DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 1898

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

An Exploration Loan

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To:	Mr. Dalberg	Date	8/1/51
To:	Op Com	Date	7-11-52
To:	Op. Com.	Date	11- -52
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DO NOT DETACH

CONTROLLED DOCUMENT

NOV 10 1952

Mr. Charles H. Segerstrom, President
Rare Metals Corporation
Lovelock, Nevada

Re: Docket No. 1[illegible] - Tungsten
Rare Metals Corporation
Dreamer, Jagged Top, Alpine and
Star Mines
Pershing County, Nevada

Dear Mr. Segerstrom:

Reference is made to the subject application for exploration assistance which has been held in abeyance awaiting additional information, first requested August 10, 1951, and later on April 23, 1952. On October 2, 1952, you were advised that this docket would be transferred to the inactive files if this information was not received by November 1, 1952. On October 31, 1952, Mr. Miller, Executive Officer, Region III, was informed by telephone that there had been a change of ownership and that new proposals for exploration would be furnished.

Because of the change both in ownership and in the proposed exploration program, a new application will be required. We are, therefore, transferring the subject docket to the inactive file.

The closing out of the subject docket is being made without prejudice, and the information contained in the docket will be available whenever a new application is submitted which would transmit only new data.

We wish to thank you for your interest in the Defense Minerals Program and assure you that any new application will be given prompt consideration. Blank DF-103 forms, Application for Aid in an Exploration Project, are enclosed for your convenience in submitting a new application.

Sincerely yours,

C. G. Mittendorf

Administrator

cc: Admin. Reading File
Docket
R. W. Geehan, DMRM
D. H. Lemmon, DMRS
Field Team Reg. III
G. C. Selfridge
F. A. Rutledge

FARutledge'lm - 11/7/52

Chief, Oper. Control and Statistics Div., DMEA November 7, 1952

Iron and Ferro-Alloy Division, DMEA

Removal of application from active file
Docket No. DMA 1898X - Tungsten
Rare Metals Corporation
Oreana, Ragged Top, Alpine, and Star Mines
Pershing County, Nevada

The applicant was advised by letter that if he did not furnish promised progress of exploration on the subject properties by October 31, 1952, the application would be removed from the active file.

On October 31, 1952, the applicant's representative telephoned Mr. Miller, Executive Officer, Region III, and advised that there had been a change of ownership and that exploration work by the new company was in process. DMEA was requested to hold the docket in their open file until January 1, 1953.

However, since the original application was extremely incomplete, much additional data will be required. A new program of exploration also will be submitted by the new owners. The owners are, therefore, being advised that the subject docket is being transferred to the inactive files and that it will be necessary for them to submit a new application.

The subject docket is transmitted herewith.

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

Attachment

FARutledge'lm
11/7/52

cc: Admn. Reading File
Docket
G. C. Selfridge
F. A. Rutledge

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

400
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 6 1952

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Bldg.
870 Market St.
San Francisco 2, Calif.

Oct. 2, 1952

Mr. Charles H. Segerstrom, President
Rare Metals Corporation
Lovelock, Nevada

Docket DMA-1898X (Tungsten)
Creana, Ragged Top, Alpine and
Star Mines, Pershing County, Nev.

Dear Mr. Segerstrom:

Relative to above docket, we wish to quote from a letter of September 25 from the Acting Chairman, Operating Committee, Defense Minerals Exploration Administration, reading as follows:

> "It has been noted from the monthly reports of Region III that the requested field examination of the properties has been held in abeyance until the Operator furnishes a specific set of proposals for the exploration project.
>
> "While we wish to cooperate fully with the applicants in the matter of allowing ample time to furnish any requested data, Mr. Segerstrom agreed on April 23, 1952, to furnish the required information. We believe that the applicant should be informed that if the needed data have not been received by October 31, 1952, we will then remove the application from the active file and consider the matter closed.
>
> "Please advise us on November 1, 1952, if the data have or have not been received."

We would be pleased to have your reaction to the above remarks.

Sincerely yours,

S. Ricker

S. Ricker for
H. C. Miller, Executive Officer
DMEA Field Team, Region III

Copy to: Operating Committee, DMEA, Washington
E. H. Bailey, USGS

SEP 2 5 1952

Mr. F. C. Miller
Executive Officer, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. [illegible] 18081 - Tungsten
Rare Metals Corporation
Charles H. Segerstrom, President
Dreamy, Rugged Top, Alpine and
Star Mines
Pershing County, Nevada

Dear Mr. Miller:

Reference is made to the subject docket. It has been noted from the monthly reports of Region III that the requested field examination of the properties has been held in abeyance until the operator furnishes a specific set of proposals for the exploration project.

While we aim to cooperate fully with the applicants in the matter of allowing ample time to furnish any requested data, Mr. Segerstrom agreed on April 23, 1952, to furnish the requested information. We believe that the applicant should be informed that if the needed data have not been received by October 31, 1952, we will then remove the application from the active file and consider the matter closed.

Please advise us on November 1, 1952, if the data have or have not been received.

Sincerely yours,

Ernest Wm. Ellis

ACTING Chairman, Operating Committee

Approved:

C. H. Johnson
Member, Bureau of Mines

A. R. Kinkel Jr.
Member, Geological Survey

FARutledge:lm
9/22/52

cc: Admn. Reading File
Docket
E. V. Geehan, USGS
D. M. Lemmon, USGS
Field Team Reg. III
Operating Committee
G. C. Selfridge
F. A. Rutledge

EXPLORATION

JUL 14 1952

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMA 1898X - Tungsten
Rare Metals Corporation
Oreana, Ragged Top, Alpine and
Star Mines
Pershing County, Nevada

Dear Mr. Miller:

Will you please inform us of the status of the field examination of the above-referenced property, which examination was requested by us on January 28, 1952.

Sincerely yours,

George C. Selfridge

ACTING Chairman, Operating Committee
Defense Minerals Exploration
Administration

GCSelfridge:ls 7/10/52

CC: Docket
Admn. Read. File
G. C. Selfridge
Operating Committee
Field Team, Reg. 3
D. M. Lemmon, USGS
R. W. Geehan, USBM

Approved:

J. H. Hedges
Member, Bureau of Mines

T. P. Thayer
Member, Geological Survey

400

JAN 28 1952

Rare Metals Corporation
Mr. Charles E. Sagerstrom, President
Lovelock, Nevada

Re: Docket No. DMA 1898X - Tungsten
Crescent, Ragged Top, Alpine and
Star Mines
Pershing County, Nevada

Dear Mr. Sagerstrom:

Your application for assistance in exploring the above referenced mines in Pershing County, Nevada, has been reviewed by the Iron and Ferro-Alloy Division of the Defense Minerals Exploration Administration and has been referred to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Region III, 1012 Flood Building, 870 Market Street, San Francisco 7, California, for a field examination.

