DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 4106

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

Exploration

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.

Cys BM, GS

Routing Slip

To:	400	Date	12/29/55
To:	Cone	Date	3-19-56
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

400

AUG 27 1956

Mr. D. E. Benton, President
American Nickel Corporation
2327 Tenth Street
Baker, Oregon

Re: Docket No. DMEA-4106, Nickel-Tungsten
Nickel Claims, Baker County, Oregon
Scheelite Claims, Grant County, Oregon

Dear Mr. Benton:

Reference is made to our communications of January 13, May 2, May 17, and July 18, 1956, requesting copies of assay certificates and property maps showing locations and assays of samples taken in order that we might continue with the processing of your application for exploration assistance.

Inasmuch as these data have not been received, it is assumed that you are no longer interested in proceeding with the application. Accordingly, the application is considered as having been withdrawn and the docket is being placed in the inactive file.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

cc: Docket
Code 400
Adm. Read. File
FT, Reg. I-NW
T. Kiilsgaard, USGS
W. McInnis, USBM

LScott/ls
8/24/56

400

August 24, 1956

MEMORANDUM

To: Chief, Operations Control and Statistics Division

From: Chief, Iron and Ferro-Alloys Division

Subject: Withdrawal of application
Docket No. DMEA-4106, Nickel-Tungsten
Nickel Claims, Baker County, Oregon
Scheelite Claims, Grant County, Oregon

By repeated communications since January 13, 1956, we have endeavored to obtain from the applicant sample maps and assays to substantiate the reported nickel and tungsten mineralization on the subject claims.

Although the applicant stated in his letters of May 11 and May 30 that assays were being made and would be submitted as soon as available, these have not been received to date, nor has any reply been received to our letter of July 18 notifying the applicant that if the required data were not received by August 20 we would assume he was no longer interested in proceeding with the application.

Accordingly, the applicant is being notified that his application is being considered as having been withdrawn. The docket is attached for placing in the inactive files.

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

Attachment

LScott/ls
8/24/56

cc: Docket
Code 400
Adm. Read. File

July 18, 1956

400

Mr. D. E. Benton, President
American Nickel Corporation
2327 Tenth Street
Baker, Oregon

Re: Docket No. DMEA-4106 (Nickel-Tungsten)
Nickel Claims, Baker County, Oregon
Scheelite Claims, Grant County, Oregon

Dear Mr. Benton:

Replying to our telegram of May 17, 1956, your letter of May 30 advised that you would submit the assays and sample maps requested in our letter of January 13, 1956.

As we have not received the promised assays and maps or any correspondence obtaining thereto, it is assumed that you are no longer interested in proceeding with your application. If the needed data have not been received by August 20, 1956, we will consider your application withdrawn and remove the docket from the active file.

Sincerely yours,

C. O. Mittendorf

Administrator

ADMcMahon/rem
7-18-56
cc to: Docket
Code 400 (2)
Ad.R.File
Kiilsgaard, GS
Halliday, BM
FT., Reg. 1-NW
1 (blue) pending file

Inter[illegible] Department
Defense Minerals Exploration
Administration

DMEA 14X4401(01) Revolving
Fund, Defense Production Act, Interior
(Allocated working Fund to the Office of
the Secretary)

Mr. D. E. Benton, President
American Nickel Corporation
2327 Tenth Street
Baker, Oregon

Bourlet May 11, 1956. Interested in seeing assay certificates but request you do not send samples as we have no assaying facilities. Please note our letter of January 13, 1956, suggested submission of property maps showing locations and assays of samples taken.

C. O. Mittendorf

C. O. Mittendorf,
Administrator
Defense Minerals Exploration
Administration

ADMcMAHON/foc
5/17/56
cc to: Docket
Code 400
Admr. Read. File
FT. REGION I - MaDist
H. W. Davis, USBM
T. H. Kiilsgaard, USGS

MAY 2 1956

American Nickel Corporation
2327 Tenth Street
Baker, Oregon

Re: Docket No. DMEA 4306, Nickel-Tungsten
Nickel Claims, Baker County, Oregon
Scheelite Claims, Grant County, Oregon

Gentlemen:

Reference is made to the above-docketed application for exploration assistance and our letter of January 13, 1956, requesting additional information needed to process your application. We have not received an answer from you, and therefore assume that you no longer desire to proceed with the application.

We wish to cooperate with you in the matter of allowing ample time, but if the needed data have not been received by May 31, 1956, we will then remove the application from the active file and consider the matter closed.

Sincerely yours,

O. O. Mittenzwei

Administrator

AIMcMahon/fac
5/1/56
cc to: Docket
Code 400
Admr. Read. File
FT. REG. I - MnDist.
H. W. Davis, USBM
T. H. Killegaard, USGS

400

JAN 13 1956

American Nickel Corporation
2327 Tenth Street
Baker, Oregon

Re: Docket No. DMEA 4106, Nickel-Tungsten
Nickel Claims, Baker County, Oregon
Scheelite Claims, Grant County, Oregon

Gentlemen:

Your application for assistance in exploring for nickel and tungsten on the above-cited mining claims has been carefully reviewed by the Iron and Ferro-Alloys Division, Defense Minerals Exploration Administration.

Our review indicates that your project, as now presented, would not be qualified for exploration aid from the Government. At the same time, it is possible that our Field Team, after an inspection of the property, could assist you in preparing a revised application for an exploration project that would be appropriate, if their examination indicated that the potential tonnage and grade of material warranted Government assistance.

We could not, however, request an examination without sound evidence that the nickel mineralization, suggested by your spectrographic and qualitative analyses, is present in sufficient quantity to indicate the possibility of finding concentrations that could properly be classed as ore bodies. The same considerations would also apply to your tungsten claims.

Therefore, if you are interested in proceeding with your application, it is suggested that you submit representative samples from your most highly mineralized nickel and tungsten claims to a qualified laboratory for quantitative determinations. In the event that such analyses show significant percentages of nickel and tungsten tri-oxide, you should submit sample maps of the two properties showing thereon the locations where the samples were taken and their assays. Please note that any costs incurred prior to the date of a contract cannot be charged to that project.

Your application states that, if an exploration contract is approved, you will cover your share of the costs principally by furnishing corporation-owned equipment (bulldozer, Willys pickup truck, Willys jeep) and $1,195.22 in cash. Credit for use of such equipment owned by the operator is calculated on an amortization or depreciation basis over the contract term and not or an hourly and mileage rate. Also, as payment of the Government's share of the cost takes from three to four weeks after the operator submits a properly supported voucher, an operator should have sufficient funds to finance at least two months' exploration work.

We will, therefore, hold your application in abeyance for a reasonable time to allow you to provide the requested data.

Sincerely yours,

A. D. McMandorf

Administrator

cc: Docket
Adm. Read. File
Code 400
T.Kiilsgaard, USGS
R. W. Holliday, USBM
H. W. Davis, USBM
FT, Reg. I-Spokane

ADMcMahon/ls
1/12/56

IN REPLY REFER TO:

400

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

January 4, 1956

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application, DMEA 4106, American Nickel Corporation, Sumpter and Granite Groups, Baker County, Oregon. $33,686.90 - Nickel-tungsten.

The garbled application requests assistance in exploring two prospects on which $8,000 is said to have been spent, without having shown more than serpentine with a specific gravity of 2.56496 and ½% nickel as determined spectrographically, and perhaps scheelite on the dumps of the old gold silver mines and prospects. The applicant should be asked to submit samples and some convincing engineering information.

If not forthcoming the application should be denied without an examination.

Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

NENelson:jah
G-1/4/56
cc: Director's reading 4212
Branch reading 4212
DMEA (3)
Docket file
Mr. H. W. Davis, 3519 Int.

RECEIVED
JAN 5 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

406

January 3, 1956

Re: Docket No. 4106
American Nickel Corp.
2327 Tenth Street
Baker, Oregon
$33,628.90
Nickel-Tungsten

Memorandum

To: W. S. Martin, Chief, Iron and Ferroalloys Division, Defense Minerals Exploration Administration

From: H. W. Davis, Branch of Ferrous Metals and Ferroalloys

Subject: Review of application

The applicant's proposal pertains to a loan of $33,628.90 for the proposed exploration of a nickel deposit about 5 miles north of Sumpter, Oregon, and a scheelite deposit about 5 miles north of Granite, Oregon.

Previous and present exploration of the nickel claims, according to the applicant, consisted of "sampling various outcroppings of the highly serpentized peridotite at intervals of 100 feet and making qualitative analysis of ore and quantitative analysis of a few samples, including a spectrographic examination of a surface block type outcrop.****

Inasmuch as there is no known published information concerning the deposit, insufficient information is available upon which to base an opinion concerning a loan; consequently, it is recommended that the application be referred to the Field Team for its review and recommendation.

H. W. Davis

RECEIVED
JAN 4 1956

January 3, 1956

Memorandum

To: Chief, Iron & Ferroalloys Division-DMEA
Through: Chief, Branch of Ferrous Metals & Ferroalloys

From: Commodity Specialist-Tungsten

Subject: Review of Application
Docket No. DMEA 4106-Nickel-Tungsten
Various Claims
American Nickel Corp.
2327 Tenth Street
Baker, Oregon
$33,628.90-Nickel-Tungsten

Subject application proposes a program of exploration by drilling and bulldozing. Although nickel and tungsten are named in the application there is the implication that gold, uranium, cobalt, manganese, chromium platinum and copper may also occur.

The proposal as outlined appears to border very close to prospecting, to lack specific targets and to involve smelting procedures which have not been worked out.

Statements concerning mineralization should be confirmed and feasablity of the proposal examined. It is recommended that the application be referred to the Field team for its review and recommendation.

R. W. Holliday

RWHolliday/tra

Copy to: Mr. Geehan
Mr. Holliday
DMEA file 4106
F I L E S

400

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

RECEIVED
DEC 22 1955

So. 157 Howard Street
Spokane 4, Washington

December 16, 1955

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

4106

Re: New application (Nickel-tungsten)
American Nickel Corporation
Unnamed Property
Baker County, Oregon

Dear Mr. Selfridge:

Enclosed are three copies of an application submitted by Mr. D. E. Benton, President, American Nickel Corporation, 2327 Tenth Street, Baker, Oregon. We have retained one copy for our files, without maps, as only one set accompanied the application.

Sincerely yours,

Verne C. Fryklund, Jr.
for: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW Dist.

Enclosure as indicated

cc: USBM (2)
Alvord

400 file

from

COPY

COPY

AMERICAN NICKEL CORPORATION

Business Office:	Field Office:
2327 Tenth Street	Box 30
Baker, Oregon	Sumpter, Oregon

RECEIVED DEC 16 1955

December 13, 1955

4106

Field Executive Officer
Defense Minerals Exploration Administration
South 157 Howard Street
Spokane 4, Washington

Dear Sir:

Enclosed is our Defense Minerals Exploration Loan Application, in quadruplicate, including maps of the properties and additional information as is required.

Samples of both Scheelite and the Nickel properties will be forwarded immediately upon your request.

The age of the rocks making up the properties, range from post-carboniferous to late tertiary, within the mineralized zones. Other surrounding rocks are younger in places throughout the area.

We have also composed a designed sketch of a proposed chromograph, which can also be employed in delimiting nickel and cobalt enriched soil boundaries, if possible, with allowable finances.

It is believed that the accompanying papers are fully explanatory, but if any other information is desired, we would be most happy to forward it immediately.

Very truly yours,

AMERICAN NICKEL CORPORATION

By /s/
D. E. Benton, President

Enc. Defense Minerals Exploration Loan Application, in quadruplicate.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
DEC 22 1955

RECEIVED
DEC 15 1955
U. S. G. S.
SPOKANE, WASH.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. DMEA-4106
Metal or Mineral Nickel-Sumpter
Date Received 12-22-55
Estimated Cost $ 33,628.90
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address. AMERICAN NICKEL CORPORATION, a corporation, incorporated in the State of Oregon

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract See Supplementary Sheet attached.

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Owners of unpatented claims (Corporation owned.)

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it None (Not applicable)

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. See Supplementary Sheet attached.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power. See Supplementary Sheet attached.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore .....

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within ..... days and be completed within ..... months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated December 13, 1955

AMERICAN NICKEL CORPORATION
(Applicant)

By [signature]
Secretary

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

SUPPLEMENTARY TO FORM NO. MF-103, APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

1.
(c) D. E. BENTON, President, 2327 Tenth Street, Baker, Oregon
LESLIE E. BYLUND, First Vice-President, Pleasant Grove, Utah
GERALD B. McCALLUM, Second Vice-President

ALBERT MORIN, Third Vice-President, Sumpter, Oregon

DICK A. McCALLUM, Secretary, Sumpter, Oregon
O. E. PRESTON, Treasurer, Sumpter, Oregon

(d) Not applicable.

3.
(a) (21 Unpatented Mining Claims)

(1) Twelve (12) Unpatented mining claims, 600 ft. x 1500 ft., located in Sections 22 and 23, Township 9 South, Range 36 East of the Willamette Meridian in Whitman National Forest, Baker County, Oregon. These claims are approximately five (5) miles from Sumpter, Oregon, along the County Road between Sumpter and Granite, Oregon. (The relationship of the County Road to the claims is shown on an accompanying map).

(2) Nine (9) Unpatented mining claims, 600 ft. x 1500 ft., located in Section 25, Township 8 South, Range 35½ East of the Willamette Meridian, in Grant County, Oregon, lying approximately five (5) miles North of Granite, Oregon, and approximately one (1) mile Southwest of the Monumental Mine and about one (1) mile North of Boulder Creek. The claims are located at the end of an old mining and logging road beginning exactly two (2) miles Northwest North (N.W.N.) of Granite, Oregon.

Attached hereto and by this reference made a part hereof, are accompanying maps, the first one marked Exhibit "A", a map of the twelve Nickel Claims, and Exhibit "B", a map of the nine Scheelite Claims.

3.
(b) Not applicable.

(c) Owner.

(d) Not applicable.

(e) No liens or encumbrances.

