As of April 1, 1953 there had not yet been ~~received~~ returned the original and 5 copies of contract previously sent to George H. McKaig, Reno, Nev.

Contracts were voided by the Administrator per letter Feb 5, 1953 to Mr. McKaig.

Robertson Apr. 1 1953

MF-200 (June 1951) LONG FORM

Docket No. DMA 2355
Commodity Fluorspar

Idm E 375

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Draft for information purposes only. Refer to [illegible] Minerals [illegible]

EXPLORATION PROJECT CONTRACT[1]

See cancellation letter by Mittendorf Feb. 5, 1953

$49500

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2] Fluorspar Corporation, P.O. Box 1211, Reno, Nevada, 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] 7 unpatented lode mining claims, Pungo Creek, Pungo Creek Nos. 1, 2, 3, 4, 5, and 6, within and nearby sec. 36, T. 17 N., R. 11 E., Boise principal meridian; further described in Quartz Mining Location Notice No. 34396, recorded in Book 11, page 405, Quartz Mining Claims, and amended Quartz Mining Location Notice No. 37730, recorded in Quartz Mining Claim Book 12, page 531.
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:
~~Property is held under purchase contract dated November 19, 1951, from Edward Dudell of Boise, Idaho;~~ Contract of Assignment for Sale
Owner's Consent to Lien is attached hereto.

(*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 ~~Thirty (30)~~ _____ days from the date of this contract shall commence work on a project of exploration for[5] Fluorspar; 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] six (6) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $24,750.00, which is 50 percent of the agreed estimated total cost of this project, $49,500.00.

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.

THE UNITED STATES OF AMERICA

FLUORSPAR CORPORATION
(Operator)

By _____

By President

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

By _____
Secretary

Docket No. DMEA-2355
Fluorspar Corp.

EXHIBIT "A"

Description ~~Statement~~ of the Work

The purpose of this project ~~shall be~~ is to explore the veins exposed in outcrops and indicated by the float on the Pungo Creek mining claims, one of which is shown on the attached map. The exploration shall be done in two stages, ~~with the Commencement of the second stage contingent upon the successful completion of the first.~~

The first stage of the project shall consist of both hand and bulldozer trenching and additional reconnaissance (sampling and geologic mapping) along the known outcrops and favorable float areas to determine the width, lateral extent and grade of the veins. This work shall be divided ~~equally~~ between the area indicated on the attached map, ~~and~~ at locations shown thereon, ~~together with~~ and another area east of Pungo Creek where additional float areas are known. Hand trenching shall be limited to 42 man shifts. The total amount of mechanical trenching shall be limited to 180 hours of bulldozer time. It is estimated that 5400 lineal feet of mechanical trenching will be accomplished.

~~At the discretion of the Operator and~~ With the prior written approval of the DMEA Field Team, Stage II of the project shall be undertaken. ~~started.~~ The purpose of this phase of the program ~~shall be~~ is to explore the vein or veins at depth. The work to be performed in Stage II shall consist of drifting on the vein a distance of not to exceed 500 feet. The location of the drift is indicated ~~by~~ on the map attached hereto.

An undetermined amount of road clearance and road work will be required in connection with both stages of work.

~~Because of the difficulty of forecasting the amount of road clearance to be done and its cost, there is set up in Exhibit "A" the contingent sum of $2,000 for Stage No. I, and the contingent sum of $10,000 for Stage II. These sums are allocated for road work and road clearance and shall be spent for these purposes in amounts as may be approved by the Executive Officer of the Regional Office Field Team.~~

The location, direction, extent and method of performing all work under the contract shall be subject to the approval of the Government.

Estimated time required:

Stage No. I - 2 months
Stage No. II - 4 months

Docket No. DMEA-2355
Fluorspar

Estimated Costs of Project

(~~Items followed by~~ An asterisk ~~are~~ indicates allowable maximum).

STAGE ~~No.~~ I

1. Independent Contracts

~~None~~ 3240.00*

2. Labor, Supervision, Consultants

Hand trenches and other labor	$1,140	
Supervision, engineering, bookkeeping	1,250	$2390.00
(Rates: laborers - $12.00/8 hrs., miners - $16.00/8 hrs., supervision $625/mo.*)		

3. Operating Material and Supplies

~~Supplies~~ Miscellaneous - including transportation $3,000

4. Operating Equipment

To be purchased:

Small tools $ 300*

To be ~~rented~~: Furnished by Operator

Dozer 180 hrs @ $18.00/hr working	3,240*	370
Depreciation jeep and trailer	70*	~~$3,610*~~

5. Rehabilitation and Repairs

None

6. New Buildings, Improvements, Installation

~~None~~ Road clearance and road work, including labor, materials, supplies, equipment and all other costs [1] 2000.00*

7. Miscellaneous

Assaying	$1,200	
Air transportation	300	$1,500

~~8. Contingent (for road improvement) 2,000*~~

Stage ~~No.~~ I, total estimated cost - - - - - - $12,500* $12,500*

Government participation @ 50% 6,250.*

[1] The Government will contribute to the costs of as much of this work as is approved by the Executive Council of the Regional Office Field Team.

Docket No. DMEA-2355
Fluorspar

STAGE ~~No.~~ II

~~1. Independent Contract~~

~~None~~

~~2. (Labor, Supervision)~~
~~3. (Material and Supplies)~~

~~Estimated unit cost (combined 2 and 3) is $42.40 per foot of drift.~~

The Government will contribute to the cost of drifting on the basis of this agreed, estimated unit cost in lieu of actual costs. The Government will contribute to the costs scheduled below, which are excluded from the cost of drifting, on the basis of actuals.

Unit cost of drifting per 500 feet @ $42.40/ft, including all costs except those scheduled below $21,200*

(4.) Operating Equipment

To be purchased:

1	IR cfm compressor	$3,680	
1	Atlas Rock Drill and leg	525	
1	Tool dresser	180	
1	Chain saw	425	
1	Mine car	250	
1	Water tank	140	$ 5,200*

~~5. Rehabilitation~~

~~None~~

(6.) New Buildings, Improvements, installations

14' x 20' compressor and tool house $ 600*

~~7. Miscellaneous~~ Road clearance and road work, including labor, materials, equipment, supplies and all other costs II 19000.00*

~~None~~

~~(8.) Contingencies~~ ~~$16,000~~

Estimated cost of Stage No. II - - - - - - - ~~$37,000*~~ $37,000*
Government's participation @ 50% 18,500*

Total estimated cost of Stage ~~No.~~ I and Stage ~~No.~~ II - - - - $49,500*

Government's participation in Stages II and Stage II at 50% - - - - - - - - - - - - - - - $24,750*

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
1201 N. Division St.
Spokane 2, Washington
February 7, 1955

Mr. Andrew D. Orrick
Regional Administrator
U. S. Securities & Exchange Comm.
630 Sansome Street
San Francisco 11, California

Re: George McKaig
SF-701
Docket No. DMEA 2355

Dear Mr. Orrick:

This will acknowledge receipt of your letter of February 1, your file SFRO:WST:hms, inquiring about an application filed by the Fluorspar Corporation for DMEA assistance to explore a property in Valley County, Idaho.

The application for a DMEA contract for exploration of the Pungo Creek fluorspar prospect was received in this office on January 21, 1952 and forwarded to the Washington, D.C. office of the Defense Minerals Exploration Administration on January 23. The project was approved and a contract was mailed to Mr. McKaig for signature on behalf of the Fluorspar Corporation on August 7, 1952. Mr. McKaig indicated that the Corporation did not wish to proceed with the work, and the unexecuted contract was voided February 5, 1953 by a letter to Mr. McKaig from C. O. Mittendorf, DMEA Administrator.

If I can be of further assistance, please let me know.

Sincerely yours,

Wing C. Agnew, Member
DMEA Field Team, Region I
Northwest District

cc: DMEA, Wash. (2)
USGS (2)

April 14, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A closing review - Docket No. DMEA-2355 - Fluorspar
Contract No. Idm-E375
(Unexecuted and withdrawn.)
Commodity: Fluorspar
Property: Seven unpatented mining locations.
Pungo Creek and Pungo Creek No. 1
to No. 6, inclusive.
Recorded Book 12, pg. 531,
Valley County, Idaho
Applicant: Fluorspar Corporation
(Geo. W. McKaig, Pres.)
P.O. Box 1211, Reno, Nevada

Contract Canceled: The Government's offer of assistance was withdrawn in accordance with Administrator's letter dated February 5, 1953.

Docket Summary:

1/29/52	Received application, MF-103 and 100, dated 1/3/52 through Mr. Weissenborn, Region II, 1/23/52
1/30/52	Application acknowledged. Referred to Nonmetallic Minerals Divn.
2/20/52	Received copies of GSA correspondence, 7 letters on access road, the mine, etc., by Maul, Shelton, Walsh, Baring.
2/21/52	Comprehensive report on the property, written by Peter H. Toepfer, Mining Engineer, Bureau of Mines. The report in the form of a memorandum from Toepfer to M. E. Volin, Region II, recommends a project in the amount of $37,179.
3/5/52	Memo. R. E. Van Alstine to L. G. Houk.
3/10/52	Memo. H. W. Davis to L. G. Houk.
3/28/52	Houk advised McKaig that Region II has been requested to submit a new proposal.
4/1/52	Letter - Mittendorf to Hon. Walter S. Baring advising of progress of case.
4/14/52	Request for copy of purchase agreement Houk to McKaig.

4/16/52	McKaig sends estimate of cost of access road by contract.
4/17/52	Letter from Mr. McKaig advising that copies of purchase agreement and subordination agreements were delivered to Spokane office of the Bureau of Mines.
5/2/52	Received from Region II proposed project and contract, also six subordination agreements.
5/3/52	Memo. Nonmetallic Division to Legal Division submitting draft of contract.
5/29/52	Memo. Chief Counsel to Acting Administrator submitting contract in satisfactory legal form, subject to four items on title, forest service permit.
6/4/52	McKaig advised by letter that a contract was ready.
7/22/52	Contract sent to Operating Committee for approval in amount of $49,500.
7/30/52	Contract sent to Regional Office for signatures.
8/7/52	Original and five copies of Idm-E375 sent to Mr. McKaig for signatures.
9/11/52	McKaig informed Mr. Houk in Reno that he was not prepared to go ahead with the project.
10/29/52	McKaig requested by Mr. Houk to return the unexecuted exploration contracts.
2/5/53	Date of letter written to George H. McKaig, President, Fluorspar Corporation by Administrator withdrawing offer of exploration assistance and again requesting return of copies of unexecuted contract.

Resume:

The Pungo Creek fluorspar deposit is located in a primative mountainous area within the Boise National Forest, Idaho. The mine lies on Pungo Creek, a small branch of the Middle Fork of Salmon River. It consists of seven unpatented mining locations and the only workings are a couple of short adits and several surface cuts and trenches.

The ore occurs in a narrow steep-dipping vein that is exposed on the surface for a horizontal distance of 260 ft. and judging from samples of fluorspar float to be found on the ground above, the strike length of the vein may be five or six hundred feet. The average width of the fluorspar vein is about 1½ feet. The vein is narrow but the quality of the ore is good; 137 tons mined, cobbed and sorted produced 77 tons of acid-grade lump fluorite. A representative sample taken from one of the ore piles assayed CaF_2 - 97.5%, SiO_2 - 0.05%

The mine is an undeveloped prospect and the ore reserve is about 3,000 tons of shipping grade with a potential of three or four times that amount with favorable future development.

For more detailed data, reference is made to the comprehensive report and map prepared by Peter H. Toepfer, Mining Engineer, Bureau of Mines, Region II.

After several projects were considered for this mine, a project in the amount of $49,500 was decided upon:

Stage I - Trenches and access road	$12,500
Stage II - Drifting on vein 500'	37,000
	$49,500

However, the contract project was never consumated because the Operator gave up the venture and stated that he did not intend to proceed with the work.

Despite several requests for the return of the unsigned copies of the contract which Mr. McKaig holds, none have been returned. The Administrator, in a letter dated February 5, 1953, advised the Company that the Government withdrew its offer of exploration project assistance and again requested the return of the unexecuted documents.

The case is, therefore, now closed. Copy of the letter of withdrawal of February 5, 1953, is attached hereto.

Jasper T. Robertson
Nonmetallic Minerals Division

Attached

JTRobertson:gad 4/14/53

Copy to: Admr. R. File
Docket File
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

WASHINGTON 25, D.C.
No. 157 Howard Street
Spokane 1, Washington

February 3, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 16 1953

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

Re: Docket No. [illegible]-1355 (Fluorspar)
Fluorspar Corporation
Jungo Creek Claims
Valley County, Idaho
Contract No. [illegible]

Dear Mr. Melfield:

This will acknowledge your letter of February 5th stating that you are enclosing a letter signed by the Administrator for forwarding to Mr. Nelsig if I agree with the action taken in this letter. This is to advise you that copies of the Administrator's letter were attached to your letter, but the originals for forwarding were not attached. The Field Team is in agreement with the action taken in this matter, however. We, therefore, suggest that you check to see whether the original letters were actually forwarded to Mr. Nelsig or are somewhere else.

Sincerely yours

A. [illegible] Hairsenhorn
Executive Officer, DMEA
Field Team, Region [illegible]

cc: DMEA (2)

600

FEB 5 1953

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Docket No. DMEA-2355 - Fluorspar
Fluorspar Corporation
Fungo Creek Claims
Valley County, Idaho
Contract No. Idm-8375

Dear Mr. Weissenborn:

Reference is made to our letter of October 29, 1952, to Mr. George H. McKaig on the subject of the unexecuted contract and requesting that he return the copies of the contract to this office for cancellation.

Mr. McKaig advised Mr. Houk on September 11, 1952, in Reno, that he did not wish to execute the contract for exploration on the Fungo Creek Claims. The enclosed letter, signed by the Administrator, is transmitted herewith for forwarding to Mr. McKaig, if you agree with this action.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hodges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosure

LGHouk:gad 2/2/53

Copy to: Admr. R. File
Docket File
Mr. Davis, 3519
Mr. Norton, G-232 GSA Bldg.
Mr. Houk
Operating Committee (2)

600

OCT 29 1952

Mr. George H. McKaig, President
Fluorspar Corporation
P. O. Box 1211
Reno, Nevada

Subject: Docket No. DMEA-2355 - Fluorspar
Fluorspar Corporation
Pungo Creek Claims
Valley County, Idaho
Contract No. Idm-E375

Dear Mr. McKaig:

Reference is made to my conversation with you on September 11, 1952, in Reno, on the subject contract for exploration for fluorspar on Pungo Creek, Idaho.

Our records show that six copies of Contract No. Idm-E375 were forwarded to you from Region II, Executive Officer, on August 7, 1952, for your signature. You have indicated that you do not wish to proceed with the work authorized in the contract. This office is, therefore, desirous that you return the contract for cancellation.

We thank you for your interest in the Defense Minerals Exploration Administration program and request that you return the contracts for cancellation to this office without delay.

Sincerely yours,

/s/

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:gad 10/28/52

Copy to: Adm. R. File
Docket File
Field Team, Region II
Mr. Davis, 3519
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

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

So. 157 Howard Street
Spokane 4, Washington

August 7, 1952

Mr. George H. McKaig, President
Fluorspar Corporation
P. O. Box 1211
Reno, Nevada

Docket No. DMEA 2355
Fluorspar Corporation
Pungo Creek Claims,
Valley Co., Idaho
Contract Idm-E375 - Fluorspar

Dear Mr. McKaig:

Enclosed are 6 copies of an approved contract for exploration work on the designated property.

Will you kindly review the contract and if you find it acceptable please sign all copies. Your attention is called to Article 3 where you are requested to insert the number of days from the date of the contract within which actual exploration work will be started. Retain the "Operator's Copy" and return all the others to us. The bottom of page 2 should also be executed.

The delay in receiving the contract may mean that the work cannot be completed this season. Furthermore, the drifting as set up in Stage II may be too inflexible to permit complete exploration. However, both of these possible objections can be removed by contract amendments made at any time after work is started.

Sincerely yours,

S. Warren Hobbs
Member, DMEA Field Team
Region II

Enclosures

cc: DMEA (2)
USBM (2)

600 JUL 30 1952

Mr. A. N. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Docket No. DMEA - 2355
Fluorspar
Pungo Creek Group
Valley County, Idaho

Dear Mr. Weissenborn:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by this office for the Government with register number and effective date.

If the contract meets with your approval, present it to the Operator for his approval and signature. If any provisions are unsatisfactory to the Operator, return all copies to this office along with suggested changes for consideration.

After signing of the contract, one copy is to be given to the Operator, one copy retained for your files, and the remaining copies, including the original, are to be returned to this office as soon as possible.

A copy of the contract required by the Regional Finance Office will be forwarded directly by the Washington Finance Section.

Sincerely yours,

George C. Selfridge

ACTING Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

Enclosures - 6

JTRobertson:mp 7/22/52
cc: Docket File
Adm. Reading File
Operating Committee
Mr. Davis, 3519
Mr. Van Alstine, G-232, GSA Bldg.
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

July 22, 1952

Memorandum

To: Chairman, Operating Committee, DMEA

From: Non-Metallic Minerals Division, DMEA

Subject: Docket No. DMEA-2355 - Fluorspar
Pungo Creek Group
Valley County, Idaho

This application was received by DMEA January 8, 1952, and was followed February 27, 1952, by a Field Report by Peter H. Toepfer, Mining Engineer, Bureau of Mines, Region II. The report outlined and recommended a program in the sum of $37,179. A draft of contract in this amount was prepared but after much discussion it was dropped for a new review by the field.

Mr. Weissenborn and Mr. Volin, Region II, on May 2, 1952, submitted a new three stage program in the amount of $53,868. The diamond drilling stage in this program was dropped and after much correspondence and discussion a two stage program totaling $49,500 was settled upon.

Stage I -	Trenching and road work	$12,500
Stage II-	Drift on vein and equipment	37,000
	Stages I and II	$49,500

Some delay resulted because of the need for securing a permit to build an access trail to the mine. The property is in a primative area within the Boise National Forest and the question of accessibility was for a time considered a major problem. However, after much correspondence and discussion between interested agencies, the contract here submitted was finally settled upon.

The various documents requested by Chief Counsel in his memorandum dated May 29, 1952, have been complied with by the Operator. The contract is now in satisfactory order for signatures.

Jasper T. Robertson

Jasper T. Robertson
Non-Metallic Minerals Division

Attachments

July 22, 1952

Memorandum

To: Chairman, Operating Committee, DMEA

From: Non-Metallic Minerals Division, DMEA

Subject: Docket No. DMEA-2355 - Fluorspar
Pungo Creek Group
Valley County, Idaho

This application was received by DMEA January 8, 1952, and was followed February 27, 1952, by a Field Report by Peter H. Toepfer, Mining Engineer, Bureau of Mines, Region II. The report outlined and recommended a program in the sum of $37,179. A draft of contract in this amount was prepared but after much discussion it was dropped for a new review by the field.

Mr. Weissenborn and Mr. Volin, Region II, on May 2, 1952, submitted a new three stage program in the amount of $53,868. The diamond drilling stage in this program was dropped and after much correspondence and discussion a two stage program totaling $49,500 was settled upon.

Stage I -	Trenching and road work	$12,500
Stage II-	Drift on vein and equipment	37,000
	Stages I and II	$49,500

Some delay resulted because of the need for securing a permit to build an access trail to the mine. The property is in a primative area within the Boise National Forest and the question of accessibility was for a time considered a major problem. However, after much correspondence and discussion between interested agencies, the contract here submitted was finally settled upon.

The various documents requested by Chief Counsel in his memorandum dated May 29, 1952, have been complied with by the Operator. The contract is now in satisfactory order for signatures.

Jasper T. Robertson 7/30/52
Non-Metallic Minerals Division

Attachments

JTRobertson:mp
cc: Docket File
Adm. Reading File Mr. Houk

60C

JUN 16 1952

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Docket No. DMEA-2355 - Fluorspar
Pungo Creek Mine
Valley County, Idaho

Dear Mr. Weissenborn:

Reference is made to your letter of June 2, 1952, on the subject docket in regard to the permit from the Forest Service for construction of a trail in the Idaho primitive area.

Mr. Robertson in a recent telephone conversation with Mr. G. T. Guernsey, Supervisor of the Boise National Forest, was informed that you have been supplied with the application blanks for obtaining the permit, and he has indicated that the permit can be granted without too much delay. The Washington Office informs us that the Supervisor has the authority to grant the permit. It was explained to Mr. Guernsey the nature of the contract, and the amounts allocated to trail and road clearance, and he should now have a complete understanding of the undertaking.

The contract may be completed and signed by this office next week, pending arrival of assignments and Owner's Consent to Lien from Mr. McKaig.

We believe that time will be saved by forwarding the signed contract to you and having you add the permit before it is presented to the Operator for his signature.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

Charles N. Merrill
Member, Bureau of Mines

J. M. Lemmon
Member, Geological Survey

LGHouk:gad 6/12/52
Copy to: Admin. Reading File
Docket File
Operating Committee
Mr. Davis, 3519
Mr. Van Alstine, G-232 GSA Bldg.
Mr. Houk

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Washington 25, D. C.

