DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

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DMA Docket No. 3790

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Exploration

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Routing Slip

To:	700	Date	4/26/55
To:	Operating Com.	Date	10/14/55
To:	Mr. Martin 3538	Date	1/5/56
To:	Operating Com.	Date	1/12/56
To:	F. E. Johnson	Date	1-13-56
To:	Coffee	Date	1-13-56
To:		Date	
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790

FILE COPY
Surname:
DMEA

Mittendorf

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON 25, D. C.

OCT 30 1956

My dear Mr. Price:

Acknowledgment is made of your letter dated October 4 and attachments, in reply to our letter of September 12, 1956.

The staff of the Defense Minerals Exploration Administration has now made a thorough review of the supplemental information which you have furnished.

While I am advised that the new information does not completely satisfy the requirements outlined in detail in the fourth paragraph of our letter of September 12, I am, nevertheless, requesting the DMEA to schedule an on-site examination and evaluation of the work you have performed since our engineers and geologists visited your property in 1955. I realize that the winter season is approaching rapidly and that, in order to reach a final decision as expeditiously as possible, the field examination must be made immediately and without the solicitation of additional data by further correspondence.

I am sure that Mr. Weissenborn, Executive Officer of DMEA at Spokane, Washington, will contact you at an early date. Any assistance that you can render the Field Team during its examination will be greatly appreciated.

Sincerely yours,

(sgd) Felix E. Wormser

Assistant Secretary of the Interior

Mr. Walter S. Price, President
American Strategic Minerals Corporation
903 9th Avenue, Apt. 57
Seattle 4, Washington

COMittendorf/fw-10/29/56
cc: Secretary's File
Secretary's Reading File
Asst. Secretary for Mineral Resources (2)
Mails & Files, DMEA
Admr. Reading File, DMEA
DMEA Field Team, Reg. I - N.W. District
Rare & Misc. Metals Div., DMEA

Surname copy - DMEA-3790

700

Chung
Ellis

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

October 22, 1956

Memorandum

To: Assistant Secretary, Mineral Resources

From: Administrator, DMEA

Subject: Dockets Nos. DMEA-3790 and 4022
American Strategic Minerals Corporation
McDaniel Lease and Riverside Claims
Okanogan County, Washington

I have carefully examined the supplemental information, related to the subject applications, which was attached to your memorandum of October 15, 1956.

The new information submitted is not new in the sense that it is composed of a list of assay results which were submitted to this Administration through Senator Magnuson's office under date of August 3, 1956. It is new in the sense that it was not available to our field examiners at the time of their examination of the properties.

In my letter of August 13, 1956, to Senator Magnuson, I stated that I was unable to make a true evaluation of the assays without knowing how the samples were taken and where they were taken. In accordance with this statement, Secretary Seaton's letter of September 12, 1956, to the Applicant, explained that another field examination might be justified if the "new developments" were supported by maps which show the new work performed subsequent to the 1955 field examination, any new developments related to geological formations and structures, locations where samples were procured, how they were procured, and the chemical assays thereof.

Mr. Price has advised that the samples from which the assays were derived were procured from a cut on the Riverside property. The cut is described as 80 feet long, 22 feet wide, and 15 feet deep. No map was submitted, as requested in the Secretary's letter, to show the location of the cut and of the samples within the cut, and no indication was given as to whether the samples were representative channel samples, grab samples, or selected specimens.

A review of the subject dockets will show that Mr. Price has often made exaggerated claims in connection with his properties which had no bases in fact. Two DMEA geologists and an Atomic Energy Commission geologist have examined the properties and have concluded that they offer very little promise as potential uranium producers.

For these reasons we were particularly interested in having Mr. Price thoroughly substantiate his allegations.

However, in view of the reported new cut and the latest assay figures presented by Mr. Price and the necessity of prompt action, if the new exposures are to be examined before winter weather sets in, I shall immediately request the Field Team to schedule a further field examination of the Riverside claims as soon as possible.

I am returning the original letter, dated October 4, 1956, from Mr. Price to Secretary Seaton, together with four pages of supplemental information supplied by Mr. Price.

C. O. Mittendorf

Administrator

MChing/gla
10-22-56
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, 3643
THKiilsgaard, 5224
JOHosted, 3210,GSA
Code 700, Mr. Ching

AMERICAN STRATEGIC MINERALS CORPORATION

NIGHTHAWK, WASHINGTON

903-9th Avenue, Apt. 57
Seattle 4, Washington
October 4, 1956

Personal Attention of

The Hon. Fred A. Seaton
Secretary of the Interior
Washington, D.C.

Dear Sir:

This is in acknowledgment of your letter of September 12, answering our telegram of August 27, regarding our applications for Government aid inexploration project, filed with the DMEA, under Nos. 3790 and 4022.

It is requested,Mr. Secretary, that the American Strategic Minerals Corporation, furnish the DMEA

> "with a narrative, in quadruplicate, revealing the worthwhile new developments mentioned in our telegram, and at the same time furnish maps which will show the new work subsequent to the 1955 field examinations, any new developments as to geological formations and structures, locations where samples were procured, how they were procured, and the chemical assays thereof".

Mr. Secretary, although it should be borne in mind that this company applied for the loan for exploration purposes, that being the purpose these funds weremade available by Congress, we are attempting to comply with this further request from the DMEA. Therefore, enclosed, please find:

1/ narrative in quadruplicate, as requested
2/ report on assays, in quadruplicate
3/ list of materials already supplied DMEA.

It is respectfully brought to your attention that we entered upon this program solely because of the published statements by our Government forits need for strategic and critical minerals, and promises to assist those who undertook such aprogram. That need still exists, according to your own statement made in Los Angeles (AP, Los Angeles, Oct.1) "Secretary of the Interior Fred A. Seaton warned today that America's high grade mineral reserves are being depleted and new deposits must be found".

Induced by these published statements of our Government and relying thereon, we undertook thisprogram of exploration

for uranium in Okanogan County, Washington, located the properties which are the subject of our application, spent months in acquiring the necessary leases. We commenced exploration and development work, employed miners and geologists, formed a company, contracted for mining equipment, necessary headquarters, and entered upon other obligations, based on the values of these properties, and upon the good faith of the DMEA to immediately carry out its part of the program and make the funds available for the necessary exploration work.

We have carried on the expense of the exploration program over an extended period of time,have supplied the DMEA with assays showing the indicated presence of commercial grade uranium ore, geological reports recommending further work, and giving an indicated value of the property, maps, etc. Still the DMEA has not seen fit to grant the loan so urgently needed, forwhich we applied, but continues to request further information from us, all taking time and added expense.

