, DMEA Member
Uranium Commodity Committee
James Paone, Bureau of Mines Member
Uranium Commodity Committee

Subject of Cost breakdown and maps
(Mr. Lackey, Hold Item Report, Geo.)

a. Date of Field Geologist's: 5/9/57 b. Date received by reviewer: 5/14/57

c. Is [illegible] on this property item to review: Yes [ ] No [ ]

d. Is [illegible] on nearby property item to review: Yes [ ] No [ ]

e. Information available on past production: Yes [ ] No [ ]

f. Other pertinent factors items to review: Yes [ ] No [ ]

g. Explain items marked yes above:

h. Factors meeting special consideration:
a. Location [ ]
b. Commodity [ ]
c. Evidence of mineralization [ ]
d. Geology [ ]
e. Proposed exploration method [ ]
f. Alternate exploration method [ ]
g. Costs [ ]
h. _____ [ ]

i. Action taken:
a. Obtain information from applicant [ ]
b. Refer to Hold Item [ ]
c. Denial [ ]
d. Agree with Hold Item [ ]
e. Disagree with Hold Item [ ]
f. Suggest alternate plan [ ]
g. Request another consultation [ ]
h. Approval [X]
i. Consult with Mr. _____ at _____ AEC office.

10. Remarks: (Use back of page if necessary)
Approval of this program would encourage further prospecting in Alaska. Agent?

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 20 1957

DATE	INITIALS	CODE
5/20	C	220
~~5/20~~	~~Murphy~~	~~700~~
✓		

Comments Complete

May 17, 1957
Re: DMEA 4710
Southeastern Alaska Mining
and Exploration Co., Inc.
Lucky Six Group
Juneau Mining District, Alaska
$25,000 - Uranium & Columbium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Executive Officer's (Region I) Supplementary Memorandum

The Executive Officer relates the difficulties inherent in work in somewhat isolated localities, difficulties which render adherence to established procedure next to impossible. The points are well taken.

Again I concur with the recommendation of the Executive Officer.

N. E. Nelson

N. E. Nelson

MF-200A
(Rev. April 1956)

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No.*	*County*	*State*
4710	Uranium Columbium Rare earths	*Idm–E*	~~xxxxx~~ Juneau Mining District	~~xxxxx~~ Territory Alaska

It is agreed ....., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Southeastern Mining and Exploration Company, Inc. organized under the laws of the Territory of Alaska.

whose mailing address is P. O. Box 1121, Juneau, Alaska

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before July 1, 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 5 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $24,000.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $18,000.00, in accordance with the provisions of Articles 4 and 5.

(c) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: none

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: none

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after certification of discovery or development, to inspect production operations and underground workings. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain his interest in the land), shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling, assaying, or transportation performed or paid by the Operator or by anyone other than the buyer are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent) after the lapse of six months from the date the ore was extracted from the ground remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this Article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

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.....

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Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

.....
(Operator)

By .....

By .....

.....

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: 1956—O-383069

DRAFT
F.Murphy/dl
5-15-57

EXPLORATION PROJECT CONTRACT
SOUTHEASTERN MINING AND EXPLORATION CO., INC.
DOCKET NO. ERA-4710

ANNEX I

The land referred to in Article 2 of the contract consists of nine (9) unpatented lode mining claims situate in the Juneau Mining District, Territory of Alaska, about two miles northwest of William Henry Bay and about one and one-half miles southeast from Endicott River. Notices of location and amended locations of the claims have been recorded in the Office of the Recorder, Juneau Recording District of Alaska as follows:

Claim	Date recorded	Volume of lodes	Page
Lucky 6 No. 1	Sept. 10, 1955	30	263-264
" " " 2	" " "	30	264
" " " 3	" " "	30	264-265
" " " 4	" " "	30	265
" " " 5	" " "	30	265-266
" " " 6	" " "	30	266
" " " 7	Discovered August 28,1955	30	266
" " " 8	" July 12, 1956	30	289-290
" " " 9	" July 12, 1956	30	290

The approximate location of the claims is shown on the map entitled "Figure 1 - Map of Radioactive Area near William Henry Bay, Southeastern Alaska", attached hereto and made part hereof.

The Operator is the owner of the claims.

EXPLORATION PROJECT CONTRACT
SOUTHEASTERN MINING AND EXPLORATION CO., INC.
DOCKET NO. DMEA-4710

EXHIBIT "A"

Description of the Work

The object of this project is to explore a radioactive diorite stock area for uranium, columbium and rare earths, by means of core-drilling.

The work shall consist of drilling four (4) diamond drill holes from the locations, and approximately on the bearings and inclinations, shown on the map entitled "Figure 2 - Sketch Lucky Six Claim No. 1" attached hereto and made part hereof. With previous Government approval the location, inclination, and depth of D.D.H. 2 may be changed to that shown for D.D.H.2 (Alt.).

The Government will not contribute to the cost of an incompleted hole, nor to a hole that bottoms less than AX core size.

All diamond drilling core and cuttings shall be saved. Mineralized sections of the core shall be split, the Operator using one-half for assay purposes and storing the remainder in core boxes with the rest of the core. The core boxes shall be identified as to hole number and markers shall be placed in the core sections to show the depth represented. The cuttings shall be stored in suitable containers, properly identified as to hole number and depth represented, for possible check assaying purposes, by the Operator, if the Government so requests.

All core and cuttings not used for assay purposes shall be for Government use. With previous Government approval the Operator may dispose of the core and cuttings. The Operator shall transport and deliver to the DMEA office in Juneau, Alaska, such portions of the core and/or cuttings requested by the Government.

Not in excess of four (4) holes totaling 1,500 feet shall be diamond drilled; nor more than 500 feet of cementing and drilling out or reaming and casing of holes, and not more than 300 chemical analyses for the uranium, columbium, or rare earth content of core or cutting samples shall be performed under this contract.

The direction, extent, and manner of performing the work under this contract shall be subject to Government approval.

Fixed Unit Costs

(1)	1500 feet of diamond drill hole @ $14.00 1/ /foot	$21,000.00
(2)	Cementing and drilling out or/and reaming and casing holes, 500 feet @ $3.00/foot	1,500.00
(3)	Chemical analyses for uranium, columbium*, or rare earths* content of samples, 300 analyses @ $5.00/each	1,500.00
Total Estimated Cost of Project		$ 24,000.00
Government participation @ 75%		$ 18,000.00

1/ Includes all costs whatsoever that are not included in items (2) and (3) and covers such costs as transporting equipment, materials, and personnel to and from project area; supervision, labor, and technical services; payroll taxes; drilling; etc.

* Analyses may be made spectrographically with prior written government approval

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

P. O. Box 2688
Juneau, Alaska

May 9, 1957

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 13 1957
DATE | INITIALS | CODE
5/13 C
5/14 Murphy 220
700

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C.

From: Executive Officer, Alaska District, Region I.

Subject: Cost breakdown and maps
Docket No. DMEA-4710 (Uranium-columbium)
Southeastern Alaska Mining and Exploration Co., Inc.

Since receipt of your letter of ~~March~~ April 12 we have been trying to get the cost data that you request. Because of weather conditions and because of the paucity of interested bidders, this has been a slow process; nevertheless we have finally gotten one firm bid of which (with cost breakdown) four copies are enclosed. Also enclosed is a list of the companies from whom bids were requested. Mr. Snyder, on whose estimate the original cost proposal was based, came up with an excessive bid of about $22.00 a foot and a general reluctance to undertake the job; therefore his bid is being ignored in favor of Boyles Bros. which, in our opinion, is very reasonable.

