DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 153 — DMEA NO. 864

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [x] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [x] Royalty Audits
- [x] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. 2 : Reports
- [x] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

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

Folders No. _____ : Maps (Use pocket folder or envelope)

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. 3 : Royalty material

Reported Inactive 12/28/59

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-8133, Docket No. DMEA-864 (Tungsten), dated September 5, 1951, with

McRae Tungsten Corporation
c/o Robert McRae
Boise, Idaho

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as the Snowbird Group of Claims located in Valley County, Idaho, during the period December 15, 1956, through January 24, 1961.

A certification of discovery or development was issued on February 5, 1953, and, in accordance with Article 15 of the contract, royalty is payable on all minerals mined or produced as a result of such discovery or development for a period of 10 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. An Audit Certificate dated December 18, 1953, indicated accepted costs under the exploration contract amounting to $15,710.96 with the Government's contribution, on a 75 percent basis, being $11,783.22.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established the total sales of tungsten concentrates for the period to be $9,861.04. Royalty due the Government at rates specified in the contract is $493.05.

A prior Royalty Audit Certificate found the sales subject to Government royalty through December 14, 1956, to be $89,877.76 which added to the sales for this subsequent period make a total of $99,738.80. The royalty account as of December 14, 1956, was:

Total Royalty Due	$4,493.89
Total Royalty Paid	2,645.76
Balance of Royalty Due	$1,848.13

At January 24, 1961, the royalty account of this project was found to be:

Total Royalty Due	$4,986.94
Total Royalty Paid	4,986.94
Balance of Royalty Due	$ -0-

E. D. Talbert

E. D. Talbert, OME Auditor

January 25, 1961

Idm-R133 McRae Tungsten Corporation DMEA-864

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This project has been inactive since mining and milling operations were discontinued on March 18, 1957, to await more favorable tungsten prices. Unsold production consists of 430.8 short ton units of WO_3 stored in Peasley's Warehouse, Boise, Idaho, and ½ tons of concentrates averaging about 15% WO_3 stored in a warehouse at Big Creek, Idaho.

My review included a recomputation of the liquidation statement covering the only sale of production consummated after the period covered by the Royalty Audit Certificate dated January 10, 1957. This was the Operator's Lot No. 6, 185.376 short ton units, purchased by the General Services Administration, Boise, Idaho, on February 5, 1957.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(a) A review of the files indicates that all production, except the unsold and stored production stated above, has been sold and proper royalty thereon has been paid; and

(b) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED JAN 1957 D.M.E.A.

SECOND ROYALTY AUDIT CERTIFICATE

I have examined the records and sales documents pertaining to the sale of tungsten concentrates for the period of June 14, 1955 to December 14, 1956, by the

McRae Tungsten Corporation
Stibnite, Idaho

WSM

produced from the Snowbird Group of Claims, located in the Big Creek Mining District, near Stibnite, Valley County, State of Idaho, under the terms of Contract No. Idm E. 133, Docket No. DMA 864 (Tungsten) dated September 5, 1951, as amended.

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

The audit established the net sales of tungsten concentrates for this period to be $36,962.67. Royalty due the United States Government at the contract rate of 5 per cent is $1,848.13.

The First Royalty Audit for the period of September 5, 1951 to June 14, 1955 found the sales to be $52,915.09 which, added to the sales of this period, make a total of $89,877.76 as of December 14, 1956. The royalty account as of June 14, 1955 was

Total Royalties Due	$2,645.76
Total Royalties Paid	2,492.52
Balance Royalties Due	$ 153.24

As of December 14, 1956, the royalty account of this project was found to be

Total Royalties Due	$4,493.89
Total Royalties Paid	2,645.76
Balance Royalties Due	$1,848.13 ✓ paid up

C. A. Turner

C. A. TURNER, Auditor

January 10, 1957

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

JAN 20 RECEIVED

SECOND ROYALTY AUDIT REPORT

I INTRODUCTION

On December 14, 1956, an audit was made of the production, sales and royalty accounts and records of

McRae Tungsten Corporation
Stibnite, Idaho

pertaining to the sale of tungsten concentrates during the period of June 14, 1955 to December 14, 1956, produced from property known as the Snowbird Group of Claims, located in the Big Creek Mining District near Stibnite, Valley County, State of Idaho, on which royalties are due the United States Government under the terms of Exploration Project Contract No. Idm E 133, Docket No. DMA 864, dated September 5, 1951 as amended.

The production and sales records pertaining to this contract are maintained by Mr. McRae and are located at his office, 1701 Gourley Street, Boise, Idaho.

During the on-site audit, Mr. Robert J. McRae, President of the Corporation, and Mr. John D. Bardill, Metallurgist, U. S. Bureau of Mines, and Field Team representative Region 1, Northwest District, were present and assisted in the audit.

II. GENERAL INFORMATION

The Exploration Contract provides that should the Government, within six months after completion or termination of the exploration project certify that a discovery or development has resulted from the work, the Operator and his successor in interest shall be obligated to pay a percentage royalty on the net smelter returns or other net proceeds realized from the ore, concentrates, or metals produced within ten years from the date of the contract until the total amount contributed by the Government, without interest, is fully repaid or said ten years have elapsed, whichever occurs first. A certificate of discovery or development was issued February 5, 1953.

An audit certificate and Audit Report dated December 18, 1953 was issued by Mr. Robert M. Hull, DMEA Auditor, which disclosed the Accepted Costs of exploration to be $15,710.96 with the Government's contribution, on a 75 per cent basis, being $11,783.22.

The First Royalty Audit Certificate and First Royalty Audit Report dated June 17, 1955, issued by Mr. C. E. Fisher, DMEA Auditor, covering the period of September 5, 1951 to June 14, 1955 indicated

Total Royalties Due	$2,645.76
Total Royalties Paid	2,492.52
Total Royalties Unpaid	$ 153.24

This second royalty audit extends the period covered by audit to December 14, 1956.

III. SCOPE OF AUDIT AND FINDINGS

A. Conference with Examining Engineer

A conference with Mr. John D. Bardill, examining engineer, disclosed the following:

(a) The Operator is milling tungsten concentrates of commercial grade which he is stockpiling. These concentrates will be sold when the market becomes favorable. An accurate record is being kept of all ore stockpiled, which the examining engineer considers and this auditor agrees is adequate.

(b) All production from the mine is subject to DMEA royalties.

(c) The Operator does stockpile low grade ore and tailings which may have a potential value, depending on future market conditions.

(d) Assay controls are deemed adequate.

(e) The manner of disposing of production is considered as giving the Government its fair royalty returns.

(f) Periodic examinations by the examining engineer indicated that the Operator is properly reporting the current production subject to DMEA royalties.

(g) The Operator does not buy from or sell to other operators.

B. Audit of Settlement Statements

During this audit a statement of royalties received was prepared from copies of liquidation settlement sheets furnished by purchasers of ore in support of royalty payments made by such purchasers directly to the regional DMEA Executive Officer. The

royalty receipts were verified with deposits made by the Regional Finance Officer. All of the data included in the statement were confirmed by detailed recomputation. This statement which is filed as a part of my audit work papers, was reconciled with the production and sales records in the company's office during the on-site audit.

The Operator's Lot 6, shipped December 7, 1956, to the General Services Administration and stored at the Peasley Storage Company, Boise, Idaho, is not included in this audit. This shipment consisted of 6,053.3 pounds of concentrates. The amount of royalty due in connection with this shipment has not been included in this audit report because settlement had not been made by General Services Administration and the data necessary to compute the value of this shipment and the royalty due thereon were not available at the time of the audit.

IV. CONCLUSIONS

A summary analysis of the Operator's sales of concentrates to the General Services Administration, the Mineral Recovery and Engineering Company and the Salt Lake Tungsten Company subject to DMEA royalties follows:

	G.S.A.	M.R.E.Co.	S.L.T.Co.	Total
Short Dry Tons	20.436	1.058	40.273	61.767
Short Ton Units	1286.742	54.541	333.98	1675.265
Average Percent WO_3	62.96%	51.52%	8.293%	27.12%
Net Receipts	$73,565.66	$3,064.71	$13,247.39	$89,877.76
Average Per STU	57.17	56.19	39.66	53.65
Royalty Percent	5%	5%	5%	5%
Royalties Due	$ 3,678.28	$ 153.24	$ 662.37	$ 4,493.89
Royalties Paid	2,064.24	153.24	428.28	2,645.76
Royalties Unpaid	1,614.04	None	234.09	1,848.13

Royalties Unpaid $1,848.13 were received by the Regional Finance Officer subsequent to the date of the on-site audit, which was made on December 14, 1956, as follows:

Salt Lake Tungsten Co. (check dated 12-18-56) January 5, 1957
General Services Adm. (check dated 1-3-57) January 9, 1957

The audit confirmed the accuracy and propriety of the royalty payments received by the Regional Finance Officer, applicable to concentrate sales for the period of September 5, 1951 to December 14, 1956. It has also determined that all indicated sales during such period have been properly accounted for.

C. A. Turner

C. A. TURNER, Auditor

January 10, 1957

Check Sheet of Examining Engineer

RECEIVED JAN 16 1957 D.M.E.A.

Operator's Name McRae Tungsten Corporation

Address 1704 Gourley Street

Boise, Idaho

Exploration Contract No. Idm-E133 Docket No. DMEA-864 (tungsten)

	Check One Yes	No
1. (a) Does the Operator stockpile ore subject to royalty repayment?	x	
(b) If so, is segregation and identification procedure adequate?	x	
2. (a) Does Operator commingle production subject to DMEA royalties with exempt production?		x
(b) If so, do you consider the allocation of the commingled production equitable?		
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?	x	
(b) If so, are adequate records maintained on such material to protect the Government's interest?	x	
4. Do you consider the assay controls in effect are adequate?	x	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	x	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?	x	
7. Does the Operator buy from or sell to other Operators?		x
8. Comment on any item 2 (b) to 6 if answer is No.		

John D. Bardill
Mining Engineer

Date December 26, 1956

82448

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JUL - 1 1955

dmea
864

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

FIRST ROYALTY AUDIT CERTIFICATE

I have examined the records and sales documents pertaining to the sale of tungsten for the period September 5, 1951, to June 14, 1955, by:

McMac Tungsten Corporation
Stibnite, Idaho

WSM

produced from the Snowbird Group of claims located in Big Creek district near Stibnite, Idaho, under the terms of Contract Idm-X133, Docket No. DMA-864X, including Amendments No's. 1 and 2.

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

The audit established the total sales of tungsten for this period, subject to repayment royalties, to be $52,915.09. Royalty due the U. S. Government at the contract rate of 5 per cent is $2,645.76. The royalty paid and balance due are as follows:

Total Royalties Due	$2,645.76
Total Royalties Paid	2,492.52
Balance of Royalties Due	$ 153.24

C. E. Fisher
C. E. Fisher, Auditor

June 17, 1955

Royalties
Audit

FIRST ROYALTY AUDIT REPORT

RECEIVED
JUL - 1 1955

I. INTRODUCTION

On June 14, 1955, an audit of royalty payments received covering the period September 5, 1951, to June 14, 1955, was made of the production records and sales accounts pertaining to Contract Idm-R133, Docket No. DMA-864X, including Amendments No's. 1 and 2, with:

McRae Tungsten Corporation
Stibnite, Idaho

covering a project of exploration for tungsten on property known as Snowbird Group of claims, located in Big Creek District near Stibnite, Idaho.

At the request of Mr. Robert McRae, president of the company, the audit was performed in the DMEA Field Office, Region I N.W. District, Spokane, Washington. The records made available by Mr. McRae consisted of a summary statement of the production and sales from the property since the date of the contract, together with the supporting production records, settlement sheets relating to sales and pertinent correspondence files. He stated that the company does not keep a set of general books and that he did not have the cash receipts and disbursements records with him. After discussion and verbal assurance from Mr. McRae that all sales of tungsten produced since the date of the contract had been included in the statement prepared by him, inspection of the cash records was waived.

Mr. John D. Bardill, metallurgist, Bureau of Mines, was present and assisted in the audit.

II. GENERAL INFORMATION

The exploration contract was dated September 5, 1951. According to audit report dated December 18, 1953, prepared by Mr. Robert M. Hull, DMEA auditor, the exploration work was completed by September 30, 1952, at a total accepted cost of $15,710.96 with the Government's participation, on a 75 per cent basis, amounting to $11,783.22.

Certificate of discovery or development was issued under date of February 5, 1953, to establish and fix the claim and lien of the Government under the terms of the contract for a

period of ten years from the date of the contract (September 5, 1951) or until the amount of the Government's participation ($11,783.22) has been repaid, whichever occurs first.

III. SCOPE OF AUDIT AND FINDINGS

A. Conference with inspecting engineer

This conference disclosed the following:

The operator does not stockpile ore subject to DMEA repayment royalties; neither are low grade ores, tailings or middlings stockpiled.

All production from the mine is subject to DMEA repayment royalties.

The assay controls in effect are considered adequate.

The manner of disposing of production is considered as giving the Government its fair royalty returns.

No examinations have been made of the property lately because the property has been snow-bound; however, it is anticipated that an examination will be made during July, 1955, at which time it will be determined whether the operator is properly reporting the production of ores subject to DMEA royalties.

B. Audit of Settlement Statements

Prior to the meeting with Mr. McRae, a statement of royalty payments received was prepared from copies of settlement sheets received by the executive officer from General Service Administration and the Salt Lake Tungsten Company accompanying their checks in payment of DMEA royalties. This statement is filed as a part of my audit working papers. All data was confirmed by detailed recomputation and was reconciled with the statement and underlying records presented by Mr. McRae for examination.

The audit disclosed that in addition to the sales on which DMEA royalties have been paid, two consignment sales were made to Mineral Recovery and Engineering Company, Wallace, Idaho, of tungsten not eligible for purchase by General Services Administration. Lot No. 3A was not acceptable under G.S.A. rules because it consisted of less than one ton. Lot No. 4 was not acceptable because it was less than

one ton, and contained less than 55 per cent WO_3. The consignee has performed any necessary up-grading and commingling with other tungsten owned by the consignee and has sold it to G.S.A. but has not yet received settlement from that agency.

The consignee has been instructed to pay the DMEA royalties directly to the Executive Officer when settlement is received from G.S.A. Details of the agreed quantities, prices, net proceeds and DMEA royalties due are as follows:

	Lot No. 3A	Lot No. A	Totals
Short dry tons	0.6123	0.4463	1.0586
Percent WO_3	64.12%	34.24%	
Short ton units	39.261	15.281	54.542
Price per STU:			
Base	$ 63.00		
Deductions	4.00		
Net	$ 59.00	$ 48.97*	
Sales price	$ 2,316.40	$ 748.31	$3,064.71
Royalty percentage	5%	5%	5%
DMEA royalty	$ 115.82	$ 37.42	$ 153.24

* Agreed price

IV. CONCLUSIONS

Analysis of the operator's production and sales, subject to DMEA royalties, follows:

	PURCHASER			
	GSA	SLT Co.	MR&E Co.	Totals
Short dry tons	10.458	25.867	1.0586	37.3836
Short ton units	695.745	198.277	54.541	948.563
Avg. percent WO_3	66.53%	7.67%	51.52%	25.37%
Net receipts	$41,284.81	$8,565.57	$3,064.71	$52,915.09
Average per STU	59.34	43.20	56.19	55.78
Royalty percentage	5%	5%	5%	5%
Royalties due	$ 2,064.24	$ 428.28	$ 153.24	$ 2,645.76
Royalties paid	2,064.24	428.28	-0-	2,492.52
Balance of Royalties due	-0-	-0-	$ 153.24	$ 153.24

The audit has confirmed the accuracy and propriety of the royalty due for the period September 5, 1951, to June 14, 1955; the amount of royalty payments received by the Finance Officer; and the balance of royalties due at the latter date.

On June 17, 1955, the audit findings were discussed with Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I N.W. District.

C. E. Fisher
Auditor

June 17, 1955

Check Sheet of Accompanying Engineer

Operator's Name McRae Tungsten Corporation

Address Stibnite

Idaho

RECEIVED
JUL - 1 1955

Exploration Contract No. Idm-E133 Docket No. DMA-864X

Date June 14, 1955

	Check One Yes	Check One No
1. (a) Does the Operator stockpile ore subject to royalty repayment?		x
(b) If so, is segregation and identification procedure adequate?	Not applicable	
2. (a) Does Operator co-mingle production subject to DMEA royalties with exempt production?		x
(b) If so, do you consider the allocation of the co-mingled production equitable?	Not applicable	
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		x
(b) If so, are adequate records maintained on such material to protect the Government's interest?	x	
4. Do you consider the assay controls in effect are adequate?	x	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	x	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?	See supplemental check sheet	
7. Comment on any item 2 to 6 if answer is No.		

John D. Bardill
Mining Engineer

67958

Supplemental Check Sheet

Operator's name: McRae Tungsten Corporation

Address: Stibnite, Idaho

Contract No. Idm-E133 Docket No. DMA-864X

2. (a) No. Operator's entire production is subject to DMEA royalty.

3. (a) The low grade ore that is discarded to waste is too low grade to have any potential value in the foreseeable future.

6. The property has not had a periodic examination since July 1954. An examination will be made in July 1955 when the roads have been plowed of snow, making the property accessible. Any discrepancies in the Operator's proper reporting of production will be noted at that time.

FILE COPY
400 SURNAME:
DOCKET COPY

Rutledge
Martin
Chandler
Hatfield
Hedges
Lindal
Selfridge

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

CERTIFICATION BY THE UNITED STATES OF AMERICA OF A DISCOVERY OR DEVELOPMENT UNDER AN EXPLORATION PROJECT CONTRACT

To: McRae Tungsten Corporation
Stibnite, Idaho

Pursuant to the provisions of Exploration Project Contract No. Idm-M133, dated September 5, 1951, (Docket No. DMA 864X), hereinafter called the "Contract," between you and the United States of America, hereinafter called the "Government," to establish and fix the claim and lien of the Government under the terms of the Contract, the Government hereby certifies that a discovery or development has resulted from the work under the Contract from which commercial production of ore may be made, in or upon that certain property situated in the State of Idaho, County of Valley, described as follows: The Snowbird Group of Claims in the Big Creek District as recorded at the Courthouse, Cascade, Idaho, Book No. 11, Page 569, October 1951, and consisting of the following claims: Snowbird, Tungsten, Tungsten No. 1, and White Metal No. 3.

The Government's estimate of said discovery or development is particularly described and delimited as follows: Tungsten in the form of scheelite and hubnerite occurs in quartz veins associated with pendants of quartzite and roughly paralleled by a series of dacite dikes. The quartz veins, quartzite pendants, and dacite dikes are situated in pegmatitic granitic rocks which are bounded by latite dikes. The latite dikes also are parallel to the general strike of the other formations.

Surface trenching, diamond drilling, drifting, raising, and sampling have largely outlined the tungsten-bearing ore bodies in the McRae and East Veins on the Tungsten Claim and have furnished sufficient data to calculate indicated ore reserves.

Surface trenching and sampling also have indicated small ore reserves in four other quartz veins within the area covered by the contract.

THE UNITED STATES OF AMERICA

By C D Mitteudorf
Administrator, Defense Minerals
Exploration Administration

Dated FEB 5 1953

Copy to: DOCKET
FIELD TEAM, REG. II
CODE 400
CODE 800 - MR. CHAMBERS
CODE 900 - MR. MURKLAND
ADMN. READ. FILE
OPERATING COMMITTEE
D. M. LEMMON, USGS
R. W. GEEHAN, USBM
FINANCE OFFICE
ADMINISTRATOR, DMPA
MR. F. E. JOHNSON
MR. THAYER, USGS
MR. HEDGES, USBM

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Griswold	500
3/6	Talbot	800
	Selfridge	120
3/6	Johnson	110
3/4	Fumich	100
		320

Mr. Robert J. McRae
The Bunker Hill Company
Box 29
Kellogg, Idaho

MAR 6 1963

Re: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-E133

Dear Mr. McRae:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development, dated February 5, 1953, all minerals mined or produced from September 5, 1951, to September 5, 1961, were subject to the Government's percentage royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records 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 contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Director

WRGriswold/mm
3/5/63
cc: Director's Reading File
CA&A Division
Region I (2)
✓Docket
Code 500

8623

AME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
9/7	Holt	500
	Arnold	500
		~~140~~
		~~140~~
		800
		120
		110
		100
		220

McRae Tungsten Corporation
c/o Mr. Robert McRae
1704 Gourley Street
Boise, Idaho

Re: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-E133

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development, dated February 5, 1953, all minerals mined or produced from September 5, 1951, to September 5, 1961, were subject to the Government's percentage royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records 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 contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

Director

SPHolt/gla
9-7-61
cc to: Director's Reading File
Div. of Contract Adm. & Audit
Region I (2)
Docket
Code 500

43683

Re: DMBA - 864

I have surnamed proposed release ltr., but I think (as I've stated on numerous occasions) it should be addressed to Operator (in this case McRae Tungsten Corp.) and not individual.

Once cleared by exception.

40 U

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of

McRAE TUNGSTEN CORPORATION
Stibnite, Idaho

WSM

pertaining to Exploration Project Contract No. Idm-8133, Docket No. DMA-864, dated September 5, 1951, including Amendments Nos. 1 and 2, covering a project of exploration for tungsten, located in Valley County, Idaho, commonly known as the Snow Bird property, for the period of September 5, 1951, to September 30, 1952.

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

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

Total cost as billed by contractor		$18,283.71
Less net credit transferred to Contract Idm-8406, DMMA-2654		2,560.00
Adjusted Cost		$15,723.71
Exceptions (see Audit Report for details)		
Prior to this audit	$ 2.75	
During the audit	10.00	12.75
Total Accepted Cost		$15,710.96

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Eleven Thousand Seven Hundred Eighty-Three and 22/100 Dollars

-- $11,783.22 --

is valid and proper.

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

Robert M. Hull
Robert M. Hull
Auditor

December 18, 1953

Audit

AUDIT REPORT

I INTRODUCTION

During the month of December 1953, a final audit (covering operations for the period of September 6, 1951, to September 30, 1952) was made of the records and accounts pertaining to Exploration Project Contract No. Idm-E133, Docket No. DMA-864, dated September 5, 1951, and Amendments Nos. 1 and 2, with the

McRAE TUNGSTEN CORPORATION
Stibnite, Idaho

covering a project for the exploration of tungsten, located in Valley County, Idaho, commonly known as the Snow Bird property.

The original accounting records under this contract were maintained by and are in the custody of Mr. Robert McRae, Stibnite, Idaho; however, for the purpose of this audit, Mr. McRae brought the records to Boise, Idaho.

Mr. McRae, president of the corporation, and Mr. John A. Bowsher, mining engineer, U. S. Bureau of Mines, who accompanied the auditor, were consulted when necessary. Their cooperation and assistance greatly facilitated the audit.

II GENERAL INFORMATION ON RECORDS

The accounting records for this project consist of a time book, individual payroll sheets, suppliers' invoices and a check register. A monthly work sheet consolidating all charges to the project forms the basis for the preparation of the monthly Form MF-104.

III SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety, and validity of the costs as shown in the "Totals to Date" column of the Form MF-104,

Operator's Monthly Report and Voucher, for the month of September 1952, as evidenced by original invoices, payrolls, time records, and other original documents. The findings under each of the "Items of Cost" follow:

(1) Independent Contracts

The costs properly chargeable and allowable under this item were:

Diamond Drilling:	
Hole #1, 0 to 90 ft. @ $5.65/ft.	$ 508.50
Reaming 15 ft. @ $2.65/ft.	39.75
Hole #2, 0 to 72 ft. @ $5.65/ft.	406.80
Cementing 17 ft. @ $2.65/ft.	45.05
41 hrs. moving equipment around drill site @ $10/hr.	410.00
Moving equipment from Boise to Big Creek, Idaho, & ret.	400.00
Total -	$1,810.00

The drilling was performed by Nichols & Thompson Core Drilling Co., Inc., of Boise, Idaho, and proof of payment was supported by the cancelled check attached to the invoice.

The Operator had claimed some of the drilling costs under Item (8), Contingencies, and these costs have been transferred to the proper heading, Independent Contracts.

(2) Labor and Supervision

A detailed analysis of the payrolls, spot checks of the daily time records and spot audits of the payroll checks disclosed the following charges applicable to and allowable under this item of cost:

Labor	$5,558.24
Supervision	900.00
Technical Services	400.00
Total -	$6,858.24

The rates paid for wages were not in excess of the prevailing rates generally paid for like work in the district. Supervision and technical services were paid for at the rates specified in Exhibit "A" and Amendment No. 2

of the contract. In claiming the labor for September, the Operator reported net wages rather than gross wages. The Certifying Officer corrected the figure to reflect the charges as shown on the supporting documents submitted with the MF-104. The increase of $0.51 is concurred with.

The wages for the part-time bookkeeper, Ruth McRae, had been included under labor in the amount of $663.75. This amount has been transferred to Item (7), Miscellaneous. The sum claimed for the part-time bookkeeper was within the allowable maximum of 10 months and total of $675.00.

The Operator claimed Supervision in the amount of $930.00 and the Certifying Officer made a deletion of $30.00 to bring the amount to the allowable maximum of $900.00. This deletion is concurred with. This item covered the salary of Robert J. McRae, as a part-time supervisor. The payroll taxes were adjusted to cover the disallowance.

Technical Services covered the salary of L. C. Clark, a part-time engineer who took care of directing the drilling program, logging the holes, and mapping. Mr. Clark devoted full time during the month of August 1952 and 60 percent of his time during September 1952. The Operator in submitting the wages for the month of September 1952 for Mr. Clark erroneously reported on the Form MF-104 the net wage, $124.17 rather than 60 percent of the gross wage of $250.00, or $150.00 as reported on the payroll. The Certifying Officer corrected the figure to conform with the supporting documents and increased the amount by $25.83 to bring the September 1952 salary to the correct amount of $150.00. This adjustment is concurred in.

(3) Operating Materials and Supplies

A detailed audit was made of all items chargeable to this category of costs, and the following summarizes the findings resulting from the examination of vouchers, invoices, and cancelled checks:

	Charged	Transferred	Disallowed	Acceptable
Timber	$ 33.08	$	$	$ 33.08
Explosives	590.61			625.74
Other:	1,778.62			
Lubricants				492.42
Small Tools		14.79		542.98
Drill Steel & Bits			10.00	477.99
Miscellaneous				234.89
Total	$2,402.31	$14.79	$10.00	$2,407.10

During the month of October 1951 the Operator claimed under "Other Supplies" the sum of $106.71; however, the audit disclosed that the correct amount should have been $96.71. Therefore, a disallowance is being made of the overclaim of $10.00. The items of 1 tool grinder $8.45 and 2 alorite wheels $6.34 were classified under Item (4), Operating Equipment Purchased, and have been reclassified under this heading.

(4) Operating Equipment

Equipment rented consisted of a TD-18 bulldozer used as follows:

8 hours road repair @ $12.50/hr.	$100.00
44 hours for exploration cuts @ $12.50/hr.	550.00
Total -	$650.00

The audit allows the sum of $650.00 for this item.

Equipment purchased consisted of the following items:

1 Portable compressor, Ingersoll Rand, Model GK-105, Serial No. 406-31445	$2,700.00
1 J-40 Wet jackhammer, Ingersoll Rand, Serial No. 673946	345.00
1 JL-4 Jackleg, Serial No. L13081	195.00
1 Tool Grinder	8.45
2 Alorite Wheels	6.34
Total -	$3,254.79

The following items are being transferred at the valuation indicated from the Operating Equipment acquired pursuant to the terms of this Exploration Project Contract to Exploration Project Contract Idm-E406, Docket No. DMEA-E654 as the Operator is the same in both contracts.

1 - Ingersoll Rand portable compressor (used), Model GK105, Serial No. 406-31445	$2,000.00
1 - Ingersoll Rand J-40 jackhammer and jackleg (used), Serial Nos. 673946 and L13081	360.00
Total -	$2,360.00

The sum of $2,360.00 has been credited to this project and the allowable cost of Equipment Purchased is $880.00. The items of tool grinder and alorite wheels were transferred to item (3) - Operating Materials and Supplies - Small Tools.

(5) Initial Rehabilitation and Repairs

This item is not applicable to the project; however, the Operator has claimed $1,312.21 properly chargeable under item (6), New Buildings and Improvements. It has been transferred to the proper heading.

(6) New Buildings and Improvements

This item of cost covered the construction of a house and shop building as follows:

Prefabricated house	$400.00
Wall board	95.76
Nails - 20 lbs. (smooth)	2.24
" 155 " (common)	15.31
12 rolls Asphalt Roofing	45.33
3,254 ft. lumber @ $70/M.	227.78
Labor	525.79
Payroll taxes	23.67
Liability Insurance	15.77
Freight on prefabricated house	95.00
Total -	$1,446.65

Under the terms of Contract Idm-E406, Docket No. DMEA-2654, the sum of $200.00 was to be credited to this contract as the house used for "bunkhouse" was transferred from this contract. Therefore, the allowable amount under this heading is $1,246.65.

The Operator had originally claimed labor, payroll taxes and liability insurance and freight applicable to New Buildings and Improvements under their individual headings. However, the Operator placed the item of Labor $525.79 under New Buildings and Improvements in the month of June 1952. The other items of Payroll Taxes, Liability Insurance and Freight have been placed there also by the audit.

(7) Miscellaneous

The findings of the audit as to the costs chargeable to and allowable under this item are summarized as follows:

	Claimed	Disallowed by Certifying Officer	Allowed
Repairs to Equipment	$ 128.87	$	$ 128.87
Office Supplies	6.30		6.30
Payroll Taxes	335.37	1.48	333.89
Liability Insurance	363.45	1.05	362.40
Transportation	74.75		74.75
Telephone	88.91*		88.91
Accounting	663.75		663.75
Snow Removal	200.00		200.00
Total -	$1,861.40	$2.53	$1,858.87

Repairs to Equipment consisted of miscellaneous parts for the compressor, jackhammer and jackleg in the amount of $128.87.

Office supplies in the amount of $6.30 consisted of the following:

1 box	- Pinnacle Carbon Paper	$3.65
1 ream	- Onionskin Paper	2.65
		$6.30

The payroll taxes cover the Federal Old Age Benefit, Federal Unemployment, and Idaho Unemployment taxes at the following rates, which were verified by reference to the Company's records:

Federal Old Age Benefit	1.5%
Federal Unemployment	0.3%
Idaho Unemployment	2.7%

Workmen's Compensation rates were:

Miners	Sept. 1951 - March 1952	$5.50 per $100 of base wages
"	April 1952	6.00 " " " " "
Surface Labor	Sept. 1951 - March 1952	$3.00 per $100 of base wages
	April 1952	3.50 " " " " "

The Payroll Taxes and Liability Insurance were found to be correct after transferring $39.44 to New Buildings and Improvements.

Transportation consisted of the freight charges on the supplies used on the exploration project. An item of $95.00 covering hauling of the prefabricated house has been reclassified under Item (6), New Buildings and Improvements.

*The item of telephone consisted of calls made to Boise and other nearby areas in connection with the exploration project and these calls have been determined reasonable and necessary by the Executive Officer. The Operator neglected to bring forward the correct balance on the MF-104 by $3.44 and the Certifying Officer corrected the final MF-104 for September 1952 to reflect the true figure of $88.91. This adjustment is concurred with.

The item of accounting consisted of the wages of Ruth McRae, part-time bookkeeper, in the amount of $663.75.

Snow removal consisted of 16 hours of snowplowing on July 10 and 11, 1952, at $12.50 per hour for a total of $200.00. The work was done by Ray Nissula of Cascade, Idaho.

(8) Contingencies

The Operator classified the following items under this heading, all of which have been redistributed to their proper classifications:

Snow removal	$200.00
Office supplies	6.30
Additional drill costs	378.47
Total -	$584.77

IV CONCLUSIONS AND RECOMMENDATIONS

The audit has disclosed that all costs, as charged to this project, with the exception of the disallowances itemized under (2) Labor and Supervision, (3) Operating Materials and Supplies, and (7) Miscellaneous of the preceding section of this report are reasonable and proper under the terms of the contract.

The audit disclosed the status of the allowable maximums to be:

	Claimed	Disallowed	Allowed	Allowable Maximum	Balance
Part-time bookkeeper	$663.75	-0-	$663.75	$675.00	$11.25
Part-time supervisor	930.00	$ 30.00	900.00	900.00	-0-
Bulldozer rental	650.00	-0-	650.00	975.00	325.00

The rates for wages were discussed under Item (2) of Section III of this report.

The adjustments between "Items of Cost" as shown on the September 1952 Form MF-104, the disallowances, and the accepted costs are summarized as follows:

	Totals Sept.1952 MT-104	Corrected Distribution	Adjustments by Certifying Officer	Disallowances	Accepted Costs
(1) Independent Contracts					
Drilling	$1,453.00	$1,310.10	$	$	$1,310.10
(2) Labor and Supervision					
Labor	6,221.48	5,557.73	+ .51		5,558.24
Supervision	930.00	930.00		*30.00	900.00
Technical Services	374.17	374.17	425.83		400.00
(3) Operating Materials & Supplies					
Timber	11.71	33.08			33.08
Explosives	590.61	625.74			625.74
Other:	1,773.62	-0-			-0-
Lubricants		492.42			492.42
Drill Steel & Bits		487.99		10.00	477.99
Small Tools		542.93			542.93
Miscellaneous		234.39			234.39
(4) Operating Equipment					
Rental	650.00	650.00			650.00
Purchase	3,254.79	3,240.00	(2,360.00)		880.00
(5) Initial Rehabilitation & Repairs	1,312.21	-0-			
(6) New Buildings & Improvements		1,446.65	(200.00)		1,246.65
(7) Miscellaneous					
Repairs to Equipment	123.87	123.87			123.87
Office Supplies		6.30			6.30
Payroll Taxes	359.04	335.37		*1.48	333.89
Liability Insurance	379.22	363.45		*1.05	362.40
Transportation	169.75	74.75			74.75
Telephone	85.47	85.47	+3.44		88.91
Accounting		663.75			663.75
Snow Removal		200.00			200.00
(8) Contingencies					
Addn. drill costs, timber, snow removal	534.77	-0-			-0-
	$8,283.71	$13,283.71	($2,530.22)	$42.53	$15,710.96

*Disallowances made by Certifying Officer.

At the conclusion of the audit the findings were discussed in detail with Mr. Robert McRae and with the Executive Officer of the DMEA Field Team.

Robert M. Hull

Robert M. Hull
Auditor
By [illegible]

December 18, 1953

Docket Copy
DMEA-864
(Tungsten)

AMENDMENT NO. 2

It is agreed this 2 day of [illegible] 1952, between the the United States of America, acting through the Department of the Interior, Defense Minerals Administration and [illegible]

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract [illegible] of [illegible] 1952 between the parties hereto be modified and amended as described in Exhibit [illegible], attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be [illegible] 1952.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2684 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable Maximum".

Executed in sextuplicate the day and year first above written.

[illegible]
(Operator)

By Robert J. McRae
Pres.

The United States of America

By A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region II

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
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10-24

McRAE TUNGSTEN CORP.
Contract Idm-8133

Amendment No. 2

EXHIBIT "F"

Changes and modifications

In Exhibit "A" of the contract, change the description of the program to read:

The exploration program is to explore by surface and underground work the "East" and "McRae" veins on the Snowbird group of claims for tungsten ore. The surface work is to be done by bulldozing in cut No. 2, excavated sufficiently to be used as a portal for underground work, and by not to exceed 400 lin. ft. of diamond drill holes located approximately as outlined on the attached sketch, 1/ a part of this Amendment No. 2. The underground work is to consist of 325 feet of drifting and 120 feet of raising, as shown on the attached sketch, a part of this Amendment No. 2.

Change the estimated cost of the project to read as follows:

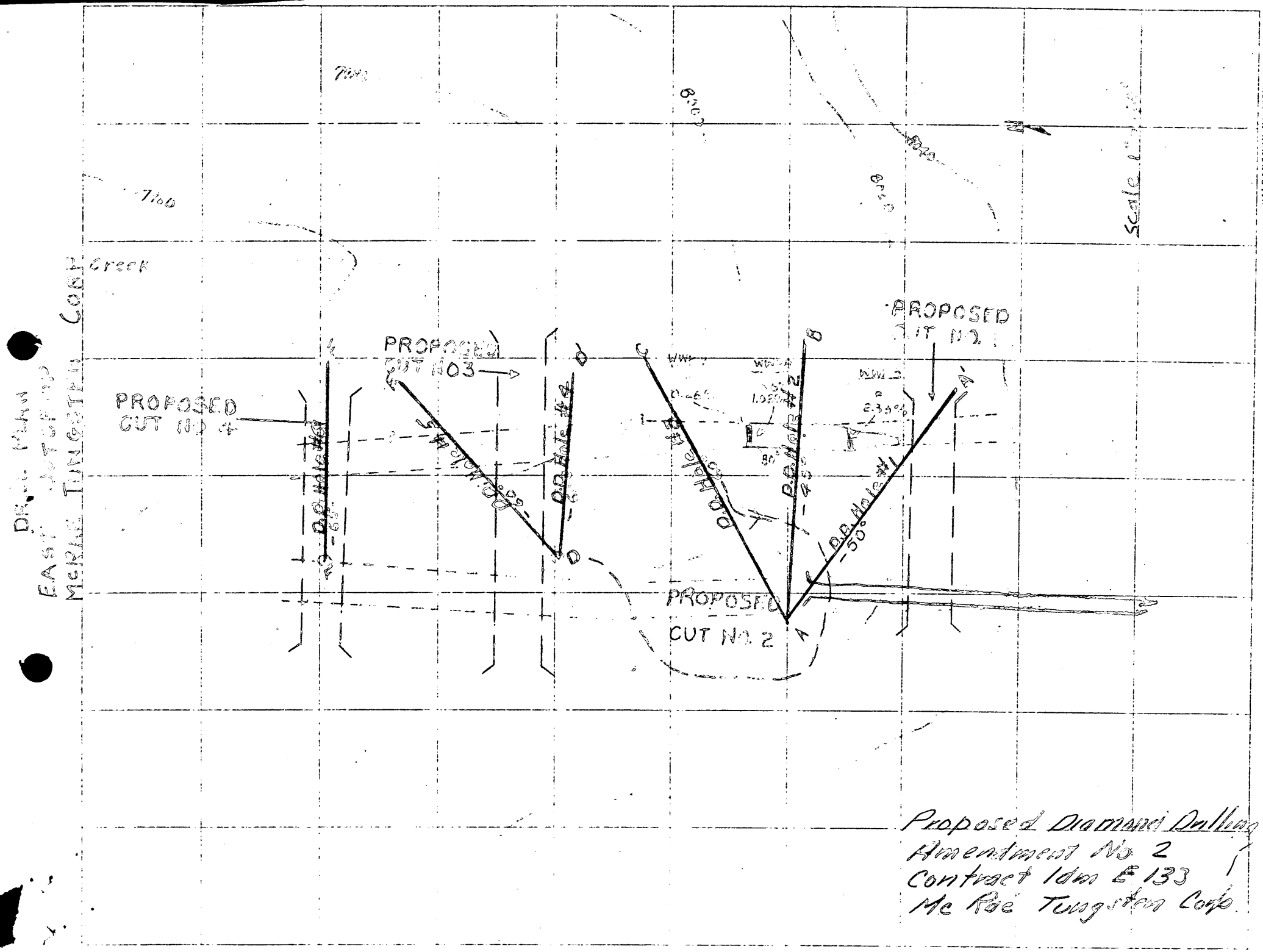
(1)	325 ft. of drifting @ $20/ft.	$6,500
(2)	120 ft. of raise @ $25/ft.	3,000
(3)	Equipment to be rented	650
(4)	Equipment to be purchased	3,255
(5)	Additional facilities	787
(6)	Supplies and Misc. Expense	584
(7)	Labor and Supervision	1,475
(8)	400 ft. of diamond drilling @ $6.50 1/	2,600
(9)	Moving in and out charge for diamond drill contractor (lump sum)	400
(10)	Assaying	100

1/ The diamond drill sketch is schematic only. Holes shall be drilled, beginning with either hole number 1, 2, or 3 and each succeeding hole shall be drilled at the location determined as most logical from the results of the preceeding hole. The drilling program shall be conducted so as to indicate the approximate depth and horizontal extension of the ore shoot indicated by the surface sampling. If the project funds are exhausted before the desired information is obtained, the Operator shall, at his own expense and at no expense to the Government, complete to the indicated ore zone any hole started under the project. The operator is not bound by this amendment to start any hole.

In Exhibit "A" of the contract under Labor and Supervision, add the following:

(1) Part time engineer to supervise the diamond drilling @ $250/mo.

GCL
10/20/52


Creek
PROPOSED CUT NO 4
PROPOSED CUT NO 3
PROPOSED CUT NO 2
PROPOSED CUT NO 1
D.D. Hole #4
D.D. Hole #3
D.D. Hole #2
D.D. Hole #1
-65°
-50°
80°
Scale
EAST MOTORING
McRae Tungsten Corp
Proposed Diamond Drilling
Amendment No 2
Contract Idm E 133
Mc Rae Tungsten Corp.

Attach to contract

AMENDMENT NO. 1

It is agreed this 27 day of September 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and McRae Tungsten Corp., Stibnite, Idaho

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract DMA-864-Idm-E133 of 5 September 1951 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be date of said Contract ~~195~~.

This amendment is made by authority granted the Executive Officer, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Executed in sextuplicate the day and year first above written.

McRae Tungsten Corp
(Operator)

By Robert J. McRae
President

The United States of America

By M E Bohn
Acting Executive Officer

McRae Tungsten Corporation

Exploration Project Contract, Amendment No. 1

EXHIBIT "7"

Changes and Modifications:

(1) In Exhibit "A", page 1, paragraph (3) delete "A bulldozer is to be rented at $10.00 per hour including operator, supplies, repairs, and maintenance for a total of 98 hours to make the surface cuts", and substitute "A bulldozer is to be rented at $12.50 per hour, including operator, supplies, repairs and maintenance for a total of 78 hours to make the surface cuts."

(2) In Exhibit "A", page 1, paragraph (7), under "Labor and Supervision is as follows:" delete "3 miners at $12.80 per shift are included in costs of items of work" and substitute "Labor necessary for the project may be paid at shift rates or unit contract rates, not to exceed rates generally paid for like work in the district in which the project is located. Labor cost is included in the estimated cost of the items of work and shall be allowable to the extent approved by the DMA Field Team, Region II."

MF-200
(June 1951)

Docket No. DMA 864
Commodity Tungsten

Idm-E133

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 5th day of September, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] McRae Tungsten Corp., Stibnite, Idaho

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Idaho, County of Valley described as follows: [3] The Exploration is on the tungsten claims of the Snowbird Group in the Big Creek District as recorded at the Courthouse, Cascade, Idaho, Book No. 11, Page 569, October 1951.

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

The applicant is sole owner

(*b*) ~~That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached~~

3. *Exploration project.* The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for [5] tungsten; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] 15 months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

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

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 75 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 15,263.25, which is 75 percent of the agreed estimated total cost of this project, $ 20,351.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

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

Executed in sextuplicate the day and year first above written.

McRae Tungsten Corp.
(Operator)

By Robert J. McRae
President

THE UNITED STATES OF AMERICA

By C O Mitchell
Director, Production Expansion Division
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

McRae Tungsten Co.

DMA-864
E-133

EXHIBIT A - Exploration Project

The exploration program is to explore by surface and underground work the "East" and "McRae" veins on the Snowbird Group of claims for tungsten ore. The surface work to be done by bulldozing in cuts 1, 2, 3 and 4 as shown on attached map with cut 2 excavated sufficiently to be used as a portal for underground work. The underground work to consist of 300 feet of drifting on the McRae vein from cut 2 and 120 feet of raising from this drift as shown on attached map.

Estimated costs of the project are as follows:

(1)	300 feet of drifting @ $27.38 per foot	$ 8,214.00
(2)	120 feet of raising @ $27.35 per foot	3,282.00
(3)	Equipment to be rented	980.00
(4)	Equipment to be purchased	4,200.00
(5)	Additional facilities to be constructed	1,500.00
(6)	Supplies and miscellaneous expense	600.00
(7)	Labor and Supervision	1,575.00
	Total	$20,351.00

(3) A bulldozer is to be rented at $10.00 per hour including operator, supplies, repairs and maintenance for a total of 98 hours to make the surface cuts.

(4) Equipment to be purchased consists of the following items:

1-125 cfm. gasoline powered compressor	$3,350
1-4516 wet jackhammer with jackleg	550
1-Bit grinder	150
1-Acetylene welding set	150
Total	$4,200

(5) The following facilities are to be constructed:

1-frame house 14 x 24 feet for living quarters for two men	$ 850.00
1-frame shop building 14 x 20 feet	650.00
Total	$1,500.00

(6) Supplies and miscellaneous expense other than included in the per foot cost of underground work are as follows:

Fuel for camp heating	$300.00
Road Repair	100.00
Snow removal, Spring 1952	200.00
Total	$600.00

(7) Labor and supervision is as follows:

1 Part time bookkeeper @ $67.50 per month for a maximum of 10 months	$675.00
1 Part time supervisor @ $90.00 per month for a maximum of 10 months	900.00
Total	$1575.00

3 Miners at $12.80 per shift ~~[illegible]~~ are included in costs of items of work.

The time schedule of work to be performed is dependent upon weather but is estimated to require 10 months of active work with completion within 15 months.

No other construction, installation, purchase, rehabilitation or repair costs of facilities, buildings, installations or fixtures except as listed above, are allowable under this contract.

MINING DEED

This indenture, Made the 28th day of August, in the year of our Lord one thousand nine hundred and fifty-one, between DAN C. McRAE and GRACE C. McRAE, husband and wife, and ROBERT J. McRAE and RUTH C. McRAE, husband and wife, all of Stibnite, County of Valley, State of Idaho, the parties of the first part, and McRAE TUNGSTEN CORPORATION, a corporation organized under the laws of the State of Idaho and having its principal place of business at Stibnite, in the County of Valley, State of Idaho, the party of the second part,

WITNESSETH: That the said parties of the first part, for and in consideration of the sum of TEN DOLLARS and other valuable consideration, lawful money of the United States of America, to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, have GRANTED, BARGAINED, SOLD, REMISED, RELEASED and FOREVER QUITCLAIMED, and by these presents do grant, bargain, sell, remise, release and forever quitclaim unto the said party of the second part, and to its successors and assigns, all those certain unpatented lode mining claims situate in Big Creek Mining District in Valley County, Idaho, consisting as follows:

SNOWBIRD lode mining claim, the location notice whereof is recorded in the office of the County Recorder of the County of Valley, State of Idaho, in Book 10 of Quartz Mining Locations at page 448;

TUNGSTEN lode mining claim, the location notice whereof is recorded in the office of the County Recorder of the County of Valley, State of Idaho, in Book 11 of Quartz Mining Locations at page 569;

TUNGSTEN NO. 1 lode mining claim, the location notice whereof is recorded in the office of the County Recorder of the County of Valley, State of Idaho, in Book 13 of Quartz Mining Locations at page 229;

WHITE METAL NO. 3 lode mining claim, the location notice whereof is recorded in the office of the County Recorder of the County of Valley, State of Idaho, in Book 13 of Quartz Mining Locations at page 231;

Together with all dips, spurs, and angles and also all the metals, ores, gold and silver bearing quartz, rocks and earth therein; and all rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and, also, all and singular the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the rents, issues and profits thereof; and, also, all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part, of, in, or to said premises and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, All and singular the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, its successors and assigns forever.

IN WITNESS WHEREOF, the said parties of the first part have hereunto set their hands and seals the day and year first above written.

Dan C. McRae (SEAL)
Dan C. McRae

Grace C. McRae (SEAL)
Grace C. McRae

Robert J. McRae (SEAL)
Robert J. McRae

Ruth C. McRae (SEAL)
Ruth C. McRae

STATE OF IDAHO,)
) ss.
COUNTY OF VALLEY,)

On this 31st day of August, in the year 1951, before me, the undersigned, a Notary Public in and for said State, personally appeared Dan C. McRae and Grace C. McRae, husband and wife, and Robert J. McRae and Ruth C. McRae, husband and wife, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Homer J. Shaw
Notary Public for Idaho,
Residing at Stibnite, Idaho.

(NOTARY SEAL)

Documentary stamps in the amount of $44.00 attached and cancelled

STATE OF IDAHO,)
) ss.
COUNTY OF ADA,)

I, Ferne Witt, a duly appointed, qualified and acting Notary Public for the State of Idaho, residing at Boise, Idaho, DO HEREBY CERTIFY that the within and foregoing copy of Mining Deed is a true, accurate and correct copy of the original Mining Deed of which it purports to be a copy, and that the within and foregoing copy has been carefully compared by me with the original and is in all respects true, accurate and correct.

IN WITNESS WHEREOF, I have affixed my hand and my official seal this 1st day of September, 1951.

Ferne Witt
Notary Public for Idaho,
Residing at Boise, Idaho.
My commission expires: April 8, 1954.

3-pho

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. .....

Date received .....

Participation .....

McRAE TUNGSTEN CORP.
STIBNITE, IDAHO

Name and address of applicant

Date August 6, 1951

FILL IN THIS BLOCK

Date of application August 6, 1951

Estimated cost $20,351.00

Mineral or metal Tungsten

Percentage of Government participation 75.0

Location of mine Big Creek, Valley County, Idaho

Date of filing MF-100 .....

DMA Docket Number, if available DMA-864

INSTRUCTIONS

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

THE APPLICANT

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

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

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

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

16—64067-1

THE PROPERTY

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

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

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

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

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

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

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

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

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

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

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

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

THE EXPLORATION

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

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

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

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

THE REQUIREMENTS AND COSTS

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

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

CERTIFICATION

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

McRAE TUNGSTEN CORPORATION
(Name of company)

By Robert J. McRae
(Signature of authorized official)

AUGUST 7, 1951
(Date)

President
(Title)

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

*Same as footnote on page 1.

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

Form MF-103

McRAE TUNGSTEN CORP.
STIBNITE, IDAHO

THE APPLICANT

1. Corporation

3.

Robert J. McRae	President	Stibnite, Idaho
John D. Nicholson	Secty-Treasurer	Stibnite, Idaho
Harry M. Sargent	Vice President	Stibnite, Idaho
Dan C. McRae	Director	Stibnite, Idaho
Charles C. Chaffee, Jr.	Director	Boise, Idaho

The above five men are Directors and are also the largest stockholders.

4. The Corporation was formed to develop the Snowbird Property.

R. J. McRae who will oversee the project is a graduate mining engineer with 24 years of mining experience - 14 years in mining and management, and 10 years as Mill Supt. and Chief Metallurgist for Bradley Mining Co. at Stibnite, Idaho. During this time the Bradley milling plant produced 900,000 units of Tungstic Oxide. R. J. McRae is also consulting metallurgist for the Bradley's Ima mill which is currently producing 14,000 units of Tungstic Oxide per year.