It is sincerely hoped that it will be found possible to grant us the loans for which we have applied, without any further delay, in order that we may proceed immediately with the exploration of these properties as outlined in our program supplied to the DMEA.

Thanking you.

Sincerely yours,

/s/ Walter S. Price

Walter S. Price
President

Enclosures

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RECEIVED
OCT 17 1956

AMERICAN STRATEGIC MINERALS CORPORATION

NIGHTHAWK, WASHINGTON

GOLD SILVER RARE EARTHS URANIUM THORIUM

Re: DMEA applications 3790 - uranium, tungsten
4022 - uranium, ~~tungsten~~

1. The new developments referred to are the attached assays, showing the indicated presence of commercial grade uranium ore, all of which assays, with the exception of one, have been obtained since the DMEA crew visited the property last November, 1955, under bad weather circumstances, to-wit, a snowstorm. That assay the DMEA crew saw.

All of these assays have been heretofore furnished the DMEA directly, and again brought to their attention through Senator Magnuson, when DMEA refused to make available a copy of its report to applicant, and further when conflicting reports on the assays were sent to Senator Magnuson.

All of these assays are from Government recognized assayists, and from the Atomic Energy Commission itself, with the exception of the assay by Mincona Concentrating Company of America.

The samples from which these assays were made were procured from a cut on the Riverside property.

2. The new work is a cut on the Riverside property, (application 4022) 80 feet long, 22 feet wide, and 18 feet deep.

3. The DMEA already has maps in quadruplicate, and geological reports in quadruplicate.

Walter S. Price

Walter S. Price

October 4, 1956

RECEIVED
OCT 17 1956

Re: DMEA applications 4022- uranium
3790 - uranium-tungsten

The following assays relate to application DMEA 4022 - uranium:

1. From Charles A. Rasor, Chief, Ore Procurement Branch, Mining Division, U.S. Atomic Energy Commission, Grand Junction, Colorado, to American Strategic Minerals Corporation, 11/30/55:

"Please be advised that your recently submitted sample has been assayed by this office, the chemical assay showing your sample to contain 0.10 U_3O_8."

2. Smith's Lab, Moab, Utah

10/14/55	0.102
10/14/55	0.126
1/24/56	0.049
1/24/56	0.181
1/24/56	0.078
1/25/56	0.185
2/ 3/56	0.364
7/27/56	0.124
7/27/56	0.121

3. Brown's Lab, Grand Junction

1/26/56	0.18
7/ 4/56	0.40

4. Mincona Mineral Concentrating Co. of America

7/10/56	0.38
7/10/56 - concentrate	1.26

"The minimum acceptable grade under Circular 5, Revised, is 0.10% uranium oxide". Statement by Sheldon P. Wimpfen, Idaho Mining Association, Sun Valley, Idaho, Sept. 8, 1955.

Resume of materials supplied DMEA

RECEIVED
OCT 17 1956

DMEA Application # 3790
dated March 30, 1955

1. Application, 4 copies

2. Transmittal letter, 4 copies

3. Owner's consent to lien, 4 copies

4. Outline of proposed exploratory program, 4 copies

5. Resume of proposed expenditures, 4 copies

6. Sketch of radioactive areas, 4 copies

7. Township map, delineating leases, 4 copies

8. Aerial map, 4 copies

9. Mining leases, 4 copies

10. Biographical data of business manager, 4 copies

11. Copy of articles of incorporation, 4 copies

12. By-laws of corporation, 4 copies

13. Copy of corporation license, 4 copies

14. Geology and radiometric survey of an area in Horse Springs Coulee, Okanogan County, Washington, by Forbes Robertson, economic geologists, recommending sinking of shaft, retention of geologist for further work, etc., 4 copies.

15. Geophysical survey report, by F. B. Satterlee, objective of survey to locate and trace out all of the mineral bearing veins, and to determine the different minerals present, strike, dip, extension, faulting and depth of veins, survey covering 2,200 acres held under lease by this corporation. 4 copies.

16. Certified assay showing uranium content of outcrops, 4 copies

17. Map showing radioactive anomalies and target areas, 4 copies

18. Letter from Lewie Williams, reporting findings of core drill holes with a Universal Nucliometer probe, 4 copies

19. Amended application, 4 copies

20. Report of the Geology of an Area in the Horse Spring Coulee District, Okanogan County, Washington, by Douglas Wm. Rowe, engineer and geologist, 4 copies

21. Plus open cutting, limited core drilling property at applicant's expense

22. Plus a trip to Washington, to confer with DMEA.

Resume of materials supplied DMEA

RECEIVED
OCT 17 1956

DMEA Application 4022 - uranium

1. Application in quadruplicate

2. Transmittal letter, 4 copies

3. Owner's consent to lien, 4 copies

4. Option with lease and purchase agreement, 4 copies

5. Certified true copies of Notice of Mining location covering fourteen claims, in all 56 separate papers

6. Power of attorney, 4 copies

7. Map of claims, indicating target areas, 4 copies

8. Township map, 4 copies

9. Geological map of Oroville-Nighthawk District, 4 copies

10. Photostatic reprint, 4 copies, from Part II of Washington Geological Survey, Bulletin No. 5, entitled

    "Geology and Ore Deposits of the Oroville-Nighthawk Mining District", by Joseph B. Umpleby - 32 pages

11. Certified true copies of uranium and zirconium oxide assays, made from a cross-cut of the mineralized zone, at five feet of depth, four copies

12. Letter from Charles A. Rasor, Chief, Ore Procurement Branch, Mining Division, Atomic Energy Commission, Grand Junction, reporting chemical assay to contain 0.10% U_3O_8, 4 copies

13. Report of the Geology of an Area situated in the Nighthawk District, Okanogan County, State of Washington, by Douglas William Rowe, engineer and geologist, 4 copies

14. 9 assays from Smith's Lab, Moab; 3 assays from Brown's Lab, Grand Junction, and 2 assays from Mincona Concentrating Company of America.

15. Notification that option for lease had been exercised, and lease obtained.

16. Plus open cutting said property

17. Plus a trip to Washington, D.C. to confer with DMEA, on this property.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON 25, D. C.

RECEIVED
OCT 17 1956

October 15, 1956

Memorandum

To: Administrator, DMEA

From: Assistant Secretary for Mineral Resources

Subject: Additional information re DMEA applications Nos. 3790 and 4022 -- American Strategic Minerals Corporation

Attached for your consideration in connection with the above-named applications is additional information forwarded by applicant in accordance with Secretary Seaton's letter of September 12, 1956, to applicant.