I am enclosing a set of maps with each of the four copies of the cost breakdown; I think that these maps can be used for the contract. You will note that the additional claim has been added to the claim map and that I have made provision for an "alternate" Hole No. 2 as suggested by Mr. Nelson; the results from Hole No. 1 probably will indicate whether we can drill No. 2 or Alternate No. 2.

We considered the practicability of trenching before we set up the original proposal. This idea was discarded because, in view of the transportation difficulties, we think that the cost of obtaining decisive results would be excessive.

Because the local helicopter will not be available after June 15, it is most important that they start to move in by very early June; therefore I hope that you can push this through quickly.

S. H. Lorain

Enclosures
cc: Velikanje
Herdlick

F.T. Memo

Cost Analysis and Summation

Drilling

Item	Rate	Cost Per Foot	Total (1500 ft.
Mobilization		$ 2.00	$ 3,000.00
Drilling	$9/ft.	9.00	13,500.00
Moving & setting up Est. 10 shifts	$86/shift	0.57	860.00
Reaming for equiv. cementing) Est. 500 ft.	$3.00/ft.	1.00	1,500.00
Extra helper Est. 12 weeks	$2.75/hr.	1.41	2,112.00
			20,972.00
Total Independent contracts		$14.00	$ 21,000.00

Miscllaneous

Assays - 300 U_3O_8 or equiv. @ $5.00	1,500.00
Engineering, supervision, and accting	1,500.00
Contingencies	1,000.00 ?
	$225,000.00

-C-O-P-Y-

May 7, 1957

Southeastern Mining & Exploration Co., Inc.
Post Office Box 1121
Juneau, Alaska.

(Estimate of Jesse Snyder
Local Drilling Contractor)

Attention: Mr. Robert Boochever

Gentlemen:

We are pleased to submit the following breakdown of our Estimated Drilling Costs, for exploration work on your William Henry Bay property, as requested in your letter of April 25, 1957

Item No. 1 Wages - Three Men Drill Crew for 12 weeks.		
Driller Foreman - @ $ 4.33 per hour - 56 hour week	277.12	
Driller Helper - 3.61 " " - 56 " "	231.04	
Driller Helper - 3.61 " " - 56 " "	231.04	
Total Wages for 12 weeks, including time from Juneau to Drill Site and return to Juneau.	739.20	8,870.40
Item No. 2 Rental		
Rental of Drill, all Drilling Accessories, Water pumps and piping. All equipment to be shipped from the States and returned to the States after completion of work.		
150 - Days Estimated Rental Time @ $ 35.00 per day		5,250.00
Item No. 3 Supplies, Drilling Tools, and Tool Loss		
A. Gasoline, Oil, Lubricants, Stove Oil & Etc. FOB Juneau	600.00	
B. Bits, Reaming Shells, Core Springs		
16 - Diamond Bits @ $ 110.00 each	1,160.00	
5 - Reaming Shells 80.00 each	400.00	
30 - Core Springs 3.00 each	90.00	
C. Estimated Drilling Equipment Loss	550.00	2,800.00
Item No. 4 Transportation		
A. Mobilization - From Juneau to Drill Site via Truck, Boat, and Helicopter 3 - days	2,500.00	
B. Demobilization - From Drill Site to Juneau via Helicopter, Boat, and Truck 3 - days	2,500.00	
C. Standby Time - For Crew and equipment while waiting for Helicopter to Mobilize and Demobilize. Daily rate @ $ 170.00 for 7 days	1,190.00	
D. Rental for 18' boat and outboard motor for 12 weeks @ $ 10.00 per day. 84 days	840.00	7,030.00

2 - Mr. Robert Boochever May 7, 1957

Item No. 5	Operating Overhead		
A.	Bookkeeping, Insurance, Rent, Interest, Etc.	2,240.00	
B.	Core Boxes, Sample Sacks & Tags	500.00	
C.	Sludge Saving Equipment	100.00	
D.	Misc. Tools, Power Saw, Etc.	950.00	
E.	Supervision, Organization, & Expediting	2,600.00	
F.	Communications - Telephone, Telegrams, Radio	400.00	
G.	Insurance - Airlift, Moving Equipment	480.00	
H.	Taxes - Payroll, Property, Etc.	887.00	8,157.00
Item No. 6	Technical Services		
A.	Mining Engineer, Mapping, Etc.	1,000.00	
B.	Expenses	450.00	1,450.00
	Total Estimated Drilling Costs		33,557.40

Item No. 1	Wages	8,870.40
2	Rental	5,250.00
3	Supplies	2,800.00
4	Transportation	7,030.00
5	Operating Overhead	8,157.00
6	Technical Services	1,450.00
	Total	33,557.40

Sincerely yours,

Andrew M. Haskins
Secretary

cc/ Mr. S. H. Lorain
Bureau of Mines
Juneau, Alaska

-C-O-P-Y-

Boyles Bros.
Drilling Company

Diamond Core Drilling
Mining
Quarries
Shaft Sinking
Tunnel Driving

Contractors - Engineers - Geologists

General Offices
1321 South Main Street Phone HUnter 4-4401
Salt Lake City 15, Utah

May 6, 1957 Reply to: S.L.C.

Mobilization	At cost plus 10%
Labor	$3.75 per hour and $2.75 per hour for helpers. Cost $4.00 per foot.
Diamonds	$1.20 per foot.
Supplies	$1.25 per foot.
Equipment Rentals	$ .50 per foot.
Transportation	$ .30 per foot.
Payroll Taxes & Misc. Charges such as group Insurance, vacations, etc.	$ .34 per foot.
Administration	$ .90 per foot.
Profit (Est)	$1.00 per foot.

-C-O-P-Y-

Boyles Bros.
Drilling Company

Diamond Core Drilling
Mining
Quarries
Shaft Sinking
Tunnel Driving

Contractors - Engineers - Geologists

General Offices
1321 South Main Street Phone HUnter 4-4401
Salt Lake City 15, Utah

May 6, 1957 Reply to: S.L.C.

Mr. R. Boochever
Faulkner, Banfield & Boochever
P. O. Box 1121
Juneau, Alaska

Dear Mr. Boochever:

We have been awaiting Mr. Kness' report concerning the proposed drilling program and as he was unable to visit the property it makes a firm bid rather difficult. Now that we do have his report we find that you have requested a breakdown of costs to apparently go with the bid. This of course, is very unusual, and you must realize I am sure, something we seldom do. However, no doubt the Bureau of Mines needs some figure to justify the bid we may make, if this is the case, and if we are the only bidder, we will submit them to you as requested. Following is our bid for the job.

1. Mobilization and Demobilization to and from the beach $3,000.00

2. Drilling Rate for holes up to 500 feet in depth $9.00 per foot.

3. Moving and Setting up including the assembly of the drill for the first hole, and dismantling the drill for demobilization, $86.00 per shift. This rate to also be used for setting up and tearing down camp.

4. Reaming if necessary $3.00 per foot for all sizes.

5. Cementing if necessary $86.00 per shift plus the cost of cement.

6. We understand your company would supply one man to take care of the core and camp. This has been assumed, and is taken into consideration in the foregoing rates.