John D. Nicholson is a graduate mining engineer with 25 years of experience. He is currently Chief Designing Engineer for Bradley Mining Co. at Stibnite, Idaho.

Harry M. Sargent is a Junior Metallurgist of Bradley Mining Co. at Stibnite, Idaho. He has had six years experience in mining and milling Tungsten ores.

Dan C. McRae has had 50 years of practical mining and milling experience.

5. McRae Tungsten Corp. is the owner.

6. There are no claims or liens or encumbrances against the property.

8. The Corporation was just formed and its only asset is the property.

9. Applicant is prepared to invest $5,100.00. This amount is sufficient to meet applicant's 25 per cent.

THE PROPERTY

10. (a) The real property consists of seven unpatented quartz claims and two unpatented placer claims.

(b) Exploration on this project is to be confined to the "Tungsten" claim. This claim is recorded at the Courthouse in Cascade, Idaho, Book No. 11, Page 569, October 1, 1950.

11. The property was just discovered and has had no former name.

12. The property is located about 10 miles west of the Big Creek post office and is about 13 miles from Big Creek by forest mountain highway. Big Creek is 90 miles via good mountain highway from Cascade, Idaho, which is the rail point. Big Creek is also about 30 miles north of Stibnite, Idaho, via good mountain road.

13. There is a flow of 5000 gallons per hour from springs in low water 500 feet from the proposed project. The only power to be used will be the portable compressor.

14. There are no buildings on the property.

15. Unless custom facilities are provided at Stibnite (Yellow Pine Mill) then milling facilities will have to be built near the project when sufficient ore is blocked out.

16. History
(a) This is a new discovery and only surface cuts have been dug to explore the vein.
(b) There are no neighboring properties.
(c) A private report describing the surface exposures on October 30, 1950 was submitted with the original applications on Form HSRB 146 on March 2, 1951.

17. Mine is not in production.

18. The property has only surface showings as exposed by cuts.

THE EXPLORATION

20. The exploration is for the development of Tungsten ores (Scheelite and Hubnerite).

21. The proposed work is to develop underground ore on the "McRAE VEIN" by driving 300 feet of 5 x 7 foot drift on the vein and by a 120 feet of 5 x 7 stull raise off of the drift. (See Map 100).

In addition it is proposed to make 4 cat cuts through the overburden to try and extend the "EAST VEIN" both north and south along the strike and also extend the McRAE VEIN northward along the strike. Cat cut No. 2 will clear an area for the tunnel portal and shop site as well as expose the vein for drifting. (See Map 101).

Time to Complete the Work:

A - Cat work is estimated to require 98 hours with a breakdown as follows:

(a) Cat road to site (1500 ft.)	12 hours
(b) Cat cut No. 1 (See Map 101)	10 hours
(c) Cat cut No. 2 " " "	24 hours
(d) Cat cut No. 3 " " "	24 hours
(e) Cat cut No. 4 " " "	16 hours
(f) Roading Cat to job	12 hours

The Cat work should be finished 30 days after signing of contract.

B - The 300 feet of drifting and the 120 feet of raising is estimated to require approximately 8 to 9 working months for two to three men. (See Map No. 100). This would be performed in the following periods:

(a) First 5 months		200 ft. drift
(b) Next 5 months	(idle due to weather)	.....
(c) Next 5 months		(100 ft. drift (120 ft. raise

22. The evidence for expecting to develop commercial ore by this work is set forth on assay plan Map No. 102. This shows that the "McRae" Vein has been exposed by 6 cuts for a total length of 165 feet and an average width of 7.1 feet. The extent of the vein northward is unknown but this will be determined by the Cat cuts Nos. 1, 2, 3 and 4. Surface samples taken in the cuts show this vein will average 0.75% WO_3. Every foot that the exposed ore shoot extends down will represent 95 tons and 71 units of WO_3.

The "East" vein has an exposed length of 45 feet and an average width of 8 feet. Seven sample sections show this exposure to average 1.88 % WO_3 (see Map No. 102). The ore goes under cover on both ends of this exposure. Cat cuts Nos. 1-3 and 4 will explore the extensions of this vein (see Map No. 101).

The present exposure on this vein will produce 30 tons for every foot of depth. This will contain 56 units of WO_3 per foot of depth.

THE REQUIREMENTS AND COSTS

23.

(a) Labor--		
3 Miners 450 miner shifts @ $12.80	$6400.00	
1 Part time Bookkeeper @ $45.00	675.00	
Total for 23 (a)		$7075.00
(b) Supervisors--		
1 Part time Supervisor @ $60.00	900.00	900.00
(c) Repairs to Existing Facilities--		
Improving switchbacks on access road	100.00	
Removing snow from road in Spring 1952	200.00	
Total for 23 (c)		300.00
(d) Cost of Additional Buildings and Facilities--		
1 Frame House 14 x 24 feet for living quarters for two men	850.00	
1 Frame Shop Building 14 x 20 feet	650.00	
Total for 23 (d)		1500.00
(e) Items of Equipment Costing More Than $50.00 to be purchased--		
1 New Portable Compressor, two stage, 125 CFM, gasoline driven on two rubber tires with trailer hitch. FOB Mine	3350.00	

THE REQUIREMENTS AND COSTS Contd.

(e) Continued--		
1 New 45-lb. Wet Jack Hammer with jack leg. FOB Mine	$ 550.00	
1 New Bit Grinder	150.00	
1 Welding Set Acetylene	150.00	
Total for 23 (e)		$4200.00
(f) 98 Hours Rental on Cat @ $10.00	980.00	980.00
(g) None		
(h) Cost of Materials and Supplies		
1. Powder @ 8 lbs/foot: 3400# @ $0.21	714.00	
Powder 400 lbs. for Cat work	84.00	
2. Caps 2000 @ $3.50/100	70.00	
3. Fuse 8000 ft. @ $1.50/100	120.00	
4. Rails 800 ft. 4000# @ 12¢	480.00	
5. Pipe 800 ft. 1½ inch @ 32¢	256.00	
6. Hose 100 ft. 3/4" 100 ft 1/2"	90.00	
7. Misc. Pipe Fittings	60.00	
8. Track Spikes 200 lbs. @ 35¢	70.00	
9. Steel 600 lbs. @ 30¢ (7/8 hex)	180.00	
10. Bits (tungsten carbide) 50 bits @ $9.00	450.00	
11. Carbide 500 lbs. @ $12.00/100	60.00	
12. Gasoline 2000 gallons @ 32¢	640.00	
13. Lube Oil, all types 60 gal. @ $1.20	72.00	
14. Picks, Shovels, Hammers, Bars, etc.	150.00	
15. Small Blacksmith tools and other	150.00	
16. Drill and Compressor repairs	300.00	
17. Timbers and Lumber lagging	600.00	
18. Fuel	200.00	
19. Misc.	350.00	
Total for 23 (h)		5096.00
(i) Fuel for Camp	300.00	300.00
TOTAL FOR PROJECT		$20,351.00

24. Time Schedule and Expenditure Schedule
    (a) One month after approval the following work should be completed:
        1. All Cat cuts
        2. All road improvement

        During this period we estimate expenditures at $2000.00

    (b) Two months after approval the following work should be completed:
        1. Camp building
        2. Shop building
        3. Equipment and necessary supplies moved in and Drifting started.

        Estimated Expenditure during this period 11,000.00

24. Time Schedule and Expenditure Schedule, contd.

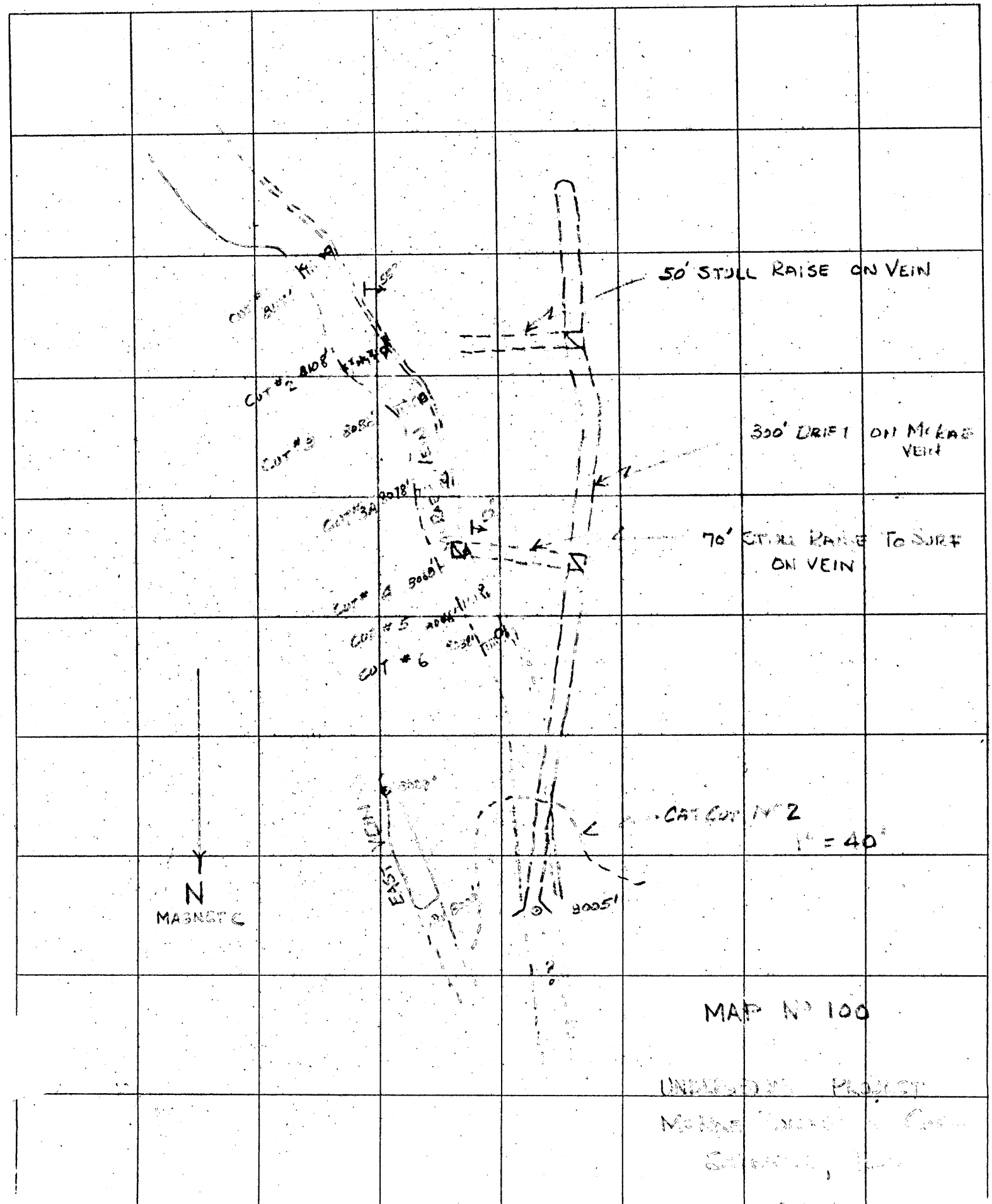
(c) End of 5 months, 200 feet of drift completed.
Estimated expenditure this period $3320.00

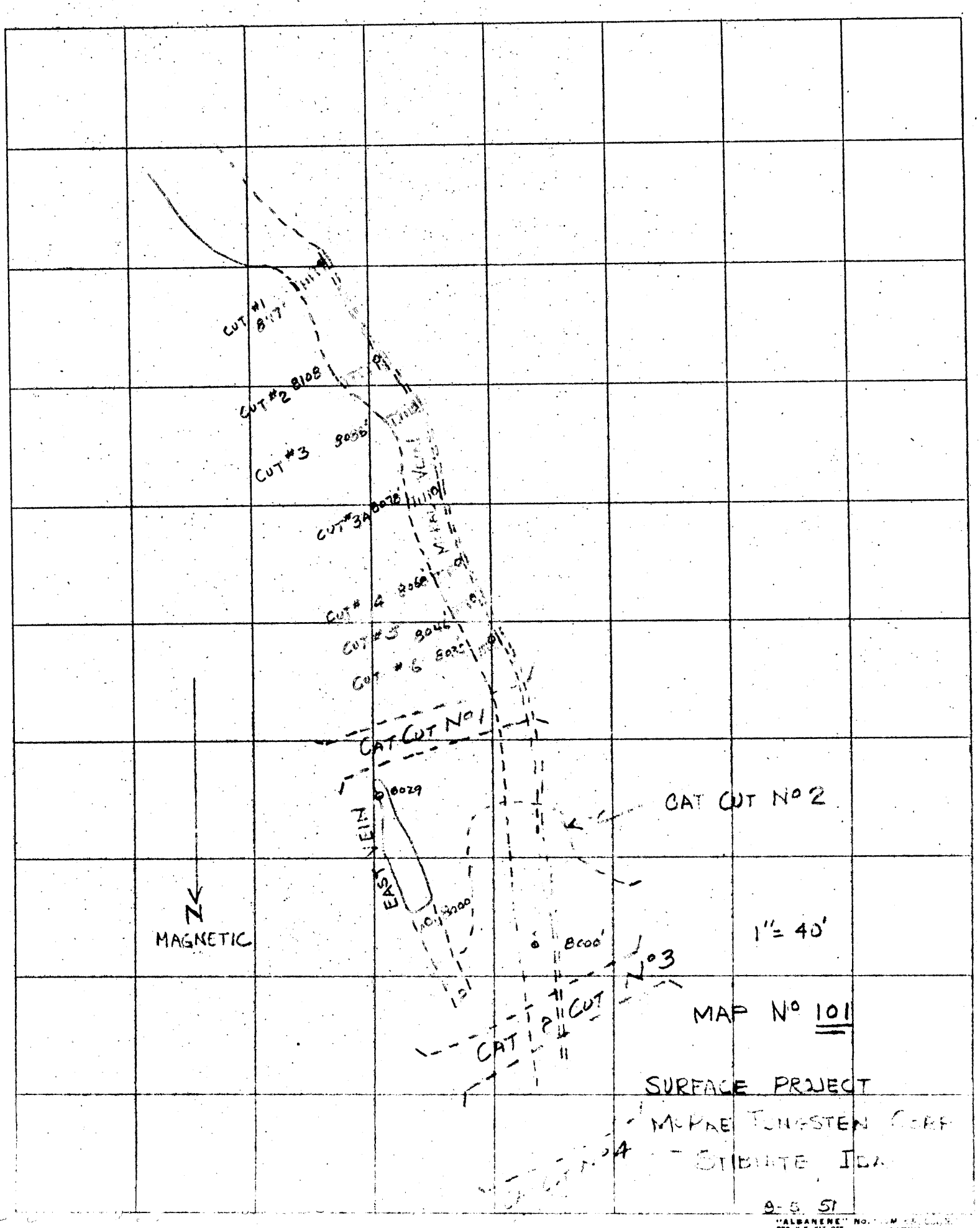
(d) Next 5 months project may be idle due to severe weather.
Estimated expenditure this period 636.00

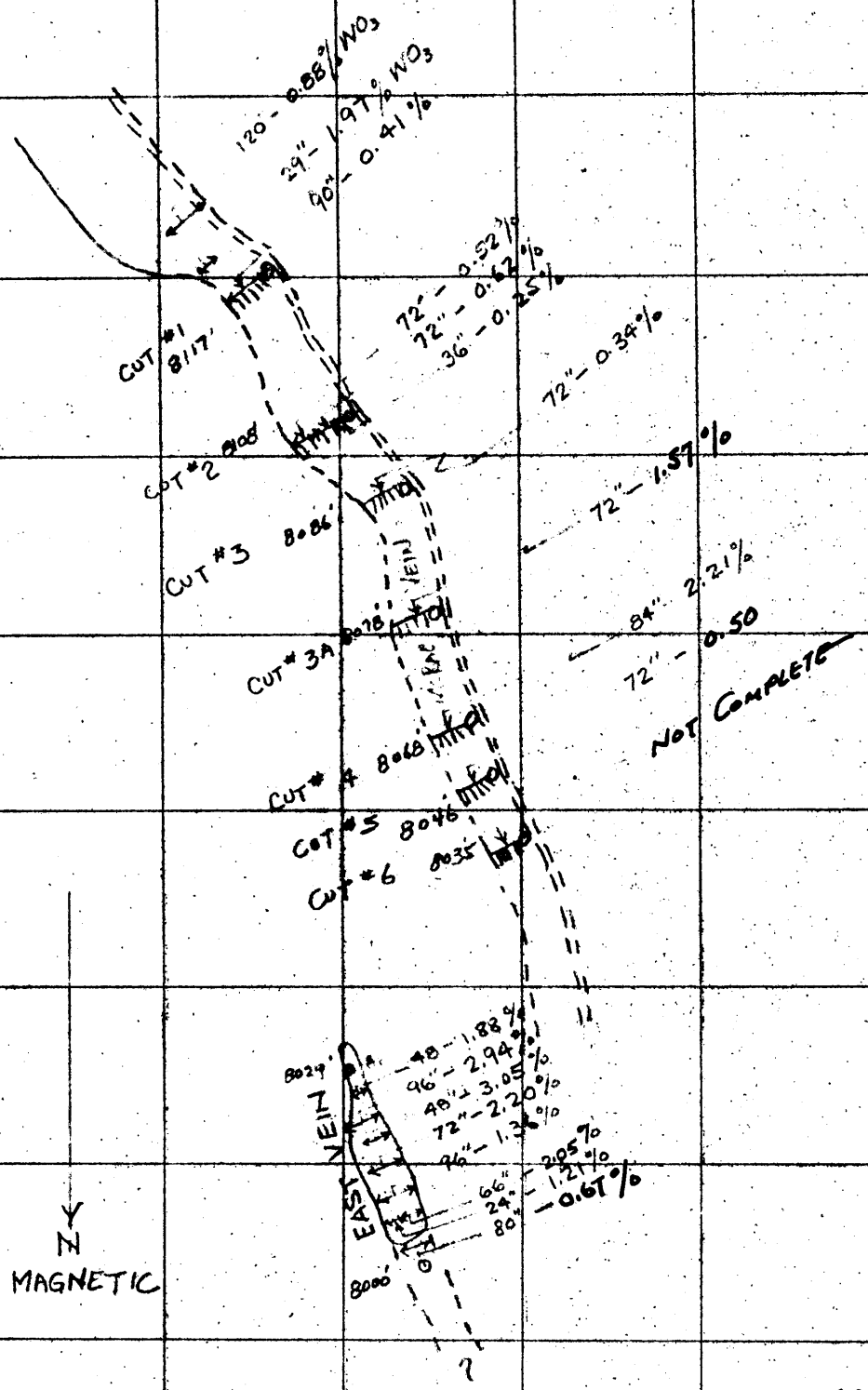
(e) Next five months or by the end of the 15th month the entire project should be completed.
Estimated expenditure this period 3395.00

SUMMARY EXPENDITURES

1st month	$ 2000.00
2nd month	11000.00
3rd, 4th and 5th month total	3320.00
6th to 10th month, incl.	636.00
11th to 15th month, incl.	3395.00
TOTAL FOR PROJECT	$20,351.00


50' STULL RAISE ON VEIN
300' DRIFT ON McKAE VEIN
70' STULL RAISE TO SURF ON VEIN
CUT #2
CUT #3
CUT #3A
CUT #4
CUT #5
CUT #6
CAT CUT Nº 2
1" = 40'
EAST
N
MAGNETIC
MAP Nº 100


CUT #1
8117'
CUT #2 8108
CUT #3 8088'
CUT #3A 8078
CUT # 4 8068
CUT #5 8046
CUT # 6 8022
CAT CUT No 1
8029
VEIN
EAST
8000
CAT CUT No 2
N
MAGNETIC
8000'
1" = 40'
CAT CUT No 3
MAP No 101
SURFACE PROJECT
McRAE TUNGSTEN CORP
STIBNITE IDA
9-5-51



1" = 40'

MAP No 102

Assays Reported in % WO_3

SURFACE ASSAY PLAN
McRAE TUNGSTEN CORP
STIBNITE IDA

Assays By Union Assay Office Salt Lake City, Utah

8-5-51

"ALBANENE" No. 1968 K&E CO., N.Y. REG. U.S. PAT. OFF 40080

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 6 1951

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. .....
Metal or Mineral .....
Date Received .....
Estimated Cost .....
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: McRae Tungsten Corporation Stibnite, Idaho

(*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. Idaho Corporation

(*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. Snowbird

(*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 None

(*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.*—(State the mineral or minerals for which you to explore Tungsten

(*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?

[X] 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 June 9, 1952

McRae Tungsten Corporation
(Applicant)

By .....

.....

.....

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

1. a. McRae Tungsten Corporation, Stibnite, Idaho.

   b. An Idaho Corporation.

   c. Officers of Corporation

Robert J. McRae	President	Stibnite, Idaho
Dan C. McRae	Director	Stibnite, Idaho
John D. Nicholson	Secy-Treas.	Stibnite, Idaho
Harry M. Sargent	Vice-Pres.	Stibnite, Idaho
Charles C. Chaffee	Director	Boise, Idaho

3. a. The drilling exploration will be on the Tungsten Claim and the White Metal Claim. Both of these are unpatented quartz claims held by the applicant.

   b. Snowbird

   c. Owner

   d. -----

   e. None

   f. The Tungsten Claim is recorded at Cascade, Idaho, Book 11, Page 569, Oct. 1, 1950.
   The White Metal Claim is recorded at Cascade, Idaho, Book 11, Page 584, June 8, 1951.

4. a. At present the applicant is driving a drift with raises under a D.M.E.A. loan #864. This is for the exploration of the McRae Vein on the Tungsten Claim. All of the outcrops listed for drilling are open for inspection.

   b. There was a production of several hundred units from the Snowbird Claim in 1945.

   c. The various outcrops listed for drilling are quartz bodies occuring in quartzite. They generally occur along large dacite dikes which cut through the older rocks. Assay plans of each of the three outcrops are enclosed.

4.(cont).

d. The property is located about 10 miles west of the Big Creek post office and is 13 miles from Big Creek by Forest Mountain highway. Big Creek is 90 miles via good mountain highway from Cascade, Idaho which is the rail point. Big Creek is also 30 miles north of Stibnite, Idaho, via good mountain road.

e. Manpower is available up to 5 or 6 men from natives of the district. Timber is plentiful, water and water power are abundant.

5. a. Tungsten

b. The proposed exploration is to diamond drill three outcrops that show commercial tungsten at the surface. These are in addition to the McRae Vein now being explored under ground.

(1) The "East Outcrop" (see drill plan No 1). It is proposed to drill 3 preliminary holes about as located on Drill Plan No 1. These holes total 220 feet. In addition it is proposed to drill an additional hole or holes totalling 200 feet if the results of the preliminary holes justify the additional footage.

(2) The "Upper South Side Outcrop" (see Upper Drill Plan No 2). It is proposed to drill one prelimary hole as illustrated on drill plan and Section No 2. This hole is estimated to be 75 feet long. totaling 200 feet Further it is proposed to drill an additional hole or holes if the preliminary hole warrents this further footage.

(3) The "Middle Outcrop" (see Drill Plan and Section No 3). It is proposed to drill two short holes as illustrated to prove the downward extension of this outcrop for about 40 feet below the surface. These total 100 feet in length. Further it is proposed to drill an additional hole or holes totalling 200 feet in length if the preliminary holes justify further footage.

c. The work would start within 15 days and be completed within 4 months from date of project contract.

d. R. J. McRae, president of the McRae Tungsten Corporation is a graduate mining engineer and has had 25 years of mining and milling experience. Much of his experience is on small properties such as this. For the past 10 years he has been Chief Metallurgist for Bradley Mining C. at Stibnite, Idaho.

5.(cont).

d.(cont).

John D. Nicholson is a graduate mining engineer and has 30 years mining experience.

H, M. Sargent is a junior Metallurgist for Bradley Mining Co.

Dan C. McRae has had 40 years practical mining experience.

6. Estimate of Costs:-

a. It is proposed to contract the diamond drilling. It is estimated the actual diamond drilling can be contracted for $6.50 per foot.

Preliminary drilling 6 holes total 395 feet @ $6.50	$2567.50
Secondary drilling 600 feet @ $6.50	3900.00
Total Drilling	$6467.50
Over and above the contract price it is estimated there would be a moving and out charge of	400.00
Total Drilling and Moving	$6867.50

It is estimated that it will require 50 hours of bulldozer work @ $12.50 per hour and an additional 10 hours @$12.50 road time to build the necessary access roads and pipe lines.

60 hours @ $12.50 $750.00

b. It is estimated that for the preliminary drilling it will require ½ time for an engineer supervisor @ $250.00 per ½ month for 45 days $375.00

If the secondary drilling is completed it will require ½ time for an additional 45 days @$250.00 per ½ month month. $375.00

It is estimated it will require 10 man days for a laborer to lay the necessary water lines.

10 day @ $12.00 per shift $120.00

c. It is estimated it will require 1000 feet of 1 inch pipe for water lines @ 22¢ per ft. delivered $220.00

g. Miscellaneous Assaying $100.00

h. Contingencies.
It is estimated that $500.00 should be available for unforeseen costs. $500.00

SUMMARY OF DRILLING COSTS

If only 395 ft. of preliminary drilling is done.

395 ft. @ $6.50	$2567.50
Moving in and out	400.00
Access roads and pipe lines	750.00
Laying pipe lines	120.00
Engineerying and Supervision	375.00
Assaying	50.00
Contingencies	250.00
Total for 395 ft.	$4512.50

Cost per foot is $11.43

If total 995 ft. of drilling is done.

995 ft. @ $6.50	$6467.50
Moving in and out	400.00
Access roads and pipe lines	750.00
Laying pipe lines	120.00
Engineering and Supervision	750.00
Assaying	100.00
Contingencies	500.00
Total for 995 ft.	$9087.50

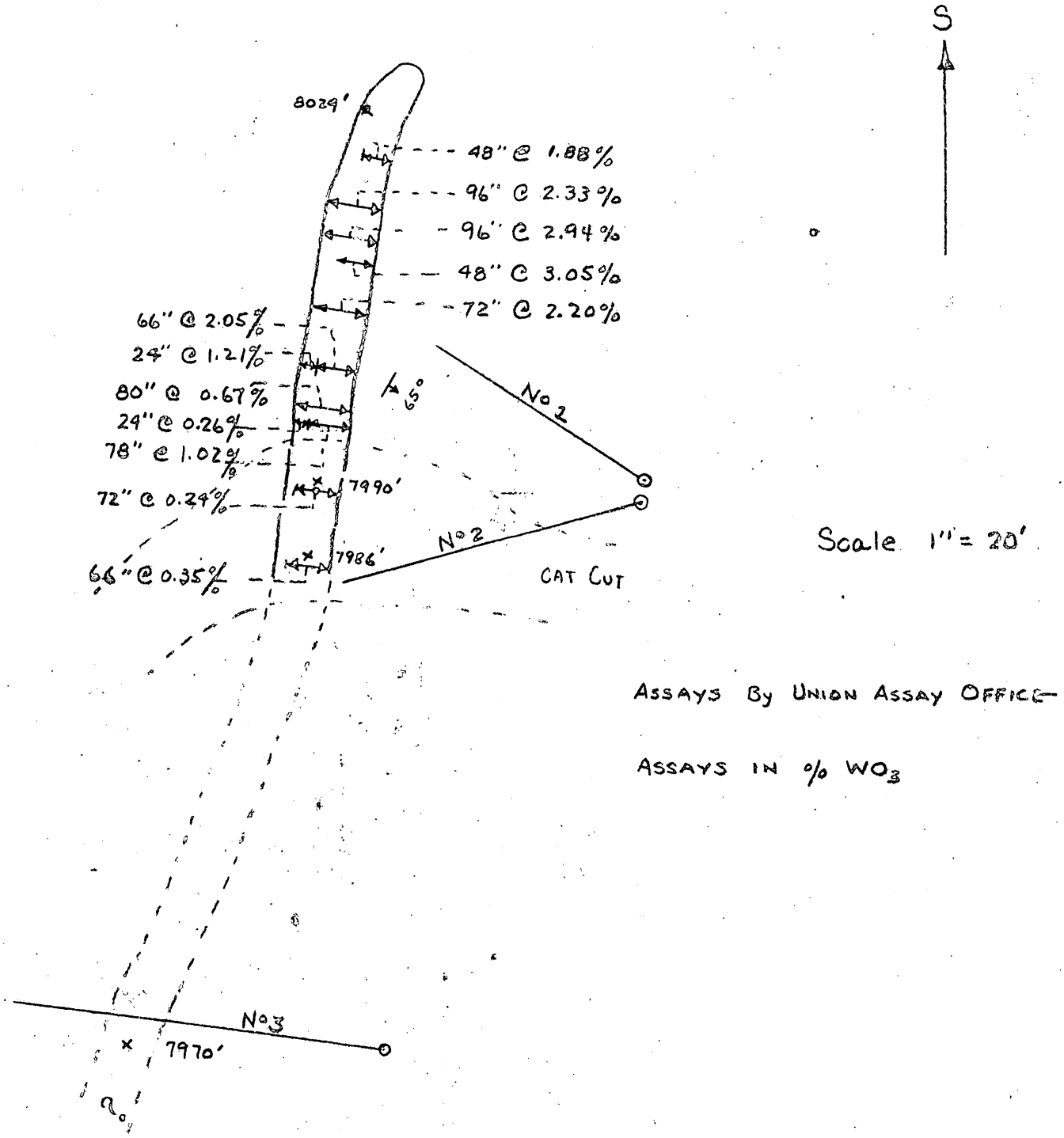
Cost per foot is $9.14

7. a. Yes

b. In cash

BRADLEY MINING CO. SUBJECT Assay Plan East Outcrop SHEET NO. ..... OF .....
BY RJM DATE 5-24-[redacted] McRae Tungsten Co[redacted] JOB NO. .....
CHKD. BY ..... DATE .....

ASSAY PLAN 1



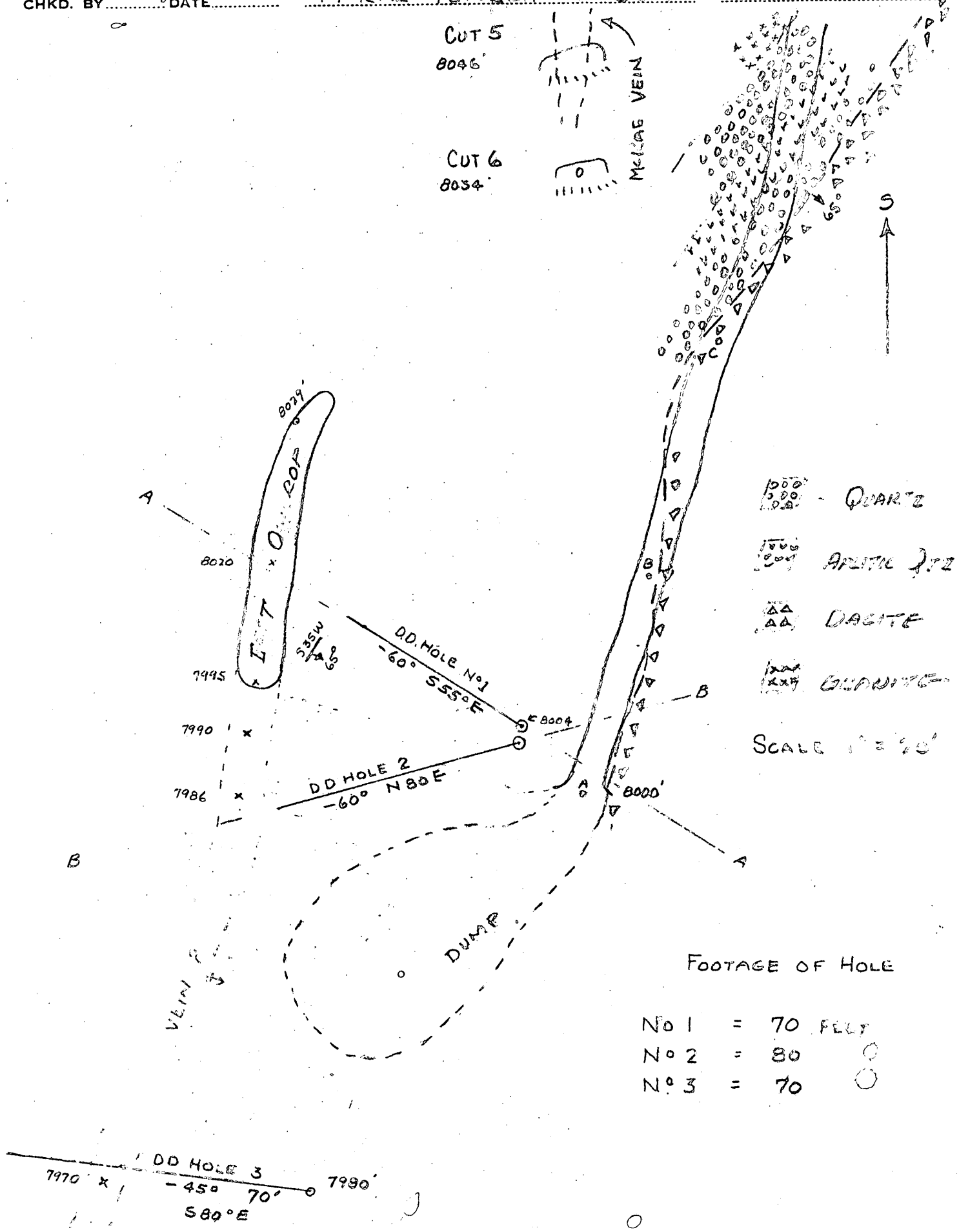
ASSAYS By UNION ASSAY OFFICE

ASSAYS IN % WO_3

BRADLEY MINING CO. SUBJECT DRILL PLAN No 1 SHEET NO. ..... OF .....

BY KJM DATE 5-24 [redacted] EAST OUTCROP [redacted] JOB NO. .....

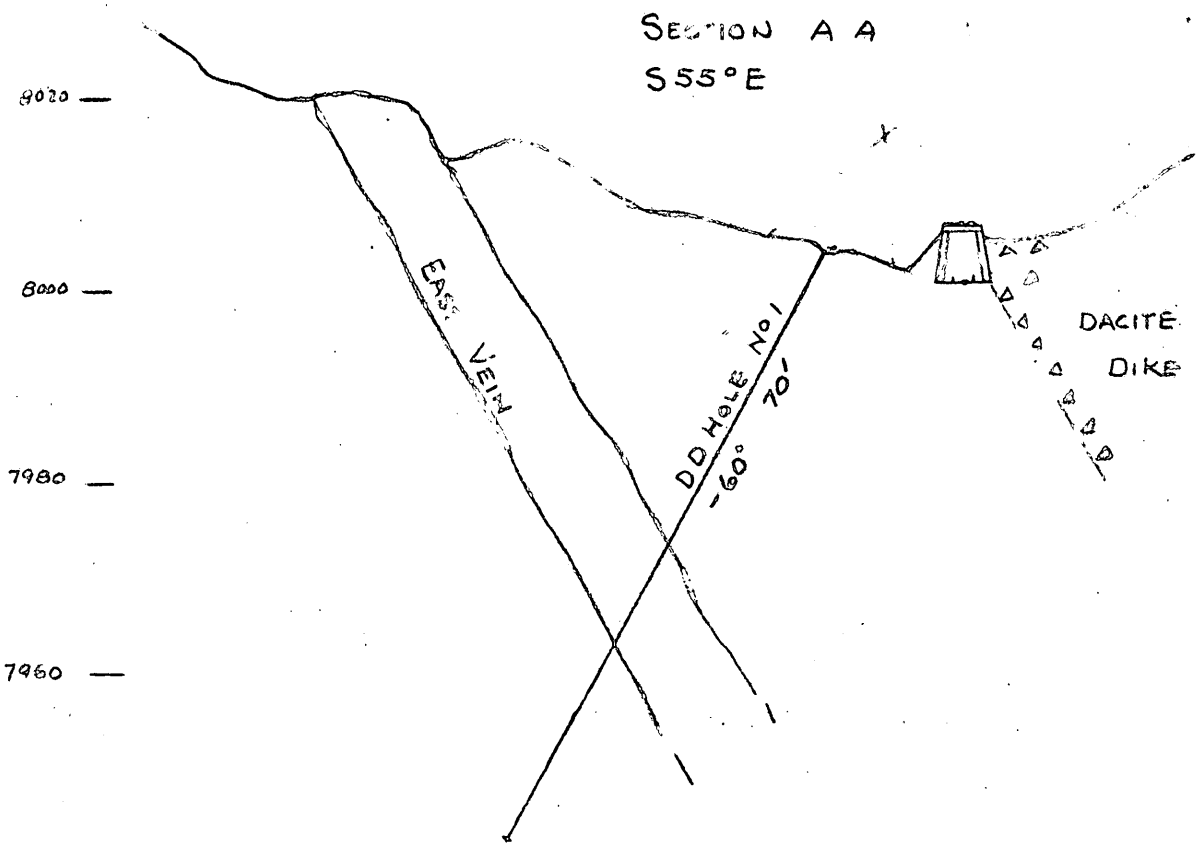
CHKD. BY ..... DATE ..... McKAL TUNGSTEN WORK

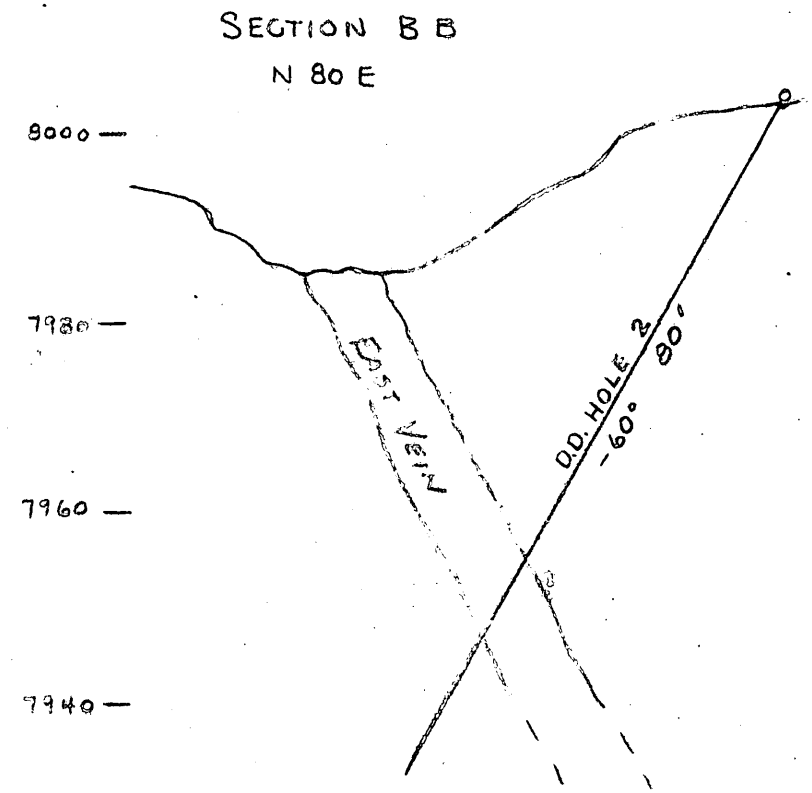


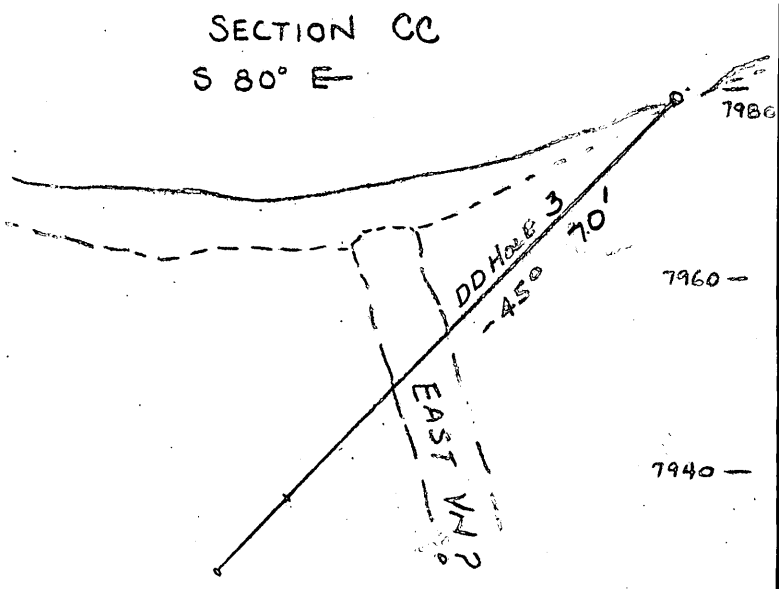
BRADLEY MINING CO. SUBJECT DRILL SECTION No. 1 SHEET NO. ..... OF .....

BY R.J.M. DATE 5-24 [redacted] EAST OUTCROP [redacted] JOB NO. .....

CHKD. BY ..... DATE ..... McRAE TUNGSTEN CORP. Scale 1" = 20'

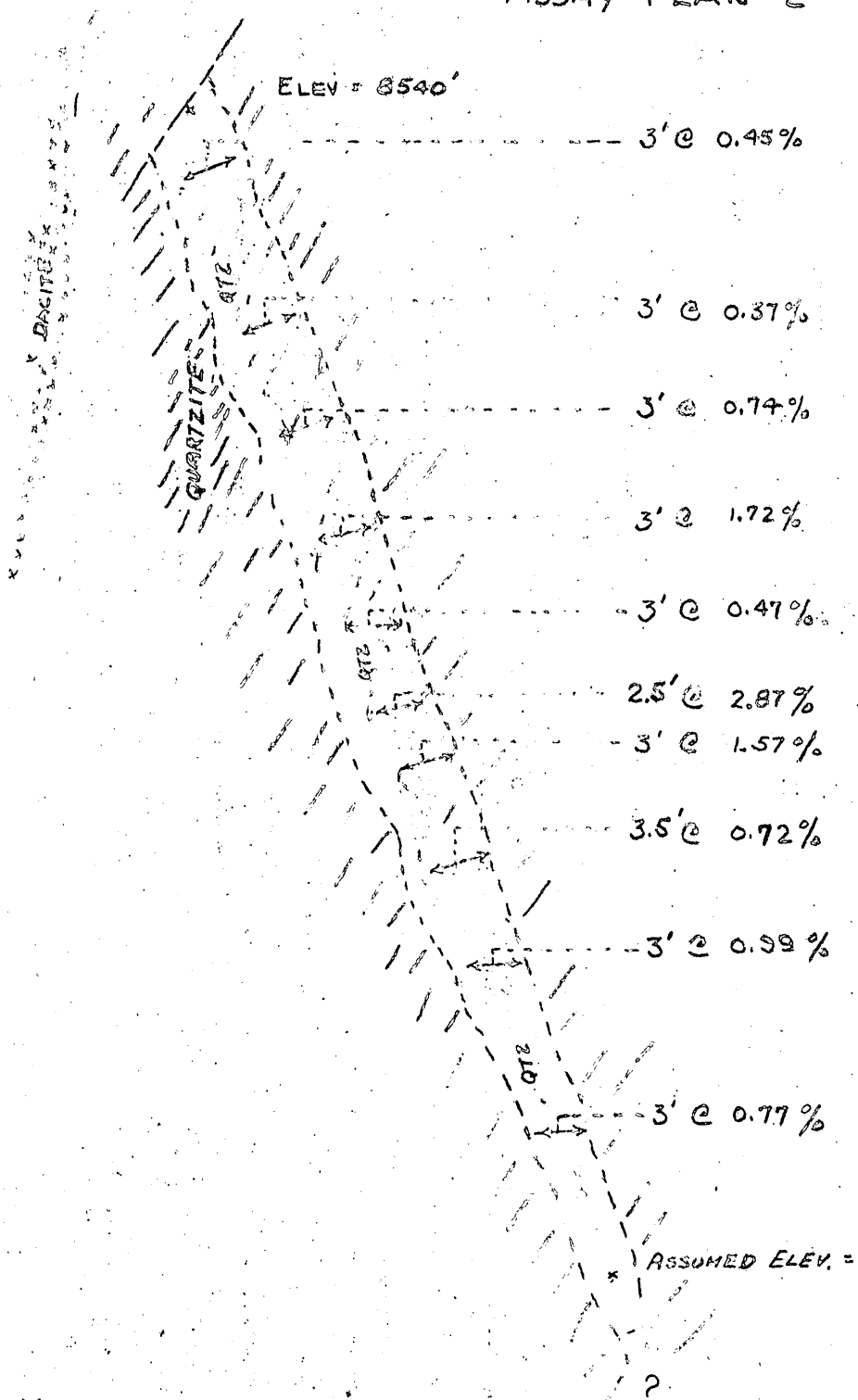






BRADLEY MINING CO. SUBJECT ASSAY PLAN 2 SHEET NO. ..... OF .....
BY R.J.M. DATE 10-15 [redacted] UPPER S. SIDE OUT[redacted]OP JOB NO. .....
CHKD. BY ..... DATE ..... McRAE TUNGSTEN CORP SCALE 1" = 10'

ASSAY PLAN 2



LEGEND

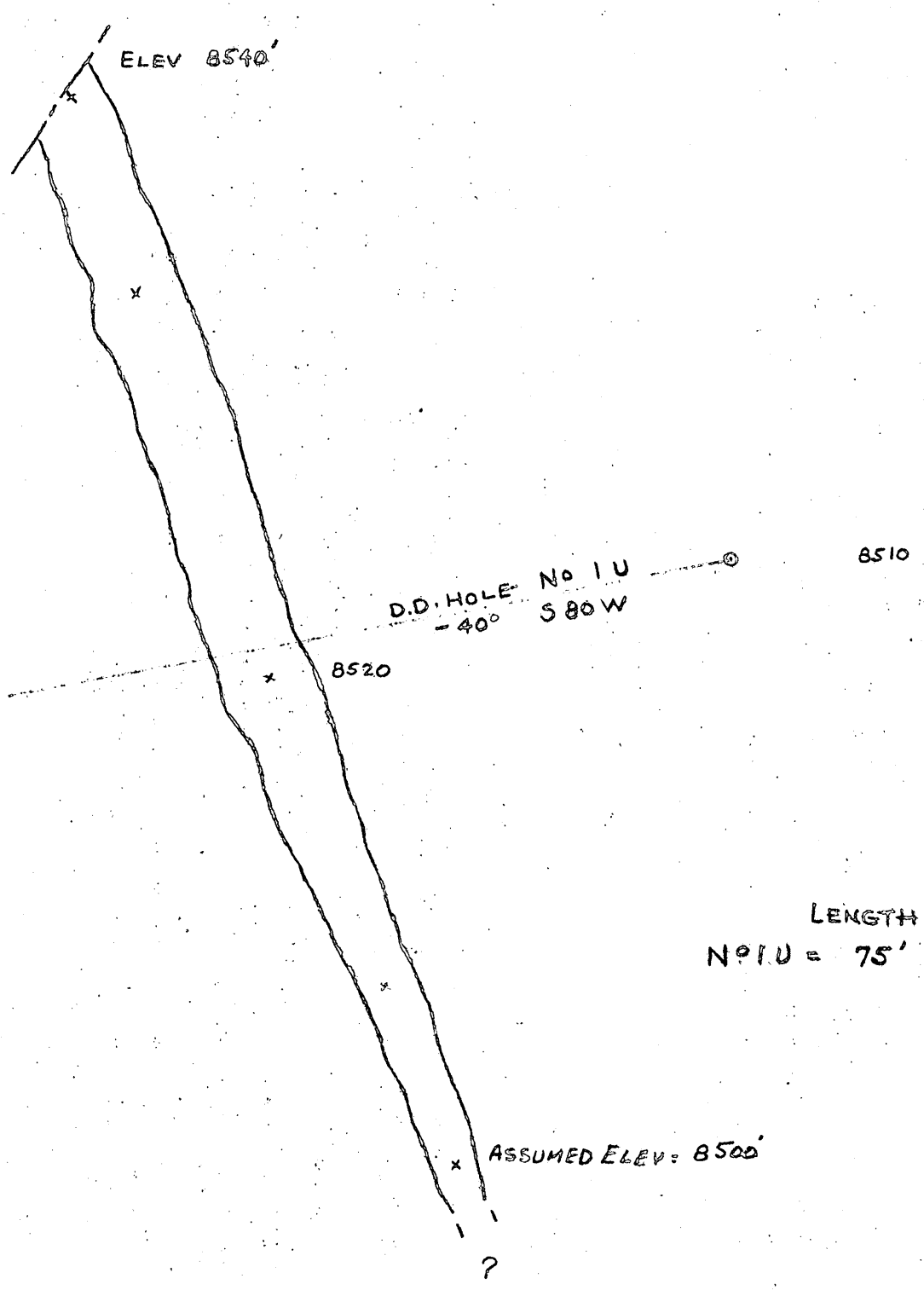
VALUES PREDOMINATELY HUBNERITE

ASSAYS BY UNION ASSAY OFFICE

ASSAYS IN % WO_3

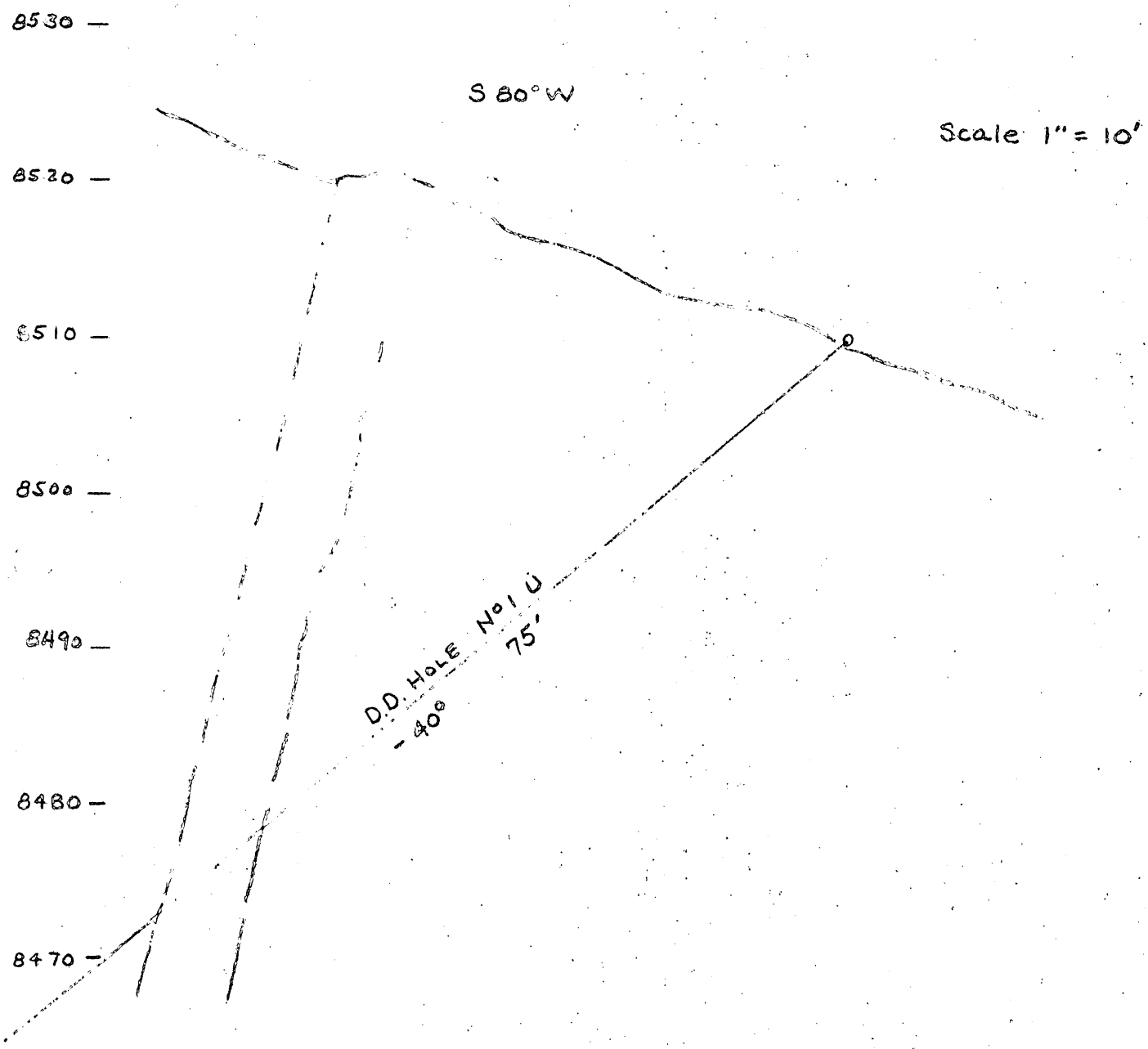
BETTER ORE

BY RJM DATE 5-26 SUBJECT DRILL PLAN No SHEET No. OF
CHKD. BY DATE UPPER So. SIDE OUTCROP JOB No.
McRAE TUNGSEN CORP



LENGTH OF HOLE
No 1 U = 75'

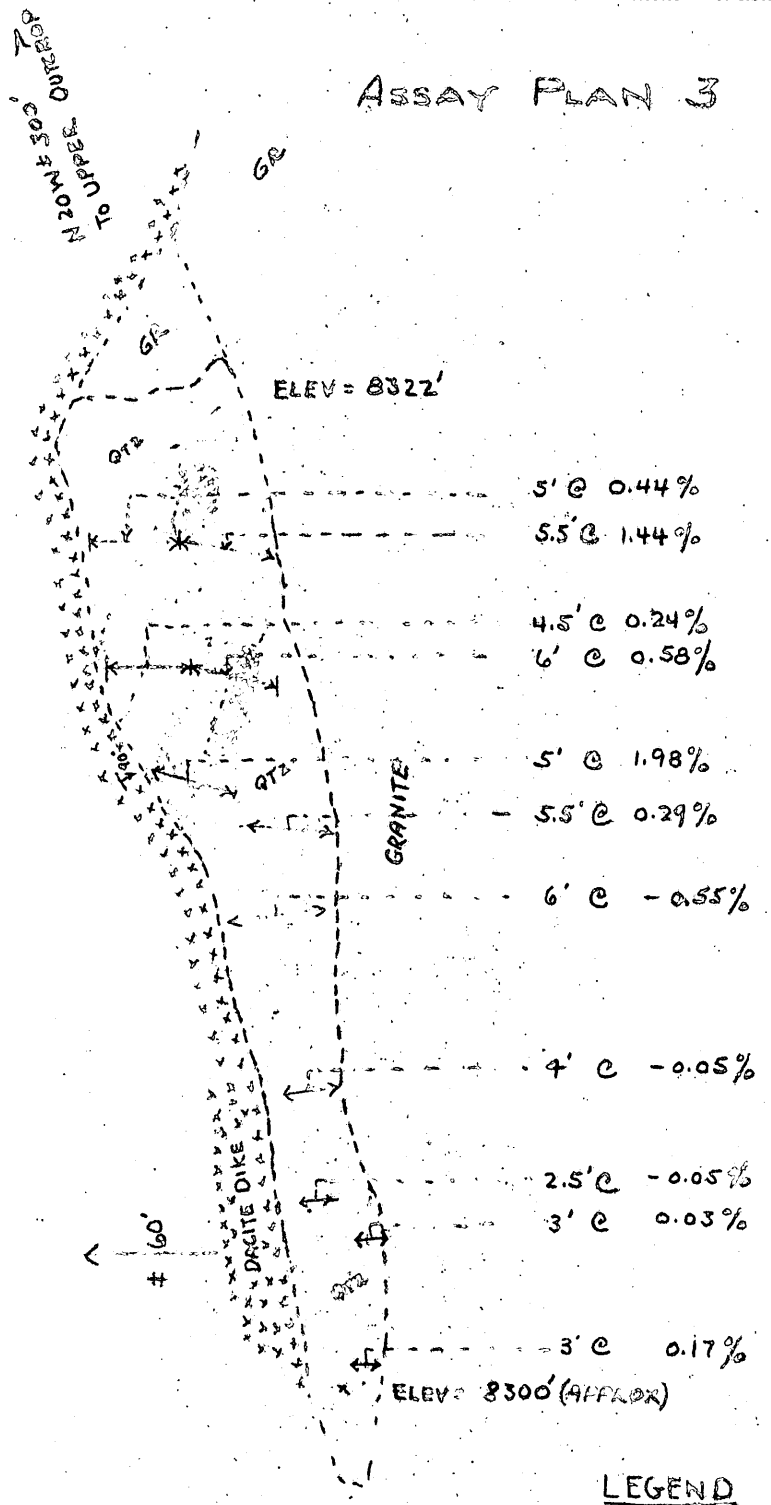
BY K.J.M. DATE 5-26-[illegible] SUBJECT DRILL SECTION No 2 SHEET No. ..... OF .....
CHKD. BY ..... DATE ..... [illegible] UPPER [illegible] OUTC[illegible] JOB No. .....
McRAE TUNGSTEN CORP



BRADLEY MINING C[redacted] SUBJECT ASSAY PLAN [redacted] SHEET NO. ..... OF .....

