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)
McKee Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Ida-8133

Enclosed for deposit to the subject DMEA account under symbol 14X4401 as a royalty receipt is a January 25, 1963, check no. 76 drawn in the amount of $107.68 by Robert J. McKee, 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.)

JAN 14 1963

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

Re: DMEA-264 (Tungsten)
McKee Tungsten Corporation
Sunshine Group of Claims
Valley County, Idaho
Contract Ida-8133

Dear Mr. McKee:

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 $5.80 per unit of contained WO_3, should be worth $2,133.65, on which royalty at the rate of 5% would be $107.66.

If you agree, please submit to this office check in the amount of $107.66, payable to the Office of Minerals Exploration, as payment in full of royalty obligations under the subject contract.

Sincerely yours,

George Fumich, Jr.

Director

SFWalt/mm
1-11-63
cc: Director's Reading File
Region I (2) w/ McKee's ltr of 1/7 and attachments (2 copies)
✓CAAA Division
Docket
Code 300

DEC 1 3 1962

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

Re: DMEA-264 (Tungsten)
McKee Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Idm-E133

Dear Mr. McKee:

Please inform us if you have secured any offers from accredited tungsten buyers for the 6.3-ton lot of 68.37% WO_3 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 so 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

Director

EPHolt/mm
12-12-62
cc: Director's Reading File
Region I (2)
✓CMA Division
Code 300
Docket

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

Re: DMEA-864 (Tungsten)
McRae Tungsten Corporation
Sunshine Group of Claims
Valley County, Idaho
Contract Lim-2133

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 1 (2) w/2 copies Mr. McRae's letter 9/13/62
Docket

THE BUNKER HILL COMPANY

[redacted]

September 13, 1962

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

Re: [redacted] (Tungsten)
[redacted] Tungsten Corporation
[redacted] Group of Claims
Valley County, Idaho
[redacted]

Dear Sir:

This refers to your letter of September 4, [redacted] concentrate still held but subject to RMA royalty.

I agree that the 15% material has no value at [redacted]

On the 65.39% WO_3 material, the best offer I could get last year was about [redacted] per unit, or just over $4,000. This material contains from 1.5% to 1.7% lead, 0.15 copper, 0.12 zinc. This disqualifies it as having to go to a smelting plant. Further, for the [redacted] sales of tungsten concentrate (especially small lots) are [redacted] and have little relation to the E.&M.J. quotation.

I might consider paying you the royalty based [redacted] offer I can get through [redacted] buyer. If you [redacted] I'll try and get some [redacted].

Yours truly,

Robert J. McRae

R.McR:ET

Mr. Robert J. McKee
McKee Tungsten Corporation
1704 Gowsley Street
Boise, Idaho

SEP 4 1962

Re: RMTA-664 (Tungsten)
McKee Tungsten Corporation
Sunshine Group of Claims
Valley County, Idaho
Contract Ida-X133

Dear Mr. McKee:

We thank you for the information contained in the BMM 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. K. Mathews, 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	6.5	68.37% WO_3	Teasley'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.

Sincerely yours,

George Fumich, Jr.

Director

SPMelt/gla
8-15-62
cc to: Director's Reading File
Contract Division
Budget
Region I (X)
Code 300

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-E133, Docket No. DMRA-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-8135 McRae Tungsten Corporation DMRA-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 4 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, 183.376 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.

FILE COPY
O. M. E
RECEIVED FEB 2 1961

DATE	INITIALS	CODE
2-2	gad	220
		800

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

Mr. Robert McKee
1704 Overley Street
Boise, Idaho

Re: IDMM-864 (Tungsten)
McKee Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Ida-8133

Dear Mr. McKee:

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 Snowbird Group of Claims located in Valley County, Idaho, during the period December 15, 1956, through January 24, 1961.

Sincerely yours,

Donald R. MacLaren

D. R. MacLaren
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)
CPF
Director
Econ. Geol.
B&FM

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: DMSA-864 (Tungsten)
McRae Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract Ida-8133

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

EXTRA COPY
O. M. E
RECEIVED MAY 6 1960
DATE | INITIALS | CODE
700

Boise, Idaho
April 30, 1960

Mr. R. R. Mac Laren
Acting Field Officer, Region I
Office of Minerals Exploration
Room 137 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-8131.

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 forseeable future. This leaves about 11 tons of concentrate now stored in a warehouse at Big Creek, Idaho, that will average 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 Courley Street
Boise, Idaho

RECE
MAY 2

EXTRA COPY
O. M. E
RECEIVED APR 29 1960
DATE INITIALS CODE
800

So. 157 Howard Street
Spokane 4, Washington

April 27, 1960

Mr. Robert Mohns
1704 Courtney Street
Boise, Idaho

Re: Docket No. 864 (tungsten)
Snowbird Group
Valley County, Idaho
Contract Ida-X133

Dear Mr. Mohns:

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

425 New U. S. Courthouse Portland, Oregon

LETTER OF TRANSMITTAL 3

For credit of 420, Division of Disbursement, Portland, Oregon 3/6/57
(Name, title, and disbursing or identification symbol of accountable officer) (Date sent)

deposited with Federal Reserve Bank of San Francisco, Portland Branch Portland, Oregon
(Name and location of depositary)

DEPOSIT NO. 14-23-020-386

$ 3,820.01

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	E-133	$3,820.01

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
c/o U. S. Bureau of Mines
1201 N. Division St.
Spokane 2, Washington

TO ABOVE-NAMED BANK OR TO TREASURER U. S.:

Herewith you will receive the deposit described above. Please observe the distribution printed on each accompanying copy of Standard Form 201.

(Depositor)
Dorothy F. Long, Authorized Collector

DEPOSITARY WILL RETAIN THIS COPY

16—59686d-1 GPO

QUINTUPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

Check No. 18,109,408 dated Feb. 25, 1957
Amount - $493.05
From: Treasurer of the United States
Contract E133, McRae Tungsten Corp.
Royalty receipt

Check No. 12358 dated Feb. 25, 1957
Amount - $124.31
From: The Bunker Hill Company
Contract E184, Nabob Silver Lead Co.
Royalty receipt

Check No. 18,114,351, dated Feb. 26, 1957
Amount - $2,904.15
From: Treasurer of the United States
Contract E604, Umont Mining Co.(Assignee of Irving & Nelson)
Royalty receipt

Check No. 14717 dated March 1, 1957
Amount - $24.54
From: U.S. Smelting Refining and Mining Company
Contract E152, Silver Star-Queens Mines
Royalty receipt

Check No. 27291 dated March 4, 1957
Amount - $273.96
From: American Machine and Metals, Inc.
Contract E591, American Machine and Metals, Inc.
Royalty receipt

For Certificate of Deposit No. 376, dated January 10, 1957, giving royalty payment of $1,614.04, see E-41.

For Certificate of Deposit No. 375, datcd January 7, 1957, giving royalty payment of $234.09, see E-41.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

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

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

C. A. Turner

C. A. TURNER, Auditor

January 10, 1957

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED JAN 28 DMEA

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

JAN 29 1957

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

Re: Royalty Audit Report
Rehse Tungsten Corporation
Idm-F133, 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

Mr. Charles

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.

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

QUINTUPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

LETTER OF TRANSMITTAL

Portland, Oregon

DEPOSIT NO.
14-23-020-247

For credit of 420 (Name of Disbursing Officer) Division of Procurement, 523 U.S. Courthouse, Portland 5, Oregon (Name and address of disbursing officer) 7/6/55 (Date sent)

deposited with Federal Reserve Bank of San Francisco, Portland Branch, Portland, Oregon (Name and location of depositary)

$ 247.24

for accounts listed below. SCHEDULE Nos.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	E-133	$247.24

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
c/o Bureau of Mines
P. O. Box 492
Albany, Oregon

TO ABOVE-NAMED BANK OR TO TREASURER U. S.:

Herewith you will receive the deposit described above. Please observe the distribution printed on each accompanying copy of Standard Form 201.

(Depositor)

Myrtle I. Purdy, Authorized Collector

DEPOSITARY WILL RETAIN THIS COPY

16—59686d-1 GPO

Check No. 68628
Dated 6/24/55
Amount - $94.00
From American Smelting and Refining Company
Contract Idm-E177, South Mountain Mining Company
Royalty receipt

Check No. 4
Dated 6/30/55
Amount - $153.24
From Paul H. Floyd
Contract Idm-E133, McRae Tungsten Corporation
Royalty receipt

RECEIVED
JUL - 1 1955

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:

McRae Tungsten Corporation
Stibnite, Idaho

produced from the Snowbird Group of claims located in Big Creek district near Stibnite, Idaho, under the terms of Contract Idm-R133, Docket No. DMA-864I, 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

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JUL - 1 1955

FIRST ROYALTY AUDIT REPORT

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-X133, 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. 4	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&R 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	-o-	2,492.52
Balance of Royalties due	-o-	-o-	$ 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

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Operator's Name McRae Tungsten Corporation

Address Stibnite

Idaho

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

Date June 14, 1955

	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?	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

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JUL - 1 1955

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.

C
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Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

July 11, 1955

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

Re: Docket No. DMA-864X (tungsten)
Snowbird Group
Valley County, Idaho
Contract No. Idm-E133

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. E. 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

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

JUL 6 1955

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

Re: Royalty Audit Reports
Ida-2133, DMEA-8641
McRae Tungsten Corp.
and
Ida-2510, DMEA-2920
Tonopah 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

E-133

For Certificate of Deposit No. 183, dated December 2, 1954, giving royalty repayment of $208.34, see E-115.

SEXTUPLICATE

STANDARD FORM 209e (Formerly Cert. of Deposit, Form 6599)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

DEPOSIT NO.
14-23-023-143

Deposited with Federal Reserve Bank of San Francisco (Name and location of depositary) Portland Branch (Date sent) 1/7/55

$ 1,433.91

the sum shown opposite for credit, subject to check, in the disbursing account of—

SYMBOL NO.
439

A. O. Wahlers, DDO FSD, U. S. Court House, Portland 9, Oregon (Name and address of officer to be credited)

On account of—

E-133

Royalty $1,433.91

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Myrtle I. Purdy
Certifying Officer
Defense Minerals Exploration Admin.
1221 N. Division St.
Spokane 2, Washington

SPACE BELOW TO BE USED BY DEPOSITARY ONLY
I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITOR WILL RETAIN THIS COPY

SEXTUPLICATE

STANDARD FORM 209e (Formerly Cert. of Deposit, Form 6599)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

DEPOSIT NO.
14-23-020-180

Deposited with ~~Federal Reserve Bank of San Francisco~~ Portland Branch (Name and location of depositary) 11/18/54 (Date sent)

$1,366.29

the sum shown opposite for credit, subject to check, in the disbursing account of—

SYMBOL NO.
429

~~A. O. Wahlers, RDO, 523 U. S. Court House, Portland 5, Oregon~~
(Name and address of officer to be credited)

On account of—

E-152

~~14x4401.....$1,366.29~~

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Myrtle I. Purdy
Certifying Officer
Defense Minerals Exploration Admin.
1201 N. Division St.
Spokane 2, Washington

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITOR WILL RETAIN THIS COPY

Check No. 01545, date[illegible]1/15/54
Amount $141.84 ✓
From-United States Smelting ~~and~~
Refining and Mining Company
Contract Idm-E574
Royalty receipt

Check No. 998, dated 11/6/54
Amount- $675.50 ✓
From- Goodwin and Hicks
Contract Idm-E172
Refund of Government's contribution
to exploration expense

Cash - $0.08 ✓
From- Frank Funkhouser
Contract Idm-E172
Refund of Government's contribution
[illegible]ploration expense

Check No. 921[illegible]ated 11/8/54
Amount $139.50 ✓
From- D. A. McNabb
Contract Idm-E238
Property proceeds

Check No. 1717, dated 11/8/54
Amount $219.94 ✓
From- The Salt Lake Tungsten Company
Contract Idm-E133
Royalty receipt

Check No. 21244, dated 11/10/54
Amount $189.43 ✓
From-American Smelting and Refining Company
Contract Idm-E246
Royalty receipt

SEXTUPLICATE

STANDARD FORM 209e (Formerly Cert. of Deposit, Form 6599)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

Deposited with Federal Reserve Bank of San Francisco Portland Branch (Name and location of depositary) 11/10/51 (Date sent)

DEPOSIT NO. 11-23-023-173

the sum shown opposite for credit, subject to check, in the disbursing account of—

$ 630.33

SYMBOL NO. 820

A. G. Walters, Dep. 323 U. S. Court House, Portland 5, Oregon
(Name and address of officer to be credited)

On account of—

Payroll.....$630.33

E-133

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Myrtle E. Purdy
Certifying Officer
Defense Minerals Exploration Admin.
1801 N. Division St.
Spokane 2, Washington

SPACE BELOW TO BE USED BY DEPOSITARY ONLY
I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITOR WILL RETAIN THIS COPY

Check No. 14,999,950
Dated 11/9/54
Amount- $630.33
From Treasurer of the United States
Contract Idm-E133
Royalty receipt

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of

McRAE TUNGSTEN CORPORATION
Stibnite, Idaho

pertaining to Exploration Project Contract No. Idm-2133, 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-2406, DMA-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 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-2654 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 MF-104	Corrected Distribution	Adjustments by Certifying Officer	Disallowances	Accepted Costs
(1) Independent Contracts					
Drilling	$1,453.00	$1,810.10	$	$	$1,810.10
(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	+25.83		400.00
(3) Operating Materials & Supplies					
Timber	11.71	33.08			33.08
Explosives	590.61	625.74			625.74
Other:	1,778.62	-0-			-0-
Lubricants		492.42			492.42
Drill Steel & Bits		487.99		10.00	477.99
Small Tools		542.98			542.98
Miscellaneous		234.89			234.89
(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	128.87	128.87			128.87
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	584.77	-0-			-0-
	$18,283.71	$18,283.71	($2,530.22)	$02.53	$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 B A Zurner

December 18, 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane 2, Washington
January 26, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 1 1954

Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Contract Idm-E133,DMA-864
McRae Tungsten Corporation
Valley County, Idaho

Dear Mr. Chambers:

There are submitted herewith three copies of the revised Audit Certificate pertaining to Contract No. Idm-E133, Docket No. DMA-864, McRae Tungsten Corporation.

The normal distribution of the report and certificate has been effected.

Sincerely yours,

Robert M. Hull

Robert M. Hull
Auditor

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane 2, Washington
December 23, 1953

Received
DEC 23 1953

Mr. Jay L. Chambers, Chief,
Contract Administration and Audit Division,
Defense Minerals Exploration Administration,
Department of the Interior,
Washington 25, D. C.

Re: Idm-E133-DMA 864
McRae Tungsten Corporation
Valley County, Idaho

Dear Mr. Chambers:

Enclosed are three copies of Audit Certificate and two copies of Audit Report pertaining to Contract No. Idm-E133, Docket No. DMA-864, McRae Tungsten Corporation, Valley County, Idaho.

Mr. Hull went on annual leave while this report was being typed and asked me to sign it for him and mail it to you.

Yours very truly,

C. A. Turner
Auditor

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Spokane, Washington
January 12, 1954

Noted

JAN 14 1954

AIR MAIL

Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Idm-E133, DMA-864
McRae Tungsten Corporation
Valley County, Idaho

Dear Mr. Chambers:

Receipt is acknowledged of your letter of January 5, 1954 containing certain suggestions as to the Audit Certificate pertaining to the above referenced exploration project contract audit report.

This will be brought to Mr. Hull's attention upon his return to duty since it is his report and he might wish to make the changes himself.