Mr. Kness said you intended to supply the helper, however, on a job of this nature if only two men are involved we always use a third man to handle supplies and take care of the camp and help with cooking. If it was your intention to supply two men please let us know and we will adjust the rates accordingly.

If there are any questions concerning the quotation, please contact Frank Kness by phone at Ketchikan.

Yours very truly,

A. F. Goldsworthy
Manager, Drilling Division

AFG/em

Wash.

-C-O-P-Y-

Law Offices of
FAULKNER, BANFIELD & BOOCHEVER
P. O. Box 1121
Juneau, Alaska

Herbert L. Faulkner
Norman C. Banfield
Robert Boochever
Frank M. Doogan
John H. Dimond

April 22, 1957

Official
~~EXTRA~~ COPY
D M E A
RECEIVED 1957

DATE	IN	CODE

Mr. S. H. Lorain
Executive Office
Alaska District, Region One
United States Department of Interior
Defense Minerals Exploration Administration
P. O. Box 2688
Juneau, Alaska

Dear Mr. Lorain:

In accordance with your request, the following are a list of those to whom we have requested bids pertaining to the exploration program to be carried out by Southeastern Mining & Exploration Company, Inc. under the DMEA program:

Harold Vivian, Diamond Drill Contractor, Kellogg, Idaho
Boyles Bros. Drilling Company, 1321 South Main Street, Salt Lake City 15, Utah
Malcom McPherson, McPherson Drilling Company, Montrose, Colorado
Moab Drilling Company, P. O. Box 837, Moab, Utah

We have had a reply from Boyles Bros. and I am enclosing a copy herewith. Since receiving this reply, we have requested Boyles Bros. to submit a formal bid but this bid has not been received. We do not feel that the Boyles Bros. reply may be considered as establishing the value of the work since it has not been presented to us in bid form. We did feel you might wish to have the information contained in their letter however, and for that reason have made a copy of it.

Thank you for your continued cooperation.

Very truly yours,

FAULKNER, BANFIELD & BOOCHEVER

by /s/ Bob

R. Boochever

RB:sp
Enc.

-C-O-P-Y-

Diamond Core Drilling
Mining
Quarries
Shaft Sinking
Tunnel Driving

BOYLES BROS
Drilling Company

Contractors - Engineers - Geologists
General Offices
1321 South Main Street Phone HUnter 4-4401
Salt Lake City 15, Utah

Reply to: S.L.C.

April 2, 1957

Mr. R. Boochever
Faulkner, Banfield & Boochever
Box 1121
Juneau, Alaska

Thank you for your letter of March 26th concerning the proposed drilling program on the Lynn Canal. We are definitely interested in bidding on the job, as we have kept equipment in Alaska with the idea of being able to service the area properly.

We will have our Field Superintendent, Mr. Frank Kness, call on you as soon as he returns to Ketchikan on April 15th. However, we can give you some rough estimates as to costs at this time. We would estimate the drilling cost at approximately $11.00 per foot for AX size core and 500 foot holes. This would include mobilization of crews and equipment, moving into job, between holes and moving back out. This does not include the actual cost of the helicopter which you probably can check right at Juneau as I remember seeing one at the airport. The heaviest piece of equipment is the motor which could be stripped to 300 lbs, but weighs 400 lbs. intact. Following is a list of equipment necessary for drilling operations:

Drill	2,000 lbs.
Pump	375 lbs.
500 ft. Drill rods & Core barrels, etc., @ 3.3 lbs. per foot.	
100 ft. Casing @ 3.3 lbs. per foot.	
Water supply hose, etc.	300 lbs.
Tools	300 lbs.
Supply Pump	100 lbs.
Gasoline, 100 cans @	33 lbs. per can.
Grease	100 lbs.
Oil	100 lbs.
Misc. equipment, camp, etc.	2,000 lbs.

We would estimate the cost for this would be around $5,000.00 in and out. Camp would be run at cost which generally amounts to about $600.00 per month more than we can collect from the drillers.

-C-O-P-Y-

Mr. R. Boochever
Faulkner, Banfield & Boochever

April 2, 1957
Page #2

The figures mentioned here are for estimating purposes only and may be higher than the actual bid. Should you wish to have us bid on this job, we would appreciate notification as soon as possible, as we are now formulating our plans for the seasons work. We can have Mr. Kness call on you if you notify us as to your intentions.

Very truly yours

A. F. Goldsworthy
Manager, Drilling Division

AFG:bg

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/12	Murphy	700
"	Ellis	700
4/12	Selfridge	130
"	Jordan	110
"	Mittenbergf	100
4/15	C	220
		700

APR 12 1957

Mr. S. H. Lorain
Executive Officer
DMEA Field Team, Region I
Alaska District
P. O. Box 2688
Juneau, Alaska

Re: Docket No. DMEA-4710 (Uranium-columbium) rare earths)
Southeastern Mining & Exploration Co., Inc.
Lucky Six Group
Juneau Mining District, Alaska

Dear Mr. Lorain:

The captioned application is referred to the Field Team, Region I, Alaska District, for additional data.

Enclosed are copies of memoranda, dated April 5, 1957, by James Paone, USBM, and N. E. Nelson, USGS, relating to the application. Also enclosed for Field Team use is one copy of the application.

We note that the subject application was prepared in close consultation with the Field Team; also, that the Field Team will recommend the proposed work.

Regarding the exploration of the property, has the Field Team considered additional trenching across the faults before drilling?

It appears that the subject claims warrant a small amount of exploration. Therefore, will you kindly forward the information and maps required to prepare a proposed contract. Prior to forwarding these data, the Field Team should request the Applicant to submit copies of bids from three independent contractors for the work proposed. The bids could cover the total cost of the work; however, the cost of sample analyses should be a separate item. Also, the Field Team's data should contain a breakdown of the unit cost of the work in order that this office may judge whether or not the bids submitted are equitable.

Mr. Nelson's comment in regard to proposed drill hole No. 2 should receive consideration. Your comment regarding the addition of two claims to the application is noted.

APPROVED:

Frank D. Lamb (HB)
Member, Bureau of Mines

Thor H. Kiilsgaard (HB)
Member, Geological Survey

Sincerely yours,

George C. Selfridge (HB)
Chairman, Operating Committee

FMMurphy/gla
(4-9-57) 4-12-57
cc to: Admr.'s Reading File Code 700, Mr. Murphy
Operating Committee Mr. Kiilsgaard

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/9	Murphy	700
4/10	Ellis	700
4/12	Selfridge	130
"		110
"	Mittenderf	100
		220
		700

APR 12 1957

Mr. Howard C. Hayes, President
Southeastern Mining & Exploration Co., Inc.
P. O. Box 1121
Juneau, Alaska

Re: Docket No. DMEA-4710 (Uranium-columbium)
Lucky Six Group
Juneau Mining District, Alaska

Nelson
Lamb
Kilegaard

Dear Mr. Hayes:

The application for assistance in exploring your property, under the captioned docket number, has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. It has been referred to:

Mr. S. H. Lorain
Executive Officer
DMEA Field Team, Region I
Alaska District
P. O. Box 2688
Juneau, Alaska

The Regional Office will contact you in regard to your project if additional information is required.