The Regional Office will contact you at an early date in regard to your project.

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

GOGentry'lm
1/24/52

cc: Admn. Reading File
Docket
R. W. Sechan, USBM
D. M. Lemmon, USGS
Field Team Reg. III
G. C. Baldridge
G. O. Gentry

402

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

Mr. H. C. Miller
Executive Officer, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

JAN 28 1952

Dear Mr. [illegible]

[illegible] attached "Review of Application for Exploration Assistance" [illegible]

Applicant: Rare Metals Corporation

Project No.: 1893

Mineral: Tungsten

Amount: $ 36,000.00

[illegible] expedite consideration of the application with [illegible] to the points raised in the attached "Review".

Sincerely yours,

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Attachment

[illegible] Mines

[illegible]

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 1898

Commodity Tungsten

Total Amount $36,000

Govt. Participation $27,000

1. Name and Address of Applicant Rare Metals Corporation
Lovelock, Nevada

2. Location of Property Pershing County, Nevada
(Oreana-Ragged Top-Alpine and star mines)
Charles H. Segerstrom, President

3. Mineral or metal Tungsten Is it listed in Section 9 of MO-5? yes.

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good ✓

b) Poor

c) None

d) Don't know—needs field examination Requires Field Examination

e) Is there an alternative and favorable project? unknown
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Not stated
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? Apparently owner as no Lease attached

Does the lease have sufficient time to run to cover a future productive period? Field team check on ownership

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201?

b) MF-202

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? Field Team should cover in their Report.

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

Is a field check needed on this point? No

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Requires detailed mapping

If not, are there sufficient data given so that you can describe the project? Enclosing Maps available If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes (Sect. b)

If not, what part of it is?

Is this part a worthwhile exploration project? Yes

d) Are the cost estimates detailed? Requires further Consideration

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? Subject to Contract

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? No

b) If so, are sufficient data furnished? ✓ If so, attach a draft.

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? No

b) Sufficient data? ✓ If so, attach a draft.

c) Are rents and charges reasonable? Not applicable

d) Is a field check needed? No

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Work Will be Contracted

b) Is the schedule adequate for the work proposed? Schedule should be detailed in the Field

c) Is the schedule excessive for the work proposed? examination

d) Are the proposed wages and salaries reasonable? None given

e) Is a field check needed? Yes.

14. Exhibit E (question 23-c)*

a) Is it applicable? N/O

b) Sufficient data?

c) Reasonable?

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? Time element not detailed by Applicant

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Follow Suggestions as per attached Letter from Mr. Lemmon, dated August 8, 1951:- Requesting Location, depth and inclination of Drill Holes, Geological Sections, Proposed objective, adequate Maps. Should have firm Bid from Reliable Drilling Contractor for adequate Cost data, Cost of Engineering, Geological Work, Accounting and Assaying

Reviewed by [signature]

Date 1-22-52

97692

Enclosures:

Copy of letter to Rare Metals Corporation dated August 9, 1951

Copy of memo by Dwight M. Lemmon dated August 8, 1951

Copy of letter to Charles Segerstrom dated August 2, 1951

2 Copies MF-103 with attached data from Mining Company dated June 14, 1951

Copy of Tungsten Mineralization at Oreana, Nevada, by Kerr

Map showing elevation and plan of Oreana property

Geology of Ragged Top claims

Claim map of Rare Metals Corporation

Geologic map of Meyer Tungsten property

Geologic sketch map of Meyer Tungsten property

Map of Alpine Tunnel workings

Topographic and geological map of Alpine mine

Geologic section, Alpine mine

Map of workings, Patrick claim, Ragged Top Group

NOTE: The above enclosures must be returned with your report.

FILE COPY
SURNAME:

Rutledge
Selfridge

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

NOV 10 1952

Mr. Charles H. Segerstrom, President
Rare Metals Corporation
Lovelock, Nevada

Re: Docket No. 1898X - Tungsten
Rare Metals Corporation
Oreana, Ragged Top, Alpine and
Star Mines
Pershing County, Nevada

Dear Mr. Segerstrom:

Reference is made to the subject application for exploration assistance which has been held in abeyance awaiting additional information, first requested August 10, 1951, and later on April 23, 1952. On October 2, 1952, you were advised that this docket would be transferred to the inactive files if this information was not received by November 1, 1952. On October 31, 1952, Mr. Miller, Executive Officer, Region III, was informed by telephone that there had been a change of ownership and that new proposals for exploration would be furnished.

Because of the change both in ownership and in the proposed exploration program, a new application will be required. We are, therefore, transferring the subject docket to the inactive file.

The closing out of the subject docket is being made without prejudice, and the information contained in the docket will be available whenever a new application is submitted which would transmit only new data.

We wish to thank you for your interest in the Defense Minerals Program and assure you that any new application will be given prompt consideration. Blank MF-103 forms, Application for Aid in an Exploration Project, are enclosed for your convenience in submitting a new application.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

11-10-52

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. III
G. C. Selfridge
F. A. Rutledge

FARutledge:lm - 11/7/52

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief, Oper. Control and Statistics Div., DMEA DATE: November 7, 1952

FROM : Iron and Ferro-Alloy Division, DMEA

SUBJECT: Removal of application from active file
Docket No. DMA 1898X - Tungsten
Rare Metals Corporation
Oreana, Ragged Top, Alpine, and Star Mines
Pershing County, Nevada

The applicant was advised by letter that if he did not furnish promised programs of exploration on the subject properties by October 31, 1952, the application would be removed from the active file.

On October 31, 1952, the applicant's representative telephoned Mr. Miller, Executive Officer, Region III, and advised that there had been a change of ownership and that exploration work by the new company was in process. DMEA was requested to hold the docket in their open file until January 1, 1953.

However, since the original application was extremely incomplete, much additional data will be required. A new program of exploration also will be submitted by the new owners. The owners are, therefore, being advised that the subject docket is being transferred to the inactive files and that it will be necessary for them to submit a new application.

The subject docket is transmitted herewith.

G. C. Selfridge

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

Attachment

FILE COPY 400
SURNAME:

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

Chief, Oper. Control and Statistics Div., DMEA November 7, 1952

Rutledge
Selfridge

Iron and Ferro-Alloy Division, DMEA

Removal of application from active file
Docket No. DMA 1898X - Tungsten
Rare Metals Corporation
Oreana, Ragged Top, Alpine, and Star Mines
Pershing County, Nevada

The applicant was advised by letter that if he did not furnish promised programs of exploration on the subject properties by October 31, 1952, the application would be removed from the active file.