BY RJM DATE 10-10-51 S. SIDE MIDDLE OUTCROP JOB NO. .....

CHKD. BY ..... DATE ..... McRAE TUNGSTEN CORP SCALE 1" = 10'



LEGEND

ASSAYS IN % WO_3 (By UNION ASSAY)

= GOOD ORE

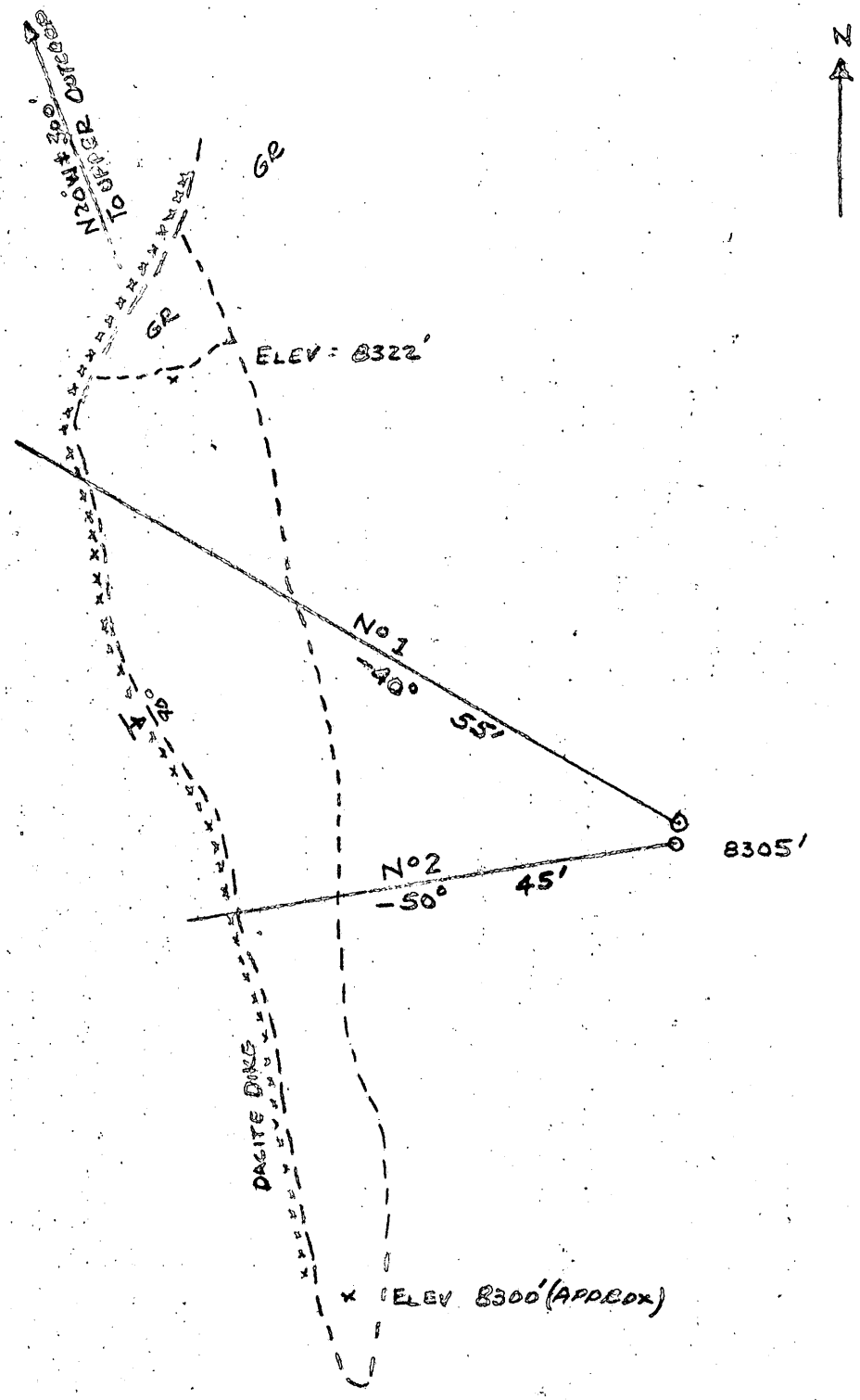
= HIGH GRADE (HUBNERITE)

SAMPLED 10-5-51 R.J.M. HMS

BRADLEY MINING CO. SUBJECT DRILL PLAN 3 SHEET NO. ..... OF .....

BY R.J.H. DATE 10-10-[illegible] S. SIDE MIDDLE OUTCROP JOB NO. .....

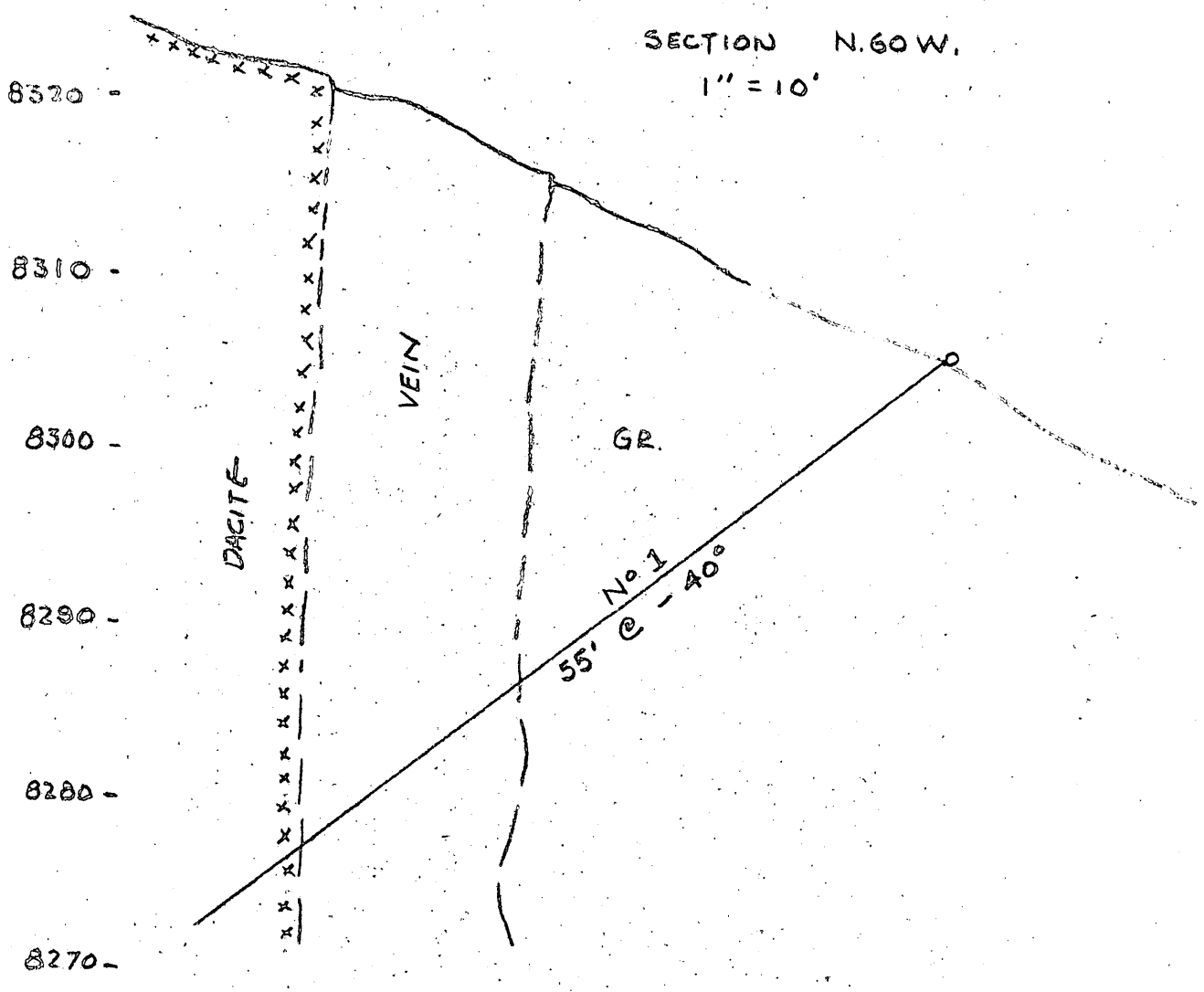
CHKD. BY ..... DATE ..... McRAE TUNGSTEN CORP. SCALE 1" = 10'



BRADLEY MINING CO. SUBJECT DRILL SECTIONS SHEET NO. ..... OF .....

BY RJM DATE 10-14-51 S. SIDE MIDDLE OUTCROP JOB NO. .....

CHKD. BY ..... DATE ..... McRAE TUNGSTEN CORP Scale 1" = 10'



dmal 864

Form NSRB-146
(Nov. 1950)

UNITED STATES GOVERNMENT

FORM APPROVED
BUDGET BUREAU NO. 25-R002

APPLICATION FOR GOVERNMENT LOAN UNDER SEC. 302 OF DEFENSE PRODUCTION ACT OF 1950

AMOUNT OF LOAN REQUESTED

TERMS OF LOAN REQUESTED

DATE OF APPLICATION

NAME AND ADDRESS OF APPLICANT (Street, City, Zone, State)

Robert J. McRae
Stibnite, Idaho

TO BE FILLED IN BY DELEGATE AGENCY

(DATE RECEIVED)

COMM.

AGRIC.

INT.

D.T.A.

FILE NO.

INSTRUCTIONS

Application should be filed with the Department of Commerce, Department of Agriculture, Department of Interior, or the Defense Transport Administration, whichever has the primary interest in the facilities, products, or processes involved. However, for convenience of the applicant, he may file with any government agency with which he has contract or other pertinent relationships and such agency will arrange for the transmittal of the application to the appropriate office.

Submit four (4) signed copies of the application. Name and address of applicant should be stamped or typed for identification of each sheet of the application and all accompanying papers. When a question is inapplicable, this should be so stated on the form. Additional sheets may be attached in answering any questions or in providing other supporting information.

1. PURPOSE OF LOAN

Give a brief general statement of the purpose of the loan requested, including in the table below estimated amounts for such major purposes as land acquisition, building construction, purchase of plant, purchase of equipment, working capital, repayment of debt, etc. Statement should make clear whether funds will be used for expansion of capacity, development of technological processes, or production of essential materials.

General Statement

The loan is to explore surface showings of tungsten ore by use of bulldozer cuts. Further to explore these showings to 100 feet deep by prospect winzes and drifts. Part of the loan will be used to build 2½ miles of road to the property and to build a camp suitable to do this proppect work.

NATURE OF EXPENDITURE	AMOUNT
1. Surface exploration work by bulldozer 125 hrs. @$12.00	$ 1,500.00
2. Do 1000 feet of underground development @$20.00 per ft.	20,000.00
3. Mine equipment-compressor, machines, shop, Misc.	16,000.00
4. Road to mine 2.5 miles @ $1500.00 per mile	3,750.00
5. Camp, storage, quarters for 6 men and 2 families	15,000.00
6. Truck, 1½ ton, and D-6 cat.	9,000.00
7. Reserve and working fund.	5,000.00
Total amount applied for	$71,250.00

Total $70,250 DMR

2. PROPOSED METHOD FOR REPAYMENT OF LOAN

State sources of funds, and proposed schedule of repayment

1. Loan will be paid back at a rate of 15% of net sale return on concentrates or ore when mine starts production.

3. NATURE OF BUSINESS AND DESCRIPTION OF PROJECT

Describe fully the business activity for which the funds are intended. In so doing, identify the materials and services to be produced, describe the facilities and processes involved, and explain in detail any research activity and the nature of the results expected. Attach blueprints and specifications, if available, and furnish other technical details to the extent that they are not covered elsewhere in the application.

a. Name is The Snowbird Mine. Located in the Big Creek Mining Dist, Valley Co., Idaho. At present can be reached by a high road open only 2½ months per year. About 40 miles to all year road and 102 miles to the railroad at Cascade, Idaho.

b. Mining would be underground. Ore minerals are scheelite and hubnerite which contain tungsten.

c. Property at present consists of two 20 acre quartz claims both unpatented.

d. See map of surface showings with report.

e. None

f. Proposed development should block out ore containing 32,150 S.T.U. of WO_3(Tungstic trioxide). The ore probably would be processed at the property.

4. **Relationship to National Defense.** Explain carefully how the expenditure of the funds will contribute to national defense. As a part of such explanation, the following questions should be answered to the extent possible:

(a) What evidence exists as to current shortages of the materials or services to be produced?

It is self evident that tungsten is in short supply and will be for the forseeable future.

(b) What evidence exists as to future shortages of the materials or services to be produced?

As a nation we are at present cut off from our main sources of supply- China, Korea, etc.

(c) Are such shortages, if any, regional or national in scope?

They are national and international

(d) In what respects will the use of the funds aid directly in expediting the carrying out of government defense contracts? (A listing of defense contracts, if any, held by applicant is required in item 8 below.)

dmal 864

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c. Property at present consists of two 20 acre quartz claims both unpatented.
d. See map of surface showings with report.
e. None
f. Proposed development should block out ore containing 32,150 S.T.U. of WO_3(Tungstic trioxide). The ore probably would be processed at the property.

4. Relationship to National Defense. Explain carefully how the expenditure of the funds will contribute to national defense. As a part of such explanation, the following questions should be answered to the extent possible:

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It is self evident that tungsten is in short supply and will be for the forseeable future.

(b) What evidence exists as to future shortages of the materials or services to be produced?

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They are national and international

(d) In what respects will the use of the funds aid directly in expediting the carrying out of government defense contracts? (A listing of defense contracts, if any, held by applicant is required in item 8 below.)

4. Relationship to National Defense - Continued

(e) In what respects will the use of the funds aid indirectly in expediting the carrying out of government defense contracts or related operations?

In developing a supply of critical mineral (Tungsten)

(f) Are there available alternative methods or facilities to accomplish the same purpose as that for which these funds are intended? (For instance, unused capacity, possibility of multiple shift operations, idle facilities, readily convertible equipment, sub-contracting?) If answer is yes, explain why alternatives are not used.

None

5. Maximum Designed Production

List separately materials or services identified in item 3 (a)	Unit of measure (b)	Maximum designed production with existing facilities (c)	Average percentage of maximum designed production used in quarter preceding filing of application (d)	Maximum designed production including use of funds applied for (e)
Estimated monthly production of 1500 tons of ore @ 1.5% WO_3				
will give an estimated production of 32 tons of concentrate				
assaying 60.0% WO_3 and containing a total of				1950 S.T.U.
				of WO_3

6. Employment

(a) Number currently employed at location(s) where funds are to be used. (Use pay period ending nearest 15th of month preceding filing of application.)

None

(b) Maximum feasible employment with existing facilities.

(1) Single shift operation.

(2) Multiple shift operation (specify how many shifts).

(c) Estimated additional employees required by the use of the funds applied for.

During development 6 to 8 men. During operation 25 men.

7. Timing

(a) On what date(s) are the requested funds needed?

July 15, 1951 at the latest

(b) On what expected date(s) will applicant begin to use such funds and obtain output from the use of such funds? Wherever possible, give planned schedule of output.

July 15, 1951 to July 15, 1952 as a development period.
Construction for production July 15, 1952 to Nov. 1, 1953.
Production after Nov. 1, 1953.

8. Output from the use of funds applied for will be for the following purposes:

a. For the following principal prime defense contracts (if any) with the United States Government:

Date of contract (a)	Contracting Government Agency (b)	Program symbol (2 digits) or other contract identification (c)	Materials or services (d)	Delivery date(s) (e)	Amount *(Dollars)* (f)

b. For the following subcontracts (if any) with U.S. Government prime defense contractors:

Date of contract (a)	Materials or services (b)	Supplied to *(Give name and address of firm)* (c)	Delivery date(s) (d)	(e) Government agency receiving end product or services (f) Program symbol (2 digits) or other contract identification	Amount *(Dollars)* (g)
				(e) (f)	
				(e) (f)	
				(e) (f)	

c. For the following classes or types of customers not covered by contracts listed above (list materials or services to be provided and, wherever possible, also indicate final product use):

9. **Feasibility**

(a) Estimate anticipated requirements for manpower, equipment, raw materials, energy, fuel, transportation facilities, water supply, housing, community facilities, and other factors of production, for (1) preparation of the facilities and (2) actual operation thereof. (The estimates may be limited to those factors of substantial significance to the preparation and operation of the facilities for which the funds are intended.)

In development stage will require 6 to 8 men.

(b) Discuss and evaluate the availability of each of the above factors in the area(s) where the funds will be used.

10. The following applications for necessity certificates for tax amortization (Under Section 124A of the Internal Revenue Code) for facilities at the location(s) covered by this application have been filed since January 1, 1950.

Date of application (a)	Government file number (b)	(Estimated) Total of facilities in dollars on each application (c)	(d) If final action has been taken, give date of	
			Issuance	Denial

11. **Recent Efforts to Obtain Credit**

(a) Banks— List names and addresses of all Banks of Deposit of Applicant within the last 5 years: *(Mark with an asterisk (*) bank or banks in which deposits are now kept)*

13 a. Applicant R. J. McRae has had 22 years mining experience which includes--operation of small mines, actual underground experience 6 years, milling experience 12 years, milling experience on tungsten 6 years, for the past 8 years employed as Mill Supt. and Metallurgist for Bradley Mining Co. at Stibnite, Idaho. Over ten years of experience in the district where the prospect is located.

b. Property was just discovered in September of 1950. Adjoining claim was worked in 1944 by applicant where 300 tons of 2% WO_3 ore was mined.

c. The property now consists of two 20 acre quartz claims that are held by location. They are on record in Valley County recorders office at Cascade, Idaho.

NAME	BOOK	PAGE	DATE
Snowbird	10	448	Aug. 1942
Tungsten	11	569	Oct. 1950

11. **Recent Efforts to Obtain Credit** - Continued

(b) State efforts to obtain credit, within 60 days preceding date of application, from banks, the Reconstruction Finance Corporation, or other sources, results, and reasons if refused. (NOTE.- Section 302 of the Defense Production Act of 1950 states that a loan may be extended "only to the extent that it is not otherwise available on reasonable terms." Accordingly, Applicant should show that it has applied to each bank named in (a) above, or explain the reason for not doing so. The fact that a loan of the particular maturity and terms applied for is refused by a bank or banks is not sufficient to comply with the statute, if credit on reasonable terms is available. State whether a bank will participate in the loan, and if so, state name of bank and amount of participation. Full particulars must be given.) List the names and addresses of banks and other lending institutions to which applications for credit have been made, and in each case state date of application, amount of credit available, if any, maximum term for which credit is available, what consideration, if any, was given to possible guarantee of loan under Federal Reserve Regulation V, and reason for refusal or reason loan was not obtained. Indicate whether or not application was definitely refused for further credit on any basis.

No effort has been made to commercial banks because mineral development loans are definitely not in the Bank loan field.

12. What other forms of government financial assistance, if any, have been received or requested by the applicant in connection with the purposes of the loan herein applied for? If applicant plans to request such assistance in the future, give details.

None

13. **HISTORY, MANAGEMENT, LEASED AGREEMENTS, INSURANCE, ETC.**

These subjects should be fully covered in statements attached hereto. Outline past management experience or other basis for showing competence of the Applicant to perform in accordance with expressed purpose of the application. If plant was purchased, state price, form and terms of payment, date of purchase, from whom and under what circumstances purchase was made. If it is proposed to construct or acquire new facilities (including equipment), state estimated cost and basis of such estimate, form and terms of payment, and from whom purchases of facilities will be made. State whether Applicant, or the business or plant, has been in receivership, bankruptcy, Chapter X, XI or XII, in hands of creditors, committee, or whether Applicant has effected a compromise with creditors, and if so, discuss fully. Indicate whether business is conducted in leased premises and whether any facilities are leased from others and describe terms of any lease agreements. List type and amount of insurance carried on plant property. Describe briefly any pending or threatened litigation affecting Applicant.

14. NAMES AND ADDRESSES OF OFFICERS, DIRECTORS, OR PARTNERS, AND IN ADDITION THERETO, THE FIVE LARGEST STOCKHOLDERS IF A CORPORATION.

NAME AND ADDRESS (a)	Official title (If officer is also director indicate by "D") (b)	Total of annual salary, commissions, bonuses, etc., received from Applicant and affiliates during last fiscal year (c)	Estimated net worth outside of Applicant (d)	Number of shares held in applicant: Common (e)	Number of shares held in applicant: Preferred (f)	Life insurance carried for benefit of Applicant: Amount (g)	Life insurance carried for benefit of Applicant: Net cash surrender value after loans (h)
Robert J. McRae	owner ½	none					
Dan C. McRae	owner ½	none					
	Total		x x x x x			x x x	x x x

15. CAPITAL STOCK ISSUES

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par value (c)	Number of shares outstanding (d)	Dividend rate last paid (e)
Common stock	$ None	$	$		
Preferred stock	$ None	$	$		

16. PURCHASE AND SALES RELATIONS WITH OTHERS

Does Applicant buy from, sell to, or use the services of, any concern or partnership in which an officer, director, large stockholder, or partner of the Applicant has a substantial interest? If not, so state. If so, give names of such officers, directors, stockholders, and partners, and names of such concerns or partnerships.

None

Does any officer, director, large stockholder, or partner of Applicant receive any commission, bonus, or other payment in cash or services from any concern or partnership with which Applicant has business dealings? If not, so state. If so, give names of such officers, directors, stockholders, or partners and amounts of such commissions, bonuses, or payments.

17. COMPENSATION SCHEDULE

INSTRUCTIONS: The schedule shall show the amount of compensation being paid to all employees of Applicant receiving compensation at a rate in excess of $10,000 per annum, including employees paid on a part-time basis where the rate of compensation exceeds $10,000 per annum computed on a full-time basis. If Applicant is a corporation, the schedule should show the compensation, regardless of amount, being paid to all officers, directors, and such stockholders as have an interest in Applicant's business of 10 percent or more. If Applicant is a partnership, the schedule should show the compensation being paid to, or being withdrawn by, all partners for their personal use. If Applicant is an individual, the schedule should show the amount being withdrawn by Applicant for his personal use. In each case the listed person's connection with the business should be indicated (i.e., whether an officer, director, stockholder, partner, owner, etc.). The calendar basis for the compensation should likewise be shown. Attorneys or firms of attorneys on a regular retainer or salary basis should be included. The schedule should include a separate notation indicating the source and amount of any compensation being paid by a company or firm directly or indirectly controlling, affiliated with, or controlled by, Applicant. If the space provided herein is insufficient, the schedule should be continued on the reverse side or appropriate continuation sheets should be attached.

None

17. **COMPENSATION SCHEDULE** - Continued

The term "compensation", as used herein and such schedule, shall include all salaries, fees, bonuses, commissions, retainers, regular drawing accounts, and other payments, direct or indirect, in money or otherwise, for personal services.

Name (a)	Position (b)	Compensation paid during previous fiscal year (c)	Present compensation (d)

18. **COLLATERAL**

(a) The applicant offers the following described collateral as security for repayment of the loan applied for.

Description (a)	Date acquired (b)	Cost (c)	Book Value (Net) (d)	Appraised* value (e)
Property now held:				
Snowbird Claim	1942			
Tungsten Claim	1950			
To be acquired:				
6 more 20 acre claims				

* This column need be filled in only if a recent appraisal has been made. If so, identify appraiser below.

Name (a)	Title (b)	Date (c)

(b) Describe existing liens, if any, on property listed above.

None

EXHIBIT A - CURRENT FINANCIAL STATEMENT

As of _____

(Date not more than 30 days prior to date of application)

ASSETS

CURRENT ASSETS

1. Cash ..... $ _____
2. Notes receivable ..... $ _____
   Less reserve for doubtful notes ..... _____
3. Accounts receivable:
   Current ..... $ _____
   Past due not over 4 months ..... _____
   Past due over 4 months ..... _____ $ _____
   Less reserve for doubtful accounts ..... _____
4. Inventories:
   Raw materials ..... $ _____
   Work in process ..... _____
   Finished goods ..... _____ $ _____
   Less reserve for inventory losses ..... _____
5. Other current assets (describe) _____

TOTAL CURRENT ASSETS ..... $ _____

FIXED AND OTHER ASSETS

6. Plant used in business:
   Land ..... $ _____
   Buildings ..... _____
7. Machinery ..... _____
8. Equipment, furniture, and fixtures ..... _____ $ _____
   Less reserve for depreciation ..... _____
9. Investments—stocks and bonds .....
10. Investments in affiliated companies .....
11. Receivables due from affiliated companies .....
12. Real estate not used in business .....
13. Due from officers, directors, employees, stockholders .....
14. Deferred charges .....
15. Other assets .....

TOTAL ASSETS ..... $ _____

LIABILITIES

CURRENT LIABILITIES

16. Notes payable (see schedule 1, page 10):
    Banks ..... $ _____
    Trade creditors ..... _____
    Officers, stockholders, relatives ..... _____
    Insurance companies ..... _____ $ _____
17. Accounts payable .....
18. Other current liabilities:
    Delinquent taxes { Real estate ..... $ _____
    Delinquent taxes { Federal ..... _____
    Wages and salaries ..... _____
    Due officers ..... _____
    Accrued interest, rent, taxes, wages, etc ..... _____
    _____ _____

TOTAL CURRENT LIABILITIES ..... $ _____

FIXED AND OTHER LIABILITIES

19. Machinery liens .....
20. Mortgage debts (see schedule 2, page 10) .....
21. Bonds or debentures (see schedule 2, page 10) .....
22. Other liabilities .....

NET WORTH

23. Common stock (if Applicant is incorporated) ..... $ _____
24. Preferred stock (if Applicant is incorporated) ..... _____
25. Surplus (if Applicant is incorporated) ..... _____
26. Capital and Surplus Account (if Applicant is partnership or individual) .....

TOTAL LIABILITIES ..... $ _____

27. Contingent liabilities (explain) _____ $

NOTE.— Submit copy of last available audit or of financial statement at close of last fiscal period (if such date differs from date of above statement).

SCHEDULE I - Notes Payable (in detail)

Name and address	Maturity	Amount	State amount and character of collateral	Name of guarantor(s) and/or endorser(s)

SCHEDULE 2 - Mortgage Debt (real estate and/or chattels) or Bond Issue

Names and addresses of holders	Date of maturity	Interest rate	Unpaid principal amount	Date to which interest is paid
			$	
TOTAL	X X X X X X	X X X X X X	$	X X X X X X X X X X X X X X X X

If mortgage secures a bond issue, state whether bonds are principally held by management and/or stockholders or by others, and attach copy of mortgage indenture.

EXHIBIT B - CONDENSED COMPARATIVE STATEMENT OF INCOME AND EXPENSES

For years ended _____
(Insert date of end of fiscal year)

(000.00 omitted)

	(Figures for 3 preceding years)			Current year as of date of Exhibit A
	19	19	19	
1. Net sales				
2. Cost of goods sold				
3. Gross profit on sales (line 1 minus line 2)				
4. Other income (itemize)				
5. Total (line 3 plus line 4)				
6. Salaries (officers or partners)*				
7. Selling and all other expenses				
8. Total of lines 6 and 7				
9. Profit or loss before depreciation and Federal taxes (line 5 minus line 8)				
10. Depreciation				
11. Federal Income and Excess Profits Taxes				
12. Net profit or loss (line 9 minus lines 10 and 11)				
ANALYSIS OF SURPLUS				
13. Total surplus at beginning of period				
14. Net profit or loss for period				
15. Line 13 plus line 14 if profit; line 13 minus line 14 if loss				
Add:				
16. Surplus paid in during period				
17. Surplus resulting from revaluation of assets				
18. Other additions to surplus (itemize)				
19. Total of lines 15 to 18, inclusive				
Deduct:				
20. Dividends				
21. Other charges to surplus (itemize)				
22. Total of lines 20 and 21				
23. Surplus at end of period (line 19 less line 22), MUST AGREE WITH SURPLUS AS SHOWN IN BALANCE SHEETS				

* To include all payments of any kind (commissions, bonuses, withdrawals) to officers or partners.

NOTE—If years included in the above tables are not adequately representative of applicant's financial experience, information may be submitted for additional years.

EXHIBIT C - CONDENSED COMPARATIVE STATEMENT OF CONDITION

For years ended _____
(Insert date of end of fiscal year)

(000.00 omitted. Use figures to nearest thousand. For instance, the figure $3,489.36 should be written as 3; the figure $3,689.36 should be written as 4)

ASSETS	(Figures for 3 preceding years) 19	19	19	Current year as of date of Exhibit A
CURRENT ASSETS:				
1. Cash				
2. Receivables (after deducting reserves)				
3. Inventories				
4. Other current assets:				
TOTAL CURRENT ASSETS				
FIXED AND OTHER ASSETS:				
5. Plant accounts (before depreciation):				
Machinery, equipment, etc.				
Delivery equipment				
Real estate and buildings used in business				
6. Other assets (as investments, real estate not used in business, etc.):				
TOTAL ASSETS				
LIABILITIES				
CURRENT LIABILITIES:				
8. Notes payable				
9. Accounts payable				
10. Accrued liabilities				
11. Other current liabilities:				
TOTAL CURRENT LIABILITIES				
FIXED AND OTHER LIABILITIES:				
12. Mortgage debts				
13. Debentures				
14. Other fixed liabilities:				
RESERVES:				
15. Reserve for depreciation				
16. Other reserves:				
NET WORTH:				
17. Common stock (issued) (if Applicant is incorporated)				
18. Preferred stock (issued) (if Applicant is incorporated)				
19. Surplus (if Applicant is incorporated)				
20. Capital and surplus account (if Applicant is partnership or individual)				
TOTAL LIABILITIES				

NOTE— If years included in the above table are not adequately representative of applicant's financial experience, condition statements may be submitted for additional years.

EXHIBIT D

AGREEMENT AS TO COMPENSATION FOR SERVICES RENDERED OR TO BE RENDERED TO APPLICANT IN CONNECTION WITH APPLICATION AND/OR LOAN

To induce the United States Government and its agencies to make a loan under Sec. 302 of the Defense Production Act of 1950 to _____ (hereinafter called "Applicant") and in consideration of the making of a loan to Applicant, the undersigned, having been retained by Applicant for the purpose of rendering professional or other services in connection with its application for a loan or loans, hereby represents, warrants, and agrees that the undersigned has not been paid, has not made any agreement with the Applicant to be paid, and has not procured any person to pay or agree to pay, and will not, directly or indirectly, charge or receive any bonus, fee, or commission in any form in connection with the said application for, or the obtaining of, the loan applied for by the Applicant, or any compensation in any form for services rendered or to be rendered in connection therewith except for the services and in the amounts stated below:

Name	Description of services	Amount paid	Amount to be paid
		$	$

To induce the making of the loan and the employment of the undersigned by Applicant, the undersigned hereby further warrants, covenants and agrees, upon the consideration herein specified, and in consideration of the employment of the undersigned by Applicant, as above recited, that if the amount of compensation stated above for any such services shall not be deemed reasonable by any agency of the United States Government, the undersigned will reduce the charge for such services to such amount as shall be deemed reasonable by such agency, and will not, directly or indirectly, charge or collect from the Applicant or any other person, any sum in excess of the amount so deemed reasonable; and that if the undersigned has heretofore collected, from the Applicant or any other person, as compensation for any such services, any amount deemed by such agency to be unreasonable, the undersigned will refund to Applicant or such other person such sums as are in excess of the amount deemed reasonable. The undersigned further warrants, covenants and agrees that if the amount of the compensation for any such services is not determinable at the date of application, or is not stated above, it will not collect or charge any sum as compensation for such services without the prior written approval of the Government agency with which this application is officially filed as to the nature of the services for which such compensation is to be paid and the amount of such compensation.

No compensation to be paid.

Witness: _____ _____

Address of witness: _____ _____

Dated _____, 19____ _____

NOTE—Corporations must execute foregoing certificate in corporate name, by duly authorized officer, and seal must be affixed and duly attested; partnerships must execute in firm name, together with signature of a general partner. If no compensation is paid or to be paid for services rendered in connection with application or loan, this should be so stated and the Applicant should sign this Exhibit.

CERTIFICATION

The Applicant hereby certifies that the statements made in the foregoing application, and all exhibits and documents submitted in connection therewith, are true and correct statements to the best of Applicant's information and belief and are submitted as a basis for credit. ~~The Applicant agrees to reimburse any agency of the United States Government upon demand for any expenses incurred in connection with or arising out of this application or any loan made pursuant hereto.~~

Dated March 2, 1951

Witness: (For individual applicants)

_____ _____ (Signature)

Witness: (For partnership applicants)

x Opal R. Sargent — Snowbird Mine (Full name of firm)

By Robert J. McRae (Signature), a general partner.

(CORPORATE SEAL) (For corporate applicants)

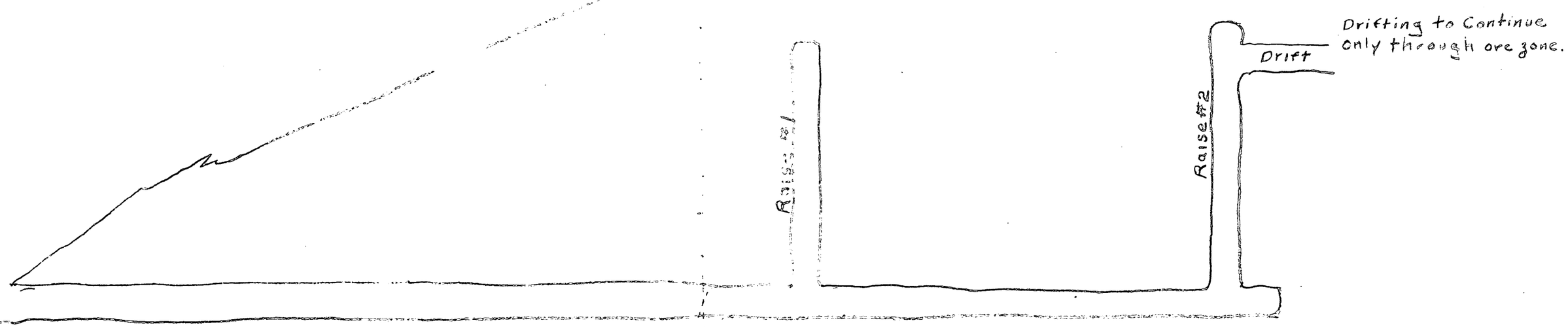
_____ (Full corporate name of Applicant)

Attest: By _____ (Signature) (Title)

_____ (Signature), _____ (Title)

The United States Criminal Code, 18 U.S.C., Sec. 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: 1950 O - 916171



UNDER GROUND PLAN
Amendment No 2
Contract 1/Jan 8 1933
Mc Rae Tungsten Corp
Scale 1" = 20'

NOTE: Use a separate form for each request.

DESCRIPTION OF RECORD(S) OR INFORMATION REQUESTED

700 ✓

3 folders X, E

REMARKS

NATURE OF SERVICE

☐ FURNISH COPY OF RECORD(S) ONLY ☐ PERMANENT WITHDRAWAL ☐ LOAN OF RECORD(S) ☐ OTHER (Specify)

RECORD GROUP NO.	ACCESSION NO.	FRC BOX NO. OR RECORDS CENTER LOCATION NO. (If known)
320	64A709	109T 14/52.15.3

TO General Services Administration
Federal Records Center NARS

(City) (State) (Zip Code)

NOTE: In Washington, D.C. area send to STOP 386

FOR RECORDS CENTER USE ONLY

☐ RECORDS NOT IN CENTER CUSTODY ☐ RECORDS DESTROYED

☐ WRONG BOX NUMBER — PLEASE RECHECK

☐ ADDITIONAL INFORMATION REQUIRED TO IDENTIFY RECORDS REQUESTED

☐ MISSING (Neither record(s), information nor charge card found in container(s) specified)

☐ RECORDS PREVIOUSLY CHARGED

OUT TO (Name, agency and date):

REMARKS

APR 26 10 29 AM '72 NATIONAL ARCHIVES WASH., D.C. 20408

DATE	SERVICE	TIME REQUIRED	SEARCHER'S INITIALS
4/26/72			

FOR USE OF REQUESTER 183

NAME OF REQUESTER: Mrs. Curtis

TELEPHONE NO.: 5369

DATE:

NAME AND ADDRESS OF AGENCY (Include building, room no. and Zip Code): Office of Minerals Exploration, Geo. Survey, M/Nat'l Gyr 4460

(In Washington, D.C. area also include STOP number)

RECEIPT OF RECORDS

Requester please sign, date and return this form, for file item(s) listed above, *ONLY* if the block to right has been checked by the Records Center. ☐

SIGNATURE	DATE

OPTIONAL FORM 11
REVISED FEBRUARY 1971
GENERAL SERVICES ADMINISTRATION
FPMR (41CFR) 101 - 11.4
5011 - 104

REFERENCE REQUEST — FEDERAL RECORDS CENTERS

RECORDS CHARGE OUT COPY

IMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/11	Holt	400
2/11	Martin	400
		120
2/13	[illegible]	110

February 11, 1959

MEMORANDUM

To: Acting Director, Office of Minerals Exploration

From: Division of Iron and Ferro-Alloys

Subject: General Summary of Contract and Results Obtained
Docket No. IMEA 864 - Tungsten
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract No. Idm-E133

Operator:
McRae Tungsten Corporation, Stibnite, Idaho

Operator's Property Rights:

The Operator owns the Snowbird group of unpatented lode mining claims, situated in the unsurveyed Big Creek Mining District, Valley County, Idaho, and recorded in the office of the Recorder of Valley County at Cascade, Idaho, as follows:

Claim Name	Recorded Book	Recorded Page
Snowbird	10	448
Tungsten	11	569
Tungsten No. 1	13	229
White Metal No. 3	11	584

Contract:

(a) Executed September 5, 1951, on Long Form MF-200 (June 1951).

(b) Completion period: Work to be started within 30 days from the date of the contract, and to be completed within 15 months from the date of the contract (or before December 5, 1952).

(c) Work authorized:

	Actual Costs
(1) Drifting, 300 feet @ $27.38/ft.	$8,214.00
(2) Raising, 120 feet @ $27.35/ft.	3,282.00

8623

(3)	Equipment to be rented: Bulldozer 98 hours @ $10.00/hr.	$ 980.00	
(4)	Equipment to be purchased: Compressor jackhammer, etc.	4,200.00	
(5)	Facilities to be constructed: Boarding house and shop	1,500.00	
(6)	Supplies and miscellaneous expenses	600.00	
(7)	Labor and supervision	1,575.00	
	Estimated Total Cost of the Project		$20,351.00
	Government Participation @ 75%		15,263.25

Amendment No. 1, executed September 27, 1951, authorized substitution of 78 hours of bulldozing @ $12.50/hr. in place of 98 hours bulldozing @ $10.00/hr., also changed the item reading "Labor and supervision, 3 miners @ $12.80 per shift" to read "Labor necessary for the project may be paid at shift rates or unit contract rates not to exceed rates generally paid for like work in the district in which the project is located. Labor cost is included in the estimated cost of the items of work and shall be allowable to the extent approved by the DMA Field Team, Region II."

Amendment No. 2, executed July 21, 1952, changed the work authorized and estimated costs as follows:

(1)	Drifting, 325 feet @ $20.00/ft.	$6,500.00
(2)	Raising, 120 feet @ $25.00/ft.	3,000.00
(3)	Equipment to be rented	650.00
(4)	Equipment to be purchased	3,255.00
(5)	Facilities to be constructed	787.00
(6)	Supplies and miscellaneous expenses	584.00
(7)	Labor and supervision	2,475.00
(8)	Diamond drilling 400 feet @ $6.50/ft.	2,600.00

(9) Moving in and out charge for diamond drill	$ 400.00	
(10) Assaying	100.00	
Estimated Total Cost of the Project		$20,351.00
Government Participation @ 75%		15,263.25

Under "Labor and Supervision" provision was added for a part-time engineer @ $250.00/month to supervise diamond drilling. All of this was to be at no increase in the estimated total cost of the project or the Government participation therein.

(d) Work completed:

Drifting, 304 feet	$7,322.72	
Raising, 120 feet	2,887.43	
Diamond drilling, 162 feet	1,810.10	
Surface excavation	650.00	
Operating equipment purchased (Net cost after credit for salvage)	894.79	
Surface rehabilitation and repairs	1,112.21	
Other	1,033.71	
Total accepted cost of the contract		$15,710.96
Government participation @ 75%		11,783.22

Work under the contract started September 6, 1951, and was completed September 30, 1952.

Audits: A Report of Final Audit, dated December 18, 1953, was received December 28, 1953.

Reports: The Operator's Final Report, dated November 10, 1952, was forwarded by the Field Team with its letter of December 4, 1954, and was received in this office December 8, 1952. The Final Report of the Field Team, dated February 3, 1953, was received February 20, 1953.

Past Production:

300 tons of tungsten ore, averaging 2% WO_3, were mined from the Snowbird claim during 1944. No production prior to the date of the contract has been reported from the Tungsten claim, on which exploration was performed under this contract.

Present Production:

Since the date of the contract 3,230 tons of ore, averaging possibly 1% WO_3 have been mined from the Snowbird claim group, from which 2,687 units of WO_3 were recovered and sold, and $4,986.94 royalty has been paid to the Government.

Certification:

In agreement with the Field Team's recommendation, with which the Commodity Divisions of the Bureau of Mines and Geological Survey concurred, a certification of discovery or development was issued February 5, 1953.

Comments:

Operations under the contract were hampered at times by lack of supervision to direct the course of the work, but as a whole the project was expertly and efficiently managed.

The project was established to explore for tungsten on the Tungsten claim of the Snowbird claim group, where it occurs in the form of scheelite with some intimately associated hubnerite in northwesterly trending quartz veins filling fissures, generally having dacite hanging walls and aplite footwalls.

Reserves of tungsten ore discovered by project work are estimated as 5,136 tons of indicated ore averaging 0.68% WO_3.

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

SPHOLT:foc
2-11-59
cc to: Docket
Code 400
Director's Read. File

yes / Audited

yes / Certified

K ANALYSIS SHEET - DMA PROJECT

Analysis as of 12/2/1954
Incl. Voucher for

X / Actual Cost

/ / Agreed Unit Costs

Mine McRae Tungsten Corporation

Docket No. DMA 864 (AMEND.)

State Idaho

Commodity Tungsten

Idaho-E No. 133

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	325'	6,500.00	304'	7,322.72	9,503.52- 31.26/ft.
Raising	120'	3,000.00	120'	2,887.43	3,747.34- 31.23/ft.
Shafts					
Winzes					
Drilling (Specify) Diamond	400(	3,000.00	162	1,810.10	1,810.10-/11.17
Surface Excavation		650.00		650.00	650.00
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		3,255.00		894.79	
Surface Rehabilitation & Repairs		787.00		1,112.21	
Underground Rehabilitation					
New Building, Improvements, etc.		[illegible]		[illegible]	
Other (Specify)		3,159.00		1,033.71	
Totals		20,351.00		15,710.96	15,710.96

Prepared by TLC

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

January 28, 1963

Memorandum

To: Chief, Fiscal Section
Division of Administrative Services
Office of the Secretary

From: E. D. Talbert, Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-K133

Enclosed for deposit to the subject DMEA account under symbol 14XA401 as a royalty receipt is a January 25, 1963, check no. 76 drawn in the amount of $107.68 by Robert J. McRae, Trustee, on the Idaho First National Bank, Boise, Idaho.

This check is in payment of royalty on 6.3 short dry tons of 68.37% WO_3 concentrates stored in Peasley's Warehouse, Boise, Idaho.

Enclosure

EDTalbert/ama 1-28-63

cc:
Docket
Director's Reading File
CA & A Division
Region I (2) (w/cys of incoming ltr.)

43683

THE **BUNKER HILL** COMPANY

BOX 29, KELLOGG, IDAHO

ADDRESS REPLY TO
620 MARKET STREET
ROOM 820
SAN FRANCISCO 4

January 25, 1963

U. S. Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

Attention: George Fumich, Director

Dear Mr. Fumich:

In accordance with your letter of January 14, I am sending you a check for $107.68 as payment in full of the royalty due on 6.3 short tons @ 68.37% WO_3. The agreed value @ $5.00 per unit as a base upon which to figure the royalty.