Sincerely yours,

C. U. Mittenderf
(Cyesy)
Administrator

FMMurphy/gla
4-9-57
cc to: Admr.'s Reading File
Code 700, Mr. Murphy
DMEA Field Team, Region I, Alaska Dist. (2)

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OFFICIAL FILE COPY
DMEA
RECEIVED APR 8 1957

DATE	INITIALS	CODE
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		700

April 5, 1957

4710

Uranium
Southeastern Mining & Expl. Co. Inc.

Juneau Mining District
$25,000.00

Ernest William Ellis, DMEA Member
Uranium Commodity Committee
James Paone, Bureau of Mines Alternate Member
Uranium Commodity Committee

Application

3/29/57 4/4/57

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED APR 8 1957

DATE	INITIALS	CODE
4/8	C	220
"	Murphy	700

correspondence complete

April 5, 1957
Re: DMEA 4710
Southeastern Alaska Mining & Exploration Co., Inc.
Lucky Six Group
Juneau Mining District, Alaska
$25,000.00 - Uranium, columbium

Memorandum

To: ~~E. W. Ellis~~, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application and the equivalent of a Field Team Report.

The applicant requests assistance in exploring by diamond drilling a small area containing newly discovered occurrences of base metal sulfides and radioactive material, and a small part of a larger area, 1,500 x 3,000 feet, in which anomalous radioactivity has been indicated by airborne scintillometer surveys.

The general radioactivity is tentatively assumed to be related to several inferred fault zones which are marked by depressions but have not otherwise been tested in detail. The fault zones traverse a dioritic stock, intrusive, as now taken, into (Paleozoic?) volcanics.

?, are [illegible]

As of now, part of the proposed drilling is prospective in nature, but with the completion of holes 1 and 2, holes 3 and 4 could become exploratory holes. (If drilled, hole no. 2 should be spotted west of the inferred fault, if at all possible, and steepened if necessary to keep it in the rock.)

Referral of this application will serve small purpose, inasmuch as representatives of Federal and Territorial agencies have been on the ground and the Field Team has assisted in preparation of the application and has aimed, I assume, to incorporate most of the ascertainable information in the document.

The Field Team recommends that the pioneer work proposed be approved. I concur with the recommendation.

N. E. Nelson

N. E. Nelson

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

April 3, 1957

Mr. Howard C. Hayes, President,
Southeastern Mining & Exploration Co., Inc.,
P.O. Box 1121,
Juneau, Alaska.

Subject: DMEA 4710

Dear Mr. Hayes:

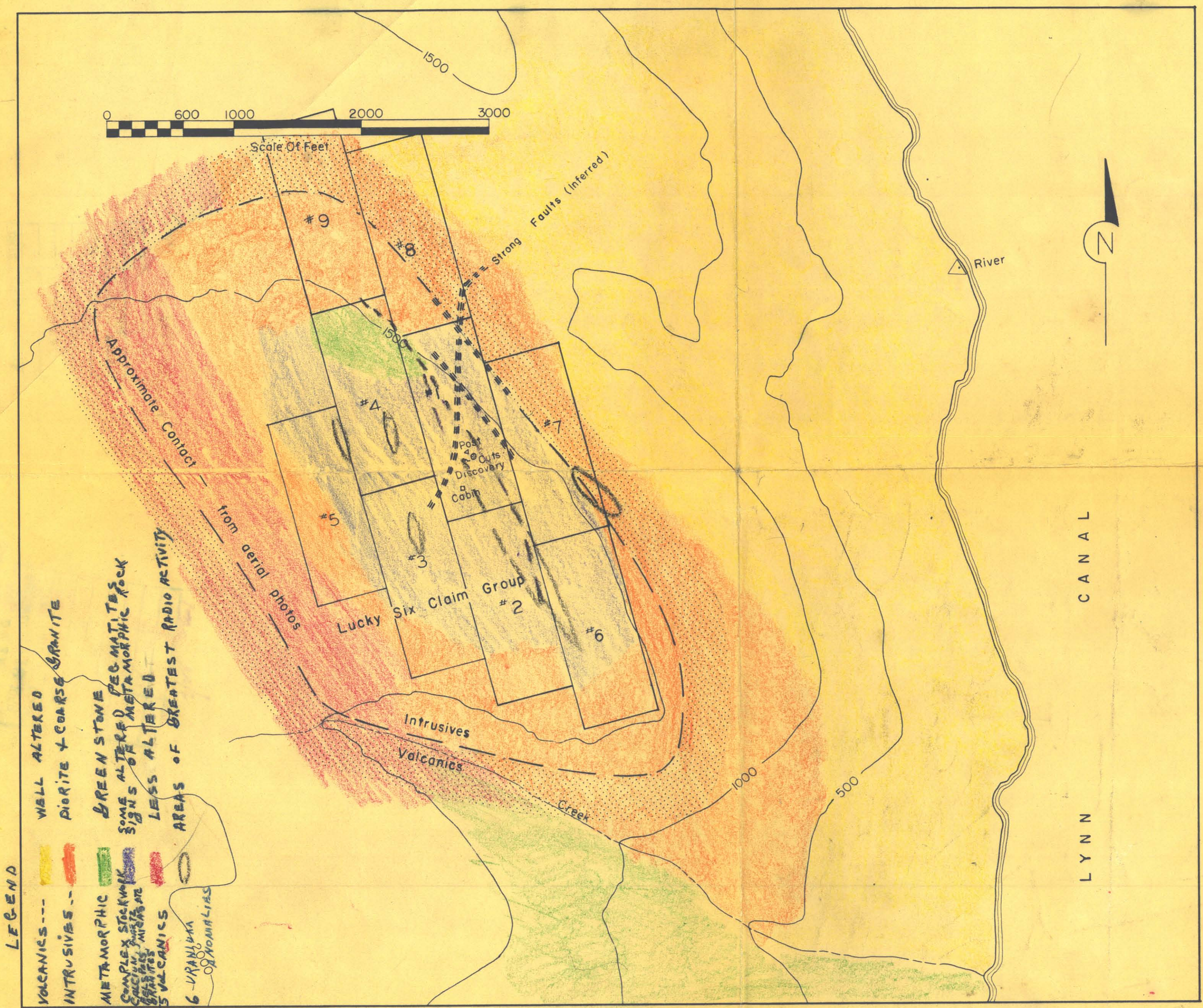
Your application for exploration assistance, dated March 27, 1957, submitted to our office at Juneau, Alaska, has been assigned Docket Number DMEA 4710 and referred to the Rare & Misc. Metals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