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The subject docket is transmitted herewith.

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

Attachment

FARutledge'lm
11/7/52

cc: Admn. Reading File
Docket
G. C. Selfridge
F. A. Rutledge

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 6 1952

Gd 11/4/52

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

November 4, 1952

Air Mail

Memorandum

To: Ernest Wm. Ellis, Acting Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: DMA-1898X (Tungsten), Rare Metals Corporation, Charles H. Segerstrom, President, Oreana, Ragged Top, Alpine and Star Mines, Pershing County, Nevada

Reference is made to your subject letter to me, dated September 25, 1952.

This office wrote to Mr. Charles H. Segerstrom, Lovelock, Nevada on October 2 concerning the matter brought up in your letter to me. A carbon copy of the letter went to the Operating Committee, DMEA, Washington, D. C.

On Friday, October 31, Mr. John Heiser telephoned me in reply to the letter to Mr. Segerstrom that there has been a change of status of ownership and that Rare Metals Corporation is now the Wolfram Company.

He stated further that the Company has been doing and still is doing some drifting and crosscutting and that shortly they will know more exactly than they do now what work should be included in their request for an exploration loan.

He asked, therefore, that I request you to hold the application open until sometime about January 1, 1953.

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Copy to: E. H. Bailey, USGS

Office
Executive Officer
DMEA Field Team
Region III

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
NOV 6 1952

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

November 4, 1952

Air Mail

Memorandum

To: Ernest Wm. Ellis, Acting Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Exechtive Officer, DMEA Field Team, Region III

Subject: DMA-1898X (Tungsten), Rare Metals Corporation, Charles H. Segerstrom, President, Oreana, Ragged Top, Alpine and Star Mines, Pershing County, Nevada

Reference is made to your subject letter to me, dated September 25, 1952.

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He asked, therefore, that I request you to hold the application open until sometime about January 1, 1953.

H. C. MILLER

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Copy to: E. H. Bailey, USGS

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

See Docket

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 6 1952

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Bldg.
870 Market St.
San Francisco 2, Calif.

Oct. 2, 1952

Mr. Charles H. Segerstrom, President
Rare Metals Corporation
Lovelock, Nevada

Docket DMA-1898X (Tungsten)
Creana, Ragged Top, Alpine and
Star Mines, Pershing County, Nev.

Dear Mr. Segerstrom:

Relative to above docket, we wish to quote from a letter of September 25 from the Acting Chairman, Operating Committee, Defense Minerals Exploration Administration, reading as follows:

"It has been noted from the monthly reports of Region III that the requested field examination of the properties has been held in abeyance until the Operator furnishes a specific set of proposals for the exploration project.

"While we wish to cooperate fully with the applicants in the matter of allowing ample time to furnish any requested data, Mr. Segerstrom agreed on April 23, 1952, to furnish the required information. We believe that the applicant should be informed that if the needed data have not been received by October 31, 1952, we will then remove the application from the active file and consider the matter closed.

"Please advise us on November 1, 1952, if the data have or have not been received."

We would be pleased to have your reaction to the above remarks.

Copy retained 400

Sincerely yours,

S. RICKER

S. Ricker for
H. C. Miller, Executive Officer
DMEA Field Team, Region III

Copy retained 400

Copy to: Operating Committee, DMEA, Washington
E. H. Bailey, USGS

FILE COPY
SURNAME:

Rutledge
Selfridge
Martin
Johnson

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

SEP 25 1952

Mr. N. C. Miller
Executive Officer, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMA 1898X - Tungsten
Rare Metals Corporation
Charles H. Segerstrom, President
Oreana, Ragged Top, Alpine and
Star Mines
Pershing County, Nevada

Dear Mr. Miller:

Reference is made to the subject docket. It has been noted from the monthly reports of Region III that the requested field examination of the properties has been held in abeyance until the Operator furnishes a specific set of proposals for the exploration project.

While we wish to cooperate fully with the applicants in the matter of allowing ample time to furnish any requested data, Mr. Segerstrom agreed on April 23, 1952, to furnish the requested information. We believe that the applicant should be informed that if the needed data have not been received by October 31, 1952, we will then remove the application from the active file and consider the matter closed.

Please advise us on November 1, 1952, if the data have or have not been received.

Sincerely yours,

Ernest Wm. Ellis

ACTING Chairman, Operating Committee

F.N. 9-25-52

Approved:

C. H. Johnson
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

FARutledge'lm
9/22/52

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. III
Operating Committee
G. C. Selfridge
F. A. Rutledge

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

July 21, 1952

Memorandum

To: G. C. Selfridge, Chairman, Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: DMA 1898X (Tungsten) Rare Metals Corporation, Oreana, Ragged Top, Alpine and Star Mines, Pershing County, Nevada

Reply is made to your letter of July 14 in which you requested information on the current status of the field examination of the above-referenced properties. Following the suggestion of Mr. Dwight Lemmon, the docket was referred to the U. S. Geological Survey to contact the applicant and, if possible, persuade him to prepare geologic sections, showing the direction, location, and inclination of proposed drill holes and targets. Mr. Paul Bateman of the Survey phoned Mr. Segerstrom on April 23, 1952, and Mr. Segerstrom agreed to contact Mr. Heizer and have him draw up a more specific set of proposals. Since then we have not heard from either Mr. Segerstrom or Mr. Heizer.

I am writing to Mr. Segerstrom today, asking him if he is still interested in an exploration loan.

H. C. Miller
H. C. Miller
Executive Officer
DMEA Field Team, Region III

Copy to E. H. Bailey

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 7-28-52

REFERRED TO:

1. ~~Code 400~~
2.
3.
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS: .....

Check (X) before the items needing attention.

R. E. ADAMS
Initials of sender.

GPO 16—63815-1

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

Docket

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

July 21, 1952

Mr. Charles H. Segerstrom
President, Rare Metals Corporation
Lovelock, Nevada

RE: Docket DMA 1898X (Tungsten)Oreana,
Ragged Top, Alpine and Star Mines,
Pershing County, Nevada

Dear Mr. Segerstrom:

We have been asked by the Washington Office of the Defense Minerals Exploration Administration for information on the present status of the captioned application for exploration assistance. The Geological Survey, to which agency your application was referred for processing, reports that Mr. Paul Bateman phoned you on April 23, urging your company to do some geology on the captioned properties and prepare geologic sections, showing the drilling targets. Nothing has been heard from you to date, although it is reported that you plan to furnish such information.

Kindly let us know when we may expect the requested information.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 28 1952

Very truly yours,

H. C. MILLER

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Copy to DMEA, Washington, D. C.
E. H. Bailey, U. S. Geological Survey

MF-5

UNI TES
DEPARTMENT E INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 7-28-58

REFERRED TO:

1. CODE 400 - RM. 3538
2.
3.
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS:

Check (X) before the items needing attention.