I presume upon receipt of this you will release the lien on the Snowbird Group DMEA-864 as all royalties have been paid and the time limitation has been reached.

Yours truly,

Robert J. McRae

ENC:

Robert J. McRae

RJMcR:ET

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 28 1963

DATE		
1/28	400	800
		~~100~~
		500

Re: DMEA-864

Geo:

Plz. incorporate acknowledgment of royalty payment in your letter of release.

Talbert
1/28/63

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/14	Holt	500
	Greenwell	500
1/14	Talbot	800
	Selfridge	120
1/14	Jackson	110
1/14	Fumich	100
		220

JAN 1 4 1963

Mr. Robert J. McRae
The Bunker Hill Company
Box 29
Kellogg, Idaho

Re: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-E133

Dear Mr. McRae:

We accept the offer of settlement in your letter dated January 7, 1963, of the royalty obligation to the Government under the subject contract.

Based on the figures submitted, the lot, weight 6.3 short dry tons, average assay 68.37% WO_3, price $5.00 per unit of contained WO_3, should be worth $2,153.65, on which royalty at the rate of 5% would be $107.68.

If you agree, please submit to this office check in the amount of $107.68, payable to the Office of Minerals Exploration, as payment in full of royalty obligations under the subject contract.

Sincerely yours,

George Fumich, Jr.

Director

(PH)

SPHolt/mm
1-11-63
cc: Director's Reading File
Region I (2) w/ McRae's ltr of 1/7 and attachments (2 copies)
CA&A Division
Docket
Code 500

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code

January 11, 1963

Memorandum

To: The File

From: Stephen P. Holt, Mining Engineer SPH
Division of Minerals

Subject: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-E133

Replying to the Operator's letter of September 13, 1962, concerning payment of royalty on a small lot of tungsten concentrate produced under the subject contract and remaining unsold, the Government, by letter of September 21, 1962, stated that it would be glad to consider any reasonable offer the Operator was able to secure from accredited tungsten buyers.

The Operator requested bids on the concentrate from Wah Chang Corporation, 100 Church Street, New York 7, N. Y., and Fred H. Lenway and Company, 100 California Street, San Francisco 11, California. Wah Chang was not interested; Lenway offered $3.00 per unit of WO_3. The Operator, by letter of January 7, 1963, transmitting copies of letters from the two buyers, offered to settle the royalty obligation on the basis of $5.00 per unit of WO_3 contained in the concentrate.

Considering the low market prices, at present and in the nearly foreseeable future, for tungsten ores and concentrates, the difficulty of marketing such a small lot (6.3 tons) of off-grade concentrate; and the financial advantage accruing from prompt closure of this old (1951) contract, this Division concludes that it is in the interest of the Government to accept the Operator's offer, and so recommends.

Stephen P. Holt
Stephen P. Holt

43683

THE **BUNKER HILL** COMPANY

BOX 29, KELLOGG, IDAHO

ADDRESS REPLY TO
620 MARKET STREET
ROOM 828
SAN FRANCISCO 4

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 9 1963

DATE	INITIALS	CODE
1/9	[illegible]	800
11	[illegible]	110
	Reviewed	500
	Hold	500

January 7, 1963

Mr. Frank E. Johnson, Director
Office of Minerals Exploration
United States Department of the Interior
Washington 25, D. C.

DMEA-864
Idm-E133

Dear Mr. Johnson:

This is in answer to your letter of December 12, relating to purchase offers on 6.3 tons of 68 plus WO_3 concentrate.

DMEA 864

I am enclosing a copy of my offering letter to Wah Chang Corporation. A duplicate offering was sent to Fred H. Lenway and Company, Inc., 100 California Street, San Francisco 11, California.

I am also enclosing copies of the responses to these offers.

As you can see, Wah Chang would make no offer and Lenway offered $3.00 per unit.

I do not know just where this leaves the situation but in view of cleaning up the matter, I would be willing to pay off the royalty based on a selling price of $5.00 per unit, which would appear liberal based on the response to the offer.

Let me know what your decision is in this matter.

Yours truly,

ENCS:

Robert J. McRae

RJMcR:ET

Robert J. McRae

ZME A. 864
McRae Tumpkins

Royalty - at 5.00/unit

68.37% WG
6.3 700-3

20511
41022
430,731 units
15 cent

$3,153,653 total sales price
.05

$107,5825 = Royalty @ 05%

S.P.H.
1.10.63

FRED H. LENWAY AND COMPANY, INC.
100 CALIFORNIA STREET
SAN FRANCISCO 11, CALIFORNIA

TENTH FLOOR
BETHLEHEM BUILDING

AREA CODE 415
TELEPHONE: DOUGLAS 2-0560
CABLES: LENWAY

January 4, 1963

Mr. Robert J. McRae
The Bunker Hill Company
#820, 620 Market Street
San Francisco 4, Calif.

Dear Mr. McRae:

Referring to your letter of November 13, we have studied the feasibility of utilizing the two small lots of tungsten concentrates mentioned, but regret to advise that in view of the high lead content, we cannot use the material for metallurgical applications.

We are also apprehensive in view of the news from Washington that the government is contemplating either a major reduction in the U.S. import tariff, or even a complete removal of the duty. It is hard to put a price on off-grade tungsten concentrates when, in view of the very low prevailing market, the cost of up-grading the material may very well exceed the final proceeds for the up-graded product.

Under these circumstances, we would say that the material probably has a value of $3.00 per short ton unit of WO_3 contained.

Sincerely yours,

FRED H. LENWAY AND COMPANY, INC.

Fred H. Lenway

President

FHL:mm

WAH CHANG CORPORATION

100 CHURCH STREET, NEW YORK 7, NEW YORK

CABLE ADDRESS
"WAHCHANG" NEW YORK
CORTLANDT 7-0887

November 19, 1962

The Bunker Hill Company
Box 29
Kellogg, Idaho

Attention: Mr. Robert J. McRae

Gentlemen:

We acknowledge and thank you for your letter of November 13, 1962, and the information contained therein, but regret to advise that we do not have buying interest in the tungsten concentrate referred to, at this time.

We thank you, however, for placing the matter before us for our consideration.

Very truly yours,

WAH CHANG CORPORATION

Allen Lau
Manager, Ore Department

AL/eo'b

November 13, 1962

Wah Chang Corporation
233 Broadway
New York 21, N. Y.

Gentlemen:

I have on hand two small lots of tungsten concentrate. I would appreciate an offer from you on these two lots with weights and analyses as given below:

Lot No. 1 Huberite (Minus 20 Mesh)

Wt. Tons	% WO_3	% Pb	% Zn	% Cu	% S	% P	% Mo	% As	% Sn
4.85	67.1	1.3	0.10	0.17	0.13	Tr	0.028	0.023	0.00

Lot No. 2 Scheelite (Minus 20 Mesh)

Wt. Tons	% WO_3	% Pb	% Zn	% Cu	% S	% P	% Mo	% As
1.55	70.28	2.45	0.05	0.06	0.15	Tr	0.018	0.021

Yours truly,

RJM

Robert J. McRae

R.McR:ET

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
12/12	Holt	500
	[illegible]	500
12/12	Talbut	800
	Selfridge	120
"		110
"		100
12/12	Cal	220

DEC 12 1962

Mr. Robert J. McRae
The Bunker Hill Company
Box 29
Kellogg, Idaho

Re: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-E133

Dear Mr. McRae:

Please inform us if you have secured any offers from accredited tungsten buyers for the 6.3-ton lot of 68.37% WO_2 concentrate as you suggested doing in your letter of September 13, 1962.

Since the period for royalty payments under the cited contract has expired, it would really be to your advantage to settle this account as we could then release the Government's lien on the property and close our books and records on this old DMEA contract.

Sincerely yours,

(signed) FRANK E. JOHNSON (gla)

ACTING Director

SPHolt/mm
12-12-62
cc: Director's Reading File
Region I (2)
CA&A Division
Code 500
Docket

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
9/21	[illegible]	500
	[illegible]	500
9/21	Talbot	800
		110
9/24	on leave	100
9/20	[illegible]	220
		500

Mr. Robert J. McRae
The Bunker Hill Company
Box 29
Kellogg, Idaho

SEP 2 1 1962

Re: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-E133

Dear Mr. McRae:

We thank you for your letter of September 13, 1962, concerning the tungsten concentrate produced from the subject property and remaining unsold.

As we would like to close this old DMEA contract, we will be glad to consider any reasonable offers you can secure from accredited tungsten buyers for the 6.3-ton lot of 68.37% WO_3 concentrate.

Sincerely yours,

(signed) FRANK E. JOHNSON

ACTING Director

SPHolt/gla
9-21-62
cc to: Director's Reading File
Contract Division
Region I (2) w/2 copies Mr. McRae's letter 9/13/62
Docket

43683

THE **BUNKER HILL** COMPANY

BOX 29, KELLOGG, IDAHO

ADDRESS REPLY TO
620 MARKET STREET
ROOM 820
SAN FRANCISCO 4

September 13, 1962

Director
Office of Minerals Exploration
U. S. Department of Interior
Washington 25, D. C.

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 18 1962

DATE	INITIALS	CODE
9/18	[illegible]	800
	[illegible]	500
9/20	Hoch S.P.H	500

Re: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm E133

Dear Sir:

This refers to your letter of September 4, 1962, regarding concentrate still held but subject to DMEA royalty.

I agree that the 15% material has no value at present.

On the 68.37% WO_3 material, the best offer I could get last year was about $10 per unit, or just over $4,000. This material contains from 1.5% to 1.8% lead, 0.15 copper, 0.12 zinc. This classes it as having to go to a chemical plant. Further, for the past year sales of tungsten concentrate (especially small lots) are negotiated and have little relation to the E.&M.J. quotation.

I might consider paying you the royalty based on the best offer I can get from an accredited buyer. If you desire this approach, I'll try and get some offers.

Yours truly,

Robert J. McRae

Robert J. McRae

RJMcR:ET

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/15	Holt	500
	Grissel	500
8/15	Talbut	800
8/15	Orhaw	130
8/21	Johnson	110
8/9	Farmer	100
		220
		500

mailed 9/4/62

Mr. Robert J. McRae
McRae Tungsten Corporation
1704 Courtley Street
Boise, Idaho

Re: IMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-E133

Dear Mr. McRae:

We thank you for the information contained in the MME Form 63, "Request for Information on Certified Project and Project Under Royalty Agreement," which you completed and returned August 6, 1962.

We are now in a position where we could release the Government's lien upon production from the land of the contract and would like to do so. However, this cannot be done until we have received royalty on production made during the 10-year royalty period.

According to your letter of April 30, 1960, to Mr. D. R. MacLaren, the following material is stored and subject to Government royalty:

Lot No.	Type of Material	Weight, Short Tons	Average Assay	Place Stored
1	Tungsten concentrate	6.3	68.37% WO_3	Peasley's Warehouse, Boise, Idaho
2	Tungsten concentrate, low grade	11.0	15.0 "	Warehouse at Birch Creek, Idaho

It is our estimate that the first lot of material, at present market prices, would have a sale value of about $8,600.00, and that the second lot, in its present location, after deducting penalties and cost of treatment, would have no value. Accordingly, the Government is entitled to $430.00 as a 5% royalty on the $8,600.00.

We, therefore, will appreciate having your check for this amount, and we shall then promptly release the lien on the property.

SPHolt/gla
8-15-62
cc to: Director's Reading File
Contract Division
Docket
Region I (2)
Code 500

Sincerely yours,

George Fenich, Jr.

Director

(bt)

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/15	Holt	500
	Griswold	500
8/15	Talbut	800
8/15	Dwlear	130
8/21	Johnson	110
8/21	Smith	100
		220
		500

AUG 21 1962

Memorandum

To: Acting Field Officer, Region I

From: ACTING Chief, Division of Field Operations

Subject: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-E133

If the enclosed letter to Mr. Robert J. McRae meets with your approval and if you have no present information to the contrary, kindly date and mail the letter, returning the distribution copies to us.

Enclosed for your files is a copy of MME Form 63, completed by Mr. McRae on August 6, 1962.

W. R. Griswold

Enclosures

SPHolt/gla

8-15-62
cc to: Director's Reading File
Review Committee
Docket

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/21	Brown	500
"	Johnson	110
8/	Jones	100
		220

August 21, 1962

Memorandum to the File

From: Stephen P. Holt, Mining Engineer
Division of Minerals

Subject: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-E133

The question of the present value of a lot, weighing approximately 11 tons, average assay about 15% WO_3, of low-grade tungsten concentrate produced from the subject property and now stored in a warehouse at Big Creek, Idaho, has been investigated, with the following results:

The Salt Lake Tungsten Company plant at Salt Lake City, Utah, accepted and paid for three small lots of low-grade concentrate assaying 10.03, 6.136, and 9.42 percent WO_3 respectively, from the subject property in October and November 1954, and October 1956. Settlement was based on $63, $63, and $55/unit of WO_3 for the three lots. The 11-ton lot now remaining was apparently not shipped due to the ending of the Government's tungsten purchase program in mid-1957, with the consequent collapse in the market price for tungsten ore and concentrate.

The Bureau of Mines commodity specialist for tungsten states that the present market price for domestic scheelite ore is $15 to $17 per unit of WO_3, that the Salt Lake Tungsten Company plant, later operated by Minerals Engineering, which had up to late last year been accepting small custom lots of low-grade concentrate, shut down in December 1961, and is not expected to resume operations in the immediately foreseeable future, because its Beaverhead, Montana, mine and mill have also shut down and are reported to have been stripped of mine and mill equipment.

The only plant remaining in operation in this country that might handle the 11-ton lot in question is the Wah Chang plant at Glen Cove, New York. Even if that company would accept such a small lot of low-grade concentrate, cost of trucking from the isolated location in central Idaho to the railroad at Boise, then shipping by rail from Boise to Glen Cove, or cross-country trucking from Big

Creek, Idaho, to Glen Cove, would be prohibitive at present low prices for tungsten.

Therefore, it is recommended that the 11-ton lot of 15% WO_3 concentrate from the subject property be considered to be of no value at the present time.

Stephen P. Holt

Stephen P. Holt

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 6 1961

DATE		
2-6	gad	2220
2/6		800
"		~~500~~
		220

No. 157 Bunnell Street
Spokane 4, Washington
January 31, 1961

Mr. Robert Nelson
1704 Gourley Street
Boise, Idaho

Re: IDMA-8A (Tungsten)
Nelson Tungsten Corporation
Sunshine Group of Claims
Valley County, Idaho
Contract IDm-8135

Dear Mr. Nelson:

For your information and files is enclosed a copy of a Report of Royalty Review dated January 23, 1961, on sales of minerals from property referred to as the Sunshine Group of Claims located in Valley County, Idaho, during the period December 15, 1956, through January 31, 1961.

Sincerely yours,

D. F. Mackeron
Acting Field Officer, OME
Region I

Enclosure

cc: Fiscal Section, Div. of Admin. Services
Office of the Secretary, Dept. of the Interior
Washington 25, D. C., w/orig. Report of Royalty Review
Contract Admin. & Audit Div., OME
OME(2)
CFF
Director
Econ. Geol.
RJM

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1-25	gad	220
1/26	~~Hoet~~	500
		220

JAN 2 5 1961

Memorandum

To: Acting Field Officer, Region I

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-E133

Attached are the original and two copies of a Report of Royalty Review on the above cited project. If you concur in the facts stated in the report, distribution should be made as follows:

(a) Original of the report to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.;
(b) One copy to the Operator; and
(c) One copy for your file.

As evidence of your concurrence, a copy of your letter transmitting the Operator's copy should be furnished to this Division. If for any reason you do not concur, the original and both copies of the report should be returned to this Division with your comments.

Attachments

EDTalbert/ama
January 24, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Rothrock

43683

Boise, Idaho
April 30, 1965

Mr. R. R. Mac Laren
Acting Field Officer, Region 1
Office of Minerals Exploration
South 157 Howard Street
Spokane 4, Washington

Dear Mr. Mac Laren:

This is in answer to your letter of April 27 regarding tungsten concentrate produced from the Snowbird Mine in Valley County, Idaho, under contract IDM-8133.

The 6.3 tons of tungsten concentrate assaying approximately 68.37% WO_3 are still in Peasley's Warehouse in Boise, Idaho. The storage charges are approximately $60.00 per year.

Approximately four tons of lowgrade (about 5% WO_3) concentrate stored in Boise were discarded last year as probably having no value in the foreseeable future. This leaves about 11 tons of concentrate stored in a warehouse at Big Creek, Idaho, that [illegible] about 15% WO_3. The transportation and charges for moving these concentrates to Big Creek storage was $60.00.

Yours truly,

R. J. McRae
1704 Gourley Street
Boise, Idaho

OFFICIAL FILE COPY O. M. E. RECEIVED APR 29 1960		
DATE	INITIALS	CODE
4-29	gad	110
4/29	[illegible]	800
5-3	[illegible]	500
		225

No. 157 Howard Street
Spokane 4, Washington

April 27, 1960

Mr. Robert McRae
1704 Gourley Street
Boise, Idaho

Re: Docket No. 864 (tungsten)
Snowbird Group
Valley County, Idaho
Contract Ida-K133

Dear Mr. McRae:

When mining and milling ceased at the Snowbird mine in March 1957, about 6.3 tons of tungsten concentrate assaying 68.37% WO_3 and 15.0 tons assaying 13.8% WO_3 were stored at the mill and in Boise, Idaho.

In order to bring our records up to date we would appreciate hearing what disposition, if any, has been made of these stored concentrates.

Sincerely yours,

D. R. MacLaren
Acting Field Officer
Region I

cc: OME(3)
USBM
DRF
CPF

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

February 6, 1957

Mr. Robert McRae, President
McRae Tungsten Corporation
Stibnite, Idaho

Re: Docket No. DMA-864 (Tungsten)
Snowbird Group
Valley County, Idaho
Contract No. Ida-H133

Dear Mr. McRae:

Enclosed for your information and files are the Second Royalty Audit Certificate and Second Royalty Audit Report dated January 10, 1957. This audit covers the sale of tungsten concentrates for the period June 14, 1955 to December 14, 1956 and shows a balance of royalties amounting to $1,848.13. However, we have received payment for this sum: one check for $1,614.04 covering a shipment to General Services Administration, Seattle, Washington, and one check in the amount of $234.09 received from the Salt Lake Tungsten Company.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USGS (2)
USBM (AD)
Kellum
Turner
CPF

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 11 1957

DATE	INITIALS	CODE
2-11	C	220
2/11	4g	800
		225

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1-28	Chambers	800
1-29	C	220
		225

JAN 29 1957

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

Re: Royalty Audit Report
McRae Tungsten Corporation
Idm-E133, DMA-864

Dear Mr. Turner:

Receipt is acknowledged of your revised Second Royalty Audit Report and Certificate covering the above-cited project.

The report is acceptable and normal distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
January 28, 1957

Copy to: Docket
Admr. Reading File
Mr. Chambers

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/18	Fisher	800
1-18	Cyr	220
	G	225

JAN 18 1957

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

Re: Royalty Audit Report
McRae Tungsten Corporation
Idm-E133, DMA-864

Dear Mr. Turner:

Your Second Royalty Audit Report and Certificate pertaining to the subject project is returned for necessary revision.

The report and the certificate indicate your on-site audit was made on December 14, 1956, at which time royalty in the amount of $4,493.89 is stated to have been received. Washington office records indicate $2,645.76 had been received at that date. Subsequently amounts of $234.09 and $1,614.04 were received; being covered by checks dated December 18, 1956, and January 3, 1957, respectively. Thus, royalty in the amount of $1,848.13 was unpaid at December 14, 1956. The certificate and Section IV of the audit report should indicate royalty due in the latter amount and explanation should be made in the audit report that the balance due was received in the Spokane office subsequent to the date of on-site audit.

It is not clear how a considerable amount of preaudit work could have been accomplished in the Spokane office prior to the on-site audit in this instance since the only settlement sheets received subsequent to the prior royalty audit appear to have been obtained either at the time of the on-site audit or subsequent to such audit. The first paragraph of Section III B of the audit report should be revised to clearly indicate the manner in which the audit of the settlement statements was accomplished.

The wording of the first paragraph of Section II of the audit report should follow Royalty Audit Report Examples Nos. 1 and 2 of the royalty audit manual. The wording in these examples has been carefully selected for use in royalty audit reports applicable to contracts prepared on the old Form MF-200 where the royalty clause has not been subsequently modified. The reference to production "as a result of such discovery or development" has been omitted from these examples because it is the intention that royalty be collected on all production from the land as delineated in the certification of discovery or development.

P.C.L.

8623

The second paragraph of Section III should state your reason for omitting Lot No. 6 from the audit. The following is suggested in lieu of the last sentence:

> The amount of royalty due in connection with this shipment has not been included in this audit report because settlement had not been made by General Services Administration and the data necessary to compute the value of this shipment and the royalty due thereon were not available at the time of the audit.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

CEFisher/wb
January 18, 1957

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

400

DOCKET
SURNAME
Chapman
Martin
Chambers
Johnson

NOV - 1 1956

Mr. Clarence A. Fredell
Acting Director
Technical Services Division
Defense Materials Service
General Services Administration
7th and D Streets, S. W.
Washington 25, D. C.

Re: Docket No. DMEA 864 - Tungsten
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract No. Idm-2133

Dear Mr. Fredell:

Reference is made to our letter of May 11, 1953, to Mr. H. I. Young, Deputy Administrator, Defense Materials Procurement Agency, General Services Administration, Washington 25, D. C., advising that the Government's share of the amount expended under the subject contract was $11,790.72, subject to audit. To complete your records, please note that, by the Final Audit of December 18, 1953, the Government's share was $11,783.22.

Sincerely yours,

Administrator

TLChapman:foc
10/31/56
cc to: Docket
Code 400
Admr. Read. File
FT. REG. I - NW DIST.
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

P.C.S.

No. 157 Howard Street
Spokane 4, Washington

October 22, 1956

Mr. [illegible] Isham
Head of Manufacturing Department
The Salt Lake Tungsten Company
2160 Indiana Avenue
P. O. Box 2572
Salt Lake City 10, Utah

Re: Docket No. [illegible]-[illegible] (Contract [illegible]-[illegible])
and
Docket No. [illegible]A-2654 (Contract [illegible]-[illegible])
Nokas Tungsten Corporation
Valley County, Idaho

Dear Mr. Isham:

Thank you very much for your letter of October 22, 1956, in which you state you have received another shipment from Nokas Tungsten Corporation, Boise, Idaho.

Royalty payment of 5 percent of the net amount due the Nokas Tungsten Corporation is due the Government. Payment should be made in the usual manner, made out to the Defense Minerals Exploration Administration and mailed to me at the above address in accordance with the instructions contained in our letter to you of November 30, 1954.

We would greatly appreciate it if you would inform us of any shipments that you may have received from Nokas Tungsten Corporation between November 16, 1954, and the shipment referred to in your letter of October 22, 1956. Our records show that the last royalty payment in the amount of [illegible].14 was made by you covering shipments Lots 2 and 3 (your Lot 63) and reported on a settlement sheet dated November 16, 1954.

Sincerely yours,

[illegible]
Executive Officer,
Field Team, Section [illegible], [illegible] District

cc: Nokas Tungsten Corp.
Stanley, Idaho
[illegible]
[illegible]
[illegible]

THE SALT LAKE TUNGSTEN COMPANY
2160 INDIANA AVENUE TELEPHONE 44632 P. O. BOX 2572
SALT LAKE CITY 10, UTAH

October 22, 1956

Mr. A. E. Weissenborn
Executive Officer, DMEA
[illegible]
United States Dept. of Interior
[illegible] 157 Federal Street
[illegible]

[illegible]

[illegible] receipt of another shipment from McRae [illegible] Operation, Boise, Idaho.

[illegible] royalty payments are [illegible]

Thank you.

Very truly yours,

THE SALT LAKE TUNGSTEN COMPANY

E. W. [illegible]
[illegible] Manufacturing Department

EWL

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. ~~157 Howard Street~~
Spokane 4, Washington

RECEIVED
JUL 14 1955

July 11, 1955

Mr. Robert McRae, President
McRae Tungsten Corporation
Stibnite, Idaho

Re: Docket No. DMA-364X (tungsten)
Snowbird Group
Valley County, Idaho
Contract No. Idm-2133

Dear Mr. McRae:

We are enclosing a first royalty audit certificate and report covering all the payments made under the terms of the subject contract made from production at the Snowbird Group of claims from September 5, 1951, to June 14, 1955.

At the time of C. H. Fisher's audit royalty due the Government from production at the Snowbird Group of claims amounted to $2,645.76. A total of $2,492.52 had been paid, leaving a balance due the Government of $153.24.

A check dated June 30, 1955, in the amount of $153.24 has been received from Paul H. Floyd representing the Mineral Recovery and Engineering Co. covering the amount due the Government, and as of July 6 a total of $2,492.52 has been paid bringing the royalty up to date.

Sincerely yours,

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

Enclosures
cc: [illegible] A(2)
[illegible](2)
Turner (2)
Pellum

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

JUL - 6 1955

Mr. Clarence E. Fisher
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Royalty Audit Reports
Idm-E133, DMEA-864X
McRae Tungsten Corp.
and
Idm-E510, DMEA-2920
Bonanza Oil & Mine Corp.

Dear Mr. Fisher:

Receipt is acknowledged of your First Royalty Audit Certificate and Reports covering the above-cited Exploration Project Contracts.

The Reports are accepted and may be distributed in the usual manner.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
July 6, 1955

Copy to: Docket (2)
Admr. Reading File
Mr. Chambers

R. C.

DMEA
864

XXXXXXXXXXXXXXXXXX
So. 157 Howard Street
Spokane 4, Washington

November 30, 1954

The Salt Lake Tungsten Company
2160 Indiana Avenue
Salt Lake City, Utah

Gentlemen:

This will acknowledge receipt of Check No. 1821 in the amount of $208.34 dated November 22, 1954, made payable to Mr. A. E. "Weissenbom", which represented DMEA royalty due on a shipment from McRae Tungsten Corporation.

This is to inform you that in the future all checks are to be made payable to "Defense Minerals Exploration Administration" and should be mailed to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 4, Washington.

Enclosed is a copy of a memorandum from the Executive Officer regarding the remittance of checks on royalty repayments.

Sincerely yours,

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

Enclosure

cc: McRae Tungsten Corporation
Stibnite, Idaho

DMEA (2)
USBM (2)
USBM(AD)

Docket

GENERAL SERVICES ADMINISTRATION

Office of Regional Comptroller
909 First Avenue
Seattle 4, Washington

In Reply Refer To: 10CRE
September 14, 1954

Field Team, Region 2
Defense Minerals Exploration Administration
So. 157 Howard St.
Spokane 4, Wash.

Gentlemen:

Reference is made to your letter of August 12, 1954, to Mr. D. C. Lillis, Chief Inspection Division, regarding sales of concentrates to this agency by McRae Tungsten Corporation.

Pursuant to your request, arrangements have been made to make royalty deductions from the McRae invoices when payments are processed by this office and to remit such amounts to you accompanied by copies of the settlement invoices. For your information, we are in receipt of letter dated August 27, 1954, from the contractor, in which he consents to the royalty deductions.

Very truly yours,

/s/ C. E. Nelson
C. E. NELSON

9/27/54

Mr. M:
Mr. Martin says this GSA letter agrees to do what we asked; so no action necessary.
File now?

fw

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

N.S. in B. Pl

September 1, 1954

Memorandum

To: Mr. Frank E. Johnson
Deputy Administrator

From: Jay L. Chambers, Chief (Signed) J. L. Chambers
Contract Administration and Audit Division

Subject: Idm-F406, DMEA-2654, McRae Tungsten Corp. (Tungsten)

On an "Action on Interim or Final Field Team Report" referral slip covering an interim report on the subject project, as submitted by W. S. Anderson, Du Mines Engineer, you made the following comments:

> "Withhold payments under both contracts until satisfactory arrangements made for liquidation"

and requested that we take appropriate action. Also by notation on the report you suggested that we "Withhold for settlement" the payment of the April MF-104, which was the last submitted by the Operator (per the interim report).

For your information, the April MF-104 on Idm-F406 was certified for payment on July 9, 1954. Final settlement on the other contract referred to, Idm-F133 (DMA-861) was effected by a refund on March 24, 1954 by the Operator of an amount due the Government in accordance with a final Audit Certificate dated December 18, 1953.

EDT albert/wb
September 1, 1954

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

August 12, 1954

Mr. D. C. Lillis, Chief
Inspection Division
General Services Administration
909 First Avenue
Seattle 4, Washington

Re: Docket DMEA-864, Contract Idm-E133
and
Docket DMEA-2654, Contract Idm-E406
McRae Tungsten Corporation
Valley County, Idaho

Dear Mr. Lillis:

The DMEA Field Team representative was informed by Robert McRae during a recent inspection that he plans to sell hubnerite and scheelite concentrates from his Snowbird and Red Bluff properties in Valley County, Idaho, to the GSA purchasing depot.

The Field Team wrote Mr. McRae on July 21 asking him to supply the address of the GSA purchasing depot. Mr. McRae's letter dated August 9 informed this office that he has been corresponding with you. According to that letter he plans to have about 4 tons of concentrates at Stibnite for GSA inspection on August 20, 1954.

Both the Red Bluff and Snowbird properties were explored by DMEA contracts and are subject to DMEA royalty. This royalty will amount to 5 percent of the net smelter returns on the type of concentrate Mr. McRae plans to sell to GSA. The royalty checks should be made payable to the Treasurer of the United States and mailed to A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 4, Washington. A settlement sheet will also be required showing grade, amount and payment.

Will you please inform the purchasing depot which will purchase Mr. McRae's ore to withhold and pay any royalties due DMEA and enclose the settlement sheet with the payment.

Mr. McRae will inform the depot of the source and the amount of the concentrates of each shipment. Shipments in the near future will be only from the Snowbird property.

We hope this arrangement of royalty collection can be made and we appreciate the assistance GSA has given us in the matter of DMEA royalty payments.

By Field Team, Region II

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

John S. Vhay, Acting Member
U. S. Geological Survey

cc: USBM (2)
DMEA (2)
Nickelson

COPY

McRAE TUNGSTEN CORPORATION
STIBNITE, IDAHO

Defense Minerals Administration
RECEIVED
OCT 18 1954

Aug. 9, 1954

Mr. A. B. Weissenborn
Executive OfficerDMEA
Field Team, Region II
South 157 Howard St.
Spokane 4, Washington

Dear Mr. Weissenborn:

I have your letter of July 21, 1954, re arrangements for royalty deductions to be paid to DMEA on the Snowbird-Red Bluff production. All production is from the Snowbird Property so far because we feel the exploration program at the Red Bluff left too much in doubt as to the grade and quantity of ore that could be stoped.

We will be having an inspection made of approximately 4 tons of production about August 20th at Stibnite, Idaho. All of my correspondence has been with D. C. Lillis, Chief, Inspection Division, 909 First Ave., Seattle 4, Washington. It is my impression that the inspector comes out of Butte, Montana.

Any product sold to other purchasers will be with instructions to handle the royalty in accordance with your instructions.

Milling is still on an exploratory basis and we hope that it will develop into a steady operation.

Yours truly,

/s/ Robert J. McRae

Robert J. McRae
Stibnite, Idaho

RECEIVED
AIR MAIL
AUG 11 1954
U.S.G.S.
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
No. 157 Howard Street
Spokane 4, Washington

July 21, 1954

Mr. Robert McRae
McRae Tungsten Corporation
Big Creek, Idaho

Re: Docket No. DMEA-[illegible] (tungsten)
Snowbird Property
Contract Idm-[illegible]
and
Docket No. DMEA-[illegible] (tungsten)
Red Bluff Property
Contract Idm-[illegible]

Dear Mr. McRae:

The Field Team would like to add information to Mr. Nicholson's recent conversation with you regarding payment of royalty on value of the concentrates you expect to sell from your Snowbird and Red Bluff properties. Mr. Nicholson reports you plan to sell tungsten concentrates to the General Services Administration and to a refinery in Salt Lake City.

If you will furnish the Field Team the address of the G.S.A. purchasing depot, we will inform them to withhold royalties from any settlements of concentrate shipments from the above contracts and have them send the check and settlement sheet to the Executive Officer, DMEA, Region II. This method of royalty payment will save you time and will follow the approved procedure for royalty collections as stated in the contract.

It will be necessary for you to inform the refinery in Salt Lake City to withhold royalty payments in accordance with Article [illegible] in the contract. The refinery should send the royalty check, made payable to the Treasurer of the United States, together with a copy of the settlement sheet, to A. T. Weissenborn, Executive Officer, DMEA Field Team, Region II, No. 157 Howard Street, Spokane 4, Washington.

It would be appreciated if you would inform the Field Team the amount of production sold from each property so the royalty payments can be credited to each contract. This can be accomplished by invoicing a combined shipment as "Snowbird-Red Bluff" or a separate shipment as "Snowbird" to the buyer. The Field Team should then be informed by letter of the amount or percentage of production from each mine in any combined shipment (Snowbird-Red Bluff).

We would appreciate any other suggestions you may have for keeping separate the production sold from each property.

The Field Team is glad to hear the Snowbird mine is now a successful producer.

Sincerely yours,

John S. Vhay
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Nicholson

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

So. 157 Howard Street
Spokane 4, Washington

March 22, 1954

Mr. R. J. Hindman, Certifying Officer
DMEA Field Team, Region II
1201 North Division
Spokane, Washington

Re: Docket No. DMA-864 (tungsten)
McRae Tungsten Corporation
Snowbird Claims
Valley County, Idaho
Contract No. Idm-E133 (completed)

Dear Mr. Hindman:

Enclosed is Check No. 302 received from McRae Tungsten Corporation in the amount of $7.50, which is the overpayment made by the Government on the above-referenced contract.

Sincerely yours,

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

Enclosure
cc: USBM (2)
DMEA (2)
Hull
Jay L. Chambers, Wash., D. C.

Received attachment _____
date

R. J. Hindman

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
[illegible] 137 Normal Street
Spokane 4, Washington

March 12, 1954

Mr. Robert J. McRae, President
McRae Tungsten Corporation
Cobbnita, Idaho

Re: Docket No. [illegible] (nonwoten)
Snowbird Mining
Valley County, Idaho
Contract DMC 1133 (completed)

Dear Mr. McRae:

Enclosed for your information and files is a copy of Robert L. Hull's Audit Certificate and Audit Report of December 1[illegible], 19[illegible], on the subject contract.

The audit disclosed that a total of $15,7[illegible].[illegible] was approved for payment, of which the Government's participating share of 75 percent is $11,[illegible]3.22 payable to you. However, the records show that you have been paid $11,730.72, or an overpayment has been made by the Government of $[illegible].50

In order to close this account, we could, if you wish, deduct this sum from the amount due you under contract IDC-[illegible], but it would probably be simpler if you merely sent a check in the amount of $[illegible] made payable to the Treasurer of the United States and mail it to this address.

Very truly yours,

[illegible] T. [illegible]
Executive Officer, [illegible]
Field Team, Region [illegible]

Enclosure

cc: DMEA (2)
USBM (2)
Hull
Hindman
Contr. Adm. & Aud. Div., Wn., D. C.

C
O
P
Y

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

February 24, 1954

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

Re: Semiannual Report of Certified Projects, Region II

Dear Mr. Selfridge:

This is in reference to your letter of February 15 regarding the Semiannual Report on Certified Projects, Region II, in which you inquire why no royalty payments are reported from Dockets DMA ~~846~~ - 864 Tungsten, McRae Tungsten Corporation, DMA 700-Tungsten, Alps Mining and Milling Company, and DMEA 2292-Tungsten, American Alloy Metals and associated properties, although these properties are reported as being "In Production."

According to our information, McRae is concentrating ore from the Snowbird group, but due to winter conditions in stock piling the concentrate and will not ship until spring. Concerning Alps Mining and Milling, we have just received the first royalty check on a shipment of gold ore. As far as we know no tungsten concentrates have been shipped yet. With respect to American Alloy Metals, this property went into production in December but did not make actual shipments until sometime in January. We have just received a letter from the Minerals Engineering stating that they are now ready to make the first royalty payment and asking some details as to how this is to be done.

Sincerely yours,

/s/ A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

FILE COPY
SURNAME: 218

Talbert
Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Mr. Charles A. Turner JAN 5 1954
DMA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-4133, DMA-964
McNee Tungsten Corporation
Valley County, Idaho

Dear Mr. Turner:

Reference is made to the Audit Report and Certificate covering the referenced exploration project contract, as transmitted by your letter of December 23, 1953.

The Report has been reviewed and found to be acceptable, however, the Audit Certificate does not appear to be a true statement of the facts. It is suggested that a revised Audit Certificate be prepared showing the factual data as follows:

Total cost as billed by contractor		18,283.71
Less: Net credit transferred to Contract Idm-4100		2,560.00
Adjusted Cost		15,723.71
Exceptions (see Audit Report for details)		
Prior to this audit	$ 2.75	
During this audit	10.00	12.75
Total Accepted Costs		15,710.96

Upon submission of this revised Audit Certificate the original Certificates should be destroyed and distribution of the Report and Certificate may be effected without further advice from this office.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
January 5, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

HHK 1-5-54

400

FILE COPY
SURNAME:

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

Rutledge
Martin
Lemmon
Hedges
Selfridge

MAR 11 1953

Mr. H. I. Young, Deputy Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

Re: Docket No. DMA 864X - Tungsten
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract No. Idm-E133

Dear Mr. Young:

The Operator's final report and the final report by the Defense Minerals Exploration Administration Field Team on the referenced exploration project have now been received, and one copy of each report is enclosed as stipulated in our letter of February 10, 1953.

Contract No. Idm-E133 was signed September 5, 1951, with the Government participating to the extent of 75 percent in an exploration project estimated to cost $20,351.00; Government's share - $15,263.25. Of the latter amount, $11,790.72 was expended, subject to final audit.

Work under the contract, which allowed for 300 feet of drifting, 120 feet of raises, and 98 bulldozer-hours for stripping of the outcrops and adit portal preparation, was started September 6, 1951. However, because the overburden was too deep for effective stripping, the contract was amended July 21, 1952, to allow diamond drilling. Work under the amended contract consisted of 325 feet of drifting, 120 feet of raises, 65 bulldozer-hours of stripping and adit portal preparation, and 400 feet of diamond drilling. The following work was performed under the contract: 304 feet of drifting, 120 feet of raises, 162 feet of diamond drilling, and 65 hours of bulldozing.

Two veins were explored in the course of this project: the East vein and the McRae vein. In one of these, the McRae vein, an ore shoot has been sufficiently delimited that ore reserves have

been calculated. Calculations by the Field Team have indicated this ore shoot contains 3,490 units of tungsten - 5,136 tons at 0.68 percent WO_3. The Operator has calculated this ore shoot at 3,815 units - 4,366 tons at 0.87 percent WO_3. Therefore, the Operator's method has resulted in higher grade but correspondingly less tonnage.

In addition to the reserve tonnage in the McRae vein, the Operator has inferred the following reserves:

Deposit	Short tons	Percent WO_3	Short ton units
East vein	595	1.75	1,040
Snowbird	300	0.80	240
Upper outcrop	600	0.98	588
Middle outcrop	400	0.90	360
Wilson	200	1.20	240
Total	2,095	1.18	2,468

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

P.N.
3/11/53

Enclosures

Copy to: Docket
Admn. Reading File
Code 400
Field Team, Region 2
Operating Committee
Code 800 - Mr. Chambers
Code 900 - Mr. Murkland
Code 110 - Mr. F. E. Johnson
Mr. E. W. Geehan, USBM
Mr. J. H. Hedges, USBM
Mr. T. P. Thayer, USGS
Mr. D. M. Lemmon, USGS

FARutledge/ls
3/9/53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

February 16, 1953

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 20 1953

Re: Docket DMEA-864 (Tungsten)
McRae Tungsten Corporation
Valley County, Idaho
Contract Idm-E133

Dear Mr. Selfridge:

Enclosed are four (4) copies of a final Field Team report on the captioned property. The report recommends that the Government issue a Certification of Discovery or Development to the Operator. It is noted in a letter from your office dated February 5, 1953, that such certification has already been issued.

Final audit has not been made of contract accounts. This is because 1) inaccessibility of the property, and 2) the fact that the Operator is currently in Korea. All equipment in which the Government has an equity has been moved to the Operator's Red Bluff property, which also has a DMEA contract. Contract work at the Red Bluff property should resume in June 1953; however, if possible, an audit of both the Snowbird and the Red Bluff contracts will be made before that date.

By DMEA Field Team, Region II

M. E. Volin, Acting Executive Officer
(U. S. Bureau of Mines)

Thor H. Kiilsgaard, Acting Member
(U. S. Geological Survey)

Enclosure
cc: USBM (2)
Quinlan

Reviewed by
DMEA OPERATING COMMITTEE
2-27-53
(date)

3-4-53

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION II

FINAL REPORT

Contract Idm-E133

by

H. T. Reno
Engineer
U. S. Bureau of Mines

J. J. Quinlan and
G. W. Fuller, Geologists
U. S. Geological Survey

McRAE TUNGSTEN CORPORATION
Stibnite, Idaho

Docket No.:	DMEA-864
Commodity:	Tungsten
Contract date:	September 5, 1951
Termination date:	September 30, 1952

ENGINEER GROUP
Big Creek Mining District
Valley County, Idaho

Reviewed by
DMEA OPERATING COMMITTEE
2-27-53
(date)

Spokane, Washington

February 3, 1953

FINAL F.T. REPORT

FINAL REPORT

McRAE TUNGSTEN CORPORATION
Snowbird Group, Big Creek Mining District
Valley County, Idaho

Contract Idm-E133

* * * *

SUMMARY AND CONCLUSIONS

The exploration project partly exposed the East and McRae vein outcrops by trenching, explored the McRae vein at depth by 305 feet of drifting and crosscutting and 125 feet of raising at two locations, and probed the East vein at depth with two diamond drill holes. This work outlined an ore shoot in the McRae vein and provided information which precludes further exploration of the East vein at depth.

The work indicated an ore reserve of 3,498 units WO_3 in 5,136 tons of ore and developed the property to a point where stoping may begin. Further exploration is not warranted at this time although stoping may disclose sufficient control to justify a search for other ore shoots in the vein structures.

Operation of the property at the present price of tungsten ($63.00 a unit) will be economically feasible upon the installation of a concentration mill. The ore can be mined for relatively low cost either in open stull of shrinkage stopes, and with careful supervision, dilution will be negligible. The ore can be concentrated with jigs and tables and perhaps upgraded by magnetic separation or a flotation process to make a salable product. Sufficient tonnage is contained in the ore body discovered on the project, in three other known small high-grade ore bodies on the Snowbird group, and on the adjoining Red Bluff project to justify the expenditure for a small mill.

RECOMMENDATIONS

It is recommended that the DMA certify a discovery and that the Government be entitled to royalties from production. No further participation by the Government on exploration of the East and McRae veins is recommended at the present time.

PROPERTY

The property is the Snowbird mine on the Tungsten claim of the Snowbird group of seven unpatented mining claims located in an unsurveyed area of Valley County, Idaho, in the Big Creek mining district, 10 miles west of the Big Creek post office.

DESCRIPTION OF THE PROJECT

An exploration contract in the amount of $20,351.00 was approved by the Government on September 5, 1951. Active work was started September 6 and continued to December 31, 1951, when operations were suspended for the winter. Operations were resumed on March 22, 1952, and continued without interruption until completion of the project on September 30, 1952.

Work completed on the project is as follows: (See Plate 2.)

1. 44 hours of bulldozer trenching.
2. 269 lin. feet of drifts (average section - 5x6½)
3. 36 lin. feet of crosscut (average section - 5x6½)
4. 125 lin. feet of raise (average section - 6x4½)
5. 162 lin. feet of diamond drill hole, AX size.

Working Time

Part-time supervisor	10 months
Part-time engineer	1.6 months
Labor	410 manshifts - 3419 man-hours including 642 overtime hours

Pay Rates

Part-time supervisor		$ 90.00 per month
Part-time engineer		250.00 per month
Labor	Sept.1951-Dec.1951	1.60 per hour
	Dec.1951-Sept.1952	1.70 per hour
	(Overtime at 1½ times regular pay)	

Efficiency of Operations

Operations were hampered at times by lack of supervision to direct the course of the work, but as a whole, the project was expertly and efficiently managed.

Details of Expenditures

Item	Amount	
Drilling	$ 1,810.10	
Labor	6,221.99	
Supervision	900.00	
Technical Services	400.00	
Timber (dimension only - rough timber was cut on property)	11.71	
Explosives	590.61	
Supplies	1,799.99	
Equipment rental (bulldozer)	650.00	
Equipment purchase	894.79	($3,254.79 less salvage of $2,360.00)
Rehabilitation and repair	1,112.21	($1,312.21 less salvage of $200.00)
Repairs	128.87	
Payroll tax	357.56	
Insurance	378.17	
Miscellaneous	164.96	
Total	$15,720.96	

Government's Share Authorized	$ 15,263.25
Government's Share of Cost	$ 11,790.72
Government's Share Unexpended	$ 3,472.53

Value of production during operations - approximately 100 tons of ore containing 9.92 percent WO_3 ore were stockpiled by project work.

Equipment Purchased for Project

Item	Description	Cost	Salvage	Cost to Project
Compressor	I.R.No.406-31445, Model OK-105	$2700.00	$2000.00	700.00
Jackhammer	I.R.No. 673946, Model J 40	540.00	360.00	180.00
& Jackleg	I.R.No. [illegible]4764, Model L 13081			
Prefabricated house	16'x14'	200.00	200.00	0
Prefabricated house	16'x14'	200.00	0	200.00

The compressor, jackhammer, jackleg, and one 16'x14' prefabricated house were purchased by the Red Bluff project, Contract Ida-406,

Docket DMEA 2654, for the salvage value listed above. The cost of moving the other prefabricated house is about equal to its salvage value. Therefore, it is recommended that the Government waive interest in the house.

GEOLOGY

The geologic data contained in this report is in part an interpretation of information supplied by the Operator and in part information supplied by field examiners. The property was mapped by U. S. Geological Survey personnel at the initiation of the exploration project; however, mapping since termination of contract work has not been completed. When snow conditions permit, the property will be reexamined in conjunction with examination of McRae's Red Bluff contract. It is possible that following this work an addendum to the present report will be submitted.

The property is within the Idaho batholith and is surrounded by country rock, predominantly granitic in texture and ranging in composition from quartz-monzonite to granodiorite. The area is traversed by numerous dikes that range in composition from aplitic to lamprophyric with the more intermediate dacitic rocks being quite abundant. It is possible that the aplitic rocks represent metamorphosed quartzites, in which the processes of metamorphism have completely eradicated all distinctive determing features. Silicification is very intense within the ore-bearing structure and has modified some of the rocks to a stage where the original composition is megascopically indeterminable. Possibly, the quartz veins are the resultant of the process of silicification gone to completion.

Two veins were explored in the course of this project--the East vein and the McRae vein. The McRae vein, upon which most of the exploration was concentrated, is a large quartz vein whose origin is apparently due in part to fissure filling and in part to replacement of aplitic material. The principal ore mineral is scheelite with some intimately associated hubnerite. Some sulfides are observed but in such minor amounts as to be of no commercial value. The McRae vein strikes N. 25° to 30° W. and dips approximately 80° to the west. It is generally confined between a hanging wall of dacite and a footwall of aplitic material. The hanging wall contact is quite distinct. In No. 2 Raise a lamprophyre dike has apparently been intruded along the vein and dacite dike contact. This lamprophyre dike is not seen in No. 1 Raise but probably occurs in other places along the contact. The footwall contact of the vein is very indistinct. It is possibly a gradational contact between the aplitic footwall material and massive vein quartz, which may be the expression of varying degrees of intensity of silicification, or the resultant of wall rock replacement by vein-forming quartz. This question may be of importance in determining ore

control but interpretation of the evidence, so far exposed, is uncertain and no definite conclusions can be drawn.

An apparent split occurs in the vein north of No. 1 Raise and silicified aplitic material occupies the space between the vein segments. The most westerly split follows the dacite dike contact and is joined by the main vein 42 feet up No. 1 Raise.

A high-angle reverse fault causes a slight displacement of the vein 40 feet north of No. 1 Raise and is assumed to be the same fault that appears in the sub-level drift at the top of No. 2 Raise. The Operator believes this fault displaces the ore to the east in the sub-level drift, an assumption which will be tested by the Operator when stoping begins.

The tungsten content of the vein increases markedly where the dip of the vein flattens. This is observable in both No. 1 Raise and No. 2 Raise and can be interpreted as a major structural control of ore deposition. It is also noted that the tungsten content in No. 1 Raise is much greater above the junction of the main vein and the split to the west. (See section A-A, Plate 1.)

Granite forms the footwall of the aplitic material and apparently marks the margin of the zone of silicification. A small stub crosscut to the east, off the main drift near No. 1 Raise, penetrates this contact.

The East vein was probed at depth by diamond drilling but failed to show sufficient mineralization to warrant more work. Two holes were drilled: No. 1, intended to intersect the East vein outcrop at depth; No. 2, intended to explore for a possible northward extension of the East vein. Neither of these holes encountered ore and further diamond drilling was thought unwarranted. Logs of the cores (by I. C. Clark) are included with this report (Appendix A). Further exploration of the East vein, along its strike to the south of the outcrop, will be concomitant with mining the ore now visible at the outcrop.

It is believed that all reasonable exploration possibilities on the East and McRae veins have been tested. Other possibilities exist but must be classified as somewhat remote. It is possible that at undeterminable depths the vein structure may again flatten, assuming this to be a controlling factor, with resulting concentration of tungsten. However, exploration of this nature would not be based on factual evidence and would be difficult to justify. Further exploration of the vein to the south of No. 2 Raise may also be a possibility. However, surface evidence indicates that the vein structure and tungsten

content of the vein are limited in this direction. As these veins are thought to be the resultant of silicification and replacement, the position of any further ore bodies would be difficult to predict or locate.

ORE RESERVES

The estimate of ore reserves (see Plate 3) is based on the weighted average (width and grade) of all available sample data. The reserves are as follows:

Classification Indicated	Tons	Grade % WO_3
Block A	735	1.18%
Block B	1,095	0.71%
Block C	3,306	0.558%
	3,13[illegible]	0.677

3,4[illegible] and

This method gives a higher tonnage and a lower grade than the reserve estimate submitted in the Operator's final report. Contained tungsten, however, is essentially the same.

Block B, containing 1095 tons of ore averaging 0.71% WO_3 (Plate 3) is included in this report as indicated, not measured ore. If the drift between the two raises had been on the vein and 25 feet above the adit level, the block would have been adequately tested to have been considered as measured reserves.