(f)

Name of Claim	Book	Page
Bent Tree Nickel	49	551
Suidaruth	49	549
Little Laccolith	49	553
Nickel Hill Lode	49	557
Jerry Claim	49	559
Mother Lode Nickel	49	561
Nettie Nickel	49	555
East Nickel Lode	49	1018
Twin Hill Lode Fault	49	1010
Periodotite-Diorite Contact	49	1014
Quaquaversal "Kathy Mc"	49	1012

All the above claims are located in Baker County, State of Oregon, and are recorded in the Records of Notices of Quartz Locations in Baker County, Oregon.

Name of Claim	Book	Page
Pegmatite Pete Claim #1	30	31
Pegmatite Rim Claim #2	30	33
Pegmatite Rick-Jack #3	30	35
Pegmatite Contact Claim #4	30	37
Laccolith Kathy, Claim #5	30	47
Golden Vien #6	30	43
Scheelite Steve #7	30	45
Normal Fault Claim #8	30	41
Quaqaversal Ida Claim #9	30	39

All the above claims are located in Grant County, State of Oregon, and are recorded in the Recotds of Notices of Quartz Locations in Grant County, Oregon.

4.(a)
(1) Previous and present exploration on the Nickel claims consists of sampling various outcroppings of the Highly Serpentized Periodotite at intervals of 100 feet and making qualatative analysis of ore and quanatative analysis of a few samples, including a spectrographic examination of a surface block type outcrop.

In places the overburden was bulldozed off to a depth of ten to sixteen inches revealing the Laterite capping over the Matrix, both of which show nickel in solution tests of precipitation. The ground mass (serpentized-periodotite) is outcroped on all of the twelve claims to some extent, and all outcrops above and below the water-decay zone contain the element nickel, in excess of ordinary serpentine rocks, massive or in dikes, of other Serpentine areas, that contain 0.2 - 0.3% nickel replacements of the some 40% magnesiums.

(2) Scheelite Claims.

Field examinations, after locating the Scheelite, consisted of night exploration and prospecting some 40 lessor dumps, many of which show tungsten in the form of scheelite. Autunite and Zirconium were found on the Pegmatite Contact and Normal Fault Claims. Scheelite occurs as imbedded secondaries within the Silicon (quartz) matrix, in the form of ribbons or bands, sometimes as spotty occurances, all within high-temperature gold-silver (previous production) veins.

(3) Uranium Equilibrium tests given aluminum-silicon (quartz) gangue material, carrying WO 3, using a Gieger-Muller-Recorder principal, show Gamma and Beta counts per minute as follows:

Background

Time	5:15	10 minutes	200	367
"	5:25		567	

Beta - Gamma

Time	5:30	10 minutes	660	438
"	5:40		1098	

Gamma

Time	5:40	10 minutes	1098	410
"	5:50		1488	

AMERICAN NICKEL CORPORATION
BAKER, OREGON

Background

Time	5:50	10 minutes	1488	376
"	6:00		1864	

Increase	10% plus	equals Gamma	367	equals Background
Increase	21%	equals Beta	376	equals Background
			743 / 2	equals 371 plus aver.B.G.

(4) In exploration, using a scintillator, abnormal activity was observed where Autunite" was found at night, while inspecting lessor test-pits and dumps, with an ultra-violet light. Secondary uranium minerals possibly were derived from a uraninite primary source, which could be below in a submerged Pegmatite dike cutting the granite (Diorite). Decomposing, alteration, leaching and oxidizing is noticeable at many points on the Scheelite claims.

(5) Rehabilitation of the main level portal, requiring removal of old entrance timbers and earth, allowed sufficient inspection of the older workings. Gangue materials found on the dump at this portal justified further exploration for Scheelite and Wolframite, mainly because of the Scheelite comprising a good portion of the dump gangue material and the presents of iron and manganese associates, which indicate either ferberite or perhaps huebnerite minerals.

(6) Interests in exploration operations:

Personally conducted all above phases of exploration on both Scheelite and Nickel properties and made qualatative analysis and geological studies of both properties.

(7) Accessibility of mine workings for examination purposes:

The nickel property is located exactly five (5) miles from our residence, Sumpter, Oregon. The road is a county road, easily traversed, and used practically 10 months of the year. The county road is kept open the first three and one-half miles of the five miles to the nickel deposit. Our bulldozer can maintain the last 1-1/2 mile easily.

The Scheelite property is further from our residency by 15 miles, on the same county road.

We will furnish transportation to our properties for your engineers in the event you consider it necessary to examine the property. Transportation, by us, can be furnished at any time from Baker, Oregon to the property.

4. (b) No current production or ore reserves.

(c) Geologic features of the properties:

(1) Biotite-Quartz-Diorite and Granodiorites, make up the major rocks of the Scheelite properties. Source of the mineralization may be the Bald Mountain bathylith nearby, approximately north.

Type of deposit: Vein deposits.

(2) Serpentized-Periodotites make up the majority of the rocks of the nickel properties. All serpentine and Laterites contain nickel per qualatative analysis of the entire properties. Source of the mineralization is evidently homogenis nickel replacing mg through alteration while percolating solutions carried up the mineralization.

Type of deposit: Massive.

(3) Reasons for wishing to explore: Nickel.

(a) Approximately $8,000.00 in labor and materials were employed in the initial staking, exploration and geo-chemical examinations of the Nickel and Scheelite properties. This amount was contributed to these properties because we felt the enormous possibilities ahead.

(b) On the Nickel properties, several test-pits, original discovery work, revealed the massive block system of serpentine rocks, a known commercial nickel geologic importance.

(c) Upon running semi-quantitative comparative tests against a known 1/2 per cent spectrographic report for Ni, we found in solution that the outcrops (about 200) average near the same and some near double that of the spectrographic analysis of 1/2 per cent that came from a sample on one of our claims. Below the zone of water decay, about a depth of six feet, an assay ran .73% which may mean primary sulphides at a greater depth, or equal laterite and serpentized periodotite ratios, similar to the International Nickel Companies Sudbury deposits in Canada.

(d) According to "Kemp's Ore Deposit of the U. S.", 1906 Edition, Riddles Deposit of Nickel, now M. A. Hanna Nickel Smelting Company, Riddle, Oregon, the Ni average was o.26%. Laterites capping their serpentines, of course are in excess of 1% Ni. According to the "Ore Bin", an Oregon State Department's monthly geology publication, M. A. Hanna Co., Riddle, Oregon, produced 300,000 lbs. of Ni. This figure probably was just an allowable reporting figure for production of critical metals.

(e) Investigations on our part show definite possibilities of building a nickel or other ore smelter here near the nickel deposit as the old smelter site (gold) is available at little cost. The old smelter was located approximately 3/4 of a mile south of Sumpter, Oregon. Nickel ore from our deposit can be trucked down hill via the county road to the smelter site, at a distance of 5-3/4 miles year around. We, and other authorities, figure approximately ninety cents per ton for surface mining the nickel by dozer to roadside bunker methods.

(f) At the old smelter-site, water is available from the adjacent Powder River. A 440 volt power line is still in place. The main power source is not too far distant, plus a new natural gas line coming into this region very soon. Lime is available as well as iron, if necessary, for smelting fluxes. Hog fuel is available but carbon will have to be procured for smelting silicons Ni ores.

(g) According to unofficial sources, there are about 72 gold mines in the area with an average of $67.00 ore. A possibility of a sideline looks practicable in so far as extra job smelting is concerned.

(h) According to the surface contacts on all sides of the nickel deposit, we could possibly have an estimated 33 million tons of low grade commercial nickel ore on our properties. Further exploration through drilling, etc., could prove the extent and value of our deposit. Very little overburden caps the serpentine rocks carrying the nickel. Overburden, consisting of ore fragments, laterite and similar silt-oike earths average from one inch to not more than 16" to 28" in depth. The determinations of the extent of the laterite will involve considerable exploration.

(Cont.) Reasons for wishing to explore: Scheelite.

(a) Scheelite occurs within the main tunnel in the matrix and on many of the small prospect holes and dumps left by early miners working and prospecting for gold on the Scheelite properties. One piece of quartz picked up on one dump, measuring about five inches in width, under an ultra-violet light shows a band or ribbon of Scheelite measuring about 2". This band completely encircles the 5" quartz gangue sample.

(b) Quartz is so abundant on the Scheelite properties that we feel through the particles of Scheelite present in this quartz float and dump materials that there must be a commercial deposit on the Scheelite properties. Bulldozing trenches and test-pits along with core-drilling and logging could prove up important ore veins of commercial value.

(c) On the number 4 claim, Pegmatite Contact Claim, of the Scheelite group, Autunite was found at night while prospecting with an ultra-violet light for Scheelite.

(d) Malachite is the copper mineral present in the Scheelite ore. We would like to explore below the malachite for a native copper ore, along with the Scheelite program, if directly associated with the Tungsten exploration project.

(e) Calcium and Iron are equal constituents in the Scheelite ore. The iron is both pyrites and magnetite. Silver is also present in tetrahedrite-tennantite which association also includes the zinc, lead and antimony as minor constituents. Chrome also replaced a mineral

possibly through ionic migration and association, as a later mineral. The element vanadium is equal to the lead element.

4, (d) Accessibility of the project, roads, distances, supply, residence points and shipping points:

(1) Accessibility: The nickel deposits are approximately five miles North of Sumpter, Oregon, along a county road running between Sumpter and Granite, Oregon. This road is open ten months of the year for at least a distance of 3-1/2 miles and our bulldozer could keep the road open the additional 1-1/2 miles throughout the year.

Scheelite properties: The Scheelite property is approximately 15 miles along the same county road and is situated North of Granite, Oregon, and with proper use of a bulldozer it should be possible to keep it open the year around.

(2) Supply: Supplies for exploration and mining can be purchased at the Basche-Sage Hardware Company in Baker, Oregon, 29 miles from Sumpter, Oregon, or from Boise, Idaho, Spokane, Washington and Salt Lake City, Utah, for general heavy duty equipment. Extra heavy machinery and equipment is stocked in Denver, Colorado, at the Denver Equipment Company.

(3) Shipping points for concentrates:

(a) Canadian and U. S. Government stockpiles for electrolytic nickel.

(b) Yellow Pine Mill, Stibnite, Idaho; Ima Mill, Patterson, Idaho; Germanian Mill, Fruitland, Washington; H.M.& S. Milling Company, Salt Lake, Utah; Henderson Gulch Dredge, Drummond, Montana; Alps Mining & Milling Co., Missoula, Montana. All for tungsten concentrates.

(4) Residence Points: Sumpter, Oregon, approximately 5 miles from the nickel deposits and approximately 20 miles from the Scheelite deposits. The population is approximately 150 people and Baker, Oregon, 29 miles East of Sumpter, Oregon, with a population of approximately 10,000.

4, (e) Availability of manpower, materials, supplies, equipment, water and power:

(1) Manpower: Locally, several good miners are available on an hourly wage basis or by contract and there are many qualified miners available in the surrounding area as this entire area has been mined since the 1860's.

(2) Materials: Materials can be obtained at the Basche-Sage Hardware Company, Baker, Oregon, 29 miles from Sumpter, Oregon, or from Boise, Idaho, Spokane, Washington, and Salt Lake City, Utah, for general heavy duty equipment. Extra heavy duty equipment

and machinery is stocked in Denver, Colorado, at the Denver Equipment Company.

(3) Supplies: Most small supplies can be obtained at either Sumpter, Oregon, or at Baker, Oregon, and any special order of any particular supplies can be obtained at either Boise, Idaho, Spokane, Washington, or Salt Lake City, Utah.

(4) Equipment: (Same as the two subparagraphs above).

(5) Water: Cracker Creek and other small creeks running through the properties and supply sufficient sources of water.

(6) Power: Sources of electric power are the Freemont Power Plant located approximately six miles from Granite, Oregon, which is 15 miles from Sumpter, Oregon, and 16 miles from the Nickel properties and 9 miles from the Scheelite property. The Freemont Plant supplies power for the City of Sumpter, Oregon, and also surrounding consumers within the City of Sumpter quadrangle.

Rock Creek Power Plant is 43 miles from Sumpter, Oregon, and this plant supplies Baker Valley and Baker, Oregon.

Idaho Power Company, supposedly the largest power source in the West, is now engaged in developing a power system throughout this area.

Pacific Northwest Pipeline Corporation is now in the process of building a pipeline for distribution of natural gas which will go through Baker, Oregon, approximately 29 miles from Sumpter, Oregon.

The old smelter at Sumpter, Oregon, had electric power. The dormant dredge, a gold mining dredge, which is operated along the Powder River between Baker, Oregon, and Sumpter, Oregon, was operated entirely by electricity and the line supplying electricity to the dredge are still intact and available.

Electric power can be obtained for the Scheelite properties by connecting a line with the Cougar Mines located two miles over the anticline on the north flank. The Scheelite property is on the south flank.

AMERICAN NICKEL CORPORATION
BAKER, OREGON

5. (a) The exploration project, Minerals to explore:

(1) Nickel and Tungsten:
These following strategic minerals, qualifying under Section 7 of the DMEA Order 1, Title 32A, will also be explored, in connection with the nickel and tungsten minerals:

Uranium, Cobalt, Manganese, Chromium, Platium and Copper. Silicon would be a by-product.

(b) Describe the proposed work.
(1) Nickel:

After completely mapping the known serpentine and laterite, nickeliterous occurances, a planed grid system will be laid out for drilling, as shown on the nickel claims map. Drilling will consist of holes drilled according to the pre-arranged grid, using a two inch (2"), trailer mounted, diamond core drill. Our bulldozer will level off all drilling locations on the grid and at the same time will be sampling the overlying laterites to serpentine bedrocks. Drill-hole positions on the grid may vary slightly, according to qualative analysis of the soils made in advance of drillings. The supervisor of the project (D. A. McCallum) will make all the advanced soil analysis for the grid. The bulldozer will be used to tow the drill rig to the grid locations and for preparing the drilling sites for the drill rig. It is estimated that 800 yards or more of earth will be moved. There will be a total of sixty-four (64) drill holes with depths of 20 feet to 130 feet. The 130 foot holes will be only at intervals along the axis of the anticlinal limb, A-A' on the enclosed grid map. The depth of each hole will depend on the nickel content by assay. Cores recovered will be taken in five foot sections. The averaged total core sample, per hole, probably will average thirty-five to forty feet. Each five foot core sample will be placed in a five unit case, 25 feet per case. These samples will be hauled daily to Sumpter, Oregon, a distance of five miles. There they will be split in quarter sections and further numbered and catalogued. One quarter section of each core will be assayed. Two quarters will be stored for laboratory testing. One quarter will be stored for seperate study. Triple records will be kept of each core sample to prevent any errors.