Yours very truly,

C. A. Turner
Auditor

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

JAN - 5 1954

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

Re: Idm-2133, DMA-264
McRae 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-2406		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

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. 119

Sheet No. 1

DEPARTMENT OF THE INTERIOR (Department or Establishment)

DEFENSE MINERALS EXPLORATION ADMINISTRATION (Bureau or Office)

Received by A. O. WAHLERS, (Name) REGIONAL DISBURSING OFFICER (Title) at Portland, Oregon (Station)

Period March - 1954 (Month or quarter ended) 14-23-020 D. O. Symbol No. 420

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
1954 3/24	--	Bunker Hill and Sullivan Mining and Concentrating Company	Royalty payment on ore shipped, Whitedelf Mining & Development Co. Contract Idm-E189	$ 49.44	14X4401 Revolving Fund, Defense Minerals Production Act, Interior
3/24	----	Minerals Engineering Co.	Royalty payment on ore shipped, Minerals Engineering Co. contract Idm-E300- $67.09 plus Royalty payment on ore shipped, American Alloy Metals, Inc. contract Idm-E247- $564.06	631.15	do
3/24	----	Tungsten Company	Refund of voer-payment on contract Idm-E133, McRae Tungsten Corp.	7.50	do
3/24	-----	American Smelting & Refining Co.	Royalty payment on ore shipped, January Mine, Contract Idm-E246	128.35	do
			SUMMARY 14X4401- $816.44		
			Total,	$816.44	

Received _____, subject to collection. Forwarded March 24, 1954

A. O. Wahlers, Regional Disbursing Officer
(Disbursing clerk or accountable officer)

By _____

By _____ (Name) R. J. Hindman

Title Authorized Certifying Officer

Certificate of Deposit No. _____ dated _____

☆ U. S. GOVERNMENT PRINTING OFFICE 10—1790

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. Ida-R133 (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] Defense Minerals Administration
RECEIVED
[illegible] 19 1954

[illegible] Lincoln Street
[illegible] 4, Washington

[illegible] 12, 1954

[illegible], President
[illegible] Corporation
[illegible] Idaho

[illegible] No. [illegible] (Exploration)
[illegible] Idaho
[illegible] Idaho
[illegible] (completion)

Dear Mr. [illegible]:

Enclosed for your information and files is a copy of [illegible] Public Voucher Certificate and Audit Report of December 18, 1953, [illegible] the above contract.

The audit disclosed that a total of $[illegible] was expended during [illegible], of which the Government's participating share of 75 percent is $[illegible].22 payable to you. However, the records show that you have been paid $[illegible] or an overpayment has been made by the Government of $[illegible].

In order to close this account, we request [illegible] that this sum from the current [illegible] under Contract No. [illegible]. This would probably be simpler if you simply send a check in the amount of $[illegible] made payable to the Treasurer of the United States and mail it to the address.

Very truly yours,

[illegible]
Executive Officer [illegible]
[illegible] Texas, Section [illegible]

Enclosure

cc: [illegible] (2)
[illegible] (2)
[illegible]
Hindman
Contr. Adm. & Acct. Div., Fin., D. C.

[illegible]/[illegible]/[illegible]

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
DEC 18 1952

December 4, 1952

Mr. R. J. Hindman
Certifying Officer, DMEA Region II
U. S. Bureau of Mines
12'1 N. Division
Spokane, Washington

Re: Docket DMEA-864 (Tungsten)
Mines Tungsten Corporation
Valley County, Idaho
Contract Idm-2133

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,

S. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (3)
UKBM (2)
R. Hull
Cont. Adm. and Aud. Div., Wash., D. C.

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

Wash

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1026.3.
Approval expires 6-30-53
Defense Minerals Administration
RECEIVED
DEC 8 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of SEPT, 1952 Docket No. DMEA 864 Contract No. 133
Operator's Name McRAE TUNGSTEN CORP Minerals TUNGSTEN
Address STIBNITE IDAHO
Contract Amount, $ 20,351.00 Government Participation: 75% Amount, $ 15,263.25

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		1453.00	1453.00		1810.10	1810.10
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	33.24	*6188.24	6221.48	33.75	6188.24	6221.99
Supervision	90.00	840.00	930.00	60.00	840.00	900.00
Technical Services	124.17	250.00	374.17	150.00	250.00	400.00
(3) Operating Mat'ls. and Supplies:						
Timber		11.71	11.71		11.71	11.71
Explosives		590.61	590.61		590.61	590.61
Pipe						
Track						
OTHER		1778.62	1778.62		1,799.99	1,799.99
(4) Operating Equipment:						
Rental		650.00	650.00		650.00	650.00
Purchase		3254.79	3254.79	2,360.00*	3,254.79	894.79
Depreciation						
(5) Initial Rehabilitation and Repairs		1312.21	1312.21	200.00*	1,312.21	1112.21
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		128.87	128.87		128.87	128.87
Sampling and Analysis						
Payroll Taxes	12.33	*346.71	359.04	10.99	346.59	357.58
Liability Insurance	9.58	*369.64	379.22	8.53	369.64	378.17
TRANSPORTATION		169.75	169.75		169.75	169.75
TELEPHONE		85.47	85.47		85.91	85.91
(8) Contingencies (specify):						
		584.77	584.77		200.00	200.00
					6.30	6.30
TOTALS	269.32	18,014.39	18,283.71	2,285.75	18,917.71	15,229.96

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

Date Nov 10 *Payee McRae Tungsten Corp.

Per Robert J. McRae Title President

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

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

(Instructions on reverse)

* SEE ANNEX ATTACHED

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

* Cost of Transportation to Contract $ Total E to 6.30

Signature MF-104 for Oct. 1952 (Authorized Certifying Officer)

Date 12/4/52 Vou. No. (See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 143 in accordance with the terms of the contract.

Signature Horace D Reno Title Min Eng. Date 11-25-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E Howard Title Min Eng. Date 12-3-52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of SEPT 1952 Docket No. DMEA 864 Contract No. 133
Operator's Name McRAE TUNGSTEN CORP Minerals TUNGSTEN
Address STIBNITE IDAHO

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	FT	269.32	0	*7608.88	304	25.029	335	
Crosscutting								
Raising	FT		0	2999.92	120	25.00	120	
Shafts								
Winzes								
Drilling: Core	FT		0	1053.00				6.50/FT
MOVING ~~Churn~~ IN-OUT				400.00				
CONTG'S ~~Auger~~				648.47				
Stripping								
Trenching				550.00				
Test Pits								
Roads and Trails				300.00				
TOTAL DISTRIBUTED COSTS		269.32		13,560.27				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				3254.79				
Initial Rehabilitation and Repairs				1468.65				
New Buildings, Improvements, etc.								
TOTAL COSTS				18,283.71				

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

* SEE ANNEX ATTACHED

Date Nov 10 Operator McRae Tungsten Corp

Per Robert J. McRae Title President

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

FINAL PROGRESS REPORT FOR SEPTEMBER 1952

DMEA 864 CONTRACT No 133

There was no mining work done during the month. Mr. L. C. Clark finished mapping and doing the geology about September 15th. Considerable work was done to prepare the buildings and equipment for winter. During the month Mr. H. F. Reno visited the property and sampled the ore exposed in the two raises. L. C. Clark's survey and map were also checked.

Arrangements have been made to shovel off the buildings twice during the winter.

This report is accompanied by a final report on the Snowbird project together with the ore discoveries as shown in the raises and on the surface. Attached to the Operator's Monthly Report is a separate sheet which transfers the following items to the Red Bluff DMEA 2654 project.

	Transfer Price
1 - 14 x 16 house celotex lined	$200.00
1 - Ingersoll 105 Compressor	$2000.00
1 - Jackhammer and Jack Leg	$360.00
Total	$2560.00

All bills have been paid that were incurred under this project.

Robert J. McRae

ANNEX TO SEPT. PROGRESS REPORT

* These items adjusted according to July totals.

TRANSFER OF EQUIPMENT

According to the Red Bluff DMRA 2654 contract the following items are to be transferred from DMRA 864 to project DMRA 2654.

ITEM	TRANSFER PRICE
(A) 1 - 14 x 16 celotex lined house	$200.00
(B) 1 - Ingersoll K-105 Compressor #406-31445	$2000.00
(C) 1 - Jackhammer #673046	$340.00
(D) 1 - Jack Leg #4764	
	$2540.00

Item A would be taken out of the INITIAL REHABILITATION AND REPAIRS.

Items B, C, and D would be taken out of the PURCHASED OPERATING EQUIPMENT.

As of this time this equipment will be considered as transferred to Project DMRA 2654.

McRae Tungsten Corp

Robert J. McRae Pres.

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

[redacted]
No. 157 Howard Street
Spokane 4, Washington

December 4, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 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-E133

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.

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

[redacted]
So. 157 Howard Street
Spokane 4, Washington

October 22, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 27 1952

Mr. W. Rulon Lee
Certifying Officer
Region II, DMEA
U. S. Bureau of Mines
Albany, Oregon

Subject: McRae Tungsten Corporation - Contract Idm-E133

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)
Hull (1)

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

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

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

Bu. Vou. No. 518

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

Voucher prepared at Spokane, Washington 11/17/52
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E133

DEPARTMENT OF THE INTERIOR
Bureau of Mines Minerals Administration
RECEIVED
NOV 21 1952

To McRae Tungsten Corporation
(Payee)

Stibnite, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	August 1952	As per attached certified form MF-104 dated 10/12/52				1,862	54
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	1,862	54

(Payee must NOT use this space)

Differences .....

Account verified; correct for 1,862 54

(Signature or initials) .....

Contract No. Idm-E133 Date Req. No. Date Invoice Rec'd.

1,862.54

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	1,862.54	1,862.54

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

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

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐.
2. (*a*) Advertising by circular letters sent to ..... dealers.

   (*b*) And by notices posted in public places Yes ☐ No ☐.

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

ABSENCE OF ADVERTISING

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

.....

.....

.....

.....

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

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

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

16—22000a-2

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Uras

DEPARTMENT OF THE INTERIOR
Budget Bureau No. 42-R1036.3.
Approval expires 3-31-53
Defense Minerals Administration
RECEIVED
NOV 21 1952

Month of AUGUST, 1952 Docket No. DMEA 864 Contract No. 133
Operator's Name McRAE TUNGSTEN CORP Minerals TUNGSTEN
Address STIBNITE IDAHO
Contract Amount, $ 20,351.00 Government Participation: 75 % Amount, $ 15,263.25

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1453.00	0.00	1453.00			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	230.70	6118.79	6349.49			
Supervision	90.00	750.00	840.00			
Technical Services	250.00	0.00	250.00			
(3) Operating Mat'ls. and Supplies:						
Timber	11.71					
Explosives		590.61	590.61			
Pipe						
Track						
OTHER	1.95	1776.67	1778.62			
(4) Operating Equipment:						
Rental		650.00	650.00			
Purchase		3254.79	3254.79			
Depreciation						
(5) Initial Rehabilitation and Repairs		1312.21	1312.21			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	6.00	122.87	128.87			
Sampling and Analysis						
Payroll Taxes	25.80	321.58	347.38			
Liability Insurance	24.06	351.22	375.28			
TRANSPORTATION		169.75	169.75			
TELEPHONE	11.81	73.66	85.47			
(8) Contingencies (specify):						
LUMBER FOR DRILLING	21.37	206.30	227.67			
ADDITIONAL DRILL COST	357.10	0.00	357.10			
(* SEE ANNEX ATTACHED)						
TOTALS	2483.50	15,698.45	18,181.95			

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

Date 10-12-52 *Payee McRae Tungsten Corp.

Per Robert J. McRae Title President

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

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

(Instructions on reverse)

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

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 21 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of AUGUST 1952 Docket No. DMEA 864 Contract No. 133
Operator's Name McRAE TUNGSTEN CORP Minerals TUNGSTEN
Address STUDNITE IDAHO

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	FT	382.03	0	7507.12	304	$24.70	335	
Crosscutting								
Raising		0	0	2999.92	120	25.00	120	
Shafts								
Winzes								
Drilling: Core	FT	1053.00	162	1053.00	162		400	6.50/FT
MOVING ~~Churn~~ IN - OUT	$	400.00		400.00				
* DRILL ~~Auger~~ CONTINGENCIES		648.47		648.47				
Stripping								
Trenching				550.00				
Test Pits								
Roads and Trails				300.00				
* SEE ANNEX ATTACHED								
TOTAL DISTRIBUTED COSTS		2483.50		13458.51				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				3254.79				
Initial Rehabilitation and Repairs				1468.65				
New Buildings, Improvements, etc.								
TOTAL COSTS		2483.50		18,181.95				

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

Date 10-12-52 Operator McRae Tungsten Corp.

Per Robert J. McRae Title Pres.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

MCRAE 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

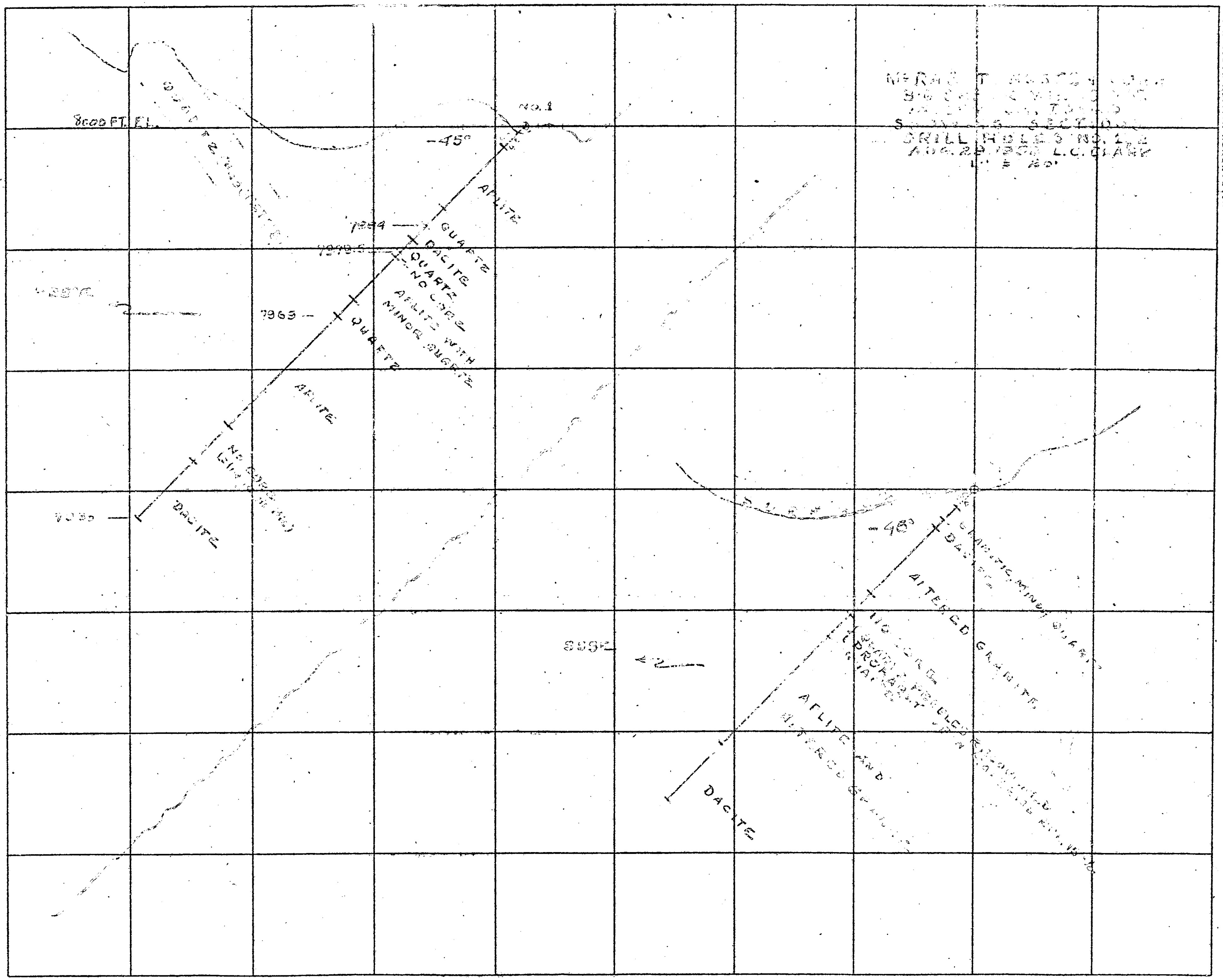
LOG OF DRILL HOLE NO.#2

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	2	"	"	15
33.5-37	Quartz to 34 then silicified aplite	"	"	No sludge			50
37-41.5	Aplite	"	"	none	none	"	70
41.5-49	"	"	"	"	"	"	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	"	"	"	"	"	"	1000

End of hole at 72 feet.



"ALBANENE" No. 195M K&ECO., N.Y.
REG. U.S. PAT. OFF 40080

PROGRESS NARRATIVE FOR AUGUST 1952

During the month Nichols and Thompson moved in and drilled two holes on the Snowbird. See attached drill plan. Hole No 1 was drilled from a point just outside the tunnel portal and directed under the center of the East Outcrop. Hole No 2 was drilled from the toe of the dump south eastward across the valley to catch the possible northward extension of the East Outcrop. No 1 hole was drilled 90 feet deep and intersected the dacite dike to the east. No 2 Hole was drilled 72 feet deep and it also intersected the east dacite dike.