Adams (AD)
Initials of sender.

GPO 16—63815-1

400

FILE COPY
SURNAME:

Selfridge

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

JUL 14 1952

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMA 1898X - Tungsten
Rare Metals Corporation
Oreana, Ragged Top, Alpine and
Star Mines
Pershing County, Nevada

Dear Mr. Miller:

Will you please inform us of the status of the field examination of the above-referenced property, which examination was requested by us on January 28, 1952.

Sincerely yours,

George C. Selfridge (JHB)

ACTING Chairman, Operating Committee
Defense Minerals Exploration
Administration

7-14-52

GCSelfridge:ls 7/10/52

CC: Docket
Admn. Read. File
G. C. Selfridge
Operating Committee
Field Team, Reg. 3
D. M. Lemmon, USGS
R. W. Geehan, USBM

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

T. P. Thayer (JHB)
Member, Geological Survey

[illegible] applicant.

FILE COPY
SURNAME:

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

JAN 28 1952

Rare Metals Corporation
Mr. Charles H. Segerstrom, President
Lovelock, Nevada

Re: Docket No. DMA 1898X - Tungsten
Oreana, Ragged Top, Alpine and
Star Mines
Pershing County, Nevada

Dear Mr. Segerstrom:

Your application for assistance in exploring the above referenced mines in Pershing County, Nevada, has been reviewed by the Iron and Ferro-Alloy Division of the Defense Minerals Exploration Administration and has been referred to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Region III, 1012 Flood Building, 870 Market Street, San Francisco 2, California, for a field examination.

The Regional Office will contact you at an early date in regard to your project.

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

GGGentry'lm
1/24/52

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. III
G. C. Selfridge
G. G. Gentry

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

Mr. H. C. Miller
Executive Officer, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

JAN 28 1952

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Applicant Rare Metals Corporation

Docket No. 1898

Commodity Tungsten

Amount $ 36,000.00

Please expedite consideration of the application with particular reference to the points raised in the attached "Review".

Sincerely yours,

(signed) FRANK E. JOHNSON
HB

Chairman, Operating Committee
Defense Minerals Exploration
Administration

APPROVED:

J. H. Hedges
HB

Member, Bureau of Mines

/s/ L.P. Thayer

Member, Geological Survey
HB

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 1898

Commodity Tungsten

Total Amount $36,000.00

Govt. Participation $27,000.00 - 75%

1. Name and Address of Applicant Rare Metals Corporation
Lovelock, Nevada

2. Location of Property Pershing County, Nevada
(Oreana-Ragged Top-Alpine and Star Mines)
Charles H. Segerstrom, President

3. Mineral or metal Tungsten Is it listed in Section 9 of MO-5?

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good XX

b) Poor

c) None

d) Don't know—needs field examination Requires field examination

e) Is there an alternative and favorable project? Unknown
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Not stated
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? Apparently owner has no lease attached

Does the lease have sufficient time to run to cover a future productive period? Field team check on ownership

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201? _____

b) MF-202 _____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? Field team should cover in their report

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

_____

Is a field check needed on this point? No

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Requires detailed mapping

If not, are there sufficient data given so that you can describe the project? Enclosing maps available If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No

_____

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes (Section b)

If not, what part of it is? _____

_____

_____

_____

Is this part a worthwhile exploration project? Yes

d) Are the cost estimates detailed? Requires further consideration

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? Subject to contract

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? No

b) If so, are sufficient data furnished? Yes If so, attach a draft.

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? No

b) Sufficient data? ~~Yes~~ If so, attach a draft.

c) Are rents and charges reasonable? Not applicable

d) Is a field check needed? No

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Work will be contracted

b) Is the schedule adequate for the work proposed? Schedule should be detailed in the field examination

c) Is the schedule excessive for the work proposed?

d) Are the proposed wages and salaries reasonable? Not given

e) Is a field check needed? Yes

14. Exhibit E (question 23-c)*

a) Is it applicable? No

b) Sufficient data?

c) Reasonable?

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? Time element not detailed by applicant

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Follow suggestions as per attached letter from Mr. Lemmon, dated August 8, 1951, requesting location, depth and inclination of drill holes, geological sections, proposed objective, adequate maps. Should have firm bid from reliable drilling contractor for adequate cost data, cost of engineering, geological work, accounting and assaying.

Reviewed by: Glenn G. Centry

Date 1/22/52

INT.-DUP. SEC., WASH., D.C. 99009

Enclosures:

Copy of letter to Rare Metals Corporation dated August 9, 1951

Copy of memo by Dwight N. Lemmon dated August 8, 1951

Copy of letter to Charles Segerstrom dated August 2, 1951

2 Copies MF-103 with attached data from Mining Company dated June 14, 1951

Copy of Tungsten Mineralization at Oreana, Nevada, by Kerr

Map showing elevation and plan of Oreana property

Geology of Ragged Top claims

Claim map of Rare Metals Corporation

Geologic map of Meyer Tungsten property

Geologic sketch map of Meyer Tungsten property

Map of Alpine Tunnel workings

Topographic and geological map of Alpine mine

Geologic section, Alpine mine

Map of workings, Patrick claim, Ragged Top Group

NOTE: The above enclosures must be returned with your report.

FILE COPY
SURNAME:

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

Holderer
Lemmon/14

a. E. C.

AUG 10 1951

Rare Metals Corporation

Lovelock, Nevada

In reply please refer to
DMA-1[illegible] — Tungsten

Gentlemen:

Before we can process your application for an exploration project of $36,000 on the Airline, Star, Lucky Boy, and Oreana tungsten mines, we need additional information from you.

The location, inclination, and depth of proposed drill holes should be shown on the map, and geologic section should be drawn through the holes to show the objectives of drilling. The contract can be drawn to allow subsequent changes in the drilling program provided approval is obtained from the field team.

No financial provision has been made for engineering, geology, assays, or bookkeeping. Possibly you expect that the rather high cost of drilling, estimated at [illegible] per foot, will cover these items. However, unless the costs of specific items included in the exploration contract, DMA will not approve them on vouchers. Consequently, it is to your advantage to list these items in the contract as allowable costs.

Very truly yours, BJ 8/10

George B. Holderer

George B. Holderer
Chief, Tungsten Branch

DMLemmon:awj Aug. 9, 1951

cc:File
Adm. Reading File
Reports & Records Unit
Field Team, Region III
Mr. Lemmon
Mr. Holderer

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

340

AUG 10 1951

Rare Metals Corporation

Lovelock, Nevada

In reply please refer to
DMA-1898 — Tungsten

Gentlemen:

Before we can process your application for an exploration project of $36,000 on the Alpine, Star, Ragged Top, and Oreana tungsten mines, we need additional information from you.