Block A, containing 735 tons of ore averaging 1.18 percent WO_3 (Plate 3) is measured on two sides and is also included as indicated ore. This block extends northward from the south wall of No. 1 Raise to the outcrop of the vein on the surface. Sample data of the surface exposures includes that submitted by DMEA field examiners and the Operator.

Block C (Plate 3), containing 3,306 tons averaging 0.558 percent WO_3 is the upward extension of Block B and begins 10 feet above the top of the two raises. This block is also considered indicated ore; however, it is measured on only one side. Sample data for this block, like that of Block A, includes samples of surface exposures by field examiners and the Operator.

Distribution:
DMEA(Orig.&3)
USBM(3)
[illegible](SRC)
Lockat
Quinlan

APPENDIX A

MORAE TUNGSTEN CORP.
BIG CREEK DIST.
VALLEY CO., IDAHO

LOG OF DRILL HOLE NO. #1

Bearing S35E
Inclination minus 45 degrees

Collar from Tunnel Portal
Bearing N55E
Hor. Dist. 90feet

Footage	Description	Core Sch.	Core Hub.	Sludge Sch.	Sludge Hub.	Core Size	% Rec.
0-5	Overburden	-	-	-	-	-	-
5-9	Aplite	none	none	none	none	BX	85
9-14	"	"	"	"	"	AX	25
14-19	"	"	"	"	"	"	20
19-23.5	Quartz	"	"	"	"	"	15
23.5-26.5	Dacite	"	"	"	"	"	35
26.5-29	Quartz	Minor	"	Trace	"	"	10
29-30	No core	-		-	"	"	0
30-33.5	Quartz to 30.5 then ~~Dacite~~ Aplite	None	None	"	"	"	40
33.5-37	Quartz to 34 then aplite	"	"	"	"	"	85
37-40	Aplite	"	"	"	"	"	15
40-45	Quartz to 44 then aplite.		Trace	"	Trace	"	50
45-49.5	Aplite	"	None	"	None	"	60
49.5-53	Aplite	"	"	"	"	"	10
53-58	Aplite	"	"	"	"	"	15
58-63	"	"	"	"	"	"	40
63-69	"	"	"	"	"	"	25
69-74	No core	"	"	"	"	"	0
74-77	" "	"	"	"	"	"	0
77-79.5	Dacite	"	"	"	"	"	5
79.5-83	"	"	"	"	"	"	40
83-86	"	"	"	"	"	"	30
86-90	"	"	"	"	"	"	95

End of hole at 90 ft.

MCRAE TUNGSTEN CORP.
BIG CREEK DIST.
VALLEY CO., IDAHO

LOG OF DRILL HOLE NO. #2

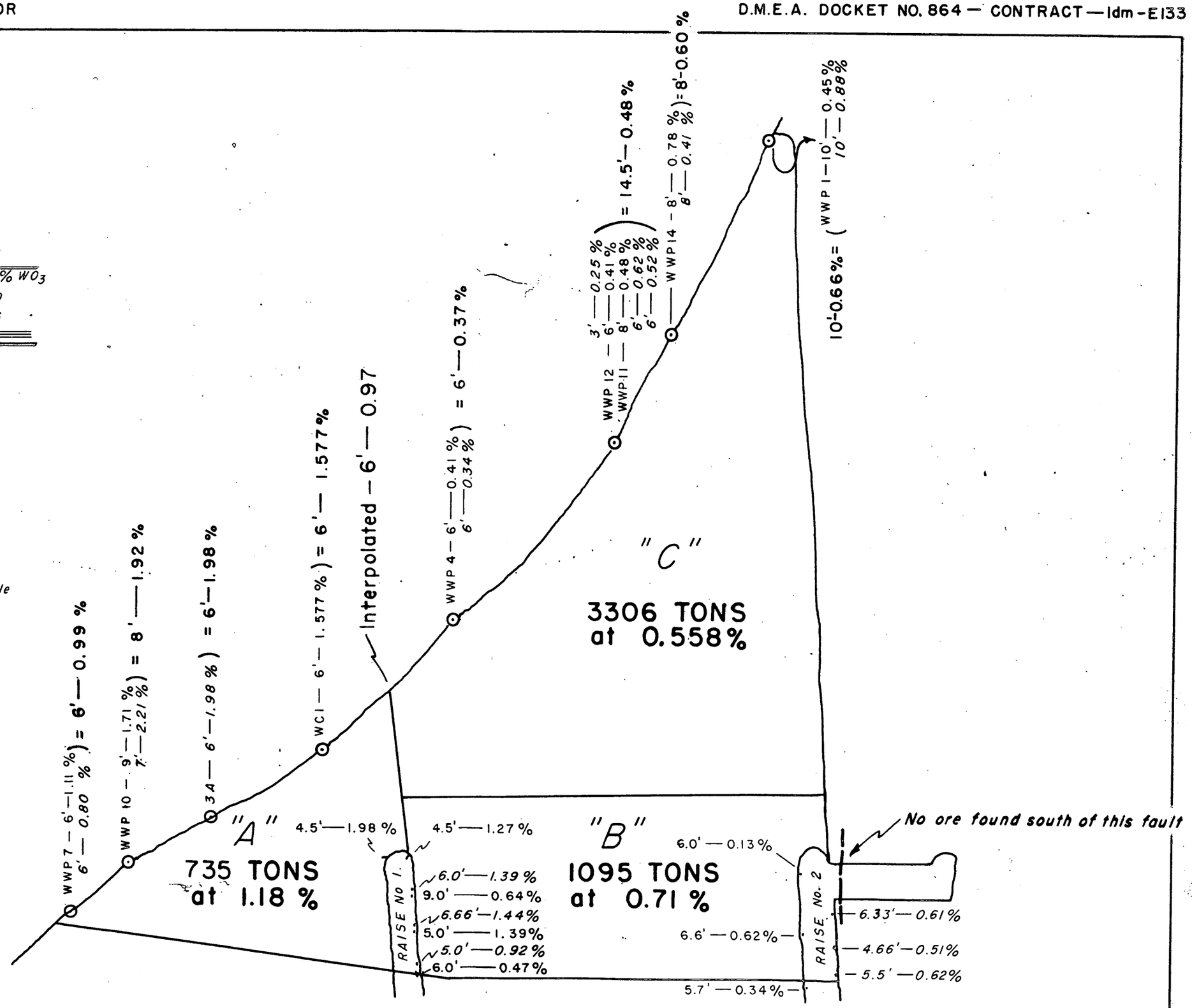
Bearing S55E
Inclination Minus 45 degrees

Collar from Tunnel Portal
Bearing N36E
Hor. Dist. 106 feet

Footage	Description	Core Sch.	Core Hub.	Sludge Sch.	Sludge Hub.	Core Size	% Rec.
0-4	Overburden	-	-	-	-	-	-
4-9	Granitic with quartz veinlets to 7 then dacite	none	none	none	none	NX	30
9-14	Altered granite	"	"	"	"	BX	20
14-17	" "	"	"	"	"	"	18
17-20	" "	"	"	"	"	AX	15
20-24	" "	"	"	"	"	"	7
24-29	No core	-	-	"	"	"	0
29-33.5	Quartz pebbles recovered considerable dacite in sludge	none	none	"	"	"	15
33.5-37	Quartz to 34 then silicified aplite gradational to aplite	"	"	no sludge		"	50
37-41.5	Aplite ¼ inch veinlet, hematite at 41½	"	"	none	none	"	70
41.5-49	Aplite	"	"	"	"	"	30
49-54	"	"	"	"	"	"	20
54-59	Altered granite	"	"	"	"	"	30
59-64	Altered granite to 59.3 then dacite	"	"	"	"	"	100
64-67	Dacite	"	"	"	"	"	90
67-72	"	"	"	"	"	"	100

End at 72 feet.

RESERVE ESTIMATE		
Classification	Tons	Grade % WO_3
A & B Indicated	1830	0.90
C Indicated	3306	0.56



Snowbird Claim, Mc. Rae Tungsten Corp., Valley County, Idaho

FILE COPY
SURNAME:

Rutledge
Martin

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

FEB 10 1953

BW.

Mr. H. I. Young, Deputy Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

Re: Docket No. DMA 864X - Tungsten
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract No. Idm-E-133

Dear Mr. Young:

Enclosed is a copy of a "Certification of Discovery" on the above-noted property.

As soon as we receive the final fiscal and field team reports we shall supply you with such data as have accompanied the transmittal to you of previous certifications.

Sincerely yours,

C. O. Mittendorf (for)
Administrator

F.H.
2-10-53

Enclosure
FARutledge/ls 2/9/53
CC: DOCKET
FIELD TEAM, REG. 2
CODE 400 - MR. MARTIN
CODE 800 - Mr. Chambers
CODE 110 - Mr. Johnson
ADMN. READ. FILE
DMPA - Mr. Young, Admn.
OPER. COMMITTEE
CODE 900 - Mr. Murkland
MR. D. M. LEMMON, USGS
MR. THAYER, USGS
MR. HEDGES, USBM
MR. R. W. GEEHAN, USBM

FILE COPY
SURNAME:

Rutledge
Martin

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

FEB 10 1953

BW.

Mr. H. I. Young, Deputy Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

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McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract No. Idm-E-133

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C. O. Mittendorf (for)
Administrator

H.H.
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OPER. COMMITTEE
CODE 900 - Mr. Murkland
MR. D. M. LEMMON, USGS
MR. THAYER, USGS
MR. HEDGES, USBM
MR. R. W. GEEMAN, USBM

400

FILE COPY
SURNAME:

Rutledge
Martin
Lynch
Selfridge

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

Mr. Jess Larson, Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

Re: Docket No. DMA 864X - Tungsten
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract No. Idm-E-133

Dear Mr. Larson:

Enclosed is a copy of a "Certification of Discovery" on the above-noted property.

As soon as we receive the final fiscal and field team reports we shall supply you with such data as have accompanied the transmittal to you of previous certifications.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

FARutledge/ls
2/4/53

cc: DOCKET
CODE 400
FIELD TEAM, REG. 2
ADMN. READ. FILE
OPER. COMMITTEE
MR. JOHNSON - CODE 110
CODE 800 - MR. CHAMBERS
MR. D. M. LEMMON, USGS
MR. R. W. GEEHAN, USBM
MR. MURKLAND-CODE 900
MR. HEDGES, USBM
MR. THAYER, USGS

400

FILE COPY
SURNAME:

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

Rutledge
Martin
Chamber
Geo One
Hoffman
Hedges
Lemmon
Selfridge

FEB 5 1953 3W

Mr. Robert J. McRae
McRae Tungsten Corporation
Stibnite, Idaho

Re: Docket No. DMEA 864-X - Tungsten
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract No. Idm-E-133

Dear Mr. McRae:

Transmitted herewith is a Certification of Discovery under Contract Idm-E-133 on the property owned by the McRae Tungsten Corporation.

By the terms of the Exploration Project Contract and of the Certification, all production from the aforesaid lands from the date of the Exploration Project Contract is subject to the Government's percentage royalty as set forth in the contract until the sum of $11,790.72 (subject to adjustment on final audit) is paid, or until September 5, 1961, whichever occurs first.

Payments should be made to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 4, Washington. Checks should be payable to the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check direct to the Executive Officer. Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quality and grade of the tungsten products sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

You are requested to notify Mr. Weissenborn at six-month intervals that no production has been made, when that is the case.

Sincerely yours,

C. O. Mittendorf (for)
Administrator

F.H. 2-5-53

Enclosure
cc: Docket
Field Team, Region 2
Code 400
Admn. Read. File
R. W. Geehan, USBM
D. M. Lemmon, USGS
FARutledge/hhb
1/28/53

Code 800
DMPA-Mr. Larson
Mr. Hedges, USBM
Mr. Thayer, USGS
F. E. Johnson-Code 110
Operating Committee

400

FILE COPY
SURNAME:

Rutledge
Horton
Selfridge

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

FEB 5 1953

Mr. A. E. Weissenborn
Executive Officer, DMEA Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMA 864X - Tungsten
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract No. Idm-E-133

Dear Mr. Weissenborn:

Enclosed is a copy of the "Certification of Discovery" on the above-noted property.

As you recommended, this certification was issued prior to the final report and audit in order to stay within the 6-month period after completion of the project.

Sincerely yours,

SIGNED

Chairman, Operating Committee

Enclosure

FARutledge/ls
2/4/53

Approved:

SIGNED

Member, Bureau of Mines

SIGNED

Member, Geological Survey

Copy to: DOCKET
FIELD TEAM, REG. 2
CODE 400
ADMN. READING FILE
OPER. COMMITTEE
CODE 800--MR. CHAMBERS
MR. D. M. LEMMON, USGS
MR. R. W. GEEHAN, USBM
CODE 110-MR. JOHNSON
MR. HEDGES, USBM
MR. THAYER, USGS

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 North Division St.
Spokane 2, Washington

December 29, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 23 1953

Memorandum

To: A. E. Weissenborn

From: T. E. Howard

Subject: Docket No. DMA 864X (Tungsten), McRae Tungsten Corp., Valley County, Idaho, Contract Idm-E133.

Attached for forwarding to Washington are 4 copies of a memo by H. T. Reno prepared in answer to Frank Johnson's letter of December 18, 1952 regarding the location of work performed under the subject contract.

T E Howard

T. E. Howard

TEH/vf

cc: USGS
DMEA
D/F

RECEIVED
DEC 31 1952
U. S. G. S.
SPOKANE, WASH.

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

1201 North Division St.
Spokane 2, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 26 1953

December 23, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: H. T. Reno, Mining Engineer, Bureau of Mines

Subject: McRae Tungsten Corporation, Snowbird Group of claims, Valley County, Idaho, Exploration Contract No. Idm-E133, Docket No. DMA 8648 (Tungsten)

The Operating Committee in a letter dated December 18, 1952 asks that the Field Team clarify an apparent error in the location of the subject project in reference to the mining claim upon which the work was done.

The exploration work was done entirely on the Tungsten claim, although part of the access road crossed the Snowbird claim. McRae erroneously refers to work on the Snowbird claim in his final report, but shows the correct location on a claim map accompanying the report.

The confusion is understandable, in that the work was done in the Snowbird mine on Tungsten claim of the Snowbird group of claims.

H. T. Reno

H. T. Reno

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
HTR/vf

FILE COPY 400
SURNAME:

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

Rutledge
Selfridge
Weissenborn

BW

DEC 18 1952

Mr. A. H. Weissenborn
Executive Officer, Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMA 864X - Tungsten
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Exploration Contract Idm-8137

Dear Mr. Weissenborn:

Reference is made to the subject contract. It would be appreciated if the field team would clarify the following question:

On which claim was the main proportion of the work under the referenced contract done?

The work has been variously located as follows:

1. Original application specified work to be confined to the Tungsten claim.

2. Contract. Tungsten claim of Snowbird Group, Book No. 11, Page 569. This was shown on the contract with the "Tungsten claim of" crossed out but only listed book and page numbers of the Tungsten claim.

3. The Tungsten claim in the Field Team Report, August 6, 1951.

4. The Snowbird claim in McRae's final report.

5. The Snowbird Group in the Certification Notice suggested by the field team but again only the book number and page number of recording for the Tungsten claim were given.

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

Sincerely yours,

(Signed) FRANK E. JOHNSON GVB

Chairman, Operating Committee

S.N. 12-18-52

FARutledge'lm
12/15/52

Approved:

J. H. Hodges GVB
Member, Bureau of Mines

A. R. Kinkel, Jr. GVB
Member, Geological Survey

Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

[redacted]
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 1952

December 4, 1952

GCB 12/10/52

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: McRae Tungsten Corporation
Docket DMEA 864 (Tungsten)
Contract Idm-E133
Valley County, Idaho

Dear Mr. Johnson:

- not hereunder

Enclosed are three (3) copies of the Operator's final report on the captioned contract. One copy of the report has been retained for the Executive Officer's files and one copy for the Branch Office (U. S. Bureau of Mines). Hereafter, this office will adopt the practice of informing the DMEA Certifying Officer, Region II, by letter, that a final report has been received and that two copies are being retained at the Field Office. It is believed such a letter will serve that officer in lieu of a copy of the report. This agreement is satisfactory with the Certifying Officer. The agreement will make three copies of the report available for the Washington, D. C., office, and it is hoped it will alleviate the necessity of our making additional copies of the report for distribution.

We are currently arranging to have a final audit of contract accounts made so that we may close out the contract. Our field men are also preparing a final report on contract accomplishments which will be forwarded to Washington as soon as possible.

It is with interest that we note in the Operator's report that he believes DMEA contract work has delimited 4,366 tons of ore assaying 0.873 percent WO_3. This is a close comparison to a tonnage calculation of 4,063 tons assaying 0.85 percent WO_3 compiled by our field men, and it indicates there is little difference of opinion between the Operator and DMEA personnel as to accomplishments of contract work.

It is recommended that the Government issue a Certification of Discovery or Development to the Operator. A suggested copy of the certification notice is enclosed for purusal.

By DMEA Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer (USGS)

M. E. Volin

M. E. Volin, Member (USBM)

3 copies of operator's final report
detached in Docket & Control - 12/8/52-bl

Enclosures
cc: USBM (2)

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To:1/ McRae Tungsten Corporation

Stibnite, Idaho

Pursuant to the provision of Exploration Project Contract No. Idn E-133, dated September 5, 1952, (Docket No. DMA-864), hereinafter called the "Contract", between you and the United States of America, hereinafter called the "Government"; to establish and fix the claim and lien of the Government under the terms of the Contract, the Government hereby certifies that a discovery or development has resulted from the work under the Contract from which commercial production of ore may be made, in or upon that certain property situated in the State of Idaho, County of Valley, described as follows:2/

The Snowbird Group in the Big Creek District as recorded at the Courthouse, Cascade, Idaho, Book No. 11, Page 569, October 1951.

The Government's estimate of said discovery or development is particularly described and delimited as follows:

Tungsten in the form of scheelite with associated hubnerite occurs in a massive quartz vein roughly paralled by a series of dacite dikes. The country rock is of granitic composition. Underground development has partly explored the mineralized structure and indicated the presence of tungsten of ore grade.

Dated: December 3, 1952

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

1/ Insert full name of operator as it appears in the Exploration Project Contract.

2/ Insert the legal description of the property from Article 2 of the contract form, either all of it or that part of it in which the deposit lies upon which the Government should have a lien.

FINAL REPORT ON THE SNOWBIRD CLAIM

LOCATION

The Snowbird Claim is one of 11 claims owned by McRae Tungsten Corporation. The group is located across the ridge separating the Middle Fork of Smith Creek from Main Smith Creek in the Big Creek Mining District, Valley County, Idaho. It can be reached by two roads. One road turns off of the main Big Creek-Warren road on the top of Elk Summit and extends about 2½ miles to the camp. The other turns up Smith Creek off the Big Creek road, then follows up Smith Creek about 7 miles and turns up the Middle Fork of Smith Creek for 2 3/4 miles to within 800 feet of the workings on the Snowbird. This road up the Middle Fork was completed this past summer and affords access to the mine that climbs no higher than 8000 feet elevation. The first mentioned road crosses a 9000 foot summit.

HISTORY

During the past 14 months a DMEA exploration project #864 has been carried on and completed. It called for 300 feet of drift and 120 feet of raise to be driven on the McRae Outcrop. The work was completed in August and since considerable funds were unexpended, 162 feet of diamond drilling under the East Outcrop was also completed in August.

GEOLOGY

The general formations in the area consist of old metamorphics made up principally of quartzite that have been intruded by masses and tongues of granitic rocks. These formations have in turn been

OPER. FINAL REPORT

GEOLOGY (CONT)

cut by a whole series of dacite dikes ranging from a few feet to several hundred feet in width. They trend within a few degrees of north. Dips are in general at steep angles to the west.

Locally the "McRae Vein" occurs in a band of granitic rock sandwiched between two dacite dikes that dip about 60 degrees to the west and strike N 30 E. They are about 75 feet apart. The west dike forms the hanging wall of the "McRae Vein". In some places a narrow lamprophyre dike occurs as the hanging wall of the vein or between the vein and the dacite. The vein is filled with vein quartz. The scheelite is in the form of fine veinlets and disseminated. The hubnerite tends to occur in crystals from 1/20 inch up to 1/2 inch in size. Along with the tungsten mineralization there is a trace of pyrite, chalcopyrite, and galena.

The East Outcrop is similar in character to the "McRae Vein". It occurs near the east dike or footwall of the granitic zone. It is in general higher grade than the "McRae Vein".

DEVELOPMENT AND RESULTS

The "McRae Vein" outcrops up and down a steep draw. The outcrop is 145 feet long, averages about 8 feet wide, and assayed 0.90% WO_3. A drift was driven at elevation 8000 feet which was planned to intersect the north end of the oreshoot within 110 feet and about 45 feet deep. The drift was driven along the footwall of the west dike (See plan map). The ore was not encountered on the drift level. At about 160 feet in the drift, raise No 1 was

SNOWBIRD REPORT (CONT)

DEVELOPMENT AND RESULTS (CONT)

run just under the dacite dike (See raise No 1 Section). This raise picked up some scheelite and hubnerite at elevation 8025 feet. It continued to improve until at elevation 8040 feet there was 6 feet of ore averaging above 1% WO_3. The drift was continued southward and no ore was picked up, so raise No 2 was run 75 feet south of No 1. This raise also picked up tungsten mineralization at about 8025 feet. At 8040 foot elevation there was 5 to 6 feet of ore averaging 0.62% WO_3. In this raise most of the tungsten mineralization is scheelite. The raise was driven on about 55 degrees for a total length of 60 feet from the back of the drift (See raise No 2 Section). At elevation 8050 a 20 foot drift was driven southward off the raise. This passed out of ore and into broken ground about 5 feet south of the side of the raise. A 7 foot crosscut was turned eastward off of the south drift. No ore was found. There is some suggestion that in the region of raise No 2, the ore band exposed is a hanging wall band and that a footwall zone may exist 20 to 30 feet to the east as is shown on the surface. This may be true and will be determined when the orebody is stoped.

No definite reason can be found for the tungsten values to bottom at elevation 8030 feet. There is a strong suggestion that we left the main vein structure in the drift at about 165 feet where the strong quartz vein with sparse tungsten mineralization passed out of the east wall of the drift. A crosscut projected eastward from the end of the main drift to this structure might be profitable.

DEVELOPMENT AND RESULTS (CONT)

One diamond drill hole was drilled under the East Outcrop to cut its projection at elevation 7970. No ore was found though a zone of quartz was cut. Another hole was drilled from a setup about 100 feet to the north. This was to check a possible north projection of the East Outcrop. This hole found no ore. Thus the East Outcrop does not appear to go below elevation 7985 nor does it go northward. It has not yet been demonstrated how far it goes southward. In 1951, when the outcrop had been temporarily stripped of talus and at the time Elton Youngburg examined the property, 50 feet of outcrop was open for examination. Later in the fall the cat cut on the south exposed 15 feet more southward.

ORE BLOCKS

On the basis of the surface and underground development the following ore calculations have been made (See section in plane of vein).

BLOCK A

6' @ 1.1%	=	6.60	ft	%
8' @ 1.7%	=	13.70	"	"
6' @ 1.98%	=	11.90	"	"
6' @ 0.41%	=	2.46	"	"
6' @ 1.39%	=	8.35	"	"
6.66' @ 1.44%	=	9.57	"	"
5' @ 0.92%	=	4.60	"	"
43.66' 1.31%		57.18		

6.23' @ 1.31% WO_3

DMEA SAMPLES

$\frac{68 \times 55 \times 6.23}{2 \times 13}$ = 896 tons

896 x 1.31 = 1175 STU WO_3

SNOWBIRD REPORT (CONT)

ORE BLOCKS (CONT)

BLOCK B

6.0'	@ 1.39%	=	8.35 ft %
6.66'	@ 1.44%	=	9.57 " "
5.0'	@ 0.92%	=	4.60 " "
6.3'	@ 0.61%	=	3.84 " "
4.66'	@ 0.51%	=	2.38 " "
5.5'	@ 0.62%	=	3.41 " "
34.12'	0.946%		32.15 " "

5.7' @ 0.946% WO_3

$\frac{73 \times 55 \times 5.7}{13}$ = 1750 tons

1750 x 0.946 = 1650 STU

BLOCK C

6.0'	@ 0.41%	=	2.46 ft %
14.0'	@ 0.45%	=	6.30 " "
8.0'	@ 0.78%	=	6.04 " "
6.0'	@ 1.0%	=	6.0 " "
10.0'	@ 0.45%	=	4.5 " "
44.0'	0.575%		25.30

8.8' @ 0.575% WO_3

DHEA Samples

$\frac{70 \times 73 \times 8.8}{2 \times 13}$ = 1720 tons

1720 x 0.575 = 990 STU WO_3

BLOCK	TONS	GRADE % WO_3	TOTAL STU WO_3
A + B + C	4366	0.873	3815

SNOWBIRD REPORT (CONT)

ORE BLOCKS (CONT)

East Outcrop

See section in plane of vein. The elevations shown on the plan relating to the East Outcrop are 10 feet low. These have been corrected on the plan.

EAST OUTCROP

4.0'	@	1.88%	=	7.52 ft %
8.0'	@	2.94%	=	23.50 " "
4.0'	@	3.05%	=	12.20 " "
*8.0'	@	2.33%	=	18.64 " "
8.0'	@	1.36	=	10.88 " "
7.5'	@	1.83%	=	13.70 " "
9.0'	@	0.85%	=	7.65 " "
6.0'	@	0.24%	=	1.44 " "
~~54x5~~				
54.5	@	1.75%	=	95.53

$$\frac{60 \times 38 \times 6.8'}{2 \times 13} = 595 \text{ tons}$$

$$595 \times 1.75 = 1040 \text{ STU } WO_3$$

6.8' @ 1.75% WO_3

*DMEA Samples

The East Outcrop probably averages 8' wide for its full length. The short sample sections were not completely across the vein but were limited by the talus cover. For this reason the tonnage is felt to be conservative.

OTHER ORE SOURCES ON THE PROPERTY

The Snowbird outcrop has in sight and developed 300 tons of ore averaging 0.80% WO_3 = 240 STU WO_3.

The "Upper" showing on the east side has an outcrop length of 70 feet by 4 feet wide that average 0.98% WO_3. Allowing 30 feet of depth this would produce approximately 600 tons or 588 STU WO_3.

SNOWBIRD REPORT (CONT)

OTHER ORE SOURCES ON THE PROPERTY (CONT)

The "Middle Outcrop" on the east side has an outcrop 30 feet long by 10 feet wide. This would produce 400 tons @ 0.90% WO_3 allowing 20 feet of depth.

The Wilson Outcrop is 40 feet long by 3 feet wide and averages 1.2% WO_3. Allowing 20 feet of depth this will return 200 tons @ 1.2% WO_3 or 240 STU WO_3.

LOCATION	TONS	GRADE % WO_3	TOTAL STU WO_3
Snowbird	300	0.80	240
Upper	600	0.98	588
Middle	400	0.90	360
Wilson	200	1.20	240
	1500	0.96	1428

TOTAL ORE POTENTIAL

BLOCK	TONS	%WO_3	STU WO_3
A	896	1.31	1175
B	1750	0.946	1650
C	1720	0.575	990
EAST OUTCROP	595	1.75	1040
Developed	4961	0.975	4855
Indicated Other	1500	0.960	1428
Total	6461	0.97	6283

SNOWBIRD REPORT (CONT)

ECONOMICS OF THE ORE

No mill tests have been run, but ore is available to run such tests. In the absence of actual test data it is assumed that 75% of the tungsten can be recovered in a concentrate that can be sold for $63.00 per S.T.U.

0.975 x 0.75 x $63.00 = $43.00 return per ton

Est. mining cost = $11.00
Est. milling cost = $ 6.00

Total cost $17.00

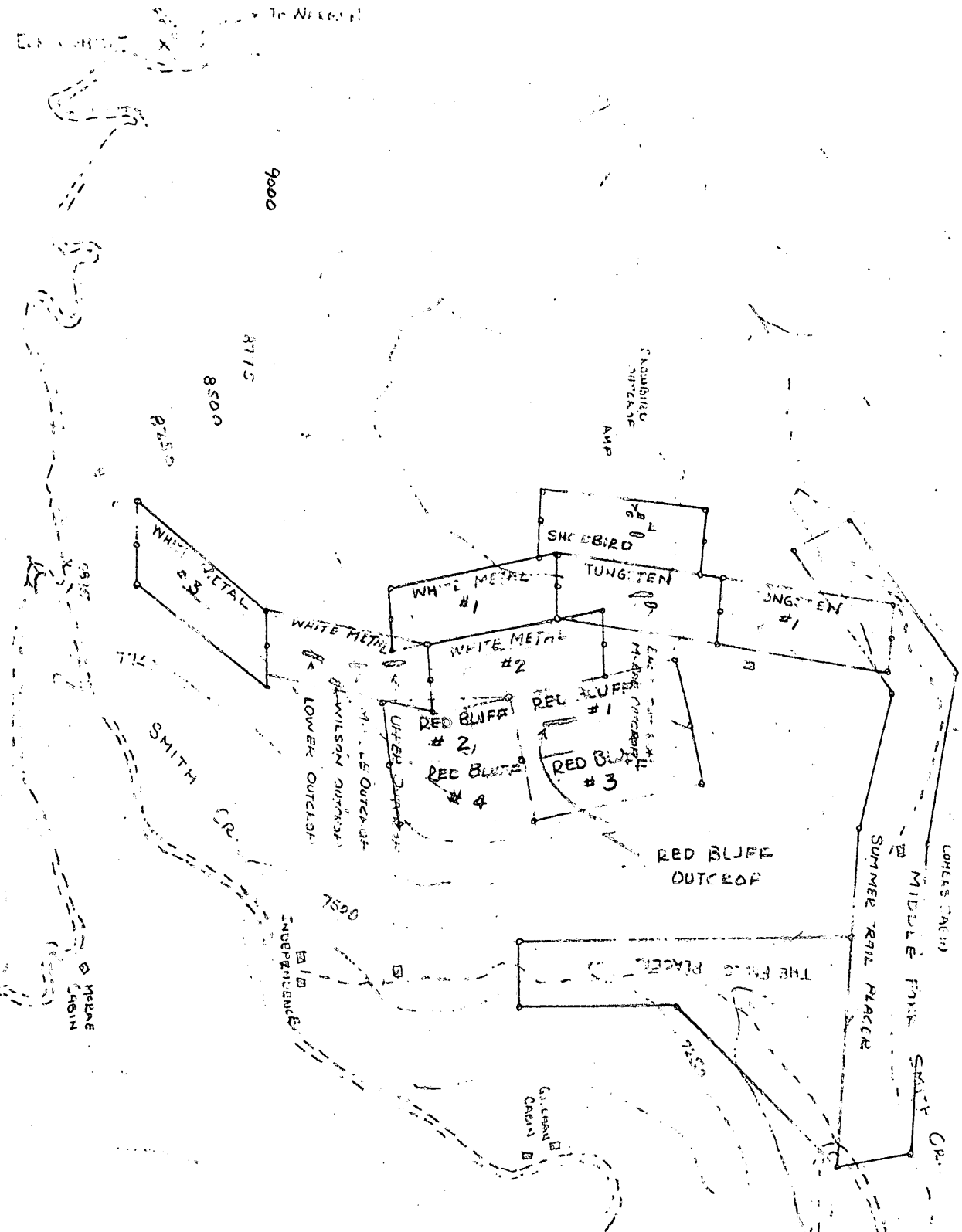
($43.00 - $17.00) equals $26.00 per ton gross profit.

Robert J. McRae
11-10-52

BY ..... DATE ..... SUBJECT PLAT OF CLAIMS ..... SHEET No. ..... OF .....

CHKD. BY ..... DATE 3-10-52 ..... JOB No. .....

M. KAS ..... SCALE 1" = 1320'



RED BLUFF CLAIMS
UNDER OPTION FROM
W. WILES.

BR MINING CO. SUBJECT ..... SHEET NO. ..... OF .....

BY ..... DATE ..... JOB NO. .....

CHKD. BY ..... DATE .....

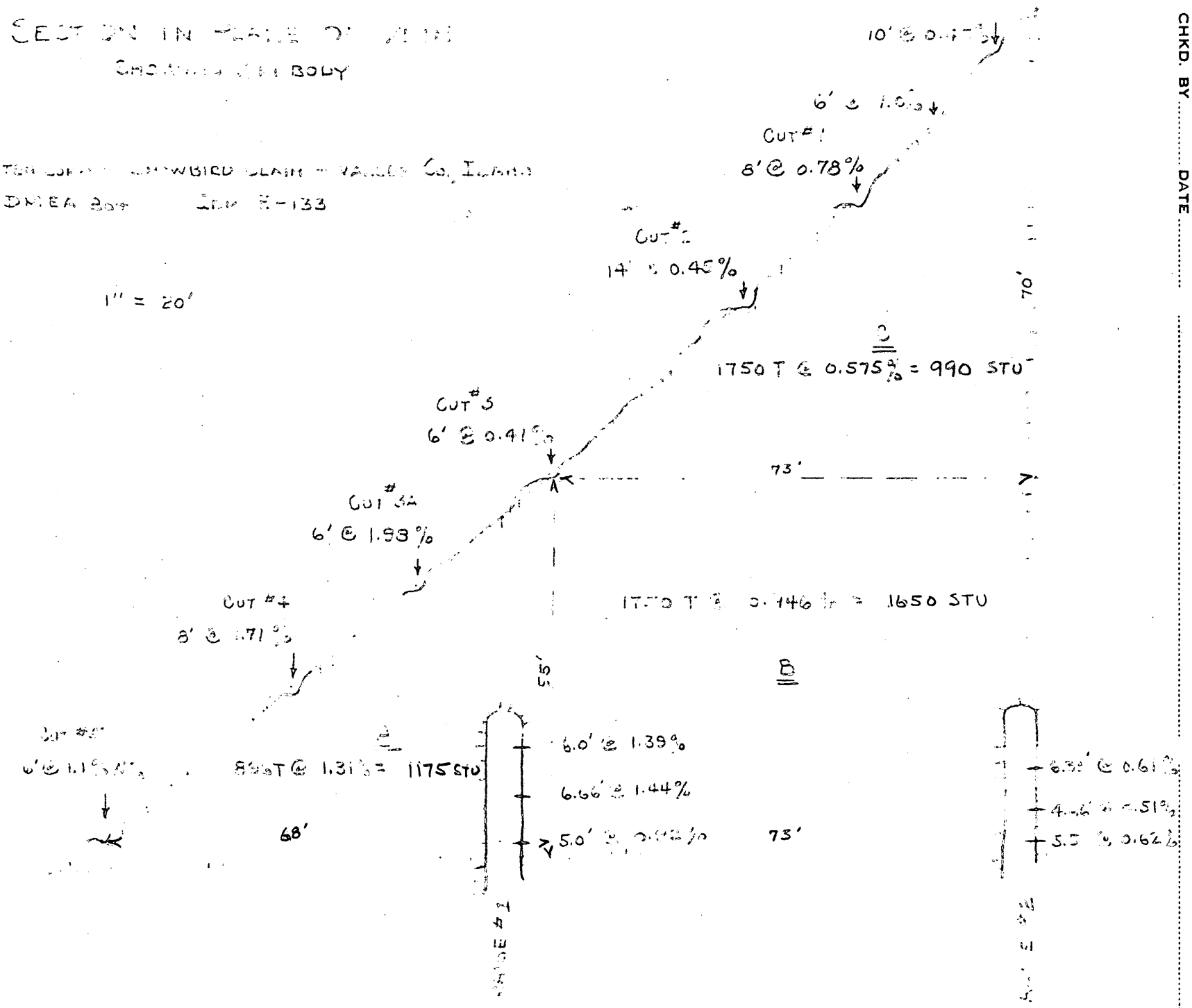
SECTION IN PLANE OF VEIN

SHOWING ORE BODY

MEDAL TUNGSTEN CORP. — YELLOWBIRD CLAIM — VALLEY Co., IDAHO

DMEA 304 IDM E-133

1" = 20'



BRADLEY MINING CO. SUBJECT

BY..... DATE..... SHEET NO.....OF.....

CHKD. BY..... DATE..... JOB NO.....

EAST [illegible]

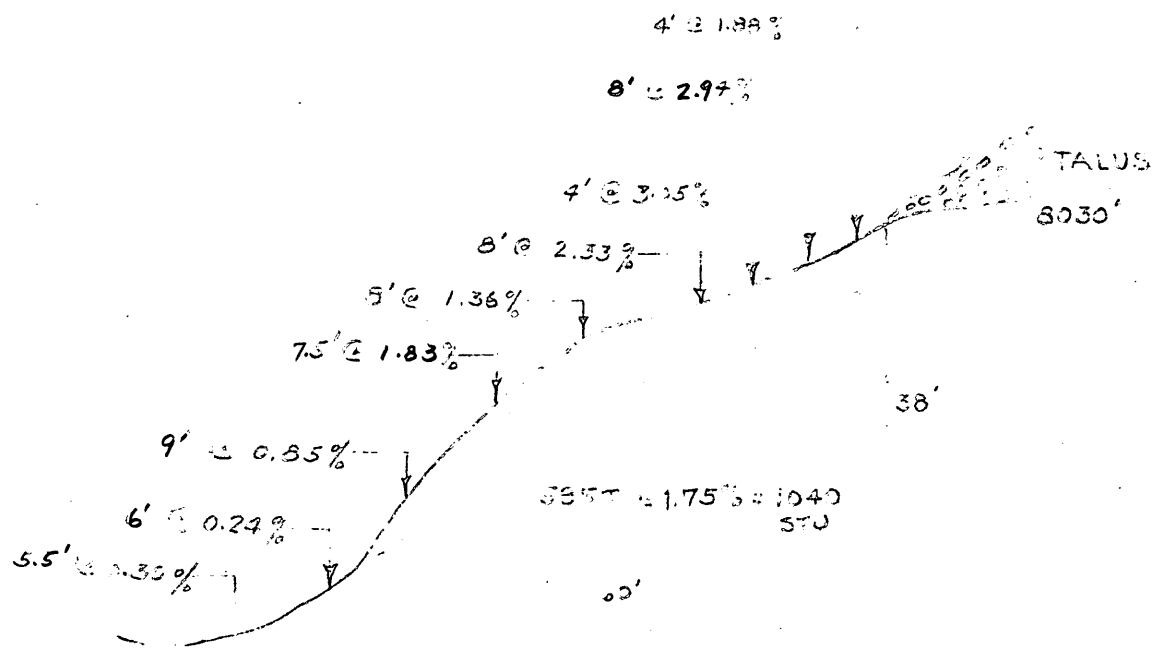
McKAE TUNGSTEN CORP. – SNOWBIRD CLAIM, VALLEY COUNTY, IDAHO

IDMEA 864 IDM. E-[illegible]

1" = [illegible]

SECTION IN PLANE OF VEIN WITH

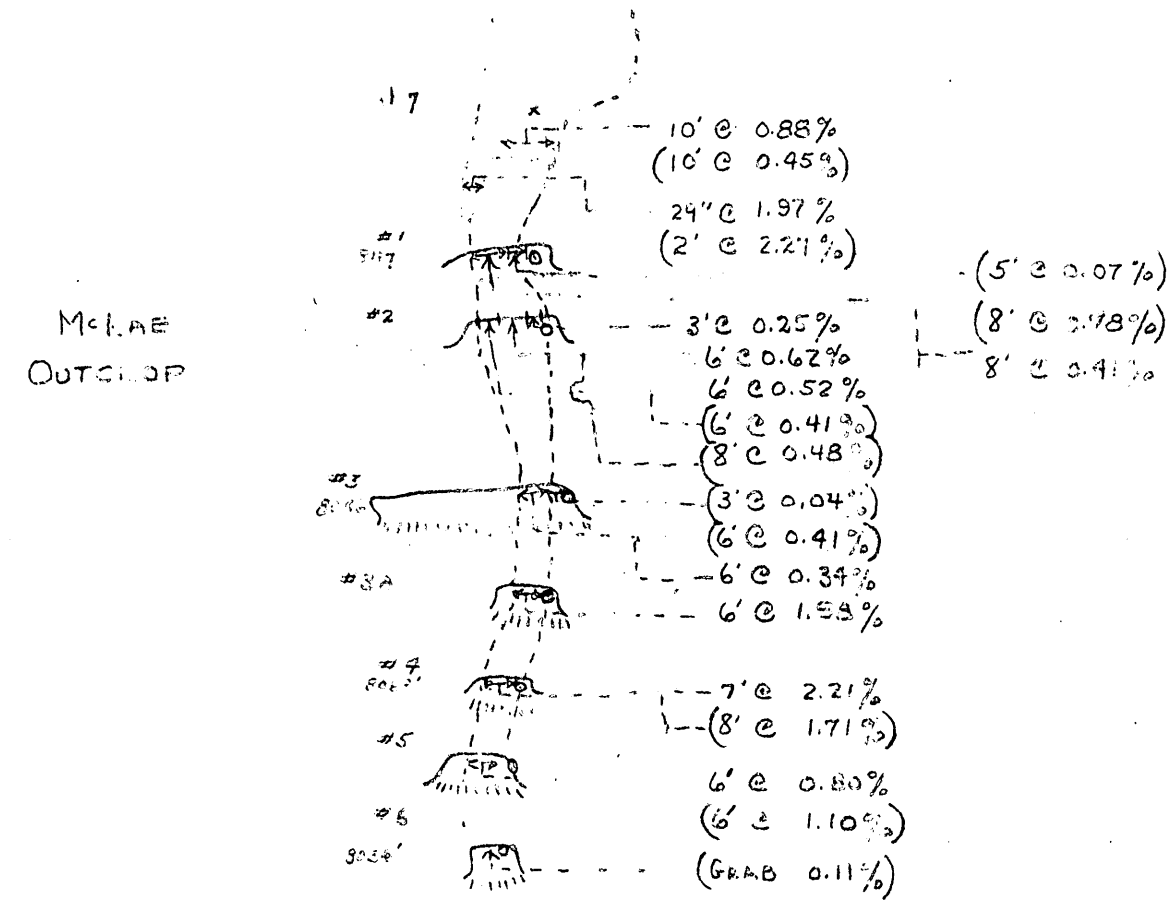
ASSAYS ON SURFACE OUTCROP

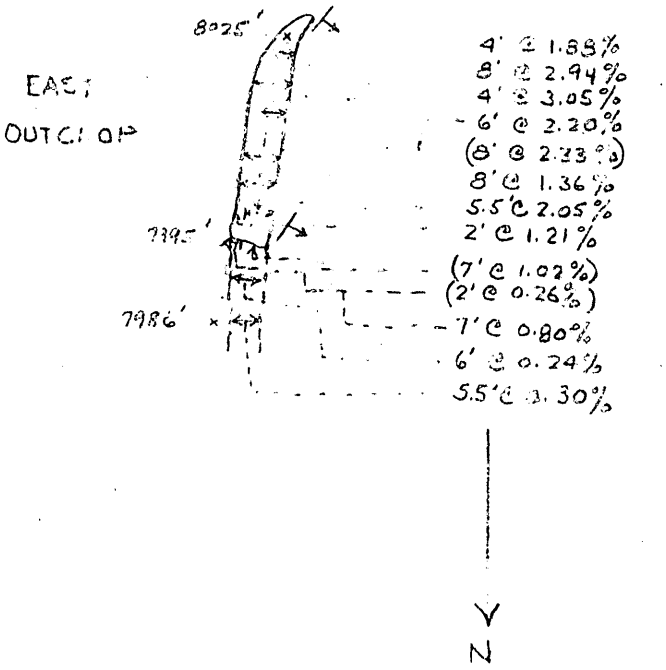


BRADLEY MINING CO. SUBJECT Assay Map SHEET NO. ..... OF .....

BY R.J.M. DATE 5-10-52 East Outcrop — McLae [illegible] JOB NO. .....

CHKD. BY ..... DATE ..... McLae Tungsten Corp. Scale 1" = 40'





ASSAYS IN % WO_3

( ) = TAKEN BY D.M.A. ENG

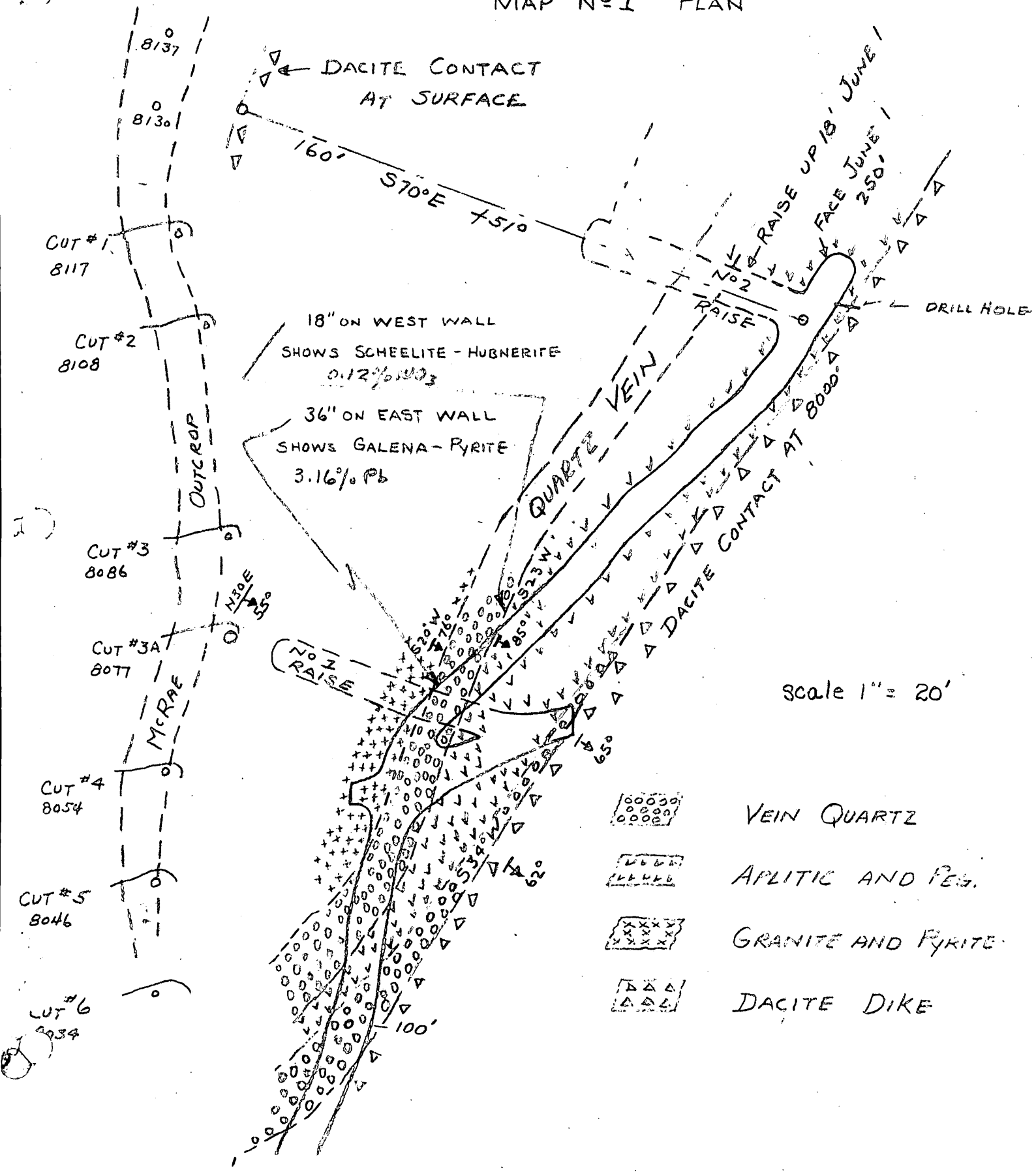
BALANCE = " " R.J.M.

ALL ASSAYING BY UNION ASSAY

VALUES MOSTLY SCHEELITE

BRADLEY MINING CO. SUBJECT PLAN MAP SHEET NO. ..... OF .....
BY RJM DATE 6-3-52 MAY PROGRESS REPORT JOB NO. .....
CHKD. BY ..... DATE ..... McRAE TUNGSTEN CORP DMEA 864

SNOWBIRD CLAIM
MAP Nº 1 PLAN



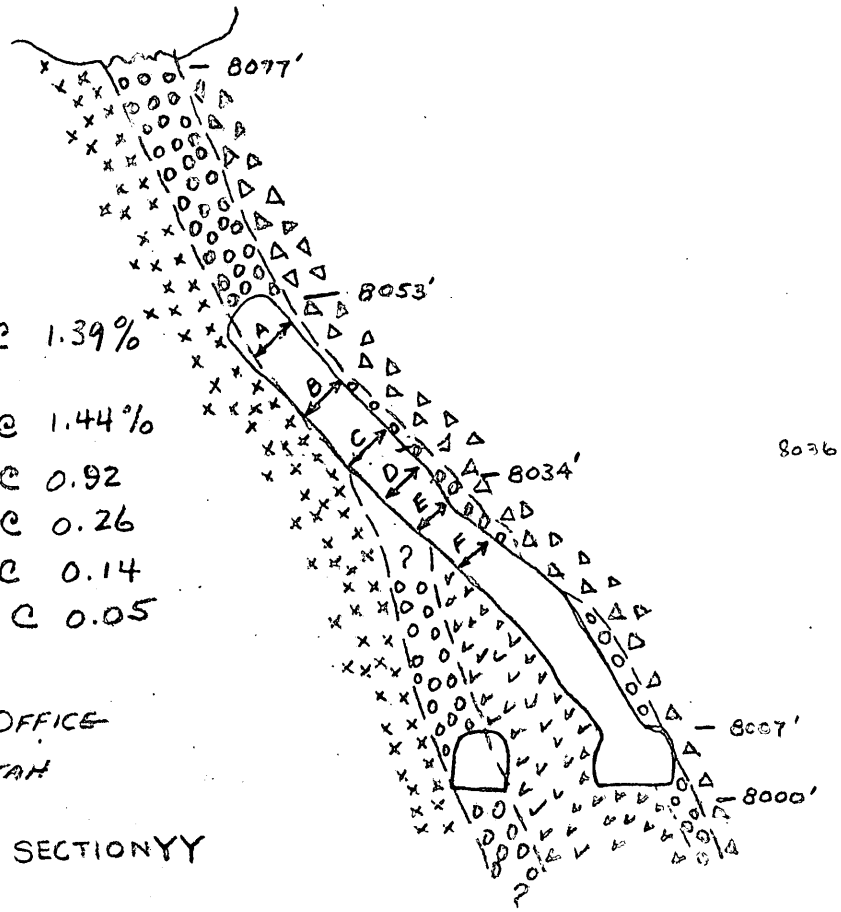
BRADLEY MINING CO. SUBJECT RAISE SECTION Y Y SHEET NO. ..... OF .....