Since neither hole cut any ore no further holes were drilled. No assays were taken as careful panning of the sludges and inspection of the core failed to show anything of interest. The cores showed considerable quartz in the approximate location of the extension but they were poorly mineralized. In gxxx general the ground was extremely broken and drilling was very slow. Core recovery averaged about 50%.

Just after starting hole No 1 the water supply dropped below the required amount and the pump and line had to be moved down the canyon 500 feet and a reservoir had to be constructed. More time was consumed moving from the unloading point than was anticipated as well as moving back up to the loading point. The drill had to be wenched and everything else moved by hand. Due to the small footage drilled these charges were not covered by the flat rate per foot. Mr. L. C. Clark took care of directing the drilling, logging the holes, and mapping.

PROGRESS NARRATIVE FOR AUGUST 1952 (CONT)

The drilling was disappointing. The only chance left to expand the East Outcrop would be a shoot extending southward between elevations 8025 and 7985 feet. This possibility will best be determined by mining the visible ore and following it southward if it continues.

During the month of August 96 hours of work were necessary to put the underground workings in shape. Two sets of timbers were put in locations apt to cave and additional side lagging was put in on the west side next to the dike for 60 feet where considerable sluffing was in progress. The snowshed and track was removed to allow for drilling No 1 hole. It was replaced after No 1 hole was drilled.

A complete and final report with estimated ore reserves is in the process of preparation. This report will be submitted along with the final expenses incurred during the first 15 days of September.

Robert J. McKee
10-12-52

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

Washington

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

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

Bu. Vou. No. DMA-412

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

Voucher prepared at Albany, Oregon 10/8/52
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm 133

To McRae Tungsten Corp.,
(Payee)

Stibnite, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	July 1952	As per attached certified form MF-104 dated August 30th, 1952				752	16

PAYMENT:
- Complete ☐
- Partial ☐
- Final ☐

Use continuation sheet(s) if necessary

Shipped from to Weight Government B/L No. Total 752 16

(Payee must NOT use this space)

Differences .....

Account verified; correct for 752 16

(Signature or initials) .....

Contract No. Idm-133 Date Req. No. Date Invoice Rec'd.

752.16

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	752.16	752.16

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

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

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

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

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

ABSENCE OF ADVERTISING

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

.....

.....

.....

.....

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

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

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

16—22900a-2

Form MF-16 (Rev.)
(April 1952)

Wash.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of JULY, 1952 Docket No. DMEA 864 Contract No. 133
Operator's Name McRAE TUNGSTEN CORP Minerals TUNGSTEN
Address STIBNITE IDAHO
Contract Amount, $ 20,351.00 Government Participation: 75 % Amount, $ 15,263.25

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	736.00	5382.79	6118.79	574.75	5,382.79	5,957.54
Supervision	90.00	660.00	750.00	90.00	660.00	750.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives		590.61	590.61		590.61	590.61
Pipe						
Track						
OTHER	77.20	1699.47	1776.67	77.20	1699.47	1,776.67
(4) Operating Equipment:						
Rental		650.00	650.00		650.00	650.00
Purchase		3254.79	3254.79		3254.79	3254.79
Depreciation						
(5) Initial Rehabilitation and Repairs		1312.21	1312.21		1312.21	1,312.21
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		122.87	122.87		122.87	122.87
Sampling and Analysis			66			
Payroll Taxes	30.58	291.00 08	321.58	29.91	291.00	320.91
Liability Insurance	36.66	314.56	351.22	31.02	314.56	345.58
TRANSPORTATION		169.75	169.75		169.75	169.75
TEL AND TEL		~~73.66~~ 77.10	73.66 77.10		77.10	77.10
(8) Contingencies (specify):						
SNOW REMOVAL	200.00		200.00	200.00		200.00
~~doubtful~~ office supplies		6.30	6.30		6.30	6.30
~~June invoice~~						
TOTALS	1170.44	14,531.45	15,701.89	1002.88	14531.45	15534.33

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

Date 8-30-52 *Payee McRAE TUNGSTEN CORP

Per Robert J. McRae Title Pres.

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

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

(Instructions on reverse)

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

$ 752.16

Signature Wash
(Authorized Certifying Officer)

Date 10.6.52 Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 133 in accordance with the terms of the contract.

Signature Harold T. Rees Title Min. Engr. Date 9-4-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of JULY 1952 Docket No. DMEA 864 Contract No. 133
Operator's Name McRAE TUNGSTEN CORP Minerals TUNGSTEN
Address STIBNITE IDAHO

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
		807.88		6960.97 ~~7122.46~~		23.35 ~~23.52~~		
Drifting	FT	~~970.44~~	30	~~7128.53~~	304		335	
Crosscutting		~~965.27~~						
Raising	FT		0	2999.92	120	25.00	120	
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				550.00				
Test Pits								
Roads and Trails		200.00		300.00				
		~~970.44~~	30	~~10,978.45~~				
TOTAL DISTRIBUTED COSTS		1007.88 ~~970.44~~ ~~965.27~~	30	10,810.89 ~~10,978.45~~ ~~10,973.27~~				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				3254.79				
Initial Rehabilitation and Repairs				1468.65				
New Buildings, Improvements, etc.								
		1007.88		15,534.33				
TOTAL COSTS		~~970.44~~ ~~965.27~~		~~15,701.81~~ ~~15,696.72~~				

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

Date 8-30-52 Operator McRAE TUNGSTEN CORP

Per Robert J. McRae Title Pres.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

NARRATIVE REPORT FOR JULY

During the first week in July more compressor trouble was experienced and later three shifts were lost waiting for machine repairs.

The drift off of raise No. 2 was driven 20 feet southward along the dike. The elevation of the floor of the drift is at 8045 feet. The drift was out of ore after the first 5 feet though there were small bunches along the entire course of the drift. The ground appeared to be considerably broken and there is some suggestion that the vein or ore may have turned sharply eastward away from the dike.

In addition to the 20 feet of drift, 4 feet was broken to the west and 6 feet to the east as prospecting crosscuts at the face of the drift. They did not reveal anything new.

In view of bad air and having to handle the muck twice, work was stopped. I am at present having Mr. L.C. Clark remap and do the geology on the project. This he is carrying on in conjunction with looking after the diamond drilling. He will pay particular attention to the above drift area off of No. 2 raise.

No map of this recent work is submitted with this report as complete maps will be available shortly.

During the month, Mr. H.F. Reno of the Bureau of Mines examined the project as well as other outcrops on the property.

Robert J. McRae

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

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

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

Bu. Vou. No. DMA-324

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

Voucher prepared at Albany, Oregon 8/12/52
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E-133

To McRae Tungsten Corp.,
(Payee)

Stibnite, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	June 1952	Per attached certified Form MF-104, dated July 11, 1952				772	78
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	772	78

(Payee must NOT use this space)

Differences .....

Account verified; correct for 772 78

(Signature or initials) .....

Contract No. Idm-E-133 Date Req. No. Date Invoice Rec'd.

772.78

MEMORANDUM

5

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	772.78	772.78

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

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

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

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

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

ABSENCE OF ADVERTISING

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

.....

.....

.....

.....

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

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

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

16—22000a-2

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

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

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

Month of June, 1952 Docket No. DMEA 864 Contract No. 133
Operator's Name McRae Tungsten Corp. Minerals Tungsten
Address Stibnite, Idaho
Contract Amount, $20,351.00 Government Participation: 75% Amount, $15,263.25

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	770.30	4612.49	5382.79			
Supervision	90.00	570.00	660.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives		590.61	590.61			
Pipe						
Track						
Other	62.45	1637.02	1699.47			
(4) Operating Equipment:						
Rental		650.00	650.00			
Purchase		3254.79	3254.79			
Depreciation						
(5) Initial Rehabilitation and Repairs		1312.21	1312.21			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	17.80	105.07	122.87			
Sampling and Analysis						
Payroll Taxes	38.79	252.29	291.08	38.71		
Liability Insurance	47.68	266.88	314.56			
Transportation		169.75	169.75			
	3.44	73.66	77.10			
(8) Contingencies (specify):						
Office Supplies		6.30	6.30			
TOTALS	1030.46	13501.07	14531.53	1030.38	13,501.07	14,531.45

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

Date 7/11/52 *Payee McRae Tungsten Corp.

Per Robert J. McRae Title President

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

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

(Instructions on reverse)

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

$ 772.78

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 1dm-E133 in accordance with the terms of the contract.

Signature Thomas E Howard Title Mining Engr Date 7-18-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Member, DMEA Field Team, Reg. II

Signature Thomas E Howard Title Mining Engr Date 7-18-52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1952 Docket No. DMEA 864 Contract No. 133

Operator's Name McRae Tungsten Corp. Minerals Tungsten

Address Stibnite, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	ft	0	0	6158.09	274	22.474	300	
Crosscutting								
Raising	ft	1030.46	43	3000.00	120	25.00	120	
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				550.00				
Test Pits								
Roads and Trails				100.00				
TOTAL DISTRIBUTED COSTS		1030.46	43	9808.09				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				3254.79				
Initial Rehabilitation and Repairs				1468.65				
New Buildings, Improvements, etc.								
TOTAL COSTS		1030.46	43	14531.53				

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

Date 7/11/52 Operator McRae Tungsten Corp.

Per Robert J McRae Title President

Robert J McRae

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

Standard Form No. 1084a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

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

Bu. Vou. No. DMA-271

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

Voucher prepared at Albany, Oregon 6/24/52
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E 133

To McRae Tungsten Corp.,
(Payee)

Stibnite, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms net	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	May 1952	As per attached certified form MF-104 dated June 6, 1952				824	57
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	824	57

(Payee must NOT use this space)

Differences .....

Account verified; correct for 824 57

(Signature or initials) .....

Contract No. Idm-E 133 Date Req. No. Date Invoice Rec'd.

824.57

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X1401	Revolving Fund, Defense Production Act, Interior	824.57	824.57

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

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

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

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

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

ABSENCE OF ADVERTISING

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

.....

.....

.....

.....

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

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

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

16—22000a-2

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 133

Wash

Name of Operator McRae Tungsten Corp.
Docket No. DMA 684
Total Contract Amount $ 20,351.00
Government Participation: 75 % Amount, $ 15,263.25
Distribution of Expenditures for Month of May

$ 824.57

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 30 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

McRae Tungsten Corp.
(Name of Company)

By Robert J. McRae
(Signature of Authorized Official)

June 6, 1952
(Date)

President
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings		786.42	786.42			
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]		3254.79	3254.79			
(b) Rented[2]		650.00	650.00			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

PROGRESS REPORT FOR MAY, 1952

During the month the drift was extended from 190 feet to 250 feet for an advance of 60 feet. Number 2 raise was started at 240 feet. It was up 18 feet on June 1. The drift followed closely the dacite dike contact. The raise is just under the dike.

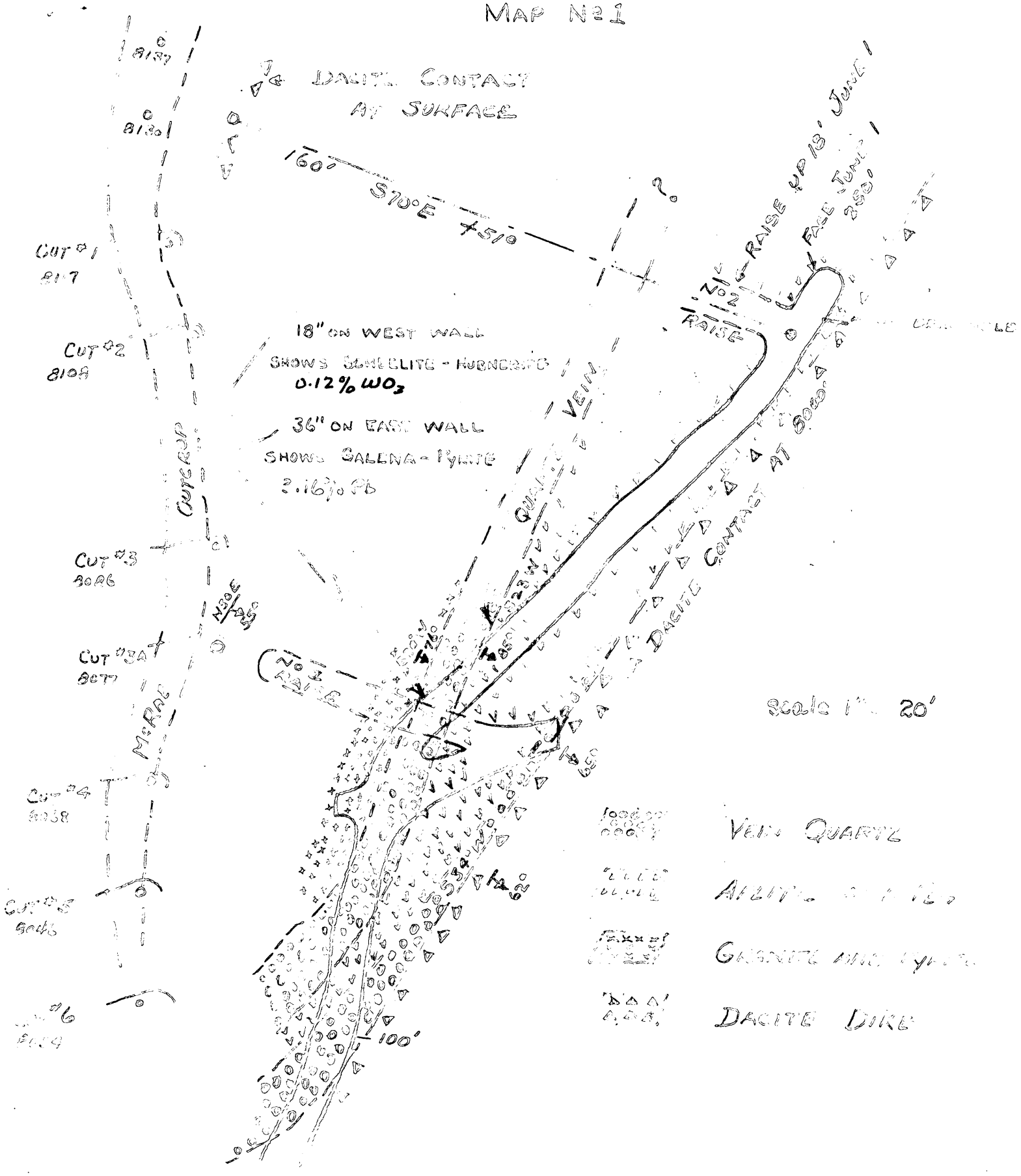
No ore was encountered in the drift or in the first 18 feet of No. 2 raise. It is now believed that the quartz vein that lies east of the drift and contact is probably the main vein. It shows some scheelite and hubnerite at the point where it leaves the drift. A short cross cut will be required either off the drift or off of the raise to cut the vein.

At present it is planned to push No.2 raise up 60 feet (slope distance) and then drive a short corss cut eastward from the top of the raise providing ore is not encountered before hand. If as suggested in the progress report for April the ore in No.1 raise is the result of the quartz vein intersecting the dike then we should get the ore in No.2 raise at about 50 feet (slope distance) up the raise. It appears that during June we should be able to pick up the ore in or off of the No.2 raise.