The location, inclination, and depth of proposed drill holes should be shown on the maps, and geologic sections should be drawn through the holes to show the objectives of drilling. The contract can be drawn to allow subsequent changes in the drilling program provided approval is obtained from the field team.

No financial provision has been made for engineering, geology, assays, or bookkeeping. Possibly you expect that the rather high cost of drilling, estimated at $8 per foot, will cover these items. However, unless the costs are specifically included in the exploration contract, DMA will not approve them on vouchers. Consequently, it is to your advantage to list these items in the contract as allowable costs.

Very truly yours,

George B. Holderer

George B. Holderer
Chief, Tungsten Branch

DMLemmon:awj Aug. 9, 1951

cc:File
Adm. Reading File
Reports & Records Unit
Field Team, Region III
Mr. Lemmon
Mr. Holderer

August 2, 1951

Mr. Charles H. Segerstrom, Jr.
President
Rare Metals Corporation
Lovelock, Nevada

Subject: DMA-1898
Re: Exploration Loan -
Oreana, Ragged Top, Alpine,
Star, Nightingale Mines

My dear Mr. Segerstrom:

Receipt is acknowledged of your application and attachments of July 27, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1898 and referred to Mr. George Holderer, Chief, Tungsten Branch on August 1, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1898.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Chief, Reports & Records Unit

R. E. Adams:jc
cc: ✓Adams
File
Holderer
Lyon

LANDON F. STREET

RESTRICTED

GENERAL SERVICES ADMINISTRATION

Emergency Procurement Service
Washington 25, D.C.

JAN 23 1951

JAN 25 195
Josephson
1-25-51
Mr. Clark

Dr. James Boyd, Administrator
Defense Minerals Administration
Department of the Interior
Washington 25, D.C.

Dear Doctor Boyd:

Enclosed herewith is letter dated December 16, 1950, received from Mr. John C. Foster, and written in behalf of the Rare Metals Corporation, in which financial assistance is requested for the installation of machinery necessary to develop its mining properties located in the Petaca District, State of New Mexico. A copy of reply to Mr. Foster is also enclosed.

This letter is forwarded as a matter falling within the jurisdiction of your Administration.

Very truly yours,

A. J. Walsh
Acting Commissioner

Enclosures

August 8, 1951

Memorandum

To: Tungsten Branch, DMA

From: D.M.Lemmon, U. S. G. S.

Subject: Exploration application of Rare Metals Corporation Lovelock, Nevada

DMA 1898 -- Tungsten

The proposed project involves 4,500 feet of diamond drilling costing $36,000 ($8 per foot), on contract, at the Alpine, Star, Ragged Top, and Oreana mines owned by the Corporation. Rare Metals owns a centrally located mill at Toulon and is prepared to mine and concentrate any ore discovered.

Diamond drilling is probably warranted for all these properties, and inclusion of the work in a single drilling contract should lower unit cost, perhaps below the figure given ($8 per foot).

Before approval of an exploration contract, the applicant should be requested to show location, inclination, and depth of proposed holes, with geologic sections showing the target. The maps attached to the application are probably an adequate base for plotting the holes and for preparing sections.

The applicant has made no financial provision for engineering, geology, assays, or bookkeeping.

I suggest that the applicant be requested to furnish the additional information, and attach a draft of a proposed letter to the applicant.

Dwight M. Lemmon

DRAFT

Rare Metals Corporation
Lovelock, Nevada

In rpply, please refer to DMA 1898--Tungsten

Gentlemen:

Before we can process your application for an exploration project of $36,000 on the Alpine, Star, Ragged Top, and Oreana tungsten mines, w
we need some additional information from you.

The location, inclination, and depth of proposed drill holes should be shown on the maps, and geologic sections should be drawn through the holes to show the objectives of drilling. The contract can be drawn to allow subsequent changes in the drilling program provided approval is obtained from the field team.

No financial provision has been made for engineering, geology, assays, or bookkeeping. Possibly you expect that the rather high cost of drilling, estimated at $8 per foot, will cover these items. However, unless the costs are specifically included in the exploration contract, DMA will not approve them on vouchers. Consequently, it is to your advantage to list these items xx in the contract as allowable costs.

Sincerely yours,

George B. Holderer
Chief, Tungsten Branch

cc Field Team, Region III, SF (2)

D. M. Lemmon August 8, 1951

DRAFT

Rare Metals Corporation
Lovelock, Nevada

In reply, please refer to DMA 1898--Tungsten

Gentlemen:

Before we can process your application for an exploration project of $56,000 on the Alpine, Star, Ragged Top, and Oreana tungsten mines, we need additional information from you.

The location, inclination, and depth of proposed drill holes should be shown on the maps, and geologic sections should be drawn through the holes to show the objectives of drilling. The contract can be drawn to allow subsequent changes in the drilling program provided approval is obtained from the field team.

No financial provision has been made for engineering, geology, assays, or bookkeeping. Possibly you expect that the rather high cost of drilling, estimated at $8 per foot, will cover these items. However, unless the costs are specifically included in the exploration contract, DMA will not approve them on vouchers. Consequently, it is to your advantage to list these items in the contract as allowable costs.

Sincerely yours,

George B. Holderer
Chief, Tungsten Branch

cc Field Team, Region III, SF (2)

D. M. Lemmon August 8, 1951

FILE COPY
SURNAME:

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

210

August 2, 1951

Mr. Charles H. Segerstrom, Jr.
President
Rare Metals Corporation
Lovelock, Nevada

Subject: DMA-1898
Re: Exploration Loan -
Oreana, Ragged Top, Alpine,
Star, Nightingale Mines

My dear Mr. Segerstrom:

Receipt is acknowledged of your application and attachments of July 27, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1898 and referred to Mr. George Holderer, Chief, Tungsten Branch on August 1, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1898.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Chief, Reports & Records Unit

R. E. Adams:jc
cc: Adams
File
Holderer
Lyon

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. dma-1898

Date received 7/30/51

Participation

RARE METALS CORPORATION

LOVELOCK, NEVADA

Name and address of applicant

Date July 27, 1951

FILL IN THIS BLOCK

Date of application July 27, 1951

Estimated cost $36,000.00

Mineral or metal Tungsten Ore

Percentage of Government participation 75%

Location of mine Pershing County, Lovelock, Nevada

Date of filing MF-100 June 14, 1951

DMA Docket Number, if available M.S. 0913

INSTRUCTIONS

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

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?

*2. If a partnership, state names and addresses of partners.

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.

*5. Are you the owner or the lessee of the property?

