Rm. 147 Natural Street
Spokane 4, Washington

September 5, 1951

Memorandum:

To: A. E. Weissenborn, Executive Officer
DMA, Field Team, Region II

From: Hilmer A. Youngberg, Geologist, U.S.G.S.

Subject: Project DMA 767
R.T.C. Mining Company
L. E. Chambers
Lewis and Clark County
Kings Corner, Montana

RECOMMENDATION

Based upon the conclusions of M. R. Klepper, whose letter is attached, it is recommended that the applicant be denied aid in exploring the R.T.C. mine.

SUMMARY

The R.T.C. mine was considered for a production loan by M. R. Klepper, who submitted a report on the property dated June 27, 1951, recommending that the application be denied. The applicant submitted an exploration application August 14, 1951, requesting further aid. The request was referred to M. R. Klepper for review, and he has set forth his conclusions in the attached letter dated September 4, 1951. Based upon information obtained at the time of his first examination, he concludes that further exploration of this property is not likely to develop significant amounts of ore and should be denied.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Box 572
Helena, Mont.
Sept. 1, 1951

Mr. Elton C. Youngberg
U. S. Geological Survey
157 South Howard Street
Spokane, Washington

Re: R. T. C. Mining Co. , Docket DMA 787

Dear Elton:

I am returning herewith the R. T. C. docket, DMA 787. I have not contacted the applicant because I see nothing in the revised application to indicate that additional work has been done on the property since my examination in June.

As a result of that examination I recommended that the original request for a $25,000 loan to install a small mill be denied. I did suggest to the applicant, however, that he might not be wasting his time if he drifted ahead another 200 feet, for he does have a structure on which a few very small pockets of ore have been encountered and he has all the necessary mining equipment on the property. In my opinion the likelihood of finding really significant amounts of ore is slight, but he might make beans if he hits several pockets of ore, although those found in the past have not been sufficient to buy many beans.

The maximum amount of work that I would consider justified would be 200 feet of drifting, which atprevailing costs for contract drifting in this area would not exceed $4,000. I do not feel that the chance of making a significant discovery is sufficiently good, however, to warrant Government participation in the project proposed by the applicant. I feel that if the applicant has sufficient faith in the prospect to do some additional drifting, the DMA should be willing to reexamine the property atthat time and reevaluate the applicant's proposal in the light of new findings.

It should be kept in mind that ore mined from the existing 350 feet of workings would have paid off a loan of only a few hundred dollars at 5% of net smalter returns, had the Government participated in the work already done.

Sincerely yours,

M. R. Klepper