Robert J McRae

BRADLEY MINING CO. SUBJECT PLAN MAP SHEET NO. ..... OF .....
BY R.E.M. DATE 6-[illegible]-2 MAY PROGRESS REPORT JOB NO. .....
CHKD. BY ..... DATE ..... McKAY MINES LN CORP

MAP No 1



MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	776.70	4361.58	5138.28			
5. Supervision	90.00	480.00	570.00			
6. Supplies						
(a) Timber						
(b) Explosives		590.61	590.61			
(c) Repair Parts	15.27	89.80	105.07			
(d) Other	128.82	1508.20	1637.02			
7. Power						
8. Transportation		169.75	169.75			
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	48.03	218.85	266.88			
10. Contract Work						
11. Other (specify)						
Soc. Sec. Tax and Security Tax	39.00	213.29	252.29			
Office Supplies		6.30	6.30			
Telephone and Tel.	~~3.62~~ 1.61	72.05	~~75.67~~ 73.66			
Total	1099.43	12401.64	13501.07			
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date				1099.43	12401.64	13,501.07

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by B Sanders
Entered by
Approved by Thomas E Howard
Amount approved for payment
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF May 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting	650.02		106.07	67.99		Ft.	60.0	214	274	300
Crosscutting										
Raising	216.68		38.02	~~22.66~~ 20.65		Ft.	18.0	59	77	120
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	866.70		144.09	~~90.65~~ 88.64	~~1101.44~~ 1099.43	Ft.	78.0	273	351	420

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

COPY

Invoice Distribution for May, 1952

Supplies:

(c) Repair Parts

Intermountain Equipment Co.	5-9-52	$13.17
Bradley Mining Co. #2371	5-31-52	2.10
TOTAL		$15.27

(d) Other

Invoice for Grinding Bits	5-7-52	4.00
Invoices Bradley Mining Co. (#549)	5-8-52	88.40
Invoices " " " (#694)	5-9-52	1.29
Invoices " " " (#2163)	5-29-52	35.13
		$128.82

Telephone and Telegraph

Invoice Bradley Exchange 5-31-52	$ 1.61

This list of invoices are for the true amounts paid to the suppliers

R. J. McRae

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 133

Name of Operator McRAE TUNGSTEN CORP
Docket No. DMA 684
Total Contract Amount $ 20,351.00
Government Participation: 75 % Amount, $ 15,263.75
Distribution of Expenditures for Month of APRIL 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

Defense Minerals Administration
JUN 20 1952

CERTIFICATION

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

McRAE TUNGSTEN CORP
(Name of Company)

By Robert J. McRae
(Signature of Authorized Official)

MAY 13, 1952
(Date)

President
(Title)

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

16--64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings		786.42	786.42			
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]		3254.79	3254.79			
(b) Rented[2]		650.00	650.00			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

PROGRESS REPORT FOR APRIL 1952

During the month 59 feet of raise and 40 feet of drift was run. A total of two men were on the working payroll.

As was mentioned in the March report a raise was started at a point just east of the dike contact at about 150 feet in from the portal, see Map No. 1. Map No. 3 illustrates a section through the raise along section YY (see Map No. 2). The raise picked up some scheelite at about elevation 8024. At elevation 8030 there was 36 inches of fair ore. From 8040 to the face or 8053 there is from 5 to 6½ feet of what appears to be good ore containing scheelite and hubnerite. Samples A-B-C-D-E and F are from the raise and are now in for assay (see Map 3).

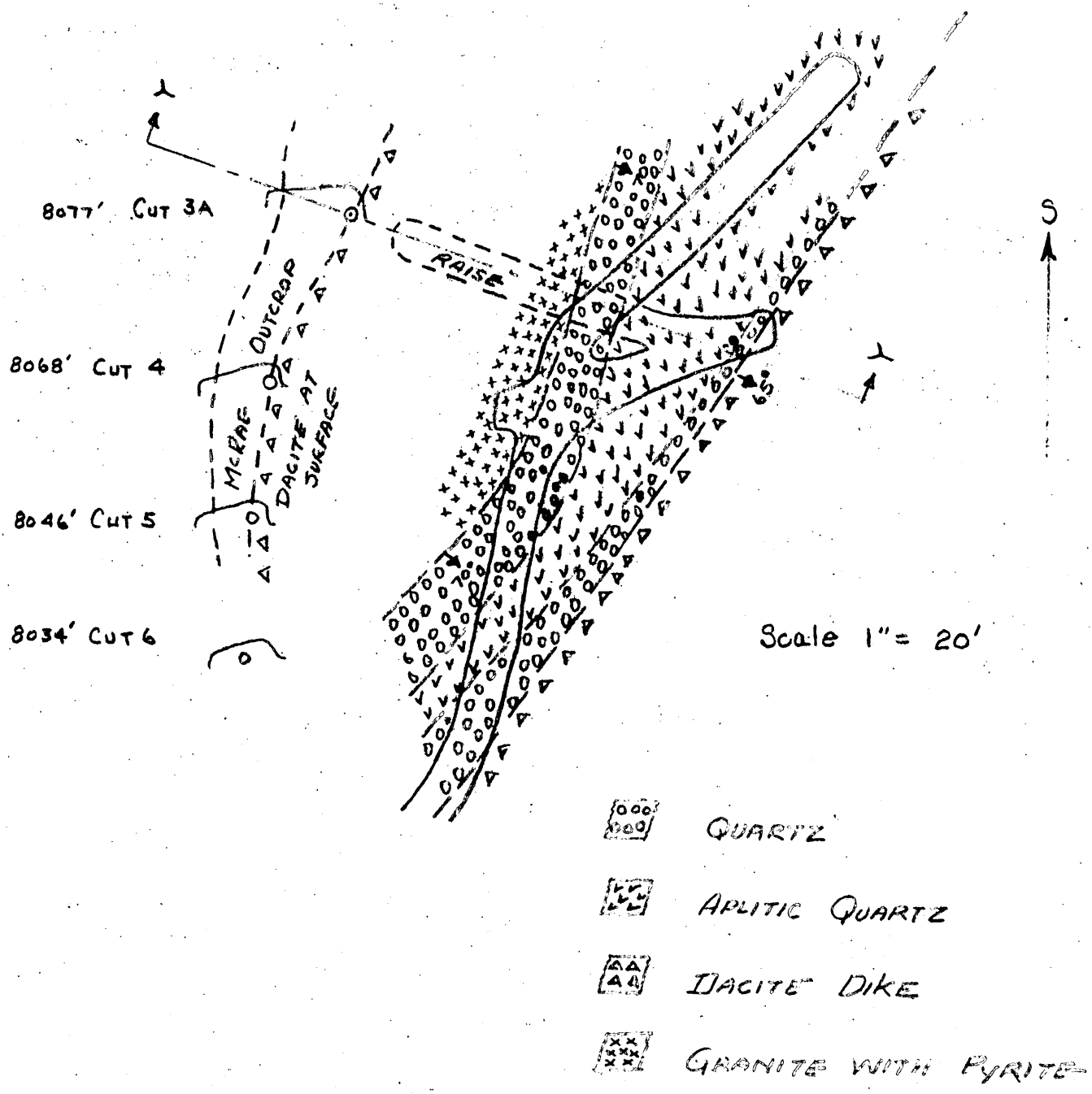
The raise was stopped at elevation 8053. The ore for the last 10 feet in the raise appeared to be very much similar to the surface ore. It was felt little information would be gained by driving on to the surface.

The drifting was continued and the drift was turned to the west in order to pick up the dike contact. If after drifting 100 feet beyond the first raise the ore has not yet come down to the level we will raise again and find its location.

At present I do not have any clear reason why the ore has not come below elevation 8030. In looking at the section Map 3 it might be that the ore starts at the probable point of intersection of the east quartz zone with the dike. This would be at sample D or E., or at about elevation 8034.

BRADLEY MINING C[illegible] SUBJECT UNDER GROUND G[illegible]GY SHEET NO. ..... OF .....
BY R.J.M. DATE 5-5-52 McRAE TUNGSTEN CORP. JOB NO. .....
CHKD. BY ..... DATE ..... PROGRESS REPORT FOR APRIL

MAP No 2



BRADLEY MINING CO. SUBJECT [illegible] SHEET NO. ..... OF .....

BY RJM DATE 5-7-52 [illegible] JOB NO. .....

CHKD. BY ..... DATE ..... Valley County, Idaho

Contract Idm-E133
Docket No. 864 (tungsten)
April report

SAMPLES $\%WO_3$

(A) No 5704 - 72" @ 1.39 $\%WO_3$

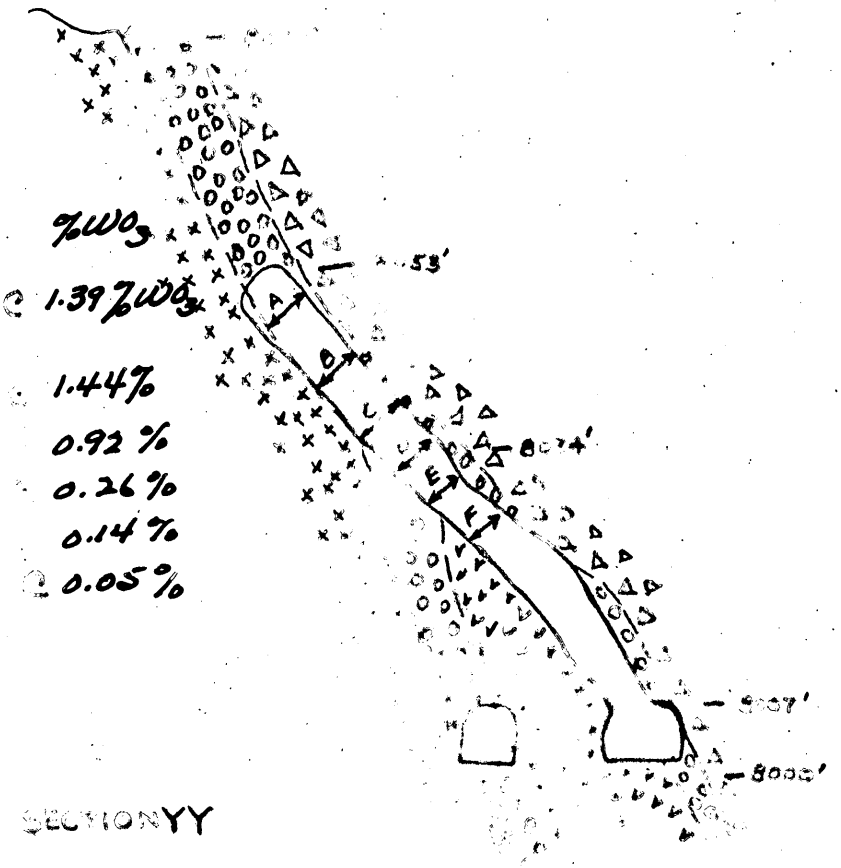
(B) 5705 - 80" 1.44%

(C) 5706 - 60" 0.92 %

(D) 5707 - 48" 0.26 %

(E) 5708 - 48 0.14 %

(F) 5709 - 34 @ 0.05 %



SECTION YY

Scale 1" = 20'

QUARTZ

APLITIC QUARTZ

DACITE

GRANITE

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	1027.85	3333.73	4361.58			
5. Supervision	90.00	390.00	480.00			
6. Supplies						
(a) Timber						
(b) Explosives		590.61	590.61			
(c) Repair Parts	19.80	70.00	89.80			
(d) Other	98.98	1409.22	1508.20			
7. Power						
8. Transportation	2.33	167.42	169.75			
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	66.12	152.73	218.85			
10. Contract Work						
11. Other (specify)						
Soc Security Tax	50.30	162.99	213.29			
And Sec Tax						
Tel and Teleg	3.19	68.86	72.05			
Office Supplies	6.30	0.0	6.30			
Total	1364.87	11,036.77	12,401.64			
Deletions						
Adjusted totals						
Totals previously reported	11036.77					
Totals to date	12,401.64			1476.23	10,925.41	12,401.64

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

Note.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by W R Lee
Entered by
Approved by Thomas E Howard
Amount approved for payment $ 110 71
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF APRIL 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting	558.92	59.2	59.39	64.12	682.43	FT	40.9	173.1	214.0	300
Crosscutting										
Raising	558.93		59.39	64.12	682.43	FT	59.0	0.0	59.0	120
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	1117.85		118.78	128.24	1364.87	FT	99.9	173.1	273.0	420

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 133

Name of Operator McRAE TUNGSTEN CORP.
Docket No. DMA 684
Total Contract Amount $ 20,351.00
Government Participation: 75 % Amount, $ 15,263.25
Distribution of Expenditures for Month of March

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

McRAE TUNGSTEN CORP.
(Name of Company)

By Robert J. McRae
(Signature of Authorized Official)

April 3, 1952
(Date)

President
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings		786.42	786.42			
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]		3254.79	3254.79			
(b) Rented[2]		650.00	650.00			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	568.15	2765.58	3333.73			
5. Supervision	45.00	345.00	390.00			
6. Supplies						
(a) Timber						
(b) Explosives		590.61	590.61			
(c) Repair Parts		70.00	70.00			
(d) Other		1409.22	1409.22			
7. Power						
8. Transportation		167.42	167.42			
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	31.75	120.98	152.73			
10. Contract Work						
11. Other (specify)						
Soc. Sec. Tax and Security Tax	27.61	135.38	162.99			
Tel. and Teleg.	22.63	46.23	68.86			
Total	695.14	10341.63	11036.77			
Deletions						
Adjusted totals						
Totals previously reported	10341.63					
Totals to date	11036.77					

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Thomas E Howard
Amount approved for payment
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF March 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting	613.15			81.99	695.14	Ft.	24	149.1	173.1	300.0
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	613.15			81.99	695.14		24	149.1	173.1	300.0

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

PROGRESS REPORT FOR MARCH 1952

McRAE TUNGSTEN STIBNITE, IDAHO

Work was resumed on the project on March 16 with two men. Actual mining was started on March 22.

I visited the property on March 29. This is the first visit since Dec. 8, 1951. At that time the drift was in 100 feet. Two maps are included with this report--one showing the underground geology and the other the underground workings.

If you will refer to Map A, you will see that there are two bands of quartz. One is against the dike and the other about 10 feet east of the dike. Between the two bands is aplitic quartz. The entire zone is about 20 feet wide. The crosscut to the dike was completed while I was at the property.

The mineralization of the two bands was disappointing to me and my December report must be modified. There is some tungsten mineralization between points C and E in the west band quartz. Likewise there is tungsten mineralization in the east band. Scheelite predominates in the west band and hubnerite with practically no scheelite in the east band. In both cases the tungsten mineralization is spotty and bunchy. The miners, during mining, had sorted off the top of the muck cars several hundred pounds of quartz containing hubnerite. Some of the crystals were one inch long.

PROGRESS REPORT (CONT.)

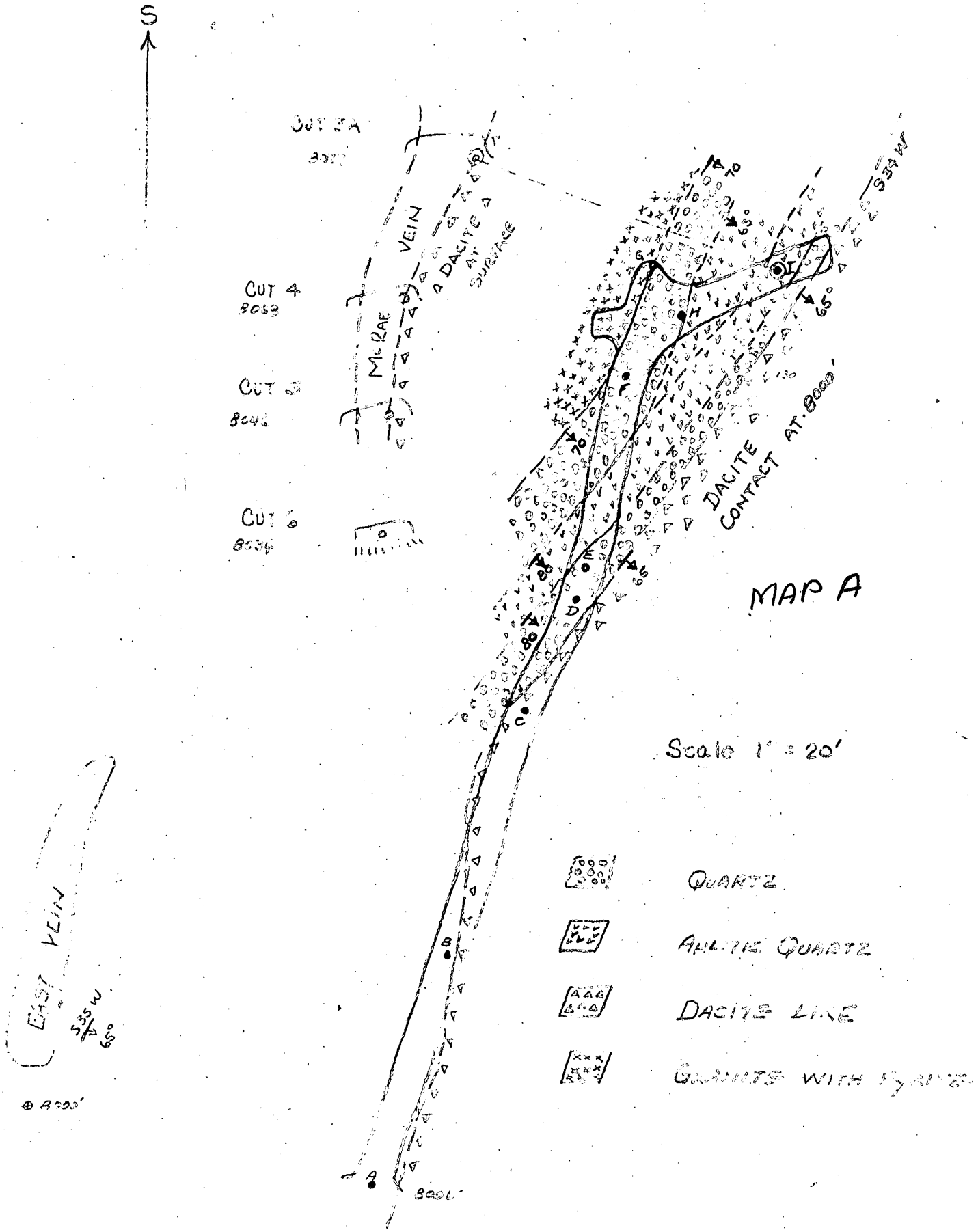
McRAE TUNGSTEN CORP STIBNITE, IDAHO

I could not find any in the quartz in place. The showing at 100 feet reported in the November report also appeared to be a large bunch that did not extend southward.