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. None

7. If lessee, attach a copy of the lease and state if it is in good standing.

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

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. attached

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)? We are willing to advance more than enough new funds to cover our 25% of the estimated cost, which would be $9,000.00.

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

16—64067-1

THE PROPERTY

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

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

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

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

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

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

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

15. State in detail how the ore could be shipped and how and where milled. **See seperate sheet.**

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production: **Mines are not now in production.**

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

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

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

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

THE EXPLORATION

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

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

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

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

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each. **See seperate sheet.**

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

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

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.

Rare Metals Corporation
(Name of company)

By Chas. F. Gerstenberg
(Signature of authorized official)

July 27, 1951
(Date)

Pres.
(Title)

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

*Same as footnote on page 1.

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

SEPERATE SHEET TO ACCOMPANY FORM MF-103 - RARE METALS CORPORATION.

Question 10. Description of property; All in PERSHING COUNTY, NEVADA:

OREANA MINE - All of Section 11 and S½ of Section 3, T29NR33E, owned in fee and the Highball Group of 3 claims, unpatented.

RAGGED TOP MINE - Following group of Mining Claims, unpatented: Patrick, Mike, Bridget, Katie, Tim, Pat and Calcite Lode Mining Claims.

ALPINE MINE - Following group of Mining Claims, unpatented: Summit, National, Olga, Percy, Tony and Victor Lode Mining Claims.

STAR MINE - Following group of Mining Claims, unpatented: Star Fraction, Eastern Star, Eastern Star No. 2, Easter Star No. 5, Eastern Star No. 6, Eastern Star No. 8, Sunrise, Sunrise No. 1 and Sunrise No. 2 Lode Mining Claims.

NIGHTINGALE MINE - E½ of E½ of Section 25, T25NR24E and the patented mining claims - High Grade, Marvelous and Marvelous #1, owned in feex. Also the following group of unpatented mining claims: Nederland, Nederland No. 1, Nederland No. 2, Westview, Westview No. 1, Mammoth, Schellite Extension, Tungstite, Senator, Don and Dum Lode Mining Claims.

Note: We are not asking for funds for the Nightingale Mine but have included this as the Star Mine and Alpine mine are in that area which is known as the Nightingale Mining District. Refer to the Geological Survey Bulletin 936-B "Tungsten Deposits of the Nightingale District Pershing County, Nevada" by Ward C. Smith and Philip W. Guild. Another reference is Information Circular 6902 of October 1936, Bureau of Mines, "Reconnaissance of Mining Districts, Pershing County, Nevada" by W. O. Vanderburg, pages 23 and 24. Mining of the ore in the Nightingale Mine which was revealed by past drilling and prospecting campaigns will commence in the very near future.

Question 15. - All ore will be milled at our Toulon Mill. Oreana Mine ore would be shipped by truck with capacity of 15 to 25 tons to the mill - a distance of 32 miles. Ragged Top Mine ore would be shipped by truck to mill - a distance of 12 miles. Alpine mine ore would be shipped by truck to mill - a distance of 55 miles, half of which is on county road and other half on Highway 40. ~~Alpine~~ Star Mine ore would be shipped by truck to mill - a distance of 50 miles, part on county road and part on Highway 40. Nightingale Mine ore would be shipped by truck to mill - a distance of 55 miles, part on county road and part on Highway 40.

Question 19. - With the exception of the Oreana Mine, none of the above properties were closed down due to depletion of the ore bodies. They were shut down due to economic conditions in the domestic tungsten industry after WorldWar II.

Question 21. - Diamond Drilling, by an outside contractor, appears to be the most feasible and economic method of developing the properties. We estimate it will take about 12 to 15 months to complete the following proposed diamond drilling program:

OREANA MINE - Past production 16,999 tons of ore - 651,868 lbs. Concentrates. Pegmatite veins carrying well over 1% WO3, together with beryl and fluorspar issued along metadiorite-limestone contacts. These veins were mined ~~xxx~~ to their economic limits in 1941. Existence of these veins at greater depth is

SECRETARY ORDER 80 - ACCESSORY TOWN MINING - ADDITIONAL CONSIDERATION.

Section 16. Description of property: All in SECRETARY DISTRICT, Nevada:

MINING DIST. - All of Section 11 and by exception 2, TWENTY, lying in Lot 1 of the Tonopah Group of 3 claims, unpatented.

MINERAL VIEW DIST - Following group of Mining Claims, unpatented: Patrick, Mike, Dragon, Doris, Tom, Sam and Dalzie Lode Mining Claims.

MINING DIST - Following group of Mining Claims, unpatented: Sunset, Mahogany, Olga, Peter, Tony and Victor Lode Mining Claims.

STAR DIST. - Following group of Mining Claims, unpatented: Star Victor, Eastern Star, Eastern Star No. 2, Eastern Star No. 3, Eastern Star No. 4, Eastern Star No. 5, Eureka, Eureka No. 2 and Eureka No. 3 Lode Mining Claims.

TONOPAH DIST - All of Ex of Section 14, ALMERTA and the following mining claims - Tom Cats, Mercedes and Bar Alone #1, lying in Sec. 14. Also the following group of unpatented mining claims: Nederland, Nederland No. 1, Nederland No. 2, Nederland No. 3, Nevada, Nevada No. 1, Ammore, Mobility Extension, Turquite, Senator, Ton and Don Lode Mining Claims.

Note: No ore was mined for funds for the mining claims Nos. 1 and 2 included this in the Star Mine and Eureka Claims are in that area which is known as the Tonopah Mining District. Below is the Geological Survey Bulletin 908 - Contributions Economic Geology of the Tonopah District Nye and Esmeralda County, Nevada - by Fred C. Smith and Philip W. Guild. Another reference is Information Circular 6909 of October 1938, Bureau of Mines, Nonmetallic Resources of Mining Districts Nye County, Nevada" by T. O. Vanderburg, pages 32 and 33. Mining of the ore in the Tonopah Mine which has revealed by past milling and prospecting operations will commence in the very near future.

Section 17. - All ore will be milled at our Tonopah Mill. Ground Ore will be shipped by truck with capacity of 15 to 25 tons to the mill. Distance - 32 miles. Copper Top Mine ore would be shipped by truck to mill - a distance of 12 miles. Alpine Mine ore would be shipped by truck to mill - a distance of 55 miles, half of which is on county road and other half on Highway 95. Star Mine ore would be shipped by truck to mill - a distance of 90 miles, part on county road and part on Highway 95. Northumbria Mine ore would be shipped by truck to mill - a distance of 55 miles, part on county road and part on Highway 95.

Section 18. - With the exception of the Gunsum Mine, none of the above properties were closed down due to depletion of the ore bodies. They were shut down due to economic conditions in the Nevada Tungsten industry which involves 17.