As soon as permitted, or at the completion of the contract, we will contact the Northwest Electrodevelopment Laboratory at Albany, Oregon. Thru this Bureau of Mines' Research Smelting Laboratory we would like to have nickel smelting tests completed on the ores from both drill samples and surface laterites. These tests will show the required reduction technique for the production of low-carbon ferronickel for our serpentine ores.

We can also contact Bethleham Steel Corp. for possible testing of our ore through their new hydro mettallurgical chemical leaching process for nickel and other pyro mettallurgical methods of testing.

The limits of important nickel-rich underlying serpentine bedrocks will be delimited at those boundaries where too low a grade laterite soils are found through assays. Also, an established cut-off grade of a reasonable portional percent of combine nickel and cobalt will be used in mapping the boundaries of the deposit.

We will then proceed with our exploration by logging all drill holes accurately with cataloqued assays per section of core recovered. When all core drilling is complete we will have complete records by assay to establish proof of the average grade of the entire deposit. This system will tell if we have made a significant discovery.

A recent specific gravity test of a surface outcrop of serpentine was made and the specific gravity was 2.56496. Under the DMEA contract, we will make one S. G. test of the laterite; one of the laterite-serpentine contact; one between this contact and the base of the serpentine and one at the base of the serpentine, at the lower bedrock. These S. G. tests will be used for study.

The assays made from the core samples and the laterite will total 448. We plan to have these assays made by Mr. Art Woodwell, Assayer and Engineer, with offices and laboratory located in Sumpter, Oregon. Samples from the nickel property will be delivered to his laboratory daily. His laboratory is located five miles from the nickel property and across the street from the exploration supervisor's residence in Sumpter. His services are also available for survey work and engineering advice.

(2) Scheelite: (Tungsten)

The Scheelite Group of Claims will be explored in somewhat the same cataloging manner as the nickel property. First, all the old, small prospect workings and dumps will be properly mapped. The mapping will be done from an established base line, using a Brunton Compass and tape. Elevations will be obtained by rod and handlevel methods. The maps will include all the classified rocks, geologic features such as contacts, veins, faults, dip, strike and drainage.

Exploration will consist mainly of uncovering numerous laccolithic low and high temperature

quartz veins. The veins are apparent by their recent surface outcropings which are now present in the form of prospect dumps. Most of these dumps are very small but nevertheless, Scheelite is present on most of these abandoned prospect workings.

It is believed by the writer that the source of all migrating mineralization is from the Bald Mountain bathylith, north of the Scheelite Group. Malachite (copper) minerals are associated with the tungsten mineral (scheelite) in the quartz gangue material. Below the malachite, it is evident that primary copper ores are present.

Iron and manganese are also associated in the matrix. These elements indicate a variety of wolframite, possibly hueberite or ferberite, according to chemical composition. Leaching on the hanging wall of the main tunnel where a 20 ft. raise and 4 ft. stope are located, indicates primary tungsten minerals.

Zirconium is also present as well as autunite at one small prospect dump. Further exploration may uncover a substantial deposit of primary urainiinite minerals.

Bulldozing these old lesser dumps may uncover several veins of scheelite similar to the operations at Silver Hill, Spokane County, Washington on the Tin-Tungsten properties in Secs. 23 and 24, T. 24 N., Range 43 East, 11 miles Southeast of Spokane, Washington.

The exploration by bulldozing will amount to stripping all all the old dumps of decomposed, decayed materials and working back to the face of the original workings in the quartz. Trenches, 10 ft. wide by 8 ft. deep by as much as 100 ft. long will be made in order to uncover the possible concealed ore veins. These veins are low in gold and silver as dump materials indicate. Reasonable rarer minerals should be expected in lieu of the Au. and Ag.

Earth moving by bulldozing will amount to at least 3,000 yards of material. In places blasting will be necessary. We will use approximately nine cases of 60% powder before bulldozing these trenches and two cases for rehabilitation of the main level tunnel. Mostly dozer and manual labor work will be employed in exploring for valuable tungsten minerals.

When sufficient earth and ground mass is removed from the various scheelite occurring locations, core drilling will begin according to the revealed geologic conditions in trenches and test pits. Core sampling will be concentrated on the most geologically important occurances.

The estimated number of total drilling feet will amount to approximately 300 feet. Fence drilling may be required.

During the trenching of the old prospect sites, assaying will be done for tungsten materials.

Along with the assaying, spectrographic examinations of vein materials uncovered will be made. These spectrographic examinations will be made by Smith-Emery Company, 781 Washington Blvd., Los Angeles, California. Chemical composition research will be made by us from the spectrographs, as well as forwarding copies to the Bureau of Mines for their research. The expected total number of assays, including spectrographs, will amount to approximately 60. Complete cataloged records will also be maintained on all assays and all assays will also be properly plotted on the exploration assay maps.

The use of the short-wave ultra-violet lights, will be employed in all trench and test pit work. Our precision 111 Scintillator will also be employed when exploring scheelite occurances with favorable environments for uranium minerals such as on the number 4 claim.

Inspection will be made of all old mine workings when the bulldozer strips open the collapsed mouths of the old tunnels. All mine safety laws will be obeyed while inspecting old tunnels. Sampling of these old workings will be done by the supervisor who is well experienced in examining old and dangerous underground workings. Structure maps will be made of every old tunnel or shaft examined showing all geologic features.

(c) Work will start and be completed:

(1) We wish to start work as soon as possible, within 30 days.

(2) We plan to complete the exploration project within twelve months.

(d) Operating experience and background of the applicant with relation to the ability to carry out such exploration project, Also that of the supervisor.

(1) The applicant, American Nickel Corporation is a new formed corporation. Since April, 1955, four officers of the corporation have been devoting regular time in exploration of the corporation's properties. One officer of the corporation has been working on the average of seventy hours per week since April, on the research and exploration of the properties.

(2) D. A. McCallum, who will supervise the exploration project's operations is one of the discoverors of both the Nickel and Tungsten prospects. He was

responsible for the original qualatative analysis and geologic study of both minerals. He is daily employing himself in the continuous study and research of the corporation's properties. This research is being conducted in his small home laboratory.

He prepared all the information contained in this DMEA application as well as making the enclosed maps and blue prints.. He has succeeded in locating several pegmatites near this area. These dikes have not been explored very much as of this date. As a supervisor in the Army overseas, he earned seven promotions in approximately 90 days. He held a supervisor's job in charge of a railroad company of 140 men while in the army.

He previously prospected approximately 2 years in Utah for Uranium and other lesser minerals. He began studying uranium geology evenings in 1948, while attending Farragut College where he studied engineering. He also served his 4 yr. apprenticeship in the machinists trade.

He is well acquainted with drilling rigs, surface and underground sampling, analytical research work and mapping. He has succeeded in determining the formation, not jurrassic in which carnotite was found in this area in 1924, through research and cooperation of the Petrographic Laboratory at Albany, Oregon. He is very seriously interested in the exploration of our properties.

6. (a) Independent contracts: None.

(b) Labor, supervision, consultants:

(1) Labor: Minimum 40 hours and maximum 48 hours per week.

Wages for Orville E. Preston, who will operate the drill rig under guidance of the supervisor. He also will help map the properties when necessary. He will also help do the necessary blasting and assist in any required operations. Wages $2.50 per hour.

(2) Wages for Albert Morin who will operate the bulldozer according to the daily schedule of the supervisor. He will also be in charge of all blasting work according to the daily schedule of the supervisor. He will also assist in any other necessary exploration work. Wages: $2.50 per hour.

(3) Wages for D. A. McCallum who will act as supervisor of the exploration project for the American Nickel Corporation. He will outline all exploration work in advance for each work day. He will map, keep records and perform all other unassigned duties. Wages per hour $2.60.

(4) Consultants: Fees for necessary consulting on our properties will cost approximately $500.00 per

investigation for a distant engineer. Mr. Art Woodwell, Registered Mining Engineer, residing at Sumpter, Oregon, is available at $30.00 to $50.00 per investigation. We prefer Mr. Woodwell because of his knowledge of this area, having been active in the immediate area for over forty years.

(5) Total costs: 67.

Labor and Supervision:

Driller: $2.50 per hour, 160 - 192 hours per month, average 176 hours per month for an estimated period of 8-12 months. Average, 10 months equals $4,400.00

Bulldozer operator: $2.50 per hour. 160 - 192 hours per month. Average 176 hours per month for an estimated period of 8-12 months. Average 10 months equals $4,400.00.

Supervisor: $2.60 per hour. 160 to 192 hours per month. Average 176 hours per month for an estimated period of 8 - 12 months, average 10 months equals $4,576.00.

Consultant: Approximately a safe estimate of $500.00.

Total $13,876,00.

(c) Operating materials and supplies:

(1)	One Brunton Compass	$47.50
(2)	Two Drill Log Record Books	10.00
(3)	Gasoline for Drill Rig	200.00
(4)	" " Vehicles	260.00
(5)	Fuel for bulldozer (including oil for all units)	1,020.00
(6)	Blasting Powder	220.00
(7)	One Portable Ultra Violet Light	79.50
(8)	Batteries for both black lights	28.80
		$1,865.80

(d) Operating Equipment:

(1) One Two wheel, trailer mounted, 2" diamond core drill rig, complete, including drill pipe, bits, barrels, tools and freight. Approx. $5,590.10.

(To be purchased with DMEA funds)

(2) D-14 Bulldozer, complete with ten foot blade and rear heavy-duty winch. equipment). Use allowance $5.00 per hour of operation for 1,040 hours equals $5,200.00.

Present value, approx. $8,000.00

(3) 1953 Willys Pickup Truck with four-wheel drive, to be used for hauling materials, core sample cases and for transportation. Present value $1,295.00. Average use allowance 10 cents per mile for 7,800 miles equals $780.00.

(4) 1950 Willys Jeep with four-wheel drive, to be used for hauling light materials and for transportation. Present value $650.00. Average use allowance 10 cents per mile for 5,200 miles equals $520.00 (Corporation property).

(5) The corporation will furnish all materials and evening labor (free) to construct all core sample cases, measurements - 5 ft. x 16 in. x 2¼ in. with five dividing sections to receive five 5 ft. core samples per case. Labor and materials, 102 cases @ $6.00 equals $612.00.

(6) The corporation will furnish all mapping materials and supplies, including printing of blue prints. (Evenings) Approx. value $200.00.

RECAPITULATION

(1)	$5,590.10	
(2)	5,200.00	
(3)	780.00	
(4)	520.00	
(5)	612.00	
(6)	200.00	
	$12,902.10	Total of Operating Equipment.

(e) Rehabilitation and Repairs:

Necessary rehabilitation of the bulldozer such as engine work, adjustments and rollers for tracks. Approximately $600.00.

(f) New buildings:

Construction of two small powder sheds from logs on property and one drill shed from logs on property. Approximately very little cost involved. If any cost, it will be absorbed by corporation.

(g) Miscellaneous:

(1) Analytical work will consist of the following assays and spectrographic examinations:

Nickel: (Including some co.) (Fe, Mg, Si, and Cr.)

Assays - 448 @ $5.00 equals	$2,240.00	
Specific Gravity- 4 @ 3.00	12.00	
Total.....	$2,252.00	$2,252.00

Tungsten: (Scheelite)

Assays - 50 @ $4.50	225.00	
Spectrographs - 10 @ $7.00	70.00	
Total....	$295.00	295.00
Combined Cost.....		$2,547.00

(2) Accounting and payroll taxes will be figured by Mrs. S. Wire, Sumpter, Oregon. She is Bookkeeper for the City of Sumpter, Oregon.

Fees for this work will amount to the following:

10 months @ $30.00 per month equals $300.00.

(3) Workmens' Compensation and Employers' liability insurance will be under the State of Oregon Industrial Insurance program. Estimated amount $500.00.

RECAPITULATION

(1)	$2,547.00
(2)	300.00
	500.00
	$3,347.00

(4) Maintenance of operating equipment is estimated as follows:

Drill rig,	Estimate	$200.00
Bulldozer,	"	838.00
		$1,038.00

(h) None.

7. (a) Yes.

(b) How do you propose to furnish your share of the cost?

(1) Use of following equipment belonging to Shareholders of Corporation based on suggested use allowance:

D-14 Bulldozer, complete with 10 ft. blade and rear heavy-duty winch. Use allowance $5.00 per hour of operation, for 1040 hours equal $5,200.00

Present value - $8,000.00, up.

(2) 1953 Willys Pickup Truck with four-wheel drive to be used for hauling materials, core sample cases and for transportation. Average use allowance, 10 cents per mile for 7,800 miles equals $780.00.

Present value - $1,295.00.

(3) 1950 Willys Jeep, with four-wheel drive to be used for hauling light materials and for transportation. Average use allowance, 10 cents per mile for 5,200 miles equals $520.00.

Present value equals $650.00.

(4) Labor and materials for evening construction of 102 core sample cases at the estimate of $6.00 each equals $612.00.

(5) All mapping materials and supplies and blue printing costs. Approx. estimate $200.00

(6) Cash to be furnished by corporation: $1,195.22

RECAPITULATION

(1)	$5,200.00
(2)	780.00
(3)	520.00
(4)	612.00
(5)	200.00
(6)	1,195.22
Total.....	$8,407.22

RECAPITULATION

6. (b)	Labor & Supervision	$13,876.00
(c)	Oper. materials & supplies	1,865.80
(d)	Oper. Equipment	12,902.10
(e)	Rehabilitation & Repairs	600.00
(f)	New buildings	None
(g)	Miscellaneous	3,347.00
(")	Maintenance of oper. equip.	1,038.00
Estimated Total Cost of Project.....		$33,628.90
Our share of costs (7. (b))		$ 8,407.22

cw

Docket
Martin
F Johnson

AUG 27 1956

Mr. D. E. Benton, President
American Nickel Corporation
2327 Tenth Street
Baker, Oregon

Re: Docket No. DMEA-4106, Nickel-Tungsten
Nickel Claims, Baker County, Oregon
Scheelite Claims, Grant County, Oregon

Dear Mr. Benton:

Reference is made to our communications of January 13, May 2, May 17, and July 18, 1956, requesting copies of assay certificates and property maps showing locations and assays of samples taken in order that we might continue with the processing of your application for exploration assistance.