So. 157 Howard Street
Spokane, 4, Washington

June 10, 1952

Mr. George H. McKaig
Fluorspar Corporation
P. O. Box 1211
Reno, Nevada

Dear Mr. McKaig:

I have been informed by our Washington office that contract for the exploration of the Pungo Creek mine, docket DMEA-2355 Valley County, Idaho, is ready, but cannot be put into effect until certain legal difficulties have been cleared up, including the matter of obtaining permission from the Forest Service for a special use permit within the National Forest. I have been requested to contact the Forest Supervisor of the Boise National Forest to determine what procedures were involved in obtaining such special use permits. Accordingly, I contacted Mr. W. G. Guernsey, Supervisor of the Boise National Forest, and I am enclosing a copy of his reply.

You will note that you should apply directly to the Boise National Forest, Box 1839, Boise, Idaho, using the attached application blanks which should be submitted in duplicate. Mr. Guernsey also points out that it would be desirable to accompany the special use application with a letter explaining the objectives in making the intended improvements and the future plans for development of the area such as the cost of roads, buildings, etc.

Sincerely yours,

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

Enclosures
cc: USBM
W. G. Guernsey
Operating Committee

C O P Y

UNITED STATES DEPARTMENT OF AGRICULTURE

FOREST SERVICE

Boise National Forest

Boise, Idaho

June 6, 1952

A. E. Weissenborn
Regional Geologist
South 157 Howard Street
Spokane 8 Washington

Dear Mr. Weissenborn:

Reference is made to your telephone conversation with Supervisor W. G. Guersney of the Boise National Forest relative to planned improvements for a mining operation on Pungo Creek within the forest primitive area.

Attached are forms for making application for special use within the national forest.

It would be desirable to accompany the Special Use Application with a letter explaining your objective in making the intended improvements and the future plans for development of the area such as the cost of roads, building, etc.

We would appreciate any additional information you might have which would help in the consideration of the application.

The application should be made by the individual or company responsible for the contemplated mining and improvements and should be submitted in duplicate to the Boise National Forest, Box 1839, Boise, Idaho.

Very truly yours,

W. G. GUERNSEY, Forest Supervisor

By /s/ Leonard Berg
Acting

July 10, 1952

Docket No. DMEA2355
Fluorspar
Pungo Creek Group
Valley County, Idaho

Telephone conversation about 1:10 P. M., July 10, 1952, between Mr. Robertson and Geo. H. McKaig, Fluorspar Corporation, Reno, Nevada. (phone Reno 2-6991)

Phoned Mr. McKaig to ask how he was progressing in obtaining the access road permit from Boise National Forest. He said that, according to Mr. Guernsey, Supervisor at Boise, he should be receiving permit within three or four days.

Jasper T. Robertson

Jasper T. Robertson

Telephone conversation between Weissenborn and Robertson, Friday, 6/6/52 re: DMEA 2355 - Pungo Creek Mine and DMEA-2396 - Chamac Mine.

Called Weissenborn on the phone to get some information re: Chamac Mine, DMEA-2396. While waiting for him to get Youngberg on another extension, Weissenborn referred to another case, the Pungo Creek Mine, DMEA-2355 and the question of the latter securing a Forest Service permit for temporary road or trail to haul machinery to Pungo Creek via trail, down Pistol Creek. Weissenborn said McKaig had just called him up and told Weissenborn of our reuqest for permit and other matters. McKaig said he had phoned the Supervisor, of the Boise National Forest, at Boise. Supervisor's name is ~~Granger~~ Guernsey - or a name that sounded like that. The supervisor informed McKaig that he thought the permit should come from the Washington office of the U. S. Forest Service. (However, a few days before, Mr. Herbert and Mr. Sieker in Washington office said that the Supervisor at Boise had full power to grant permits).

Weissenborn did not like the idea that Forest Service could restrain development in primative area, in particular, this project. After a few other remarks, we dropped the conversation on Pungo Creek project and then discussed the contract for Simplot Company at Chamac Mine. I told him what further information we needed - page and book number of register of county for mining claims.

Then told him we had withdrawn the compressor house and bunkhouse from the project cutting down the estimates by $3,500. After short discussion ended the conversation.

J. T. Robertson

Telephone conversation between Weissenborn and Robertson, Friday, 6/6/52 re: DMEA 2355 - Pungo Creek Mine and DMEA-2396 - Chamac Mine.

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J. T. Robertson

600

JUN 4 1952

Mr. George H. McKaig, President
Fluorspar Corporation
P. O. Box 1211
Reno, Nevada

Subject: Docket No. DMEA-2355
Fluorspar
Pungo Creek Group
Valley County, Idaho

Dear Mr. McKaig:

The following are the four points relative to the exploration contract for the Pongo Creek Mine which Mr. Robertson discussed with you on long distance telephone.

1. As the contract for sale of the land is in the names of McKaig and Dodd, and as the applicant is Fluorspar Corporation, the contract must be assigned to the Corporation and a copy of the assignment furnished to us.

2. The Owner's Consent to Lien must be reexecuted with the correct amount of the Government's contribution inserted therein, and copies thereof attached to the contract.

3. If the assignment of the contract of sale creates some claim in the assignor (see paragraph 3, DMEA Circular 20, Supplement 1) the assignor's Owner's Consent to Lien must be obtained and copies attached to the contract. The map referred to in the description of the work must be attached to the contract.

4. It appears from the file that a permit from the Forest Service is necessary in order to do the roadwork provided in the contract, but there is no evidence in the file that such permit has been obtained. It is necessary, therefore, that a copy of the required permit be furnished to us.

The four points set forth have to be satisfied before the final execution of the contract can be made. The documents asked for are requested by our Legal Division.

You may send us the copy of the assignment from McKaig-Dodd to Fluorspar Corporation and also a statement that in making the assignment there are no liens or claims by the assignors.

We are returning to you the old Owner's Consent to Lien made out in the sum of $18,589.50. Please change the amount to $24,750, the amount of the Government's contribution in our present draft of contract.

In regards the U. S. Forest Service permit, we would like you to do what you can to clarify this point. We suggest that you review this matter with the Supervisor, Boise National Forest, Boise, Idaho.

The contract is ready but awaiting receipt of the documents requested.

In case you may have use for them, we are sending you a number of blank forms MF-203, Owner's Consent to Lien.

May we hear from you at your earliest convenience?

Sincerely yours,

- S -

Lawrence G. Houk, Chief
Nonmetallic Minerals Division
Defense Minerals Exploration
Administration

Enclosures - 20
JTRobertson:mp 6/3/52
cc: Docket File
Field Team, Region II (2)
Mr. Van Alstine, G-232, GSA Bldg.
Mr. Davis, 3519
Adm. Reading File
Mr. Houk

June 3, 1952

Docket DMEA-2355 - Fluorspar
Pungo Creek Mine
Valley County, Idaho

Telephone conversation J. T. Robertson and Geo. H. McKaig - 6/3/52.

Talked with Mr. McKaig re: Pungo Creek contract. Told him of four points brought up by Legal. Said they had already assigned (McKaig-Dodd) to corporation and would send copy of assignment . Said as assignors they had no claims or liens.

He spoke of difficulty of getting owner out of mine to sign a new Owner's Consent to Lien. Said it might take three weeks as they had to fly or some such reason.

Was very much opposed to even asking the Forest Service for a permit to build road. Said they had no right to prevent him from access to his mine. He said it would just delay things more than ever and might take months.

He asked to receive the four points. I said would write him a letter and also would send old Owner's Consent to Lien forms.

J. T. Robertson

DMEA-2355 - Fluorspar
Pungo Creek Mine

Monday, June 2, 1952

Telephone conversation J. T. Robertson with Mr. Herbert.

Relative to Road in Boise National Forest with Mr. Herbert, Agriculture Department, Tie 161 -X5817.

Asked him about road building in primative areas. Said that permits were necessary and that they should be taken up with the Forest Service, Boise National Park, Boise, Idaho. Also mentioned something about a telephone trail down Pistol Creek. He made little comment of the desirability or undesirability of roads in primative areas.

Tuesday, June 3, 1952

A Mr. Sieker, Forest Service, phoned Tuesday, said he had learned from Herbert of our proposal to build a road to Pungo Creek Mine. He wanted to advise us of their objection to building such roads in a primative area. Seems very much opposed to it. However, said Forest Service had not the power to prevent access to a mining location. Said a permit was necessary. Applicant would need to apply, Supervisor, Boise National Forest, Boise, Idaho. Road had to be reasonable, stipulate location and questions of erosion. Said while they could not prevent roads, they were not going to lend their support to roads in such areas, and were much against assistance to mining in such areas.

J. T. Robertson

140

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

Mr Hoo
H. McKaig
2-6941
Reno Nev
150M. Quarter

May 29, 1952

Memorandum

To: Acting Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Fluorspar Corporation - Docket No. DMEA-2355

There is attached, in satisfactory legal form for execution, a contract covering the subject project. However, prior to executing the contract, the following must be done:

1. As the contract for sale of the land is in the names of McKaig and Dodd, and as the applicant is Fluorspar Corporation, the contract must be assigned to the Corporation and a copy of the assignment furnished to us.

2. The Owner's Consent to Lien must be reexecuted with the correct amount of the Government's contribution inserted therein, and copies thereof attached to the contract. $24,750

3. If the assignment of the contract of sale creates some claim in the assignor (see paragraph 3, DMEA Circular 20, Supplement 1) the assignor's Owner's Consent to Lien must be obtained and copies attached to the contract. The map referred to in the description of the work must be attached to the contract.

4. It appears from the file that a permit from the Forest Service is necessary in order to do the roadwork provided in the contract, but there is no evidence in the file that such permit has been obtained. It is necessary, therefore, that a copy of the required permit be furnished to us.

HCRubin/ema
cc: Mails & Files
J. L. Hofflund
H. C. Rubin
L. G. Houk
Chron.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachment

376 J

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

May 29, 1952

Memorandum

To: Acting Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Fluorspar Corporation - Docket No. DMEA-2355

There is attached, in satisfactory legal form for execution, a contract covering the subject project. However, prior to executing the contract, the following must be done:

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4. It appears from the file that a permit from the Forest Service is necessary in order to do the roadwork provided in the contract, but there is no evidence in the file that such permit has been obtained. It is necessary, therefore, that a copy of the required permit be furnished to us.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachment

600

May 8, 1952

Memorandum

To: Chief Counsel

From: Chief, Non-Metallic Minerals Division, DMEA

Subject: Docket No. DMEA-2355 - Fluorspar
Pango Creek Mine, Valley County, Idaho

The material for preparation of contract for the above reference is submitted herewith together with the docket file. The draft of Exhibit "A" is a modified version of the last proposed contract submitted by the Field Team, Region II, under memorandum dated April 24, 1952. The cost data and the two stage program submitted by them is utilized but their program is modified to eliminate the diamond drilling and some other slight changes.

Because the expense for road clearance for transportation of equipment is such an unpredictable thing, we have set up the amounts considered necessary as a contingent expense and its use is subject to the discretion and approval of the Regional Office Field Team.

Several attempts have been made to write up a satisfactory project. This last draft meets the approval of commodity men here and closely approaches that submitted by the Field Team.

Lawrence O. Houk, Chief
Non-Metallic Minerals Division
Defense Minerals Exploration
Administration

Attachments - 4
JTRobertson:mp
cc: Docket File
Mr. Houk
Mr. Robertson

IN REPLY REFER TO:

G-MD-REVA

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

May 7, 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2355 (fluorspar)

To: Non-Metallic Minerals Division, DMEA - Lawrence G. Houk
From: R. E. Van Alstine, U. S. Geological Survey
Applicant: Fluorspar Corporation, Box 1211, Reno, Nevada.
Name of property: Pungo Creek.
Location of property: Sec. 36, T. 17 N., R. 11 E., Valley County, Idaho.
Field team's recommendation:

Stage 1: Trenching (about 5,400 feet) by bulldozer and hand, and geologic mapping - $10,464 (includes $3,000 transportation and $1,200 assaying).

Stage 2: Either 1,800 feet of diamond drilling ($28,540 including $2,000 road improvement) or 600-foot adit ($43,404 including $12,000 road improvement), at discretion of operator and prior written approval of field team.

Comments:

The evidence submitted does not indicate the likelihood that this high-grade but narrow deposit in such a remote locality will be able to compete for markets. Cost data have not been presented showing what is required in terms of size and grade before a deposit here could be regarded as commercial. If these objections are not valid, the proposal probably is suitable.

Specific comments on proposed Exhibit A follow:

1) Page 1, lines 10-12: Half of the trenching program, about $3,500 worth ($10,000 minus $3,000 divided by 2), is not shown on any map.
2) Page 1, last line: "Total drifting shall not exceed 500 feet." Page 7 and map show 600 feet of drifting.

Map - Three areas of proposed hand trenching are shown along the line of the proposed drift, rather than along the outcrop.

ACTION SUGGESTED:

Follow field team's recommendation, with any modification necessary in accordance with comments made above.

Van Alstine:jeh
G-5/7/52
cc: Director's Reading file 4212
Branch Reading file 4212
DMEA files
Norton G-230 GSA Bldg.
Van Alstine G-230 GSA Bldg.

R. E. Van Alstine

600

APR 28 1952

Mr. George H. McKaig, President
Fluorspar Corporation
P. O. Box 1211
Reno, Nevada

Subject: Docket No. DMEA-2355
Fluorspar
Pungo Creek Mine
Valley County, Idaho

Dear Mr. McKaig:

We acknowledge with thanks the receipt of the photostat copy of the Agreement for Sale of Mining Property covering the Pungo Creek Group and which Mr. Volin requested be sent to this office.

In reading the description in the Agreement we note that only the Pungo Creek Claim is mentioned. We wonder if the other claims, Pungo Creek No. 1, No. 2, No. 3, No. 4, No. 5 and No. 6 are all included in the county record references. Perhaps you can enlighten us on this point.

In the meantime, we are proceeding with the processing of the application and with the assistance of the Regional Office hope to arrive at a satisfactory basis for a program of assistance.

Sincerely yours,

C. O. Mittendorf

Lawrence G. Houk, Chief
Non-Metallic Minerals Division
Defense Minerals Exploration
Administration

JTRobertson:mp 4/28/52
cc: Docket File
Adm. Reading File
Field Team, Region II (2)
Mr. Volin, Region II - B/M
Mr. Davis, 3519
Mr. Van Alstine, G-232, GSA Bldg.
Mr. Houk

1201 North Division Street
Spokane 2, Washington
April 24, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY - 2 1952

Memorandum

To: Chairman, Operating Committee, DMEA,
Washington 25, D. C.

From: Field Team, Region II

Subject: DMEA 2355, Pungo Creek fluorspar deposit,
Valley County, Idaho.

A proposed contract for exploration of the captioned property, revised from the original application according to a telephone discussion with Mr. Lawrence G. Houk and Mr. Robertson, of the Non-Metallic Minerals Division, is forwarded herewith for consideration. Enclosed also are 6 copies of Owner's Consent to Lien, requested in Mr. Hauk's letter of April 14, 1952. Copy of the purchase agreement also requested by Mr. Houk, is being forwarded directly to Washington, D. C. from the Fluorspar Corporation office at Reno, Nevada.

The enclosed contract differs from the initial draft previously submitted primarily in that the work is divided into two successive stages. The proposed first stage is to consist of both hand and mechanical trenching supplemented by sampling and geologic mapping. The cost of initial access and the transportation of equipment required under Stage I is limited to $3,000. This first stage does not obligate considerable funds at this early state in the development of the isolated prospect. On the other hand, significant results from the first stage will be the basis of justification of Stage II.

There are alternate plans for the proposed second stage to be decided by the Field Team on the available data. Alternate Plan A consists of 1,000 feet of diamond drilling to probe the vein structures at depth. This plan will require improvement of the bulldozer trail for transportation of operating equipment and supplies. The cost of this improvement is estimated at $2,000.

Stage II, Alternate Plan B, consisting of 500 feet of drifting on the vein structure will be done in lieu of diamond drilling at the discretion of the Field Team. Alternate Plan B will require additional tractor road improvement at an estimated cost of $12,000.

The contract has been prepared in this manner to provide both flexibility and adequate checks at all stages of the work. Inasmuch as the program is of a pioneering nature, it is impossible to foresee all eventualities and bind them in a firm contract.

If the results of Stage I are not sufficiently encouraging the project can be terminated. However, if the Field Team considers further investigation desirable, work will proceed along the lines of either Alternative Plan A or B.

The proposed contract has been discussed with representatives of the Fluorspar Corporation.

By Field Team, Region II

A. E. Weissenborn

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

M. E. Volin

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

Orig. and 3 copies to Washington

600

APR 14 1952

Mr. George H. McKaig, President
Fluorspar Corporation
P. O. Box 1211
Reno, Nevada

Subject: Docket No. DMEA-2355
Fluorspar
Pungo Creek Group
Valley County, Idaho

Dear Mr. McKaig:

We are endeavoring to prepare an exploration assistance project for the Pungo Creek Group and in going over the application we find that the company holds title to the property under a purchase agreement. We do not know if it is a lease, with option to purchase, or some other form of purchase agreement. Irrespective of the form, we would like to receive a copy of the agreement.

Enclosed find seven blank subordination agreements, Form MF-201 for your use in obtaining subordinations from the original owners if they are the holders of claims or liens against the property.

Please send a copy of the purchase agreement and six signed copies of the subordinations at your earliest convenience.

Sincerely yours,

- S -

Lawrence G. Houk, Chief
Non-Metallic Minerals Division
Defense Minerals Exploration
Administration

Enclosures - 1

Copy to: Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II (2)

JTRobertson:mp 4/10/52

cc: Docket File
Adm. Reading File
Mr. Davis, 3519
Mr. Van Alstine, G-232, GSA Bldg.
Mr. Houk

Hon. Walter S. Baring

House of Representatives

Subject: Docket No. DMEA-2355 - Fluorspar
Fluorspar Corporation
Valley County, Idaho

My dear Mr. Baring:

Reference is made to your letter of March 27, 1952, requesting information on the status of application DMEA-2355 on exploration assistance for fluorspar in Idaho.

On March 25th this office discussed with Mr. McKaig his application for exploration assistance. Mr. McKaig is to supply this office with an estimate of the costs of moving a bulldozer and other equipment into the property.

The Spokane office of the Defense Minerals Exploration Administration is submitting a revised proposal to explore this deposit by surface trenching, as the first stage of a two stage project.

When this office receives the information from Mr. McKaig, and from the Region II, DMEA Field Team, the application will be processed as rapidly as possible. The information should be received in this office sometime this week.

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

LGHouk:gad 3/31/52

Copy to: Admin. Reading File
Mr. Davis, 3519
Mr. Van Alstine, G-232 GSA Bldg.
Mr. Houk
Docket File

600

MAR 2 8 1952

Mr. George H. McKaig
President, Fluorspar Corporation
150 North Center Street
Reno, Nevada

Subject: Docket No. DMEA-2355 - Fluorspar
Pungo Creek Mine
Valley County, Idaho

Dear Mr. McKaig:

Pursuant to our telephone conversation of March 25, 1952 on the subject application, the Spokane office of the Defense Minerals Exploration Administration advised me by telephone that they will submit a new proposal to explore your fluorspar deposit in the very near future.

This office will endeavor to process this proposal as rapidly as possible.

If it is feasible to get a letter from a contractor giving you an estimate of the cost of moving a bulldozer and equipment into the property, this office will be pleased to receive such an estimate.

Sincerely yours,

Lawrence G. Houk, Chief
Defense Minerals Exploration
Administration

LGHouk:gad 3/27/52

Copy to: Admin. Reading File
Mr. H. W. Davis, 3519
Mr. Van Alstine, G-232, GSA Bldg.
Mr. Houk
Docket File

Robertson

March 25, 1952

Long Distance telephone call to Region II

Re: Fluorspar Corporation - DMEA-2355

Mr. Houk: Hello, this is the Washington office, we are calling in regard to the Fluorspar Corporation, DMEA-2355

Mr. Robertson: Mr. W. H. Mead came in today and talked the project over, and on phone a Mr. McKaig of Reno. Is there a possibility of you sending in ~~another~~ recommendation.

Mr. Volin I thought we sent in the Bureau of Mines report. I will get Mr. Toepfer on the line.

Mr. Robertson: We have been talking over the Fluorspar Corp. and we told them the application as presented would likely be turned down here, and we also told them of a trenching proposal. Could you indicate on the map the bulldozer trenching and give us any other ideas about the trenching angle.

Mr. Toepfer: The area would be the outcrop area on the map. We had a light snow fall here and fluorspar cannot be observed in the snow. The fluorspar is present on the East side of the hill.

Mr. Robertson: We would like to have indicat~~ed~~ that there is larger tonnages. You indicated 13,000 tons.

Mr. Houk: Are you going to submit any additional information.

Mr. Toepfer: We have no further information to pass any recommendations on.

Mr. Houk: What is the possibility of diamond drilling.

Mr. Toepfer: Not too good. Fluorspar is never too good.

Mr. Houk: When Alcoa drilled up there they got some pretty fair recovery.

Mr. Toepfer: I believe it could be done and be satisfactory to them, and primarily, the purpose is to get a dozer in there.

Mr. Robertson: Could you line up a program on the map?

Mr. Toepfer: Yes.

Mr. Robertson: It might be necessary for you to get in touch with Mr. McKaig on that. Can those bands be easily separated from the wall ~~block~~. rock

Mr. Toepfer: They have been proven in the stockpile.