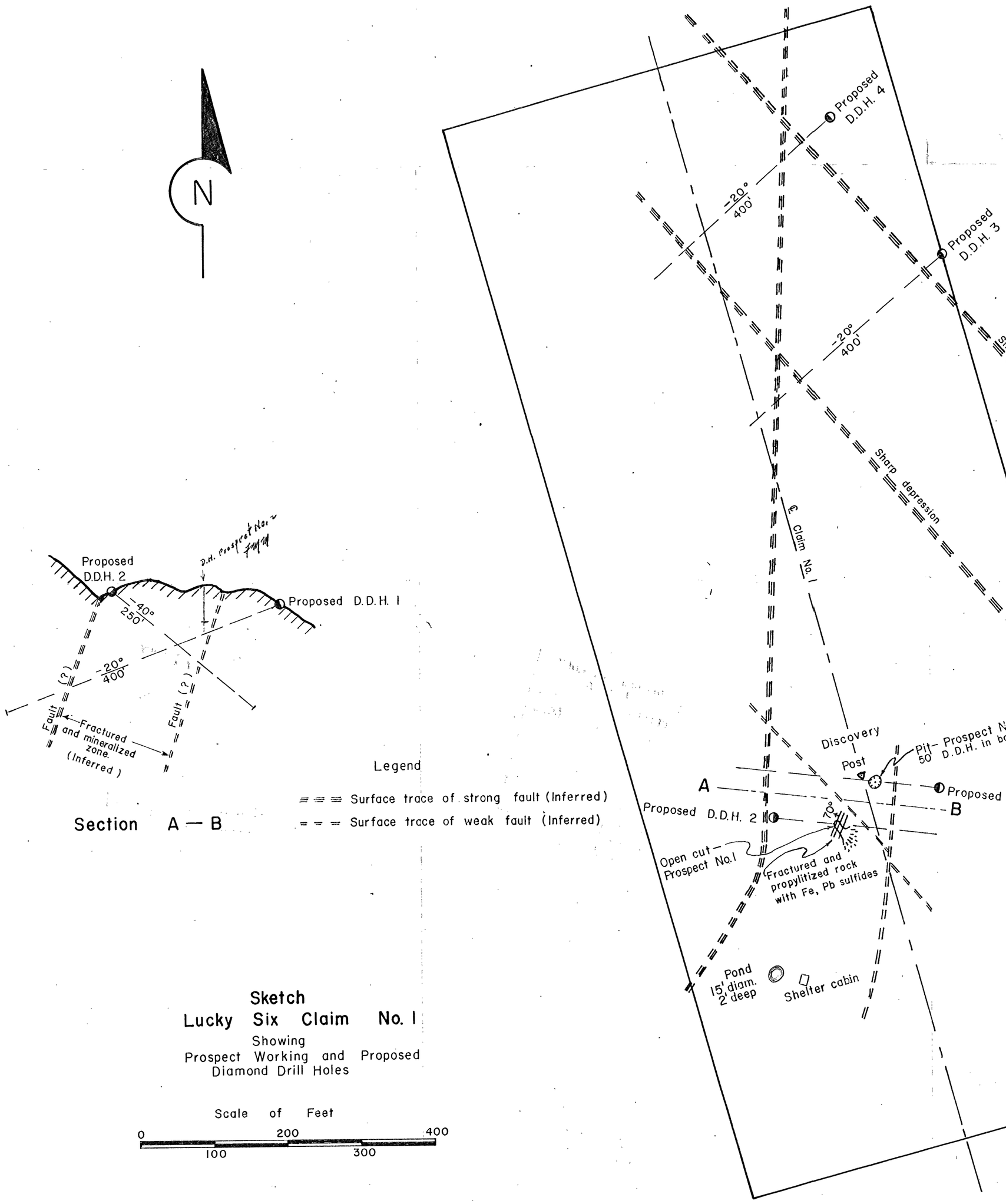
Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to: Region I-Alaska.

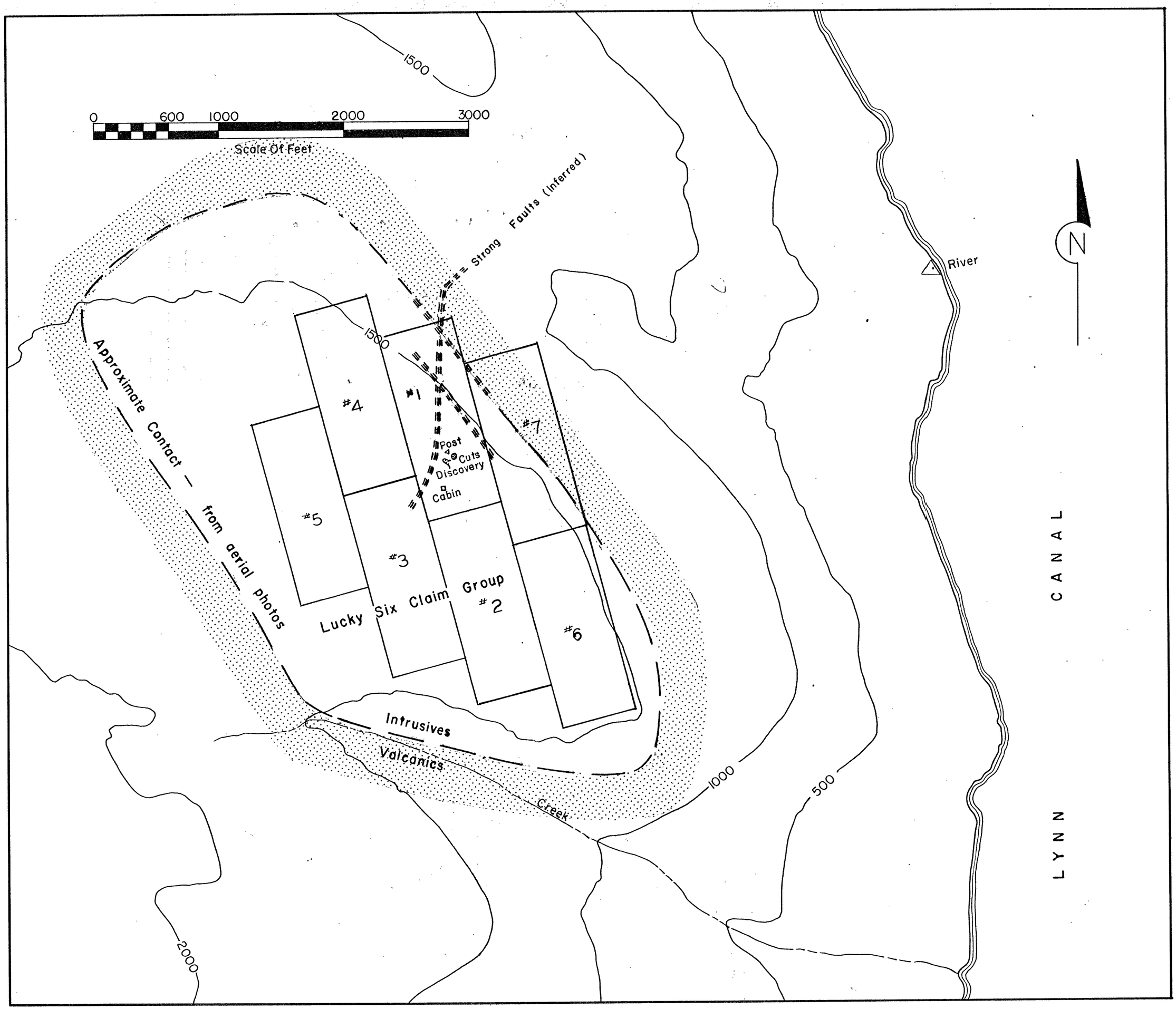
6416



Map of Radioactive Area near William Henry Bay, Southeastern Alaska



Sketch
Lucky Six Claim No. 1
Showing
Prospect Working and Proposed Diamond Drill Holes