Inasmuch as these data have not been received, it is assumed that you are no longer interested in proceeding with the application. Accordingly, the application is considered as having been withdrawn and the docket is being placed in the inactive file.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

cc: Docket
Code 400
Adm. Read. File
FT, Reg. I-NW
T. Kiilsgaard, USGS
W. McInnis, USBM

LScott/ls
8/24/56

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

August 24, 1956

MEMORANDUM

To: Chief, Operations Control and Statistics Division

From: Chief, Iron and Ferro-Alloys Division

Subject: Withdrawal of application
Docket No. DMEA-4106, Nickel-Tungsten
Nickel Claims, Baker County, Oregon
Scheelite Claims, Grant County, Oregon

By repeated communications since January 13, 1956, we have endeavored to obtain from the applicant sample maps and assays to substantiate the reported nickel and tungsten mineralization on the subject claims.

Although the applicant stated in his letters of May 11 and May 30 that assays were being made and would be submitted as soon as available, these have not been received to date, nor has any reply been received to our letter of July 18 notifying the applicant that if the required data were not received by August 20 we would assume he was no longer interested in proceeding with the application.

Accordingly, the applicant is being notified that his application is being considered as having been withdrawn. The docket is attached for placing in the inactive files.

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

Attachment

400

Docket
Martin

August 24, 1956

MEMORANDUM

To: Chief, Operations Control and Statistics Division

From: Chief, Iron and Ferro-Alloys Division

Subject: Withdrawal of application
Docket No. DMEA-4106, Nickel-Tungsten
Nickel Claims, Baker County, Oregon
Scheelite Claims, Grant County, Oregon

By repeated communications since January 13, 1956, we have endeavored to obtain from the applicant sample maps and assays to substantiate the reported nickel and tungsten mineralization on the subject claims.

Although the applicant stated in his letters of May 11 and May 30 that assays were being made and would be submitted as soon as available, these have not been received to date, nor has any reply been received to our letter of July 18 notifying the applicant that if the required data were not received by August 20 we would assume he was no longer interested in proceeding with the application.

Accordingly, the applicant is being notified that his application is being considered as having been withdrawn. The docket is attached for placing in the inactive files.

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

Attachment

LScott/ls
8/24/56

cc: Docket
Code 400
Adm. Read. File

DOCKET
McMahon
Yeffman

July 18, 1956

Mr. D. E. Benton, President
American Nickel Corporation
2327 Tenth Street
Baker, Oregon

Re: Docket No. DMSA-4106 (Nickel-Tungsten)
Nickel Claims, Baker County, Oregon
Scheelite Claims, Grant County, Oregon

Dear Mr. Benton:

Replying to our telegram of May 17, 1956, your letter of May 30 advised that you would submit the assays and sample maps requested in our letter of January 13, 1956.

As we have not received the promised assays and maps or any correspondence obtaining thereto, it is assumed that you are no longer interested in proceeding with your application. If the needed data have not been received by August 20, 1956, we will consider your application withdrawn and remove the docket from the active file.

Sincerely yours,

C. O. Mittendorf

Administrator

ADMcMahon/rem
7-18-56
cc to: Docket
Code 400 (2)
Ad.R.File
Kiilsgaard, GS
Halliday, BM
FT., Reg. 1-NW
1 (blue) pending file

R.C.V.

D. E. BENTON, PRESIDENT
L. E. BYLUND, VICE-PRES.
G. B. McCALLUM, 2ND VICE-PRES.
A. MORIN, 3RD VICE-PRES.
O. E. PRESTON, TREAS.
D. A. McCALLUM, SECY.

Docket

American Nickel Corporation

RESEARCH:
Chemical
Geological
Petrographic
Engineering

BUSINESSS OFFICE:
2327 Tenth Street
Baker, Oregon

FIELD OFFICE:
Box 30
Sumpter, Oregon

May 30, 1956

RECEIVED
JUN - 7 1956

W34
4106

C. O. Mittendorf,
Administrator,
Defense Minerals Exploration,
Administration,
Washington, D. C.

Dear Mr. Mittendorf:

We are in receipt of your Telegram of 17 May, 1956. Many thanks for calling our attention to the proceedure concerning submittal of assays. We will comply with the instructions by forwording the chemical assays (certificates) without sending actual rock samples.

At present the lastest of the Nickel Assays are being made in Utah State, we expect returns within a few days, possibly by the first of June. As soon as they are received we will submitt the assays togather with the Property Maps to your office. The samples now being assayed will run perhaps somewhat higher in nickel content, as better weather has permitted a larger range of sampling the peridotite.

In a nearby area, approximately one quarter mile from the old mining Town of "Greenhorn, Oregon, we have also located nickel in the serpentine variety, "antigorite", very simular to the Cuban ultrabasic nickel-bearing rocks of this type. The "antigorite" embraces an area of two square miles, it is fairly well outcropped in many places. At a later date we anticipate starting soil and rock analysis of the area, employing the use of the Chromograph.

Yours Very Truly,

D. E. Benton,
President.

DEB/dm

copies made & 2 sent to F.T. 6/8/56

Inter[illegible] Department
Defense Minerals Exploration
Administration

DMEA 14X1401(01) Revolving
Fund, Defense Production Act, Interior
(Allocated Working Fund to the Office of
the Secretary)

DOCKET
SURNAME
McMahon
Martin
Selfridge.

MAY 17 1956

Mr. D. E. Benton, President
American Micmal Corporation
2327 Tenth Street
Baker, Oregon

Reurlet May 11, 1956. Interested in seeing assay certificates but request you do not send samples as we have no assaying facilities. Please note our letter of January 13, 1956, suggested submission of property maps showing locations and assays of samples taken.

C. O. Mittendorf

C. O. Mittendorf,
Administrator
Defense Minerals Exploration
Administration

ADMcMAHON/foc
5/17/56
cc to: Docket
Code 400
Admr. Read. File
FT. REGION I - [illegible]Dist
H. W. Davis, USBM
T. H. Kiilsgaard, USGS

D. E. BENTON, PRESIDENT
L. E. BYRAND, VICE-PRES.
G. B. McCALLUM, 2ND VICE-PRES.
A. MORIN, 3RD VICE-PRES.
O. E. PRESTON, TREAS.
D. A. McCALLUM, SECY.

Docket

American Nickel Corporation

RESEARCH:
Chemical
Geological
Petrographic
Engineering

BUSINESSS OFFICE:
2327 Tenth Street
Baker, Oregon

FIELD OFFICE:
Box 30
Sumpter, Oregon

May 11, 1956

WSM

RECEIVED
MAY 16 1956

Mr. C.O. Mittendorf
Administer
United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Dear Mr. Mittendorf:

We hereby acknowledge receipt of your letter of request dated May 2, 1956. Re: Docket No. DMEA 4106 - Nickel, Tungsten.

In compliance with your regulations governing submittal of samples and assays, we would have followed your instructions at the time of notice, had weather permitted adaquate samplying prior to assay. Therefore, as sufficient samples now have been taken, we will forward the required samples immediately along with corresponding chemical assays.

Thankyou for holding our application on open file, allowing us the necessary time we needed.

Yours truly,

D.E. Benton

DOCKET
SURNAME
McMahon
400 Martin

MAY 2 1956

American Nickel Corporation
2327 Tenth Street
Baker, Oregon

Re: Docket No. DMSA 4186, Nickel-Tungsten
Nickel Claims, Baker County, Oregon
Scheelite Claims, Grant County, Oregon

Gentlemen:

Reference is made to the above-docketed application for exploration assistance and our letter of January 13, 1956, requesting additional information needed to process your application. We have not received an answer from you, and therefore assume that you no longer desire to proceed with the application.

We wish to cooperate with you in the matter of allowing ample time, but if the needed data have not been received by May 31, 1956, we will then remove the application from the active file and consider the matter closed.

Sincerely yours,

C. O. Mittendorf

Administrator

AIMcMahon/foc
5/1/56
cc to: Docket
Code 400
Admr. Read. File
FT. REG. I - NWDist.
H. W. Davis, USBM
T. H. Kiilsgaard, USGS

JAH

Docket
Martin
K Johnson

4106

MAR 15 1956

Hon. Sam Coon
House of Representatives
Washington 25, D. C.

My dear Mr. Coon:

This will acknowledge receipt of your letter of March 9, 1956, requesting the necessary information for replying to a letter written to you, on the back of your February questionnaire, by Mr. D. A. McCallum, Box 30, Sumpter, Oregon. Your constituent discussed the Defense Minerals Exploration Administration's program, expressing his general approval of our assistance to uranium exploration projects, but suggesting that for 14 other minerals we should finance prospecting, as well as exploration, and that our aid to prospecting should be provided in advance.

The United States Government, through the Defense Minerals Exploration Administration, grants assistance to individuals, corporations, or other legal entities for the exploration of strategic minerals within the United States, its territories or possessions, on a participating basis as set forth in the attached DMEA Order-1 Amended. Certain sections of the order are explained more fully in the "Questions & Answers" booklet included herewith.

As you will note from page ii of the same booklet, "Mere prospecting and grubstaking operations, as these expressions are commonly understood, are not contemplated." Moreover, on page 13 thereof, Question 53: "How do I obtain the Government's contribution?", has the Answer: "As explained in the first answer under this title, a voucher is part of your monthly report. If your reports and invoices are properly prepared, payment can generally be made within two or three weeks."

Under date of December 13, 1955, American Nickel Corporation (Business Office: 2327 Tenth Street, Baker, Oregon; and Field Office: Box 30, Sumpter, Oregon) applied to our Field Team at Spokane, Washington, for exploration assistance for nickel and tungsten respectively on two groups of claims about 10 miles apart in Baker and Grant Counties, Oregon. The application, which we cover as Docket No. DMEA-4106, was signed by Mr. Dick A. McCallum, Secretary.

Mr. McCallum's letter to you states that he sent complete assay data to the Defense Minerals Exploration Administration, but we received no certificates of analyses or copies of the same. Such evidence is customarily submitted by an applicant to show that the mineral for which exploration aid is sought occurs as a significant showing on the land proposed for a D.M.E.A. project.

Accordingly, by letter of January 13, 1956, copy of which is attached, we requested the applicant to submit sample maps with assays to substantiate the reported nickel and tungsten mineralization. Please note that our letter specified we would require quantitative analyses made by a qualified laboratory, and explained that qualitative or spectrographic analyses would not be acceptable.

To date we have had no reply from the American Nickel Corporation. The last paragraph of our letter stated that we would hold the application in abeyance to allow a reasonable time for providing the requested data.

Our usual procedure in such cases is to allow about 60 days for a reply, and if no reply results from one more follow-up letter, we notify the applicant that if the necessary information is not received by a certain date the docket will be transferred to our inactive file. In that event the application is classified as "withdrawn" rather than "denied," and if the applicant subsequently shows some further interest in the matter and provides the required data, we can reactivate the application.

Mr. McCallum's letter is returned herewith as you requested.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures

cc: Docket
Code 400
Adm. Read. File
FT, Region I-NW
T. Kiilsgaard, USGS
H. W. Davis, USBM

WSMartin/ls
3/15/56

SAM COON
SECOND DISTRICT, OREGON

400

MEMBER OF
EDUCATION AND LABOR
COMMITTEE

NATIONAL FOREST RESERVATION
COMMISSION

Congress of the United States
House of Representatives
Washington, D. C.

March 9, 1956

DMEA-4106

RECEIVED
MAR 12 1956

Mr. C. O. Mittendorf
Administrator
Defense Minerals Exploration Administration
Washington, 25, D.C.

Re: Mr. D. A. McCallum
Box 30, Sumpter, Oregon

Dear Mr. Mittendorf:

Enclosed is an inquiry I have received from Mr. McCallum, a constituent from Sumpter, Oregon.

I would appreciate your supplying me with necessary information that I may reply to Mr. McCallum. Please return my enclosure.

Sincerely yours,

Sam Coon

SAM COON

SC:j

Enclosure: ltr fr Mr. McCallum on
back of questionnaire

COPY

(Letter written on reverse of questionnaire dated February 1956 sent by Representative Sam Coon to Oregon constituents requesting their opinions on: (1) The John Day Dam, (2) Oregon Power Development, (3) Agriculture, (4) Aid to Education, (5) Road Construction, (6) Foreign Aid, (7) Postal Rates, (8) Debt and Taxes, and (9) Labor Policy.)

Sam Coon:

Foreign Aid is allright, if limited. For each million dollars tossed overseas, we need a half million right here to develop our own minerals. The money to foreign countries is possibly used to aid in prospecting and locating vital mineral resources, say 1% of the foreign aid money goes into development of mineralized areas. Then why not promote a Domestic Prospecting Policy to aid the private prospector who is engaged full time in searching for new mineral deposits in mutual benefit with both himself and the Government. (After all, when a private full time prospector with plenty of hard-earned experience located a new mineral deposit--The Government takes control in some respect.) Therefore, the Government should participate in helping grubstake the full-time serious prospector in advance.

I have located a potential 33,000,000 ton deposit of near 1% nickel thru full-time prospecting, using both chemical and geological means and methods. The Govt. didn't pay 10¢ in my work, but I applied for a D.M.E.A. loan. Before they will look at the occurrence, they request plenty of more work, using my money. Allready sent complete assays and maps. The Question Is:

Does the D.M.E.A. and Govt. try to help the prospector? Yes & No. The loan, if made, is to be used in exploration and not to block out an orebody. Then why can't the Govt. back the initial work of a prospector?

Note: Uranium Federal Backing thru the D.M.E.A. has been very good; more attention is needed on other (14) critical minerals as far as financing.

D. A. McCallum
Box 30, Sumpter, Oregon

400

Docket
McMahon
Martin
Johnson

JAN 13 1956

American Nickel Corporation
2327 Tenth Street
Baker, Oregon

Re: Docket No. DMEA 4106, Nickel-Tungsten
Nickel Claims, Baker County, Oregon
Scheelite Claims, Grant County, Oregon

Gentlemen:

Your application for assistance in exploring for nickel and tungsten on the above-cited mining claims has been carefully reviewed by the Iron and Ferro-Alloys Division, Defense Minerals Exploration Administration.