Mr. Houk: Could we set it up in two phases? The trenching on the surface and then give them a drifting program. A few drill holes would give us a lot more reserves.

Mr. Toepfer: It is dangerous to drill.

Mr. Houk: If you would get pretty fair fluorspar in a vein you wouldn't be on too unsafe ground. You think the diamond drill holes would be to long?

Mr. Toepfer: I think they would, in the diamond drift.

Mr. Houk: How long would it be to explore 150 ft down in the dip.

Mr. Toepfer: It is a good 350 ft.

Mr. Robertson: Don't you think a trench along would be better.

Mr. Houk: I don't want to hold them up until next spring.

Mr. Toepfer: Those roads are only good for 2½ months a year. On a two stage program it would have to be extended to two years.

Mr. Robertson: Do you think the inaccessability makes it too great a gamble?

Mr. Toepfer: It is not too inaccessable.

Mr. Houk: For the entire group of claims is there a possibility of finding anything substantial?

Mr. Toepfer: I couldn't judge on that.

Mr. Houk: If we set up a contract here giving them the trenching to start you could give us some more information drifting as against drilling. Are you set against drilling? I mean three holes 12 to 15 hundred feet.

Mr. Toepfer: I don't think the expenditure would warrant it. Diamond drill cores are not apt to be believed by an outsider.

Mr. Houk: If we drill 350 holes along the strike at 350 feet apart it would make it look better.

Mr. Toepfer: It is almost on the creek level. We cant judge water conditions. Rather than to prove depth in diamond drilling?

Mr. Houk: We are an exploration program and not a development program. Miers Cove was blocking out ore. We do not have the authority to do that. You can project it up there with a reasonable degree of certainty.

Mr. Volin: ~~Exhaust~~ Why couldn't that be set up as a step program and the two steps be judged by the DMEA field team and the operator?

Mr. Houk: I think that is a good idea.

Mr. Volin: There will be a lot of information come out of the trenching.

Mr. Houk: Sounds very reasonable. I think that is a good idea.

Mr. Volin: How much of a program do you have in mind?

Mr. Houk: The whole $36,000. I think you have a figure there of $45,000.

Mr. Robertson: About $45,000. It could be 3 or 4 times as much. He could work up the plan he thinks best, and we might follow and suggest ~~and~~ take it up by phone with Mr. McKaig.

Mr. Toepfer: Give you a sharper cost and put down a second step and the cost of getting equipment in.

Mr. Houk: Assaying too.

Mr. Robertson: Keep us posted on period of time.

Mr. Volin: I think ~~that~~ they can work in there for four months. They have to cross a mountain range to get in there. They have to prepare for 2½ or three months.

Mr. Houk: Put in a provision for assaying. How far away is the assaying office.

Mr. Volin: Boise.

Mr. Toepfer: The landing field is 1½ miles away.

Mr. Houk: Air borne is the most economical way to get in and out.

Mr. Toepfer: Would there be any provision for them to have that sort of transportation?

Mr. Robertson: I think that would be reasonable.

Mr. Toepfer: It might come up later that they used that form of transportation.

Mr. Houk: If it looks like the most economical way in there?

Mr. Toepfer: It will be a matter of 3 or 4 trips. That is already in the contract.

Mr. Houk: I think the item was $1,200. There is no mention as to the number of flights.

Mr. Toepfer: $75 is what they have charged for. The plant is owned by the Bradley Mining Company. They don't make regular stops at the landing field.

Mr. Houk: A few flights 10 or 15 in a season I am sure would be ok.

Mr. Volin: Is that all you have to talk over.

Mr. Houk: Yes, I guess we have covered everything.

Mr. Robertson: Yes.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C. 600

This letter will not be used.

Mr. George H. McKaig
President, Fluorspar Corporation
150 North Center Street
Reno, Nevada

Subject: Docket No. DMEA-2355 - Fluorspar
Pungo Creek Mine
Valley County, Idaho

Dear Mr. McKaig:

This office carefully reviewed the company's application for an exploration project contract loan for the subject mine and find that the tonnage of fluorspar ore that may be developed or proven by the proposed project is insufficient to meet the high costs incident to a mining operation in so inaccessible an area. For this reason, we regret to advise that the application, No. DMEA-2355, is denied herewith.

Sincerely yours,

Acting Administrator
Defense Minerals Exploration
Administration

Field office
Recommended
Need more info. per phone conversation
with Volan & Joeffer 3/26/52

Recommended
Need more info. from company
field team

FILE COPY
SURNAME:

Robertson
Houk
Davis
Van Alstine

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C. 600

Mr. George H. McKaig
President, Fluorspar Corporation
150 North Center Street
Reno, Nevada

Subject: Docket No. DMEA-2355 - Fluorspar
Bungo Creek Mine
Valley County, Idaho

Dear Mr. McKaig:

This office carefully reviewed the company's application for an exploration project loan for the subject mine and find that the tonnage of fluorspar ore that may be developed or proven by the proposed project is insufficient to meet the high costs incident to mining operation in so inaccessible area. For this reason, we regret to advise that the application, No. DMEA-2355, is denied herewith.

Sincerely yours,

Acting Administrator
Defense Minerals Exploration
Administration

JTRobertson:gad
3/19/52

Copy to: Admin. Reading File
Region II(2)
Mr. H. W. Davis, 3519
Mr. Van Alstine, G-232, GSA Bldg.
Mr. Houk
Docket File

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO :

DATE:

FROM :

SUBJECT:

Next to last sentence —

" incident to a mining operation in so inaccessible an area. "

Van Alstine

1201 North Division Street
Spokane 2, Washington
March 18, 1952

Defense
MAR 2 1952

3-28-52.

MEMORANDUM

To: Chairman, Operating Committee, DMEA,
Washington 25, D. C.

From: M. E. Volin, Member, DMEA Field Team, Region II

Subject: DMEA-2355, Application by Fluorspar Corporation to explore Pungo Creek fluorspar deposit, Valley County, Idaho.

This is in reference to a memorandum dated March 5, 1952, from Ralph E. Van Alstine, U. S. G. S., to Lawrence G. Houk, Nonmetallic Minerals Division, DMEA, on the above subject. Mr. Peter H. Toepfer, Bureau of Mines engineer who examined the Pungo Creek deposit, helped to prepare this reply.

Mr. Van Alstine's criticism that it is not demonstrated that the Pungo Creek deposit probably will add significantly to the Nation's fluorspar supply calls for some discussion as to the basic purpose of the DMEA program. As I see it, the program is essentially one for exploration, that is, for the finding of new ore sources, and as such is not necessarily predicated on the prior demonstration of a significant ore showing such as Mr. Van Alstine infers is necessary. Under his criterion, few exploratory projects would qualify for DMEA assistance. Demonstration of the significance of the deposit will result from the further work proposed by the applicants.

It is true that the property is in a very inaccessible location in an area designated "primitive" by the Forest Service, and for this reason development of it has been inhibited. It is my information from talking to officials of the Forest Service, however, that that agency will not stand in the way of mineral developments in primitive areas.

In connection with inaccessible locations and what Mr. Van Alstine infers is a mediocre ore showing, I am wondering whether if these criteria had been used we would now have the Meyers Cove fluorspar deposits at their present stage of development.

These promising deposits are in the same general area as the Pungo Creek deposit. Before development the outcrops were generally characterized by narrow siliceous veins carrying pods and lenses of massive fluorite, also ribbons and low grade disseminations. There are many such veins, it is true, but in a much larger area than that in which the Pungo Creek prospecting has been localized to date. Recurring reports of other fluorspar discoveries in this part of Idaho, suggest that the proposed work on the Pungo Creek deposit may lead to wider prospecting and area development.

With respect to Mr. Van Alstine's criticism of meager sampling, a detailed map made by Mr. Toepfer is enclosed (4 cc, one for each copy of application). This map apparently was not available to Mr. Van Alstine. It shows that numerous exposures of the fluorspar vein were cleaned and measured. Sample #51-130 is representative of the massive fluorspar shown in these exposures. No further sampling of the massive fluorspar in place was considered necessary, as the remainder could be checked by sampling the stockpile of ore broken from the vein. The vein samples assayed 96.8 percent CaF, and the stock pile sample assayed 97.5 percent. Both were slightly diluted with dirt which could be washed off before shipment. The stock pile was measured and found to contain 77 tons. This ore came from the trenching and from drifting; 137 tons were extracted, a 57 percent recovery. Careful, selective cut-and-fill mining should produce a greater recovery of acid-grade lump, say on the order of 67 percent.

The applicants are responsible men with previous mining experience. They have made an intensive study of western markets for fluorspar, and are convinced that, with the limited western supply and the premium for acid lump fluorspar, they will receive more than $60.00 per ton at railhead. The examining engineer emphasized that the problems of mining this narrow vein, the difficult access and the long truck haul would make the exploitation at best a marginal proposition. The applicants, however, believe that the known deposit will be significantly extended by the proposed work and that other deposits will be uncovered. They believe that rising prices will permit profitable operations even under the existing handicaps and high costs. They are willing to put up the funds for their share of the proposal under these conditions and it does not seem consistent with DMEA policy to discourage them. The amount requested for the proposal, $36,391, is not excessive, but in comparison with other applications might be classed as modest.

Mr. Van Alstine concedes that a small quantity of high-cost acid-grade fluorspar can be produced by selective mining, followed by hand-sorting, but states that a larger commercial operation would be questionable.

Actually, the applicants have in mind, at least for the present, only selective mining and sorting. If a large enough stock pile of rejects and other low-grade ore collects, they contemplate milling at that time. The examining engineer sees the possibility for about 10,000 tons of ore, from which by selective mining and sorting, 6,700 tons of acid-grade fluorspar can be recovered. At a market price of $60 per ton, the royalty return to the Government will be over $20,000. This admittedly will not altogether cover the $27,294 to be furnished by the Government for the exploratory project. Fortunate developments, however, may bring total recovery of the Government funds.

The proposed trenching is to be done in the float area shown on the map north of the present workings, and in other favorable float areas in the vicinity. The float areas could not be mapped at the time of examination because a snowfall prevented observation of the ground surface. The examining engineer did confirm the presence of float east of the cabin, and a man living there is reported to have since uncovered a new vein. It will not be possible to show exact trenching sites until another examination, but the general areas are known and the approximate amount of bulldozing needed. The exact location of trenches can best be determined as the work progresses. The trenching seems justified inasmuch as the dozer would come to the property in bringing in the equipment.

Mr. Van Alstine draws a comparison with the Mitchem mine near Keller, Washington. The Bureau of Mines War Minerals report on this mine shows the deposit less attractive than the Pungo both with respect to vein width and grade of ore, yet the property is reported to have had a production, at much lower prices, of 10 cars of ore, 5 cars being jig concentrates containing 96.8 percent CaF_2. The War Minerals report was written in 1943, and it may be that the unsuccessful sink-float milling mentioned by Mr. Van Alstine was conducted on tailings which already had been jig milled.

The applicants are well able to put up funds for the project; failure to answer this question must have been an oversight.

In regard to a breakdown of their mining, milling, and transportation costs, estimates at this stage of development would be only guesses. The applicants' overall cost of $30 per ton probably is low. Cut-and-fill mining and sorting might cost about $15, but the out-haul probably will cost more. Milling of the fill from drawing cut-and-fill stopes, is expected to be done by crushing and tabling, the method to be determined later when milling tests can be made of this material.

With above statements, we believe that the applicants deserve DMEA assistance, and while we cannot back this conclusion with demonstration of assured exploration possibilities, we believe that the program has as good a chance of success as many others recommended wholly on geologic evidence and now in progress.

M. E. Volin, Member,
DMEA Field Team, Region II.

cc: U.S.G.S.
Stephen M. Shelton
Files
DF

1201 N. Division St.
Spokane 2, Wash.
February 8, 1952

Defense
FEB 21 1952

DMEA-235

MEMORANDUM

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

From: Field Team, Region II

Subject: Recommendation report, Fluorspar Corporation, Valley County, Idaho

Reference is made to our letter of transmittal of January 23, 1952, forwarding an application for exploration assistance presented by the subject organization.

A recommendation report, accompanied by an exploration project contract executed by the applicant, is forwarded herewith for review. One copy each of application forms MF-100 and MF-103 also are enclosed.

The Field Team, in agreement with the examining engineer's recommendation, considers the estimated expenditure commensurate with probable returns from exploration.

By Field Team, Region II

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

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

Enclosures

cc: USGS, Spokane

1201 N. Division St.
Spokane 2, Wash.
February 8, 1952

FEB 21 1952

MEMORANDUM

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

From: Field Team, Region II

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By Field Team, Region II

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

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

Enclosures

cc: USGS, Spokane

1201 North Division Street
Spokane 2, Washington
January 30, 1952

Declassified
Designated ...
FEB 6 - 1952
Reviewed by
DMEA OPERATING COMMITTEE
2-27-52
(date) (NB)

MEMORANDUM

To: M. E. Volin, Member, DMEA Field Team, Region II

From: Peter H. Toepfer, Mining Engineer, U. S. Bureau of Mines

Subject: Fluorspar Corporation, Pungo Creek Deposit, Valley County, Idaho
Docket DMEA
Commodity: Fluorite

RECOMMENDATIONS

The Pungo Creek deposit is a recent discovery. It is 22 miles by pack trail from the nearest road and its isolated location has retarded exploration and prevented the shipment of ore. Present development indicates that 3,300 tons of fluorspar can be mined and hand-cobbed to acid-grade material ($60.00 per ton), and that 3,300 tons of further production can be had by gravity milling.

The proposed exploration program is for the purpose of increasing the ore reserves sufficiently to warrant access road construction. The applicants are considered reliable and competent, and the property merits further exploration. The proposed program is recommended for favorable action.

APPLICANT

The applicant is the Fluorspar Corp., P. O. Box 1211, Reno, Nevada. George H. McKaig, Reno, Nev., is President, John R. Dodd of Wellington, Nev., is Vice-President, and Kenneth L. Dillon, Reno, Nev., is Secretary and Treasurer. The controlling interest is owned by Mr. McKaig and Mr. Dodd. Mining operations will be under the supervision of Mr. Dodd.

OWNERSHIP

The property consists of seven unpatented lode mining claims (Pungo Creek, Pungo Creek No. 1, No. 2, No. 3, No. 4, No. 5, & No. 6) located within and nearby section 36, T. 17 N., R. 11 E., Valley County, Idaho. It is being purchased by contract from Edward Budell, Boise, Idaho, by the Fluorspar Corp.

HISTORY AND PAST PRODUCTION

The Pungo Creek fluorspar deposit was located in 1945 by Edward Budell. Abundant float fluorite was mistaken for quartz and the vein was prospected for gold and silver. Not until 1948 was it learned that the vein consisted of massive, high-grade fluorite. Since that time, Budell has driven two short drifts on the vein, hand-cobbed and piled about 77 tons of said-grade lump fluorspar, and has fully exposed the vein outcrop in the lower part of the original claim.

In 1951, the property was optioned for sale to John R Dodd. The option was transferred to the Fluorspar Corp. which has made the first payment for purchase and intends to exploit the property as soon as an access road can be built.

DESCRIPTION OF PROPOSAL

It is proposed to bring a bulldozer from Landmark via the Pistol Creek trail to the property. The trail, for the most part, is said to be cleared to suitable width. Some temporary road will be built so that a compressor, fuel, mining equipment, and supplies can be towed to the property. Three weeks of bulldozer trenching is to be done on the fluorspar outcrops and favorable float areas. It is expected that 1,500 feet of trenching will be accomplished.

A drift is to be driven 600 feet, beginning at the face of the lower adit. The face of the proposed drift will be 300 feet below the uppermost point of the favorable float area. This drift will thus explore and develop a triangular block showing 260 feet of exposed vein and 270 feet of favorable float fluorspar.

TECHNICAL FEASIBILITY

Geologic Setting

The country rock of the area is a porphyritic diorite locally intruded by irregular basic dikes. The deposit is a fissure filling vein striking N. 41 W. and dipping about 80° SE. The wall rock, presumably fractured by pre-ore faulting and silicified, was again reopened and brecciated by further stresses and healed with fluorspar deposited from ascending solutions. The silicified wall rock has resisted erosion.

The area is unglaciated and any float fluorspar should be easily traced to its source.

Description of Mine Workings

The mine workings consist of two short drifts and two open cuts on the vein. The massive fluorspar vein is well exposed for a horizontal distance of 223 feet beginning at the base of this hill. Further low-grade breccia ore is present in the walls but has not been fully exposed. The vein is nearly vertical and its strike follows the crest of the ridge rising at a 30° slope from the junction of Pungo Creek with the Middle Fork of the Salmon River.

The uppermost vein trenching shows no sign of the vein pinching out, but as surface float is lacking for a horizontal distance of 131 feet

beyond the uppermost trenching, the presence of ore in this distance is questionable.

Still further on the continuation of the strike, abundant high-grade float fluorspar is again found for a horizontal distance of 242 feet. No work has been done in this area. In the last 62 feet of this distance, low-grade breccia ore is exposed on the surface and is probably closely parallel to the source of the high-grade float.

Little further float is found beyond this float area. It may be possible that the vein is unexposed and present in depth below this higher area of the ridge.

Other smaller areas of float fluorspar are known east of the mouth of Pungo Creek. As yet, no work has been done on these areas.

Reserves

The average width of the massive, almost pure fluorspar vein is 1.47 feet, varying between 0.6 and 2.3 feet. Brecciated wall rock containing fluorspar may be expected to contribute a milling grade ore for later operations. The width and grade of this breccia ore has not been completely determined. The proposed operations consider selective mining of the massive ore by cut-and-fill stoping, the fill being composed of unrecovered fluorspar and breccia ore which is later to be drawn and milled.

Since identification of the fluorspar, an estimated 1,370 cu. ft. (137 tons) of massive vein material has been mined by drifting and trenching. This was reduced by hand-cobbing to 77 tons of acid-grade lump fluorspar suitable for shipment. It is assumed that recovery can be increased to 67 percent by well-planned stoping operations. A representative sample from one ore pile assayed: CaF_2 - 97.5 percent, SiO_2 - 0.05 percent,

Fe_2O_3 - 0.314 percent Zn - neg., Pb - neg., S - neg. An underground sample taken across 1.3 feet of the vein assayed 96.8 percent CaF_2.

In computing ore reserves, it is assumed that 10 cu. ft. of fluorspar will weigh 1 ton, the vein width will average 1.47 feet, and that two-thirds of the ore can be recovered by selective mining to meet acid-grade (97 percent CaF_2) specifications. It also is assumed that subsequent milling of breccia ore in the stope filling will furnish an equal tonnage of fluorspar concentrate. The vein has been exposed for a surface length of 260 feet. Indicated ore reserves therefore are considered to extend in depth for one-half of this length, and inferred ore reserves are assumed to equal the indicated reserves. Thus:

Indicated ore to be produced	from selective mining	3,300 tons
	from later milling	3,300
Inferred ore to be produced	from selective mining	3,300
	from later milling	3,300
Total Reserves		13,200 tons

Mining Methods

A horizontal cut-and-fill stoping method appears applicable to exploitation of the deposit. Rough sorting of ore in the stopes followed by sorting under a water spray at the surface probably would be required. The fill, composed of breccia ore and some of the massive ore lost during selective mining, could later be drawn and milled.

Milling Methods

The selectively mined ore would be sprayed with water to remove fines and hand-cobbed prior to shipment.

The drawn fill possibly could be beneficiated by sink-float treatment.

Sink-float employing ferrosilicon media has been used successfully in the concentration of fluorspar ore containing no barite nor metallic sulfides. As silica content of the concentrate might prove too high for acid-grade fluorspar, it may be advisable to make a metallurgical (70 percent CaF_2) grade. Ceramic grade fluorspar, requiring less than 0.12 percent Fe_2O_3, would probably require flotation methods.

Rate of Production

Due to snow conditions, an access road could be used only during the months of July through October. Ore produced during the remainder of the year would have to be stock piled.

On the basis of a 5-man crew, two men would be required for development and stoping operations, two men would be required for mucking, tramming, and sorting, and one man would be required for supervision and surface work. Annual output at this scale of operation should amount to about 1,200 tons of acid-grade fluorspar.

Time Schedule to Attain Objectives

Bulldozing the temporary road and towing in the compressor, fuel, and equipment is expected to take 2-1/2 weeks. Three weeks of bulldozer trenching is to be done, and 1/2 week will be required to return the bulldozer 22 miles to the road at the Pistol Creek summit.

The 600 feet of drifting is to begin upon the arrival of the compressor. Fourteen 6-day weeks, working two shifts, are expected to be necessary to complete the drift, with an additional two weeks for setting up. The time required for completion of the exploration work is estimated to be four months. Work would probably begin early in July.

EQUIPMENT AND FACILITIES

At present, no equipment is on the property other than hand tools. The camp is in good condition and would provide suitable quarters for the required crew.

The following equipment and facilities are required.