Map of Radioactive Area near William Henry Bay, Southeastern Alaska

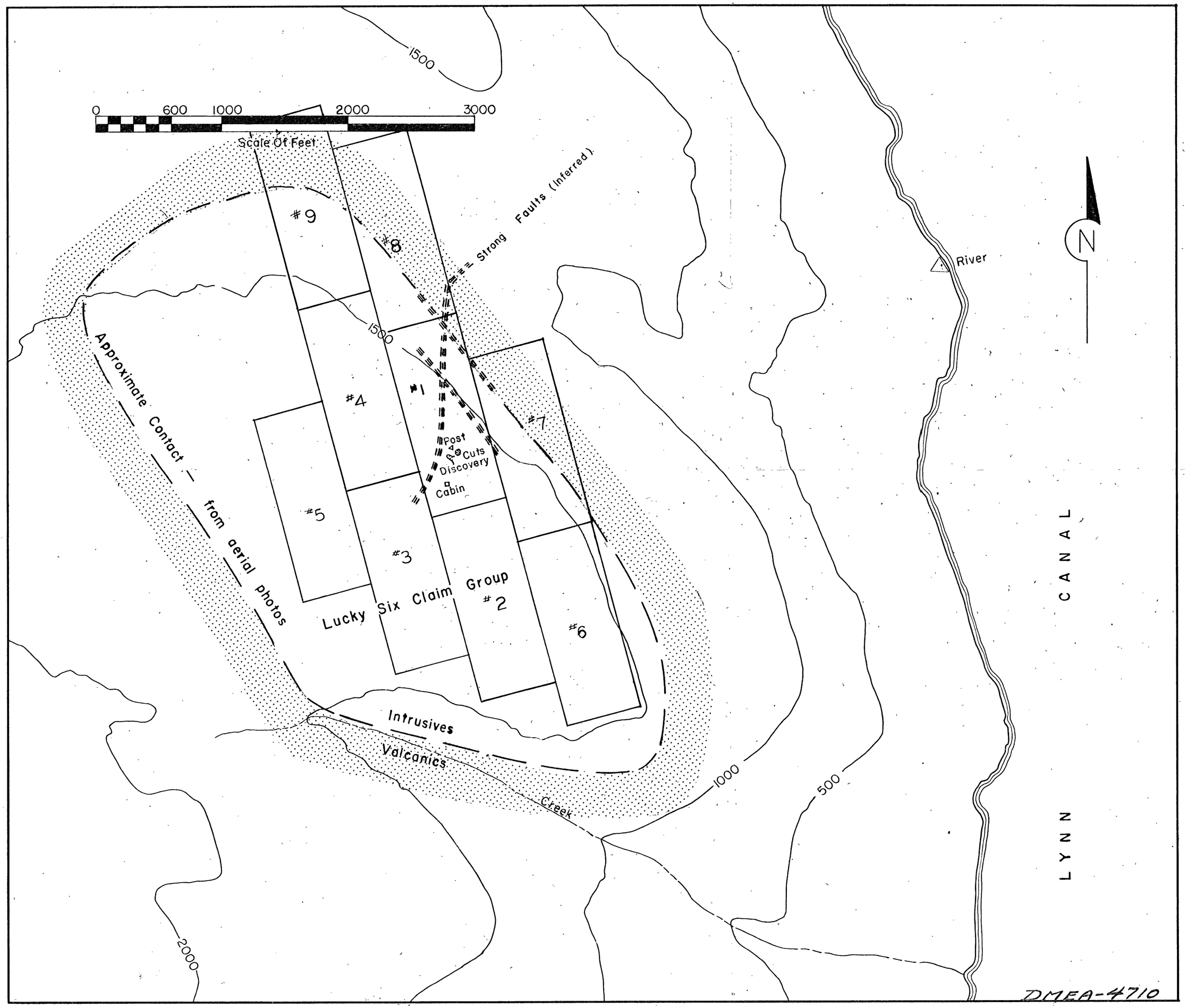
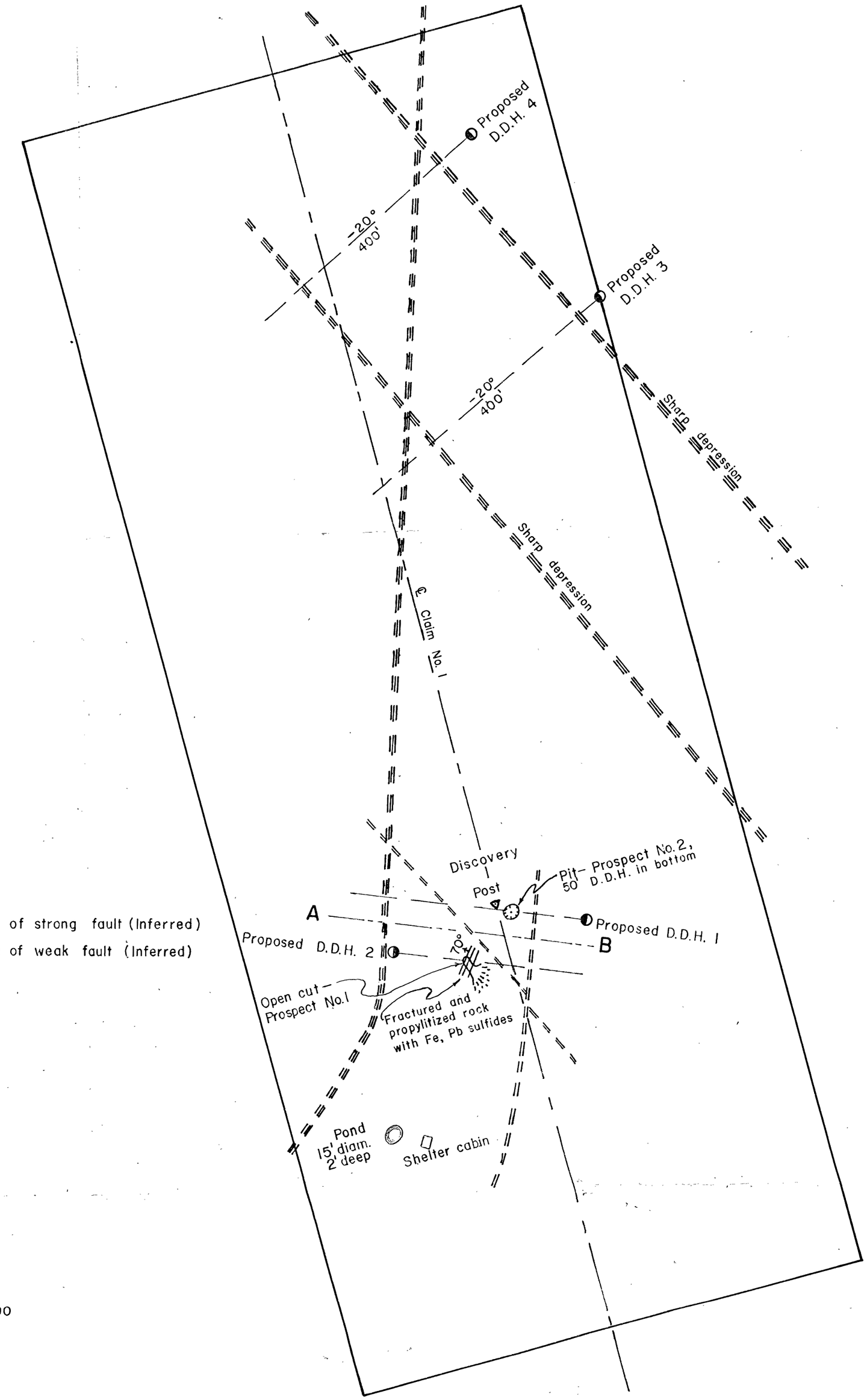
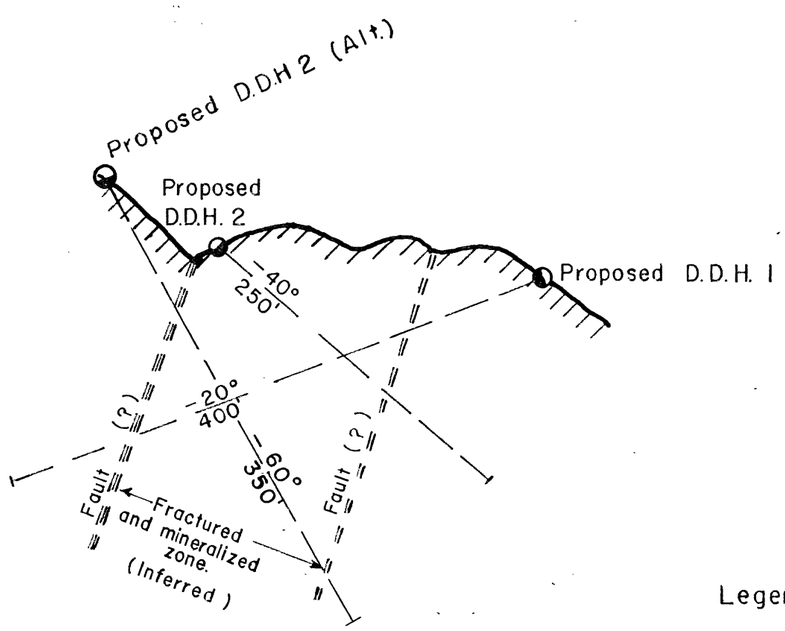