The east band contains considerable Chalcopyrite, and Galena in bunches. The stub crosscut to the east entered pyrite bearing granitic rock. It is believed that point G is the footwall of the zone.

In view of the findings to date it is evident that the surface oreshoot has not yet been encountered in the development. There are two possibilities; The oreshoot rakes strongly southward or the shoot does not come down to the 8005 elevation in the region explored. To settle this uncertainty, I deemed it desirable to start the first raise at point I in the crosscut and project the raise to surface at Cut 3A. The length of this raise will be 88 feet, inclination from 50 to 55 degrees, and its bearing S 70 degrees E. It was started about 4 feet east of the dike and will stay about that distance under the contact. (On April 4th this raise was up 20 feet and the signals indicated they had struck the oreshoot.) This was determined when we flew over the mine to drop fresh meat and vegetables. If this is correct it probably indicates a south rake. Another visit is planned about April 20th at which time the altitude of the oreshoot should be much clearer.

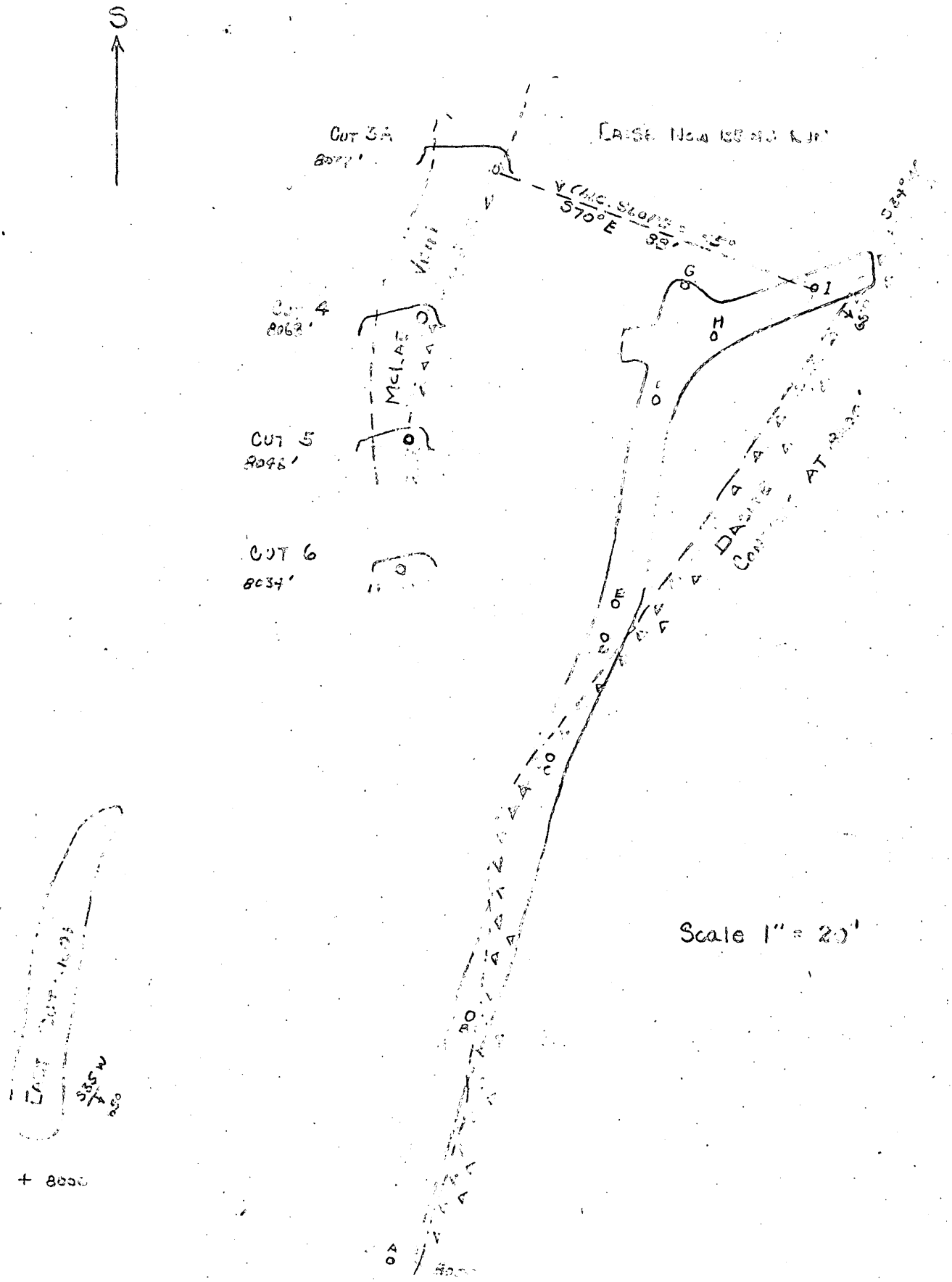
BY [illegible] DATE 3-[illegible] SUBJECT [illegible] Corp. SHEET No. ..... OF .....
CHKD. BY ..... DATE ..... UNDERGROUND GEOLOGY JOB No. .....
PROGRESS [illegible] FOR MAPS



BY [illegible] DATE [illegible] SUBJECT [illegible] SHEET No. 1 OF 2

CHKD. BY DATE PLAN OF [illegible] JOB No.

PROGRESS [illegible] FOR [illegible]



Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

COPY

D. O. Vou. No. _____
Bu. Vou. No. DMA-133

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of $_____
Comptroller General of the United States
By _____

U. S. Department of the Interior, Bureau of Mines
(Department, bureau, or establishment)

Voucher prepared at Albany, Oregon Jan. 23, 1952
(Give place and date)

THE UNITED STATES, Dr.,

To McRae Tungsten Corp.
(Payee)

Address Stibnite, Idaho

Payee's Account No. IDM-E 133

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms _____% Discount Cash _____ days	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	December 1951	As per attached certified Form MF-104 dated January 1952				453	35

Shipped from _____ Weight _____ Government B/L No. _____ Total 453 35

Defense Library
RECEIVED
MAR 10 1952

(Payee must NOT use this space)
Differences _____
Account verified; correct for 453 35
(Signature or initials) _____

Contract No. IDM-E 133 Date 9/5/51 Req. No. _____ Date _____ Invoice Rec'd _____

453.35

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	453.35	453.35

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

Paid by { Check No. _____ dated _____, 19____, for $_____ } on Treasurer of the United States in favor of payee named above.
{ Cash, $_____, on _____, 19____. Payee _____ }
(Sign original only)

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for $_____", and over his official title.

16—22900a-1

Per _____
Title _____

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.

2. (*a*) After advertising by circular letters sent to _____ dealers.

   (*b*) And by notices posted in public places.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(*a*)(*b*)" or "2(*a*)", depending on whether or not notices were posted.)

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.

4. Without advertising in accordance with _____

5. Without advertising, it being impracticable to secure competition because of _____

_____

_____

_____

_____

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

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

U. S. GOVERNMENT PRINTING OFFICE: 1946 O-88934

16—22900-1

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 133

Name of Operator McRae Tungsten Corp.
Docket No. DMA 864
Total Contract Amount $ 20,351.00
Government Participation: 75 % Amount, $ 15,263.25
Distribution of Expenditures for Month of Dec., 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 0 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

McRae Tungsten Corp.
(Name of Company)

By Robert J. McRae
(Signature of Authorized Official)

Jan., 1952
(Date)

President
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings		786.42	786.42			
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]		3254.79	3254.79			
(b) Rented[2]		650.00	650.00			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

PROGRESS REPORT FOR DECEMBER 1951

During the month only one man was employed. The drift was driven 49 feet with 27 man shifts. Due to extremely heavy storms, the planned visit of Jan. 1 has not been made. The information in this report and on the enclosed map is from the compass bearings, and description furnished by Mr. Wilbur Wiles, the miner who ran these 49 feet. His past observations have been reasonably accurate. He brought out one sample 5 M.

At my visit of Dec. 1, when the drift was at 100 feet, I suggested turning slightly to the east to get away from the soft hanging wall (vein-dyke contact). I also suggested that the miners hold this course until the foot wall was reached, which I estimated would be about 115 feet, and then for them to turn with the vein. This was based on my estimate that the vein would not be over 10 feet wide. The drift continued in quartz to 148 feet before the foot wall was found. This indicates a vein width of 20 or more feet. Unfortunately, the 10 feet next to the foot wall is very low grade. The drift was in tungsten bearing material from 100 feet to 125 feet. At 100 feet the 18 inch band of ore represented by sample 2 M was cut (see map). From 100 feet to 115

feet was low grade material. Then from 115 to 120 feet a 24 inch band of better grade ore was cut and represented by sample 5 M (see map). From 120 to 125 was lower grade material. From 125 to 149 feet the vein was extremely low grade. The foot wall was cut at 148 feet.

The last 25 feet of drift, which is in the low grade foot wall zone, gave us no information as to how the ore was showing up in the hanging wall zone. It is at about 125 feet that we should have been under the end of the ore shoot shown on the surface. The drift should have been turned with the vein at about the 129 foot point and, thus exposed the better ore zone.

When work is resumed in March the drift will be turned sharply west to get back into the ore zone. The work was discontinued on January 1 and it is planned to resume about March 20th. It is my belief that we can finish the drifting by June 1 and then start raising.

It is disappointing that the last 25 feet of work was in barren foot wall zone. However, the ore exposed from 100 to 125 feet indicates an 8 to 10 foot zone that is commercial. It is felt the next 50 feet of drift will be very important in showing how strong the surface ore shoot will be found on this level.

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	451.90	2313.68	2765.58			
5. Supervision	90.00	255.00	345.00			
6. Supplies						
(a) Timber						
(b) Explosives		590.61	590.61			
(c) Repair Parts		70.00	70.00			
(d) Other		1409.22	1409.22			
7. Power						
8. Transportation		167.42	167.42			
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	25.98	95.00	120.98			
10. Contract Work						
11. Other (specify)						
Social Sec. Tax and Security Tax	22.90	112.48	135.38			
Tel. and Teleg.	13.69	32.54	46.23			
Total	604.47	9737.16	10341.63			
Deletions						
Adjusted totals						
Totals previously reported	9737.16					
Totals to date	10341.63					

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Thomas E Howard
Amount approved for payment
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF Dec., 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting	541.90			62.57	604.47	Ft.	49.0	100.1	149.10	300
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	541.90			62.57	604.47	Ft.	49.0	100.1	149.10	300

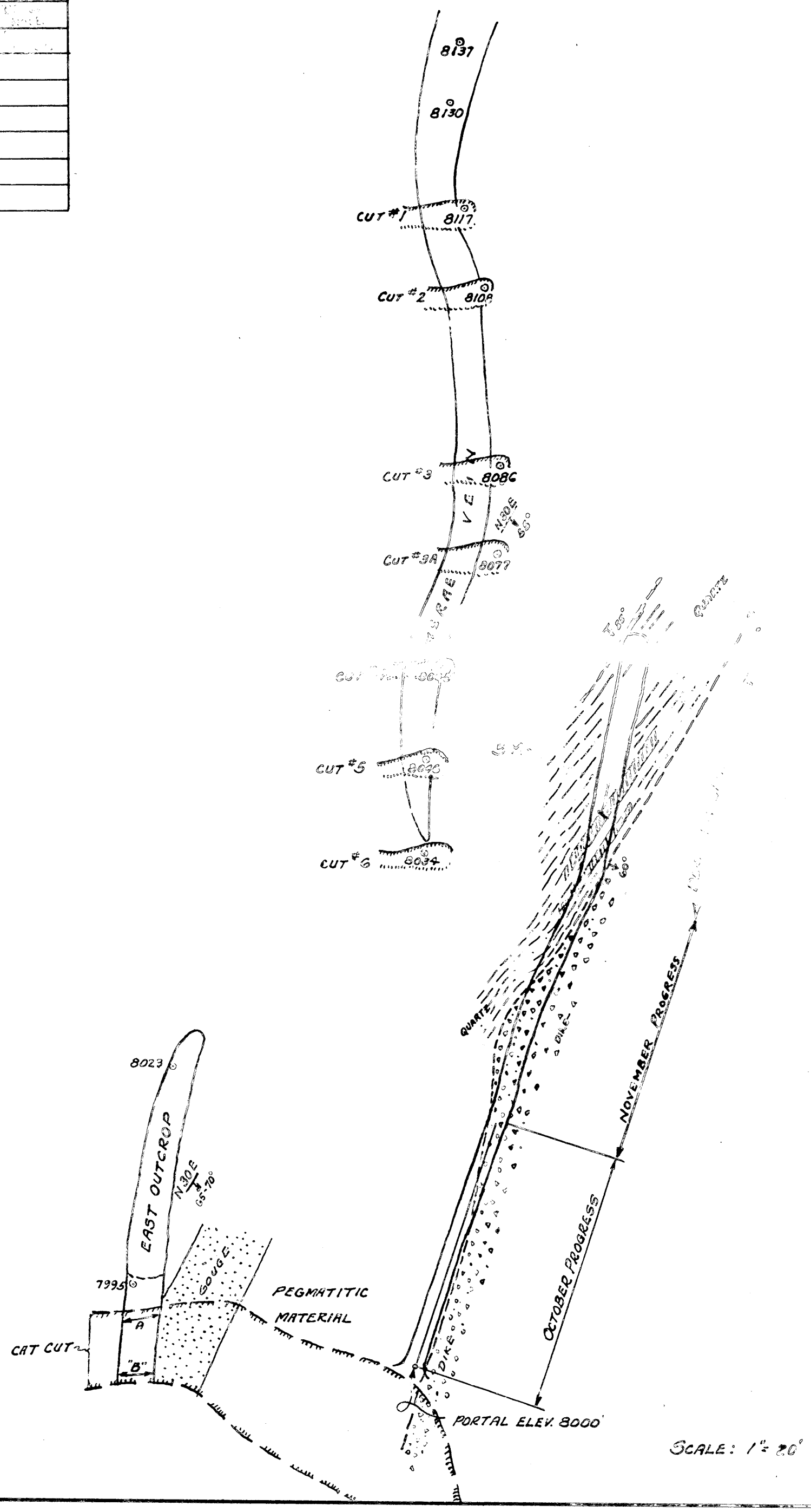
[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

McRAE TUNGSTEN CORPORATION — STIBNITE, IDAHO.

PROGRESS REPORT FOR DEC. 1951

SAMPLE RECORD				
No.	Elev.	Length	% WO_3	Other
"A"	7990	72"	0.24	
"B"	7990	66"	0.35	
			0.22	
			1.0'	
			1.20	



MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 133

864
Nov

Name of Operator McRae Tungsten Corp.
Docket No. DMA 864
Total Contract Amount $ 20,351.00
Government Participation: 75% % Amount, $ 15,263.25
Distribution of Expenditures for Month of November, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

McRae Tungsten Corp.
(Name of Company)

By Robert J. McRae
(Signature of Authorized Official)

Dec. 12, 1951
(Date)

President
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings		786.42	786.42			
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]		3254.79	3254.79			
(b) Rented[2]		650.00	650.00			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

PROGRESS REPORT FOR NOVEMBER 1951

During the month a total of 54.75 shifts were worked. The drift was advanced 52.1 feet. Twenty five feet of the 52.1 was timbered. The dacite dike turned slightly to the east and the tunnel is entirely in dike from 50 feet to the 80 foot mark. The east wall of the dike cut back into the drift at 80 feet. A quartz vein was against the dike when it cut back into the drift. The dike-vein contact angled across the drift until at 100 feet the contact was on the west wall of the drift and the face was entirely in quartz.