BY RJM DATE 5-9-52 McRAE TUNGSTEN CORP. JOB NO. .....

CHKD. BY ..... DATE ..... SNOWBIRD CLAIM DMEA 864

MAP 3

RAISE #1



SAMPLES

(A) N° 5704 - 72" @ 1.39%

(B) 5705 - 80" @ 1.44%

(C) 5706 - 60" @ 0.92

(D) 5707 - 48" @ 0.26

(E) 5708 - 48" @ 0.14

(F) 5709 - 34" @ 0.05

ASSAYS BY UNION ASSAY OFFICE
SALT LAKE CITY, UTAH

SECTION YY

Scale 1" = 20'

QUARTZ

APLITIC QUARTZ

DACITE

GRANITE

BRADLEY MINING CO. SUBJECT RAISE Nº 2 SECTION SHEET NO. ..... OF .....

BY RJM DATE ..... McRAE TUNGSTEN CORP JOB NO. .....

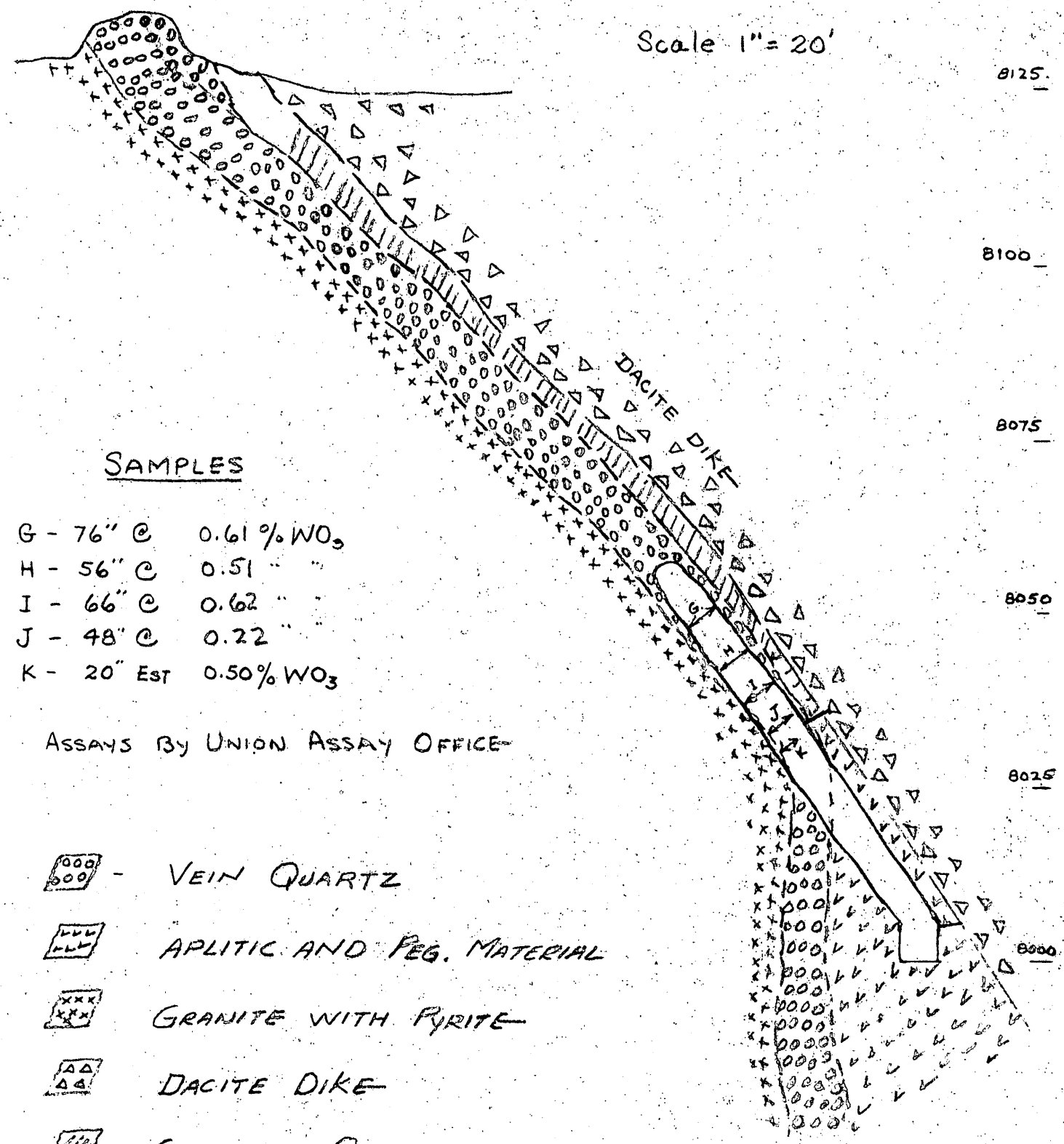
CHKD. BY ..... DATE 7-3-52 JUNE PROGRESS REPORT DMEA 864

SNOWBIRD CLAIM

SECTION THRU RAISE 2

S.70°E.

Scale 1" = 20'



SAMPLES

G - 76" @ 0.61 % WO_3

H - 56" @ 0.51 " "

I - 66" @ 0.62 " "

J - 48" @ 0.22 " "

K - 20" EST 0.50 % WO_3

ASSAYS BY UNION ASSAY OFFICE

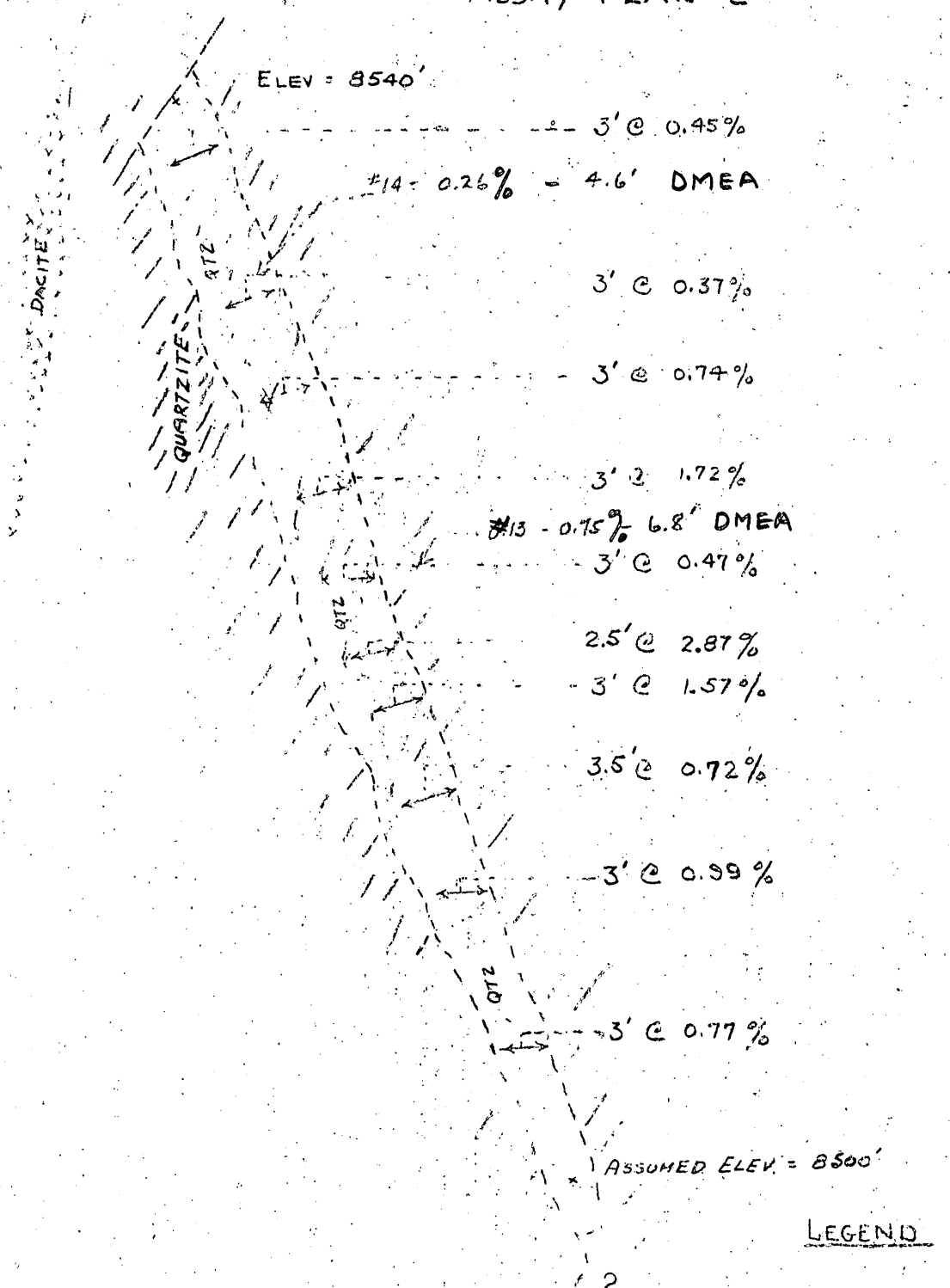
- VEIN QUARTZ
- APLITIC AND PEG. MATERIAL
- GRANITE WITH PYRITE
- DACITE DIKE
- CRUSHED QUARTZ

BRADLEY MINING CO. SUBJECT ASSAY PLAN 2 SHEET NO. ..... OF .....

BY R.J.H. DATE 10-15-51 UPPER SO. SIDE OUTCROP JOB NO. .....

CHKD. BY ..... DATE ..... McRAE TUNGSTEN CORP SCALE 1" = 10'

ASSAY PLAN 2



LEGEND

VALUES PREDOMINATELY HUBNERITE

ASSAYS BY UNION ASSAY OFFICE

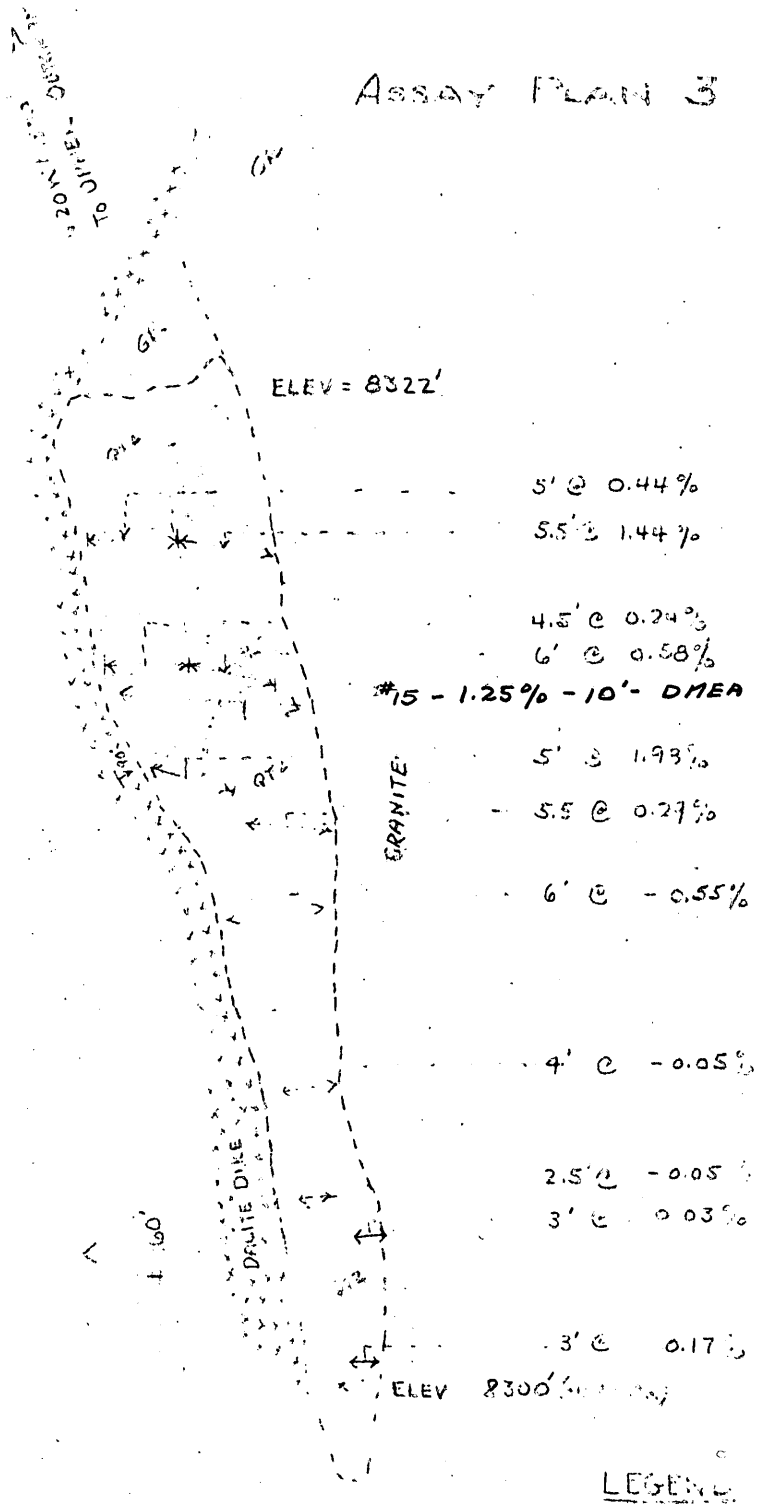
ASSAYS IN % WO_3

BETTER ORE

BRADLEY MINING CO. SUBJECT ASSAY PLAN 3 SHEET NO. ..... OF .....

BY ..... DATE 10-10-51 MIDDLE OUTCROP JOB NO. .....

CHKD. BY ..... DATE ..... McKAE TUNNEL N COL SCALE 1" = 10'



LEGEND

ASSAYS IN % NO_3 (@ UNDER [illegible])

= GOOD [illegible]

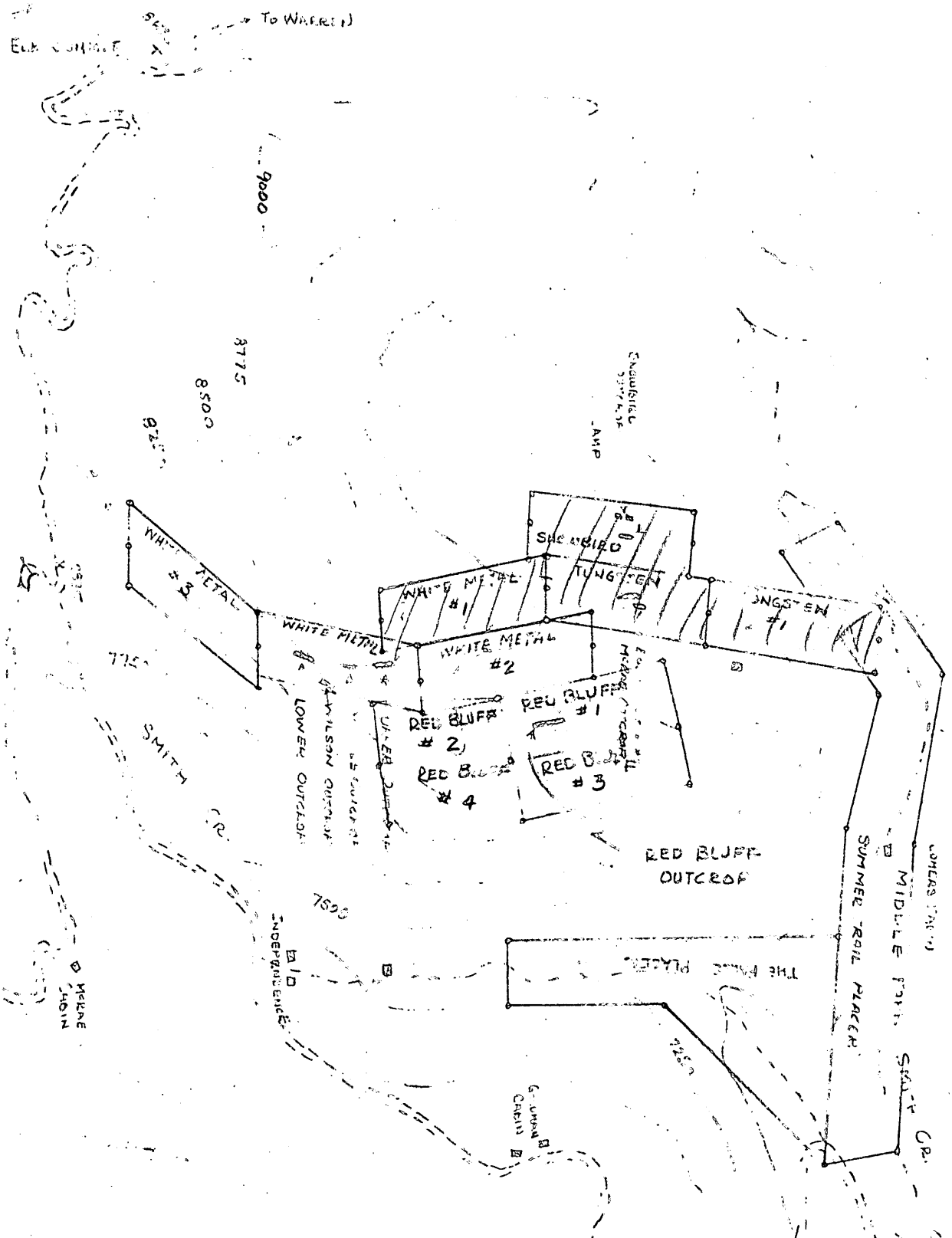
HIGH [illegible] ALL (NONE [illegible])

SAMPLED 10-5-51 [illegible]

BY ..... DATE ..... SUBJECT PLAT OF CLAIMS SHEET No. ..... OF .....

CHKD. BY ..... DATE 3-10-52 JOB No. .....

McKAY [illegible] CREEK SCALE 1" = 1320'

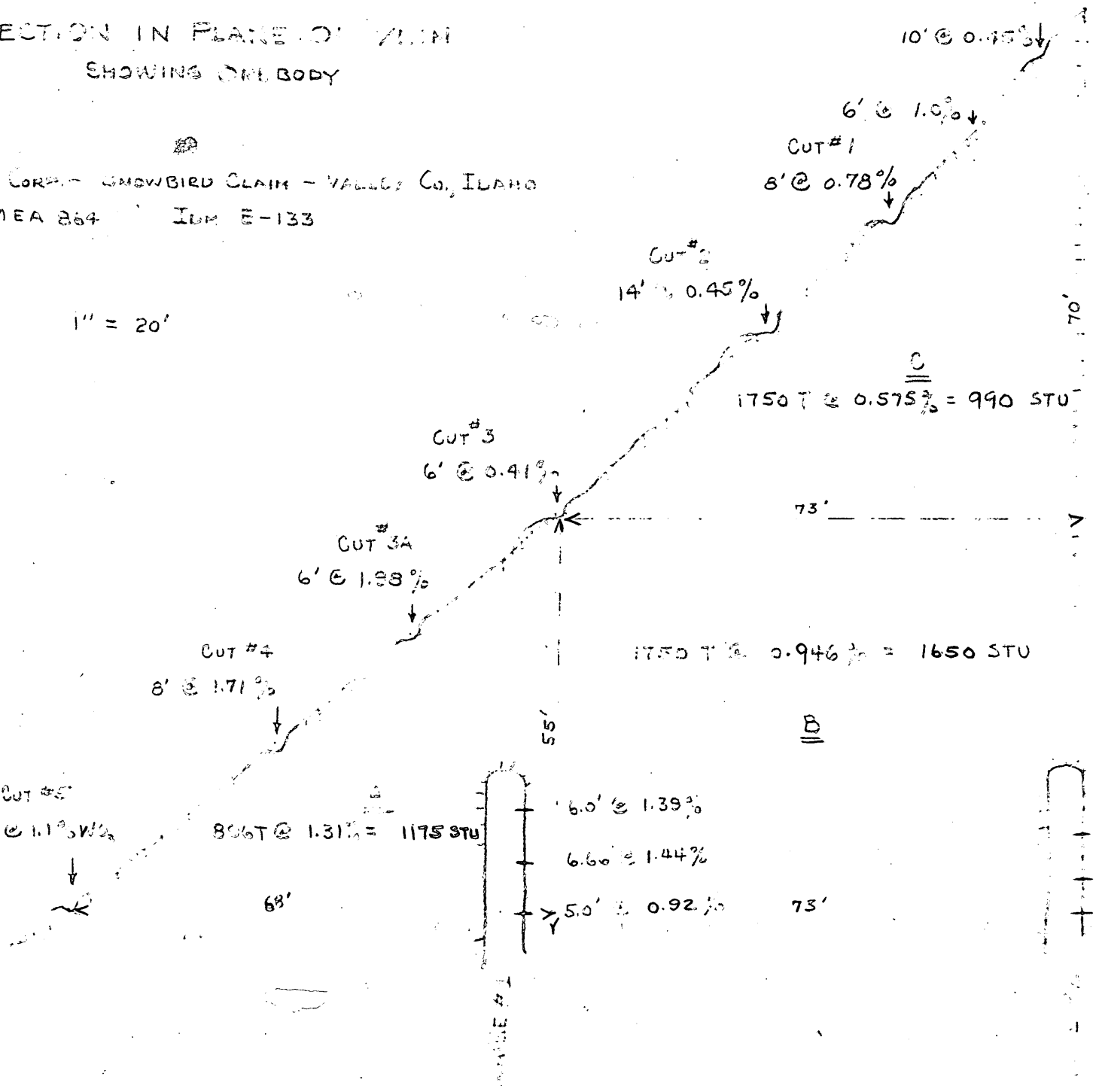


RED BLUFF CLAIMS
UNDER JAMES FLIGHT
W. WILES.

SECTION IN PLANE OF VEIN
SHOWING ORE BODY

McLAE TUNGSTEN CORP. – SNOWBIRD CLAIM – VALLEY Co., IDAHO
DMEA 864 IDM E-133

1" = 20'



BRADLEY MINING CO.
BY..... DATE..... SUBJECT..... SHEET NO..... OF.....
CHKD. BY..... DATE..... JOB NO.....

BRADLEY MINING CO. SUBJECT ..... SHEET NO. ..... OF .....

BY ..... DATE ..... JOB NO. .....

CHKD. BY ..... DATE .....

EAST DRIFT

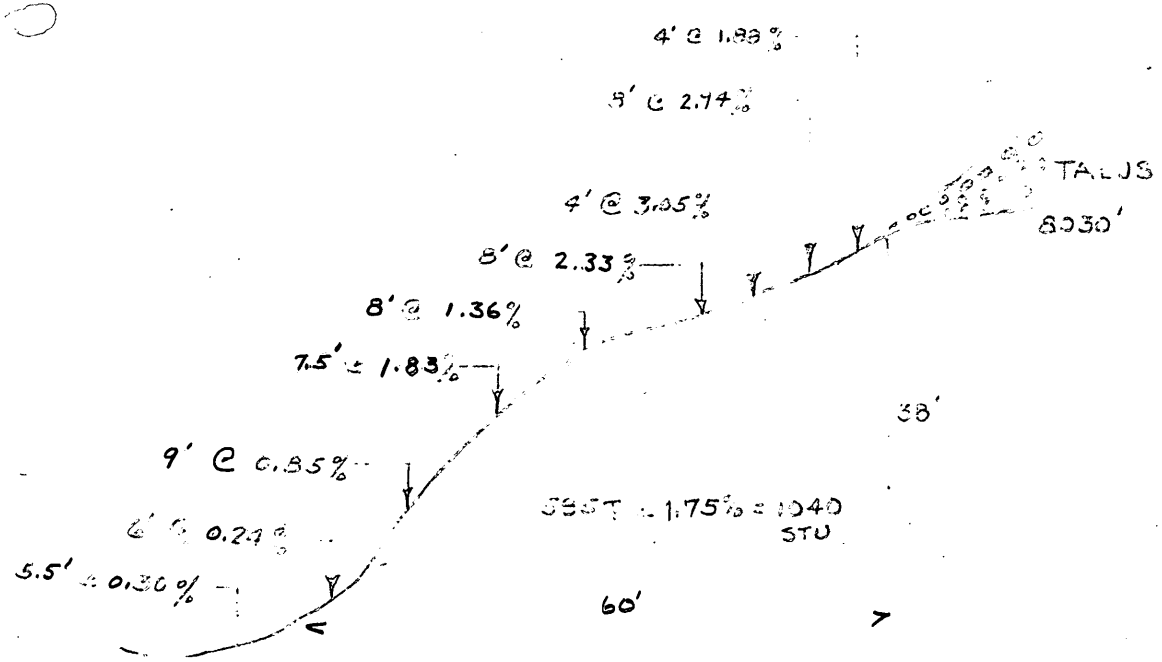
McKAE TUNGSTEN CORP. – SNOWBIRD CLAIM – VALLEY COUNTY, IDAHO

IDMEA 564 IDM. E 133

1" = 20'

SECTION PLANE OF HOLE WITH

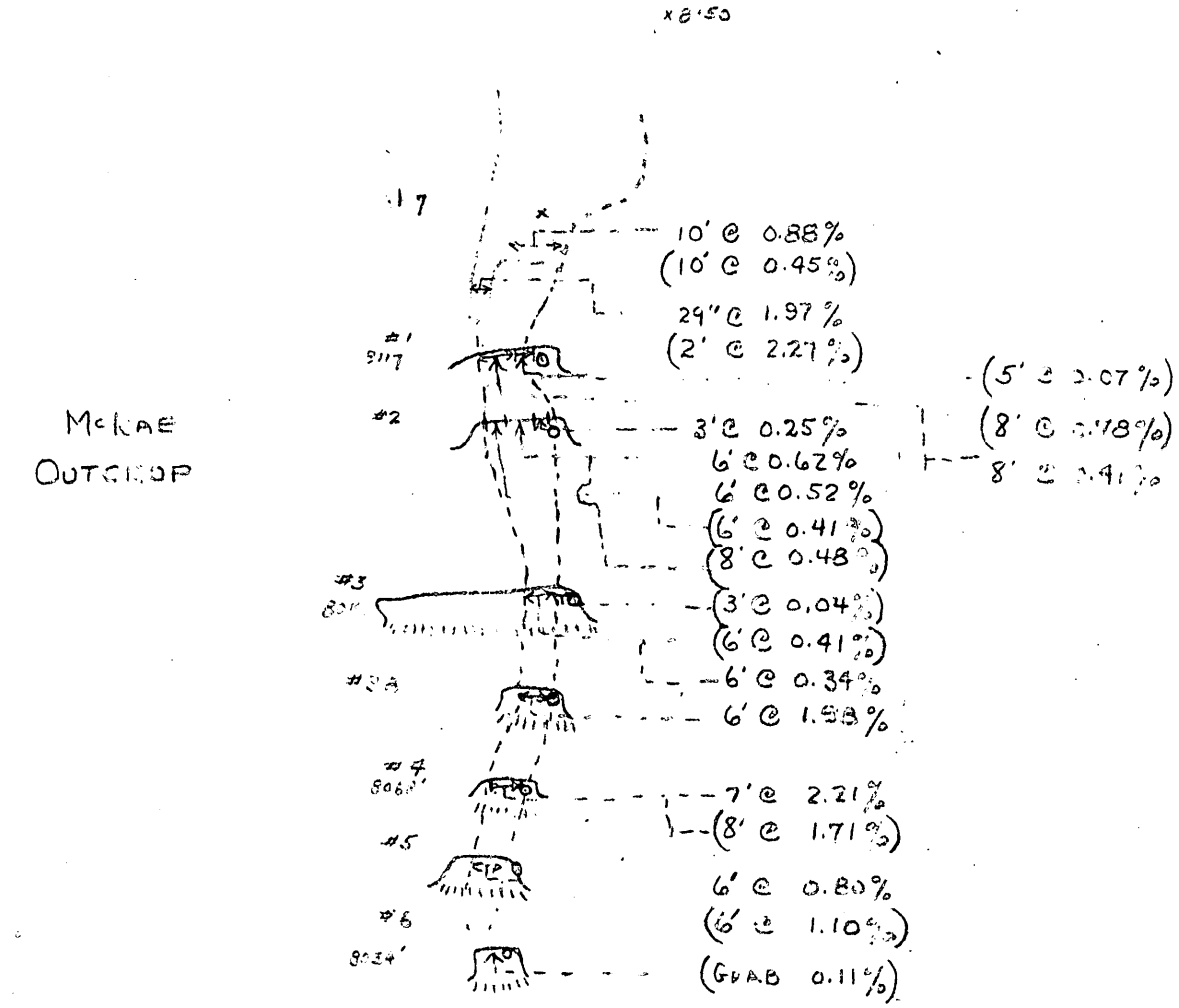
ASSAYS OF SURFACE OUTCROP

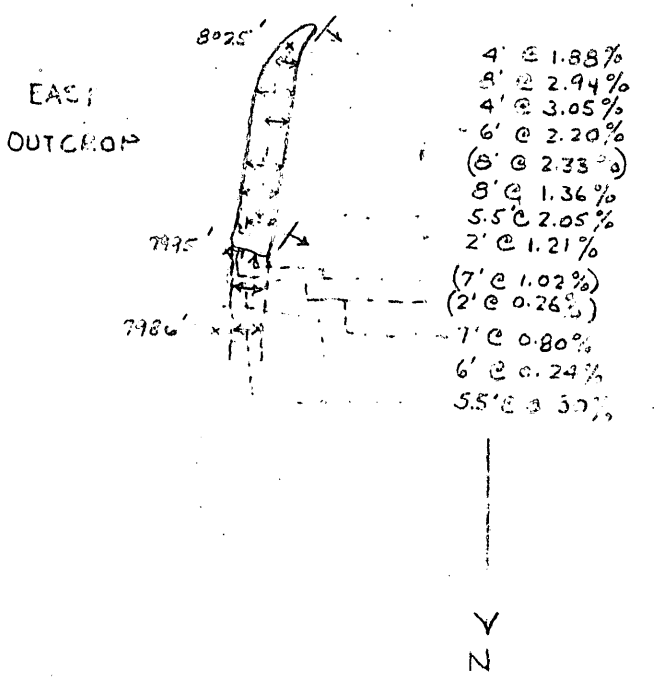


BRADLEY MINING CO. SUBJECT: ASSAY MAP SHEET NO. ..... OF .....

BY: R.J.M. DATE: 5-10-52 EAST OUTCROP — McKAE TUNGSTEN CORP. JOB NO. .....

CHKD. BY ..... DATE ..... McKAE TUNGSTEN CORP. SCALE 1" = 40'





ASSAYS IN % WO_3

( ) = TAKEN BY D.M.A. ENG.

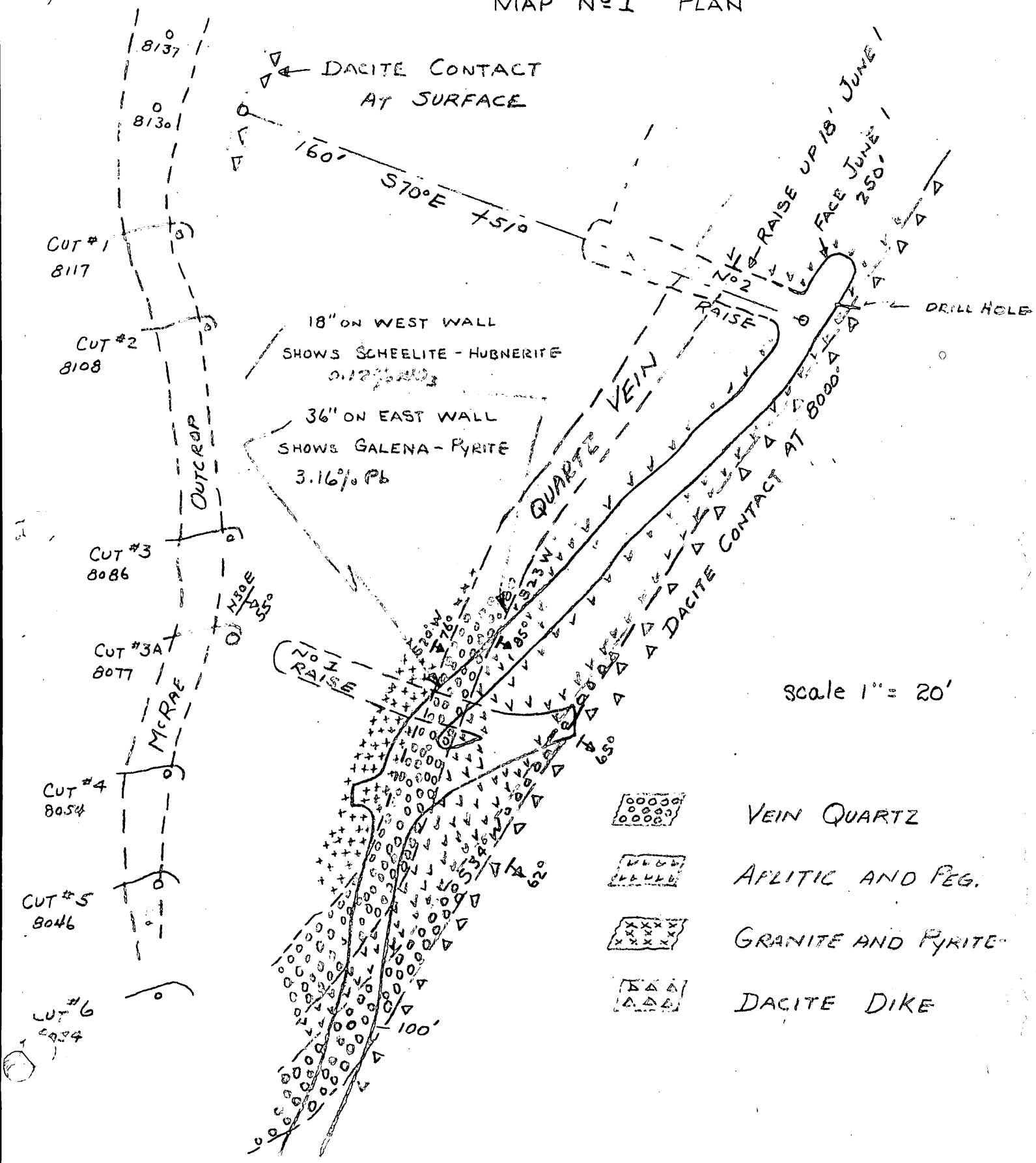
BALANCE = " " R.J.M.

ALL ASSAYING BY UNION ASSAY

VALUES MOSTLY SCHEELITE

BRADLEY MINING CO. SUBJECT PLAN MAP SHEET NO. ..... OF .....
BY RJM DATE 6-3-52 MAY PROGRESS REPORT JOB NO. .....
CHKD. BY ..... DATE ..... McRAE TUNGSTEN CORP DMEA 864

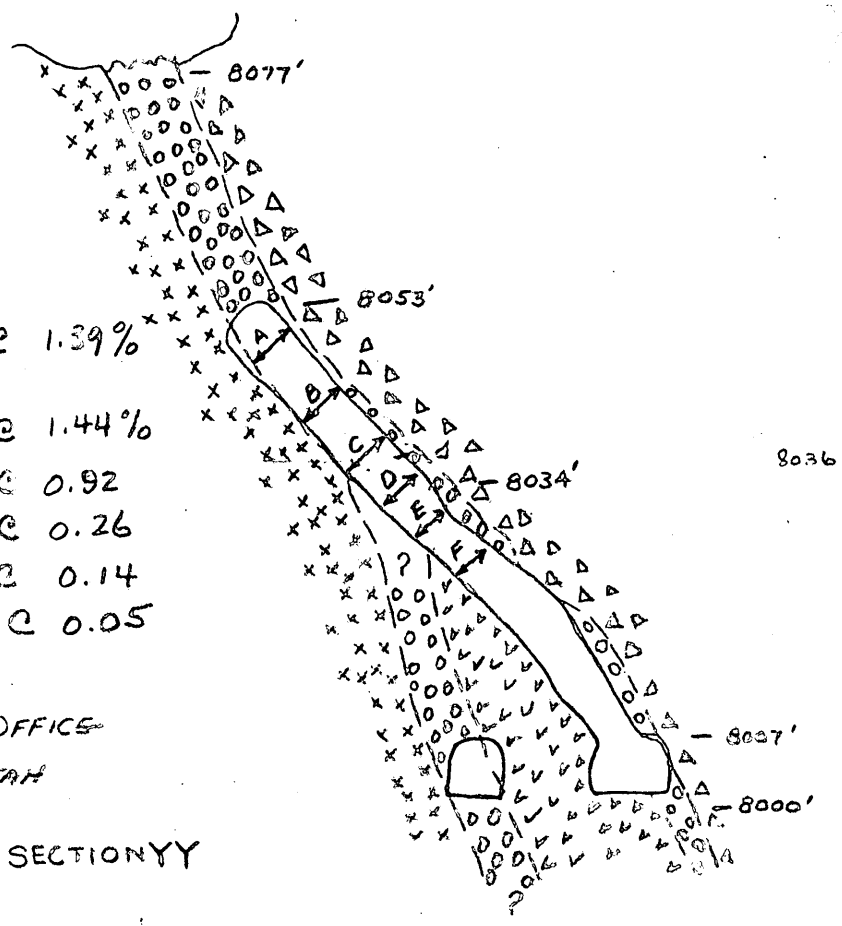
SNOWBIRD CLAIM
MAP Nº 1 PLAN



BRADLEY MINING CO. SUBJECT RAISE SECTION YY SHEET NO. ..... OF .....
BY RJM DATE 5-9-52 McRAE TUNGSTEN CORP JOB NO. .....
CHKD. BY ..... DATE ..... SNOWBIRD CLAIM DMEA 864

MAP 3

RAISE #1



SAMPLES

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(B) 5705 - 80" @ 1.44%

(C) 5706 - 60" @ 0.92

(D) 5707 - 48" @ 0.26

(E) 5708 - 48" @ 0.14

(F) 5709 - 34" @ 0.05

ASSAYS BY UNION ASSAY OFFICE
SALT LAKE CITY, UTAH

SECTION YY

Scale 1" = 20'

QUARTZ

PYRITIC QUARTZ

DACITE

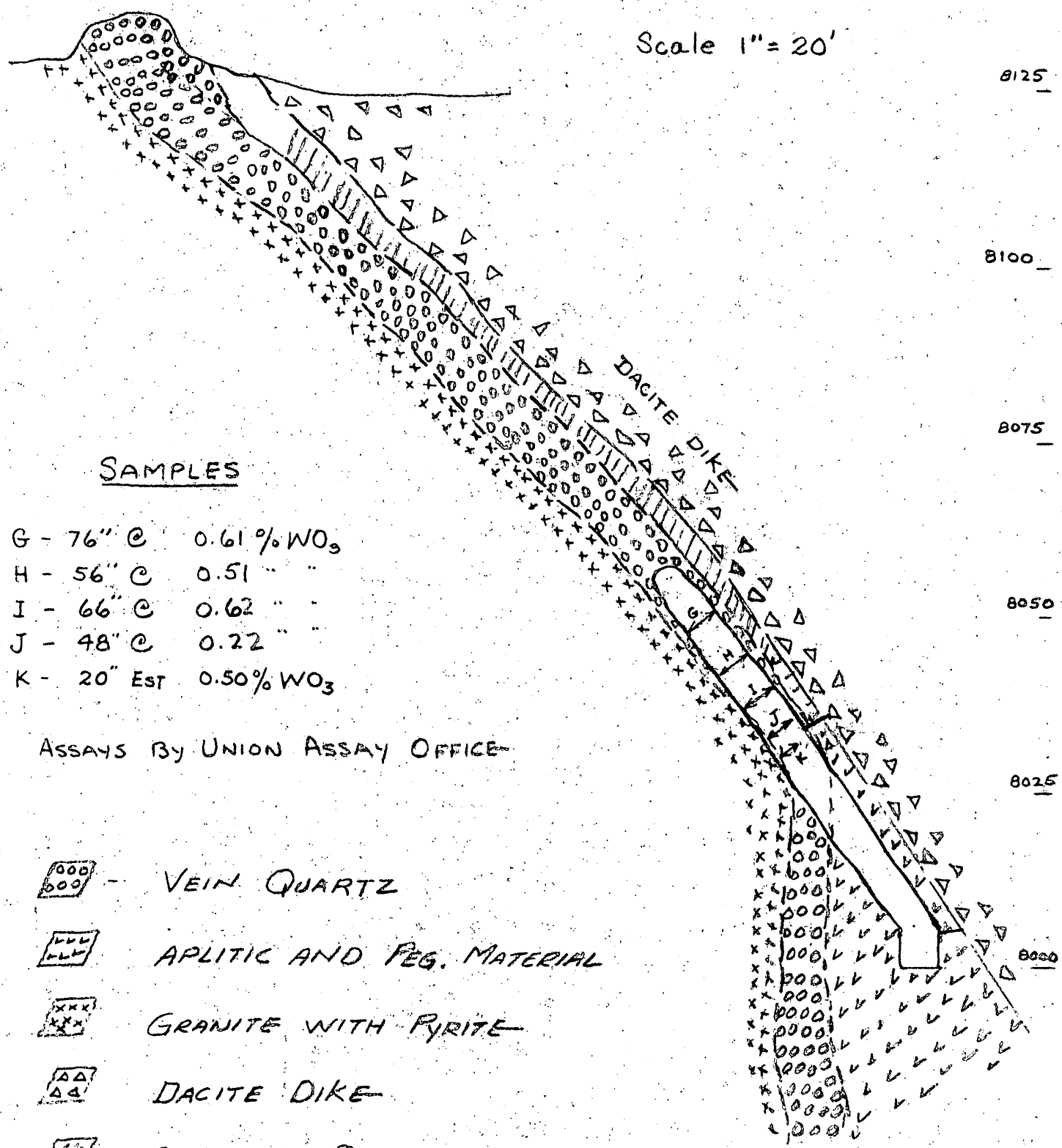
GRANITE

BRADLEY MINING CO. SUBJECT RAISE Nº 2 SECTION SHEET NO. ..... OF .....
BY RJM DATE ..... McRAE TUNGSTEN CORP JOB NO. .....
CHKD. BY ..... DATE 7-3-52 JUNE PROGRESS REPORT DMEA 864

SNOWBIRD CLAIM

SECTION THRU RAISE 2
S.70°E.

Scale 1" = 20'



SAMPLES

G - 76" @ 0.61 % WO_3
H - 56" @ 0.51 " "
I - 66" @ 0.62 " "
J - 48" @ 0.22 " "
K - 20" Est 0.50% WO_3

ASSAYS BY UNION ASSAY OFFICE

- VEIN QUARTZ
- APLITIC AND PEG. MATERIAL
- GRANITE WITH PYRITE
- DACITE DIKE
- CRUSHED QUARTZ

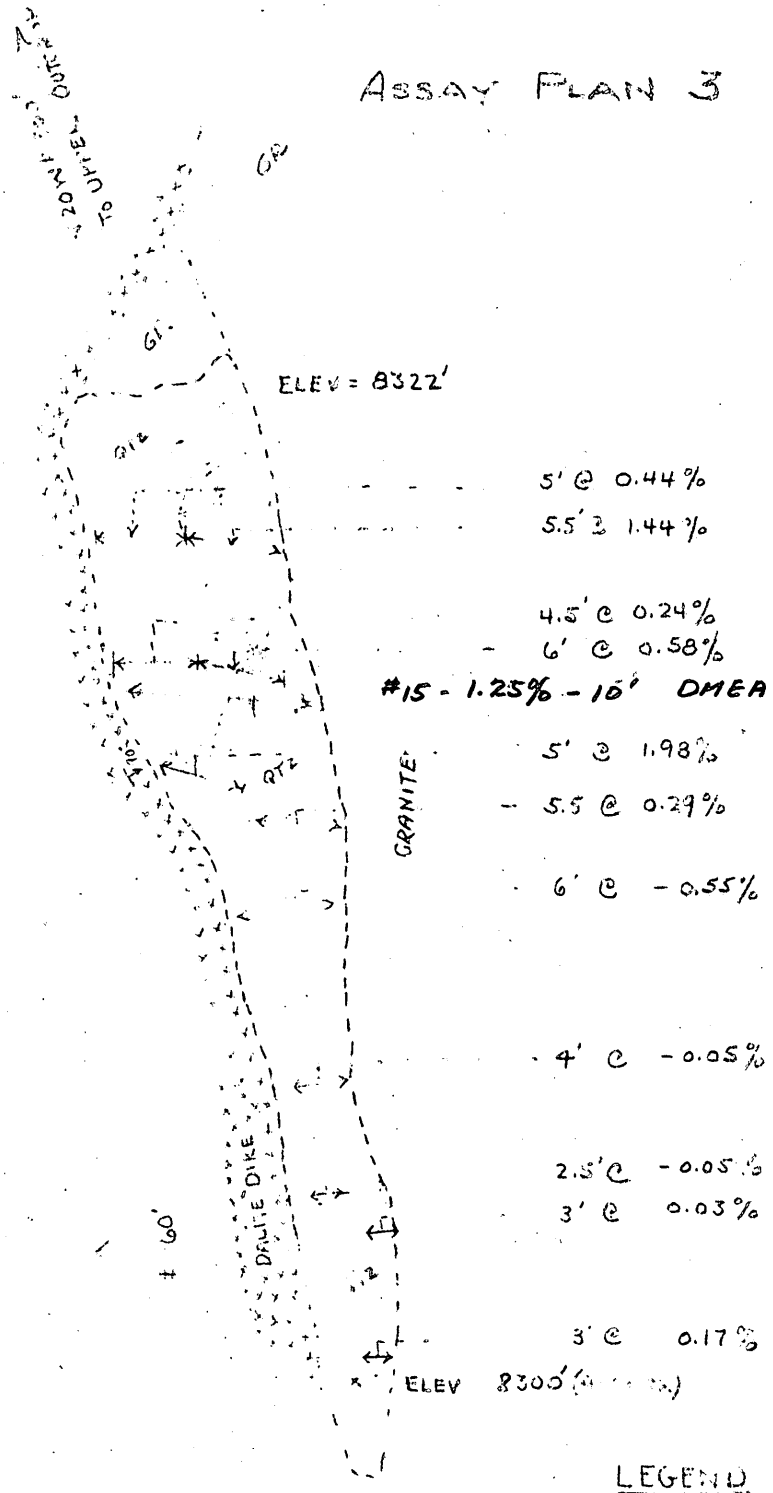
BRADLEY MINING CO. SUBJECT ASSAY PLAN 3 SHEET NO. ..... OF .....

BY G.N.K. DATE 10-10-51 S. SIDE MIDDLE OUTCROP JOB NO. .....

CHKD. BY ..... DATE ..... McKAE TUNNEL N CORR. SCALE 1" = 10'

N

ASSAY PLAN 3



LEGEND

ASSAYS IN % WO_3 (BY UNION [illegible])

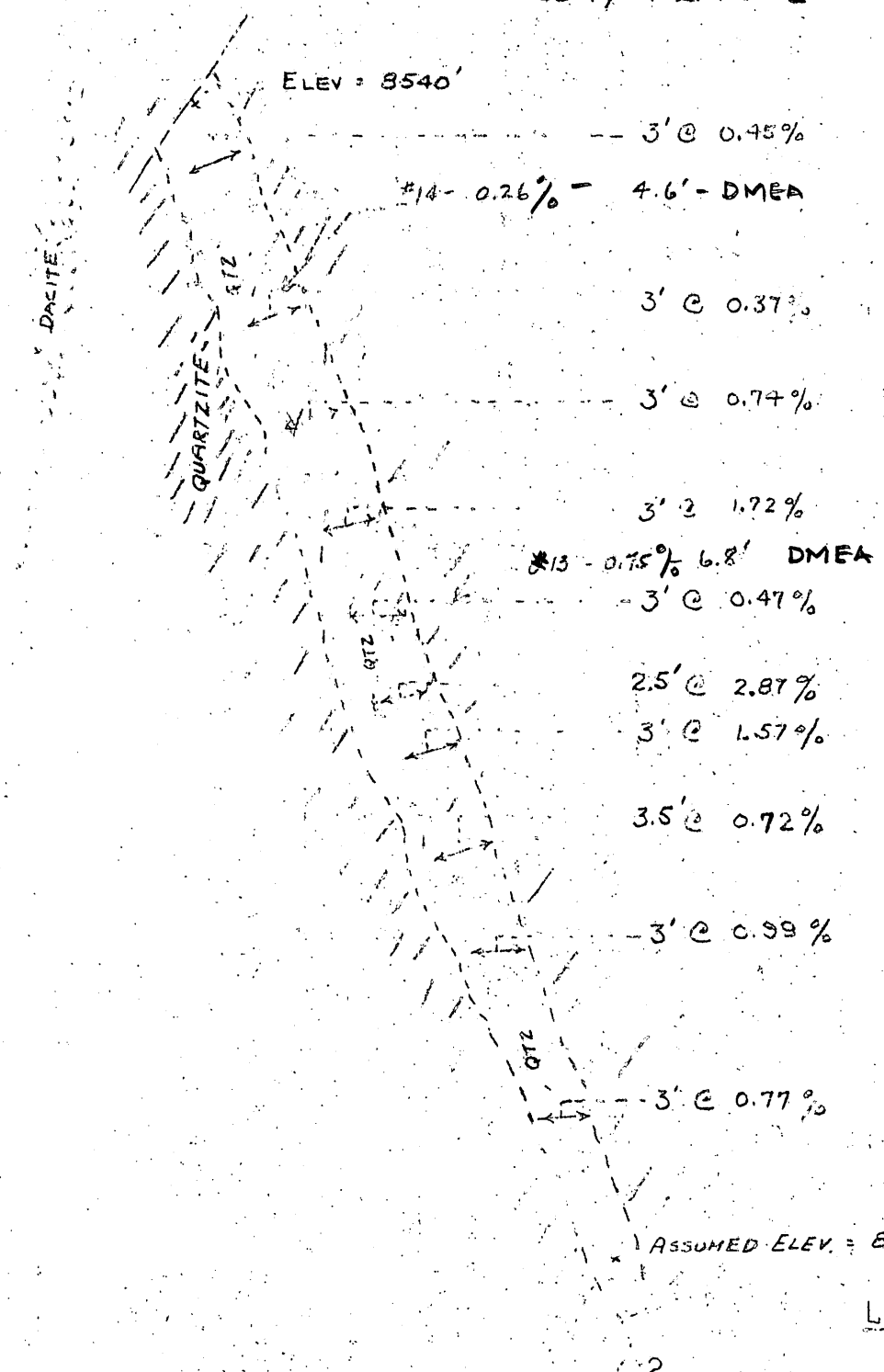
= GOOD ORE

HIGH GRADE (HONEY [illegible])

SAMPLED 10-5-51 RJM HMS

BRADLEY MINING CO. SUBJECT ASSAY PLAN 2 SHEET NO. ..... OF .....
BY R.S.H. DATE 10-15-51 UPPER SO. SIDE OUTCROP JOB NO. .....
CHKD. BY ..... DATE ..... McRAE TUNGSTEN CORP SCALE 1" = 10'

ASSAY PLAN 2



LEGEND

VALUES PREDOMINATELY HUBNERITE

ASSAYS BY UNION ASSAY OFFICE

ASSAYS IN % WO_3

BETTER ORE

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

[redacted]
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Spokane
DEC 17 1952

December 4, 1952

Mr. R. J. Hindman
Certifying Officer, DMEA Region II
U. S. Bureau of Mines
1201 N. Division
Spokane, Washington

Re: Docket DMEA-864 (Tungsten)
McRae Tungsten Corporation
Valley County, Idaho
Contract Idm-5133

Dear Mr. Hindman:

This is to inform you that all work under the subject contract has been completed to the satisfaction of the Government and that the full and final accounting of operations as presented by the Operator is considered acceptable by this office. A final report evaluating the results of work completed under the contract also has been presented and accepted as satisfactory. It is understood that this letter will serve in your files in lieu of a copy of the Operator's final report.