Figure I — Map of Radioactive Area near William Henry Bay, Southeastern Alaska





Section A — B

Legend

≡ ≡ ≡ Surface trace of strong fault (Inferred)

= = = Surface trace of weak fault (Inferred)

Sketch-Figure-2

Lucky Six Claim No. 1

Showing
Prospect Working and Proposed
Diamond Drill Holes

Scale of Feet

0 100 200 300 400

DMEA-4710

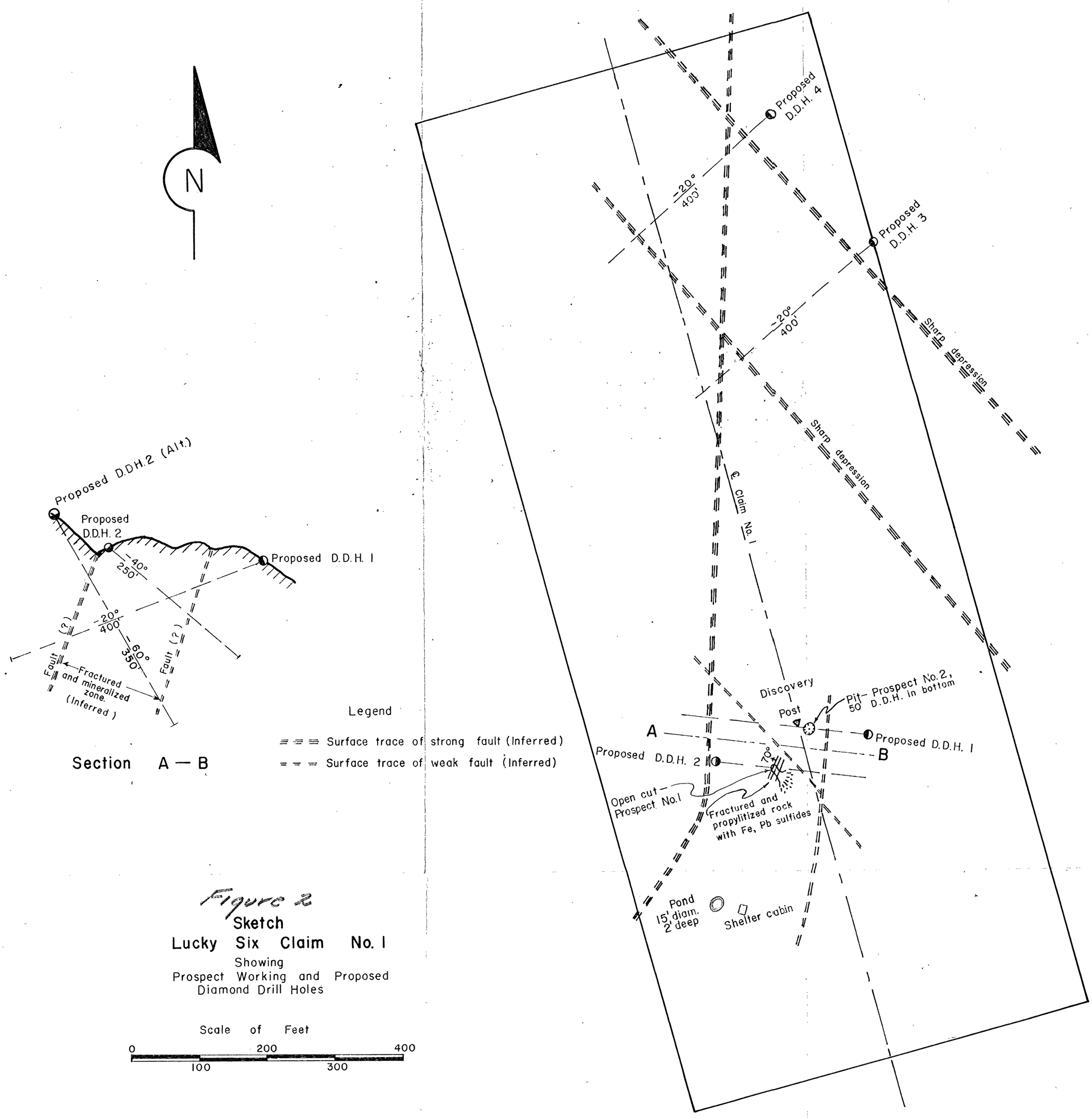


Figure 2

Sketch

Lucky Six Claim No. 1

Showing
Prospect Working and Proposed
Diamond Drill Holes

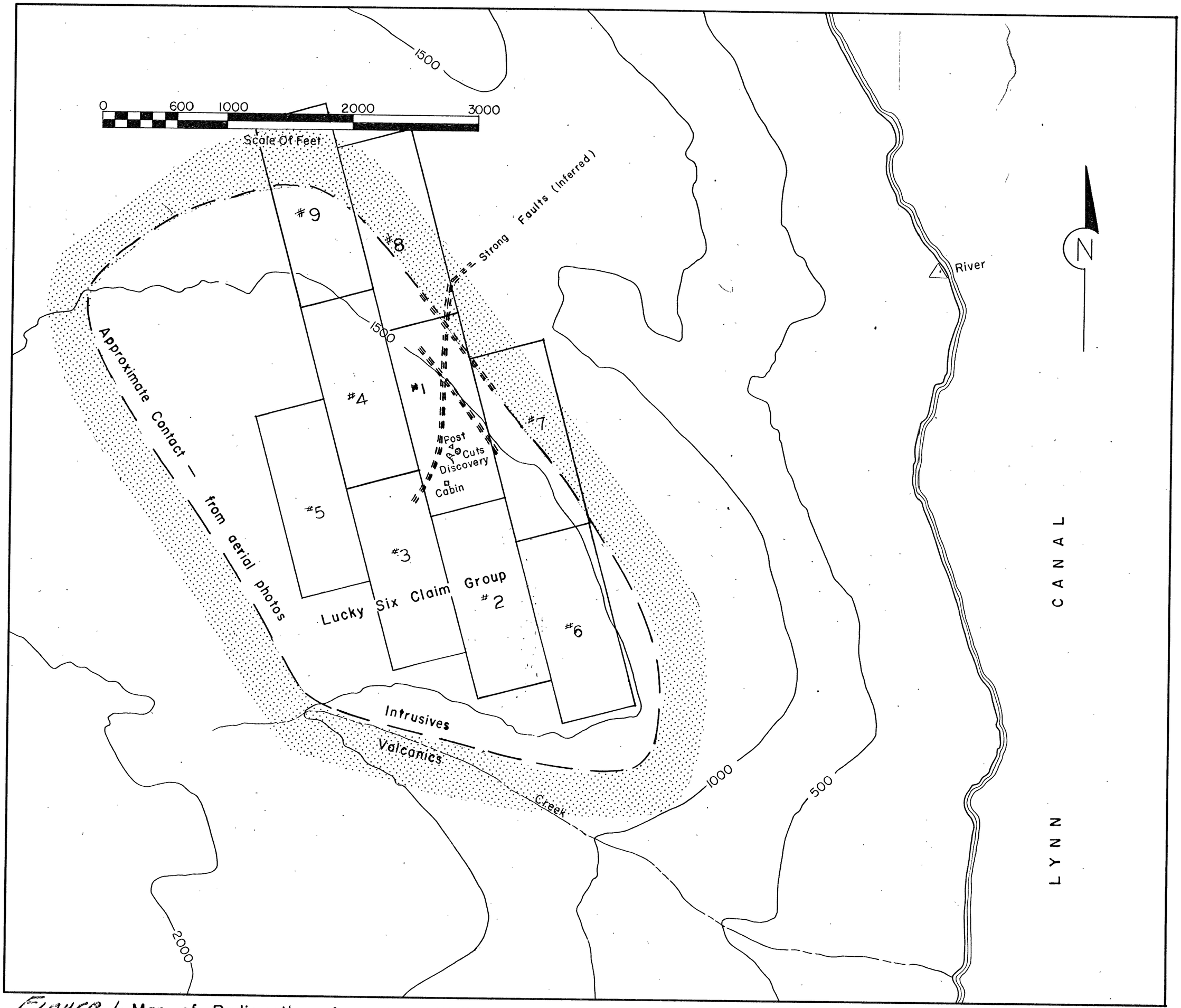