Some scheelite and hubnerite show up in the quartz along the drift. At 100 feet the face was sampled for 42 inches in width. This is sample 1 M. Sample 2 M represents the best 18 inch section on the east side of the drift or it represents the best section in 1 M. Sample 3 M is a 36 inch drill hole into the vein at 85 feet. Sample 4 M is cuttings from a 48 inch drill hole drilled east into the quartz vein at the face. The drill hole appeared to be still in quartz at 48 inches. This 48 inches plus the 5 feet of vein in the face indicates a total width of at least 9 feet of quartz.

The four samples are in for assay and will be reported on the next report. For general information only the pulps were plaqued and the following estimate made of their WO_3 content:

1 M	0.60% WO_3
2 M	1.40% "
3 M	0.25% "
4 M	0.15% "

The drift is being turned slightly to the east so as to gradually cross the vein to the foot wall side. This will do away with any further timbering as the vein is hard.

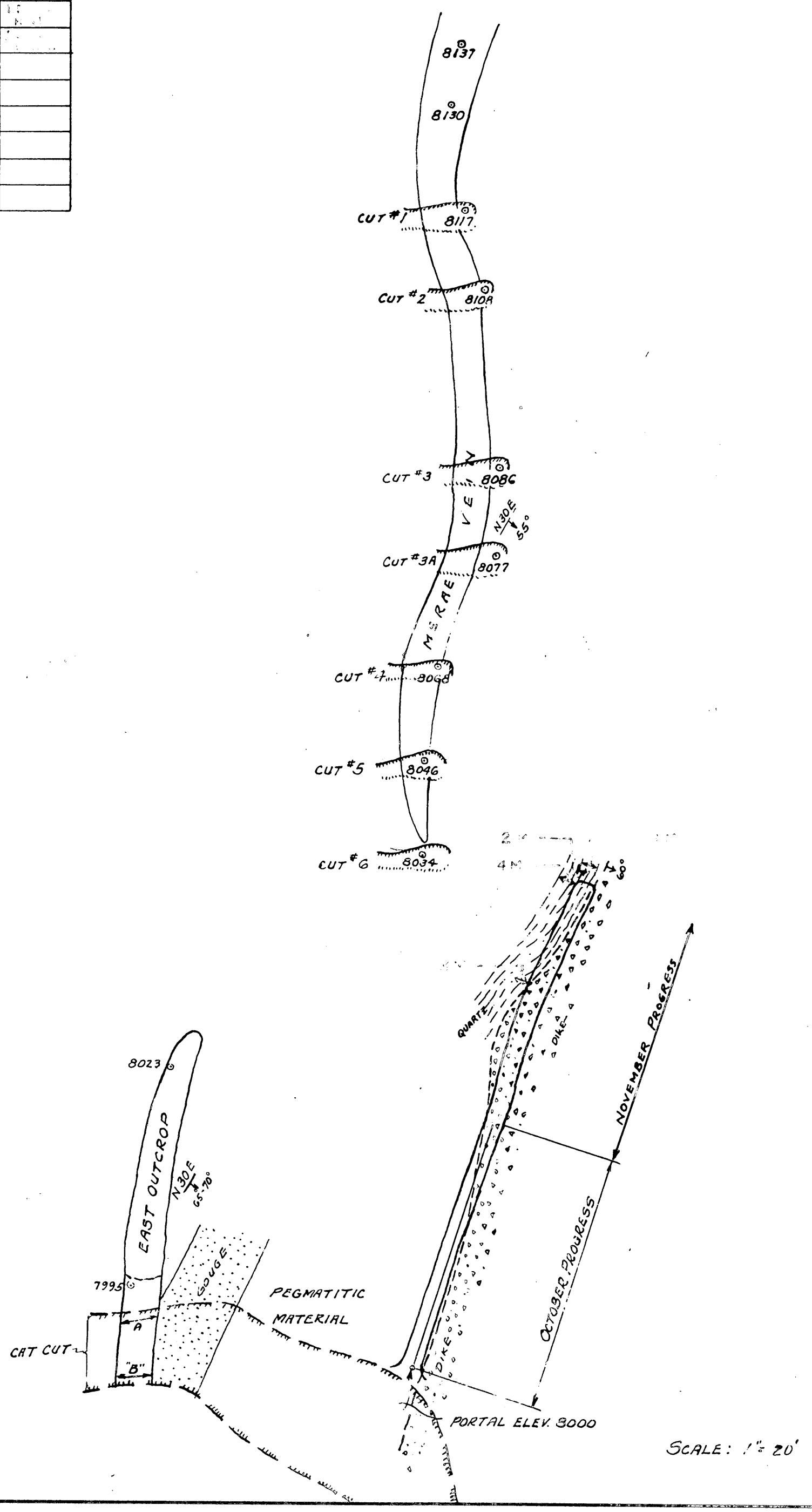
The showing as of Dec. 1 is encouraging. It will be at about 130 feet that we will be under the good ore showing in surface cuts 4 and 5. By January 1 the drift should be into the oreshoot as exposed on the surface. Another visit is planned for about January 1, 1952.

U. S. BUREAU OF MINES
RECEIVED
DEC 21 1951
ALBANY, OREGON

McRAE TUNGSTEN CORPORATION — STIBNITE, IDA

PROGRESS REPORT FOR NOV. 1951

SAMPLE RECORD				
No.	Elev.	Length	% WO_3	Other
"A"	7990	72"	0.24	
"B"	7986	66"	0.35	



MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	784.25	1529.43	2313.68			
5. Supervision	90.00	165.00	255.00			
6. Supplies						
(a) Timber						
(b) Explosives		590.61	590.61			
(c) Repair Parts	#(40.00)	110.00	70.00			
(d) Other	6.14	1403.08	1409.22			
7. Power						
8. Transportation		167.42	167.42			
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	44.15	50.85	95.00			
10. Contract Work						
11. Other (specify)						
Social Security & Security Tax	36.72	75.76	112.48			
Telephone and Tel.	18.53	14.01	32.54			
Total	939.79	8797.37	9737.16			
Deletions						
Adjusted totals						
Totals previously reported	8797.37					
Totals to date	9737.16	8797.37	9737.16			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

#( ) Credit item

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Thomas E Howard
Amount approved for payment
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting	874.25		6.14	59.40	939.79	Ft.	52.1	48	100.1	300.0
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	874.25		6.14	59.40	939.79	Ft.	52.1	48	100.1	300.0

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. _____
Bu. Vou. No. DMA-61

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of $_____
Comptroller General of the United States
By _____

U. S. Department of the Interior, Bureau of Mines
(Department, bureau, or establishment)

Voucher prepared at Albany, Oregon 12/7/51
(Give place and date)

THE UNITED STATES, Dr.,

To McRae Tungsten Corporation
(Payee)

Address Stibnite, Idaho

Payee's Account No. Idm-E133

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms _____% Discount Cash _____ days	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	October 1951	Per attached certified Form MF-104 dated November 10, 1951				791	03

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 791 03

(Payee must NOT use this space)
Differences _____
Account verified; correct for 791 03
(Signature or initials) _____

Contract No. IDM-E 133 Date 9/5/51 Req. No. _____ Date _____ Invoice Rec'd _____

791.03

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	791.03	791.03

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

Paid by { Check No. _____ dated _____, 19____, for $_____ { on Treasurer of the United States in favor of payee named above.
Cash, $_____, on _____, 19____, Payee _____
(Sign original only)

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for $_____", and over his official title.

Per _____
Title _____

16—22900a-1

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.
2. (*a*) After advertising by circular letters sent to _____ dealers.

   (*b*) And by notices posted in public places.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(*a*)(*b*)" or "2(*a*)", depending on whether or not notices were posted.)

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

_____

_____

_____

_____

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

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

U. S. GOVERNMENT PRINTING OFFICE: 1946 O-88934

16—22900-1

1951)

Budget Bureau No. 42-R1036.
Approval expires 6-30-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

CERTIFICATION

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

McRAE TUNGSTEN CORPORATION
(Name of Company)

By /S/ Robert J. McRae
(Signature of Authorized Official)

November 10, 1951
(Date)

President
(Title)

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

MONTHLY SUMMARY COST STATEMENT

Name of operator McRAE TUNGSTEN CORP!
Project No. DMA 864
Total contract amount $20,351.00
Government participation percent 75 percent

Distribution of Expenditures for Month of October 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
		941.23 ~~941.57~~	1694.43 ~~1694.77~~			
Wages and salaries	753.20					
Equipment purchase [1]	14.79	3240.00	3254.79			
Equipment rental [2]		650.00	650.00			
Buildings		786.42	786.42			
Explosives		590.61	590.61			
Repair parts	110.00		110.00			
Other supplies	106.71	1296.37	1403.08			
Power						
Transportation		167.42	167.42			
Withholding taxes	33.39	42.37	75.76			
Compensation insurance	22.60	28.25	50.85			
Other insurance						
Contract work						
Other (specify) Telephone	14.01		14.01			
Total	1054.70	7742.67 ~~7743.01~~	8797.37 ~~8797.71~~			
Totals previously reported	7742.67 ~~7743.01~~ 8797.37 ~~8797.71~~	7742.67 ~~7743.01~~	8797.37 ~~8797.71~~			
Totals to date						

FOR GOVERNMENT USE ONLY

Checked by /S/ W. R. Lee
Entered by
Approved by /S/ Glenn C. Reed
Amount approved for payment $791.03
Remarks

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF October 1951

Name of operator McRAE TUNGSTEN CORP.
Project No. DMA 864
Total contract amount $20,351.00
Government participation percent 75 percent

TYPE	NUMBER	MAN-SHIFTS	RATE	TOTAL
Miners	2	49.2	$ 12.107	$ 595.70
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager	1 Part Time		90.00/mo.	90.00
Superintendent				
Engineers				
Geologists				
Bookkeeper	1 Part time		67.50/Mo.	67.50
Foreman				
Clerks				
Stenographers				
Other				
TOTAL	2	49.2		753.20

NOTE.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /S/ Glenn C. Reed
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October 1951

Name of operator McRAE TUNGSTEN CORP.
Project No. DMA 864
Total contract amount $20,351.00
Government participation, percent 75 percent

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting	753.20	14.79	106.71	180.00	1054.70	Ft.	48	0	48	300
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	753.20	14.79	106.71	180.00	1054.70					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /S/ Glenn C. Reed
Remarks

NARRATIVE REPORT FOR OCTOBER 1951

McRae TUNGSTEN CORP. DMA--864

Actual underground work was started about October 5th. There was still considerable work necessary to get ready for deep snow and winter.

The road closed on October 1st and then opened again from October 8th to 12th. It closed permanently on October 15th. The snow was 30 inches deep at the property on October 31st.

The drift was started at elevation 8000 feet. The west wall of the drift is formed by the large dacite dike. The bearing of the tunnel is S.18 W.. It is timbered to the face which was 48 feet on October 31st. The granitic material along the dike is soft and has two gouge zones 12 inches wide, one against the dike, and one about 6 feet east of the dike. The gouges and dike dip about 70 West and strike N.16 W.. At 30 feet the dike began to crowd over into the drift. At 48 feet almost the entire face was in hard dacite dike. It was decided to drift in the dike, as it drills and breaks well, and will not need to be timbered.

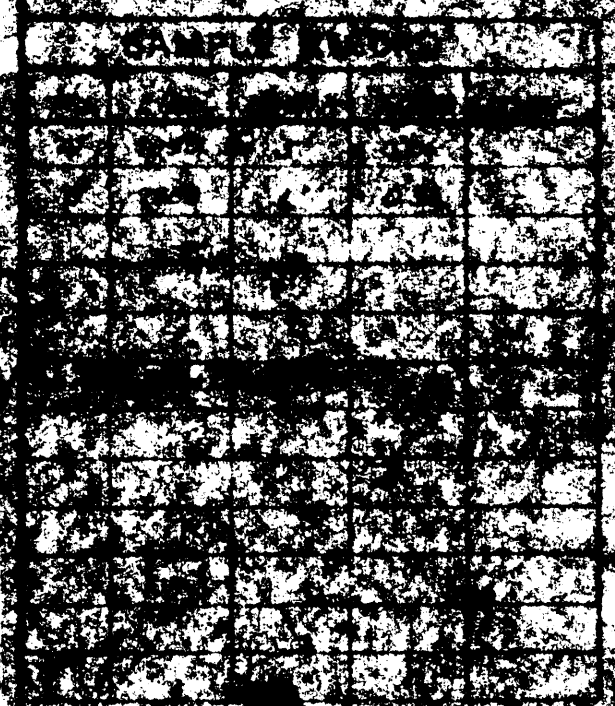
The granitic material and the dike both contain low values of scheelite. An assay of the dike, at 26 feet, gave 0.04% WO_3. It should be 75 to 80 feet further before the end of the ore shoot will be encountered.

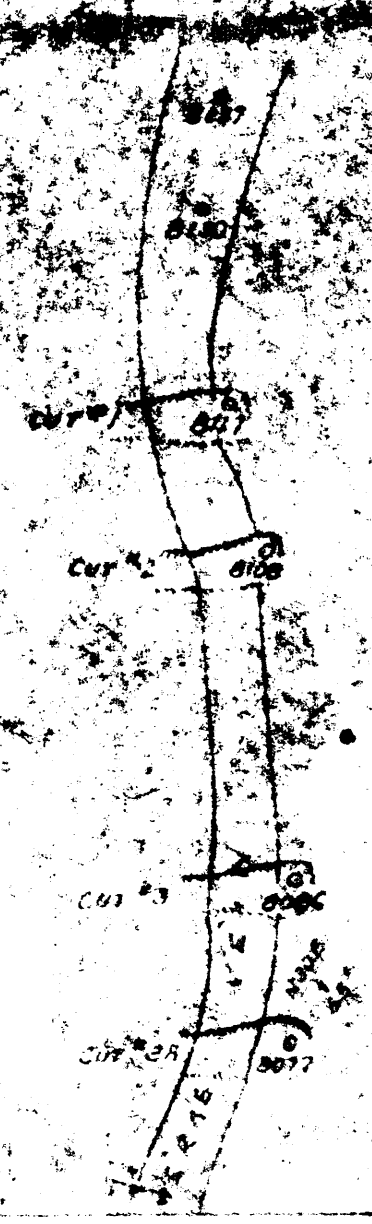
R.M/os

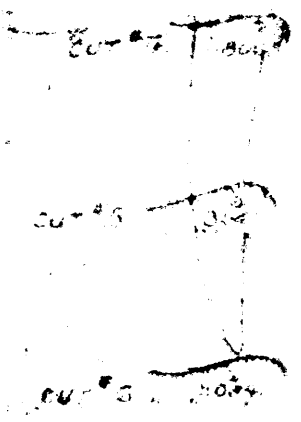
U. S. BUREAU OF MINES
RECEIVED
NOV 1 1951
ALBANY, OREGON

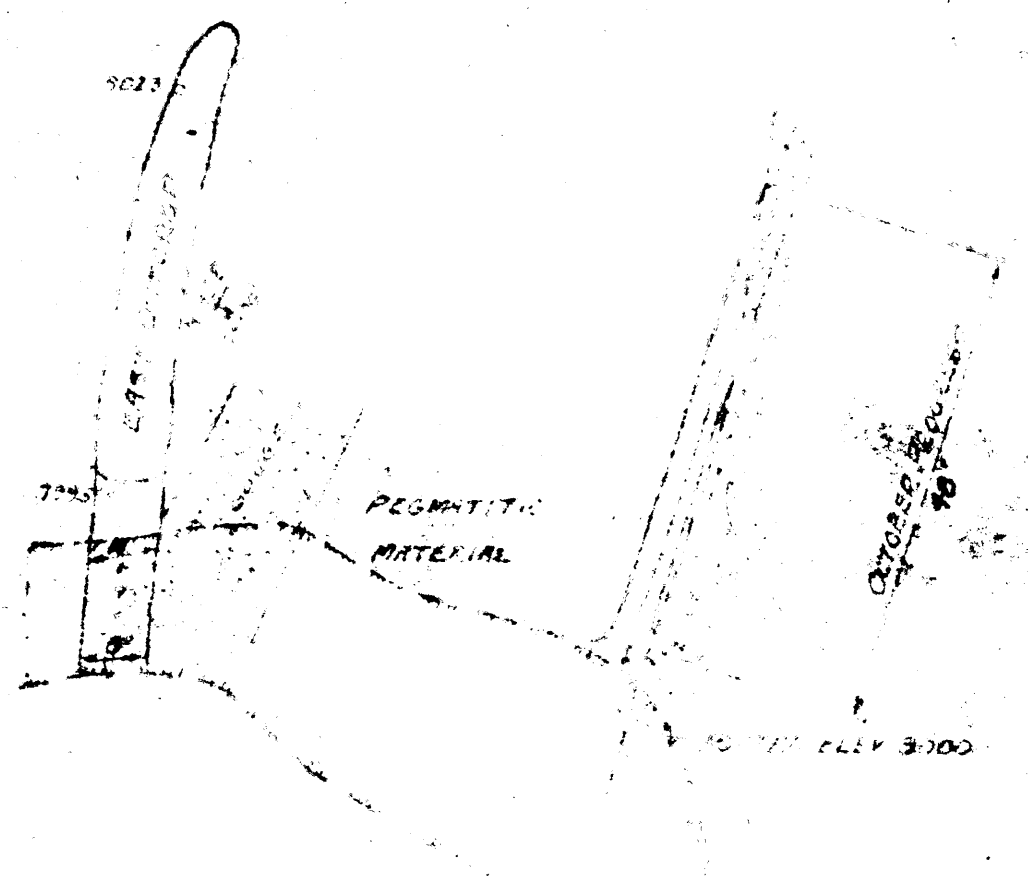
McKAE TUNGSTEN CORPORATION — SIBNITE, MONTANA

PROGRESS REPORT FOR _____ 195_









STATE OF OREGON
NOV 1 8 1951
VERIFIED
COMPTR. OF MINES

Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

COPY

D. O. Vou. No. _____
Bu. Vou. No. DMA-31

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of $_____
Comptroller General of the United States
By _____

U. S. Dept. of the Interior, Bureau of Mines
(Department, bureau, or establishment)

Voucher prepared at Albany, Oregon - October 18, 1951
(Give place and date)

THE UNITED STATES, Dr.,

To McRae Tungsten Corp.,
(Payee)

Address Stibnite, Idaho

Payee's Account No. 1133

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms _____% Discount Cash _____ days	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	9/5-30/51	Per attached certified form MF-104, dtd 10/6/51				5,807	00

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 5,807 00

(Payee must NOT use this space)
Differences _____
Account verified; correct for 5,807 00
(Signature or initials) _____

Contract No. Idm-E133 Date 9/5/51 Req. No. _____ Date _____ Invoice Rec'd _____

5,807.00

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	5,807.00	5,807.00

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

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

Payee _____
(Sign original only)

Per _____
Title _____

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for $_____", and over his official title.