Inasmuch as all requirements have been met, it is requested that the Operator's final invoice be accepted for vouchering and payment.

Sincerely yours,

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

cc: DMEA (3)
USBM (2)
R. Hull
Cont. Adm. and Aud. Div., Wash., D. C.

Docket Copy

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
[redacted]
So. 157 Howard Street
Spokane 4, Washington

DMPA - 2769 See DMEA-864 E-133

December 3, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Application for DMPA Production loan, McRae Tungsten Corporation, Stibnite, Idaho

Dear Mr. Johnson:

Enclosed are four (4) copies of an application for a production loan submitted by the McRae Tungsten Corporation of Stibnite, Idaho. The application concerns the Snowbird property, Valley County, Idaho, which has recently undergone exploration under DMEA Contract Idm-E133. Accomplishments of this progress are discussed in the Operator's Final Report, copies of which are attached to the application. This report is well prepared and authentic; it checks for the most part with field reports prepared by DMEA observers.

At the present time a final report on the Snowbird contract is being prepared by DMEA field examiners familiar with the property. This report will be forwarded to Washington, D. C., as soon as it is completed. Conference with these examiners points out the fact that present DMEA calculations delimit 4,063 tons of ore assaying 0.85 percent WO_3 as ore delimited by contract work, whereas the Operator's final report delimits 4,366 tons assaying 0.873 percent WO_3. This close comparison of figures indicates there is little difference in opinion between the Operator and DMEA examiners as to accomplishments of contract work. It will be recommended to the DMEA Operating Committee that a Certification of Discovery be issued the Operator as a result of DMEA contract work.

We will gladly submit what additional information we have available on the Snowbird property upon request or to assist in any other way in the processing of this application.

Sincerely yours,

Thor H. Kiilsgaard
Acting Executive Officer
DMEA Field Team, Region II

Enclosures
cc: USBM (2)

400

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

[redacted]
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 1 0 1952

November 14, 1952

McRae Tungsten Corporation
Stibnite
Idaho

Re: Contract Idm-E133
Docket DMEA-864

Gentlemen:

Enclosed is your copy of an Approval of Subcontract between McRae Tungsten Corporation and Nichols and Thompson Core Drilling Company.

Sincerely yours

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

Enclosure

cc: DMEA (2)
USBM (2)
Kiilsgaard

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 17 1952

November 14, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket DMEA-864 (Tungsten)
McRae Tungsten Corporation
Valley County, Idaho
Contract Idm-E133

Dear Mr. Johnson:

Enclosed is a carbon copy and 2 ozalid copies of an Approval of Subcontract between the subject Operator and Nichols and Thompson Core Drilling Company. The original copy of the agreement has been retained by the Operator.

A copy of the Subcontract has been sent to the Operator, a copy is being held here for our files and by a carbon copy of this letter a copy is being sent to the Finance Officer.

Sincerely yours,

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

RECEIVED
NOV 24 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Enclosure

cc: USBM (2)
Kiilsgaard
Finance Officer w/encl.

cae
11-18

2236-2

Docket No. DMEA 864
(tungsten)
DOCKET COPY

APPROVAL OF SUBCONTRACT
(Under Form MF-200, revised February 1952)

To: McRae Tungsten Corporation, Stibnite, Idaho
(Name of Operator)

That certain contract, or proposed contract, a copy of which you have submitted with your request for approval, dated July 24, 1952, between you and Nichols and Thompson Core Drilling Co.
(Name of Independent Contractor)

for the performance of the following work: 400 linear feet of diamond drilling

which is all or a specific element of the work described in an Exploration Project Contract dated September 5, 1951, Idm -E133, Docket No. DMEA 864, is hereby approved by the United States of America, subject to all of the terms and conditions relating to such independent contracts set forth in said Exploration Project Contract.

Dated: November 7, 1952.

THE UNITED STATES OF AMERICA

By A. E. Weissenborn

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

Nichols & Thompson Core Drilling Co., Inc.

Route 9 Boise, Idaho

Phone 0255-J1

July 24, 1952

McRae Tungsten Corp.
Stibnite, Idaho

Dear Mr. McRae:

After returning from your tungsten property(Snowbird) near Stibnite, Idaho I have worked out the following bid prices for which we would be willing to drill up to 600 feet on this job.

0 to 200 feet @ $5.65 per lineal foot. This price includes NX, BX, AX, and EX sizes.

Reaming or cementing of hole $2.65 per lineal foot.

A $400.00 moving in and out charge. This covers loading and transportation from Boise, Idaho to the unloading point and loadin and transportation back to Boise, Idaho. This charge is payable in advance.

A charge of $10.00 per hour for:

Moving from the unloading point to the first setup.

Moving back to loading point from the last setup.

Moving from hole to hole or setup to setup.

Laying pipe and bringing water to the drill setups. This includes locating pumps,digging pumpsumps, and preparing sites for water reclaiming.

I wish to thank you for the opportunity of submitting this formal bid. If it meets with your approval please sign one of these and return for our files.

Signed James L. Thompson
Nichols and Thompson Core Drilling Co.

Signed Robert J. Mc Rae
McRae Tungsten Corp.

This is a Correct copy of the drilling agreement. Original in McRae Tungsten Files.
Robert J. McRae

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
[redacted]
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 2 [illegible]
BY

October 22, 1952

Mr. W. Rulon Lee
Certifying Officer
Region II, DMEA
U. S. Bureau of Mines
Albany, Oregon

Subject: McRae Tungsten Corporation - Contract Idm-E133
Dmea-864

Dear Mr. Lee:

The following items of equipment purchased under the subject contract are to be transferred to contract Idm-E406, McRae Tungsten Corporation, at the values shown below:

1 - Ingersoll Rand portable compressor (used) Model CK-105, Serial No. 406-31445 $2,000.00

1 - Ingersoll Rand J-40 jackhammer and jackleg (used) Serial Nos. 673946 and L 13081 360.00

Therefore, the stipulation requiring the withholding of 10 percent of the payment to the Operator on his final invoice under Contract Idm-E133 is hereby waived.

Very truly yours,

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

cc: Contr. Adm. & Aud. Div., Wash. (1)
DMEA (3)
USBM (2)
Hall (1)

Copy returned to Dmea
LS
12/16/52

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

1201 N.Division St.
Spokane 2, Wash.
August 22, 1952

VIA AIR MAIL

MEMORANDUM

To: Chairman, Operating Committee, DMEA, Washington, D. C.

From: DMEA Field Team, Region II

Subject: Docket No. DMEA ~~846X~~ 864 (tungsten), Contract Idm-E133, McRae Tungsten Corp., Snowbird Group, Valley County, Idaho

Enclosed are the original and two copies of Amendment No. 2 to the above captioned contract, providing for diamond drilling of the "East" vein and additional drifting on the "McRae" vein.

Inasmuch as it was found impractical to explore the "East" vein by bulldozer trenching as specified originally in the contract, diamond drilling has been substituted. The additional drifting is necessary to determine the strike length of the "McRae" vein ore shoot. This work can be done with funds remaining in the original contract.

Mr. McRae is withdrawing, for the time being, his application for drilling the south side outcrop in favor of a new application on the Red Bluff property. A copy of the Operator's letter of the 23rd of July in this connection is enclosed for your information.

As the other work outlined in McRae's application for additional assistance under the subject contract is provided for in Amendment No. 2, additional funds will not be required.

By Field Team, Region II

A. E. Weissenborn

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

M. E. Volin

M. E. Volin, Member
(U. S. Bureau of Mines)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

RECEIVED
OCT 20 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Enclosure

cc: USGS, Spokane

9d8
4/25/57

COPY

Salmite, Idaho
July 23, 1952

Tom Howard

Mr. A. G. Weissenborn
Executive Officer DMEA
Field Team Region XI
Sc. 157 Howard Street
Spokane 4, Washington

Dear Mr. Weissenborn:

Several weeks ago I made application for a drilling program on 3 additional outcrops owned by Idaho Tungsten Corp. of Salmite, Idaho.

Mr. H. F. Reno examined these outcrops on July 15 and 16 in my company. At that time Mr. Reno recommended we transfer $6,000.00 from the remaining funds in MMA 664 to diamond drilling from the surface the first outcrop near the present tunnel portal. This is quite agreeable to Idaho Tungsten Corp. This left the two outcrops on the South side to be considered under the recent application.

In view of the fact we have a much larger outcrop coming up for a loan contract and after going over the difficulties of getting drill equipment to these outcrops I believe the application for drilling the two South Side Outcrops should be dropped for the time being.

Yours truly,

Robert J. McRae

R. J. McRae

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

So. 157 Howard Street
Spokane 4, Washington

August 22, 1952

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

Re: Docket DMEA 864X (Tungsten)
Exploration Contract Idm-E133
McRae Tungsten Corporation,
Snowbird Group of Claims,
Valley County, Idaho

Dear Mr. Johnson:

This is in reply to your letter of August 18 on the subject docket. The amendment No. 2 discussed in the first paragraph of your letter has been prepared and is being sent to you.

In regard to the proposal for additional DMEA assistance, a memorandum from Mr. H. G. Reno, U. S. Bureau of Mines, on the property was sent to you under cover of a Field Team letter dated August 11, recommending favorable action. This evidently had not reached you at the time you wrote your letter of August 18.

Neither Mr. Quinlan, the Survey Geologist, nor Mr. Reno, the Bureau engineer, are presently available to calculate the tonnage that has been indicated by the exploration to date. An estimate will be prepared as soon as one of these men is available to prepare it. The operators monthly reports indicate that to date 3,000 to 4,000 tons of tungsten ore averaging 0.65 to 0.75 percent WO_3 have been indicated. This is only an estimate, but we believe it is approximately correct.

Sincerely yours,

A. E. Weissenborn

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

cc: USBM (2)
Quinlan

Copy retained 400

Docket
FILE COPY
SURNAME:

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

Mr. A. E. Weissenborn
Executive Officer, Region II
South 157 Howard Street
Spokane 8, Washington

8

Re: Docket No. DMA 844X - Tungsten
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Exploration Contract No. Ida-N133

Dear Mr. Weissenborn:

We recently received a copy of a memo, dated July 23, to M. E. Velin from H. T. Rene, Bureau of Mines, regarding a proposed amendment to the subject contract. The amendment was to delete part of the surface trenching and substitute diamond drilling for exploration of the "east" vein and allow 25 additional feet of drifting on the "McRae" vein. Funds for the additional work were to be available from the remainder of the original contract. A copy of the amendment has not been received in this office.

An application by the McRae Tungsten Corporation for additional DMEA assistance covering exploration similar to that outlined above also has been received and is being held in abeyance until a field team report is received as mentioned in our letter of July 2. If sufficient funds remain from the present contract to cover the work mentioned under the amendment, you are hereby authorized to amend the contract allowing for the proposed work since it involves the same target originally set forth in the contract. This authorization is given to avoid misunderstandings that might arise with regard to paragraph 4 of Memorandum 7. However, the amendment should be supported by a statement of justification and the total amount of the project kept within that of the original contract. According to the August 1, 1952, memo of H. T. Rene, Bureau of Mines, this may be possible.

We will continue holding the application for additional assistance by the Nelme Tungsten Corporation until we hear from you. We would be interested to know approximately how much tonnage has been indicated by the exploration to date and its grade.

Sincerely yours,

(signed) FRANK E. JOHNSON

(GHB) 8/18

Chairman, Operating Committee

Approved:

P. W. Johnson
Member, Bureau of Mines (GHB)

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

Rutledge'lm
8/14/52

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

400

FILE COPY
SURNAME:

Selfridge

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

JUL 22 1952

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

Re: Docket No. DMA 864X - Tungsten
McRae Tungsten Corporation
Snowbird group of claims
Valley County, Idaho
Contract No. Idm-E-133

Dear Mr. Weissenborn:

Enclosed herewith are two copies of a review and summary of the subject exploration docket which was prepared by the Iron and Ferro-Alloy Division for use in the Washington Office. These are being sent you for your information and we would appreciate having your comments thereon, if any.

Sincerely yours,

cc 7/22

George C. Selfridge (JHB)

ACTING Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosures

GCSelfridge:ls 7/17/52

Approved:

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

T. P. Thayer (JHB)
Member, Geological Survey

CC: Docket
Admn. Read. File
Field Team, Reg. 2
Operating Committee
G. C. Selfridge
D. M. Lemmon, USGS
R.W. Geehan, USBM

Office Memorandum • UNITED STATES GOVERNMENT

TO : Acting Administrator, DMEA DATE: July 2, 1952

FROM : Iron and Ferro-Alloy Division, DMEA

SUBJECT: Review and summary of exploration project docket to May 1, 1952
Docket No. DMA 864X - Tungsten
McRae Tungsten Corporation
Snowbird group of claims
Valley County, Idaho
Contract No. Idm-E133

The subject contract, dated September 5, 1951, provided funds in the amount of $20,351 covering in part 4 trenches, 300 feet of drifting, and 120 feet of raising. Preparation work was started on September 6 and drifting on October 5, 1951. Because of winter conditions, the exploration was recessed January 1 and resumed March 16, 1952.

Review of the monthly reports shows that drifting has averaged approximately 50 feet per month during full months worked, with a maximum of 2 men. It was interesting to note that during December the drift was advanced 49 feet by only 1 man. During the month of April 2 men drove 40.9 feet of drift and 59.0 feet of raise. This is 3.84 feet advance per day on an assumed 26-day month. Since the report carries no information regarding the number of shifts or days worked, it is impossible to calculate an exact average daily advance. Using the April labor cost, also on an assumed 26-day month, the 2 men averaged $18.35 a day each in wages. As the direct labor cost per foot driven was $10.29, this wage is quite reasonable and in keeping with the more efficient operations.

Progress of the contract is proceeding satisfactorily and since the supplies, equipment, etc., purchased in the month of September, 1951 cannot be prorated against the trenching, drifting, and raising with the information at hand at the present time, only an over-all conclusion can be made and that is that 71.3% of the drifting and 49.2% of the raising have been completed during 53.3% of the life of the contract, while expending 69.9% of the allotted funds. More than enough funds remain to complete the exploration provided for in the contract.

Drifting on the adit level has been disappointing because no ore has been encountered to date, although there are some showings which were sampled, M1 - M5. The assays for same have not been received by Washington. During the drifting it was noted that the

tungsten mineralization was spotty and bunchy. The miners sorted several hundred pounds of quartz with hubnerite off the top of the cars. Chalcopyrite and galena were also found. A raise was driven under the ore shoot exposed on the surface and good ore was found at an elevation of approximately 40 to 45 feet above the level. Since the top 10.0 feet of the raise exposed ore similar to that at the surface 28 feet higher, the raise was stopped because it was felt that nothing could be gained by driving to the surface.

The applicant has submitted another application for additional work on the claims. The Field Team will visit the area in early July and report whether or not additional work is warranted. The docket contains no Field Team examination memoranda.

G. C. Selfridge

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

FILE COPY
SURNAME:

Selfridge

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

JUL 2 1952

Mr. A. N. Weissenborn
Executive Officer, Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMA 864X - Tungsten
McNee Tungsten Corporation
Sawtooth Group of Claims
Valley County, Idaho
Exploration Project Contract
No. [illegible]

Dear Mr. Weissenborn:

This is to acknowledge receipt of your letter of June 23, 1952, which forwards the original and two copies of an application for additional DMEA assistance to explore the subject group of claims.

We note that you plan to have a man make an examination of the McNee Property during the first week of July and that you will advise us on the feasibility of granting additional funds to the existing contract. We shall hold the application in abeyance until we hear from you.

Sincerely yours,

(signed) FRANK E. JOHNSON (GHB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

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

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

GGSelfridge'lm
6/30/52

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

DMA 864
E-133

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

June 23, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 26 1951

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

Dear Sir:

Enclosed are the original and two copies of an application for a DMEA contract submitted by the McRae Tungsten Corporation, Stibnite, Idaho. One copy of the application is being retained at this office to facilitate field examination.

It will be noted that the McRae Tungsten Corporation has a DMEA contract on the Snowbird property, and that this application would be merely to further explore the Snowbird property. Therefore, if further exploration of the property should prove to be warranted it would probably be more feasible to amend the present contract and provide additional funds for the proposed work rather than to issue a new contract. DMA 864

This office will have a field man in the Valley County area during the first week in July who will attempt an examination of the McRae property and will advise on the feasibility of granting additional funds to the existing contract or entering into a new contract to do the work requested in the subject application. P. Adams

Sincerely yours,

Thor H. Kiilsgaard

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures

cc: USBM

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 6-27-52

REFERRED TO:

1. Code 400, Rm. 3538
2.
3.
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

Dina 864
E-133

REMARKS: This application was not given a Docket Number because it is to be treated as a proposed amendment. Copies were distributed to USBM and USGS.

Check (X) before the items needing attention.

ROBERT E. ADAMS
Initials of sender.

sd

GPO 16—63815-1

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Docket No. DMA 864X - Tungsten Exploration Project Contract Idm-E133 McRae Tungsten Corporation Stibnite, Idaho

DATE: June 9, 1952

FROM : F. A. Rutledge

SUBJECT: Summary of progress analysis

Tungsten mineralization of scheelite and hubnerite is found in area of pegmatiitic granite containing pendants of quartzite and interbedded schists of the yellowjacket formation. Veins appear to be fissure filling and, in part, replacement of the quartzite. Dip usually steep to west.

Geological Survey states length of the ore body and the size of the associated pendant may give some clue as to downward extension. It does not appear that an individual lens can be expected to extend downward over one-half its strike length. Work by RFC in 1943 on adjacent property confirmed this theory.

The drift is now under cut 3A on the surface without hitting the ore shoot exposed on the surface. A 20-foot raise at an inclination of 55° has revealed what may be the bottom of the ore shoot. This would infer a depth of approximately 55 feet for this lens.

The above subject contract was signed September 5, 1951, for a period of 15 months. Exploration program outlined to consist of 4 surface cuts, a 300-foot drift, and 120 feet of raises. Amount set up for drifting and raising, $27.38 and $27.35, respectively, includes labor but does not include equipment purchase or supplies. Cost per foot in summary includes all costs with equipment being written off during first period. Costs per foot for drifting have averaged from $12.34 to $28.96 a foot per month. Average to date, which includes all equipment, is $50.62.

To date, 54.2 percent of the total funds have been expended to complete the trenching and 57.7 percent of the drifting. Contract should be completed within time allotted and amount if future progress is consistent with that in past.

Underground personnel has consisted of from 1 to 2 miners. Progress per shift has averaged 1.95 feet. During December, when only one miner worked, progress was still 1.81 feet per shift.

No labor distribution received for March.

F. A. Rutledge

400
FILE COPY
SURNAME:

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

Moulds
FE Johnson

OCT 19 1951

G.E.C.

Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket DMA No. 864
McRae Tungsten Corp.
Exploration Project Contract
Idm-E-133
Amended: September 27, 1951

Gentlemen:

Enclosed for recording in your office is the original of an amendment to the Exploration Project Contract between the operator named in the above reference and the Government of the United States.

Sincerely yours,

10/19

(signed) FRANK E. JOHNSON ACTING
C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1
10-17-51

DEMoulds/hmj
cc to: Reports and Records
Adm. Reading File
Mr. Mittendorf, Olund
Mr. Moulds
Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1201 N. Division St.
Spokane 2, Wash.
October 9, 1951

DEPARTMENT OF THE INTERIOR
RECEIVED
OCT 1 5 1951
Defense Minerals Administration,
Production Expansion Division.

Mr. Mittendorf

MEMORANDUM

To: C. O. Mittendorf, Director, Production Expansion Division, Defense Minerals Administration, Washington 25, D. C.

From: M. E. Volin, Acting Executive Officer, DMA Field Team, Region II

Subject: Contract amendment, Idm-E85 and Idm-E133

Enclosed for appropriate distribution are three copies each of the subject contracts. Copies of these amendments have been forwarded to the DMA Fiscal Officer, Region II, and to the companies concerned.

M. E. Volin, Acting Exec. Officer
(U. S. Bureau of Mines)

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.
OCT 12 1 58 PM '51

FILE COPY
SURNAME:

400 Mittendorf

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

SEP 27 1951

A.E.C.

Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket No. DMA 864, Tungsten
Exploration Project Contract
Idm-E133
McRae Tungsten Corporation
Stibnite, Idaho

Gentlemen:

Enclosed for recording in your office is the original, signed copy of an Exploration Project Contract executed between the operator named in the above reference and the Government of the United States.

Sincerely yours, 9-27

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1

Typed; 9/25/51
DEMoulds/meh
cc to: Adm. Reading File
Reports and Records
Messrs. Mittendorf, Olund
Mr. Moulds
Docket

Mr. McRae

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
RECEIVED
SEP 24 1951
Defense Minerals Administration,
Production Expansion Division.

September 20, 1951

Mr. C. O. Mittendorf, Director
Production Expansion Division
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Dear Mr. Mittendorf:

Enclosed please find the original and three copies of the exploration contract for the McRae Tungsten Corporation, Valley County, Idaho, (Docket DMA 864). One copy has been retained by the operator and one copy has been placed in our files.

Sincerely,

A. E. Weissenborn
A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures

cc: U.S. B.M.-Spokane

OFFICIAL FILE COPY

To	Init.	Date
Hon	A. E. C.	9-24
210		

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
SEP 24 10 27 AM '51

FILE COPY
SURNAME:

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

Moulds
Mittendorf

a R, e

Production Expansion Division, DMA
D. E. Moulds
5369 4070

14.20137, Salaries & Expenses, Defense Production Activities, Interior, 1952
September 11, 1951 "100.0000(400)"

A. E. Weissenborn, Exec. Officer, Region II, South 157 Howard Street, Spokane 8, Washington
Docket No. DMA 864, Malmo Tungsten Corporation

Please disregard the following sentence in the letter of transmittal of subject contract: "If any provisions are unsatisfactory, they may be changed by your office, subject to delegation of authority as set forth in Order No. 2653."

It has been ruled that Order 2653 does not apply to contracts prior to signing by both the operator and the Government. Any changes prior to complete execution requires the return of all copies to this office for re-execution.

C. O. Mittendorf (next)
not stripped in R+R

C. O. Mittendorf, Director
Production Expansion Division

DEMoulds/bjs
cc to: Reports and Records
Messrs. Mittendorf, Olund
Mr. Moulds
Docket

2071

FILE COPY
SURNAME:
400

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

Marge Mittendorf

SEP 1951

Mr. A. E. Weissenborn
Executive Officer, Region II
Defense Minerals Administration
South 157 Howard Street
Spokane, Washington

Re: Docket No. DMA 864
McRae Tungsten Corporation

Dear Mr. Weissenborn:

Please find herewith six copies of contract for the subject exploration project. The contract has been signed for the Government and bears register number and effective date as shown.

The contract is to be signed by a duly authorized officer of the company without any changes to its contents. If any provisions are unsatisfactory, they may be changed later by your office subject to delegation of authority as set forth in Order No. 2653.

After signing the contract, one copy is to be given to the operator and one copy retained for your office. The remaining copies, including the original are to be sent to this office as soon as possible.

A copy required by the Regional Finance Office will be forwarded directly by the Washington Finance Section.

Sincerely yours,

C. O. Mittendorf (J. H.)

C. O. Mittendorf, Director
Production Expansion Division

Enclosures-6

APPROVED:

Chairman, Coordinating Committee

Member, Bureau of Mines

J Rager
Member, Geological Survey

DEMoulds/meh 9/5/51
cc to: Adm. Reading File
Reports and Records
Messrs. Mittendorf, Olund
Mr. Moulds
Mr. Holderer
Mr. Thayer
Docket
Region II
Mr. Moon

9/10

FILE COPY
SURNAME:

Mitten

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

C. O. Mittendorf, Director
Production Expansion Division
Defense Minerals Administration

COLLECT

September 6, 1951

R. J. MC RAE
MC RAE TUNGSTEN CORP.
STIBNITE, IDAHO

EXPLORATION CONTRACT APPROVED EFFECTIVE DATE SEPTEMBER 5TH. CONTRACTS FORWARDED TO MISSOULA AT SPOKANE FOR YOUR SIGNATURE.

Not stripped on R.V.R.

C. O. Mittendorf (J.H.)

C. O. MITTENDORF, DIRECTOR
PRODUCTION EXPANSION DIVISION

DEMoulds/jem

cc to: Reports & Records
Messrs. Mittendorf, Olund
Mr. Moulds
Docket

OLIN D. JOHNSTON, S. C., CHAIRMAN
KENNETH MCKELLAR, TENN.
MATTHEW M. NEELY, W. VA.
JOHN O. PASTORE, R. I.
MIKE MONRONEY, OKLA.
GEORGE E. SMATHERS, FLA.
THOMAS R. UNDERWOOD, KY.
WILLIAM LANGER, N. DAK.
FRANK CARLSON, KANS.
HERMAN WELKER, IDAHO
JOHN MARSHALL BUTLER, MD.
JAMES H. DUFF, PA.
WALLACE F. BENNETT, UTAH

J. AUSTIN LATIMER, CHIEF CLERK
H. W. BRAWLEY, STAFF DIRECTOR

United States Senate

COMMITTEE ON POST OFFICE
AND CIVIL SERVICE

September 6, 1951

advised by phone 9/10/51
contact sent to Regional Office for re-application. Operator also advised by wire on 9/17/51. DMA

Mr. Tom Lyons
Defense Minerals Administration
United States Bureau of Mines
Department of the Interior
Washington 25, D. C.

Subject: Loan Application DMA 864
Snowbird Group of the
McCrae Tungsten Corporation

Dear Sir:

It is my opinion that the above entitled application has a great deal of merit and, due to the strategic importance of tungsten, should be thoroughly investigated. The elevation of the property necessitates supplies being brought in by October 1. Therefore, the time element is important.

I have no doubt that your field men have made a complete examination, but I do feel that the processing of this application should be speeded up before that part of Idaho is snowed in.

Any consideration given this application will be appreciated by me.

Sincerely yours,

Herman Welker

HERMAN WELKER
U. S. Senator, Idaho

HW:ca-3

FILE COPY
SURNAME:

Guthrie

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

September 5, 1951

Delivered by hand 9/5/51

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: McRae Tungsten Corp., Stibnite, Idaho - exploration contract -- Docket No. ~~DMA-864~~

The contract in the captioned case is approved as to legal form and sufficiency subject to:

1. Proper signature by the applicant.

2. Proper dating prior to delivery.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment

RRGUTHRIE/ema

Copy to: Reports & Records Unit
J. L. Hofflund
R. R. Guthrie
Chron.

Anderson and Kaufman
Lawyers
Idaho Building Boise, Idaho

Eugene H. Anderson
Samuel Kaufman, Jr.
A. C. Kiser

Hoo

September 1, 1951

DEPARTMENT OF THE INTERIOR
RECEIVED
SEP 5 1951
Defense Minerals Administration,
Production Expansion Division.

Mr. C. O. Mittendorf
Director of Production Expansion Division
Defense Minerals Administration
Department of Interior
Washington, D. C.

Re: Loan Application DMA-864
Snowbird Group of McRae Tungsten Corporation

Dear Sir:

In behalf of McRae Tungsten Corporation and at the request of R. J. McRae, its President, I hand to you herewith enclosed six certified copies of the deed from Dan C. McRae and Grace C. McRae, husband and wife, and Robert J. McRae and Ruth C. McRae, husband and wife, to McRae Tungsten Corporation covering the Snowbird, Tungsten and other mining claims.

Yours very truly,

ANDERSON AND KAUFMAN

By

Eugene H. Anderson

EHA:pho
Enclosures
AIRMAIL

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 2 8 1951

Department of the Interior
RECEIVED
SEP 5
Defense Minerals Administration
Production Expansion Division

Hoo

CHARLES C. CHAFFEE, JR.
1204 WARM SPRINGS AVE.
BOISE, IDAHO

September 1, 1951

Mr. C. O. Mittendorf
Director of Production Expansion Division
Department of Interior
Washington, D. C.

Subject: Loan Application DMA-864
Snowbird Group of the
McRae Tungsten Corporation

Dear Sir:

I quote herewith exchange of telegrams between you and Robert J. McRae, Stibnite, Idaho, president McRae Tungsten Corporation.

"WASHINGTON, D.C. AUGUST 30, 1951 R.J.MCRAE,STIBNITE,IDAHO EXPLORATION CONTRACT WILL REQUIRE COPY OF ASSIGNMENT OF TITLE TO SNOWBIRD CLAIM BY DAN C. & R.J.MCRAE TO MCRAE TUNGSTEN CORPORATION SEND SIX COPIES OF EXECUTED DOCUMENT TO THIS OFFICE AS SOON AS POSSIBLE. C.O.MITTENDORF DIRECTOR OF PRODUCTION EXPANSION DIVSION"

"STIBNITE,IDAHO,AUGUST 31,1951. MR.C.O.MITTENDORF,DIRECTOR OF PRODUCTION EXPANSION DIVISION,DEFENSE MINERALS ADMINISTRATION, DEPARTMENT OF INTERIOR,WASHINGTON,D.C. REURTEL DMA 864 AUGUST 30,COPIES OF ASSIGNMENT OF TITLE ON TUNGSTEN & SNOWBIRD CLAIMS TO MCRAE TUNGSTEN CORPORATION WILL BE FORWARDED BY OUR ATTORNEY DURING WEEK OF SEPTEMBER 3. ROBERT J.MCRAE,STIBNITE,IDA."

Mr. McRae telephoned me from Stibnite requesting that I contact our attorney, Mr. E. H. Anderson of Anderson & Kaufman, Idaho Building, Boise, Idaho, to furnish you with the six copies of executed document. I herewith report to you that this has been done, and you should receive by registered airmail, Monday, September 3, the documents requested.

We now earnestly ask you to wire us as soon as possible what action you will take on our loan application DMA-864. The reason for this is that a years work will be lost unless the application is acted upon at once. This is because the property is at 8000 feet elevation and snow will be coming by October 10. A compressor, tool steel, bits, gasoline, lubricating oils, tools, food and camp supplies, and all of the multitudinous mining paraphernalia must be trucked into the property before October 10, in order to sustain a crew of men for the coming winter and spring. We all feel that you are expediting things as rapidly as possible in their normal course, however, with the above explanation of the climatic factor involved, it might be now that you could move our application along a bit more rapidly if such is at all possible.

Sincerely yours
Charles C. Chaffee Jr
Charles C.Chaffee, Jr.
Director,McRae Tungsten Corp.

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.

SEP 4 2 09 PM '51

CLASS OF SERVICE

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

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

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

PRA071 1951 SEP 1 PM 1 17

PR BOA128 NL PD=STIBNITE IDA 1=

C O MITTENDORF=

DIRECTOR OF EXPANSION DIVN DEPT OF INTERIOR WASHDC=

REURTEL DNA 864 AUGUST 30 COPIES OF ASSIGNMENT TITLE ON TUNGSTEN AND SNOWBIRD CLAIMS TO MCRAE TUNGSTEN CORPN WILL BE FORWARDED BY OUR ATTORNEY DURING WEEK SEPT 3

ROBERT MCRAE=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.

SEP 4 8 44 AM '51

FILE COPY
SURNAME:

Moulds
Mittendorf

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

C. O. Mittendorf, Director
Production Expansion Division
Defense Minerals Administration X5371

14X0137 Salaries and Expenses,
Defense Production Activities
Interior, 1952 "100 (400)"

August 29, 1951

MR. ROBERT J. MC RAE
STIBNITE, IDAHO

EXPLORATION CONTRACT WILL REQUIRE COPY OF ASSIGNMENT OF TITLE TO

SNOWBIRD CLAIM BY DAN C. AND R. J. MC RAE TO MC RAE TUNGSTEN CORPORATION.

SEND SIX COPIES OF EXECUTED DOCUMENT TO THIS OFFICE AS SOON AS POSSIBLE.

C. O. Mittendorf (J.H.)
C. O. MITTENDORF, DIRECTOR
PRODUCTION EXPANSION DIVISION

7

DEMoulds/bjs
cc to: Reports and Records
Mr. Mittendorf, Mr. Olund
Mr. Moulds
Docket

6/5/51

Defense Minerals Administration

8/24/51

Review of Application for Exploration Assistance

AUG 28 1951

Docket No. 864

For Approval

Commodity Tungsten

Total Amount $20,351

75%

Govt. Participation $15,263.25

1. Name and Address of Applicant McBee Tungsten Corporation, Stibnite, Idaho

2. Location of Property Big Creek, Valley County, Idaho

3. Mineral or metal Tungsten Is it listed in Section 9 of MO-5?

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good Good

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project?
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached?

Does the lease have sufficient time to run to cover a future productive period?

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201? _____

b) MF-202 _____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Not stated. No electric power necessary for exploration.

Is a field check needed on any of these points? No - Field Report Made

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

Is a field check needed on this point? No - Field Report Made

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Yes

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

Is this part a worthwhile exploration project? Yes

d) Are the cost estimates detailed? Yes

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? Yes If so, attach a draft.

e) Are the cost estimates reasonable? Yes

f) Should more information be requested from applicant? No

g) Is a field examination necessary to complete Exhibit A? No-Field Report Made

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

b) If so, are sufficient data furnished? Yes If so, attach a draft.

c) Is a field check needed? No-Field Report Made

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? Yes If so, attach a draft.

c) Are rents and charges reasonable? None

d) Is a field check needed? No-Field Report Made

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No-Field Report Made

14. Exhibit E (question 23-c)*

a) Is it applicable? Yes

b) Sufficient data? Yes

c) Reasonable? Yes

d) Field check needed? No - Field Report Made

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question?

Approval is recommended for $20,351.

Approved
Tom Lyon

Reviewed by: J. J. Ballard
Geo P. Holdren
T. P. Thayer

Date 8/24/51

INT.-DUP. SEC., WASH., D.C. 99009

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 20 1951

August 15, 1951

Through: Landon F. Strobel
Executive Secretary, DMA

MEMORANDUM:

TO: P. R. Bradley, Chairman
Tungsten Commodity Committee

FROM: Field Team, Region II

SUBJECT: DMA Docket ~~86~~ 864, McRae Tungsten Corp.
Snowbird Mine, Valley County, Idaho

Enclosed are four copies of our examination team report on the Snowbird Mine, Valley County, Idaho: four completed applications forms MF-103, submitted by the McRae Tungsten Corporation; two applications on form NSRB-146 submitted by Robert J. McRae, Stibnite, Idaho; and six unsigned copies of the Exploration Project Contract on the above property. Since the original application made on form NSRB-146 was submitted on March 2, 1951, a corporation, McRae Tungsten Corporation, has been formed under which the property will be operated.

The property on which the exploration project is planned is in the near vicinity but is a completely separate ore body than that on which an RFC loan was granted a number of years ago. This new body is much longer and gives indications of extending to greater depths than that on which the RFC loan was made. The field team believes that the exploration program as set forth in the contract has good possibilities of blocking out nearly ten thousand units of WO_3 and therefore this application should merit approval for the modest sum requested.

by Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Executive Officer, DMA
(U. S. Geological Survey)

M. E. Volin

M. E. Volin, Member
U. S. Bureau of Mines

Encls.

(71-Site Exam. Rpt.)

DMA-964

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

Report by Examination Team
Region II

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 20 1951

McRae Tungsten Corp., Snowbird Mine

Big Creek Mining District, Valley Co., Idaho

Elton A. Youngberg, Geologist
U. S. Geological Survey

Willard P. Puffett, Geologist
U. S. Geological Survey

August 6, 1951

Docket No. 864
Commodity: Tungsten

McRae Tungsten Corp.
Snowbird Mine
Big Creek Mining District, Valley Co., Idaho

APPLICANT

The applicant is the McRae Tungsten Corp., Stibnite, Idaho. Robert J. McRae is president of the corporation.

LOCATION OF MINE

The property is located in central Idaho about ten miles west of the Big Creek post office on a two and one-half mile branch road to the east off the Forest highway between Big Creek and Warren. This branch road takes off on top of Elk Summit at an elevation of 8,300 feet. The claims are located in sec. 18, T. 21 N., R. 9 E.

RECOMMENDATION

The examining team recommends that the property be given favorable consideration for exploration aid to explore by drifting and bulldozing extensions of surface outcrops of the East and McRae veins on the Tungsten claim of the Snowbird Group.

PROPOSAL

The applicant proposes to explore East and McRae veins on the Tungsten claim of the Snowbird group. The McRae vein is to be explored by driving 300 feet of drift on the vein and two raises totalling 120 feet in length from this drift. Lateral

extensions of the McRae vein are also to be explored northward by bulldozing. The East vein is to be explored both to the north and south by bulldozing.

HISTORY OF PROPERTY

The property obtains its name from the Snowbird claim from which the applicant mined 300 tons of 2 percent WO_3 ore in 1944. The tungsten showing under consideration in this application was found in 1950 on ground a short distance east of the Snowbird claim. The discovery is on the Tungsten claim and has a common sideline with the Snowbird claim. The new discovery is somewhat more extensive than the Snowbird ore body as indicated by surface trenching. To date no underground exploration has been done upon these veins.

GEOLOGY

The country rocks in the area are pegmatitic granites and included pendants of quartzite and interbedded schists of the Yellowjacket formation. Dike rocks of several compositions are found in the area. Latite dikes are the most common. They obtain widths of a few feet to several hundred feet and represent 15-25 percent of the surface rocks in the vicinity of the Snowbird mine. They usually dip at a steep angle to the west and strike in general N. 20° E. An occasional lamprophyre dike is observed cutting the latite dikes and granitic rocks.

The veins in the area strike N. 25-30° west and are usually situated within or along side of small pendants of quartzite in pegmatitic granitic rocks. The veins dip about 80° to the west, however dips as low as 55° were noted. The veins appear to be fissure filling and in part replacement of the quartzites. The contact between vein quartz and quartzite is difficult to recognize.

Hubnerite and scheelite are intimately associated in the veins. Fluorspar, pyrite and minor amounts of copper, lead, and zinc were noted in other veins in the area. This mineralization appears to be later than the tungsten mineralization and may or may not occupy the same vein.

The mineralization is related to the granitic intrusives which are a part of the Idaho batholith.

The association of the veins with small roof-pendant blocks of quartzite makes for small lenticular ore bodies which are unsafe to project very far beyond known limits. The length of the ore body and the size of the associated pendant may give some clue as to possible downward extensions. It does not appear that an individual lens can be expected to extend downward over one-half its strike length.

The McRae and East veins on the Tungsten claims are shown on the attached geologic and assay map. Three other tungsten veins of smaller size were inspected on ground owned by the corporation which are potential producers. Prospecting was also being done on a vein a short distance east of the Snowbird property.

ORE POSSIBILITIES

The proposed exploration on the Snowbird mine is expected to develop 7,000-9,000 units of WO_3 in 8,000-10,000 tons of ore. The East vein is somewhat higher grade. Exploration on this vein may disclose 1,500-2,000 tons of ore having a grade of 1.50-2.00 percent WO_3.

The following table gives the average width and grade of the ore zone in the McRae Vein and the East Vein as determined from sampling.

McRae Vein

Sample No.	Width Feet	Percent WO_3	Width Percent	Average Width, Feet	Percent WO_3
WM 1	6	1.57	9.42		
WWP 7	6	1.11	6.66		
" 10	9	1.77	15.93		
" 4	6	0.41	2.46		
" 11	8	0.48	3.84		
" 12	6	0.41	2.46		
" 14	8	0.78	6.04		
" 2	2	2.27	4.54		
" 1	10	0.45	4.50		
	61		55.85	6.78	0.92

East Vein

WWP 8	6.5	1.02	6.63		
" 3	8.0	2.33	18.64		
	14.5		25.27	7.25	1.74

If the exploration program upon this property is successful and enough ore is developed to establish a small mill, several thousand units of tungsten could be recovered from other veins in the immediate vicinity.

ADEQUACY OF PROPOSED WORK

The exploration proposal outlined by, the applicant is believed adequate to explore the ore possibilities of the property. Some consideration was given to diamond drilling. The location of the vein in a draw necessitated the location of holes a considerable distance from the vein and in portions which would not give desirable intersections. The lenticular and erratic nature of the tungsten mineralization also indicated a drilling program probably would not give the desired information.

The raising proposed by the applicant has been included in order to explore the vein on the dip to determine the continuity of individual shoots.

EXPLORATION REQUIREMENTS AND COSTS

The costs of the project have been worked out in considerable detail in the McRae Tungsten Corporation supplemental application on Form MF-103 dated August 6, 1951. These requirements and costs were worked out with the field team at the time of the examination and are believed to be realistic for the conditions at the Snowbird mine. A contract using these costs has been drawn up using the applicant's data and is being forwarded with this report.

FILE COPY
SURNAME:

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

Lemmon
Holder

Docket mailed - 3 JUN 26 1951

Mr. A. E. Weissenborn, Executive Officer
DMA Field Team, Region II
So. 157 Howard Street
Spokane, Washington

In reply please refer to:
DMA 864 McRae Tungsten

Dear Mr. Weissenborn:

Mr. Robert J. McRae of Stibnite, Idaho uncovered a new tungsten prospect last year on the Snowbird group of claims, Valley County, Idaho. On March 16, 1951, he applied for a production loan of $71,250. This application was denied and a small-scale exploration project was suggested.

Mr. McRae now proposes exploration on a participation basis, with a project costing about $10,000. He has not drawn up a specific proposal, but has requested a field examination to determine what should be done. On June 6, he wrote that the property would be accessible for examination about July 10.

The map and assays submitted by McRae suggest that the deposit might be of some importance. Our enthusiasm is tempered, however, by the fact that exploration financed in 1943 by RFC on an adjoining claim proved that this adjoining prospect was just a surface showing and did not go down.

It is requested that a field examination be made and that a suitable exploration program be drawn up if the field team recommends exploration.

The complete docket on the property is enclosed for your use.

Sincerely yours,

Tom Lyon

Tom Lyon, Chairman
Coordinating Committee

Approved:

McKnight
For the Geological Survey

Lowell B. Moon
For the Bureau of Mines

Enclosure
DMLemmon:AWJ

cc: Adm. Reading File
File
Mr. Strobel
Mr. Holderer
Regional Field Team Region II
Coordinating Committee
Mr. Lemon

FILE COPY
SURNAME:

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

Holderer
Mathes
McKnight for Rose
Wilson

Docket mailed
6/26/51

June 25, 1951

Mr. Robert J. McRae
Stibnite, Idaho

In reply please refer to:
DMA 864-Tungsten

Dear Mr. McRae:

Your application has been referred to Mr. A. E. Weissenborn, Executive Officer, DMA Field Team, Region II, South 157 Howard Street, Spokane, Washington for a field appraisal.

Please contact Mr. Weissenborn and offer your cooperation in showing the field engineers the property.

Very truly yours,

Tom Lyon, Chairman
Coordinating Committee

TJBallard:AWJ
cc:Adm. Reading File
File
Mr. Strobel
Mr. Holderer
DMA Field Team, Region II

FILE COPY
SURNAME:

Bradley

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

May 14, 1951

Mr. Robert J. McRae
Mining Engineer
Stibnite, Idaho

In reply please refer to
DMA-864

Dear Mr. McRae:

Answering the questions in your letter of April 23:

1. Copy of printed exploration loan contract is enclosed.

2. Money expended for exploration or other work prior to granting of loan will not apply as applicant's contribution.

3. Field examinations would be made under the direction of the Executive Officer of Field Team, Region II, Spokane, Washington, and it is probable he will be prompt in acting.

4. Since Defense Minerals Administration has its own control over the use of the exploration loan funds, it is probable that not over thirty days would elapse between the time of receipt of a favorable report of the Field Team, followed by favorable action in Washington, followed by your prompt acceptance of a contract, and the time when money would become available to you.

Yours very truly,

P. R. Bradley

P. R. Bradley, Jr.
Chief, Tungsten Branch

Enclosure
PRBradley/GMcC
cc: Files
Adm. Reading File
Mr. Strobel
Mr. Bradley
Mr. A. E. Weissenborn, Spokane, together with copy of incoming letter.

Dmar 864

856

~~LANDON F. STROBEL~~
Malcolm

ROBERT J. MC RAE
MINING ENGINEER
STIBNITE, IDAHO

April 23, 1951

ans. by PR Bradley on 5/4/51

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 26 1951
LANDON F. STROBEL
Executive Secretary

Mr. George N. Malcolm, Acting Chief
Tungsten Branch
U.S. Department of the Interior
Defense Minerals Administration
Washington 25, D.C.

Subject DMA-864

Dear Mr. Malcolm:

I have your letter of April 17 re DMA-864 development loan on the Snowbird Group of tungsten claims.

It has always been planned to do the development in stages. Each stage completed must justify the next. I note participation to the extent of 25% is necessary. This is quite satisfactory to me providing the terms of the loan are acceptable and give protection to both parties. I also note you will make a field examination. It will be approximately two months before the snow will be sufficiently gone. July 1st would probably be a safe date for examination. I am proceeding with the first development step which is to strip the surface showings. This work by bulldozer probably will be completed by the time of the field examination.

At this stage I would probably want $7500 by way of loan and participate for $2500. I would appreciate your giving me the following information so that I can decide whether it is worth following through on this loan.

1. Terms of the loan if granted.
2. Will the money expended for stripping and road prior to granting of loan apply against owners' 25% participation?
3. Can the field examination be made shortly after the property is accessible?
4. Could you estimate the time interval from examination to the time money from the loan would be available providing the loan is approved? In other words is it a long involved proceedure?

I might add that we now have 3 additional showings of tungsten ore not reported in the application. These total 300 feet in length and average 3 feet in width. They have not been completely sampled, but I estimate they will average 1% WO_3

I would like to follow through on this loan providing the answers to the above questions make it seem worth while and wise.

ROBERT J. MC RAE
MINING ENGINEER
STIBNITE, IDAHO

At the present time I would not want to participate beyond $2500 for my part until the results of this expenditure are evaluated. This $2500 will probably be spent before a decision would be forthcoming from you on the loan. You may be assured that I have confidence in the prospect and will carry the preliminary work as far as I can.

Yours truly,

Robert J. McRae

BUREAU OF MINES
WASHINGTON, D. C.

APR 26 9 17 PM '51

FILE COPY
SURNAME:

Lemmon
Malcolm
Maitland

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

April 17, 1951

Mr. Robert J. McRae
Stibnite, Idaho

In reply please refer to
DMA-864

Dear Mr. McRae:

Your application for a loan of $70,250 to explore and develop tungsten ore at the Snowbird mine, Valley County, Idaho has been reviewed by the Defense Minerals Administration. The description you give of the newly discovered deposit on the tungsten claim is interesting and suggests the possibility of developing a workable ore body.

Your past experience with the Snowbird prospect showed that there is no assurance that deposits in this area extend to depth, therefore, underground exploration on the new prospect probably should be done in small bites, possibly by diamond drilling.

Defense Minerals Administration will make exploration loans only on a participation basis, with private capital meeting 25 percent of the costs in the case of tungsten deposits. Thus if you signify readiness to participate in an exploration loan, it will be necessary for us to make a field examination of the property. Meanwhile, your application will be held in Washington under Docket Number DMA-864.

Very truly yours,

George Malcolm

George W. Malcolm, Acting Chief
Tungsten Branch

DMLemmon:gt:ec

CC: Adm Reading File
Mr. Strobel
Mr. Bradley
Mr. Lemmon
Files

Lemmon 86 4

B

FILE COPY
SURNAME:

Strobel

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

March 23, 1951

Mr. Robert J. McRae
Stibnite, Idaho

Subject: DMA-864

My dear Mr. McRae:

Receipt is acknowledged of your application of March 2, for a Government loan under the Defense Production Act of 1950.

The application was assigned docket number 864 and referred to Mr. P. R. Bradley, Chief, Tungsten Branch, on March 23.

In any future correspondence relating to your application, kindly refer to DMA-864.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

L. F. Strobel:BL

Copy to: Mr. Bradley
Mr. Lyon
Mr. Strobel (2)
DMA Files

Docket 864

858

LANDON F. STROBEL

dma 844

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 8, Washington

MAR 22 1 20 PM '51
BUREAU OF MINES
WASHINGTON, D. C.

March 16, 1951

Mr. Landon F. Strobel
Executive Secretary
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Dear Mr. Strobel:

I am enclosing NSRB Forms-146 from Robert J. McRae, Stibnite, Idaho, applying for a DMA loan on The Snowbird mine.

Very truly yours,

Montis R. Klepper
For: A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures:
Report in quad.
Diagram in quad.
Ltr. dated 3/12/51
Application in quad.

dma 864

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Albany, Oregon
March 12, 1951

Memorandum

To: A. E. Weissenborn, Regional Geologist, U. S. G. S.

From: Glenn C. Reed, Acting for M. E. Volin, Chief, Mining Division, Region II

Subject: Transmittal of loan application.

Enclosed herewith for forwarding to the Operating Committee is a loan request from Robert J. McRae in regard to The Snowbird Group Tungsten Prospect, Valley County, Idaho. Attached also is a report on the property.

Glenn C. Reed

Glenn C. Reed

A

REPORT ON THE SNOWBIRD GROUP

TUNGSTEN PROSPECT

BIG CREEK VALLEY COUNTY IDAHO

BY

ROBERT J. MCRAE

12-1-50

THE SNOWBIRD TUNGSTEN PROPERTY

Location and Accessibility

The property is located about 10 miles west of the Big Creek Post Office in Valley County, Idaho. It is on the head of Smith Creek which is a tributary of Big Creek. A two and one half mile branch road extends to the property from the Forest highway between Big Creek and Warren. This branch road takes off on the top of Elk Summit at an elevation of 8500 feet. It finally climbs to 8800 feet before dropping into McRae Basin where the property is located at an elevation of 8000 feet. An alternative approach can be made by building 2 miles of road off the Smith Creek-Big Creek road. This route would climb no higher than the mine elevation of 8000 feet. By this route it would be 10 miles from the property to the Big Creek Post Office and airfield. From Big Creek to the railhead at Cascade, Idaho is about 92 miles.