Please carefully examine this information and advise me whether or not it is of such significance as would warrant a further field examination of the properties and a complete re-examination of the applications.

Felix E. Wormser

Attachs.

AMERICAN STRATEGIC MINERALS CORPORATION

RECEIVED
OCT 1 8 1956

NIGHTHAWK, WASHINGTON

GOLD | SILVER | RARE EARTHS | URANIUM | THORIUM

Re: DMEA applications 3790 - uranium, tungsten
4022 - uranium, ~~tungsten~~

1. The new developments referred to are the attached assays, showing the indicated presence of commercial grade uranium ore, all of which assays, with the exception of one, have been obtained since the DMEA crew visited the property last November, 1955, under bad weather circumstances, to-wit, a snowstorm. That assay the DMEA crew saw.

All of these assays have been heretofore furnished the DMEA directly, and again brought to their attention through Senator Magnuson, when DMEA refused to make available a copy of its report to applicant, and further when conflicting reports on the assays were sent to Senator Magnuson.

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The samples from which these assays were made were procured from a cut on the Riverside property.

2. The new work is a cut on the Riverside property (application 4022) 80 feet long, 22 feet wide, and 18 feet deep.

3. The DMEA already has maps in quadruplicate, and geological reports in quadruplicate.

Walter S. Price

Walter S. Price

Oct. 4, 1956

Re: DMEA applications 4022- uranium
3790 - uranium-tungsten

The following assays relate to application DMEA 4022 - uranium:

1. From Charles A. Rasor, Chief, Ore Procurement Branch, Mining Division, U.S. Atomic Energy Commission, Grand Junction, Colorado, to American Strategic Minerals Corporation, 11/30/55:

   "Please be advised that your recently submitted sample has been assayed by this office, the chemical assay showing your sample to contain 0.10 U_3O_8."

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"The minimum acceptable grade under Circular 5, Revised, is 0.10% uranium oxide". Statement by Sheldon P. Wimpfen, Idaho Mining Association, Sun Valley, Idaho, Sept. 8, 1955.

Resume of materials supplied DMEA

DMEA Application # 3790
dated March 30, 1955

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2. Transmittal letter, 4 copies

3. Owner's consent to lien, 4 copies

4. Outline of proposed exploratory program, 4 copies

5. Resume of proposed expenditures, 4 copies

6. Sketch of radioactive areas, 4 copies

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Resume of materials supplied DMEA

DMEA Application 4022 - uranium

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16. Plus open cutting said property

17. Plus a trip to Washington, D.C. to confer with DMEA, on this property.

FILE COPY
Surname:
DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON 25, D. C.

SEP 12 1956

Per [illegible]
for Min. [illegible]

My dear Mr. Price:

This will acknowledge receipt of your telegram, dated August 27, 1956, which relates to the following applications for Government aid filed with the Defense Minerals Exploration Administration:

Docket No. DMEA-3790 (Uranium-tungsten)
American Strategic Minerals Corporation
McDaniel Lease

and

Docket No. DMEA-4022 (Uranium)
Riverside Claims
Okanogan County, Washington

I have requested that the subject applications and other pertinent data in Washington be again reviewed. Based upon this review, I regret to inform you that the findings are the same as stated in the Administrator's letter to you of January 6, 1956.

You refer in your telegram to a request from Senator Warren G. Magnuson of August 3, which was replied to over the signature of the Administrator on August 13. As indicated in your telegram, you have received a copy of this letter which apparently answers Mrs. Price's letter, dated August 1, addressed to Senator Magnuson.

However, your telegram of recent date refers to "new developments on our properties." As mentioned in the Administrator's letter of August 13, the Defense Minerals Exploration Administration will be pleased to consider any new and more favorable evidence of the possibility of disclosing significant ore reserves on your properties. Another field examination may be authorized providing you will furnish the Defense Minerals Exploration Administration with a narrative revealing the worthwhile "new developments" mentioned in your telegram and, at the same time, furnish maps which will show new work performed subsequent to the 1955 field examination, any new developments as to geological formations and structures, locations where samples were procured, how they were procured, and the chemical assays thereof. All information should be furnished in quadruplicate.

We desire to be of assistance to you, but in order to do so it is necessary that you place in our hands information, other than that now available, which will warrant another examination of your properties.

Sincerely yours,

(sgd) Fred A. Seaton

Secretary of the Interior

Mr. Walter S. Price, President
American Strategic Minerals Corporation
903 Ninth Avenue, Apartment 57
Seattle 4, Washington

Copy to: Hon. Warren G. Magnuson
U. S. Senate
with copy of Mr. Price's telegram of 8-28-56

EWEllis/gla/izm (8-31-56) 9-4-56
cc to: Secretary's Reading File
Secretary's file copy
Assistant Secretary, Mineral Resources (2)
DMEA Docket files, DMEA-3790 and DMEA-4022 w/2cc of incoming telegr
Administrator's Reading File
Code 700
JECrawford, Rm. 3641, USBM
THKiilsgaard, Rm. 5224, USGS
JOHested, Rm. 3210, GSA - AEC
DMEA Field Team, Region I, NWDist. (2) w/2cc of incoming telegram

WESTERN UNION TELEGRAM

OA 452 AUG 28 AM 12 28

O SEA852 LONG NL PD=SEATTLE WASH 27=

HON FRED SEATON

SECY DEPT OF THE INTERIOR WASH DC

Received Aug. 28, 1956
Secretary's Immediate Office

DO YOU APPROVE THE NEGATIVE REPLY OF CLARENCE MITTENDORF, ADMINISTRATOR, DMEA, TO THE FORMAL REQUEST ON AUGUST 3RD 1956 OF WARREN G MAGNUSON, SENIOR SENATOR, STATE OF WASHINGTON FOR A REVIEW OF THE APPLICATION OF AMERICAN STRATEGIC MINERALS CORPORATION FOR A DEFENSE MINERALS EXPLORATION LOAN AND A REEXAMINATION OF THE PROPERTIES OF SAID COMPANY?

IF NOT, IT WOULD BE APPRECIATED IF YOU WILL IMMEDIATELY ORDER A THOROUGH AND COMPREHENSIVE REEXAMINATION OF OUR APPLCATIONS AND PROPERTIES, IN THE LIGHT OF THE TERMS OF THE DEFENSE PRODUCTION ACT OF 1950 AS AMENDED, AND THE NEW DEVELOPMENTS ON OUR PROPERTIES AS REPORTED THROUGH SENATOR MAGNUSON.