Section 19. - Planned mining, by an outside contractor, appears to be the most feasible and economic method of developing the properties. It will take about 12 to 18 months to complete the following proposed mining program:

GUNSUM MINE - Est. production 15,000 tons of ore - 600,000 lbs. Concentrates, Tungsten veins carrying well over 1% WO3, together with Copper and Molybdenum issued along metamorphic-igneous contacts. These veins were mined mostly for their economic limits of 1%. Engineers - These veins at present are capable of

QUESTION 21. (Continued)

a reasonable conclusion. Three to five holes of 250' to 300' would be a feasible way of developing more tungsten together with accessory beryl and fluorspar which have definite value in the present market. These byproducts can be recovered in the tungsten recovery process. Bulletin and map of this property is enclosed.

RAGGED TOP - Past production 921 tons of ore - 13,053 lbs. concentrates. Tuffa and volcanics cover any possible extension of surface ore bodies so far developed and mined. Drilling of possible strike extensions of the known deposits is feasible and have reasonable expectations of developing ore. Six holes of 150' could prove ore of estimated 0.5% WO3 grade and extent of 20,000 to 40,000 tons. This property is just 12 miles from Toulon Mill. Two maps are enclosed.

Past Production 37,936 tons - 428,550 lbs. concentrates.

ALPINE MINE - 1500' of holes is proposed for this mine. Ore crops above and below road on the Summit claim. This area to the south bears promise of developing ore of similar grade to that mined in main workings. Further holes on the National claim should further develop and prove what has been thus far a proven ore body of commercial grade. Two sets of maps enclosed.

STAR MINE - Past production 4,330 tons - 32,250 lbs. concentrates. 700' of holes is proposed here. All ore produced to date has been by open pit methods which indicates further deposits exist along strike both north and south of deposit worked. Extension of vertical beds of 0.6% WO3 with widths of from 6' to 30' can be reasonably expected to be found by the drilling of five to seven holes of 100'. Possible tonnage development of 50,000 tons.

QUESTION 22.- information asked for is included in Question 21.

QUESTION 23.- The cost per foot for diamond drilling listed below is based on preliminary investigation we have made of actual drilling plus any incidental expenses involved in this work.

OREANA MINE -	1500 ft.	@ $8.00 per ft.	$12,000.00
Ragged Top -	800 ft.	@ $8.00 per ft.	6,400.00
Star Mine -	700 ft.	@ $8.00 per ft.	5,600.00
Alpine Mine -	1500 ft.	@ $8.00 per ft.	12,000.00
Total	4500 ft.		$36,000.00

QUESTION 24.- If we can obtain only one diamond drill contractor, we propose to start work at the Alpine Mine, then to the Star Mine, then to Ragged Top Mine and then to Oreana Mine. If more than one contractor is used, we can speed the exploration work and work on different mines at the same time.

[illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

[illegible] (continued)

[illegible] [illegible] [illegible] [illegible] [illegible] [

SEPERATE SHEET TO ACCOMPANY FORM MF-103 - RARE METALS CORPORATION

Question 8.

RARE METALS CORPORATION

BALANCE SHEET

JUNE 30, 1951

ASSETS

CURRENT ASSETS		
Cash in banks	$ 2,441.96	
Accounts receivable	1,136.97	$ 3,578.93
FIXED ASSETS		
Mining properties, machinery and equipment	$220,576.79	
Mill buildings, machinery and equipment	193,431.16	
Automobiles and trucks	1,900.00	
	$415,907.95	
Less: Reserve for depreciation	182,713.83	233,194.12
PREPAID EXPENSE		
Insurance		863.91
		$237,636.96

LIABILITIES

CURRENT LIABILITIES		
Accounts Payable	$ 407.27	
Sundry Accruals	25.75	$ 433.02
OTHER LIABILITIES		
Due Chas. H. Segerstrom, Trustee		108,157.85
CAPITAL STOCK		
Authorized and issued 100,000 shares @ $1.00 per share		100,000.00
SURPLUS		
Earned		29,046.09
		$237,636.96

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. Dma-1898

Date received 7/30/51

Participation

RARE METALS CORPORATION

LOVELOCK, NEVADA

Name and address of applicant

Date July 27, 1951

FILL IN THIS BLOCK

Date of application July 27, 1951

Estimated cost $36,000.00

Mineral or metal Tungsten Ore

Percentage of Government participation 75%

Location of mine Pershing County, Lovelock, Nevada

Date of filing MF-100 June 14, 1951

DMA Docket Number, if available M.S. 0913

INSTRUCTIONS

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

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?

*2. If a partnership, state names and addresses of partners.

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.

*5. Are you the owner or the lessee of the property?

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. None

7. If lessee, attach a copy of the lease and state if it is in good standing.

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

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. attached

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)? We are willing to advance more than enough new funds to cover our 25% of the estimated cost, which would be $9,000.00.

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

16—64067-1

THE PROPERTY

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

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

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

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

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

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

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

15. State in detail how the ore could be shipped and how and where milled. **See seperate sheet.**

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production: **Mines are not now in production.**

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

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

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

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

THE EXPLORATION

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

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

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

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

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each. **See seperate sheet.**

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

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

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.

Rare Metals Corporation
(Name of company)

By Chas. Hegerson
(Signature of authorized official)

July 27, 1951
(Date)

Pres
(Title)

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

*Same as footnote on page 1.

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

SEPERATE SHEET TO ACCOMPANY FORM MF-103 - RARE METALS CORPORATION.

Question 10. Description of property; All in PERSHING COUNTY, NEVADA:

OREANA MINE - All of Section 11 and S½ of Section 3, T29NR33E, owned in fee and the Highball Group of 3 clmims, unpatented.

RAGGED TOP MINE - Following group of Mining Claims, unpatented: Patrick, Mike, Bridget, Katie, Tim, Pat and Calcite Lode Mining Claims.

ALPINE MINE - Following group of Mining Claims, unpatented: Summit, National, Olga, Percy, Tony and Victor Lode Mining Claims.

STAR MINE - Following group of Mining Claims, unpatented: Star Fraction, Eastern Star, Eastern Star No. 2, Easter Star No. 5, Eastern Star No. 6, Eastern Star No. 8, Sunrise, Sunrise No. 1 and Sunrise No. 2 Lode Mining Claims.

NIGHTINGALE MINE - E½ of E½ of Section 25, T25NR24E and the patented mining claims - High Grade, Marvelous and Marvelous #1, owned in feek. Also the following group of unpatented mining claims: Nederland, Nederland No. 1, Nederland No. 2, Westview, Westview No. 1, Mammoth, Schellite Extension, Tungstite, Senator, Don and Dum Lode Mining Claims.