PROPERTY

The property at present consists of two unpatented claims held by location and recorded in Valley County, Idaho. The owners are Dan C. McRae, Robert J. McRae, and H. M. Sargent. The claims cover 1500 feet on the mineral zone.

Claim Name	Recorded	Book	Page	Date
Snowbird	Dan C. & R. J. McRae	10	448	July 1942
Tungsten	Dan C. & R. J. McRae	11	569	October 1, 1950

The general formation is predominately quartzite of the Yellowjacket series. Some schist and altered metamorphosed calcareous beds occur. Granite tongues containing much pegmatite material and aplitic dikes cut through the older

sediments. All of the above formations are cut by a whole series of quartz latite dikes from twenty feet to several hundred feet wide and spaced from one hundred to several hundred feet apart. The latite dikes strike from 10 degrees east of north to 20 degrees west of north. A few lamprophyre dikes occur. They strike parallel to the latite.

The whole area represents a roof zone whose total thickness can be observed for at least 1000 feet.

OREBODIES

The main ore showing occurs as a quartz vein striking parallel to the latite dikes (N.20 E.), and dipping 51 degrees to the west. A lamprophyre dike about 6 feet thick forms the hanging wall of the vein and pegmatitic material the foot wall. The entire zone lies between two large latite dikes which are about 100 feet apart. This vein outcrops up and down a steep slope. The upper end at sample No. 8 (see map) stands up as a cliff 20 feet high. The lower or north end at sample No. 7 is covered about 5 feet deep with talus. On the upper or south end the ore shoot ends about 15 feet beyond sample 8. The vein, however, continues on southward. Northward beyond sample cut 7 no stripping has been done but at sample No. 7 the vein is 7 feet wide and well mineralized with predominately hubnerite and minor scheelite. The lamprophyre dike on the hanging wall is mineralized with scheelite but is low grade. The sections between sample No. 9 and 1, 2, and 3 as well as between 1, 2 and 3 and No. 6 and between 6 and 7 are covered with talus and float.

The ore minerals are hubnerite and scheelite with traces of pyrite. The scheelite is disseminated and in fracture veinlets. Most of the hubnerite is in crystals from 1/20 of an inch up to 1/4 inch. Some crystals weighing a pound or more have been found. There is some tendency for the mineralization to run in bands parallel to the strike. The gangue is quartz with a little manganese dioxide. The quartz is quite hard.

OREBODIES (Cont)

Trenching has exposed this outcrop for a horizontal distance of 125 feet. Seven channel samples show a commercial width of 8.5 feet that will average 0.91% WO_3. This outcrop is developed for an area of 1030 square feet which represents 82 tons per foot of depth or 74.5 units of WO_3 per foot of depth developed. It must be pointed out that the grade of ore is improving markedly on the northward extension.

The second ore showing is noted as the "Lower Outcrop". It is a massive outcrop of quartz standing up 10 feet above the talus. It averages 8 feet wide and is exposed for 45 feet long. Both ends plunge under talus. This outcrop is similar to the previously described vein in mineralization except that the scheelite predominates over the hubnerite about 2 to 1. This outcrop is considerably higher grade than the previously described vein. Both walls of this outcrop are pegmatitic.

Channel sampling of the outcrop for a length of 45 feet and a width of 8 feet shows values of 2.10% WO_3. This represents 31 tons per foot of depth containing 65.0 units of WO_3. Some of the sample sections were not full because of talus on the east wall.

The third showing is somewhat speculative but promises to be more extensive than the others. Referring to the map it can be seen as an aligned series of ore outcrops or boulders extending through the talus in the center of a northward sloping U-shaped glacial valley. The bottom of the valley is almost flat for about 60 feet in width, yet the ore boulders are in nearly a straight line down the center of the valley. Some of the boulders are of 5 to 10 ton size. This strongly suggests that these represent an outcrop extension of the "Lower Outcrop". These boulders represent a possible strike length of over 400 feet. Chip samples listed show the outcrop boulders will average approximately 1.0% WO_3. The predominate mineral is scheelite. There are some smaller boulders that assay from 10 to 30 percent WO_3. In these cases the mineral is hubnerite.

If it is assumed that these boulders represent an outcrop 6 feet wide and 400 feet long averaging 1.0% WO3 this would represent 182 tons containing 182 units of WO3 per foot of depth.

SUMMARY OF ORE POTENTIAL

OUTCROP	TONS PER FOOT DEPTH	ASSAY % WO3	UNITS PER FOOT DEPTH	*VALUE PER FOOT DEPTH
"Upper"	82.0	0.91	74.5	$2,970.00
"Lower"	31.0	2.10	65.0	2,600.00
"Boulder Outcrop"	182.0	1.0	182.0	7,270.00
TOTAL	295.0	1.08	321.5	$12,840.00

*WO3 @ $40.00 per unit

PROPOSED DEVELOPMENT

Stage I—With a bulldozer strip the north extension of the "Upper Outcrop Vein".

Strip both the north and south extensions of the "Lower Outcrop Vein".

Crosscut the valley talus in the valley bottom to prove the "Boulder Outcrop" section. This work can be completed with a D 6 cat in 100 hours.

Stage II-Diamond drill under the most promising ore exposures. Plan to cut ore at 100 feet deep and 200 feet deep.

Stage III-If proven to the 200 foot level by drilling then plan a crosscut and drift to come in from the north end toward the south.

Stage IV-Development for Production.

METALLURGICAL TREATMENT

The absence of sulfides will allow this ore to be treated by gravity without flotation. The suggested flowsheet would be: -

1. Stage crush ore to 1/4 inch by crusher and rolls.
2. Minus 24 mesh material removed by screen. Oversize to a rod mill. Undersize to tables.
3. Rod mill discharge screened on 24 mesh screen. Oversize back to mill. Undersize to tables.
4. Rougher tables make a high grade concentrate, a middling, and a tailing.
5. The high grade is ready for drying. The middling goes to an 80 mesh screen. Undersize to a middling table. Oversize back to mill.
6. The middling table produces a concentrate and a tailing. The concentrate combines with the high grade rougher table concentrate. The tailing goes back to the rougher tables.
7. The concentrate can be sold as a plus 60% WO_3 mixed scheelite hubnerite concentrate or it can be magnetically separated into a hubnerite concentrate.

This flow sheet on a similar ore at the Ima Mine at Patterson, Idaho, gives 80 to 85% recovery of WO_3 in a concentrate averaging 68% WO_3. I would expect as good or better results on this ore because it will be considerably higher grade than the Ima feed.

SUMMARY

I The Snowbird has two outcrops showing commercial tungsten ore. In addition it has a long exposure of aligned ore boulders which it seems likely represents a 450 foot extension of the "Lower Outcrop".

II-A The "Upper Outcrop" has been stripped and sampled for 125 feet in length and a width of 8.5 feet. Weighted channel samples show this exposure to average 0.91% WO3. This will make 82 tons per foot of depth that will contain 74.5 units of WO3. The north limit of this ore shoot has not yet been reached.

B The "Lower Outcrop" is exposed and has been sampled for 45 feet in length and 8 feet wide. Channel samples average 2.10% WO3. This will make 31 tons per foot of depth that will contain 65 units of WO3. The north limit of the ore shoot has not been reached.

C The "Boulder Outcrop" appears to be 400 feet long and from the size of the boulders may be 6 or more feet wide. Samples indicate the average grade to be about 1.0% WO3. This zone when developed could produce 182 tons per foot of depth containing 182 units of WO3.

III The potential of this claim is 295 tons per foot of depth containing 321.5 units of WO3. This would represent 274 recoverable units per foot of depth or with tungsten at $40.00 per unit a recovered value of $11,000.00 per foot. For every 100 feet of depth a recovered gross value of $1,100,000.00.

IV One hundred hours of bulldozer work will definitely prove the surface potential and may even expand it.

Following this diamond drilling to 200 feet deep should prove enough ore to justify a crosscut and drift 200 feet deeper than the "Lower Outcrop".

V Simple gravity concentration at 24 mesh with or without magnetic separation should recover 80 to 85 percent in a concentrate of 60 percent WO3.

Robert J. McRae
Mining Engineer
12-2-50

McRae Tungsten Corp.

Raise I

		width	% WO_3	
Surface	WC1	72"	1.57	113.04
	32°			
	A	72"	1.39	100.08
	8°			
	B	80"	1.44	115.20
	7°			
	C	60"	0.92	55.20
	5°			
	D	48"	0.26	12.48
	4°			
	E	48"	0.14	6.72
	5°			
	F	34"	0.05	1.70

294.7 sq ft. @ 1.42 %

80 feet between raises

Approximately 1.05 length of section assay on surface.

Cut WWP 1	10°	0.45	4.50
Cut WWP 14	8°	0.78	6.24
			10.74
	9°	0.60	

Project DMA 864X - Tungsten

Mc Rae Tungsten Corp.

$20,351.00

Month	Wages	Equipment	Supplies	Other	Sub-Total	Total
Sept.	941.23	3890.00	2295.40	616.04	7742.67	7742.67
Oct.	753.20	14.79	106.71	180.00	1054.70	8797.37
Nov.	874.25	—	6.14	59.40	939.79	9737.16
Dec.	541.90	—	—	62.57	604.47	10,341.63
March	613.15	—	—	81.99	695.14	11,036.77
April	1117.85 = 10^{29}/ft low supervision		118.78	128.24	1364.87	12,401.64
May	866.70	—	144.09	88.64	1099.43	13,501.07
June	860.30	—	62.45	107.63	1030.38	14,531.45
July	664.75	—	77.20	260.93	1002.88	15,534.33
August	570.70	Contract 1810.10	35.03	67.55	2483.38	18,017.71
Sept.	243.75	2560.00		19.50	2296.75	15,720.96
Total	8,047.78	Equip 1,344.79	Contract 1810.10	2845.80	1672.49	15,720.96

(Sent)

Project DMA 864X-Tungsten
McRae Tungsten Corp.

Drifting

Month	Wages	Equipment	Supplies	Other	Sub-Total	Total
Sept.	299.24	3240.00	1886.98	42.89	5469.11	5469.11
Oct.	753.20	14.79	106.71	180.00	1054.70	6523.81
Nov.	874.25	—	6.14	59.40	939.79	7463.60
Dec.	541.90	—	—	62.57	604.47	8068.07
March	613.15	—	—	81.99	695.14	8763.21
April	558.92	—	59.39	64.12	682.43	9445.64
May	650.02		106.07	67.99	824.08	10,269.72
June	—	—	—	—	—	10,269.72
July	664.75		77.20	200.00	1002.88	11,272.60
Aug.					382.03	11,654.63

Project DMA-864X - Tungsten
McRae Tungsten Corp.

Raising

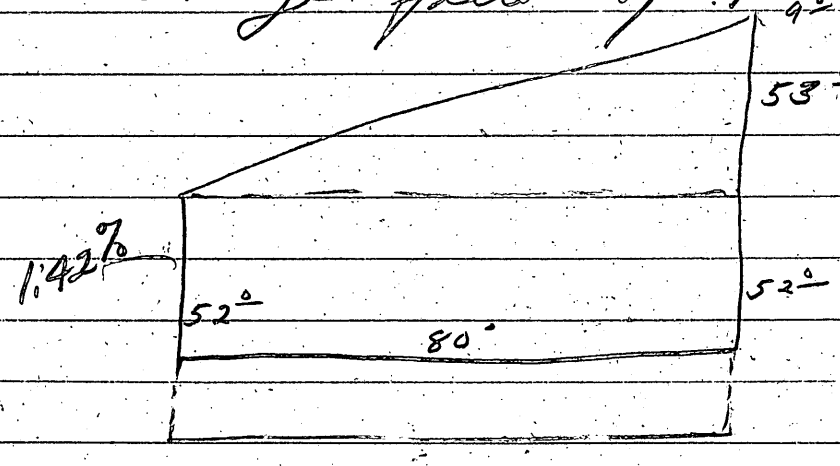
Month	Wages	Equipment	Supplies	Other	Sub Total	Total
Sept	—	—	—	—	—	—
Oct.	—	—	—	—	—	—
Nov.	—	—	—	—	—	—
Dec.	—	—	—	—	—	—
March	—	—	—	—	—	—
April	558.93	—	59.39	64.12	682.44	682.44
May	216.68	—	38.02	20.65	275.35	957.79
June	860.30	—	62.45	107.63	1030.38	1,988.17
July	—	—	—	—	—	1,988.17

Project DMA 864 X- Tungsten
McRae Tungsten Corp.

	Drifting					Raising				
Month	Advance feet	Man shifts	shifts	Advance per Man shift	Advance per shift	Advance feet	Man shifts	shifts	Advance per Man shift	Advance per shift
Sept.	—					—	—	—	—	—
Oct.	48	49.2	25	0.97	1.92	—	—	—	—	—
Nov.	52.1[1]	54.75	28(?)	0.95	1.86	—	—	—	—	—
Dec.	49	27	27	1.81	1.81	—	—	—	—	—
March	24	34[18]	17[9]	1.33 0.70	2.67 1.41*	—	—	—	—	—
		* Note: Part of period spent in rehabilitation see sm. figs.								
April	40.9					59.0				
May	60.0					18.0				

1 25' timbered

Tonnage factor of 12.5 ÷ 0.60 %



$\frac{295 \times 80}{12.5}$ = 1888 Tons 1.4 %

$\frac{7.5 \times 53 \times 80}{2 \times 12.5}$ 1272 Tons 1.0 %

$20,351.00 Contract

15,263.50 Gov. share

Gross value at $63 a unit $246,645

return to gov. $12,332

Project DMA 864X - Tungsten, McRae Tungsten Corp., Stibnite, Idaho

Contract Idm-E 133: Total contract $20,351.00 (Government participation 75% - $15,263.25)

Scheduled exploration:

300 feet of drifting @ $27.38	$8 214.00	includes underground labor
120 feet of raising @ $27.35	3 282.00	
Equipment purchase	4 200.00	
Other	3 080.00	
Labor & supervision	1 575.00	
	20 351.00	

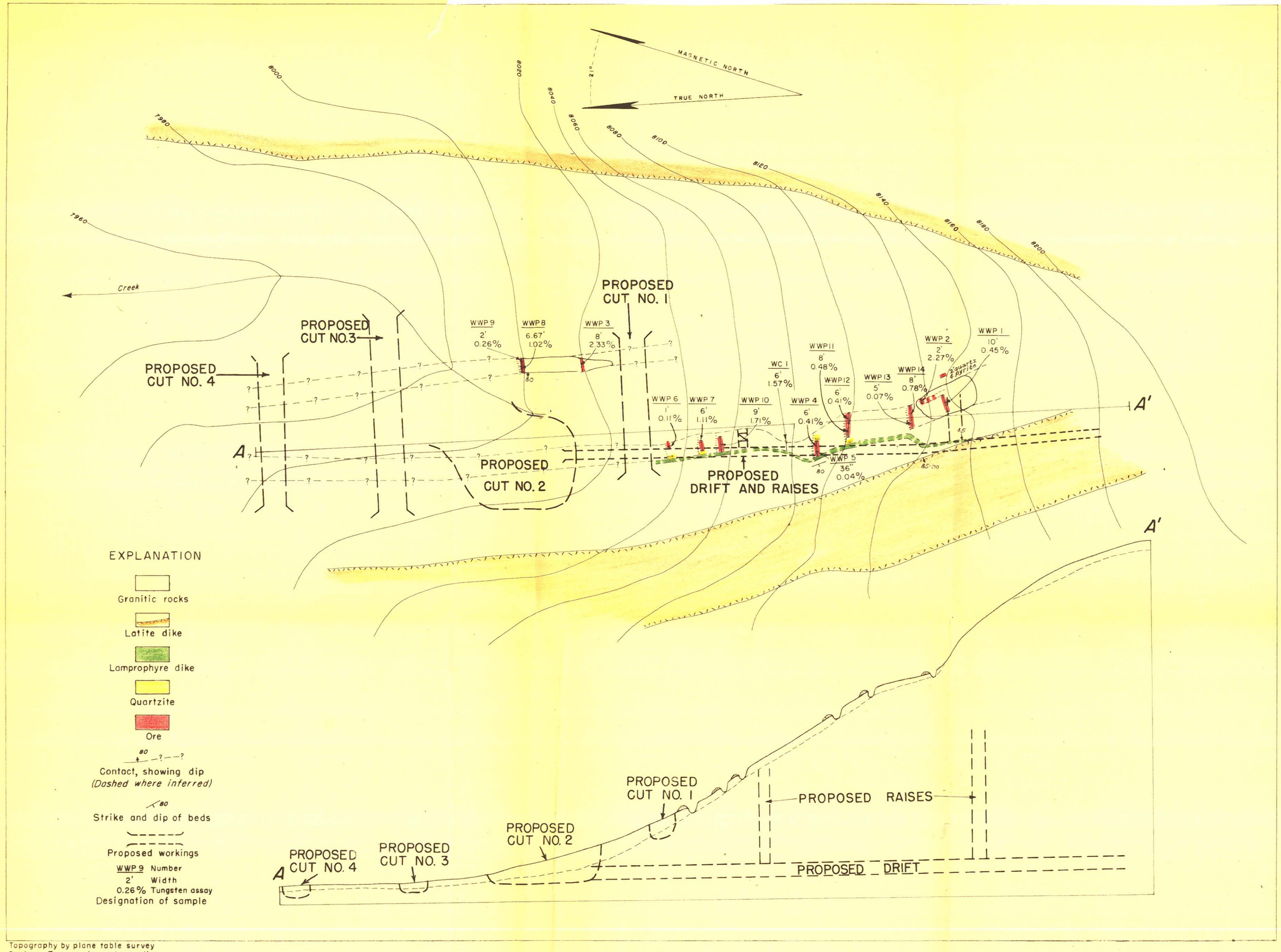
Date of contract Sept. 5, 1951 Time limit 15 months.

Amendment #2 325 ft drifting 400 ft. diamond drilling @ $6.50 $2,600.00

Monthly Progress

Month	Drifting Advance feet		Drifting Cost	Drifting Cost per foot	Drifting Cost per ft. to date	Raising Advance feet		Raising Cost	Raising Cost per foot	Raising Cost per ft. to date	Percent of Work Completed Drifting	Percent of Work Completed Raising	Funds Consumed	Time Consumed
Sept.	—		5469.11	—	—	—		—	—	—	0	0	38.0	6.7
Oct.	48		1054.70	21.97	135.91	—		—	—	—	16	0	43.2	13.3
Nov.	52.1	100.1	939.79	18.04	74.56	—		—	—	—	33.3	0	47.8	20.0
Dec.	49.0	149.1	604.47	12.34	59.11	—		—	—	—	49.7	0	50.8	26.7
March	24.0	173.1	695.14	28.96	50.62	—		—	—	—	57.7	0	54.2	46.7
April	40.9	214.0	8769.21 682.43 9445.64	16.69	44.14	59.0		682.44	11.57		71.3	49.2	60.9	53.3
May	60.0	274.0	824.08 10269.72	13.73	37.48	18.0	77.0	275.35 957.79	15.30	12.43	91.3	64.2	66.3	60.0
June	—	274.0	10,269.72	—	—	43.0	120.0	1030.38	23.96	16.57	91.3	100.0	71.4	66.7
July	30.0	304.0	802.88 11,072.60	26.76	36.42	—	120.0	1988.17			101.3	100.0	76.3	73.3
Aug.			382.03											
	304		11,454.63			120.0		1988.17						

DEPARTMENT OF THE INTERIOR
UNITED STATES GEOLOGICAL SURVEY

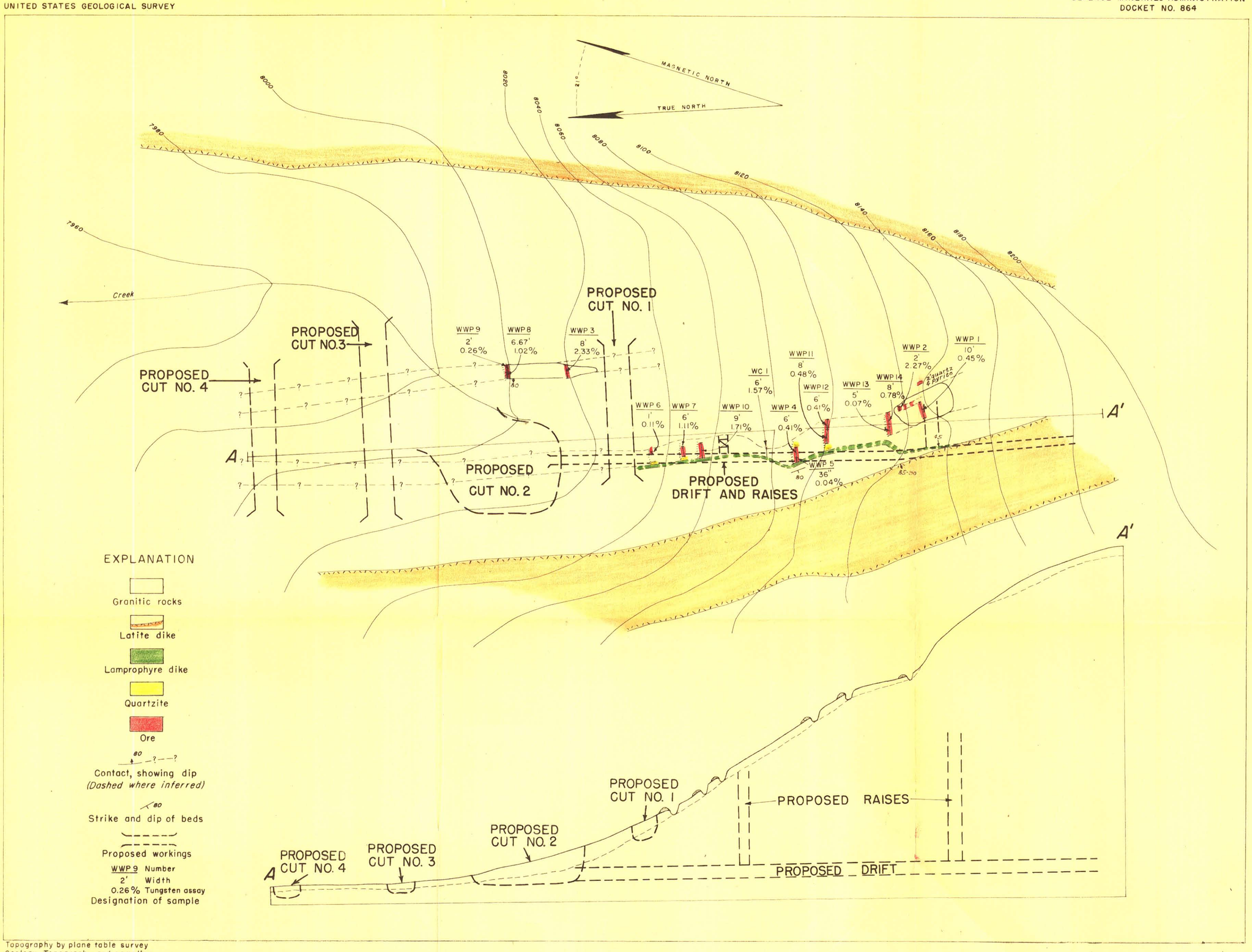


Topography by plane table survey
Geology, Topography, and sampling
by Elton A. Youngberg and Willard P.
Puffett, U. S. G. S., July, 1951

McRAE TUNGSTEN CORPORATION
SNOWBIRD GROUP
VALLEY COUNTY, IDAHO

40 0 40 80 120 Feet

Contour interval 20 feet
Datum assumed



Topography by plane table survey
Geology, Topography, and sampling by Elton A. Youngberg and Willard P. Puffett, U.S.G.S., July, 1951

McRAE TUNGSTEN CORPORATION
SNOWBIRD GROUP
VALLEY COUNTY, IDAHO

40 0 40 80 120 Feet

Contour interval 20 feet
Datum assumed

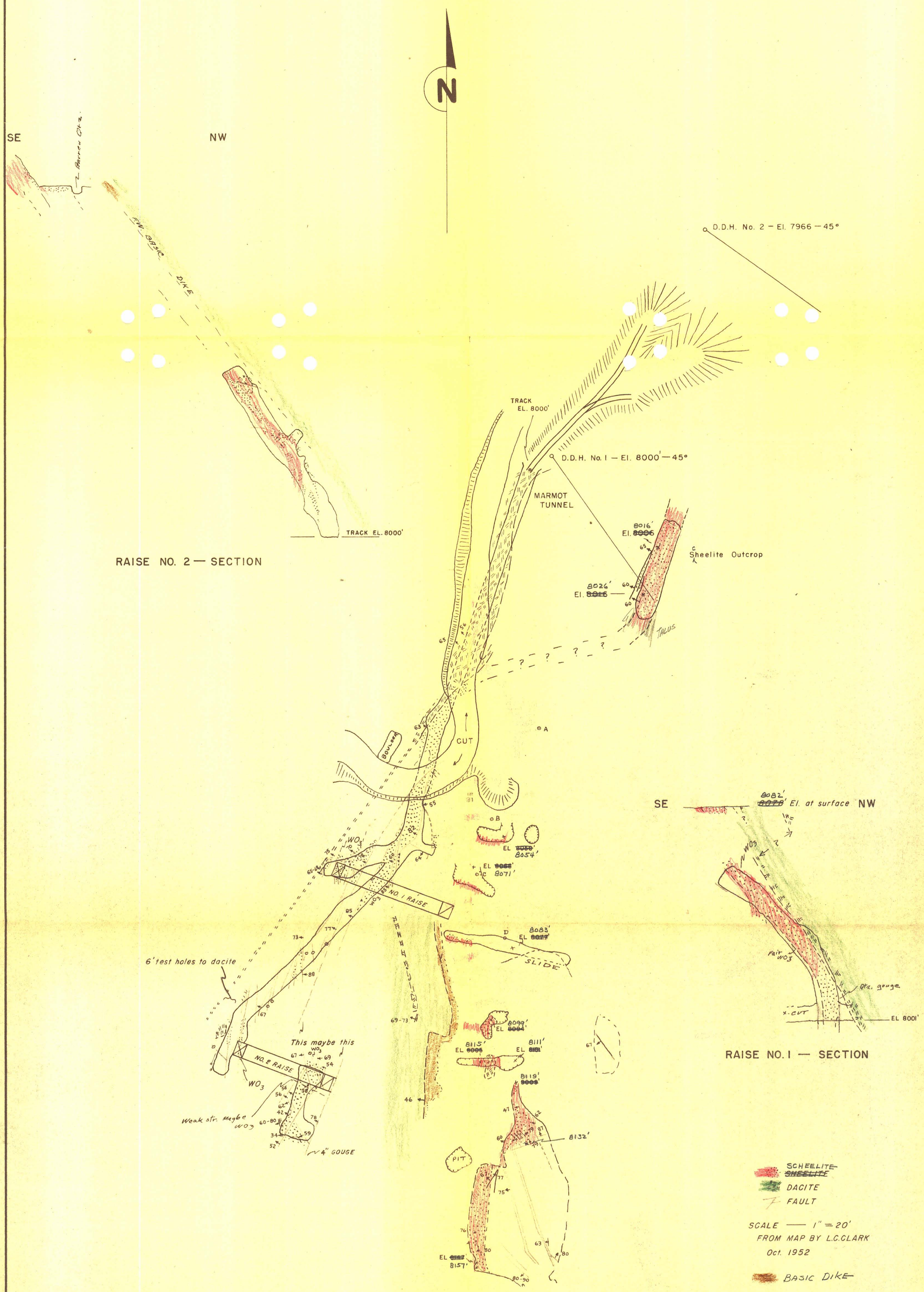
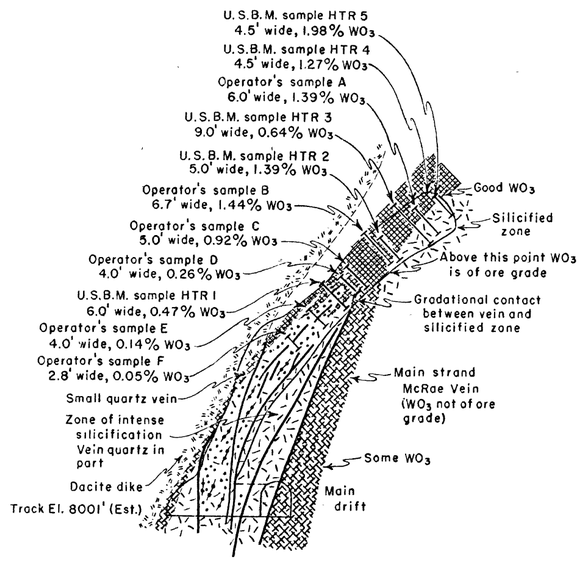

N
SE
NW
Qtz.
FW. BASIC DIKE
TRACK EL. 8000'
RAISE NO. 2 — SECTION
D.D.H. No. 2 — El. 7966 — 45°
TRACK EL. 8000'
D.D.H. No. 1 — El. 8000' — 45°
MARMOT TUNNEL
8016' El. ~~8006~~
Sheelite Outcrop
8026' El. ~~8016~~
TALUS
CUT
BOULDER
A
B
C
D
EL ~~8050~~ 8054'
EL ~~8068~~ 8071'
NO. 1 RAISE
WO3
6' test holes to dacite
8083' EL ~~8077~~
SLIDE
This maybe this
NO. 2 RAISE
WO3
Weak str. maybe WO3
4" GOUGE
8099' EL ~~8094~~
8115' EL ~~8105~~
8111' EL ~~8101~~
8119' EL ~~8109~~
8132'
PIT
EL ~~8157~~ 8157'
SE
8082' ~~8078~~' El. at surface
NW
Fair WO3
Qtz. gouge
x-CUT
EL 8001'
RAISE NO. 1 — SECTION
SCHEELITE ~~SHEELITE~~
DACITE
FAULT
SCALE — 1" = 20'
FROM MAP BY L.C.CLARK
Oct. 1952
BASIC DIKE

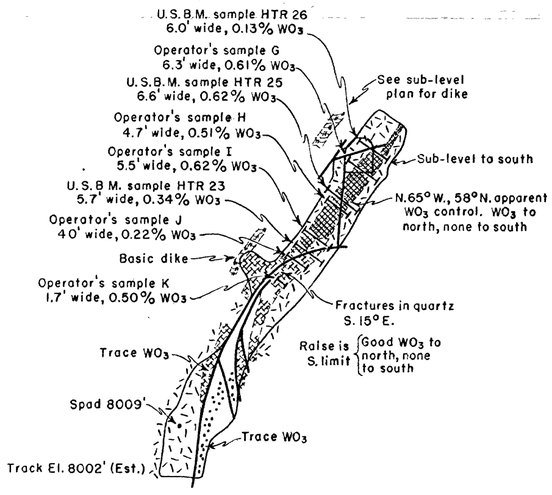
PLATE 1
GEOLOGIC MAP

DEPARTMENT OF THE INTERIOR
UNITED STATES GEOLOGICAL SURVEY

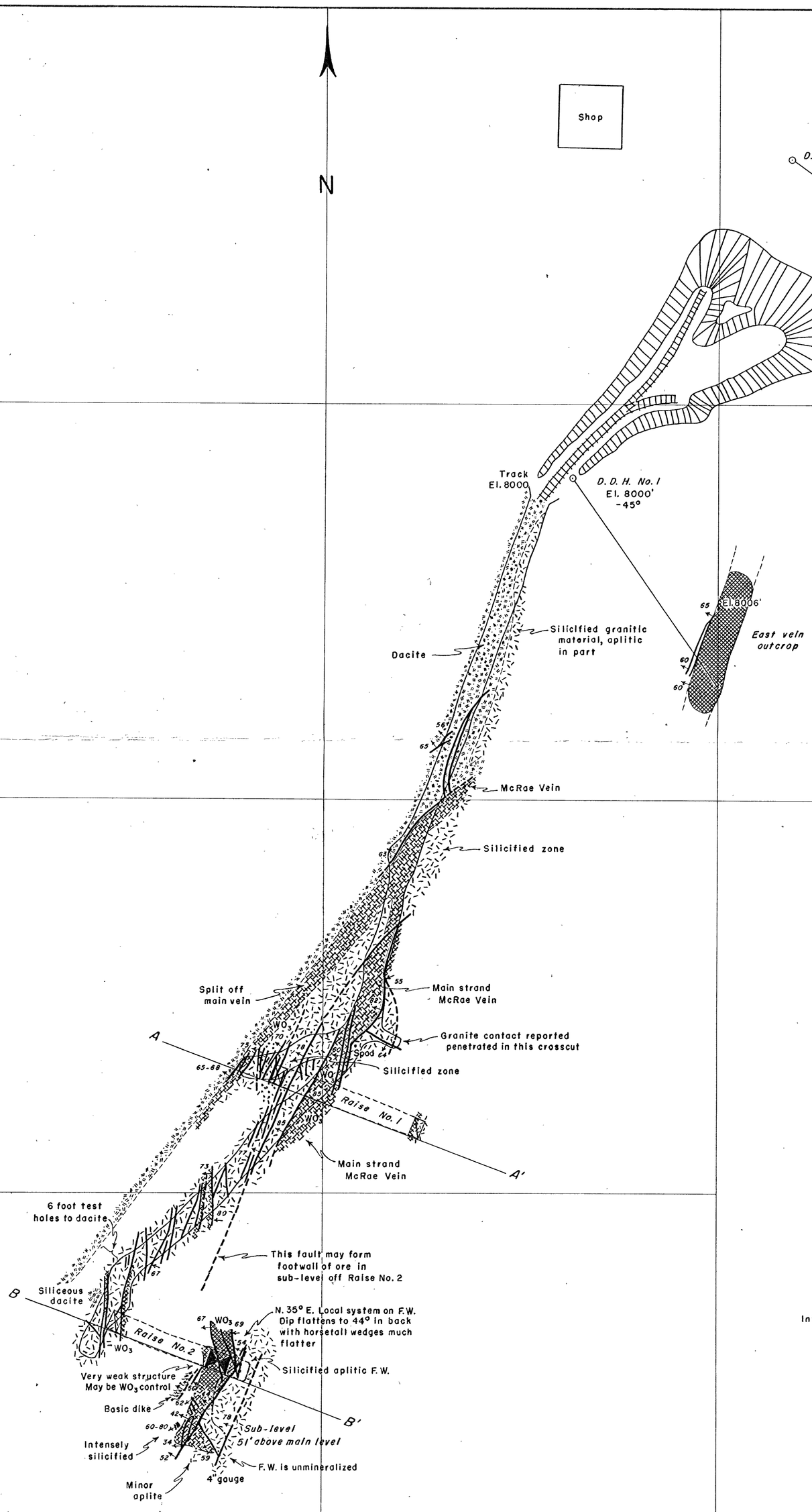
DMEA DOCKET NO. 864 EXP



SECTION A-A'
NO. 1 RAISE
Samples taken along south wall of raise



SECTION B-B'
NO. 2 RAISE
Samples taken along north wall of raise



EXPLANATION

- Dacite
- Lamprophyre or basic dike
- Silicified granitic rock (mostly aplitic)
- High-grade scheelite-bearing quartz
- Low-grade scheelite-bearing quartz
- Intense silicification grading into vein quartz
- Contact
- Fault
- Sub-level ground line

U.S.B.M. samples by H. T Reno and V. Z. Johnson

After map by L.C. Clark, October, 1952

McRAE TUNGSTEN CORPORATION

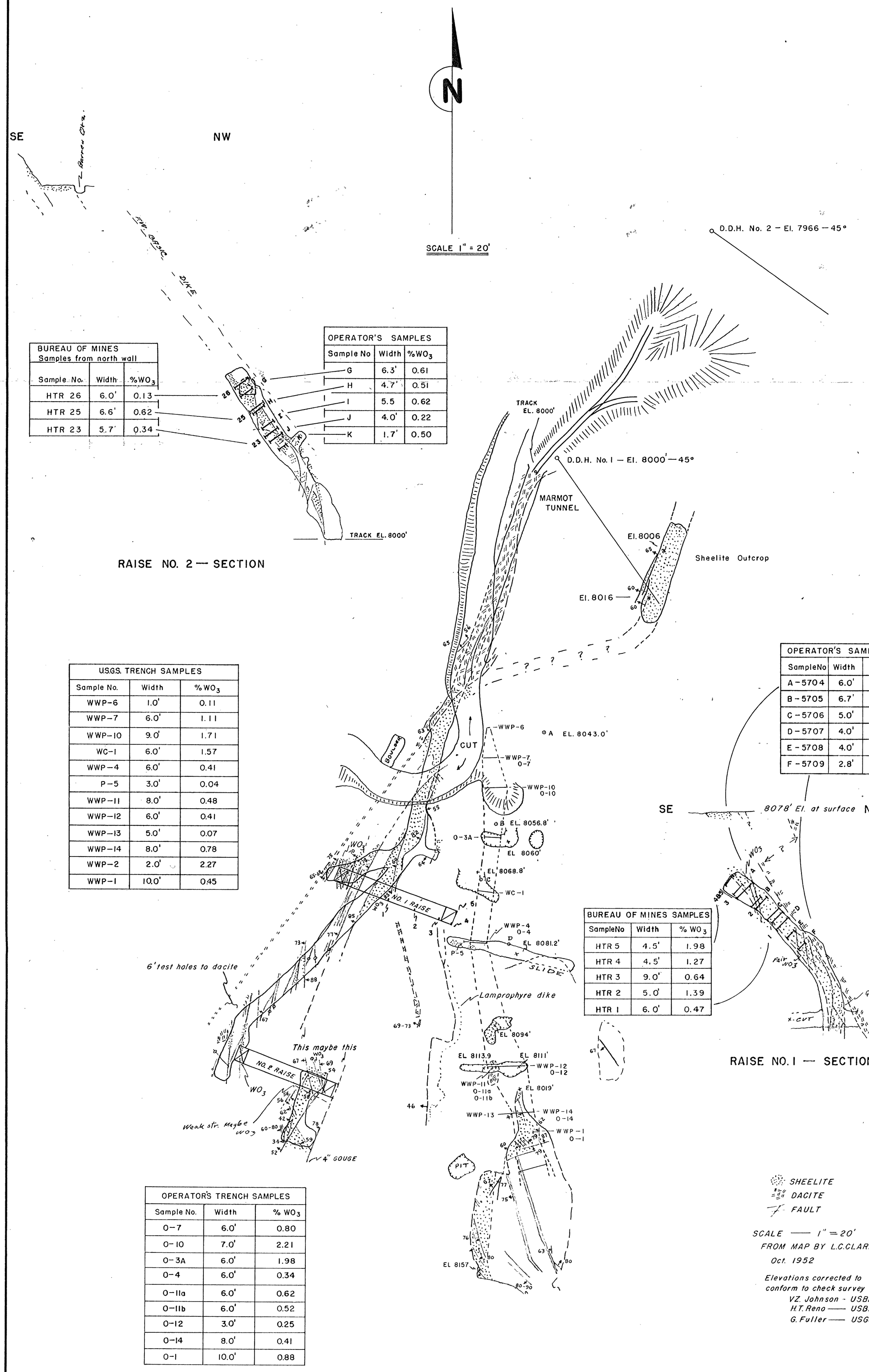
MARMOT TUNNEL

SNOWBIRD CLAIM, VALLEY COUNTY, IDAHO

20 0 20 40 60 Feet

PLATE 2

ASSAY MAP



BUREAU OF MINES Samples from north wall		
Sample No.	Width	%WO_3
HTR 26	6.0'	0.13
HTR 25	6.6'	0.62
HTR 23	5.7'	0.34

OPERATOR'S SAMPLES		
Sample No	Width	%WO_3
G	6.3'	0.61
H	4.7'	0.51
I	5.5	0.62
J	4.0'	0.22
K	1.7'	0.50

RAISE NO. 2 — SECTION

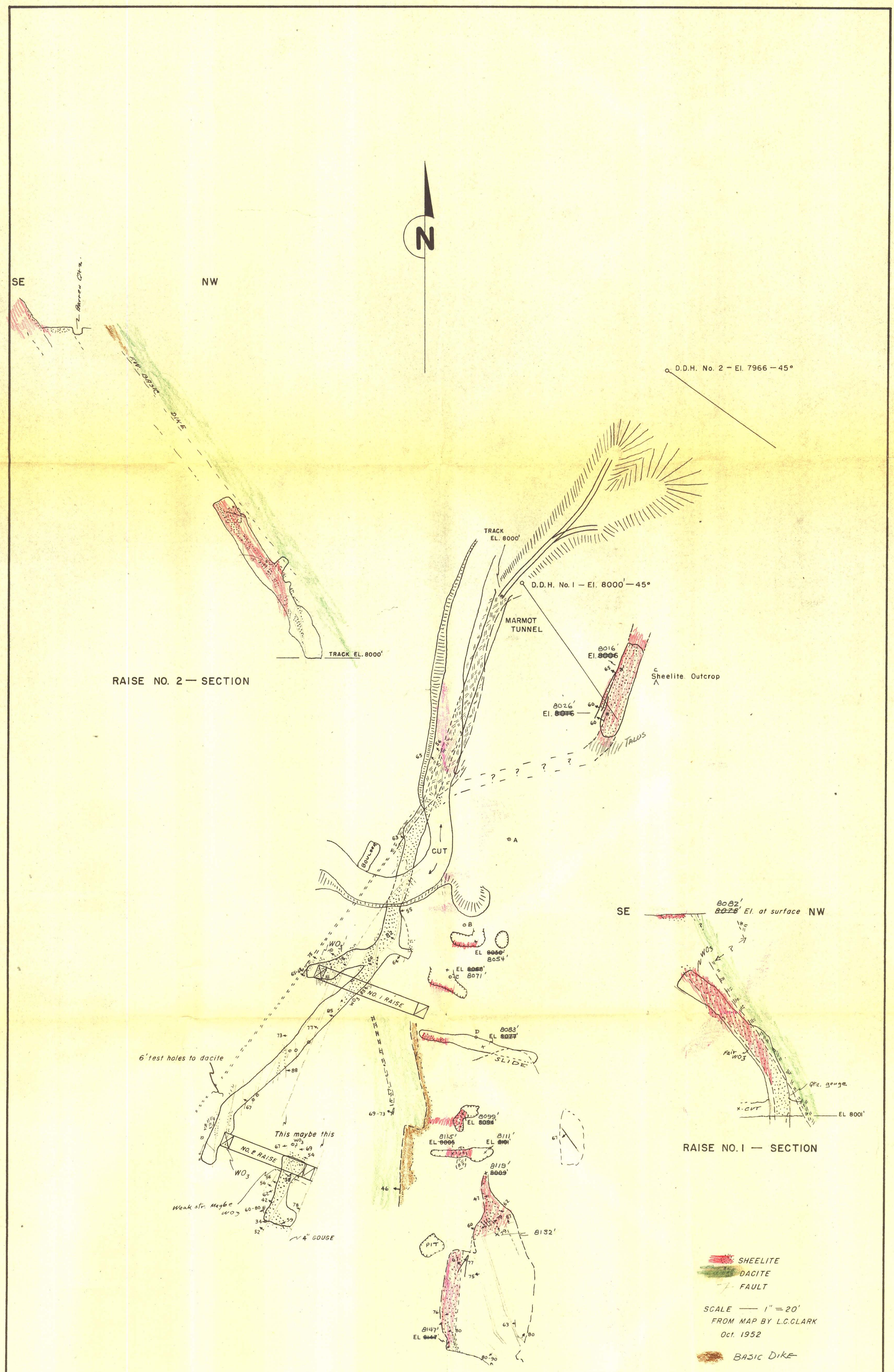
U.S.G.S. TRENCH SAMPLES		
Sample No.	Width	%WO_3
WWP-6	1.0'	0.11
WWP-7	6.0'	1.11
WWP-10	9.0'	1.71
WC-1	6.0'	1.57
WWP-4	6.0'	0.41
P-5	3.0'	0.04
WWP-11	8.0'	0.48
WWP-12	6.0'	0.41
WWP-13	5.0'	0.07
WWP-14	8.0'	0.78
WWP-2	2.0'	2.27
WWP-1	10.0'	0.45

OPERATOR'S TRENCH SAMPLES		
Sample No.	Width	%WO_3
0-7	6.0'	0.80
0-10	7.0'	2.21
0-3A	6.0'	1.98
0-4	6.0'	0.34
0-11a	6.0'	0.62
0-11b	6.0'	0.52
0-12	3.0'	0.25
0-14	8.0'	0.41
0-1	10.0'	0.88

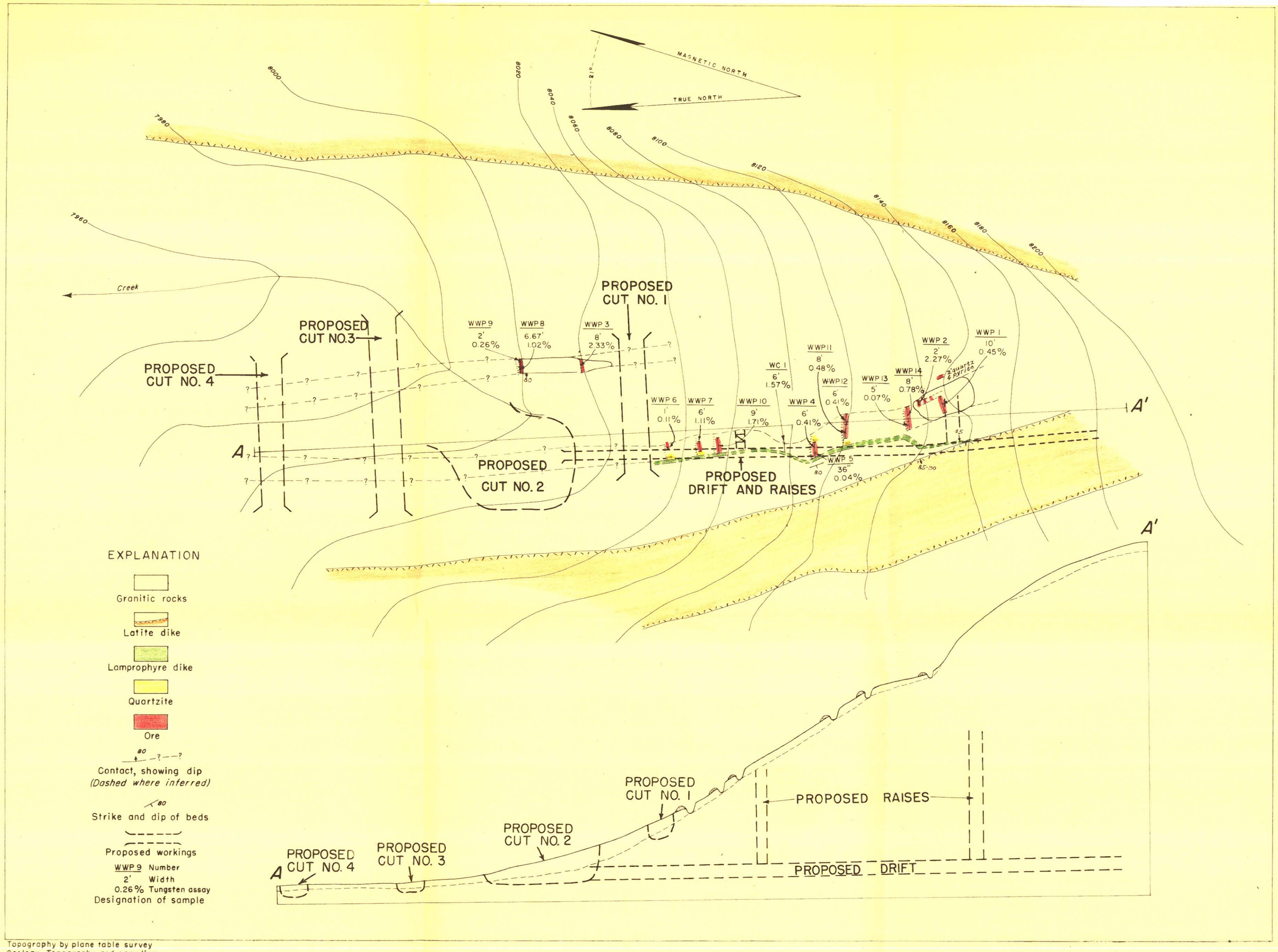
OPERATOR'S SAMPLES		
SampleNo	Width	%WO_3
A-5704	6.0'	1.39
B-5705	6.7'	1.44
C-5706	5.0'	0.92
D-5707	4.0'	0.26
E-5708	4.0'	0.14
F-5709	2.8'	0.05

BUREAU OF MINES SAMPLES		
SampleNo	Width	%WO_3
HTR 5	4.5'	1.98
HTR 4	4.5'	1.27
HTR 3	9.0'	0.64
HTR 2	5.0'	1.39
HTR 1	6.0'	0.47

RAISE NO. 1 — SECTION


N
SE
NW
Qtz.
BASIC DIKE
TRACK EL. 8000'
RAISE NO. 2 — SECTION
D.D.H. No. 2 — El. 7966 — 45°
TRACK EL. 8000'
D.D.H. No. 1 — El. 8000' — 45°
MARMOT TUNNEL
8016'
El. 8006
Sheelite Outcrop
8026'
El. 8016
TALUS
CUT
BOULDER
WO3
NO. 1 RAISE
EL 8050'
8054'
EL 8068'
8071'
8083'
EL 8077'
SLIDE
6' test holes to dacite
This maybe this
WO3
NO. 2 RAISE
Weak str. maybe WO3
4" GOUGE
8099'
EL 8091
8115'
EL 8105
8111'
EL 8101
8119'
8009'
8132'
PIT
8147'
EL 8147
SE
8082'
8076' El. at surface
NW
WO3
Fair WO3
Qtz. gouge
x-CUT
EL 8001'
RAISE NO. 1 — SECTION
SHEELITE
DACITE
FAULT
SCALE —— 1" = 20'
FROM MAP BY L.C.CLARK
Oct. 1952
BASIC DIKE

DEPARTMENT OF THE INTERIOR
UNITED STATES GEOLOGICAL SURVEY



Topography by plane table survey
Geology, Topography, and sampling by Elton A. Youngberg and Willard P. Puffett, U. S. G. S., July, 1951

McRAE TUNGSTEN CORPORATION
SNOWBIRD GROUP
VALLEY COUNTY, IDAHO

40 0 40 80 120 Feet

Contour interval 20 feet
Datum assumed