WE WOULD APPRECIATE AN ANSWER FROM YOU DIRECTLY IN VIEW OF THE SERIOUS AND ULTIMATE CONSEQUENCES WHICH WILL DIRECTLY FORESWEAR TO THE HIGHEST LEVELS OF THE UNITED STATES GOVERNMENT

WALTER S RRICE AMERICAN STRATEGIC MINERALS CORPN
903 NINTH AVE APT 57

DMEA 3 1956 1950 903 57.

RECEIVED
Aug. 30, 1956
DMEA

Interior Department
Received Aug. 29, 1956
Office of the Assistant Secretary for Mineral Resources

C
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Confirmation

INTERIOR DEPT.
RECEIVED
SEP 17 1956
OFFICE OF
THE SECRETARY

Orig

3790

COPY
of NIGHT LETTER

August 27, 1956

INTERIOR DEPT.
RECEIVED
SEP 17 1956
SECRETARY'S
IMMEDIATE
OFFICE

The Hon. Fred Seaton
Secretary of the Interior
Department of Interior
Washington, D.C.

Do you approve the negative reply of Clarence Hittendorf, Administrator, DMEA, to the formal request on August 3, 1956, of Warren G. Magnuson, Senior Senator of State of Washington, for a review of the application of the American Strategic Minerals Corporation for a defense minerals exploration loan and a re-examination of the properties of said company?

If not, it would be appreciated if you will immediately order a thorough and comprehensive re-examination of our application and properties, in the light of the terms of the Defense Production Act of 1950, as amended, and the new developments on our properties as reported through Senator Magnuson.

Wewould appreciate an answer from you directly in view of the serious and ultimate consequences which will directly foreswear to the highest levels of the United States Government.

Walter S.Price
American Strategic Minerals Corporation
903-9th Avenue, Apt. 57
Seattle

5/27/57

M&F:
This probably should go in the docket. (Denial.)
fw

709

FILE COPY
Surname: Ching
Ellis
Magnuson

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

AUG 13 1956

Warren G. Magnuson
United States Senate
Washington 25, D. C.

Re: Docket No. DMEA-3790 (Uranium-Tungsten)
American Strategic Minerals Corporation
McDaniel Lease

and

Docket No. DMEA-4082 (Uranium)
Riverside Claims
Okanogan County, Washington

My dear Senator Magnuson:

Reference is made to your letter of August 3, 1956, enclosing a letter to you from Mrs. Ruth A. Price of the American Strategic Minerals Corporation.

It is noted that Mrs. Price questions the adequacy of the field examination made on the subject properties and quotes a number of assay returns on ore from the Riverside property which, presumably, would justify a DMEA exploration project.

The properties were examined by two of our geologists on November 1 and 2, 1955. They were accompanied during the examination by Mr. Walter S. Price, President of the American Strategic Minerals Corporation and by Mr. F. B. Satterlee during a part of the examination. I quote from the report of examination, dated December 14, 1955:

> "A snowstorm on November 2 caused some inconvenience, but it did not greatly hamper field work as most of the outcrops of the reported uranium structures and other exposures were relatively free from snow."

That the examiners were able to make a thorough examination of the Riverside property is evidenced by a detailed geologic sketch map prepared by them. The map shows that a railroad cut across the northern end of the property exposes the principal rock formations. Fourteen different rock formations were examined, described, and checked for radioactivity. Representative samples were taken from two of the most radioactive zones and assayed chemically. One sample assayed 0.001 percent uranium and the other 0.006 percent uranium.

R.C.S.

Four other exposures in prospect pits located in the most promising areas south of the railroad cut were also examined and described. Three of the pits were checked for radioactivity and five areas showing the highest radioactivity were sampled and the samples assayed chemically. These assays ranged from a low of less than 0.001 percent uranium to a high of 0.031 percent uranium.

It is plain that a conscientious effort was made by the two field examiners to thoroughly appraise the property. It is unlikely that any known favorable areas were missed since a representative of the Applicant was present to point out such areas.

With respect to the assay returns quoted by Mrs. Price, I am unable to make a true evaluation of them without knowing how the samples were taken and where they were taken. None of these assay returns were made available to us prior to the field examination.

As you know a geologist of the Atomic Energy Commision has also examined the Riverside property and found no evidence of the presence of commercially minable uranium ore.

On the basis of the information available to me, I do not believe that a further examination of either of the captioned properties is warranted. I shall, however, be pleased to consider any new and more favorable evidence of the possibility of finding commercially minable ore on the properties. Possibly a discussion of their case, especially with respect to geology, sampling, assays, etc., by the Applicant's representative with our Field Team members in Spokane might be helpful.

The enclosure referred to in your letter is being returned herewith.

Sincerely yours,

G. O. Mittendorf

Administrator

Enclosure

MChing/izm 8-10-56
cc to: Docket 3790
Code 700
Mr. Ching
Admr.'s Reading File
DMEA Field Team, Reg. I, NW Dist. (w/2 cc of Applicant's letter of Aug. 1, 1956 and Sen. Magnuson's letter of Aug. 3, 1956)
Messrs. JECrawford, Rm. 3643
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

WARREN G. MAGNUSON, WASH., CHAIRMAN
JOHN O. PASTORE, R. I.
A. S. MIKE MONRONEY, OKLA.
GEORGE A. SMATHERS, FLA.
PRICE DANIEL, TEX.
SAM J. ERVIN, JR., N. C.
ALAN BIBLE, NEV.
THOMAS A. WOFFORD, S. C.
JOHN W. BRICKER, OHIO
ANDREW F. SCHOEPPEL, KANS.
JOHN MARSHALL BUTLER, MD.
CHARLES E. POTTER, MICH.
JAMES H. DUFF, PA.
WILLIAM A. PURTELL, CONN.
FREDERICK G. PAYNE, MAINE

EDWARD JARRETT, CHIEF CLERK

700

United States Senate

COMMITTEE ON
INTERSTATE AND FOREIGN COMMERCE

RECEIVED
AUG - 6 1956

August 3, 1956

DOCKET DMEA-3790

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

My dear Mr. Mittendorf:

in re: Docket DMEA-3790 and DMEA-4022
Okanogan County, Washington

Enclosed is a letter I have just received from Mrs. Ruth A. Price, American Strategic Minerals Corporation, Nighthawk, Washington (903 9th Avenue, Apt. 55, Seattle 4, Washington).

I note that the "exhaustive" examination of DMEA on this property was done in a snowstorm in November, and that apparently the results were limited to 1/1000 of 1 per cent.

I also note that assays of ore from the properties as quoted run as high as 0.4 and a concentrate of 1.26.

I would much appreciate it if the application for a DMEA loan of this company were reviewed again and a new survey in the field made, as apparently the one done in the snowstorm was not a fair appraisal of the situation.