Our review indicates that your project, as now presented, would not be qualified for exploration aid from the Government. At the same time, it is possible that our Field Team, after an inspection of the property, could assist you in preparing a revised application for an exploration project that would be appropriate, if their examination indicated that the potential tonnage and grade of material warranted Government assistance.

We could not, however, request an examination without sound evidence that the nickel mineralization, suggested by your spectrographic and qualitative analyses, is present in sufficient quantity to indicate the possibility of finding concentrations that could properly be classed as ore bodies. The same considerations would also apply to your tungsten claims.

Therefore, if you are interested in proceeding with your application, it is suggested that you submit representative samples from your most highly mineralized nickel and tungsten claims to a qualified laboratory for quantitative determinations. In the event that such analyses show significant percentages of nickel and tungsten tri-oxide, you should submit sample maps of the two properties showing thereon the locations where the samples were taken and their assays. Please note that any costs incurred prior to the date of a contract cannot be charged to that project.

R.G.

Your application states that, if an exploration contract is approved, you will cover your share of the costs principally by furnishing corporation-owned equipment (bulldozer, Willys pickup truck, Willys jeep) and $1,195.22 in cash. Credit for use of such equipment owned by the operator is calculated on an amortization or depreciation basis over the contract term and not on an hourly and mileage rate. Also, as payment of the Government's share of the cost takes from three to four weeks after the operator submits a properly supported voucher, an operator should have sufficient funds to finance at least two months' exploration work.

We will, therefore, hold your application in abeyance for a reasonable time to allow you to provide the requested data.

Sincerely yours,

O. O. Mitterhofer

Administrator

cc: Docket
Adm. Read. File
Code 400
T.Kiilsgaard, USGS
R. W. Holliday, USBM
H. W. Davis, USBM
FT, Reg. I-Spokane

ADMcMahon/ls
1/12/56

IN REPLY REFER TO:

Docket

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

January 4, 1956

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

WSM

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application, DMEA 4106, American Nickel Corporation, Sumpter and Granite Groups, Baker County, Oregon. $33,628.90 - Nickel-tungsten.

The garbled application requests assistance in exploring two prospects on which $8,000 is said to have been spent, without having shown more than serpentine with a specific gravity of 2.56496 and ½% nickel as determined spectrographically, and perhaps scheelite on the dumps of the old gold silver mines and prospects. The applicant should be asked to submit samples and some convincing engineering information.

If not forthcoming the application should be denied without an examination.

Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

Copy retained 400

RECEIVED
JAN 5 1956

Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

January 3, 1956

Re: Docket No. 4106
American Nickel Corp.
2327 Tenth Street
Baker, Oregon
$33,628.90
Nickel-Tungsten

WSM

Memorandum

To: W. S. Martin, Chief, Iron and Ferroalloys Division, Defense Minerals Exploration Administration

From: H. W. Davis, Branch of Ferrous Metals and Ferroalloys

Subject: Review of application

The applicant's proposal pertains to a loan of $33,628.90 for the proposed exploration of a nickel deposit about 5 miles north of Sumpter, Oregon, and a scheelite deposit about 5 miles north of Granite, Oregon.

Previous and present exploration of the nickel claims, according to the applicant, consisted of "sampling various outcroppings of the highly serpentized peridotite at intervals of 100 feet and making qualitative analysis of ore and quantitative analysis of a few samples, including a spectrographic examination of a surface block type outcrop.***"

Inasmuch as there is no known published information concerning the deposit, insufficient information is available upon which to base an opinion concerning a loan; consequently, it is recommended that the application be referred to the Field Team for its review and recommendation.

H. W. Davis
H. W. Davis

RECEIVED
JAN 4. 1956

Copy retained 400

Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

January 3, 1956

HD

WSM

Memorandum

To: Chief, Iron & Ferroalloys Division-DMEA
Through: Chief, Branch of Ferrous Metals & Ferroalloys

From: Commodity Specialist-Tungsten

Subject: Review of Application
Docket No. DMEA 4106-Nickel-Tungsten
Various Claims
American Nickel Corp.
2327 Tenth Street
Baker, Oregon
$33,628.90-Nickel-Tungsten

Subject application proposes a program of exploration by drilling and bulldozing. Although nickel and tungsten are named in the application there is the implication that gold, uranium, cobalt, manganese, chromium platinum and copper may also occur.

The proposal as outlined appears to border very close to prospecting, to lack specific targets and to involve smelting procedures which have not been worked out.

Statements concerning ~~nume~~ mineralization should be confirmed and feasablity of the proposal examined. It is recommended that the application be referred to the Field team for its review and recommendation.

R. W. Holliday

Copy to: Mr. Geehan
Mr. Holliday
DMEA file 4106
F I L E S

December 29, 1955
Subject: DMEA-4106
Re: Exploration Assistance

American Nickel Corporation
2327 Tenth Street
Baker, Oregon

Gentlemen:

The receipt of your application dated December 13, 1955, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4106 and referred to the Iron & Ferro-Alloys Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

Memorandum

To: Executive Officer, DMEA Field Team, Region I NW

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region I NW.

DMEA - 4106 American Nickel Corporation

Robert E. Adams
Chief, Operation's Control
and Statistics Division

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

So. 157 Howard Street
Spokane 4, Washington

RECEIVED
DEC 22 1955

December 16, 1955

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

4106

Re: New application (Nickel-tungsten)
American Nickel Corporation
Unnamed Property
Baker County, Oregon

Dear Mr. Selfridge:

Enclosed are three copies of an application submitted by Mr. D. E. Benton, President, American Nickel Corporation, 2327 Tenth Street, Baker, Oregon. We have retained one copy for our files, without maps, as only one set accompanied the application.

Sincerely yours,

Verne C. Fryklund Jr.

Verne C. Fryklund, Jr.
for: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW Dist.

Enclosure as indicated

cc: USBM (2)
Alvord

C O P Y

C O P Y

AMERICAN NICKEL CORPORATION

Business Office:
2327 Tenth Street
Baker, Oregon

Field Office:
Box 30
Sumpter, Oregon

RECEIVED
DEC 28 1955

December 13, 1955

Field Executive Officer
Defense Minerals Exploration Administration
South 157 Howard Street
Spokane 4, Washington

Dear Sir:

Enclosed is our Defense Minerals Exploration Loan Application, in quadruplicate, including maps of the properties and additional information as is required.

Samples of both Scheelite and the Nickel properties will be forwarded immediately upon your request.

The age of the rocks making up the properties, range from post-carboniferous to late tertiary, within the mineralized zones. Other surrounding rocks are younger in places throughout the area.

We have also composed a designed sketch of a proposed chromograph, which can also be employed in delimiting nickel and cobalt enriched soil boundaries, if possible, with allowable finances.

It is believed that the accompanying papers are fully explanatory, but if any other information is desired, we would be most happy to forward it immediately.

Very truly yours,

AMERICAN NICKEL CORPORATION

By /s/
D. E. Benton, President

Enc. Defense Minerals Exploration Loan Application,
in quadruplicate.

(See cut-away, Reverse side)

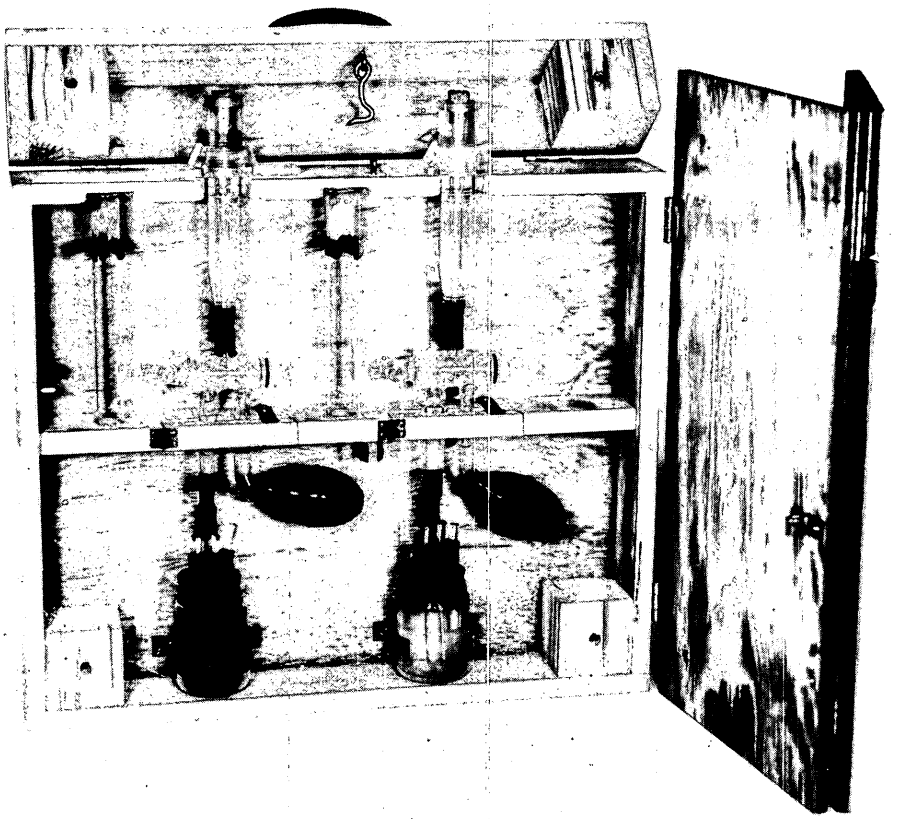
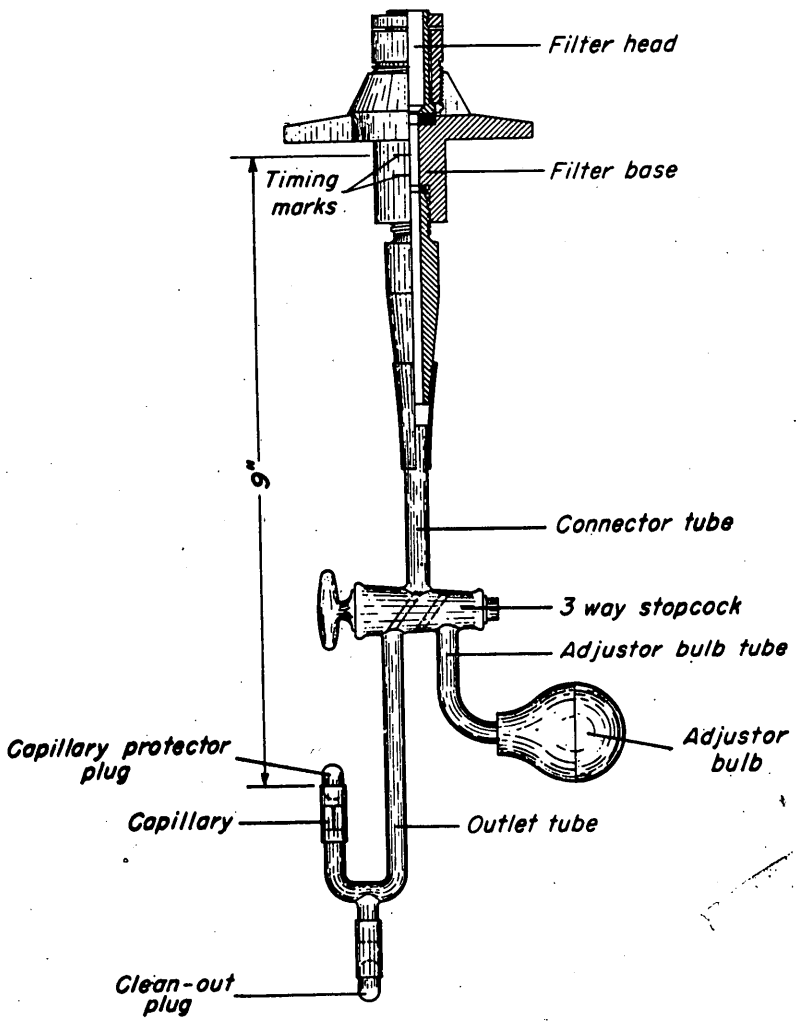


Figure 1. A chromograph set complete with case.



RECEIVED
DEC 23 1955

Figure 2. The chromograph assembled showing on capillary.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
DEC 15 1955
U. S. G. S.
SPOKANE, WASH.

RECEIVED
DEC 22 1955

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. DMEA-4106
Metal or Mineral Nickel - Tungsten
Date Received 12-22-55
Estimated Cost $33,628.90
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: AMERICAN NICKEL CORPORATION, a corporation, incorporated in the State of Oregon

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract See Supplementary sheet attached.

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Owners of unpatented claims (Corporation owned.)

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it None (Not applicable)

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. See Supplementary Sheet attached.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. See Supplementary Sheet attached.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore .....

.....

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within ..... days and be completed within ..... months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

[X] Money [X] Use of equipment owned by you [X] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated December 13, 1955

AMERICAN NICKEL CORPORATION
(Applicant)

By [signature]
Secretary

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

SUPPLEMENTARY TO FORM NO. MF-103, APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

RECEIVED
DEC 22 1955

1.
(c) D. E. BENTON, President, 2327 Tenth Street, Baker, Oregon
LESLIE E. BYLUND, First Vice-President, Pleasant Grove, Utah
GERALD B. McCALLUM, Second Vice-President

ALBERT MORIN, Third Vice-President, Sumpter, Oregon

DICK A. McCALLUM, Secretary, Sumpter, Oregon
O. E. PRESTON, Treasurer, Sumpter, Oregon

(d) Not applicable.

3.
(a) (21 Unpatented Mining Claims)

(1) Twelve (12) Unpatented mining claims, 600 ft. x 1500 ft., located in Sections 22 and 23, Township 9 South, Range 36 East of the Willamette Meridian in Whitman National Forest, Baker County, Oregon. These claims are approximately five (5) miles from Sumpter, Oregon, along the County Road between Sumpter and Granite, Oregon. (The relationship of the County Road to the claims is shown on an accompanying map).