Fixtures and Improvements

Compressor house and tool work shop	$ 600.00

To be Purchased:

I-R 160 cfm compressor (used)	3,674.00
25 gpm pump, electric (used)	75.00
1 1/2" centrifugal pump, gasoline (used)	75.00
Blower and 300 ft. of 4" canvas pipe (used)	250.00
Rock drill, RH-656W, Atlas Diesel Co.	340.00
Drifting leg, BMK 61-A2	165.00
Sandvik Coromot drill steel, 3 sets	176.00
Tool Dresser, RS-7-10	180.00
Chain saw, 36" McCullough, with extra chain	425.00
Mine car, 1500 lb. (used)	250.00
650 ft. 2" air line pipe @ 6$ less 25%	317.00
1000 ft. 1" water line pipe @ 30-1/$ less 25%	229.00
Valves, fittings, water tank, etc.	814.00
1600 ft. 16# rail@ $12.00/T (incl. freight)	1,024.00
Fish plates and track spikes	100.00
Small tools, hardware, mucking sheets, etc.	300.00
Air & Water hose and fittings	390.00
Lamps and carbide	90.00
3 tons powder @ $23.75/100#	1,425.00
18,000 ft. of fuse @ $13.70/1000	246.00
1,800 primers @ $21.60/1000	39.00
Fuel and lubricants	520.00
Shop supplies and extra parts	500.00
Freight to Landmark, Idaho	600.00
Air transportation to nearby Indian Creek Landing Field	1,200.00
Accounting	300.00
Assaying	150.00

To be Rented

HD-19 Angledozer and crew, 6-60 hr wks @ $18.00/hr	6,480.00
J-12 Caterpillar grader and crew, 2-60 hr wks @ $15.00/hr	1,800.00
1 ton 4 x 4 Dump truck, 72 days @ $20.00	1,440.00

To be furnished

Jeep and trailer, $35.00 per mo, 4 mo.	$ 140.00
Portable generator, $10.00 per mo., 4 mo.	40.00
Electric saws, $5.00 per mo., 4 mo.	20.00
Electric drill, $5.00 per mo., 4 mo.	20.00
Electric grinder, $2.00 per mo., 4 mo.	8.00
Welding equipment, $10.00 per mo., 4 mo.	40.00
Total fixtures, equipment, and supplies	$24,442.00

LABOR SUPPLY

Although the average miner would consider this property too isolated, a few miners perfer such a location. A number of men work for the Forest Service in summer and would be glad to find winter work in the locality.

Six men will be required for the proposed program, the wife of one acting as cook. The following list will show the classes of labor required:

4 miners, each $16.00 per shift, 16 wks (with insurance and overtime, each @ $117.00 per wk)	$ 7,488.00
1 truck driver @ $12.00 per shift, 16 weeks (with insurance and overtime, $87.75 per week)	1,404.00
1 cook @ $160.00 per mo., 4 mo.	720.00
1 superintendent @ $625.00 per mo., 5 mo. (includes engineering)	3,125.00
Total labor and supervision	12,737.00

POWER

Pungo Creek presents a favorable power site about a quarter mile above the mine. It is the applicant's intention to develop this site for future mining. However, the proposed program will be powered by gasoline or diesel equipment.

TRANSPORTATION

When an access road is built from the Stibnite summit, the fluorspar will be hauled 76 miles by truck to the railroad at McCall, Idaho. A maintained road will be completed this summer between McCall and Stibnite.

Six miles of mine access road extends from Stibnite to the Stibnite summit. If the proposed exploration program is successful, 16 miles of mine access road will have to be built from the Stibnite summit, down Indian Creek to the Pungo Creek Mine.

ADEQUACY OF REQUESTED FUNDS

The following is a breakdown of the cost figures:

(1) Construction of 22 miles of temporary road		$5,040.00
(2) Bulldozer trenching, 180 hrs @ $18.00/hr	$3,240.00	
Supervision, 1 mo @ $625.00 (includes engineering)	625.00	
Hand labor, 4 weeks @ $87.75	351.00	
Total		4,216.00
(3) Transportation.		
Freight, trucking, and air transport	3,380.00	
Supervision, 1 mo. @ $625.00	625.00	
Truck driver, 12 wks @ $87.75	1,053.00	
Total		5,058.00
(4) Construction of compressor house		600.00
(5) Equipment to be purchased for drifting		6,110.00
(6) Equipment to be furnished for drifting		128.00
(7) 600 feet of drifting		
Material and supplies to be purchased	5,494.00	
Labor, 4 miners, 16 wks @ $117.00 each	7,488.00	
Supervision, 3 mo. @ $625.00 (includes engineering)	1,875.00	
Total		14,857.00
(8) Accounting, assaying, & Cook, 4 mo. @ $180.00		1,170.00
Total cost of proposed work		$37,179.00

These figures can be considered adequate, and not too high in view of the isolated location of the work.

COMPETENCE OF THE APPLICANT

Mr. Dodd's work has been electrical contracting, in which he has had much experience in foreign localities. He has also had experience in operating mining properties in the southwest and can be considered completely competent to supervise this operation.

DISCUSSION OF PROPOSAL

The applicant and the examining DMA engineer are in agreement that the proposed program is best suited to explore the property and to lead to its being placed in production.

DMEA-2355

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

[illegible]

[illegible]

[illegible]

To: [illegible], Operating Committee, [illegible]

From: [illegible], Region [illegible]

Subject: Application for exploration assistance, [illegible] Corporation, Valley County, Idaho

Enclosures three copies of Form [illegible]-10[illegible] [illegible]-1[illegible]. This application for [illegible] exploration assistance concerns a fluorspar property located in the [illegible] area of the Boise National Forest, Valley County, Idaho.

The [illegible] Corporation originally [illegible] to make an access road application. However, [illegible] field examination of the fluorspar property revealed that the ore reserves were not sufficient to qualify for an access road. They have, therefore, submitted application for exploration assistance to increase the measured and indicated ore reserves. The realistic program proposed in the present application includes an amount considered adequate to bring in necessary plant equipment by a bulldozer.

The subject property was examined by Mr. [illegible] Cooper, mining engineer, [illegible] Bureau of Mines, [illegible], [illegible]. The report is in preparation and will be forwarded for consideration at an early date. The last copy of application Form [illegible]-10[illegible] and [illegible]-1[illegible] will be included with Mr. Cooper's report.

[illegible]

[illegible]
Executive Officer

[illegible]
[illegible]

[illegible]

JAN 30 1952

[illegible]

DMEA-2855

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

No. 17 [illegible] Avenue
Spokane, [illegible]

January 5, 1952

[illegible]

To: [illegible], Operating Services, [illegible]

From: [illegible], Region [illegible]

Subject: Application for exploration assistance, Fluorspar Corporation, Shoshone County, Idaho

Enclosed are three copies of Form [illegible]-1[illegible] and [illegible]-1[illegible]. This application for [illegible] exploration assistance concerns a fluorspar property located in the principal area of the Coeur d'Alene National Forest, Shoshone County, Idaho.

The Fluorspar Corporation originally intended to make an access road application [illegible]. However, a field examination of the fluorspar property revealed that the ore reserves were not sufficient to qualify for an access road. They have, therefore, asked for application for exploration assistance to increase the tonnage and indicated ore tonnage. The realistic program proposed in the agency application includes an annual consideration sufficient to bring in necessary mining equipment by a bulldozer.

The silver property was examined by Mr. [illegible] Cooper, mining engineer, [illegible] Bureau of Mines, in October, 1951. His report is in preparation and will be forwarded for consideration at an early date. The 4th copy of application forms [illegible]-1[illegible] and [illegible]-1[illegible] will be included with Mr. Cooper's report.

[illegible] Holl[illegible]en, Region [illegible]

[illegible]
Executive Officer

[illegible]
Director

Enclosures

cc:

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

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

Not To Be Filled in by Applicant

Docket No. dmm 2355
Metal or Mineral
Date Received 2-21-52
Amount $
Participation (Government %)

FLUORSPAR CORPORATION
BOX 1211
RENO, Nevada

Name and address of applicant

Date January 8, 1952

If you have already filed MF-100, give date filed _____, type of assistance requested _____,

DMA Docket Number (if available) _____

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

Defense Minerals Administration
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FEB 21 1952

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

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

CERTIFICATION

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

FLUORSPAR CORPORATION
(Name of company)

By Geo M McCay President
(Signature of authorized official)

January 8, 1952
(Date)

President
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

PUNGO CREEK FLUORSPAR DEPOSIT
VALLEY COUNTY, IDAHO

ANSWERS TO MF-103:

Fluorspar Corporation
P.O. Box 1211 - Reno, Nevada

January 8, 1952

MF-100 is being filed at this same date. The type of assistance requested is a 50% government participation fluorspar exploration loan, so that sufficient reserves of ore can be proven to justify the building of an access road.

(1) (a) The property consists of seven unpatented lode claims (Pungo Creek, Pungo Creek No. 1, No. 2, No. 3, No. 4, No. 5, and No. 6) located in and nearby section 36, T-17-N, R-11-E, Valley County, Idaho. The Pungo Creek mine, which has so far stockpiled a small tonnage of lump acid grade fluorspar, is on this property.

(b) The Fluorspar Corporation is operating this property as owner.

(c) The exploration work is to be conducted within the unpatented lode claims listed above.

(2) (a) Fluorspar (acid grade)
(b) The deposit is a high grade fissure vein of fluorspar within andesite and porphyritic diorite country rock. The average width of the practically pure fluorspar is 1.47 feet, and ranges between 0.6 and 2.3 feet where exposed. Breccia fluorspar ore of lower grade lies next to the massive fluorspar and is expected to be amenable to concentration. The vein dips steeply. It has been exposed by trenching for a distance of 260 feet up the slope of the hill.

The mine workings have been sampled and mapped by Peter H. Toepfer of the U. S. Bureau of Mines, Spokane, Washington, whose report and maps will accompany this application. This examination was conducted in October, 1951.

(3) (a) The proposed work will consist of bringing in a bulldozer to the property from Landmark via Pistol Creek trail, building a temporary road on the way so that the bulldozer can tow in a compressor, mining supplies and fuel. Four weeks of bulldozer trenching is to be done on the property on the fluorspar outcrops and favorable float areas, the total linear feet of trenching expected to be 1500 feet and the average depth of the trenches expected to be 6 feet.

A total of 600 feet of drifting is to be carried out on the fluorspar vein, starting at the lowest point on the outcrop and continuing the drift to below the uppermost point of the favorable float area. This work will develop a triangular block 600 feet long with 330 feet of stoping height at the far end.

(b) Bulldozing the temporary road and towing in the compressor, fuel, and equipment, is expected to take two weeks. Four weeks of bulldozer trenching is to be done, and another week will be required to return the bulldozer 22 miles to the road at the Pistol Creek Summit.

The 600 feet of drifting is to begin upon the arrival of the compressor at the property. At an average of 4 feet per day, this would be 150 working days or 30 weeks. Thus the time required for completion of the exploration contract would be 32 weeks.

(4) The proposed drift will be shown in plan and in longitudinal section on the map prepared during the Bureau of Mines examination.

Bulldozer trenching will also be shown on the map. Some further trenching will be done on nearby fluorspar float areas within the mining claims of the Fluorspar Corporation.

ANSWERS TO MF-103:

(5) Existing facilities, buildings, installations and fixtures:
3 cabins, suitable and furnished for living quarters.
complete cooking facilities.
1 General storage cabin.
1 Compressor and tool house.
small electric generator.
Water supply tank and pumps.

(6) Facilities, buildings, and installations to be purchased:

	Erection & Install.Cost	Purchase	Rent Per Hour	Total	Depreciation Per Month	Total
Compressor house & tool & work shop	$ 600.00					
(7) (a)						
H-D-19 Tractor			$18.00	$ 6,480.00		
Cat. J 12 blade grader			15.00	1,800.00		
1 ton 4 x 4 dump truck			2.50	1,440.00		
(b)						
Used I.R.160 C.F.M. Compressor		$ 3,674.00				
Pumps - domestic & mine supply		150.00				
Blower and canvas pipe		250.00				
Arco air hammers (2)		580.00				
Chain Saw		425.00				
1500 lb. mine cars (2)		500.00				
(c)						
Jeep & trailer					$ 35.00	$ 140.00
Portable generator					10.00	40.00
Electric saws					5.00	20.00
drills					5.00	20.00
grinder					2.00	8.00
Welding equipment					10.00	40.00
	$ 600.00	$ 5,579.00		$ 9,720.00		$ 268.00

TOTAL: .....$ 16,167.00

	Per Day	Total	Per Month	Total
(8) Miners (2)	$ 32.00	$3,480.00		
Muckers (2)	21.60	2,592.00		
Handyman			$ 150.00	$ 900.00
Cook			150.00	600.00
Superintendent			625.00	3750.00
Engineer (fee)				300.00
		$6,072.00		$ 5,550.00

ANSWERS TO MF-103:

		Purchase
(9).	Pipe & Fittings	$ 1,362.00
	Rail and Fittings (used)	500.00
	Lumber and Timbers	480.00
	Rope - chain - steel line	300.00
	Hardware - sheet metal	260.00
	Air hose and fittings	390.00
	Carbide and Lamp	90.00
	Explosive - fuse - caps	550.00
	Fuel and Lubricants	520.00
	Subsistence Supplies	2,000.00
	Shop Supplies - parts	500.00
	Accounting	300.00
	Assaying	150.00
	Transportation (air)	1,200.00
		$ 8,602.00

Total of items - questions 8 and 9: $ 20,224.00

Extra

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

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

NOT TO BE FILLED IN BY APPLICANT

Docket No. dmea 2355

Date received 2-21-52

FLUORSPAR CORPORATION
P.O. Box 1211
Reno, Nevada

Name and address of applicant

Date January 8, 1952

INSTRUCTIONS

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

GENERAL TECHNICAL DATA

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

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 21 1952

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

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

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

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
George E. McKaig 150 E. Center St., Reno, Nev.	President D.		$100,000.	75,000			
J. R. Todd Yerington, Nevada	Vice-Pres. D.		$10,000.	75,000			
Kenneth L. Dillon Professional Bldg. Reno, Nevada	Sec-Treas.						
Helen Presny Professional Bldg. Reno, Nevada	Ass't. Sec.-Treas.						
Mary Nella McKaig PO Box 1211, Reno, Nev.	D.						
Muriel L. Todd Yerington, Nevada	D.						
	Total		x x x x x	150,000		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$300,000.00	$160,000.00	$1.00	none	
Preferred stock	$25,000.00	$	$10.00	None	

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	Massive CaF_2			100 S.T.	
2. Quantity of product processed (specify unit of measure and type of process)				100 S.T. hand cobbed	
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. 1/ce - 75 - 100 S.P.M. Addition of mining facilities & personnel

12. Ore or Mineral Reserves:

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

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

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

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

TOTAL ORE OR MINERAL RESERVES

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

(*c*) If placer:

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

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

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

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

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

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

13. Access Roads: 65 miles to Cascade, Idaho. Camp on site. No road 22 miles; fair to good balance of distance

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

14. Water Supply: Adequate water for all purposes in Pungo Creek on property and middle fork of Salmon River

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

15. Power: Power to be produced as requirements indicated by water power, Pungo Creek

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

16. Labor: One - prospector - miner

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

17. Equipment and Facilities:

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

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

CERTIFICATION

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

FLUORSPAR CORPORATION
(Name of company)

By [signature]
(Signature of authorized official)

January 8, 1952
(Date)

President
(Title)

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

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

PUNGO CREEK FLUORSPAR DEPOSIT
VALLEY COUNTY, IDAHO

ANSWERS TO MR-100:

Fluorspar Corporation
P.O. Box 1211 - Reno, Nevada

January 8, 1952

(1) (a) Fluorspar (acid grade lump)
(b) None.

(2) Pungo Creek Deposit, Valley County, Idaho
(a) None
(b) 95 feet
(c) Same as above
(d) 170 foot of surface trenches exposing vein.
All present workings above water level. Production of 1,000 tons yearly is possible from the present showings, and the proposed exploration program is expected to increase the reserves and the possible production figure.

(3) (a) Deposit is 56 miles east by road and trail from both Cascade and McCall, Idaho, which towns would be the nearest railroad shipping points.
(b) No organized mining district.
(c) Section 30, T-17-N, R-11-E.
(d) Valley County, Idaho

(4) (a) The Fluorspar Corporation has one man employed at present. He is at present doing further prospecting, and will be selectively mining and stockpiling fluorspar this summer.
(b) The Fluorspar Corporation is operating the property as owner.

(5) Stockpiling of acid lump fluorspar has proceeded intermittently since 1949.

(6) Operations will be under the control of George McKaig and John Dodd. McKaig has had 30 years experience in investment banking and the handling of mining properties. Dodd has had one year of experience in managing a tungsten mine, and 35 years in managing construction work and electrical contracting. McKaig is the fiscal agent for the Fluorspar Producers Corporation of Nevada, operating properties in Arizona. The Fluorspar Corporation will enjoy the assistance of this company in the operation of the Pungo Creek Mine and the marketing of its products.

(7) (a) Deposit was recognized as a fluorspar property in 1948. Since that time, a small amount of prospecting and selective mining for stockpiling has been carried on. No ore has been shipped due to lack of access road.
(b) No nearby fluorspar deposits are known, other than the Myers Cove fluorspar mine, 42 miles by pack trail to the northeast. It is understood that the Myers Cove deposit is producing 2,000 tons of acid grade fluorspar monthly, and that this tonnage will be increased to 5,000 tons shortly. The fluorspar is being sold under contract to the Atomic Energy Commission at Arco, Idaho.
(c) The Pungo Fluorspar Deposit was examined in October 1951 by Peter M. Toepfer of the U. S. Bureau of Mines. The deposit was sampled, surveyed and mapped at this time. The report is understood to be favorable and is in the possession of the U. S. Bureau of Mines, Spokane, Washington.

(8) George H. McKaig, President, Box 1211, Reno, Nevada
John R. Dodd, Vice-President, same address
Kenneth Dillon, Secretary and Treasurer, same address

In addition to the above men, the following are Directors:
Mary McKaig, Box 1211, Reno, Nevada
Muriel L. Dodd, same address

ANSWERS TO MF-100 (continued):

George H. McKaig and John R. Dodd each hold 75,000 shares of common stock, the remaining 150,000 shares of the 300,000 shares authorized is being held as treasury stock. 2500 shares of preferred stock are authorized, and are being held as treasury stock.

George H. McKaig and John R. Dodd have assets in excess of $100,000 in interests other than the Fluorspar Corporation.

Par value of common stock is listed as $1.00, and of preferred stock, $10.00 per share.

(10) 77 tons of acid lump fluorspar has been stockpiled during the course of exploratory drifting and development. This ore assays 99.02% CaF_2; 0.06% SiO_2; 0.814% Fe_2O_3; and no lead, zinc, nor sulfur. No actual mining has been carried out due to lack of access road.

(11) Once an access road is built, the monthly rate of production is expected to range between 75 and 100 tons of acid grade fluorspar.

(12) The deposit is a high-grade fissure vein of fluorspar within andesite and porphyritic diorite country rock. The average width of the practically pure fluorspar is 1.67 feet, and ranges between 0.0 and 2.3 feet. The vein has been completely exposed for a distance of 260 feet up the slope of the hill. Breccia fluorspar ore of lower grade lies next to the massive fluorspar, and is expected to be amenable to concentration to equal the tonnage to be produced from the massive ore. Figuring 260 feet proven length, 180 feet depth, 1.5 feet average width, and 10.0 cubic feet per ton, 5,080 tons of massive ore is available for selective mining to produce 3,380 tons of acid lump ore. An equal tonnage is expected to be available from milling the rejected ore and breccia ore broken during mining. This woul be 6,780 tons of indicated ore. Inferring the continuation of ore in depth, and inferring the presence of similar ore in another attractive float area, 18,560 additional tons of ore can be inferred. Only a slight tonnage can be considered proven.

The 6,780 tons of indicated ore is expected to contain 97 percent calcium fluoride, valued at railroad at $60.00. The estimated cost of mining, sorting, and milling, and truck haul is $30.00 per ton, but this cost will not include amortization which will be dependent upon the amount of reserves proven by the proposed exploration program.

(13) If rail shipments are made from McCall, an all-year road will be completed from McCall to Stibnite within the next year. This distance is 54 miles. Beyond Stibnite, mine roads reach the mountain summit above the Middle Fork of the Salmon River where the Pungo deposit is located. This distance is 6 miles. Beyond this summit, 16 miles of road will have to be built down Indian Creek to the Pungo deposit. The first four miles of this distance will be difficult.

The proposed exploration program will be for the purpose of developing sufficient ore reserves to allow this road to be built on BMA access road funds.

Supplies will come from McCall and Stibnite. The miners will live at the Pungo mine.

(14) Adequate water for all purposes can be had from either Pungo Creek or the Middle Fork of the Salmon River.

(15) An ideal water power site exists just above the camp on Pungo Creek. Sufficient power for mining and milling can be generated here. John Dodd is experienced in such installation.

ANSWERS TO LP-100 (continued):

(16) It is anticipated that 5 men will be employed, two of whom will be experienced miners. The remaining labor would be unskilled.

(17) Present equipment consists of only hand mining tools, cabin and cabin facilities.

(18) The only circumstance not covered is that the property lies within a primitive area of the Boise National Forest. The Forest Service will dislike having a mine road into this area, but will probably not try to prevent it inasmuch as this can be proven to be a commerical deposit of a strategic material.