Any courtesies extended will be appreciated.

Sincerely,

Warren G. Magnuson

WARREN G. MAGNUSON, U.S.S.

m.c

p.s. Please return the enclosure with your formal response. Thank you.

WARREN G. MAGNUSON, USS

COPY

AMERICAN STRATEGIC MINERALS CORPORATION
NIGHTHAWK, WASHINGTON

903--9th Avenue, Apt. 55,
Seattle 4, Washington
August 1, 1956

Senator Warren G. Magnuson
United States Senate
Washington, D. C.

Dear Senator Magnuson:

This is in reply to your kind letter of July 5th, wherein you advised us that you had asked a specialist on the staff of the Committee on Interior and Insular Affairs to go into the matter of our application for a DMEA loan.

You stated that this specialist was advised "that both DMEA and AEC have made exhaustive examinations on your property, and states that the uranium showing on it is limited to 1/1000 of 1 per cent. In the past there have been cases where it was felt that further exploratory work was justified when there was a minimum showing of 1/10 of 1 per cent, but in recent months the trend has been towards not following up properties that show less than 2/10 of 1 per cent of uranium value."

Since Mr. Mittendorf declined to make a copy of the government's report available to us, we have no knowledge of its contents.

However, an exhaustive examination was not made on the property. On the Riverside properties it was made in a snowstorm in November!

The reason for rejecting our application was given that information available to the government indicates a low probability of making a significant discovery. 50% of the applications made to the DMEA are rejected on this basis, according to a speech made by Mr. Mittendorf in Las Vegas last fall, so we are in good company.

For your information, Senator Magnuson, the following assays have been received by us from ore on the Riverside properties. Both Smith's Lab. at Moab, Utah, and Brown's Lab. at Grand Junction are approved assayists by the A.E.C.

Atomic Energy Commission, Grand Junction,
11/30/55 0.10% U308.

(forwarded)

Smith's Lab, Moab, Utah		
10/14/56	U_3O_8	0.102
		0.126
1/24/56		0.049
		0.181
		0.078
1/25/56		0.185
2/3/56		0.364
7/27/56		0.124
7/27/56		0.121
Brown's Lab, Grand Junction		
1/26/56		0.18
2/4/56		0.40

Further, Mincona Mineral Concentrating Co. of America on July 10, 1956, reported their assays on the ore showed 0.39, and on concentrate 1.26, and that they were willing to stand back of these assays.

You will note that these numerous assays from government recognized assayists no where indicate that the uranium showing is limited to 1/1000 of 1 per cent.

If you have any time while you are home this summer, Walter and I would like to talk to you about this whole matter.

Looking forward anyhow to seeing you next week on August 9th at the Seafair dinner.

Sincerely yours,

/s/ Ruth

Mrs. Ruth A. Price

Surname copy
DMEA-3790

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

Ching
Filmore

MAY 15 1956

Hon. Don Magnuson
House of Representatives
Washington 25, D. C.

Re: American Strategic Minerals Corporation
Docket No. DMEA-3790 (Uranium-tungsten)
Mohandal Leases
Docket No. DMEA-4022 (Uranium)
Riverside Claims
Okanogan County, Washington

My dear Mr. Magnuson:

Reference is made to your communication, dated May 10, 1956, and enclosure, regarding the captioned applications for financial assistance in two exploration projects.

Both applications were denied on January 16, 1956, after a field examination and other pertinent information available to the Government revealed that neither property offered any promise of a significant discovery.

The correspondence enclosed with your communication is being returned herewith.

If you require additional information on this matter, please call upon me.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

MChing/gla
5-14-56
cc to: Admr.'s Reading File
Docket DMEA-3790
" DMEA-4022
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
Code 700, Mr. Ching
DMEA Field Team, Region I, NWDist. (2)
w/2 cc incoming letter

R.C.S.

Surname copy
DMEA-4022

700

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

MAY 7 1956

Mr. Walter S. Price, President
American Strategic Minerals Corp.
Nightmark, Washington

Re: Docket No. DMEA-3790 (Uranium-tungsten)
McDaniel Lessee
Docket No. DMEA-4022 (Uranium)
Riverside Claims
Okanogan County, Washington

Dear Mr. Price:

Reference is made to your letter of April 14, 1956, enclosing two geological reports by Dr. Douglas Wm. Rowe on the captioned properties.

These reports have added nothing to the information available to us and in no way have they demonstrated the probability that significant uranium ore reserves would be found by an exploration project. Under these circumstances, we see no justification for reconsidering your applications, which were denied only after a careful study of all the information available to the Government.

With respect to our field personnel working in and out of the Spokane office, we can only say that they are capable, conscientious, and proven engineers and geologists who have had many years of experience in their fields.

We regret that we are unable to take more favorable action on your request.

Sincerely yours,

G. O. Mittendorf

Administrator

Copies to:
Hon. Henry M. Jackson, U. S. Senate
Hon. Warren G. Magnuson, U. S. Senate
Hon. Thomas M. Pelly, House of Representatives
Hon. W. Walter Williams, Under-Secretary, U. S. Department of Commerce
Hon. Jesse C. Johnson, Director, Div. of Raw Materials, AEC

cc to: Admr.'s Reading File
Docket DMEA-3790
" DMEA-4022
Mr. Ellis
Mr. Ching

Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
DMEA Field Team, Region I, Northwest Dist. (2)
Note to Mr. Weissenborn: Copies of Mr. Price's letter and the two reports of Dr. Rowe will be forwarded when duplicated.

R.C.L.

Surname copy
DMEA-4022

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

Ching
Ellis
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MAY 7 1956

Hon. Jesse C. Johnson
Director, Division of Raw Materials
Atomic Energy Commission
1901 Constitution Ave., N. W.
Washington 25, D. C.

Re: American Strategic Minerals Corporation
Docket No. DMEA-3790 (Uranium-tungsten)
Mallardel Lessee
Docket No. DMEA-4022 (Uranium)
Riverside Claims
Okanogan County, Washington

Dear Mr. Johnson:

Reference is made to the letter, dated April 14, 1956, from Mr. Walter S. Price, President, American Strategic Minerals Corporation, Nighthawk, Washington, a copy of which was forwarded to you, relating to the captioned DMEA dockets. Enclosed is a copy of my letter of even date in response to Mr. Price's letter, which I believe you will find self-explanatory.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

EWEllis/gla
5-4-56
cc to: Admr.'s Reading File
Docket DMEA-3790
" DMEA-4022
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
DMEA Field Team, Region I, NWDistrict (2)
Code 700
Mr. Ching

R.C.L.