16—22900a-1

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.

2. (*a*) After advertising by circular letters sent to _____ dealers.

(*b*) And by notices posted in public places.

(If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(*a*)(*b*)" or "2(*a*)", depending on whether or not notices were posted.)

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.

4. Without advertising in accordance with _____

5. Without advertising, it being impracticable to secure competition because of _____

_____

_____

_____

_____

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

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

U. S. GOVERNMENT PRINTING OFFICE: 1946 O-88934

16—22900-1

MP-104
(August 1950)
April

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E

E 1333

Name of Operator McRae Tungsten Corporation
Docket No. DMA 864
Total Contract Amount $ 20,351.00
Government Participation: 75 % Amount, $
Distribution of Expenditures for Month of September, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

CERTIFICATION

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

/S/ McRae Tungsten Corp.
(Name of Company)

By /S/ Robert J. McRae
(Signature of Authorized Official)

October 6, 1951
(Date)

President
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT

Distribution of Expenditures for Month of September, 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date
Wages and salaries	~~941.57~~ 941.23	none	~~941.57~~ 941.23
Equipment purchase	3240.00	none	3240.00
Equipment rental	650.00	none	650.00
Buildings	786.42	none	786.42
Explosives	590.61	none	590.61
Repair parts			
Other supplies	1296.37	none	1296.37
Power			
Transportation (freight)	167.42	none	167.42
Withholding taxes S.S. taxes	42.37	none	42.37
Compensation insurance	28.25	none	28.25
Other insurance			
Contract work			
Other (specify)			
TOTAL	7942.67 ~~7743.01~~		7942.67 ~~7743.01~~
Totals previously reported	none		
Totals to date	~~7743.01~~ 7942.67		7942.67 ~~7743.01~~ 7942

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF September, 1951

Type	Number	Man-Shifts	Rate	Total
Miners	3	64	12.656	~~809.39~~ 809.98
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent 25/30 mo.	part-time		90.00/mo.	$75.00
Engineers				
Geologists				
Bookkeeper 25/30 mo.	part-time		67.50/mo.	$56.25
Foreman				
Clerks				
Stenographers				
Other				
TOTAL				~~$941.57~~

941.23 TEL

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(*d*) Fixtures						
4. Labor [3]						
5. Supervision						
6. Supplies						
(*a*) Timber						
(*b*) Explosives						
(*c*) Repair Parts						
(*d*) Other						
7. Power						
8. Transportation						
9. Insurance						
(*a*) Fire						
(*b*) Public Liability						
(*c*) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Total						
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

Note.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by .....

Entered by .....

Approved by .....

Amount approved for payment .....

Remarks .....

.....

.....

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF September, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting	299.58	3240.00	1886.98	42.89	5469.45	Ft.	None	None	None	300
Crosscutting										
Raising						Ft.	"	"	"	120
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation	525.79		408.42	534.44	1468.65					
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails			100.00							
Test pits			550.00							
Other (specify) Camp fuel	116.20			38.71	154.91					
Totals	941.57	3890.00	2295.40	616.04	7743.01					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

OPERATORS MONTHLY REPORT

DMa 864
TUNGSTEN

On Sept. 6th, active work was started on the project with 3 men. All needed materials and equipment had previously been located. In view of the short season free of snowevery effort was made to provide a camp, shop, and move in all necessary supplies for the winter's work. After October 20th, it is likely the roads willl close and any further supplies would have to be dropped for an airplane.

By Sept. 15, the suitable quarters had been moved in and erected. This consisted of a cabin with a total floor dimension of 14x32 feet. This was purchased as a portable unit. Nu-wood lining was installed and this housing unit is ample and comfortable.

By Sept. 25, a shop 16x16 feet had been erected near the portal site. This building also houses the portable compressor.

By Sept. 30th all supplies for the first 6 months of the project had been delivered and stored. In addition the dump track had been erected for snow shedding at the portal of the drift.

During the time the above work was in progress a TD 18 International bulldozer was engaged at $12.50 per hour. The road improvement listed under Exhibit A (6) was completed in 9 hours. The cat had considerable difficulty getting down to the area where cat Cuts Nos. 1, 2, 3, and 4 were to be done. It soon became apparent that cat work in this area would be very slow and expensive. The cat operator refused to attempt work at Cut No 1, due to steep slope and large boulders. Cat Cut No 2 was attempted first as it would provide the portal site. Digging was extremely difficult and was hampered by boulders imbedded in soft gouge. In order to get the portal site cleared and get any information, the Cut was extended across the north extension of the East Vein (See accompanying Map). In other words, cat Cut No 2 was extended and did almost the same exploration as indicated for cat Cut No 3. As indicated, two samples were taken where the Cut No 2 crossed the north extension of the East Vein. These will be reported when returns are available. Cat Cut No 4 was attempted but so little progress would be made that it was abandoned. Actual development work by cat was very discouraging, as the extremely large boulders imbedded in soft muck made an almost impossible cat job. It now appears that two short (100 Ft) diamond drill holes would have been more practical and informative.

The contact between pegmatite and diorite as exposed by cat Cut No 2 strikes S 35 W. This contact is the same one that contains ore in Cut No 5. While it was proposed to follow this contact, it is obvious that it must turn southward soon. The direction of the drift will be about S 10 W for the first 100 feet, and it is believed the contact will be picked up within this distance.

Actual drifting should be underway by October 10th.

Robert J. McRae

MCKIE TUNGSTEN CORP.
DMA 864

EXPLANATION OF
UNIT COST AND PROGRESS REPORT FOR SEPT. 1951

On this project nearly all of the supplies and material must be purchased and moved to the property before October 10. The roads can be expected to close with snow anytime after that date. They will open naturally about July 15th.

Opposite the item "Drifting" under Equipment is listed the purchase price of our Portable Compressor, $2700.50 F.O.B. mine, and a Jackhammer and Jackleg, $540.00. This is authorized under Exhibit A (4). On the same line under "Supplies" are listed all the supplies, tools, etc., necessary for the first 9 months of the project. This is authorized under Exhibit A (1 and 2) of the contract. On the same line under "Wages and Salaries" is the cost of the actual man shifts with Supervision and Bookkeeping costs prorated.

Opposite the item Rehabilitation and Preparation are listed the costs of a house and shop-building. This is authorized under Exhibit A (5). A portable house section was purchased and set up at the mine. The amount shown under "Other", $534.44, is made up of purchase price of house, $400.00; freight, $95.00; and employer's payroll taxes and compensation insurance, $39.44.

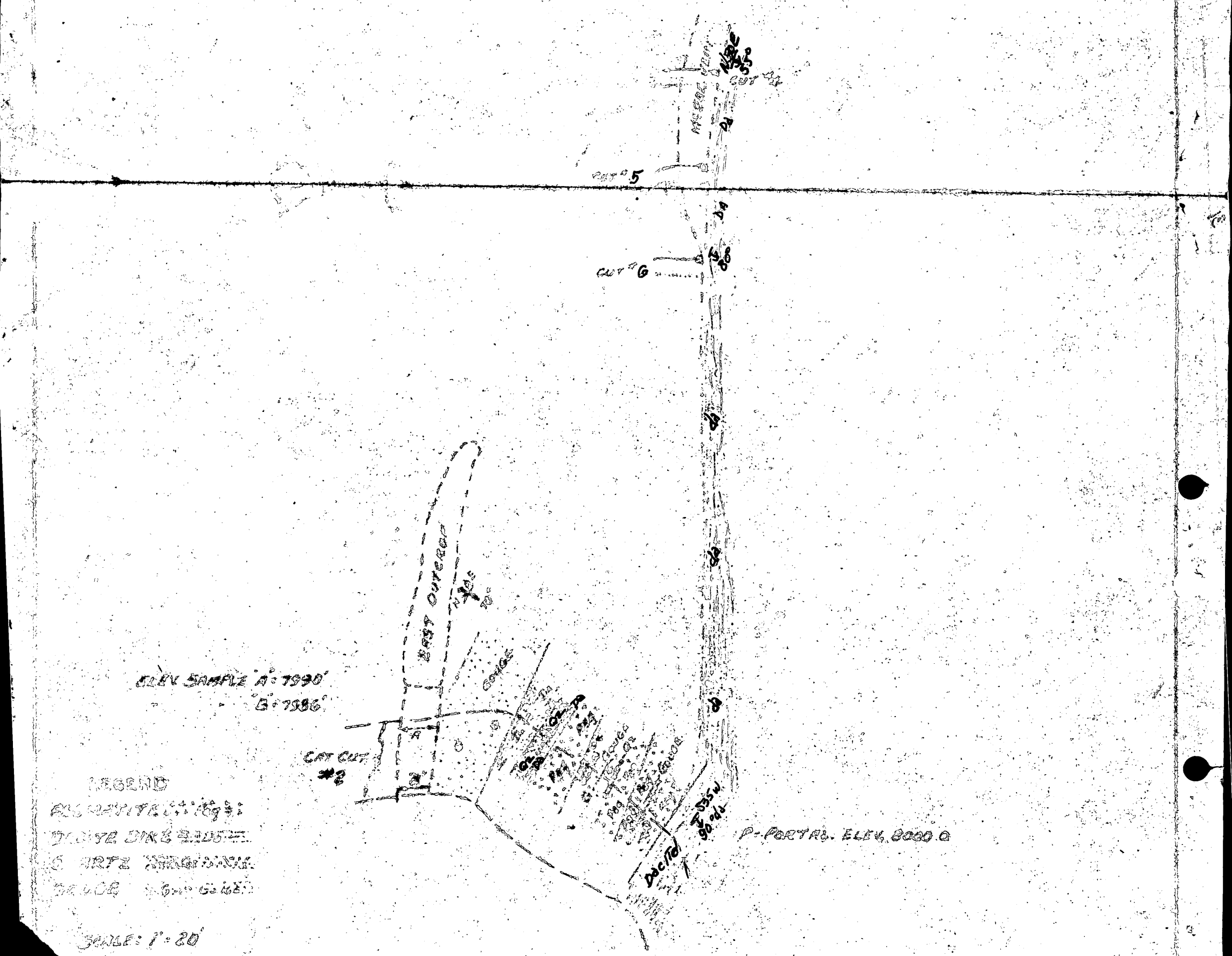
Opposite Roads and Trails is listed the cost of repairing the road to the tunnel site. This is authorized under Exhibit A (6), Road Repair. It consisted of 8 hours of bulldozer work at $12.50 per hour.

Opposite item Test Pits is listed the cost of bulldozer work for exploration cuts as authorized under Exhibit A (3). This consisted of 44 hours of bulldozer work at $12.50 per hour or a total of $550.00.

Opposite Fuel for Camp under heading "Other" is listed $38.71 which is made up of $30.00 hauling charge and $8.71 payroll taxes and compensation insurance.

McRAE TUNGSTEN CORPORATION ——— STIBNITE, IDAHO

PROGRESS REPORT FOR SEPT. 195[illegible]



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

Re: [illegible]-964 (Tungsten)
Nelson Tungsten Corporation
Sunshine Group of Claims
Valley County, Idaho
Contract 14s-[illegible]

Dear Mr. Nelson:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development, dated February 3, [illegible], all minerals mined or produced from September 3, 1951, to September 3, 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

[illegible]:ldsmith/ms
3/5/63
cc: Director's Reading File
GSA Division
Region X (X)
Docket
Code 360

GOVERNMENT'S COPY

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 magnetitic 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 Rust 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 O Mitteldorf
Administrator, Defense Minerals
Exploration Administration

Dated FEB 5 1953

Copy to: DOCFMT
FIELD SUPV. REG. II
CODE 400
CODE 800 - MR. CHAMBERS
CODE 900 - MR. RUPKLAND
ADMN. PROC. FILE
OPERATING COMMITTEE
D. H. LEMON, USGS
R. W. GOMAN, USBM
FINANCE OFFICE
ADMINISTRATOR, DMEA
MR. J. P. JOHNSON
MR. THAYER, USGS
MR. REDDS, USBM
MR. CHAMBERS

Mr. Chambers

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
McMac Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract No. Idm-2133

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-2133 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: 324 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 McMac vein. In one of these, the McMac 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 McNee 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. Mittenderf

Administrator

Enclosures

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

FAHetledge/ln
3/9/53

FEB 10 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
McKee Tungsten Corporation
Snowbird Group of Claims
Valley County, Idaho
Contract No. Idm-2-133

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

Administrator

Enclosure

FARutledge/lm 2/9/53

CC: DOCKET
FIELD TEAM, DMG. 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. [illegible], USBM
MR. R. W. GEEHAN, USBM

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

FEB 5 1953

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 6-month intervals that no production has been made, when that is the case.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

CC: DOCKET
FIELD TEAM, REG. II
CODE 400 - Mr. Martin
CODE 800 - Mr. Chambers
CODE 110 - Mr. Johnson
ADMN. READ. FILE
D.M.P.A. - Mr. Larson, Adm.
R. W. GEEHAN, USBM
Mr. HEDGES, USBM

CC: MR. THAYER, USGS
D. M. LEMMON, USGS
OPERATING COMMITTEE

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 ADM. REG. 2
CODE 400
ATTN. READING FILE
OPER. COMMITTEE
CODE 800--MR. CHAMBERS
MR. D.M.LEMMON, USGS
MR. R.W.GAHAN, USBM
CODE 110-MR. JOHNSON
MR. MEDERS, USBM
MR. THAYER, USGS

Government Copy
DMEA 864
(Tungsten)

AMENDMENT NO. 2

It is agreed this 21 day of July 1952, between the 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 Idm-E133 of Sept. 5 1952 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 July 1 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.