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

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

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMEA-2355

Date received 1-29-52

FLUORSPAR CORPORATION
P.O. Box 1211
Reno, Nevada

Name and address of applicant

Date January 8, 1952

INSTRUCTIONS

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

GENERAL TECHNICAL DATA

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

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

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

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

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
George H. McKaig 150 N.Center St., Reno, Nev.	President D.		$100,000.	75,000			
J. R. Dodd Yerington, Nevada	Vice-Pres. D.		$10,000.	75,000			
Kenneth L. Dillon Professional Bldg. Reno, Nevada	Sec-Treas.						
Helen Presby Professional Bldg. Reno, Nevada	Ass't. Sec.-Treas.						
Mary Wells McKaig PO Box 1211, Reno, Nev.	D.						
Muriel L. Dodd Yerington, Nevada	D.						
	Total		x x x x x	150,000		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$300,000.00	$150,000.00	$1.00	None	
Preferred stock	$25,000.00	$	$10.00	None	

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	Massive CaF_2		70	100 S.T.	
2. Quantity of product processed (specify unit of measure and type of process)				100 S.T. hand cobbed	
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. 1/ce - 75 - 100 T.P.M. Addition of mining facilities & personnel

12. Ore or Mineral Reserves:

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

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

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

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

TOTAL ORE OR MINERAL RESERVES

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

(*c*) If placer:

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

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

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

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

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

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

13. Access Roads: 65 miles to Cascade, Idaho. Camp on site. No road 22 miles; fair to good balance of distance

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

14. Water Supply: Adequate water for all purposes in Pungo Creek on property and middle fork of Salmon River

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

15. Power: Power to be produced as requirements indicated by water power, Pungo Creek

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

16. Labor: One - prospector - miner

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

17. Equipment and Facilities:

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

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

CERTIFICATION

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

FLUORSPAR CORPORATION
(Name of company)

By Geo M Dey
(Signature of authorized official)

January 8, 1952
(Date)

President
(Title)

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

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

PUNGO CREEK FLUORSPAR DEPOSIT
VALLEY COUNTY, IDAHO

ANSWERS TO MF-100:

Fluorspar Corporation
P.O. Box 1211 - Reno, Nevada

January 8, 1952

(1) (a) Fluorspar (acid grade lump)
(b) None.

(2) Pungo Creek Deposit, Valley County, Idaho
(a) None
(b) 95 feet
(c) Same as above
(d) 170 feet of surface trenches exposing vein.
All present workings above water level. Production of 1,000 tons yearly is possible from the present showings, and the proposed exploration program is expected to increase the reserves and the possible production figure.

(3) (a) Deposit is 56 miles east by road and trail from both Cascade and McCall, Idaho, which towns would be the nearest railroad shipping points.
(b) No organized mining district.
(c) Section 36, T-17-N, R-11-E.
(d) Valley County, Idaho

(4) (a) The Fluorspar Corporation has one man employed at present. He is at present doing further prospecting, and will be selectively mining and stockpiling fluorspar this summer.
(b) The Fluorspar Corporation is operating the property as owner.

(5) Stockpiling of acid lump fluorspar has proceeded intermittently since 1943.

(6) Operations will be under the control of George McKaig and John Dodd. McKaig has had 30 years experience in investment banking and the handling of mining properties. Dodd has had one year of experience in managing a tungsten mine, and 35 years in managing construction work and electrical contracting. McKaig is the fiscal agent for the Fluorspar Producers Corporation of Nevada, operating properties in Arizona. The Fluorspar Corporation will enjoy the assistance of this company in the operation of the Pungo Creek Mine and the marketing of its products.

(7) (a) Deposit was recognized as a fluorspar property in 1948. Since that time, a small amount of prospecting and selective mining for stockpiling has been carried on. No ore has been shipped due to lack of access road.
(b) No nearby fluorspar deposits are known, other than the Myers Cove fluorspar mine, 42 miles by pack trail to the northeast. It is understood that the Myers Cove deposit is producing 2,000 tons of acid grade fluorspar monthly, and that this tonnage will be increased to 5,000 tons shortly. The fluorspar is being sold under contract to the ~~Atomic~~ Energy Commission at Arco, Idaho.
(c) The Pungo Fluorspar Deposit was examined in October 1951 by Peter M. Toepfer of the U. S. Bureau of Mines. The deposit was sampled, surveyed and mapped at this time. The report is understood to be favorable and is in the possession of the U. S. Bureau of Mines, Spokane, Washington.

(8) George H. McKaig, President, Box 1211, Reno, Nevada
John H. Dodd, Vice-President, same address
Kenneth Dillon, Secretary and Treasurer, same address

In addition to the above men, the following are Directors:
Mary McKaig, Box 1211, Reno, Nevada
Muriel L. Dodd, same address

ANSWERS TO MF-100 (continued):

George H. McKaig and John R. Dodd each hold 75,000 shares of common stock, the remaining 150,000 shares of the 300,000 shares authorized is being held as treasury stock. 2500 shares of preferred stock are authorized, and are being held as treasury stock.

George H. McKaig and John R. Dodd have assets in excess of $100,000 in interests other than the Fluorspar Corporation.

Par value of common stock is listed as $1.00, and of preferred stock, $10.00 per share.

Toepfer's report says 97.5%

(10) 77 tons of acid lump fluorspar has been stockpiled during the course of exploratory drifting and development. This ore assays 99.02% CAF_2; 0.05% SIO_2; 0.814% Fe_2O_3; and no lead, zinc, nor sulfur. No actual mining has been carried out due to lack of access road.

(11) Once an access road is built, the monthly rate of production is expected to range between 75 and 100 tons of acid grade fluorspar.

(12) The deposit is a high-grade fissure vein of fluorspar within andesite and porphyritic diorite country rock. The average width of the practically pure fluorspar is 1.47 feet, and ranges between 0.6 and 2.3 feet. The vein has been completely exposed for a distance of 260 feet up the slope of the hill. Breccia fluorspar ore of lower grade lies next to the massive fluorspar, and is expected to be amenable to concentration to equal the tonnage to be produced from the massive ore. Figuring 260 feet proven length, 130 feet depth, 1.5 feet average width, and 10.0 cubic feet per ton, 5,080 tons of massive ore is available for selective mining to produce 3,390 tons of acid lump ore. An equal tonnage is expected to be available from milling the rejected ore and breccia ore broken during mining. This woul be 6,780 tons of indicated ore. Inferring the continuation of ore in depth, and inferring the presence of similar ore in another attractive float area, 13,560 additional tons of ore can be inferred. Only a slight tonnage can be considered proven.

The 6,780 tons of indicated ore is expected to contain 97 percent calcium fluoride, valued at railroad at $60.00. The estimated cost of mining, sorting, and milling, and truck haul is $30.00 per ton, but this cost will not include amortization which will be dependent upon the amount of reserves proven by the proposed exploration program.

(13) If rail shipments are made from McCall, an all-year road will be completed from McCall to Stibnite within the next year. This distance is 54 miles. Beyond Stibnite, mine roads reach the mountain summit above the Middle Fork of the Salmon River where the Pungo deposit is located. This distance is 6 miles. Beyond this summit, 16 miles of road will have to be built down Indian Creek to the Pungo deposit. The first four miles of this distance will be difficult.

The proposed exploration program will be for the purpose of developing sufficient ore reserves to allow this road to be built on DMA access road funds.

Supplies will come from McCall and Stibnite. The miners will live at the Pungo mine.

(14) Adequate water for all purposes can be had from either Pungo Creek or the Middle Fork of the Salmon River.

(15) An ideal water power site exists just above the camp on Pungo Creek. Sufficient power for mining and milling can be generated here. John Dodd is experienced in such installation.

ANSWERS TO MF-100 (continued):

(16) It is anticipated that 5 men will be employed, two of whom will be experienced miners. The remaining labor would be unskilled.

(17) Present equipment consists of only hand mining tools, cabin and cabin facilities.

(18) The only circumstance not covered is that the property lies within a primitive area of the Boise National Forest. The Forest Service will dislike having a mine road into this area, but will probably not try to prevent it inasmuch as this can be proven to be a commerical deposit of a strategic material.

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

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

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMEA-2356

Date received 1-24-52

Department of the Interior
Defense Minerals Administration
RECEIVED
JAN 23 1952

FLUORSPAR CORPORATION
P.O. Box 1211
Reno, Nevada

Name and address of applicant

Date January 8, 1952

INSTRUCTIONS

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

GENERAL TECHNICAL DATA

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

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

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

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

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

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

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
George H. McKaig 150 N.Center St.,Reno,Nev.	President D.		$100,000.	75,000			
J. R. Dodd Yerington, Nevada	Vice-Pres. D.		$10,000.	75,000			
Kenneth L.Dillon Professional Bldg. Reno, Nevada	Sec-Treas.						
Helen Presby Professional Bldg. Reno, Nevada	Ass't. Sec.-Treas.						
Mary Wells McKaig PO Box 1211, Reno, Nev.	D.						
Muriel L. Dodd Yerington, Nevada	D.						
	Total		x x x x x	150,000		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$ 300,000.00	$ 150,000.00	$ 1.00	None	
Preferred stock	$ 25,000.00	$	$ 10.00	None	

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	Massive CAF_2			100 S.T.	
2. Quantity of product processed (specify unit of measure and type of process)				100 S.T. hand cobbed	
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. 1/cs - 75 - 100 T.P.M. Addition of mining facilities & personnel

12. Ore or Mineral Reserves:

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

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

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

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

TOTAL ORE OR MINERAL RESERVES

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

(*c*) If placer:

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

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

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

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

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

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

13. Access Roads: 65 miles to Cascade, Idaho. Camp on site. No road 22 miles; fair to good balance of distance
Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply: Adequate water for all purposes in Pungo Creek on property and middle fork of Salmon River
State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power: Power to be produced as requirements indicated by water power, Pungo Creek
State amount of power used, rate per hour, and source thereof.

16. Labor: One - prospector - miner
State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

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

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

CERTIFICATION

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

FLUORSPAR CORPORATION
(Name of company)

By Geo McCay
(Signature of authorized official)

January 8, 1952
(Date)

President
(Title)

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

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

PUNGO CREEK FLUORSPAR DEPOSIT
VALLEY COUNTY, IDAHO

ANSWERS TO MF-100:

Fluorspar Corporation
P.O. Box 1211 - Reno, Nevada

January 8, 1952

(1) (a) Fluorspar (acid grade lump)
(b) None.

(2) Pungo Creek Deposit, Valley County, Idaho
(a) None
(b) 95 feet
(c) Same as above
(d) 170 feet of surface trenches exposing vein.
All present workings above water level. Production of 1,000 tons yearly is possible from the present showings, and the proposed exploration program is expected to increase the reserves and the possible production figure.

(3) (a) Deposit is 56 miles east by road and trail from both Cascade and McCall, Idaho, which towns would be the nearest railroad shipping points.
(b) No organized mining district.
(c) Section 36, T-17-N, R-11-E.
(d) Valley County, Idaho

(4) (a) The Fluorspar Corporation has one man employed at present. He is at present doing further prospecting, and will be selectively mining and stockpiling fluorspar this summer.
(b) The Fluorspar Corporation is operating the property as owner.

(5) Stockpiling of acid lump fluorspar has proceeded intermittently since 1948.

(6) Operations will be under the control of George McKaig and John Dodd. McKaig has had 30 years experience in investment banking and the handling of mining properties. Dodd has had one year of experience in managing a tungsten mine, and 35 years in managing construction work and electrical contracting. McKaig is the fiscal agent for the Fluorspar Producers Corporation of Nevada, operating properties in Arizona. The Fluorspar Corporation will enjoy the assistance of this company in the operation of the Pungo Creek Mine and the marketing of its products.

(7) (a) Deposit was recognized as a fluorspar property in 1948. Since that time, a small amount of prospecting and selective mining for stockpiling has been carried on. No ore has been shipped due to lack of access road.
(b) No nearby fluorspar deposits are known, other than the Myers Cove fluorspar mine, 42 miles by pack trail to the northeast. It is understood that the Myers Cove deposit is producing 2,000 tons of acid grade fluorspar monthly, and that this tonnage will be increased to 5,000 tons shortly. The fluorspar is being sold under contract to the Atomic Energy Commission at Arco, Idaho.
(c) The Pungo Fluorspar Deposit was examined in October 1951 by Peter M. Toepfer of the U. S. Bureau of Mines. The deposit was sampled, surveyed and mapped at this time. The report is understood to be favorable and is in the possession of the U. S. Bureau of Mines, Spokane, Washington.

(8) George H. McKaig, President, Box 1211, Reno, Nevada
John R. Dodd, Vice-President, same address
Kenneth Dillon, Secretary and Treasurer, same address

In addition to the above men, the following are Directors:
Mary McKaig, Box 1211, Reno, Nevada
Muriel L. Dodd, same address

ANSWERS TO MF-100 (continued):

George H. McKaig and John R. Dodd each hold 75,000 shares of common stock, the remaining 150,000 shares of the 300,000 shares authorized is being held as treasury stock. 2500 shares of preferred stock are authorized, and are being held as treasury stock.

George H. McKaig and John R. Dodd have assets in excess of $100,000 in interests other than the Fluorspar Corporation.

Par value of common stock is listed as $1.00, and of preferred stock, $10.00 per share.

(10) 77 tons of acid lump fluorspar has been stockpiled during the course of exploratory drifting and development. This ore assays 99.02% CAF_2; 0.05% SIO_2; 0.314% Fe_2O_3; and no lead, zinc, nor sulfur. No actual mining has been carried out due to lack of access road.

(11) Once an access road is built, the monthly rate of production is expected to range between 75 and 100 tons of acid grade fluorspar.

(12) The deposit is a high-grade fissure vein of fluorspar within andesite and porphyritic diorite country rock. The average width of the practically pure fluorspar is 1.47 feet, and ranges between 0.6 and 2.3 feet. The vein has been completely exposed for a distance of 260 feet up the slope of the hill. Breccia fluorspar ore of lower grade lies next to the massive fluorspar, and is expected to be amenable to concentration to equal the tonnage to be produced from the massive ore. Figuring 260 feet proven length, 130 feet depth, 1.5 feet average width, and 10.0 cubic feet per ton, 5,080 tons of massive ore is available for selective mining to produce 3,390 tons of acid lump ore. An equal tonnage is expected to be available from milling the rejected ore and breccia ore broken during mining. This would be 6,780 tons of indicated ore. Inferring the continuation of ore in depth, and inferring the presence of similar ore in another attractive float area, 13,560 additional tons of ore can be inferred. Only a slight tonnage can be considered proven.

The 6,780 tons of indicated ore is expected to contain 97 percent calcium fluoride, valued at railroad at $60.00. The estimated cost of mining, sorting, and milling, and truck haul is $30.00 per ton, but this cost will not include amortization which will be dependent upon the amount of reserves proven by the proposed exploration program.

(13) If rail shipments are made from McCall, an all-year road will be completed from McCall to Stibnite within the next year. This distance is 54 miles. Beyond Stibnite, mine roads reach the mountain summit above the Middle Fork of the Salmon River where the Pungo deposit is located. This distance is 6 miles. Beyond this summit, 16 miles of road will have to be built down Indian Creek to the Pungo deposit. The first four miles of this distance will be difficult.

The proposed exploration program will be for the purpose of developing sufficient ore reserves to allow this road to be built on DMA access road funds.

Supplies will come from McCall and Stibnite. The miners will live at the Pungo mine.

(14) Adequate water for all purposes can be had from either Pungo Creek or the Middle Fork of the Salmon River.

(15) An ideal water power site exists just above the camp on Pungo Creek. Sufficient power for mining and milling can be generated here. John Dodd is experienced in such installation.

ANSWERS TO MF-100 (continued):

(16) It is anticipated that 5 men will be employed, two of whom will be experienced miners. The remaining labor would be unskilled.

(17) Present equipment consists of only hand mining tools, cabin and cabin facilities.

(18) The only circumstance not covered is that the property lies within a primitive area of the Boise National Forest. The Forest Service will dislike having a mine road into this area, but will probably not try to prevent it inasmuch as this can be proven to be a commerical deposit of a strategic material.

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

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

Not To Be Filled in by Applicant

Docket No. DMEA-2355
Metal or Mineral
Date Received 1-29-52
Amount $
Participation (Government %)

FLUORSPAR CORPORATION
BOX 1211
RENO, Nevada

Name and address of applicant

Date January 8, 1952

If you have already filed MF-100, give date filed _____, type of assistance requested _____,

DMA Docket Number (if available) _____

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

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

CERTIFICATION

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

FLUORSPAR CORPORATION
(Name of company)

By Geo M. Kay President
(Signature of authorized official)

January 8, 1962
(Date)

President
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

PUNGO CREEK FLUORSPAR DEPOSIT
VALLEY COUNTY, IDAHO

ANSWERS TO MF-103:

Fluorspar Corporation
P.O. Box 1211 - Reno, Nevada

January 8, 1952

MF-100 is being filed at this same date. The type of assistance requested is a 50% government participation fluorspar exploration loan, so that sufficient reserves of ore can be proven to justify the building of an access road.

(1) (a) The property consists of seven unpatented lode claims (Pungo Creek, Pungo Creek No. 1, No. 2, No. 3, No. 4, No. 5, and No. 6) located in and nearby section 36, T-17-N, R-11-E, Valley County, Idaho. The Pungo Creek mine, which has so far stockpiled a small tonnage of lump acid grade fluorspar, is on this property.

(b) The Fluorspar Corporation is operating this property as owner.

(c) The exploration work is to be conducted within the unpatented lode claims listed above.

(2) (a) Fluorspar (acid grade)
(b) The deposit is a high grade fissure vein of fluorspar within andesite and porphyritic diorite country rock. The average width of the practically pure fluorspar is 1.47 feet, and ranges between 0.6 and 2.3 feet where exposed. Breccia fluorspar ore of lower grade lies next to the massive fluorspar and is expected to be amenable to concentration. The vein dips steeply. It has been exposed by trenching for a distance of 260 feet up the slope of the hill.

The mine workings have been sampled and mapped by Peter H. Toepfer of the U. S. Bureau of Mines, Spokane, Washington, whose report and maps will accompany this application. This examination was conducted in October, 1951.

(3) (a) The proposed work will consist of bringing in a bulldozer to the property from Landmark via Pistol Creek trail, building a temporary road on the way so that the bulldozer can tow in a compressor, mining supplies and fuel. Four weeks of bulldozer trenching is to be done on the property on the fluorspar outcrops and favorable float areas, the total linear feet of trenching expected to be 1400 feet and the average depth of the trenches expected to be 6 feet.

A total of 600 feet of drifting is to be carried out on the fluorspar vein, starting at the lowest point on the outcrop and continuing the drift to below the uppermost point of the favorable float area. This work will develop a triangular block 600 feet long with 330 feet of stoping height at the far end.

(b) Bulldozing the temporary road and towing in the compressor, fuel, and equipment, is expected to take two weeks. Four weeks of bulldozer trenching is to be done, and another week will be required to return the bulldozer 22 miles to the road at the Pistol Creek Summit.

The 600 feet of drifting is to begin upon the arrival of the compressor at the property. At an average of 4 feet per day, this would be 150 working days or 30 weeks. Thus the time required for completion of the exploration contract would be 32 weeks.

(4) The proposed drift will be shown in plan and in longitudinal section on the map prepared during the Bureau of Mines examination.

Bulldozer trenching will also be shown on the map. Some further trenching will be done on nearby fluorspar float areas within the mining claims of the Fluorspar Corporation.

ANSWERS TO MP-103:

(5) Existing facilities, buildings, installations and fixtures:
3 cabins, suitable and furnished for living quarters.
complete cooking facilities.
1 General storage cabin.
1 Compressor and tool house.
small electric generator.
Water supply tank and pumps.