Surname copy
DMEA-4022

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

Ching
Ellis
JL Jr

MAY 7 1956

Hon. Thomas M. Pelly
House of Representatives
Washington 25, D. C.

Re: American Strategic Minerals Corporation
Docket No. DMEA-3790 (Uranium-tungsten)
Mineral Leases
Docket No. DMEA-4022 (Uranium)
Riverside Claims
Okanogan County, Washington

My dear Mr. Pelly:

Reference is made to the letter, dated April 14, 1956, from Mr. Walter S. Price, President, American Strategic Minerals Corporation, Nightawk, Washington, a copy of which was forwarded to you, relating to the captioned DMEA dockets. Enclosed is a copy of my letter of even date in response to Mr. Price's letter, which I believe you will find self-explanatory.

Sincerely yours,

G. O. Mittendorf

Administrator

Enclosure

EWEllis/gla
5-4-56
cc to: Admr.'s Reading File
Docket DMEA-3790
" DMEA-4022
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
DMEA Field Team, Region I, NWDistrict (2)

R.C.S.

Surname copy
DMEA-4022

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

Ching
Ellis
[illegible]

MAY 7 1956

Hon. Henry M. Jackson
United States Senate
Washington 25, D. C.

Re: American Strategic Minerals Corporation
Docket No. DMEA-3790 (Granite-Tungsten)
McDaniel Lessee
Docket No. DMEA-4022 (Uranium)
Riverside Claims
Okanogan County, Washington

My dear Senator Jackson:

Reference is made to the letter, dated April 14, 1956, from Mr. Walter S. Price, President, American Strategic Minerals Corporation, Nightmark, Washington, a copy of which was forwarded to you, relating to the captioned DMEA dockets. Enclosed is a copy of my letter of even date in response to Mr. Price's letter, which I believe you will find self-explanatory.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

EWEllis/gla
5-4-56
cc to: Admr.'s Reading File
Docket DMEA-3790
" DMEA-4022
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JCHosted, Rm. 3210, GSA
Code 700
Mr. Ching
DMEA Field Team, Region I, NWDist.(2)

R.C.S.

Surname copy
DMEA-4022

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

MAY 7 1956

Hon. W. Walter Williams
Under-Secretary of Commerce
U. S. Department of Commerce
Washington 25, D. C.

Re: American Strategic Minerals Corporation
Docket No. DMEA-3790 (Uranium-tungsten)
McDaniel Lessee
Docket No. DMEA-4022 (Uranium)
Riverside Claims
Okanogan County, Washington

Dear Mr. Williams:

Reference is made to the letter, dated April 14, 1956, from Mr. Walter S. Price, President, American Strategic Minerals Corporation, Nightmark, Washington, a copy of which was forwarded to you, relating to the captioned DMEA dockets. Enclosed is a copy of my letter of even date in response to Mr. Price's letter, which I believe you will find self-explanatory.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

EWEllis/gla

5-4-56
cc to: Admr.'s Reading File
Docket DMEA-3790
" DMEA-4022
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHested, Rm. 3210, GSA
DMEA Field Team, Region I, NWDistrict (2)
Code 700
Mr. Ching

R.G.L.

Surname copy
DMEA-4022

700

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

Ching
Ellis
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Hon. Warren G. Magnuson
United States Senate
Washington 25, D. C.

MAY 7 1956

Re: American Strategic Minerals Corporation
Docket No. DMEA-3790 (Uranium-tungsten)
Mohandel Lazarus
Docket No. DMEA-4022 (Uranium)
Riverside Claims
Okanogan County, Washington

My dear Senator Magnuson:

Reference is made to your communication, dated April 30, 1956, and enclosures, regarding the captioned applications for financial assistance in two exploration projects.

Both applications were denied on January 16, 1956, after a field examination and other pertinent information revealed that neither property offered any promise of a significant discovery.

We find that the geological reports enclosed with Mr. Walter S. Price's letter of April 14, 1956, contribute nothing to the information already available to the Government on these properties. Accordingly, we have concluded that there is no justification for reconsideration of the applications as requested by Mr. Price.

Attached are two copies of our letter of even date to Mr. Price, and the enclosures accompanying your communication.

We regret that we are unable to take favorable action on Mr. Price's request.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures

MChing/gla
5-4-56
cc to: Admr.'s Reading File
Docket DMEA-3790
" DMEA-4022
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

Code 700
Mr. Ching
DMEA Field Team, Region I, NWDistrict (2)

R.C.G.

RECEIVED
MAY 2 - 1956

United States Senate

April 30, 1956

Respectfully referred to

Administrator
Defense Minerals Exploration Adm.
Department of the Interior

with thanks for such favorable consideration as the communication herewith submitted warrants, and for a report thereon, in duplicate to accompany return of inclosure.

By direction of

Magnuson

WARREN G. MAGNUSON, U. S. S.

Enclosed returned:
Copy Mr. Mittendorf's letter January 16, 1956, to Walter S. Price (denying application).
Copy of Walter S. Price letter April 14, 1956, to Mr. Mittendorf, the original of which we have.

Surname copy

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

FEB 13 1956

Hon. Henry M. Jackson
United States Senate
Washington 25, D. C.

Re: American Strategic Minerals Corporation
Docket No. DMEA-3790 (Uranium-tungsten)
McDaniel Lease
Docket No. DMEA-4022 (Uranium)
Riverside Claims
Okanogan County, Washington

My dear Senator Jackson:

Reference is made to your letter of February 9 regarding the subject company's applications for financial assistance in two proposed exploration projects in Okanogan County, Washington.

We have recently completed an investigation and examination of these properties and have concluded that the probability of disclosing minable ore reserves by the proposed work is not sufficiently promising to justify Government participation. Consequently, under date of January 16, 1956, we advised the American Strategic Minerals Corporation that its applications for exploration assistance are denied.

We regret that we were unable to take favorable action on these proposed projects. The copy of our letter of January 12, 1956, to Mr. Walter S. Price, President of American Strategic Minerals Corporation, is being returned herewith.

Sincerely yours,

C. O. Wheeler

Administrator

Enclosure

MChing/gla
cc to: Admr.'s Reading File
Docket No. DMEA-3790
Docket No. DMEA-4022
Code 700
Mr. Ching
DMEA Field Team, Region I, Northwest District

RCB.