Note: We are not asking for funds for the Nightingale Mine but have included this as the Star Mine and Alpine mine are in that area which is known as the Nightingale Mining District. Refer to the Geological Survey Bulletin 936-B "Tungsten Deposits of the Nightingale District Pershing County, Nevada" by Ward C. Smith and Philip W. Guild. Another reference is Information Circular 6902 of October 1936, Bureau of Mines, "Reconnaissance of Mining Districts, Pershing County, Nevada" by W. O. Vanderburg, pages 23 and 24. Mining of the ore in the Nightingale Mine which was revealed by past drilling and prospecting campaigns will commence in the very near future.

Question 15. - All ore will be milled at our Toulon Mill. Oreana Mine ore would be shipped by truck with capacity of 15 to 25 tons to the mill - a distance of 32 miles. Ragged Top Mine ore would be shipped by truck to mill - a distance of 12 miles. Alpine mine ore would be shipped by truck to mill - a distance of 55 miles, half of which is on county road and other half on Highway 40. ~~Alpine~~ Star Mine ore would be shipped by truck to mill - a distance of 50 miles, part on county road and part on Highway 40. Nightingale Mine ore would be shipped by truck to mill - a distance of 55 miles, part on county road and part on Highway 40.

Question 19. - With the exception of the Oreana Mine, none of the above properties were closed down due to depletion of the ore bodies. They were shut down due to economic conditions in the domestic tungsten industry after WorldWar II.

Question 21. - Diamond Drilling, by an outside contractor, appears to be the most feasible and economic method of developing the properties. We estimate it will take about 12 to 15 months to complete the following proposed diamond drilling program:

OREANO MINE - Past production 16,999 tons of ore - 651,868 lbs. Concentrates. Pegmatite veins carrying well over 1% WO3, together with beryl and fluorspar issued along metadiorite-limestone contacts. These veins were mined ~~dm~~ to their economic limits in 1941. Existence of these veins at greater depth is

QUESTION 21. (Continued)

a reasonable conclusion. Three to five holes of 250' to 300' would be a feasible way of developing more tungsten together with accessory beryl and fluorspar which have definite value in the present market. These byproducts can be recovered in the tungsten recovery process. Bulletin and map of this property is enclosed.

RAGGED TOP - Past production 921 tons of ore - 13,053 lbs. concentrates. Tuffs and volcanics cover any possible extension of surface ore bodies so far developed and mined. Drilling of possible strike extensions of the known deposits is feasible and have reasonable expectations of developing ore. Six holes of 150' could prove ore of estimated 0.5% WO3 grade and extent of 20,000 to 40,000 tons. This property is just 12 miles from Toulon Mill. Two maps are enclosed.

Past Production 37,936 tons - 428,550 lbs. concentrates.

ALPINE MINE - 1500' of holes is proposed for this mine. Ore crops above and below road on the Summit claim. This area to the south bears promise of developing ore of similar grade to that mined in main workings. Further holes on the National claim should further develop and prove what has been thus far a proven ore body of commercial grade. Two sets of maps enclosed.

STAR MINE - Past production 4,330 tons - 32,250 lbs. concentrates. 700' of holes is proposed here. All ore produced to date has been by open pit methods which indicates further deposits exist along strike both north and south of deposit worked. Extension of vertical beds of 0.6% WO3 with widths of from 6' to 30' can be reasonably expected to be found by the drilling of five to seven holes of 100'. Possible tonnage development of 50,000 tons.

QUESTION 22.- information asked for is included in Question 21.

QUESTION 23.- The cost per foot for diamond drilling listed below is based on preliminary investigation we have made of actual drilling plus any incidental expenses involved in this work.

OREANA MINE -	1500 ft.	@ $8.00 per ft.	$12,000.00
Ragged Top -	800 ft.	@ $8.00 per ft.	6,400.00
Star Mine -	700 ft.	@ $8.00 per ft.	5,600.00
Alpine Mine -	1500 ft.	@ $8.00 per ft.	12,000.00
Total	4500 ft.		$36,000.00

QUESTION 24.- If we can obtain only one diamond drill contractor, we propose to start work at the Alpine Mine, then to the Star Mine, then to Ragged Top Mine and then to Oreana Mine. If more than one contractor is used, we can speed the exploration work and work on different mines at the same time.

SEPERATE SHEET TO ACCOMPANY FORM MF-103 - RARE METALS CORPORATION

Question 8.

RARE METALS CORPORATION

BALANCE SHEET

JUNE 30, 1951

ASSETS

CURRENT ASSETS		
Cash in banks	$ 2,441.96	
Accounts receivable	1,136.97	$ 3,578.93
FIXED ASSETS		
Mining properties, machinery and equipment	$220,576.79	
Mill buildings, machinery and equipment	193,431.16	
Automobiles and trucks	1,900.00	
	$415,907.95	
Less: Reserve for depreciation	182,713.83	233,194.12
PREPAID EXPENSE		
Insurance		863.91
		$237,636.96

LIABILITIES

CURRENT LIABILITIES		
Accounts Payable	$ 407.27	
Sundry Accruals	25.75	$ 433.02
OTHER LIABILITIES		
Due Chas. H. Segerstrom, Trustee		108,157.85
CAPITAL STOCK		
Authorized and issued 100,000 shares @ $1.00 per share		100,000.00
SURPLUS		
Earned		29,046.09
		$237,636.96

MF-200
(April 1951)

Docket No. DMA 1898

Commodity _____

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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. Attached hereto, marked "Exhibit 'B'," is a detailed list of 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 its agreed pro-rata share of the cost. 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.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. 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.* Attached hereto, marked "Exhibit 'D'," is 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.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule 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, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable 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, 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 the 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, or any other indirect costs not expressly allowed by these regulations, 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. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator _____ percent of the sum of such 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, $_____.

12. *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.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract 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.

14. *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 additional for each 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 property 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.

15. *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.

16. *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 triplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____

_____ (Operator)

By _____

U.S. GOVERNMENT PRINTING OFFICE 16—64066-1

MF-200
(April 1951)

Docket No. DMA 1898

Commodity _____

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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. Attached hereto, marked "Exhibit 'B'," is a detailed list of 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 its agreed pro-rata share of the cost. 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.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. 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.

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[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.* Attached hereto, marked "Exhibit 'D'," is 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.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule 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, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable 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, 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 the 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, or any other indirect costs not expressly allowed by these regulations, 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. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator ---------- percent of the sum of such 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, $----------.

12. *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.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract 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.

14. *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 additional for each 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 property 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.

15. *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.

16. *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 triplicate the day and year first above written.

THE UNITED STATES OF AMERICA

---------- (Operator)

By ----------

By ----------

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