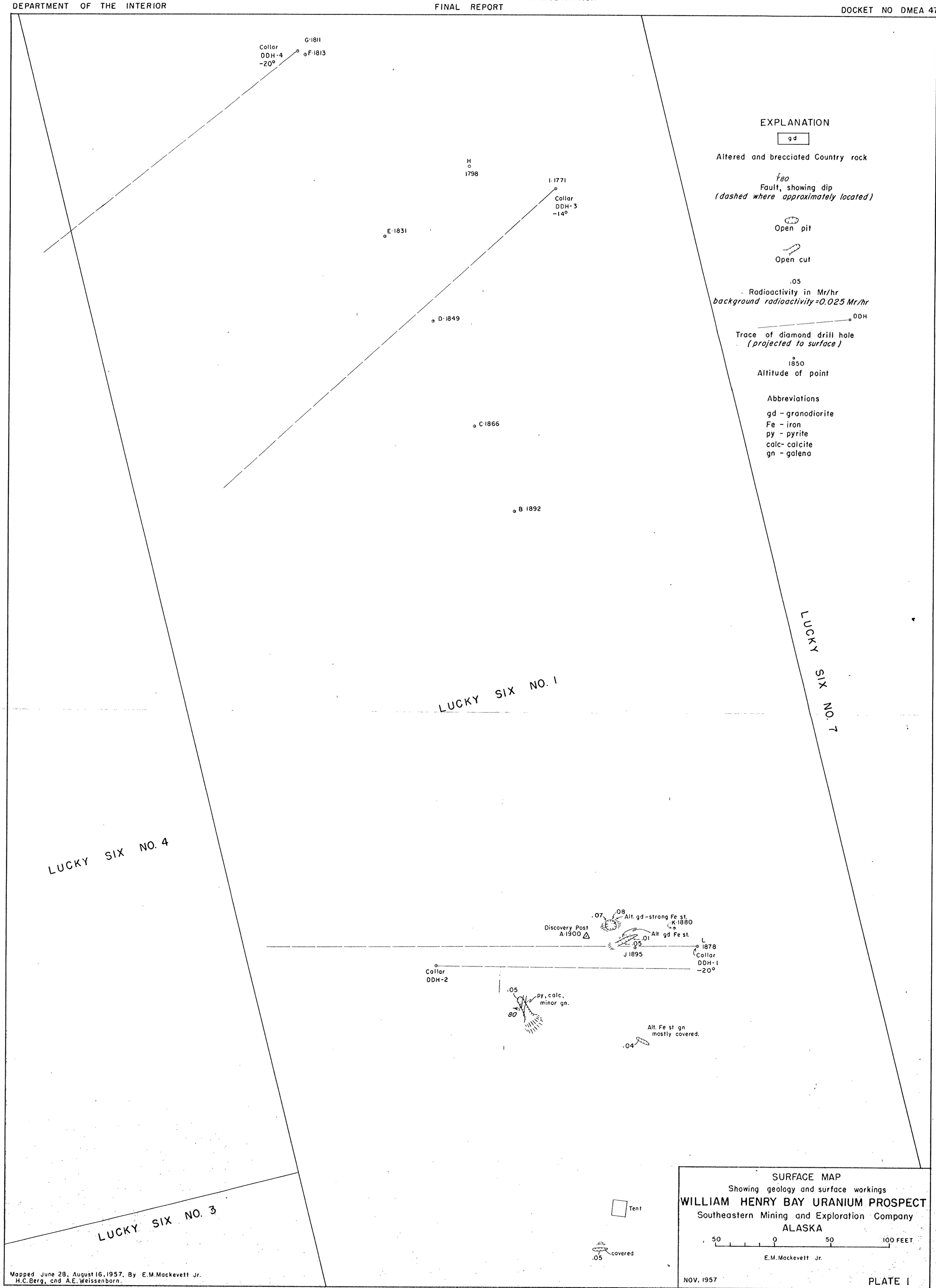


Figure 1—Map of Radioactive Area near William Henry Bay, Southeastern Alaska

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
FINAL REPORT

DOCKET NO DMEA 4710



SURFACE MAP
Showing geology and surface workings
WILLIAM HENRY BAY URANIUM PROSPECT
Southeastern Mining and Exploration Company
ALASKA

50 0 50 100 FEET

E.M. Mackevett Jr.

NOV. 1957

PLATE I

Mapped June 28, August 16, 1957, By E.M. Mackevett Jr.
H.C. Berg, and A.E. Weissenborn.

Recd w/ F.T. final report