2-10-56 dzm DMEA-3790

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RICHARD B. RUSSELL, GA., CHAIRMAN
HARRY FLOOD BYRD, VA.
LYNDON B. JOHNSON, TEX.
ESTES KEFAUVER, TENN.
JOHN STENNIS, MISS.
STUART SYMINGTON, MO.
HENRY M. JACKSON, WASH.
SAM J. ERVIN, JR., N. C.
LEVERETT SALTONSTALL, MASS.
STYLES BRIDGES, N. H.
RALPH E. FLANDERS, VT.
MARGARET CHASE SMITH, MAINE
FRANCIS CASE, S. DAK.
JAMES H. DUFF, PA.
HERMAN WELKER, IDAHO

United States Senate

COMMITTEE ON ARMED SERVICES

February 9, 1956

RECEIVED
FEB 10 1956

DMEA-3790

Honorable C. O. Mittendorf
Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D.C.

Dear Mr. Mittendorf:

Mr. Walter S. Price, President of the American Strategic Minerals Corporation, Tonasket, Washington, has written to me concerning applications filed by his company.

The enclosed copy of a communication from you to Mr. Price will serve to identify these applications.

Because Mr. Price has brought this matter to my attention I will appreciate being advised of any action taken.

Sincerely yours,

Henry Jackson

Henry M. Jackson, U.S.S.

HMJ:sm

Copy of enclosure with this letter not made for DMEA docket, since it was a copy of Mr. Mittendorf's letter dated January 12, 1956, to Walter S. Price, stating a copy of the report of examination could not be furnished to him.

Surname copy

700

Ching
Ellis
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Fellman

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

Mr. Walter S. Price, President
American Strategic Minerals Corporation
Post Office Box 523
Tonasket, Washington

Re: Docket No. DMEA-3790 (Uranium-tungsten)
McDaniel Lessees
Okanogan County, Washington

Dear Mr. Price:

Your application for aid in an exploration project and other information available to us in Washington concerning the above-named property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information indicates to us that the probability of disclosing minable ore reserves is not sufficiently promising to justify Government participation. We regret to advise you that, under these circumstances, your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf

Administrator

MChing/gla
1-10-56
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
Code 700
Mr. Ching
DMEA Field Team, Region I, Northwest District (2)

700

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

Mr. Walter S. Price, President
American Strategic Minerals Corporation
Post Office Box 523
Tonasket, Washington

Re: Docket No. DMEA-3790 (Uranium-Tungsten)
McDaniel Lease
Okanogan County, Washington

Dear Mr. Price:

Reference is made to your letter of January 1, 1956, regarding the subject docket.

In regard to your request that a copy of the report of examination be furnished to you, such reports are for the use of the Government only and are not made available to the public.

Your application for aid in an exploration project and other information available to us in Washington concerning the above-named property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information indicates to us that the probability of disclosing minable ore reserves is not sufficiently promising to justify Government participation. We regret to advise you that, under these circumstances, your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

Administrator

MChing/izm 1-5-56
cc to: Admr.'s Reading File
Operating Committee
Docket
Code 700
Mr. Ching

DMEA Field Team Region I - NW District(2)
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

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FILE COPY
Surname:
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Mittenburg

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

JAN 12 1956

Mr. Walter S. Price, President
American Strategic Minerals Corporation
Post Office Box 523
Tonasket, Washington

Re: Docket No. DMEA-3790 (Uranium-Tungsten)
McDaniel Leases

and

Docket No. DMEA-4022 (Uranium)
Riverside Claims
Okanogan County, Washington

Dear Mr. Price:

Reference is made to your letter of January 1, 1956, regarding the subject dockets, and enclosed assay report.

In regard to your request that a copy of the report of examination be furnished you, we regret to advise that such reports are for the use of the Government only and are not made available to the public.

The report of examination and other information available to us concerning your properties are currently under study by this office. We will advise you very shortly of our decisions concerning both applications.

Sincerely yours,

C. O. Mittenburg

Administrator

MChing/izm 1-10-56
cc to: Admr.'s Reading File
Docket 3790 & 4022
Code 700
Mr. Ching
DMEA Field Team Region I - NW District (2)

R.S.A.

Docket Copy

700

Ching
Ellis

January 5, 1956

Summary of Proposed Project

Object: Denial of application for an exploration project.

Docket No.: DMEA-3790

Commodity: Uranium and tungsten

Applicant: American Strategic Minerals Corporation
P. O. Box 523
Tonasket, Washington

Property: McDaniel Leases located in Sections 2, 10, 11, 13, 14, 15 and 24, T. 37 N., R. 26 E., W.M., Okanogan County, Washington. Walter S. Price, President of Applicant Company, holds mining leases dated September 22, 1954 and September 25, 1954 from Loy J. McDaniel and Tessie M. McDaniel.

Date of Application: March 30, 1955

Amount of Application: $150,000.00

Work Proposed:

1.	Expose north-south veins by a series of east-west bulldozer trenches	$4,500.00
2.	Drill a series of diamond drill holes (sites indefinite totaling 5,000 feet	25,000.00
3.	Drive a series of short adits into the more prominent outcrops and sink short shafts as indicated by the core drilling	13,000.00
4.	Buildings, installations, equipment, supervision, etc.	107,500.00
	Total estimated cost	$150,000.00
	Government participation @ 75%	$112,500.00

Field Team Report: December 14, 1955 - James J. Quinlan, USGS:
Co-examiner - Paul Weis, USGS

The property is underlain principally by metamorphic rocks and glacial material. The metamorphic rocks are a part of the Lower Anarchist series, believed to be of Permian age.

The background count in areas underlain by glacial material is very low, 0.005 MR/HR. In areas underlain by metamorphic rocks the average is about 0.010-0.015 MR/HR. Areas with the highest radioactivity are within bands of chloritic phyllite and may reach as high as 0.025-0.031 MR/HR.

13 samples were taken at places showing the highest radioactivity on the property. The locations at which these samples were taken were in areas described as most favorable by Applicant's consultants. Chemically, the highest assay showed only 0.001% uranium.

It was concluded that the property is of no possible interest as a uranium prospect since there are no significant occurrences of radioactive minerals on the property.

Lamping of the property with an ultraviolet lamp failed to confirm the presence of scheelite as reported by the Applicant.

It is recommended that the application be denied.

Commodity Group Comments:

Geological Survey - N. E. Nelson - December 30, 1955:

The examiners appear to have given the application the "benefit of the doubt" and to have subjected the radioactive showings to a severe examination. Concurs with the Field Team recommendation of denial.

Bureau of Mines - James Paone - January 3, 1956:

Reviewed Report of Examination and discussed it with AEC representative. Concurs in the recommendation that the application be denied.

Rare and Miscellaneous Metals Division - Michael Ching - January 5, 1956:

The Applicant is definitely not qualified to carry out a DMEA project. He is either unwilling or unable to recognize the fundamental requirements connected with an acceptable application for exploration aid.