(2) Nine (9) Unpatented mining claims, 600 ft. x 1500 ft., located in Section 25, Township 8 South, Range 35½ East of the Willamette Meridian, in Grant County, Oregon, lying approximately five (5) miles North of Granite, Oregon, and approximately one (1) mile Southwest of the Monumental Mine and about one (1) mile North of Boulder Creek. The claims are located at the end of an old mining and logging road beginning exactly two (2) miles Northwest North (N.W.N.) of Granite, Oregon.

Attached hereto and by this reference made a part hereof, are accompanying maps, the first one marked Exhibit "A", a map of the twelve Nickel Claims, and Exhibit "B", a map of the nine Scheelite Claims.

3.
(b) Not applicable.

(c) Owner.

(d) Not applicable.

(e) No liens or encumbrances.

(f)

Name of Claim	Book	Page
Bent Tree Nickel	49	551
Suidaruth	49	549
Little Laccolith	49	553
Nickel Hill Lode	49	557
Jerry Claim	49	559
Mother Lode Nickel	49	561
Nettie Nickel	49	555
East Nickel Lode	49	1018
Twin Hill Lode Fault	49	1010
Periodotite-Diorite Contact	49	1014
Quaguaversal "Kathy Mc"	49	1012

All the above claims are located in Baker County, State of Oregon, and are recorded in the Records of Notices of Quartz Locations in Baker County, Oregon. Baker, Oregon

Name of Claim	Book	Page
Pegmatite Pete Claim #1	30	31
Pegmatite Rim Claim #2	30	33
Pegmatite Rick-Jack #3	30	35
Pegmatite Contact Claim #4	30	37
Laccolith Kathy, Claim #5	30	47
Golden Vien #6	30	43
Scheelite Steve #7	30	45
Normal Fault Claim #8	30	41
Quaqaversal Ida Claim #9	30	39

All the above claims are located in Grant County, State of Oregon, and are recorded in the Records of Notices of Quartz Locations in Grant County, Oregon. (Canyon City)

4. (a)
(1) Previous and present exploration on the Nickel claims consists of sampling various outcroppings of the Highly Serpentized Periodotite at intervals of 100 feet and making qualatative analysis of ore and quanatative analysis of a few samples, including a spectrographic examination of a surface block type outcrop.

In places the overburden was bulldozed off to a depth of ten to sixteen inches revealing the Laterite capping over the Matrix, both of which show nickel in solution tests of precipitation. The ground mass (serpentized-periodotite) is outcroped on all of the twelve claims to some extent, and all outcrops above and below the water-decay zone contain the element nickel, in excess of ordinary serpentine rocks, massive or in dikes, of other Serpentine areas, that contain 0.2 - 0.3% nickel replacements of the some 40% magnesiums.

(2) Scheelite Claims.

Field examinations, after locating the Scheelite, consisted of night exploration and prospecting some 40 lessor dumps, many of which show tungsten in the form of scheelite. Autunite and Zirconium were found on the Pegmatite Contact and Normal Fault Claims. Scheelite occurs as imbedded secondaries within the Silicon (quartz) matrix, in the form of ribbons or bands, sometimes as spotty occurances, all within high-temperature gold-silver (previous production) veins.

(3) Uranium Equilibrium tests given aluminum-silicon (quartz) gangue material, carrying WO 3, using a Gieger-Muller-Recorder principal, show Gamma and Beta counts per minute as follows:

		Background		
Time	5:15	10 minutes	200	367
"	5:25		567	
		Beta - Gamma		
Time	5:30	10 minutes	660	438
"	5:40		1098	
		Gamma		
Time	5:40	10 minutes	1098	410
"	5:50		1488	

AMERICAN NICKEL CORPORATION
BAKER, OREGON

Background

Time	5:50	10 minutes	1488	376
"	6:00		1864	

Increase	10% plus	equals Gamma	367	equals Background
Increase	21%	equals Beta	376	equals Background
			743 / 2	equals 371 plus aver.B.G.

(4) In exploration, using a scintillator, abnormal activity was observed where "Autunite" was found at night, while inspecting lessor test-pits and dumps, with an ultra-violet light. Secondary uranium minerals possibly were derived from a uraninite primary source, which could be below in a submerged Pegmatite dike cutting the granite (Diorite). Decomposing, alteration, leaching and oxidizing is noticeable at many points on the Scheelite claims.

(5) Rehabilitation of the main level portal, requiring removal of old entrance timbers and earth, allowed sufficient inspection of the older workings. Gangue materials found on the dump at this portal justified further exploration for Scheelite and Wolframite, mainly because of the Scheelite comprising a good portion of the dump gangue material and the presents of iron and manganese associates, which indicate either ferberite or perhaps huebnerite minerals.

(6) Interests in exploration operations:

Personally conducted all above phases of exploration on both Scheelite and Nickel properties and made qualatative analysis and geological studies of both properties.

(7) Accessibility of mine workings for examination purposes:

The nickel property is located exactly five (5) miles from our residence, Sumpter, Oregon. The road is a county road, easily traversed, and used practically 10 months of the year. The county road is kept open the first three and one-half miles of the five miles to the nickel deposit. Our bulldozer can maintain the last 1-1/2 mile easily.

The Scheelite property is further from our residency by 15 miles, on the same county road.

We will furnish transportation to our properties for your engineers in the event you consider it necessary to examine the property. Transportation, by us, can be furnished at any time from Baker, Oregon to the property.

4. (b) No current production or ore reserves.

(c) Geologic features of the properties:

(1) Biotite-Quartz-Diorite and Granodiorites, make up the major rocks of the Scheelite properties. Source of the mineralization may be the Bald Mountain bathylith nearby, approximately north.

Type of deposit: Vein deposits.

(2) Serpentized-Periodotites make up the majority of the rocks of the nickel properties. All serpentine and Laterites contain nickel per qualatative analysis of the entire properties. Source of the mineralization is evidently homogenis nickel replacing mg through alteration while percolating solutions carried up the mineralization.

Type of deposit: Massive.

(3) Reasons for wishing to explore: Nickel.

(a) Approximately $8,000.00 in labor and materials were employed in the initial staking, exploration and geo-chemical examinations of the Nickel and Scheelite properties. This amount was contributed to these properties because we felt the enormous possibilities ahead.

(b) On the Nickel properties, several test-pits, original discovery work, revealed the massive block system of serpentine rocks, a known commercial nickel geologic importance.

(c) Upon running semi-quantitative comparative tests against a known 1/2 per cent spectrographic report for Ni, we found in solution that the outcrops (about 200) average near the same and some near double that of the spectrographic analysis of 1/2 per cent that came from a sample on one of our claims. Below the zone of water decay, about a depth of six feet, an assay ran .73% which may mean primary sulphides at a greater depth, or equal laterite and serpentized periodotite ratios, similar to the International Nickel Companies Sudbury deposits in Canada.

(d) According to "Kemp's Ore Deposit of the U. S.", 1906 Edition, Riddles Deposit of Nickel, now M. A. Hanna Nickel Smelting Company, Riddle, Oregon, the Ni average was o.26%. Laterites capping their serpentines, of course are in excess of 1% Ni. According to the "Ore Bin", an Oregon State Department's monthly geology publication, M. A. Hanna Co., Riddle, Oregon, produced 300,000 lbs. of Ni. This figure probably was just an allowable reporting figur for production of critical metals.

(c) Investigations on our part show definite possibilities of building a nickel or other ore smelter here near the nickel deposit as the old smelter site (gold) is available at little cost. The old smelter was located approximately 3/4 of a mile south of Sumpter, Oregon. Nickel ore from our deposit can be trucked down hill via the county road to the smelter site, at a distance of 5-3/4 miles year around. We, and other authorities, figure approximately ninety cents per ton for surface mining the nickel by dozer to roadside bunker methods.

(f) At the old smelter-site, water is available from the adjacent Powder River. A 440 volt power line is still in place. The main power source is not too far distant, plus a new natural gas line coming into this region very soon. Lime is available as well as iron, if necessary, for smelting fluxes. Hog fuel is available but carbon will have to be procured for smelting silicons Ni ores.

(g) According to unofficial sources, there are about 72 gold mines in the area with an average of $67.00 ore. A possibility of a sideline looks practicable in so far as extra job smelting is concerned.

(h) According to the surface contacts on all sides of the nickel deposit, we could possibly have an estimated 33 million tons of low grade commercial nickel ore on our properties. Further exploration through drilling, etc., could prove the extent and value of our deposit. Very little overburden caps the serpentine rocks carrying the nickel. Overburden, consisting of ore fragments, laterite and similar silt-oike earths average from one inch to not more than 16" to 28" in depth. The determinations of the extent of the laterite will involve considerable exploration.

(Cont.) Reasons for wishing to explore: Scheelite.

(a) Scheelite occurs within the main tunnel in the matrix and on many of the small prospect holes and dumps left by early miners working and prospecting for gold on the Scheelite properties. One piece of quartz picked up on one dump, measuring about five inches in width, under an ultra-violet light shows a band or ribbon of Scheelite measuring about 2". This band completely encircles the 5" quartz gangue sample.

(b) Quartz is so abundant on the Scheelite properties that we feel through the particles of Scheelite present in this quartz float and dump materials that there must be a commercial deposit on the Scheelite properties. Bulldozing trenches and test-pits along with core-drilling and logging could prove up important ore veins of commercial value.

(c) On the number 4 claim, Pegmatite Contact Claim, of the Scheelite group, Autunite was found at night while prospecting with an ultra-violet light for Scheelite.

(d) Malachite is the copper mineral present in the Scheelite ore. We would like to explore below the malachite for a native copper ore, along with the Scheelite program, if directly associated with the Tungsten exploration project.

(e) Calcium and Iron are equal constituents in the Scheelite ore. The iron is both pyrites and magnetite. Silver is also present in tetrahedrite-tennantite which association also includes the zinc, lead and antimony as minor constituents. Chrome also replaced a mineral

possibly through/ionic migration and association, as a later mineral. The element vanadium is equal to the lead element.

4, (d) Accessibility of the project, roads, distances, supply, residence points and shipping points:

(1) Accessibility: The nickel deposits are approximately five miles North of Sumpter, Oregon, along a county road running between Sumpter and Granite, Oregon. This road is open ten months of the year for at least a distance of 3-1/2 miles and our bulldozer could keep the road open the additional 1-1/2 miles throughout the year.

Scheelite properties: The Scheelite property is approximately 15 miles along the same county road and is situated North of Granite, Oregon, and with proper use of a bulldozer it should be possible to keep it open the year around.

(2) Supply: Supplies for exploration and mining can be purchased at the Basche-Sage Hardware Company in Baker, Oregon, 29 miles from Sumpter, Oregon, or from Boise, Idaho, Spokane, Washington and Salt Lake City, Utah, for general heavy duty equipment. Extra heavy machinery and equipment is stocked in Denver, Colorado, at the Denver Equipment Company.

(3) Shipping points for concentrates:

(a) Canadian and U. S. Government stockpiles for electrolytic nickel.

(b) Yellow Pine Mill, Stibnite, Idaho; Ima Mill, Patterson, Idaho; Germanian Mill, Fruitland, Washington; H.M.& S. Milling Company, Salt Lake, Utah; Henderson Gulch Dredge, Drummond, Montana; Alps Mining & Milling Co., Missoula, Montana. All for tungsten concentrates.

(4) Residence Points: Sumpter, Oregon, approximately 5 miles from the nickel deposits and approximately 20 miles from the Scheelite deposits. The population is approximately 150 people and Baker, Oregon, 29 miles East of Sumpter, Oregon, with a population of approximately 10,000.

4, (e) Availability of manpower, materials, supplies, equipment, water and power:

(1) Manpower: Locally, several good miners are available on an hourly wage basis or by contract and there are many qualified miners available in the surrounding area as this entire area has been mined since the 1860's.

(2) Materials: Materials can be obtained at the Basche-Sage Hardware Company, Baker, Oregon, 29 miles from Sumpter, Oregon, or from Boise, Idaho, Spokane, Washington, and Salt Lake City, Utah, for general heavy duty equipment. Extra heavy duty equipment

and machinery is stocked in Denver, Colorado, at the Denver Equipment Company.

(3) Supplies: Most small supplies can be obtained at either Sumpter, Oregon, or at Baker, Oregon, and any special order of any particular supplies can be obtained at either Boise, Idaho, Spokane, Washington, or Salt Lake City, Utah.

(4) Equipment: (Same as the two subparagraphs above).

(5) Water: Cracker Creek and other small creeks running through the properties and supply sufficient sources of water.

(6) Power: Sources of electric power are the Freemont Power Plant located approximately six miles from Granite, Oregon, which is 15 miles from Sumpter, Oregon, and 16 miles from the Nickel properties and 9 miles from the Scheelite property. The Freemont Plant supplies power for the City of Sumpter, Oregon, and also surrounding consumers within the City of Sumpter quadrangle.

Rock Creek Power Plant is 43 miles from Sumpter, Oregon, and this plant supplies Baker Valley and Baker, Oregon.

Idaho Power Company, supposedly the largest power source in the West, is now engaged in developing a power system throughout this area.

Pacific Northwest Pipeline Corporation is now in the process of building a pipeline for distribution of natural gas which will go through Baker, Oregon, approximately 29 miles from Sumpter, Oregon.

The old smelter at Sumpter, Oregon, had electric power. The dormant dredge, a gold mining dredge, which is operated along the Powder River between Baker, Oregon, and Sumpter, Oregon, was operated entirely by electricity and the line supplying electricity to the dredge are still intact and available.

Electric power can be obtained for the Scheelite properties by connecting a line with the Cougar Mines located two miles over the anticline on the north flank. The Scheelite property is on the south flank.

5. (a) The exploration project, Minerals to explore:

(1) Nickel and Tungsten:
These following strategic minerals, qualifying under Section 7 of the DMEA Order 1, Title 32A, will also be explored, in connection with the nickel and tungsten minerals:

Uranium, Cobalt, Manganese, Chromium, Platium and Copper. Silicon would be a by-product.