McRae Tungsten Corporation
(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
AUG 25 1952

McRAE TUNGSTEN CORP.
Contract Idm-E133

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:

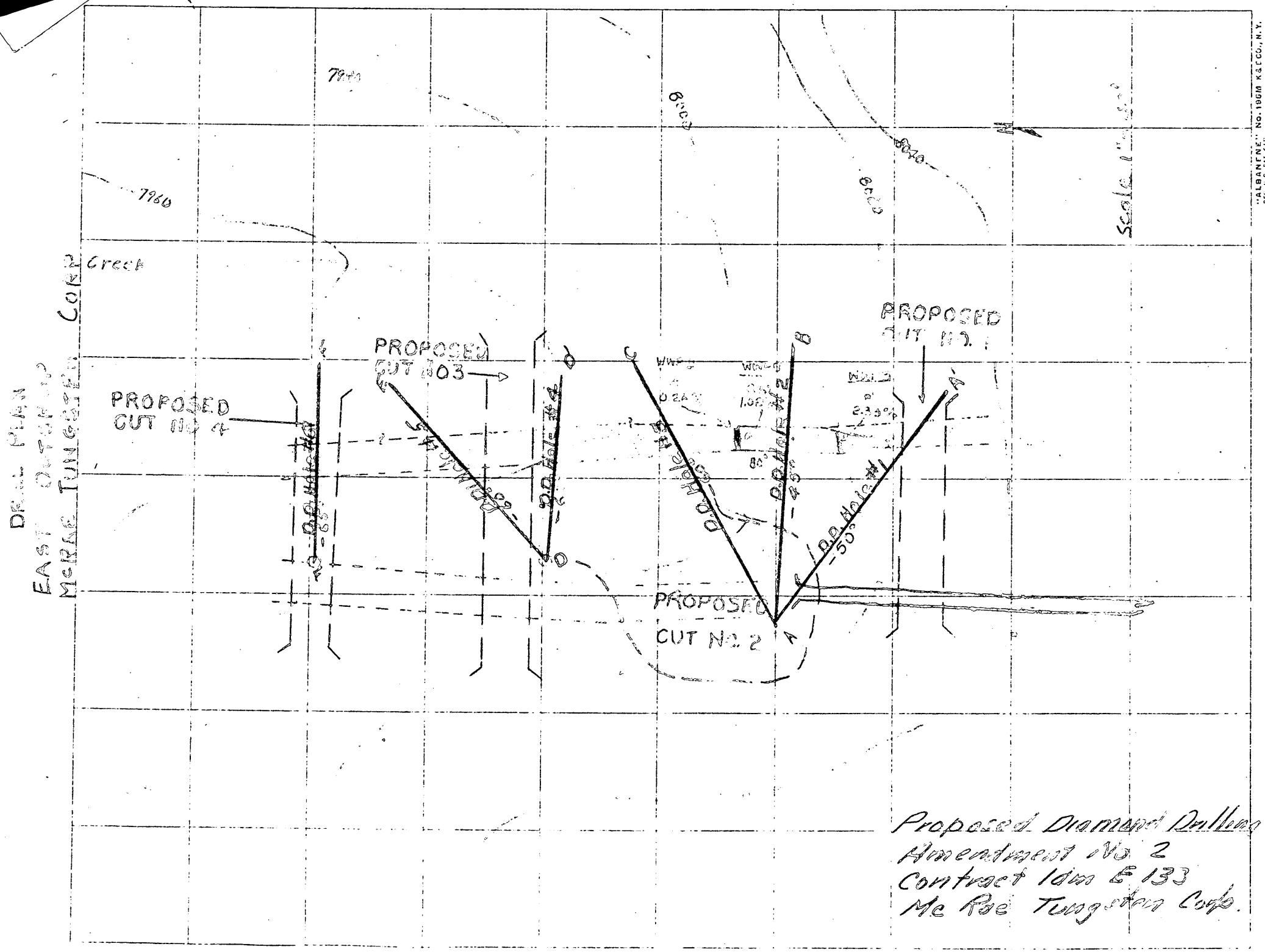
(1)	325 ft. of drifting @ $20/ft.	$6,500
(2)	120 ft. of raise @ $25/ft.	3,000
(3)	Equipment to be rented	650
(4)	Equipment to be purchased	3,255
(5)	Additional facilities	787
(6)	Supplies and Misc. Expense	584
(7)	Labor and Supervision	2,475
(8)	400 ft. of diamond drilling @ $6.50 1/	2,600
(9)	Moving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

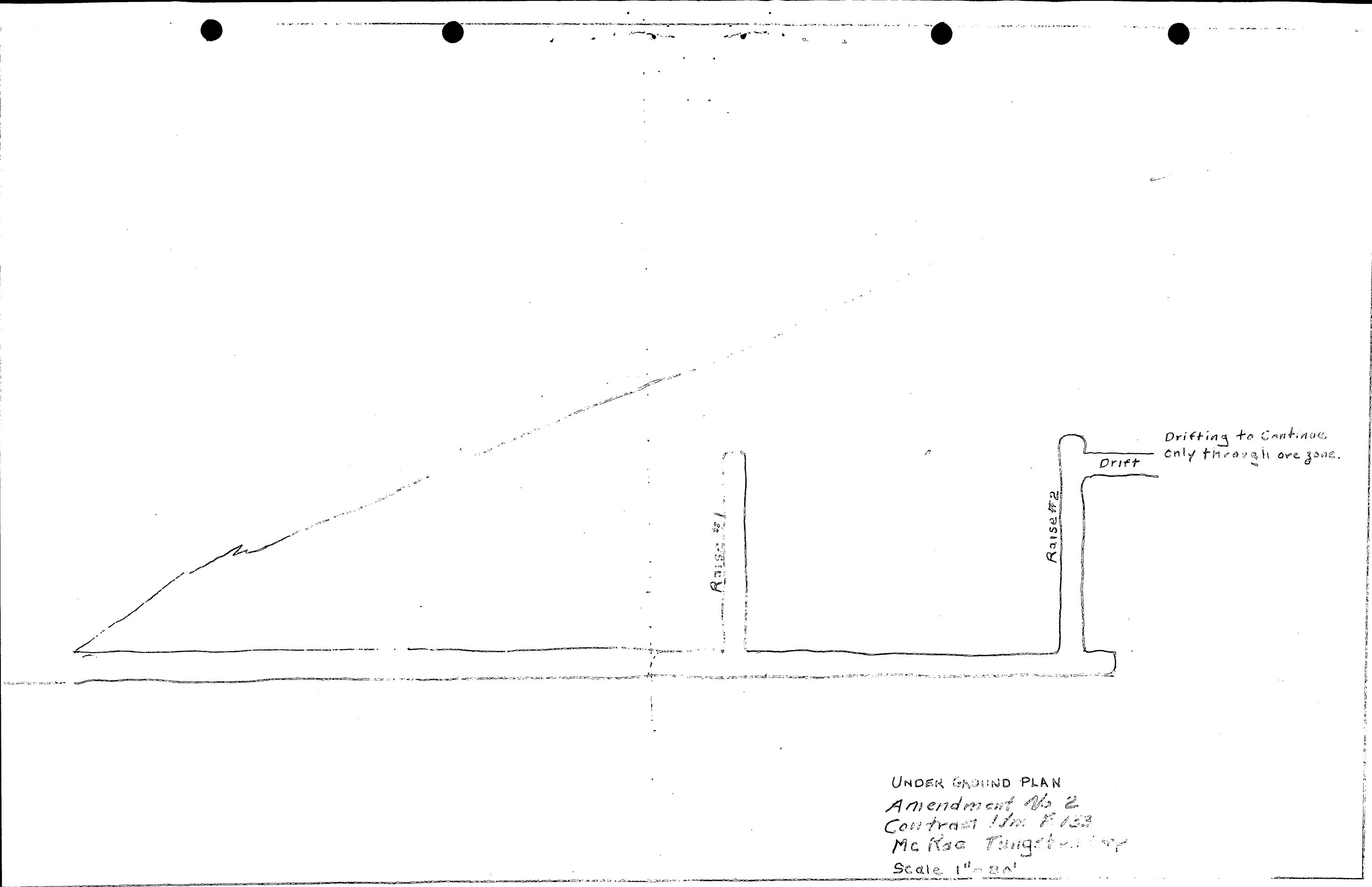
In Exhibit "A" of the contract under Labor and Supervision, add the following:

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

GCL
10/20/52



Proposed Diamond Drilling
Amendment No 2
Contract Idm E 133
Mc Rae Tungsten Corp.


Drifting to Continue
only through ore zone.
Drift
Raise #2
Raise #1
UNDER GROUND PLAN
Amendment No 2
Contract 1 Am. F 133
Mc Rae Tungsten Mine
Scale 1" = 20'

COPY

Stibnite, Idaho
July 23, 1952

Tom Howard

Mr. A. G. Weissenborn
Executive Officer DMEA
Field Team - Region VI
Sc. 157 Tower 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 Stibnite, Idaho.

Mr. H. F. Kano examined these outcrops on July 15 and 16 in my company. At that time Mr. Kano recommended we transfer $1000.00 from the remaining funds in DMEA 5A to diamond drilling from the surface the East 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 lease 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 ADMINISTRATION
WASHINGTON 25, D. C.
1201 N. Division St.
Spokane 2, Wash.
August 22, 1952

MEMORANDUM

VIA AIR MAIL

To: Chairman, Operating Committee, DMEA, Washington, D. C.

From: DMEA Field Team, Region II

Subject: Docket No. DMEA ~~8461~~ 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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

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

M. E. Volin, Member
(U. S. Bureau of Mines)

Enclosure

cc: USGS, Spokane
DMEA, Wash (3)

C
O
P
Y

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

M. E. Volin, Member, DMEA Field Team, Reg. II July 23, 1952

H. T. Reno, Mining Engineer, Bureau of Mines

Proposed amendment, Contract Idm-E133, McRae Tungsten Corp'n
Docket DMA 864 (tungsten)

Subject amendment, attached herewith, deletes part of the surface trenching and substitutes diamond drilling from the surface as a means of exploring the "East" vein and allows 25 lin. ft. more drifting on the "McRae" vein. Funds to do the additional work within the amount of the contract are provided by savings effected by the Operator on some parts of the work and by using money made available by deleting part of the surface trenching.

The exploration project to date has been successful, and it is considered that a discovery of commercial grade tungsten ore has been made in the "McRae" vein. The additional drifting should delimit the south edge of the ore shoot. The character of material over the "East" vein is such that exploration by surface trenching cannot be done with the equipment available.

In view of the high-grade tungsten present in the outcrop and the ore shoot on the adjacent "McRae" vein, the "East" vein should be explored.

It is recommended that this amendment be approved.

/s/ H. T. Reno

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

M. S. Yolin, Member, DMEA Field Team, Reg. II July 29, 1952

R. T. Ford, Mining Engineer, Bureau of Mines

Proposed amendment, Contract 10-2323, Moffe Tungsten Corp's Docket DMA 254 (Tungsten)

Subject amendment, attached herewith, deletes part of the surface trenching and substitutes diamond drilling from the surface as a means of exploring the "East" vein and allows 25 lin. ft. more drilling on the "Moffe" vein. Funds to do the additional work within the amount of the contract are provided by savings effected by the Operator on some parts of the work and by using money made available by deleting part of the surface trenching.

The exploration project to date has been successful, and it is considered that a discovery of commercial grade tungsten ore has been made in the "Moffe" vein. The additional drilling should delineate the south edge of the ore shoot. The character of material over the "East" vein is such that exploration by surface trenching cannot be done with the equipment available.

In view of the high-grade tungsten present in the outcrop and the ore shoot on the adjacent "Moffe" vein, the "East" vein should be explored.

It is recommended that this amendment be approved.

/s/ R. T. Ford

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.

OCT 2

AMENDMENT NO. 1 OCT 12 1 58 PM '51

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 Ellolin
Acting Executive Officer

Cont. Serv. Sec.
Change Order
Noted .....
Returned .....

MaRae Tungsten Corporation

Exploration Project Contract, Amendment No. 1

EXHIBIT "F"

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."

2236-2
GOVERNMENT COPY
Docket No. DMEA 864
(tungsten)

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 -2133, 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

Docket No. 864 X

Commodity Tungsten

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 133

Date of Contract or ~~Amendment~~: September 5, 1951

Name and Address of Operator:
Stibnite, Idaho

Amount of Government participation $ 15,263.25

Percent of Government participation 75 %

Region: 11 State: Idaho

Note: Please release $3,460.03; Advice Contract Administration and Audit Division

(Name)
J. L. Cahnbers,
Chief Contract Administration and Audit Div.

(Title)

Date Delivered to Bureau of Mines, Washington.

2/4/54

54458

MF-20
(June 19

Docket No. DMA 864
Commodity Tungsten
Idm-E133

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Index
No. Card
Card
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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 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

(*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.

Oct 4 1951

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. Whittlesey
Director, Production Expansion Division
Defense Minerals Administration

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

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 ~~and wages~~ 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

2-pho

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

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,)
COUNTY OF ADA,) ss.

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.

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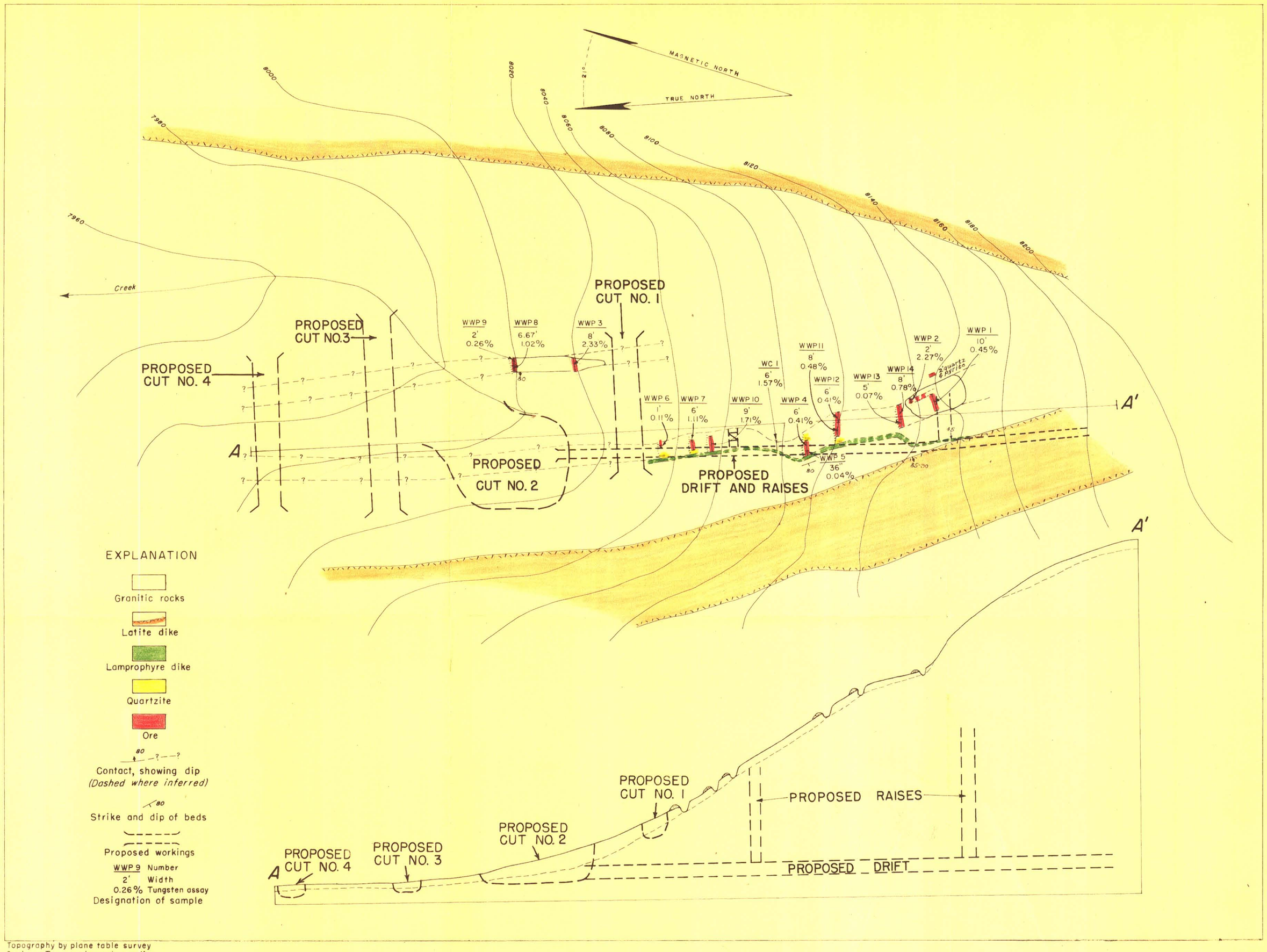

Topography by plane table survey
Geology, Topography, and sampling
by Elton A. Youngberg and Willard P.
Puffett, U. S. G. S., July, 1951

McRAE TUNGSTEN CORPORATION
SNOWBIRD GROUP
VALLEY COUNTY, IDAHO

40 0 40 80 120 Feet

Contour interval 20 feet
Datum assumed