(6) Facilities, buildings, and installations to be purchased:

	Erection & Install.Cost	Purchase	Rent Per Hour	Total	Depreciation Per Month	Total
Compressor house & tool & work shop	$ 600.00					
(7) (a)						
H-D-19 Tractor			$18.00	$ 6,480.00		
Cat. J 12 blade grader			15.00	1,800.00		
1 ton 4 x 4 dump truck			2.50	1,440.00		
(b)						
Used I.R.160 C.F.M. Compressor		$ 3,674.00				
Pumps - domestic & mine supply		150.00				
Blower and canvas pipe		250.00				
Arco air hammers (2)		580.00				
Chain Saw		425.00				
1500 lb. mine cars (2)		500.00				
(c)						
Jeep & trailer					$ 35.00	$ 140.00
Portable generator					10.00	40.00
Electric saws					5.00	20.00
drills					5.00	20.00
grinder					2.00	8.00
Welding equipment					10.00	40.00
	$ 600.00	$ 5,579.00		$ 9,720.00		$ 268.00

TOTAL: .....$ 16,167.00

	Per Day	Total	Per Month	Total
(8) Miners (2)	$ 32.00	$3,480.00		
Muckers (2)	21.60	2,592.00		
Handyman			$ 150.00	$ 900.00
Cook			150.00	600.00
Superintendent			625.00	3750.00
Engineer (fee)				300.00
		$6,072.00		$ 5,550.00

ANSWERS TO MP-103:

		Purchase
(9).	Pipe & Fittings	$ 1,862.00
	Rail and Fittings (used)	500.00
	Lumber and Timbers	430.00
	Rope - chain - steel line	300.00
	Hardware - sheet metal	260.00
	Air hose and fittings	390.00
	Carbide and Lamp	90.00
	Explosive - fuse - caps	550.00
	Fuel and Lubricants	520.00
	Subsistence Supplies	2,000.00
	Shop Supplies - parts	500.00
	Accounting	300.00
	Assaying	150.00
	Transportation (air)	1,200.00
		$ 8,602.00

Total of items - questions 8 and 9: $ 20,224.00

Recapitulation

6.	600.
7. (a)	9,720.
(b)	5,579.
c	268.
8.	6,072 / 5,550.
9.	8,602.
	$ 36,391
Later estimate Jan 28	$ 37,179

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

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

Not To Be Filled in by Applicant

Docket No. DMEA-2355
Metal or Mineral
Date Received 1-28-52
Amount $
Participation (Government %)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 1952

FLUORSPAR CORPORATION
BOX 1211
RENO, Nevada

Name and address of applicant

Date January 8, 1952

If you have already filed MF-100, give date filed _____, type of assistance requested _____,

DMA Docket Number (if available) _____

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

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

CERTIFICATION

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

FLORIDA CORPORATION
(Name of company)

By Geo M McCay President
(Signature of authorized official)

January 8, 1952
(Date)

President
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

PUNGO CREEK FLUORSPAR DEPOSIT
VALLEY COUNTY, IDAHO

ANSWERS TO MP-108:

Fluorspar Corporation
P.O. Box 1211 - Reno, Nevada

January 9, 1962

MP-100 is being filed at this same date. The type of assistance requested is a 80% government participation fluorspar exploration loan, so that sufficient reserves of ore can be proven to justify the building of an access road.

(1) (a) The property consists of seven unpatented lode claims (Pungo Creek, Pungo Creek No. 1, No. 2, No. 3, No. 4, No. 5, and No. 6) located in and nearby section 30, T-17-N, R-11-E, Valley County, Idaho. The Pungo Creek mine, which has so far stockpiled a small tonnage of lump acid grade fluorspar, is on this property.

(b) The Fluorspar Corporation is operating this property as owner.

(c) The exploration work is to be conducted within the unpatented lode claims listed above.

(2) (a) Fluorspar (acid grade)
(b) The deposit is a high grade fissure vein of fluorspar within andesite and porphyritic diorite country rock. The average width of the practically pure fluorspar is 1.47 feet, and ranges between 0.6 and 2.3 feet where exposed. Breccia fluorspar ore of lower grade lies next to the massive fluorspar and is expected to be amenable to concentration. The vein dips steeply. It has been exposed by trenching for a distance of 200 feet up the slope of the hill.

The mine workings have been sampled and mapped by Peter H. Toepfer of the U. S. Bureau of Mines, Spokane, Washington, whose report and maps will accompany this application. This examination was conducted in October, 1961.

(3) (a) The proposed work will consist of bringing in a bulldozer to the property from Landmark via Pistol Creek trail, building a temporary road on the way so that the bulldozer can tow in a compressor, mining supplies and fuel. Four weeks of bulldozer trenching is to be done on the property on the fluorspar outcrops and favorable float areas, the total linear feet of trenching expected to be 1000 feet and the average depth of the trenches expected to be 6 feet. 1500

A total of 600 feet of drifting is to be carried out on the fluorspar vein, starting at the lowest point on the outcrop and continuing the drift to below the uppermost point of the favorable float area. This work will develop a triangular block 600 feet long with 550 feet of stoping height at the far end.

(b) Bulldozing the temporary road and towing in the compressor, fuel, and equipment, is expected to take two weeks. Four weeks of bulldozer trenching is to be done, and another week will be required to return the bulldozer 22 miles to the road at the Pistol Creek Summit.

The 600 feet of drifting is to begin upon the arrival of the compressor at the property. At an average of 4 feet per day, this would be 150 working days or 30 weeks. Thus the time required for completion of the exploration contract would be 32 weeks.

(4) The proposed drift will be shown in plan and in longitudinal section on the map prepared during the Bureau of Mines examination.

Not shown

Bulldozer trenching will also be shown on the map. Some further trenching will be done on nearby fluorspar float areas within the mining claims of the Fluorspar Corporation.

ANSWERS TO MP-103:

(6) Existing facilities, buildings, installations and fixtures:
3 cabins, suitable and furnished for living quarters.
complete cooking facilities.
1 General storage cabin.
1 Compressor and tool house.
small electric generator.
Water supply tank and pumps.

(C) Facilities, buildings, and installations to be purchased:

	Erection & Install.Cost	Purchase	Rent Per Hour	Rent Total	Depreciation Per Month	Depreciation Total
Compressor house & tool & work shop	$ 600.00					
(7) (a)						
H-D-19 Tractor			$18.00	$ 6,480.00		
Cat. J 12 blade grader			15.00	1,800.00		
1 ton 4 x 4 dump truck			2.50	1,440.00		
(b)						
Used I.R.160 C.F.M. Compressor		$ 8,074.00				
Pumps - domestic & mine supply		150.00				
Blower and canvas pipe		250.00				
Arco air hammers (2)		500.00				
Chain Saw		425.00				
1500 lb. mine cars (2)		500.00				
(c)						
Jeep & trailer					$ 35.00	$ 140.00
Portable generator					10.00	40.00
Electric saws					5.00	20.00
drills					5.00	20.00
grinder					2.00	8.00
Welding equipment					10.00	40.00
	$ 600.00	$ 5,579.00		$ 9,720.00		$ 263.00

TOTAL: .....$ 16,167.00

	Per Day	Total	Per Month	Total
(8) Miners (2)	$ 82.00	$3,600.00		
Buckers (2)	21.00	2,592.00		
Handyman			$ 150.00	$ 900.00
Cook			150.00	600.00
Superintendent			625.00	3750.00
Engineer (fee)				300.00
		$6,072.00		$ 5,550.00

ANSWERS TO MP-103:

		Purchase
(9).	Pipe & Fittings	$ 1,302.00
	Rail and Fittings (used)	500.00
	Lumber and Timbers	400.00
	Rope - chain - steel line	300.00
	Hardware - sheet metal	260.00
	Air hose and fittings	390.00
	Carbide and Lamp	90.00
	Explosive - fuse - caps	550.00
	Fuel and Lubricants	620.00
	Subsistence Supplies	2,000.00
	Shop Supplies - parts	800.00
	Accounting	300.00
	Assaying	150.00
	Transportation (air)	1,200.00
		$ 8,802.00

Total of items - questions 8 and 9: $ 20,324.00

+ Item 7 16,067
36,391 Total?

Question 10 - not answered

MF-200
(June 1951)

Docket No. DMA 2355
Commodity fluorspar

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 28th day of January, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

Fluorspar Corporation
P. O. Box 1211
Reno, Nevada

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]

Seven unpatented lode mining claims known as the Pungo Creek, Pungo Creek No. 1, No. 2, No. 3, No. 4, No. 5, and No. 6, within and nearby section 36, T-17-N, R-11-E, Boise principal meridian.

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:

Property is under purchase contract from Edward Budell of Boise, Idaho.

(*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 July following ~~days from~~ the date of this contract shall commence work on a project of exploration for [5] fluorspar; 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] 4 months after July 15 following ~~months from~~ the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $18,589.50, which is 50 percent of the agreed estimated total cost of this project, $37,179.00.

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.

Fluorspar Corporation
(Operator)

By [signature]
Vice Pres.

THE UNITED STATES OF AMERICA

By

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

EXHIBIT "A"

Exploration Project:

The exploration program shall consist of:

(a) Bulldozing a temporary road from the Pistol Creek summit east of Landmark, Ida., down Pistol Creek and the Middle Fork of the Salmon River to the Pungo Creek deposit, a distance of 22 miles.

(b) Bulldozer trenching the known outcrops and favorable float areas, an estimated trenching total of 1,500 feet.

(c) Trucking mining equipment and supplies to the Pungo Creek deposit.

(d) Driving 600 feet of drift from the face of the lower adit to undercut the known outcrop and favorable float areas.

Fixtures and Improvements:

Following is a statement of the estimated costs, including all labor, supplies, and equipment, and of fixtures and improvements:

Construction of 22 miles of temporary road to exploration site	$5,040.00
Construction of one 14' x 20' compressor house and tool and work shop	600.00
Total fixtures and improvements	5,640.00

Operating Equipment:

Following is the list of operating equipment with the estimated purchase price or rental for each item:

To be Purchased:

I-R 160 cfm compressor (used)	$ 3,674.00
25 gpm pump, electric (used)	75.00
1 1/2" centrifugal pump, gasoline (used)	75.00
Blower and 300 feet of 4" canvas pipe (used)	250.00
Rock drill, RH-656W, Atlas Diesel Co.	340.00
Drifting leg, BMK 61-A2	165.00
Sandvik Coromont drill steel, 3 sets	176.00
Tool Dresser, RS-7-10	180.00
Chain Saw, 36" McCullough, with extra chain	425.00
Mine car, 1,500 lb.	250.00
650 ft. 2" air line pipe @ 65¢ less 25%	317.00
1,000 ft. 1" water line pipe @ 30½¢ less 25%	229.00
Valves, fittings, water tank, etc.	814.00
1,600 ft. 16# rail	1,024.00
Fish plates and track spikes	100.00
Small tools, hardware, mucking sheets, etc.	300.00

Air & water hose and fittings		$ 390.00
Lamps and carbide		90.00
3 tons powder @ $23.75/100#	500.	1,425.00
18,000 ft. of fuse @ $13.70/1000	80.	246.00
1,800 primers @ $21.60/1000	40	39.00
Fuel and lubricants	500	520.00
Shop supplies and extra parts		500.00
Freight to Landmark, Idaho		600.00
Air transportation to nearby Indian Creek Landing Field		1,200.00
Accounting		300.00
Assaying		150.00
Total material and equipment to be purchased		$13,854.00

To be Rented:

HD-19 Angledozer and crew, 6-60 hr. weeks @ $18.00/hr	6,480.00
J-12 Caterpillar grader and crew, 2-60 hr weeks @ $15.00/hr	1,800.00
1 ton 4 x 4 Dump Truck, 72 days @ $20.00	1,440.00
Total equipment to be rented	$ 9,720.00

To be Furnished:

Jeep and Trailer, $35.00 per mo., 4 mo.	140.00
Portable Generator, $10.00 per mo., 4 mo.	40.00
Electric saws, $5.00 per mo., 4 mo.	20.00
Electric drills, $5.00 per mo., 4 mo.	20.00
Electric grinder, $2.00 per mo., 4 mo.	8.00
Welding equipment, $10.00 mo., 4 mo.	40.00
Total depreciation on equipment to be furnished	$268.00

Labor and Supervision:

The following schedule sets forth the material called for in Article 8 of the contract form:

4 miners, each @ $16.00 per shift, 16 weeks (with insurance and overtime, each @ $117.00 per week)	$ 7,488.00
1 truck driver @ $12.00 per shift, 16 weeks (with insurance and overtime, $87.75 per week)	1,404.00
1 cook @ $160.00 per mo., 4 mo. (with insurance, $180.00 per mo.)	720.00
1 superintendent @ $625.00 per mo., 5 mo. (includes engineering)	3,125.00
Total labor and supervision	$12,737.00

EXHIBIT "A" (Continued)

Rehabilitation and Repairs:

No rehabilitation nor repair of existing facilities is required nor allowable under this contract.

Estimated Total Cost of the Project:

The costs of the project in which the government will participate are limited to those stated in Article 10 of the contract form. The following estimate of costs is for the purpose of determining the maximum liability of the Government under Article 13 of the contract form.

(1)	Construction of 22 miles of temporary road,		$ 5,040.00
(2)	Bulldozer trenching, 180 hrs. @ $18.00/hr.,	$ 3,240.00	
	Supervision and engineering, 1 Mo. @ $625.00	625.00	
	Hand labor, 4 wks., @ $87.75,	351.00	
	Total,		$ 4,216.00
(3)	Transportation of mining equipment and supplies,		
	Freight, rental equipment, & air transport,	$ 3,380.00	
	Supervision, 1 Mo. @ $625.00,	625.00	
	Truck driver, 12 wks. @ $87.75,	1,053.00	
	Total,		$ 5,058.00
(4)	Construction of compressor house,		$ 600.00
(5)	Equipment to be purchased for drifting,		$ 6,110.00
(6)	Equipment to be furnished for drifting,		$ 128.00
(7)	600 feet of drifting.		
	Material and supplies to be purchased,	$ 5,494.00	
	Labor, 4 miners, 16 wks. @ $117.00 ea.,	7,488.00	
	Supervision and engineering, 3 Mo. @ $625.00	1,875.00	
	Total,		$ 14,857.00
(8)	*Accounting, assaying & cook, 4 Mo. @ $180.00		1,170.00
	Total for project		$ 37,179.00

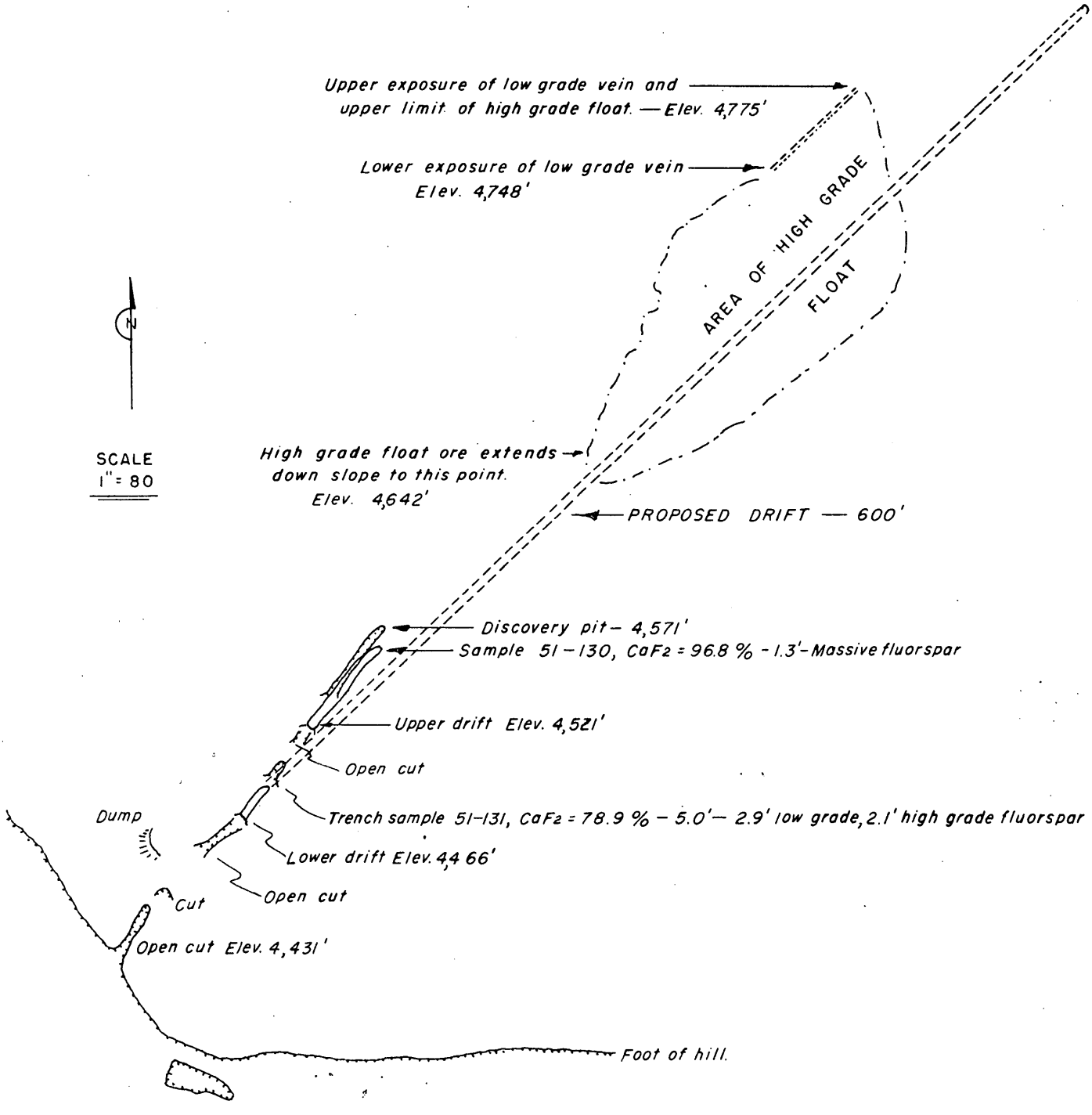
The estimated total costs set forth above include all labor, supervision, engineering, office expense, material, supplies, rentals, and incidentals.

The temporary road building and drifting may be done on contract subject to Article 4 of the contract form and at not to exceed the standard rates in the area for like services.

*Breakdown: Accounting, 4 mo. @ $75, assaying - $150, cook, 4 mo. @ $180.

Region II

D.M.E.A. Docket No. _____



Pungo Prospect (fluorspar), showing proposed drift, Valley County, Idaho.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 21 1952

MF-200
(June 1951)

Docket No. DMA _____
Commodity _____

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Sent in by applicant

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] _____

_____

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 _____, County of _____ described as follows: [3] _____

_____

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: _____

_____

(*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 _____ days from the date of this contract shall commence work on a project of exploration for [5] _____; 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] _____ from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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

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

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

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

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

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

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

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

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

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

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

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.

Fluorafax Corporation
(Operator)

By J. [illegible]
Vice-Pres.

THE UNITED STATES OF AMERICA

By ____

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

EXHIBIT "A"

Exploration Project:

The exploration program shall consist of:

(a) Bulldozing a temporary road from the Pistol Creek summit east of Landmark, Ida., down Pistol Creek and the Middle Fork of the Salmon River to the Pungo Creek deposit, a distance of 22 miles.

(b) Bulldozer trenching the known outcrops and favorable float areas, an estimated trenching total of 1,500 feet.

(c) Trucking mining equipment and supplies to the Pungo Creek deposit.

(d) Driving 600 feet of drift from the face of the lower adit to undercut the known outcrop and favorable float areas.

Fixtures and Improvements:

Following is a statement of the estimated costs, including all labor, supplies, and equipment, and of fixtures and improvements:

Construction of 22 miles of temporary road to exploration site	$5,040.00
Construction of one 14' x 20' compressor house and tool and work shop	600.00
Total fixtures and improvements	5,640.00

Operating Equipment:

Following is the list of operating equipment with the estimated purchase price or rental for each item:

To be Purchased:

I-R 160 cfm compressor (used)	$ 3,674.00
25 gpm pump, electric (used)	75.00
1 1/2" centrifugal pump, gasoline (used)	75.00
Blower and 300 feet of 4" canvas pipe (used)	250.00
Rock drill, RH-656W, Atlas Diesel Co.	340.00
Drifting leg, BMK 61-A2	165.00
Sandvik Coromant drill steel, 3 sets	176.00
Tool Dresser, RS-7-10	180.00
Chain Saw, 36" McCullough, with extra chain	425.00
Mine car, 1,500 lb.	250.00
650 ft. 2" air line pipe @ 65¢ less 25%	317.00
1,000 ft. 1" water line pipe @ 30¢¢ less 25%	229.00
Valves, fittings, water tank, etc.	814.00
1,600 ft. 16# rail	1,024.00
Fish plates and track spikes	100.00
Small tools, hardware, mucking sheets, etc.	300.00

Air & water hose and fittings	$ 390.00
Lamps and carbide	90.00
3 tons powder @ $23.75/100#	1,425.00
18,000 ft. of fuse @ $13.70/1000	246.00
1,800 primers @ $21.60/1000	39.00
Fuel and lubricants	520.00
Shop supplies and extra parts	500.00
Freight to Landmark, Idaho	600.00
Air transportation to nearby Indian Creek Landing Field	1,200.00
Accounting	300.00
Assaying	150.00
Total material and equipment to be purchased	$13,854.00

To be Rented:

HD-19 Angledozer and crew, 6-60 hr. weeks @ $18.00/hr	6,480.00
J-12 Caterpillar grader and crew, 2-60 hr weeks @ $15.00/hr	1,800.00
1 ton 4 x 4 Dump Truck, 72 days @ $20.00	1,440.00
Total equipment to be rented	$ 9,720.00

To be Furnished:

Jeep and Trailer, $35.00 per mo., 4 mo.	140.00
Portable Generator, $10.00 per mo., 4 mo.	40.00
Electric saws, $5.00 per mo., 4 mo.	20.00
Electric drills, $5.00 per mo., 4 mo.	20.00
Electric grinder, $2.00 per mo., 4 mo.	8.00
Welding equipment, $10.00 mo., 4 mo.	40.00
Total depreciation on equipment to be furnished	$268.00

Labor and Supervision:

The following schedule sets forth the material called for in Article 8 of the contract form:

4 miners, each @ $16.00 per shift, 16 weeks (with insurance and overtime, each @ $117.00 per week)	$ 7,488.00
1 truck driver @ $12.00 per shift, 16 weeks (with insurance and overtime, $87.75 per week)	1,404.00
1 cook @ $160.00 per mo., 4 mo. (with insurance, $180.00 per mo.)	720.00
1 superintendent @ $625.00 per mo., 5 mo. (includes engineering)	3,125.00
Total labor and supervision	$12,737.00

Rehabilitation and Repairs:

No rehabilitation nor repair of existing facilities is required nor allowable under this contract.