(b) Describe the proposed work.
(1) Nickel:

After completely mapping the known serpentine and laterite, nickeliterous occurances, a planed grid system will be laid out for drilling, as shown on the nickel claims map. Drilling will consist of holes drilled according to the pre-arranged grid, using a two inch (2"), trailer mounted, diamond core drill. Our bulldozer will level off all drilling locations on the grid and at the same time will be sampling the overlying laterites to serpentine bedrocks. Drill-hole positions on the grid may vary slightly, according to qualative analysis of the soils made in advance of drillings. The supervisor of the project (D. A. McCallum) will make all the advanced soil analysis for the grid. The bulldozer will be used to tow the drill rig to the grid locations and for preparing the drilling sites for the drill rig. It is estimated that 800 yards or more of earth will be moved. There will be a total of sixty-four (64) drill holes with depths of 20 feet to 130 feet. The 130 foot holes will be only at intervals along the axis of the anticlinal limb, A-A' on the enclosed grid map. The depth of each hole will depend on the nickel content by assay. Cores recovered will be taken in five foot sections. The averaged total core sample, per hole, probably will average thirty-five to forty feet. Each five foot core sample will be placed in a five unit case, 25 feet per case. These samples will be hauled daily to Sumpter, Oregon, a distance of five miles. There they will be split in quarter sections and further numbered and catalogued. One quarter section of each core will be assayed. Two quarters will be stored for laboratory testing. One quarter will be stored for separate study. Triple records will be kept of each core sample to prevent any errors.

As soon as permitted, or at the completion of the contract, we will contact the Northwest Electrodevelopment Laboratory at Albany, Oregon. Thru this Bureau of Mines' Research Smelting Laboratory we would like to have nickel smelting tests completed on the ores from both drill samples and surface laterites. These tests will show the required reduction technique for the production of low-carbon ferronickel for our serpentine ores.

We can also contact Bethleham Steel Corp. for possible testing of our ore through their new hydro mettallurgical chemical leaching process for nickel and other pyro mettallurgical methods of testing.

The limits of important nickel-rich underlying serpentine bedrocks will be delimited at those boundaries where too low a grade laterite soils are found through assays. Also, an established cut-off grade of a reasonable portional percent of combine nickel and cobalt will be used in mapping the boundaries of the deposit.

We will then proceed with our exploration by logging all drill holes accurately with cataloqued assays per section of core recovered. When all core drilling is complete we will have complete records by assay to establish proof of the average grade of the entire deposit. This system will tell if we have made a significant discovery.

A recent specific gravity test of a surface outcrop of serpentine was made and the specific gravity was 2.56496. Under the DMEA contract, we will make one S. G. test of the laterite; one of the laterite-serpentine contact; one between this contact and the base of the serpentine and one at the base of the serpentine, at the lower bedrock. These S. G. tests will be used for study.

The assays made from the core samples and the laterite will total 448. We plan to have these assays made by Mr. Art Woodwell, Assayer and Engineer, with offices and laboratory located in Sumpter, Oregon. Samples from the nickel property will be delivered to his laboratory daily. His laboratory is located five miles from the nickel property and across the street from the exploration supervisor's residence in Sumpter. His services are also available for survey work and engineering advice.

(2) Scheelite: (Tungsten)

The Scheelite Group of Claims will be explored in somewhat the same cataloging manner as the nickel property. First, all the old, small prospect workings and dumps will be properly mapped. The mapping will be done from an established base line, using a Brunton Compass and tape. Elevations will be obtained by rod and handlevel methods. The maps will include all the classified rocks, geologic features such as contacts, veins, faults, dip, strike and drainage.

Exploration will consist mainly of uncovering numerous laccolithic low and high temperature

quartz veins. The veins are apparent by their recent surface outcropings which are now present in the form of prospect dumps. Most of these dumps are very small but nevertheless, Scheelite is present on most of these abandoned prospect workings.

It is believed by the writer that the source of all migrating mineralization is from the Bald Mountain bathylith, north of the Scheelite Group. Malachite (copper) minerals are associated with the tungsten mineral (scheelite) in the quartz gangue material. Below the malachite, it is evident that primary copper ores are present.

Iron and manganese are also associated in the matrix. These elements indicate a variety of wolframite, possibly hueberite or ferberite, according to chemical composition. Leaching on the hanging wall of the main tunnel where a 20 ft. raise and 4 ft. stope are located, indicates primary tungsten minerals.

Zirconium is also present as well as autunite at one small prospect dump. Further exploration may uncover a substantial deposit of primary urainite minerals.

Bulldozing these old lesser dumps may uncover several veins of scheelite similar to the operations at Silver Hill, Spokane County, Washington on the Tin-Tungsten properties in Secs. 23 and 24, T. 24 N., Range 43 East, 11 miles Southeast of Spokane, Washington.

The exploration by bulldozing will amount to stripping all the old dumps of decomposed, decayed materials and working back to the face of the original workings in the quartz. Trenches, 10 ft. wide by 8 ft. deep by as much as 100 ft. long will be made in order to uncover the possible concealed ore veins. These veins are low in gold and silver as dump materials indicate. Reasonable rarer minerals should be expected in lieu of the Au. and Ag.

Earth moving by bulldozing will amount to at least 3,000 yards of material. In places blasting will be necessary. We will use approximately nine cases of 60% powder before bulldozing these trenches and two cases for rehabilitation of the main level tunnel. Mostly dozer and manual labor work will be employed in exploring for valuable tungsten minerals.

When sufficient earth and ground mass is removed from the various scheelite occurring locations, core drilling will begin according to the revealed geologic conditions in trenches and test pits. Core sampling will be concentrated on the most geologically important occurances.

The estimated number of total drilling feet will amount to approximately 300 feet. Fence drilling may be required.

During the trenching of the old prospect sites, assaying will be done for tungsten materials.

Along with the assaying, spectrographic examinations of vein materials uncovered will be made. These spectrographic examinations will be made by Smith-Emery Company, 781 Washington Blvd., Los Angeles, California. Chemical composition research will be made by us from the spectrographs, as well as forwarding copies to the Bureau of Mines for their research. The expected total number of assays, including spectrographs, will amount to approximately 60. Complete cataloged records will also be maintained on all assays and all assays will also be properly plotted on the exploration assay maps.

The use of the short-wave ultra-violet lights, will be employed in all trench and test pit work. Our precision 111 Scintillator will also be employed when exploring scheelite occurances with favorable environments for uranium minerals such as on the number 4 claim.

Inspection will be made of all old mine workings when the bulldozer strips open the collapsed mouths of the old tunnels. All mine safety laws will be obeyed while inspecting old tunnels. Sampling of these old workings will be done by the supervisor who is well experienced in examining old and dangerous underground workings. Structure maps will be made of every old tunnel or shaft examined showing all geologic features.

(c) Work will start and be completed:

(1) We wish to start work as soon as possible, within 30 days.

(2) We plan to complete the exploration project within twelve months.

(d) Operating experience and background of the applicant with relation to the ability to carry out such exploration project, Also that of the supervisor.

(1) The applicant, American Nickel Corporation is a new formed corporation. Since April, 1955, four officers of the corporation have been devoting regular time in exploration of the corporation's properties. One officer of the corporation has been working on the average of seventy hours per week since April, on the research and exploration of the properties.

(2) D. A. McCallum, who will supervise the exploration project's operations is one of the discoverors of both the Nickel and Tungsten prospects. He was

responsible for the original qualatative analysis and geologic study of both minerals. He is daily employing himself in the continuous study and research of the corporation's properties. This research is being conducted in his small home laboratory.

He prepared all the information contained in this DMEA application as well as making the enclosed maps and blue prints.. He has succeeded in locating several pegmatites mear this area. These dikes have not been explored very much as of this date. As a supervisor in the Army overseas, he earned seven promotions in approximately 90 days. He held a supervisor's job in charge of a railroad company of 140 men while in the army.

He previously prospected approximately 2 years in Utah for Uranium and other lesser minerals. He began studying uranium geology evenings in 1948, while attending Farragut College where he studied engineering. He also served his 4 yr. apprenticeship in the machinists trade.

He is well acquainted with drilling rigs, surface and underground sampling, analytical research work and mapping. He has succeeded in determining the formation, not jurrassic in which carnotite was found in this area in 1924, through research and cooperation of the Petrographic Laboratory at Albany, Oregon. He is very seriously interested in the exploration of our properties.

6. (a) Independent contracts: None.

(b) Labor, supervision, consultants:

(1) Labor: Minimum 40 hours and maximum 48 hours per week.

Wages for Orville E. Preston, who will operate the drill rig under guidance of the supervisor. He also will help map the properties when necessary. He will also help do the necessary blasting and assist in any required operations. Wages $2.50 per hour.

(2) Wages for Albert Morin who will operate the bulldozer according to the daily schedule of the supervisor. He will also be in charge of all blasting work according to the daily schedule of the supervisor. He will also assist in any other necessary exploration work. Wages: $2.50 per hour.

(3) Wages for D. A. McCallum who will act as supervisor of the exploration project for the American Nickel Corporation. He will outline all exploration work in advance for each work day. He will map, keep records and perform all other unassigned duties. Wages per hour $2.60.

(4) Consultants: Fees for necessary consulting on our properties will cost approximately $500.00 per

investigation for a distant engineer. Mr. Art Woodwell, Registered Mining Engineer, residing at Sumpter, Oregon, is available at $30.00 to $50.00 per investigation. We prefer Mr. Woodwell because of his knowledge of this area, having been active in the immediate area for over forty years.

(5) Total costs:

Labor and Supervision:

Driller: $2.50 per hour, 160-192 hours per month, average 176 hours per month for an estimated period of 8-12 months. Average, 10 months equals $4,400.00

Bulldozer operator: $2.50 per hour. 160-192 hours per month for an estimated period of 8-12 months. Average 10 months equals $4,400.00.

Supervisor: $2.60 per hour. 160-192 hours per month. Average 176 hours per month for an estimated period of 8-12 months, average 10 months equals $4,576.00.

Consultant: Approximately a safe estimate of $500.00.

Total $13,876.00

(c) Operating materials and supplies:

(1)	One Brunton Compass	$47.50
(2)	Two Drill Log Record Books	10.00
(3)	Gasoline for Drill Rig	200.00
(4)	" " Vehicles	260.00
(5)	Fuel for bulldozer (including oil for all units)	1,020.00
(6)	Blasting Powder	220.00
(7)	One Portable Ultra Violet Light	79.50
(8)	Batteries for both black lights	28.80
		$1,865.80

(d) Operating Equipment:

(1) One Two-wheel, trailer mounted, 2" diamond core drill rig, complete, including drill pipe, bits, barrels, tools and freight. Approx. $5,590.10.

(To be purchased with DMEA funds)

(2) D-14 Bulldozer, complete with ten-foot blade and rear heavy-duty winch. Use allowance $5.00 per hour of operation for 1,040 hours equals $5,200.00

Present value, approx. $8,000.00.

(3) 1953 Willys Pickup Truck with four-wheel drive, to be used for hauling materials, core sample cases and for transportation. Present value $1,295.00. Average use allowance 10 cents per mile for 7,800 miles equals $780.00.

(4) 1950 Willys Jeep with four-wheel drive, to be used for hauling light materials and for transportation. Present value $650.00. Average use allowance 10 cents per mile for 5,200 miles equals $520.00 (Corporation property).

(5) The corporation will furnish all materials and evening labor (free) to construct all core sample cases, measurements - 5 ft. x 16 in. x 2¼ in. with five dividing sections to receive five 5 ft. core samples per case. Labor and materials, 102 cases @ $6.00 equals $612.00.

(6) The corporation will furnish all mapping materials and supplies, including printing of blue prints. (Evenings) Approx. value $200.00.

RECAPITULATION

(1)	$5,590.10	
(2)	5,200.00	
(3)	780.00	
(4)	520.00	
(5)	612.00	
(6)	200.00	
	$12,902.10	Total of Operating Equipment.

(e) Rehabilitation and Repairs:

Necessary rehabilitation of the bulldozer such as engine work, adjustments and rollers for tracks. Approximately $600.00.

(f) New buildings:

Construction of two small powder sheds from logs on property and one drill shed from logs on property. Approximately very little cost involved. If any cost, it will be absorbed by corporation.

(g) Miscellaneous:

(1) Analytical work will consist of the following assays and spectrographic examinations:

Nickel: (Including some co.) (Fe, Mg, Si, and Cr.)

Assays - 448 @ $5.00 equals	$2,240.00	
Specific Gravity- 4 @ 3.00	12.00	
Total.....	$2,252.00	$2,252.00

Tungsten: (Scheelite)

Assays - 50 @ $4.50	225.00	
Spectrographs - 10 @ $7.00	70.00	
Total....	$295.00	295.00
Combined Cost.....		$2,547.00

(2) Accounting and payroll taxes will be figured by Mrs. S. Wire, Sumpter, Oregon. She is Bookkeeper for the City of Sumpter, Oregon.

Fees for this work will amount to the following:

10 months @ $30.00 per month equals $300.00.

(3) Workmens' Compensation and Employers' liability insurance will be under the State of Oregon Industrial Insurance program. Estimated amount $500.00.

RECAPITULATION

(1)	$2,547.00
(2)	300.00
	500.00
	$3,347.00

(4) Maintenance of operating equipment is estimated as follows:

Drill rig,	Estimate	$200.00
Bulldozer,	"	838.00
		$1,038.00

(h) None.

7. (a) Yes.

(b) How do you propose to furnish your share of the cost?

(1) Use of following equipment belonging to Shareholders of Corporation based on suggested use allowance:

D-14 Bulldozer, complete with 10 ft. blade and rear heavy-duty winch. Use allowance $5.00 per hour of operation, for 1040 hours equal $5,200.00

Present value - $8,000.00, up.

(2) 1953 Willys Pickup Truck with four-wheel drive to be used for hauling materials, core sample cases and for transportation. Average use allowance, 10 cents per mile for 7,800 miles equals $780.00.

Present value - $1,295.00.

(3) 1950 Willys Jeep, with four-wheel drive to be used for hauling light materials and for transportation. Average use allowance, 10 cents per mile for 5,200 miles equals $520.00.

Present value equals $650.00.

(4) Labor and materials for evening construction of 102 core sample cases at the estimate of $6.00 each equals $612.00.