Estimated Total Cost of the Project:

The costs of the project in which the Government will participate are limited to those stated in Article 13 of the contract form. The following estimate of costs is for the purpose of determining the maximum liability of the Government under Article 13 of the contract form.

(1) Construction of 22 miles of temporary road,		5,340.00
(2) Bulldozer trenching, 160 hrs. @ 1.00/hr.,	3,240.00	
Supervision and engineering, 1 mo. @ 625.00	625.00	
Hand labor, 4 wks., @ 67.75,	271.00	
Total,		4,136.00
(3) Transportation of mining equipment and supplies,		
Freight, rental equipment, & air transport,	3,330.00	
Supervision, 1 mo. @ 625.00,	625.00	
Truck driver, 12 wks. @ 87.75,	1,053.00	
Total,		5,008.00
(4) Construction of gas reactor cage,		600.00
(5) Equipment to be purchased for drilling,		5,110.00
(6) Equipment to be furnished for drilling,		120.00
(7) 400 feet of drilling.		
Material and supplies to be purchased,	[illegible]	
Labor, 4 laborers, 12 wks. @ 117.00 ea.,	[illegible]	
Supervision and engineering, 3 mo. @ 625.00	1,875.00	
Total,		14,057.00
(8) *Accounting, assaying, cook, 4 mo. @ 1[illegible].00		1,170.00
Total for project		37,179.00

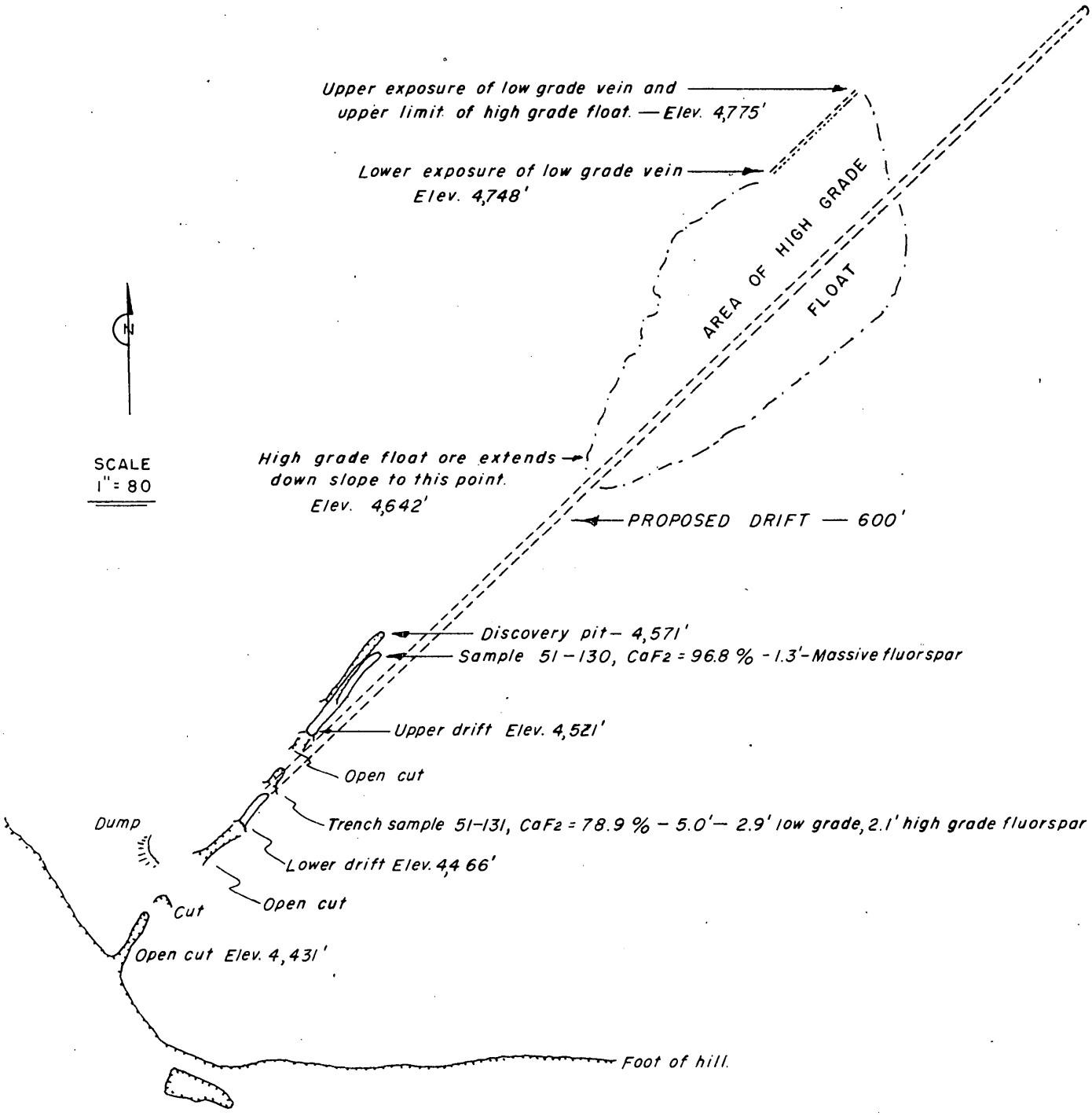
The estimated costs of the contract form have included all labor, supervision, engineering, office expense, material, supplies, rentals, and transportation.

The two drilling crews and drilling equipment are to be furnished subject to Article 4 of the contract form and not to exceed the standard rates in the area for the services.

*Breakdown: Accounting, 4 mo. @ $75, assaying - $150, cook, 4 mo. @ $180.

Region II

D.M.E.A. Docket No. _____



Pungo Prospect (fluorspar), showing proposed drift, Valley County, Idaho.

Defence Research Board
FEB 21 1952

MF-200
(June 1951)

Docket No. DMA [illegible]
Commodity [illegible]

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Sent in by Applicant Not

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 20th day of January, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] [illegible]

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] [illegible]

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: [illegible]

(*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 [illegible] 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] [illegible] from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $2,500.00, which is 50 percent of the agreed estimated total cost of this project, $5,000.00.

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.

Fluorspar Corporation
(Operator)

By J. Dodd
Vice-Pres.

THE UNITED STATES OF AMERICA

By

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

EXHIBIT "A"

Exploration Project:

The exploration program shall consist of:

(a) Bulldozing a temporary road from the Pistol Creek summit east of Landmark, Ida., down Pistol Creek and the Middle Fork of the Salmon River to the Pungo Creek deposit, a distance of 22 miles.

(b) Bulldozer trenching the known outcrops and favorable float areas, an estimated trenching total of 1,500 feet.

(c) Trucking mining equipment and supplies to the Pungo Creek deposit.

(d) Driving 600 feet of drift from the face of the lower adit to undercut the known outcrop and favorable float areas.

Fixtures and Improvements:

Following is a statement of the estimated costs, including all labor, supplies, and equipment, and of fixtures and improvements:

Construction of 22 miles of temporary road to exploration site	$5,040.00
Construction of one 14' x 20' compressor house and tool and work shop	600.00
Total fixtures and improvements	5,640.00

Operating Equipment:

Following is the list of operating equipment with the estimated purchase price or rental for each item:

To be Purchased:

I-R 160 cfm compressor (used)	$ 3,674.00
25 gpm pump, electric (used)	75.00
1 1/2" centrifugal pump, gasoline (used)	75.00
Blower and 300 feet of 4" canvas pipe (used)	250.00
Rock drill, RH-656W, Atlas Diesel Co.	340.00
Drifting leg, BMK 61-A2	165.00
Sandvik Coromant drill steel, 3 sets	176.00
Tool Dresser, RS-7-10	180.00
Chain Saw, 36" McCullough, with extra chain	425.00
Mine car, 1,500 lb.	250.00
650 ft. 2" air line pipe @ 65¢ less 25%	317.00
1,000 ft. 1" water line pipe @ 30½¢ less 25%	229.00
Valves, fittings, water tank, etc.	814.00
1,600 ft. 16# rail	1,024.00
Fish plates and track spikes	100.00
Small tools, hardware, mucking sheets, etc.	300.00

Air & water hose and fittings	$ 390.00
Lamps and carbide	90.00
3 tons powder @ $23.75/100#	1,425.00
18,000 ft. of fuse @ $13.70/1000	246.00
1,800 primers @ $21.60/1000	39.00
Fuel and lubricants	520.00
Shop supplies and extra parts	500.00
Freight to Landmark, Idaho	600.00
Air transportation to nearby Indian Creek Landing Field	1,200.00
Accounting	300.00
Assaying	150.00
Total material and equipment to be purchased	$13,854.00

To be Rented:

HD-19 Angledozer and crew, 6-60 hr. weeks @ $18.00/hr	6,480.00
J-12 Caterpillar grader and crew, 2-60 hr weeks @ $15.00/hr	1,800.00
1 ton 4 x 4 Dump Truck, 72 days @ $20.00	1,440.00
Total equipment to be rented	$ 9,720.00

To be Furnished:

Jeep and Trailer, $35.00 per mo., 4 mo.	140.00
Portable Generator, $10.00 per mo., 4 mo.	40.00
Electric saws, $5.00 per mo., 4 mo.	20.00
Electric drills, $5.00 per mo., 4 mo.	20.00
Electric grinder, $2.00 per mo., 4 mo.	8.00
Welding equipment, $10.00 mo., 4 mo.	40.00
Total depreciation on equipment to be furnished	$268.00

Labor and Supervision:

The following schedule sets forth the material called for in Article 6 of the contract form:

4 miners, each @ $16.00 per shift, 16 weeks (with insurance and overtime, each @ $117.00 per week)	$ 7,488.00
1 truck driver @ $12.00 per shift, 16 weeks (with insurance and overtime, $87.75 per week)	1,404.00
1 cook @ $160.00 per mo., 4 mo. (with insurance, $180.00 per mo.)	720.00
1 superintendent @ $625.00 per mo., 5 mo. (includes engineering)	3,125.00
Total labor and supervision	$12,737.00

EXHIBIT "A" (Continued)

Rehabilitation and Repairs:

No rehabilitation nor repair of existing facilities is required nor allowable under this contract.

Estimated Total Cost of the Project:

The costs of the project in which the government will participate are limited to those stated in Article 10 of the contract form. The following estimate of costs is for the purpose of determining the maximum liability of the Government under Article 13 of the contract form.

(1)	Construction of 22 miles of temporary road,		$ 5,040.00
(2)	Bulldozer trenching, 180 hrs. @ $18.00/hr.,	$ 3,240.00	
	Supervision and engineering, 1 mo. @ $625.00	625.00	
	Hand labor, 4 wks., @ $87.75,	351.00	
	Total,		$ 4,216.00
(3)	Transportation of mining equipment and supplies,		
	Freight, rental equipment, & air transport,	$ 3,300.00	
	Supervision, 1 mo. @ $625.00,	625.00	
	Truck driver, 12 wks. @ $87.75,	1,053.00	
	Total,		$ 5,058.00
(4)	Construction of compressor house,		$ 600.00
(5)	Equipment to be purchased for drifting,		$ 6,110.00
(6)	Equipment to be furnished for drifting,		$ 128.00
(7)	600 feet of drifting.		
	Material and supplies to be purchased,	$ 5,494.00	
	Labor, 4 miners, 16 wks. @ $117.00 ea.,	7,488.00	
	Supervision and engineering, 3 mo. @ $625.00	1,875.00	
	Total,		$ 14,857.00
(8)	*Accounting, assaying & cook, 4 mo. @ $180.00		1,170.00
	Total for project		$ 37,179.00

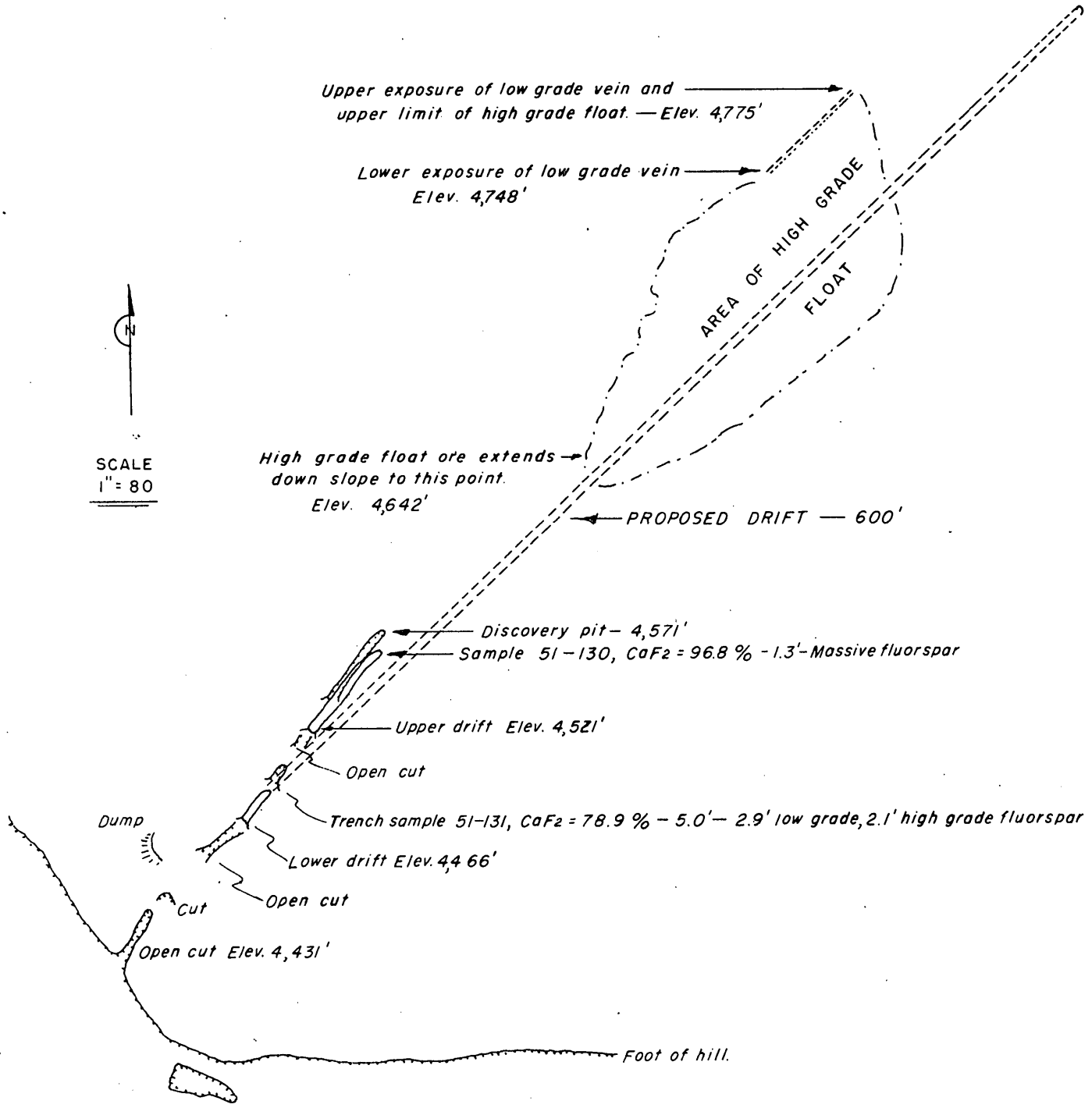
The estimated total costs set forth above include all labor, supervision, engineering, office expense, material, supplies, rentals, and incidentals.

The temporary road building and drifting may be done on contract subject to Article 4 of the contract form and at not to exceed the standard rates in the area for like services.

*Breakdown: Accounting, 4 mo. @ $75, assaying - $150, cook, 4 mo. @ $180.

Region II

D.M.E.A. Docket No. _____



Pungo Prospect (fluorspar), showing proposed drift, Valley County, Idaho.

MF-200
(June 1951)

Docket No. DMA
Commodity Fluorspar

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Read on the application

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 20th day of January, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2]

Fluorspar Corporation
P. O. Box 1211
Reno, Nevada

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]

Seven unpatented lode mining claims known as the Pungo Creek, Pungo Creek No. 1, No. 2, No. 3, No. 4, No. 5, and No. 6, within and nearby section 32, T-17-N, R-11-E, Boise Principal meridian.

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:

Property is under purchase contract from Edward Duboll of Boise, Idaho.

(*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 July following days from the date of this contract shall commence work on a project of exploration for[5] fluorspar; 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] 4 months after July 15 following from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $10,589.50, which is 50 percent of the agreed estimated total cost of this project, $37,179.00.

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.

Fluorspar Corporation
(Operator)

By J. [illegible]
Vice-Pres.

THE UNITED STATES OF AMERICA

By

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

EXHIBIT "A"

Exploration Project:

The exploration program shall consist of:

(a) Bulldozing a temporary road from the Pistol Creek summit east of Landmark, Ida., down Pistol Creek and the Middle Fork of the Salmon River to the Pungo Creek deposit, a distance of 22 miles.

(b) Bulldozer trenching the known outcrops and favorable float areas, an estimated trenching total of 1,500 feet.

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(d) Driving 600 feet of drift from the face of the lower adit to undercut the known outcrop and favorable float areas.

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Mine car, 1,500 lb.	250.00
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Air transportation to nearby Indian Creek Landing Field	1,200.00
Accounting	300.00
Assaying	150.00
Total material and equipment to be purchased	$13,854.00

To be Rented:

HD-19 Angledozer and crew, 6-60 hr. weeks @ $18.00/hr	6,480.00
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1 ton 4 x 4 Dump Truck, 72 days @ $20.00	1,440.00
Total equipment to be rented	$ 9,720.00

To be Furnished:

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Portable Generator, $10.00 per mo., 4 mo.	40.00
Electric saws, $5.00 per mo., 4 mo.	20.00
Electric drills, $5.00 per mo., 4 mo.	20.00
Electric grinder, $2.00 per mo., 4 mo.	8.00
Welding equipment, $10.00 mo., 4 mo.	40.00
Total depreciation on equipment to be furnished	$268.00

Labor and Supervision:

The following schedule sets forth the material called for in Article 8 of the contract form:

4 miners, each @ $16.00 per shift, 16 weeks (with insurance and overtime, each @ $117.00 per week)	$ 7,488.00
1 truck driver @ $12.00 per shift, 16 weeks (with insurance and overtime, $87.75 per week)	1,404.00
1 cook @ $160.00 per mo., 4 mo. (with insurance, $180.00 per mo.)	720.00
1 superintendent @ $625.00 per mo., 5 mo. (includes engineering)	3,125.00
Total labor and supervision	$12,737.00

EXHIBIT "A" (Continued)

Rehabilitation and Repairs:

No rehabilitation nor repair of existing facilities is required nor allowable under this contract.

Estimated Total Cost of the Project:

The costs of the project in which the government will participate are limited to those stated in Article 10 of the contract form. The following estimate of costs is for the purpose of determining the maximum liability of the Government under Article 13 of the contract form.