(5) All mapping materials and supplies and blue printing costs. Approx. estimate $200.00

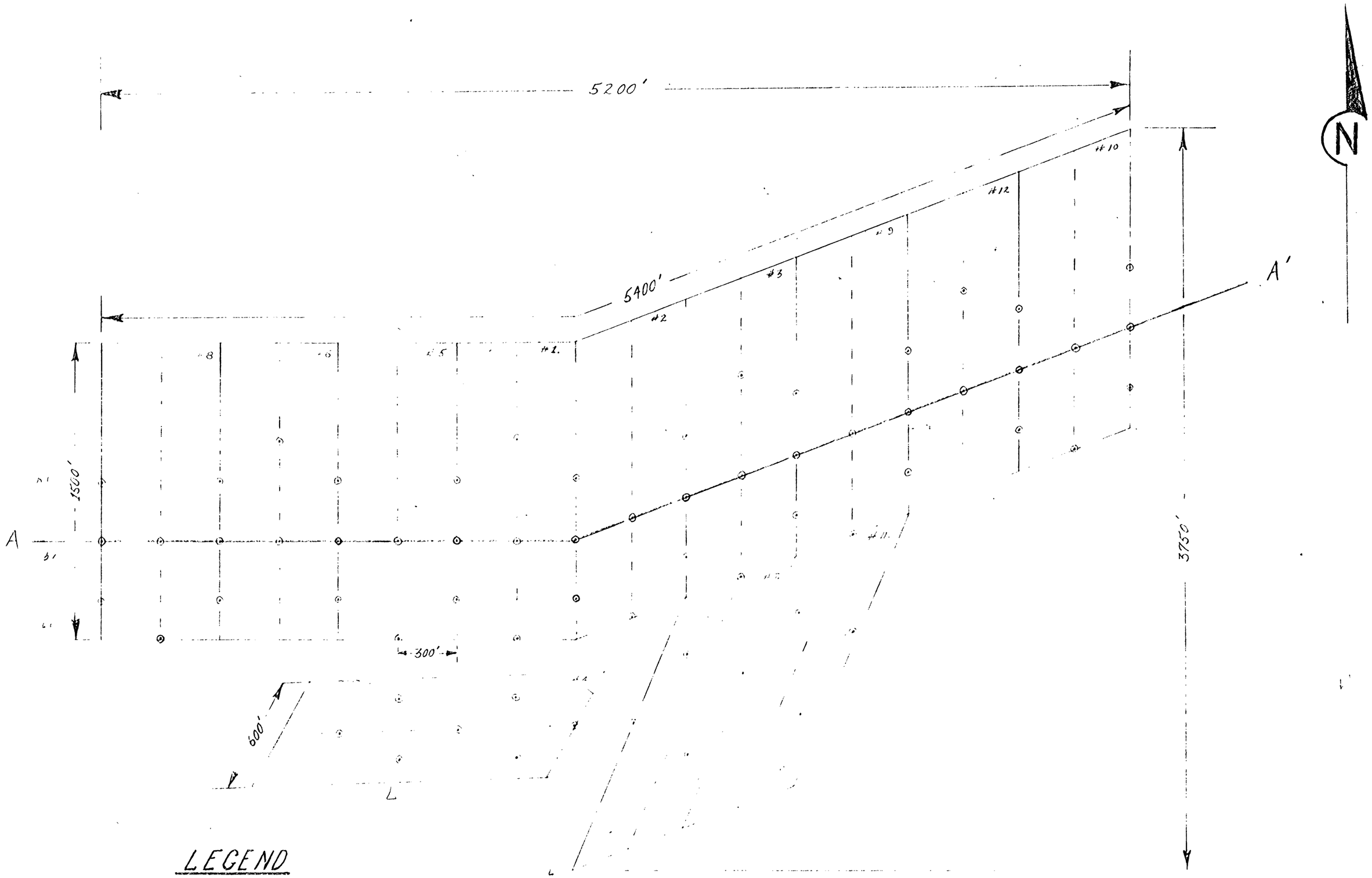
(6) Cash to be furnished by corporation: $1,195.22

RECAPITULATION

(1)	$5,200.00
(2)	780.00
(3)	520.00
(4)	612.00
(5)	200.00
(6)	1,195.22
Total.....	$8,407.22

RECAPITULATION

6. (b)	Labor & Supervision	$13,876.00
(c)	Oper. materials & supplies	1,865.80
(d)	Oper. Equipment	12,902.10
(e)	Rehabilitation & Repairs	600.00
(f)	New buildings	None
(g)	Miscellaneous	3,347.00
(")	Maintenance of oper. equip.	1,038.00
Estimated Total Cost of Project.....		$33,628.90
Our share of costs (7. (b))		$ 8,407.22



LEGEND

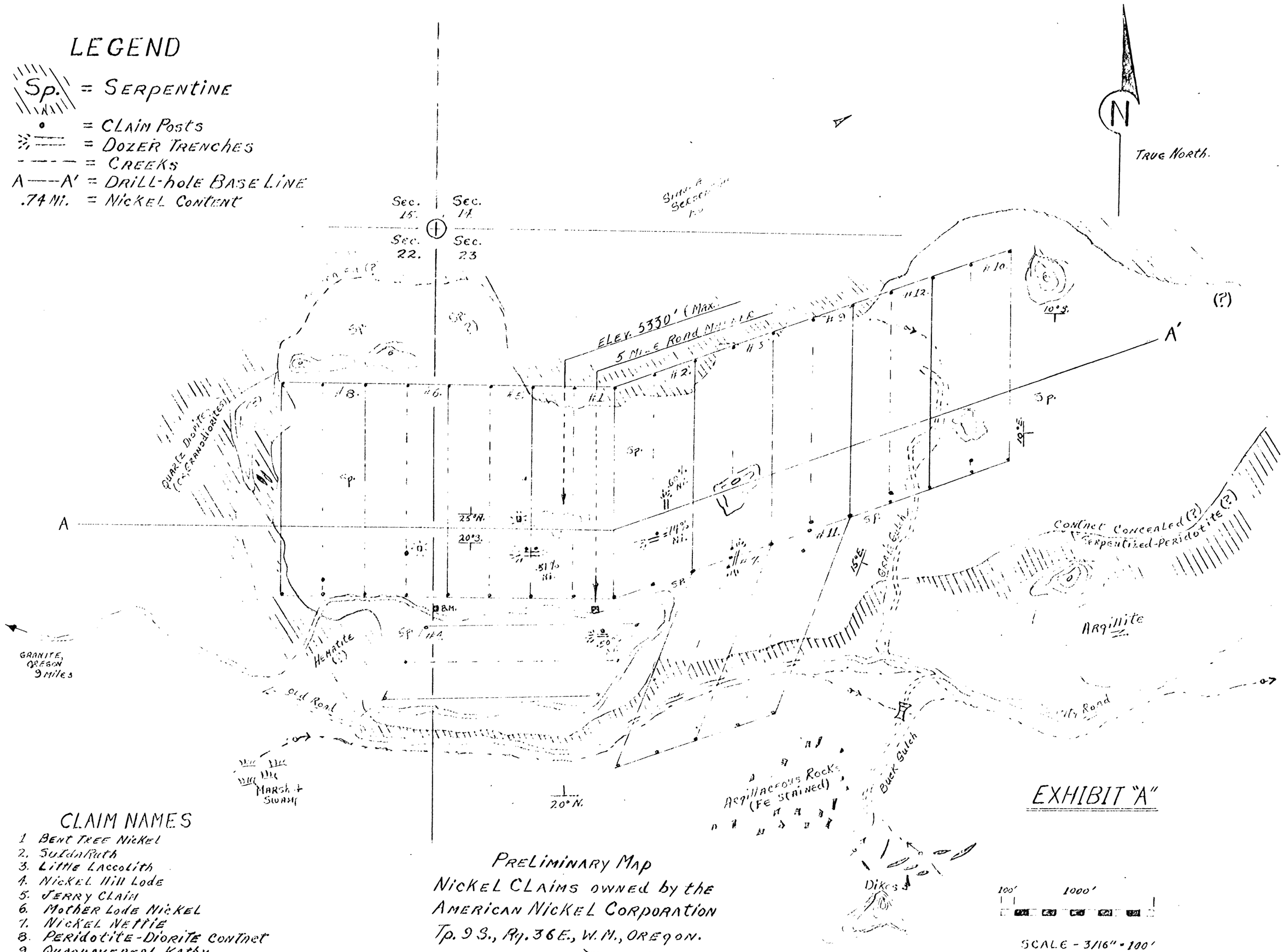
⊙ DRILL HOLE
A-A' BASE LINE

SCALE $\frac{1}{4}$" = 100 FEET

NOTE:
SLIGHT CHANGES ON THE GRID WILL BE MADE DURING EXPLORATION.

- GRID MAP -

for
EXPLORATORY DRILLING by
CORE DRILL, for "NICKEL" SAMPLING.
by [illegible] for the AMERICAN NICKEL CORPORATION.



CLAIM NAMES

1. Bent Tree Nickel
2. Suidnruth
3. Little Laccolith
4. Nickel Hill Lode
5. Jerry Claim
6. Mother Lode Nickel
7. Nickel Nettie
8. Peridotite-Diorite Contact
9. Quaquaversal Kathy
10. Twin Hill Lode
11. East Nickel Lode
12. Syncline Nickel

Preliminary Map
Nickel Claims owned by the
American Nickel Corporation
Tp. 9 S., Rg. 36 E., W.M., Oregon.

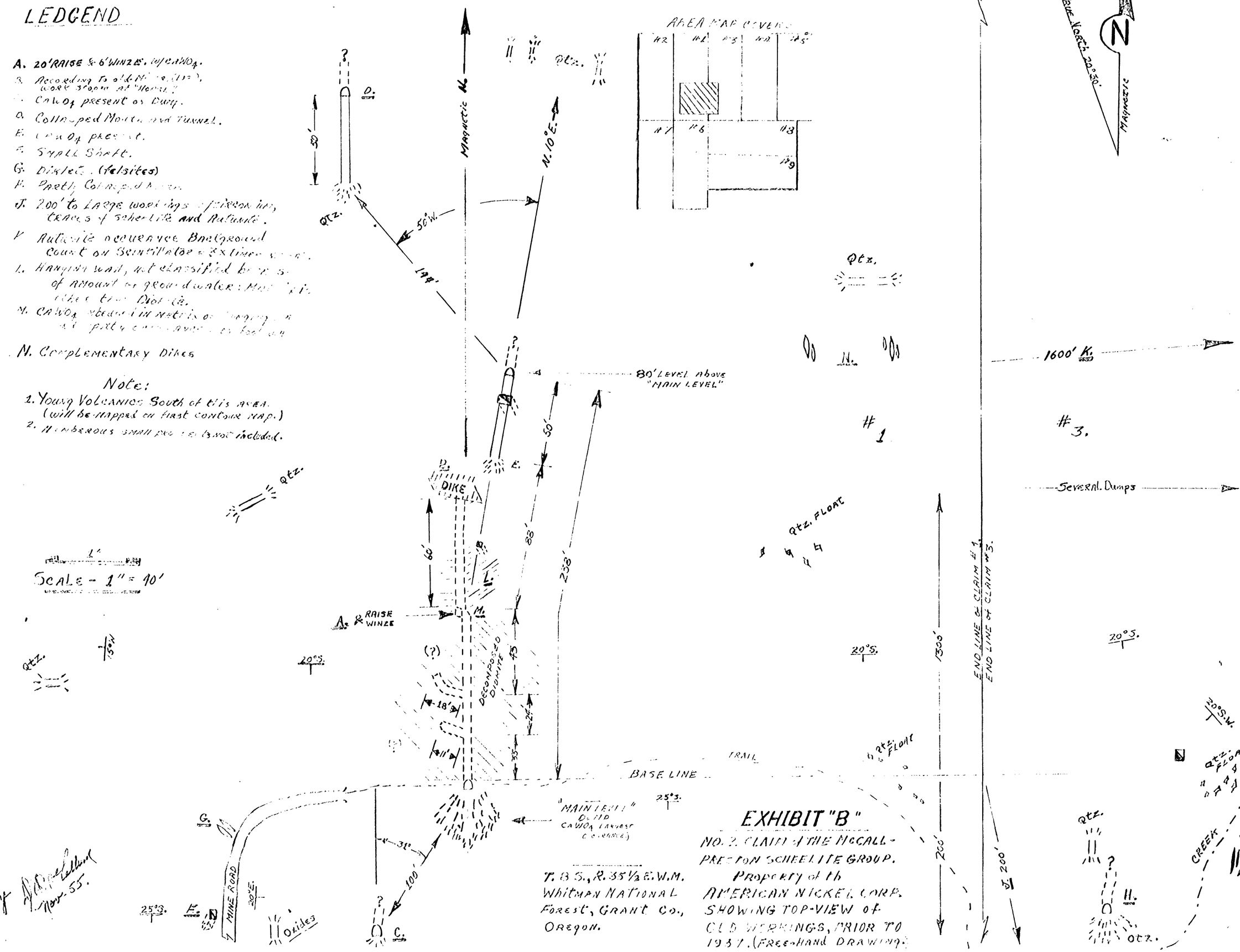
by D. A. McCallum

EXHIBIT "A"

LEDGEND

A. 20' RAISE & 6' WINZE. w/ CaWO4.
B. According to old Mine [illegible], work 350.00 at "Horse".
C. CaWO4 present on Dump.
D. Collapsed Mouth and Tunnel.
E. CaWO4 present.
F. Small Shaft.
G. Dikes. (Felsites)
H. Partly Collapsed Mouth.
J. 200' to Large workings of Pierson inc, Traces of Scheelite and Rutile.
K. Rutile occurrence Background Count on Scintillator = 3 x times [illegible].
L. Hanging wall, not classified by [illegible] of Amount of ground water: [illegible] Dioritic.
M. CaWO4 observed in veins or [illegible] [illegible] partly [illegible] [illegible]
N. Complementary Dikes

Note:
1. Young Volcanics South of this area. (will be mapped on first contour map.)
2. Numberous small pockets not included.



T. 8 S., R. 35 1/2 E. W.M.
Whitman National Forest, Grant Co., Oregon.

EXHIBIT "B"

No. 2. CLAIM of THE McCALL-PRESTON SCHEELITE GROUP.
Property of the AMERICAN NICKEL CORP.
SHOWING TOP-VIEW of OLD WORKINGS, PRIOR TO 1937. (FREE-HAND DRAWING)

By [illegible] Nov. 55.