(1)	Construction of 22 miles of temporary road,		$ 5,040.00
(2)	Bulldozer trenching, 180 hrs. @ $18.00/hr.,	$ 3,240.00	
	Supervision and engineering, 1 Mo. @ $625.00	625.00	
	Hand labor, 4 wks., @ $87.75,	351.00	
	Total,		$ 4,216.00
(3)	Transportation of mining equipment and supplies,		
	Freight, rental equipment, & air transport,	$ 3,380.00	
	Supervision, 1 Mo. @ $625.00,	625.00	
	Truck driver, 12 wks. @ $87.75,	1,053.00	
	Total,		$ 5,058.00
(4)	Construction of compressor house,		$ 600.00
(5)	Equipment to be purchased for drifting,		$ 6,110.00
(6)	Equipment to be furnished for drifting,		$ 128.00
(7)	600 feet of drifting.		
	Material and supplies to be purchased,	$ 5,494.00	
	Labor, 4 miners, 16 wks. @ $117.00 ea.,	7,488.00	
	Supervision and engineering, 3 Mo. @ $625.00	1,875.00	
	Total,		$ 14,857.00
(8)	*Accounting, assaying & cook, 4 Mo. @ $180.00		1,170.00
	Total for project		$ 37,179.00

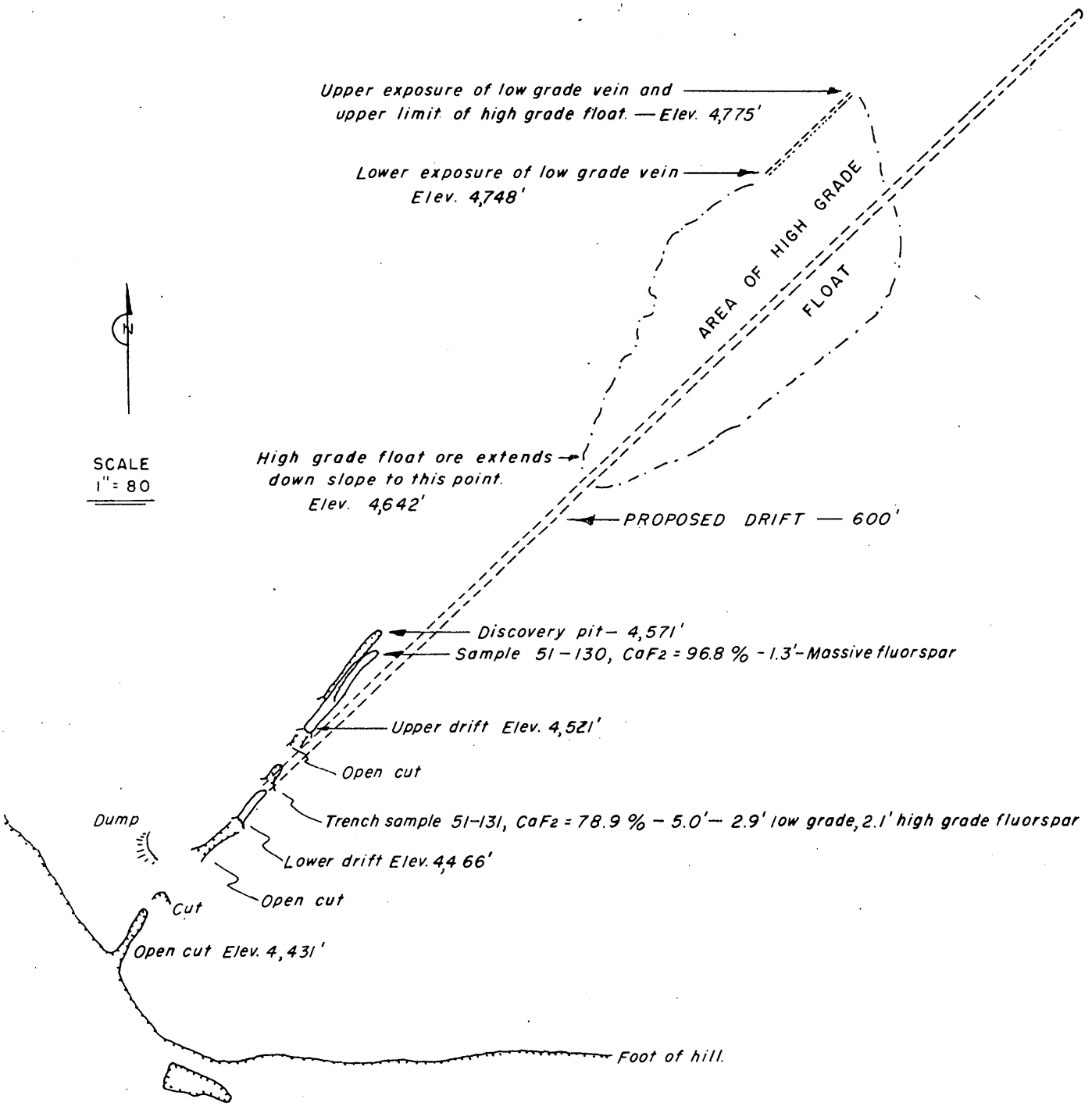
The estimated total costs set forth above include all labor, supervision, engineering, office expense, material, supplies, rentals, and incidentals.

The temporary road building and drifting may be done on contract subject to Article 4 of the contract form and at not to exceed the standard rates in the area for like services.

*Breakdown: Accounting, 4 mo. @ $75, assaying - $150, cook, 4 mo. @ $180.

Region II

D.M.E.A. Docket No. _____



Pungo Prospect (fluorspar), showing proposed drift, Valley County, Idaho.

FEB 2 1952
Defense Documentation Center
Cameron Station
Alexandria, Virginia

MF-200
(June 1951)

Docket No. DMA
Commodity Fluorspar

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 28th day of January, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

Fluorspar Corporation
P. O. Box 1211
Reno, Nevada

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]
Seven unpatented lode mining claims known as the Pungo Creek, Pungo Creek No. 1, No. 2, No. 3, No. 4, No. 5, and No. 6, within and nearby section 36, T-17-N, R-11-E, Boise principal meridian.

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:

Property is under purchase contract from Edward Dudell of Boise, Idaho.

(*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 July following days from the date of this contract shall commence work on a project of exploration for [5] fluorspar; 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] 4 months after July 15 following from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $18,589.50, which is 50 percent of the agreed estimated total cost of this project, $37,179.00.

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.

Fluorspar Corporation
(Operator)

By [signature]
Vice-Pres.

THE UNITED STATES OF AMERICA

By

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

EXHIBIT "A"

Exploration Project:

The exploration program shall consist of:

(a) Bulldozing a temporary road from the Pistol Creek summit east of Landmark, Ida., down Pistol Creek and the Middle Fork of the Salmon River to the Punge Creek deposit, a distance of 22 miles.

(b) Bulldozer trenching the known outcrops and favorable float areas, an estimated trenching total of 1,500 feet.

(c) Trucking mining equipment and supplies to the Punge Creek deposit.

(d) Driving 600 feet of drift from the face of the lower adit to undercut the known outcrop and favorable float areas.

Fixtures and Improvements:

Following is a statement of the estimated costs, including all labor, supplies, and equipment, and of fixtures and improvements:

Construction of 22 miles of temporary road to exploration site	$5,040.00
Construction of one 14' x 20' compressor house and tool and work shop	600.00
Total fixtures and improvements	5,640.00

Operating Equipment:

Following is the list of operating equipment with the estimated purchase price or rental for each item:

To be Purchased:

I-R 160 cfm compressor (used)	$ 3,674.00
25 gpm pump, electric (used)	75.00
1 1/2" centrifugal pump, gasoline (used)	75.00
Blower and 300 feet of 4" canvas pipe (used)	250.00
Rock drill, RH-656W, Atlas Diesel Co.	340.00
Drifting leg, BMK 61-A2	165.00
Sandvik Coromont drill steel, 3 sets	176.00
Tool Dresser, RS-7-10	180.00
Chain Saw, 36" McCullough, with extra chain	425.00
Mine car, 1,500 lb.	250.00
650 ft. 2" air line pipe @ 65¢ less 25%	317.00
1,000 ft. 1" water line pipe @ 30½¢ less 25%	229.00
Valves, fittings, water tank, etc.	814.00
1,600 ft. 16# rail	1,024.00
Fish plates and track spikes	100.00
Small tools, hardware, mucking sheets, etc.	300.00

Air & water hose and fittings	$ 390.00
Lamps and carbide	90.00
3 tons powder @ $23.75/100#	1,425.00
18,000 ft. of fuse @ $13.70/1000	246.00
1,800 primers @ $21.60/1000	39.00
Fuel and lubricants	520.00
Shop supplies and extra parts	500.00
Freight to Landmark, Idaho	600.00
Air transportation to nearby Indian Creek Landing Field	1,200.00
Accounting	300.00
Assaying	150.00
Total material and equipment to be purchased	$13,854.00

To be Rented:

HD-19 Angledozer and crew, 6-60 hr. weeks @ $18.00/hr	6,480.00
J-12 Caterpillar grader and crew, 2-60 hr weeks @ $15.00/hr	1,800.00
1 ton 4 x 4 Dump Truck, 72 days @ $20.00	1,440.00
Total equipment to be rented	$ 9,720.00

To be Furnished:

Jeep and Trailer, $35.00 per mo., 4 mo.	140.00
Portable Generator, $10.00 per mo., 4 mo.	40.00
Electric saws, $5.00 per mo., 4 mo.	20.00
Electric drills, $5.00 per mo., 4 mo.	20.00
Electric grinder, $2.00 per mo., 4 mo.	8.00
Welding equipment, $10.00 mo., 4 mo.	40.00
Total depreciation on equipment to be furnished	$268.00

Labor and Supervision:

The following schedule sets forth the material called for in Article 8 of the contract form:

4 miners, each @ $16.00 per shift, 16 weeks (with insurance and overtime, each @ $117.00 per week)	$ 7,488.00
1 truck driver @ $12.00 per shift, 16 weeks (with insurance and overtime, $87.75 per week)	1,404.00
1 cook @ $160.00 per mo., 4 mo. (with insurance, $180.00 per mo.)	720.00
1 superintendent @ $625.00 per mo., 5 mo. (includes engineering)	3,125.00
Total labor and supervision	$12,737.00

EXHIBIT II "A" (Continued)

Rehabilitation and Repairs:

No rehabilitation nor repair of existing facilities is required nor allowable under this contract.

Estimated Total Cost of the Project:

The costs of the project in which the government will participate are limited to those stated in Article 10 of the contract form. The following estimate of costs is for the purpose of determining the maximum liability of the Government under Article 13 of the contract form.

(1)	Construction of 22 miles of temporary road,		$ 5,040.00
(2)	Bulldozer trenching, 100 hrs. @ $16.00/hr.,	$ 3,240.00	
	Supervision and engineering, 1 mo. @ $625.00	625.00	
	Hand labor, 4 wks., @ $87.75,	351.00	
	Total,		$ 4,216.00
(3)	Transportation of mining equipment and supplies,		
	Freight, rental equipment, & air transport,	$ 3,360.00	
	Supervision, 1 mo. @ $625.00,	625.00	
	Truck driver, 12 wks. @ $87.75,	1,053.00	
	Total,		$ 5,038.00
(4)	Construction of compressor house,		$ 600.00
(5)	Equipment to be purchased for drifting,		$ 6,110.00
(6)	Equipment to be furnished for drifting,		$ 128.00
(7)	600 feet of drifting,		
	Material and supplies to be purchased,	$ 5,494.00	
	Labor, 4 miners, 16 wks. @ $117.00 ea.,	7,488.00	
	Supervision and engineering, 3 mo. @ $625.00	1,875.00	
	Total,		$ 14,857.00
(8)	*Accounting, assaying & cook, 4 mo. @ $100.00		1,170.00
	Total for project		$ 37,179.00

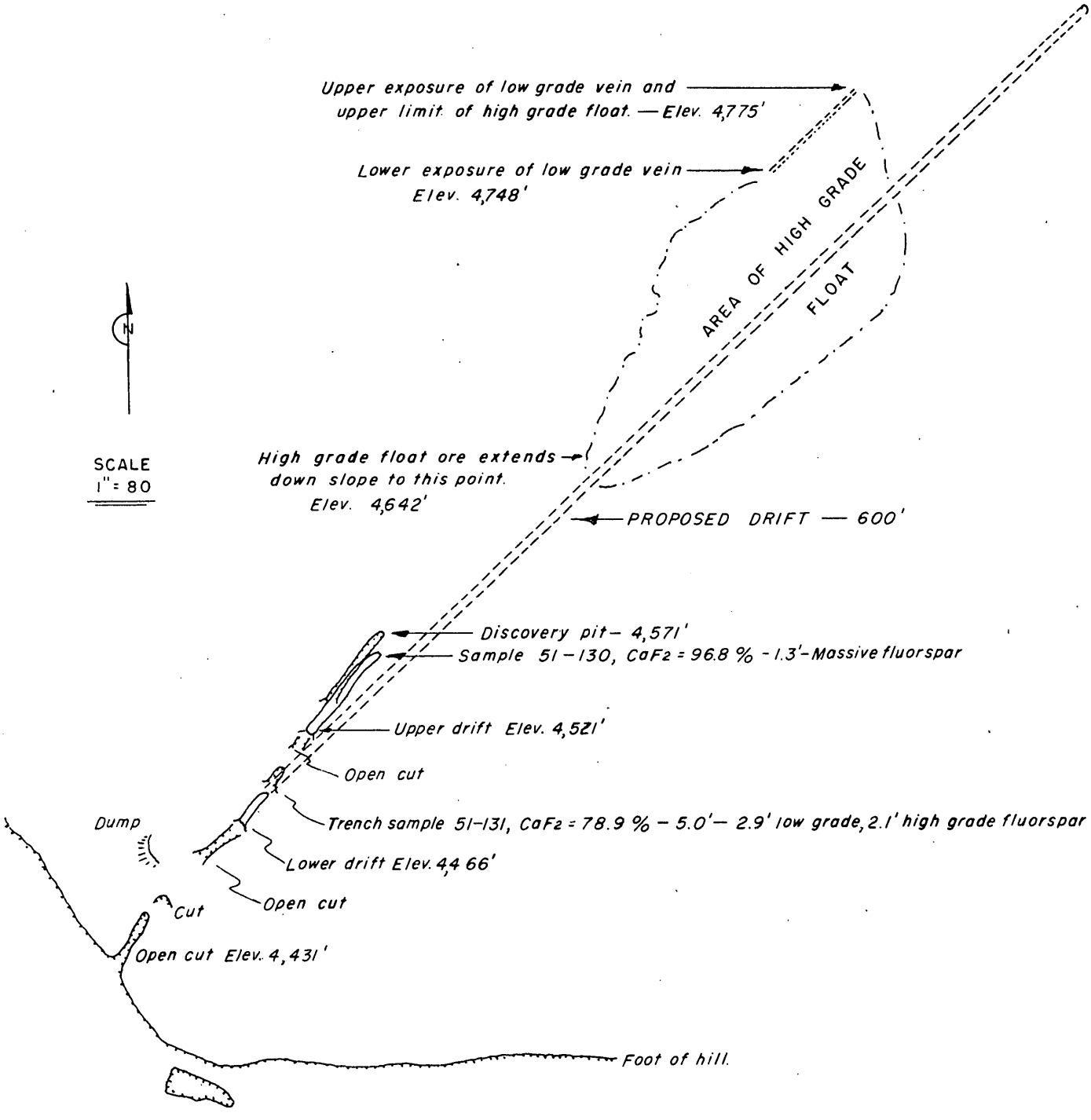
The estimated total costs set forth above include all labor, supervision, engineering, office expense, material, supplies, rentals, and incidentals.

The temporary road building and drifting may be done on contract subject to Article 4 of the contract form and at not to exceed the standard rates in the area for like services.

*Breakdown: Accounting, 4 mo. @ $75, assaying - $150, cook, 4 mo. @ $180.

Region II

D.M.E.A. Docket No. _____



Pungo Prospect (fluorspar), showing proposed drift, Valley County, Idaho.

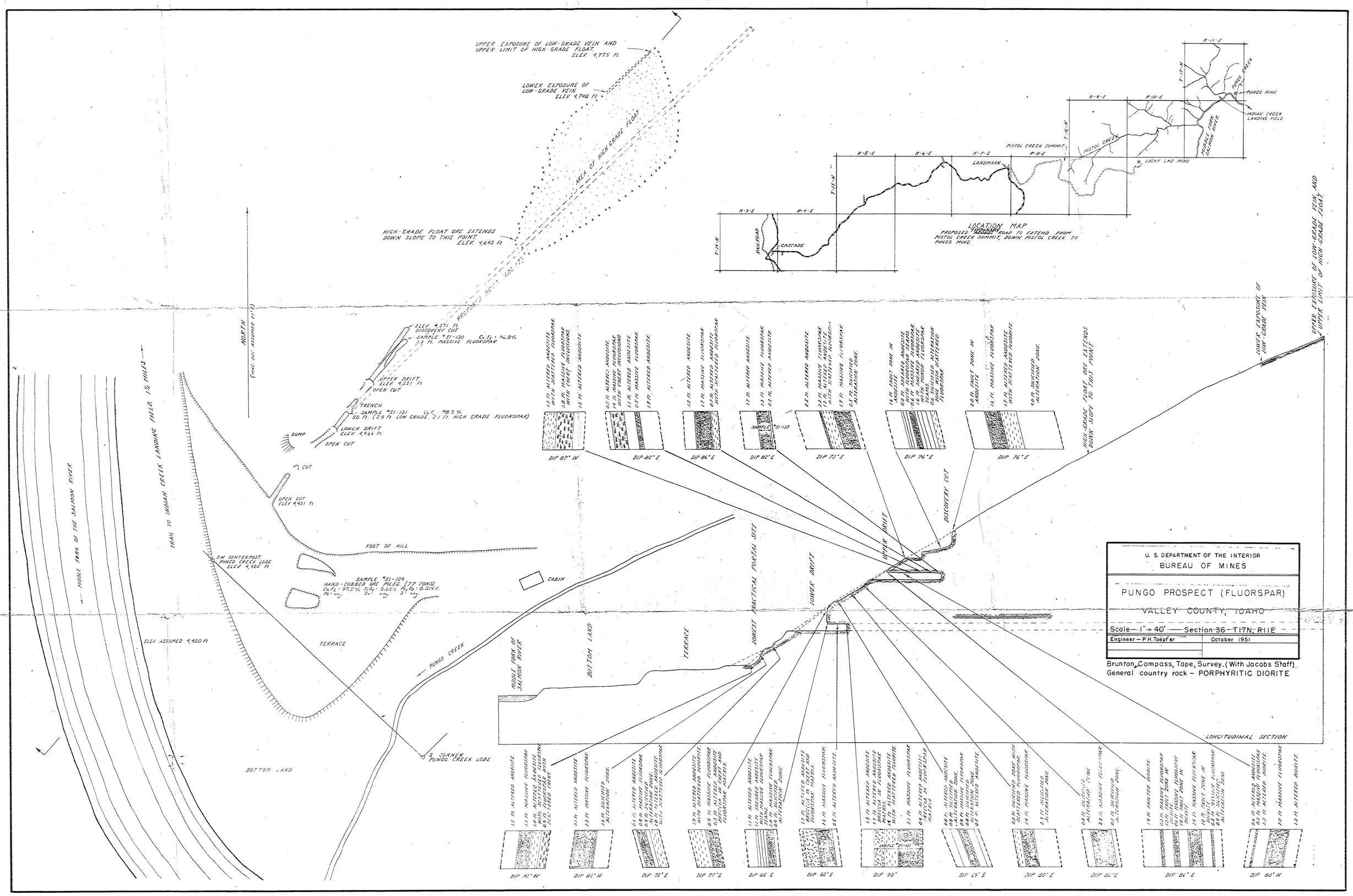
UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300
(PMGC)

Map

DMEA-2355


U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
PUNGO PROSPECT (FLUORSPAR)
VALLEY COUNTY, IDAHO
Scale — 1" = 40' — Section 36 - T17N, R11E
Engineer — P.H. Toepfer
October 1951
Brunton Compass, Tape, Survey. (With Jacobs Staff).
General country rock - PORPHYRITIC DIORITE
LOCATION MAP
PROPOSED ROAD TO EXTEND FROM PISTOL CREEK SUMMIT, DOWN PISTOL CREEK TO PUNGO MINE.
LONGITUDINAL SECTION
UPPER EXPOSURE OF LOW-GRADE VEIN AND UPPER LIMIT OF HIGH-GRADE FLOAT. ELEV. 4,775 Ft.
LOWER EXPOSURE OF LOW-GRADE VEIN. ELEV. 4,748 Ft.
AREA OF HIGH GRADE FLOAT
HIGH-GRADE FLOAT ORE EXTENDS DOWN SLOPE TO THIS POINT. ELEV. 4,642 Ft.
PROPOSED DRIFT (600 Ft.)
NORTH
(MAG. DEC. ASSUMED 21°E)
ELEV. 4,571 Ft. DISCOVERY CUT
SAMPLE #51-130 Ca F2 = 94.8%
1.3 Ft. MASSIVE FLUORSPAR
UPPER DRIFT ELEV. 4,521 Ft.
OPEN CUT
TRENCH
SAMPLE #51-131 Ca F2 = 78.9%
50 Ft. (2.9 Ft. LOW GRADE, 2.1 Ft. HIGH GRADE FLUORSPAR)
LOWER DRIFT ELEV. 4,466 Ft.
DUMP
CUT
OPEN CUT ELEV. 4,431 Ft.
FOOT OF HILL
SW CENTERPOST PUNGO CREEK LODE ELEV. 4,425 Ft.
SAMPLE #51-129
HAND-COBBED ORE PILES. (77 TONS)
Ca F2 = 97.5% SiO2 = 0.65% Fe2O3 = 0.31%
Pb = nil. Zn = nil. S = nil.
CABIN
TERRACE
ELEV. ASSUMED 4,400 Ft.
PUNGO CREEK
S. CORNER PUNGO CREEK LODE
BOTTOM LAND
MIDDLE FORK OF SALMON RIVER
TRAIL TO INDIAN CREEK LANDING FIELD 1½ MILES
LOWEST PRACTICAL PORTAL SITE
LOWER DRIFT
UPPER DRIFT
DISCOVERY CUT
LOWER EXPOSURE OF LOW-GRADE VEIN
UPPER EXPOSURE OF LOW-GRADE VEIN AND UPPER LIMIT OF HIGH-GRADE FLOAT
HIGH-GRADE FLOAT ORE EXTENDS DOWN SLOPE TO THIS POINT
DIP 87° W.
DIP 82° E
DIP 86° E
DIP 82° E
DIP 73° E
DIP 76° E
DIP 76° E
DIP 90° W
DIP 82° W
DIP 75° E
DIP 77° E
DIP 85° E
DIP 82° E
DIP 90°
DIP 69° E
DIP 20° E
DIP 82° E
DIP 86° E
DIP 80° W
R-3-E
R-4-E
R-5-E
R-6-E
R-7-E
R-8-E
R-9-E
R-10-E
R-11-E
T-17-N
T-16-N
T-15-N
T-14-N
RAILROAD
CASCADE
LANDMARK
PISTOL CREEK SUMMIT
PISTOL CREEK
LUCKY LAD MINE
PUNGO MINE
INDIAN CREEK LANDING FIELD
MIDDLE FORK SALMON RIVER

B-1761