The property itself appears to be devoid of any merit as far as uranium and tungsten are concerned.

Conclusions and Recommendations:

The indications of radioactive materials and of tungsten on the property are insignificant. It is recommended that the application be denied.

Ernest Wm. Ellis

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

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

January 3, 1956

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

From: James Paone, Bureau of Mines Alternate Member
Uranium Commodity Committee

Subject: Report of Examination, DMEA Docket 3790, American Strategic Minerals Corporation, McDaniel Lease, Okanogan County, Washington, and DMEA Docket 4022, Riverside Claims, Okanogan County, Washington

I have reviewed the report of examination of DMEA Dockets 3790 and 4022, dated December 15 and received in this office December 30. I have also discussed it with Joseph O. Hested, Washington representative of the Atomic Energy Commission.

The McDaniel and Riverside properties were examined on November 1 and 2, 1955, by a DMEA Field Team to determine the possibilities of the subject properties relative to a uranium exploration program in which Government participation was requested.

The Field Team concluded that the properties do not have merit as uranium prospects as there are no significant radioactive anomalies on either property, and consequently the Field Team recommends that the applications for DMEA assistance be denied.

We concur in the recommendation that the applications be denied.

The report is being forwarded to the Chief, Division of Minerals, in accordance with the routing slip attached thereto.

James Paone

RECEIVED
JAN 4 1956

1-4-56 dgm

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

January 3, 1956

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

From: James Paone, Bureau of Mines Alternate Member
Uranium Commodity Committee

Subject: Report of Examination, DMEA Docket 3790, American Strategic Minerals Corporation, McDaniel Lease, Okanogan County, Washington, and DMEA Docket 4022, Riverside Claims, Okanogan County, Washington

I have reviewed the report of examination of DMEA Dockets 3790 and 4022, dated December 15 and received in this office December 30. I have also discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The McDaniel and Riverside properties were examined on November 1 and 2, 19556, by a DMEA Field Team to determine the possibilities of the subject properties relative to a uranium exploration program in which Government participation was requested.

The Field Team concluded that the properties do not have merit as uranium prospects as there are no significant radioactive anomalies on either property, and consequently the Field Team recommends that the applications for DMEA assistance be denied.

We concur in the recommendation that the applications be denied.

The report is being forwarded to the Chief, Division of Minerals, in accordance with the routing slip attached thereto.

James Paone
James Paone

RECEIVED
JAN 4 1956

1/3/56 glm

RECEIVED JAN 3 1956

AMERICAN STRATEGIC MINERALS CORPORATION

P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

January 1, 1956

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

In re: Docket Nos. 3790 and 4022

Dear Sirs:

Reference is made to the field examination made by examination team from the Spokane Office of the DMEA on November 1 and 2, 1955, on the properties covered by the above cited Dockets. The examination was made by Messrs. James J. Quinlan and Paul L. Weiss.

Since the A.E.C., upon application, now releases the reports made by their field examiners, it would seem that the DMEA might be able to do the same. If this is the case, it would be appreciated if the undersigned could be furnished a copy of the report showing the results of the field examination on the properties indicated above.

With reference to our communication of November 9, 1955, with which was enclosed copies of assays, we have received confirmation of these assays, with respect to the U308 content, from the Grand Junction Office of the A.E.C., copy of which is enclosed.

Since we have fairly conclusively proven minimum commercial grade ore being present almost on the surface, it would seem imperative to proceed immediately as soon as weather conditions will permit with the exploration program outlined in our application dated October 10, 1955.

With reference to the option dated August 31, 1955, which accompanied our application, the lease accompanying said option has been executed, and was effective December 21, 1955.

Since the properties covered by Docket No. 4022 would seem to completely qualify for aid as an exploration project pursuant to DMEA Order 1, under the Defense Production Act of 1950, as amended, it is kindly requested that prompt action be taken on our application in order that the contracts be negotiated now, so that the work may proceed as soon as weather conditions will permit.

Very truly yours,

Walter S. Price

Walter S. Price

Copy to
Spokane Office DMEA

UNITED STATES
ATOMIC ENERGY COMMISSION
Grand Junctions Operations Office
Grand Junction, Colorado
November 30, 1955

In reply refer to
MD:AWS

American Strategic Mining Corp.
P.O. Box 523
Tonasket, Washington

Gentlemen:

Please be advised that your recently submitted sample has been assayed by this office, the chemical assay showing your sample to contain 0.10% U_3O_8.

If this office can be of any further assistance to you, feel free to call on us at any time.

Very truly yours,

(signed)

Charles A. Rasor, Chief
Ore Procurement Branch
Mining Division

Certified true copy
of signed original
Walter S. Price
Walter S. Price

1-3-56 dgm

IN REPLY REFER TO:

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

December 30, 1955

Re: DMEA 3790
American Strategic Minerals Corporation
Riverside and McDaniel properties
Okanogan County, Washington
$150,000 Uranium-Tungsten

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

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

Subject: Review of Field Team Report.

The applicant requested aid in exploring in a large way 2 properties by drifting, drilling, and bulldozing. The proposal was based on radioactivity detected by a special instrument built by a so-called geophysicist.

The examiner appears to have given the application the "benefit of the doubt" and to have subjected the radioactive showings to a severe examination. He found some signs of radioactivity, but sampling and assaying indicate the material is very much below ore grade, the highest assay having been rock from a ½"-4" stringer of alaskitic material in Pit No. 1. The assay shows 0.045% eU.

I conclude, with the examiner, that there are no significant occurrences of radioactive minerals on either property and concur with the recommendation of denial of the Field Team.

N. E. Nelson

N. E. Nelson

RECEIVED
JAN 3 1956

IN REPLY REFER TO:

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

December 30, 1955

Re: DMEA 3790
American Strategic Minerals Corporation
Riverside and McDaniel properties
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The examiner appears to have given the application the "benefit of the doubt" and to have subjected the radioactive showings to a severe examination. He found some signs of radioactivity, but sampling and assaying indicate the material is very much below ore grade, the highest assay having been rock from a ½"-4" stringer of alaskitic material in Pit No. 1. The assay shows 0.045% eU.

I conclude, with the examiner, that there are no significant occurrences of radioactive minerals on either property and concur with the recommendation of denial of the Field Team.

N. E. Nelson

N. E. Nelson

NENelson:jeh
G-12/30/55
cc: Director's reading 4212
Branch reading 4212
DMEA (3)
Docket file
J.E.Crawford, 3641 Int.
J.O.Hosted, 3210,GSA

RECEIVED
JAN 3 1956

1/3/56 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
DEC 27 1955

December 15, 1955

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

Re: Docket No. DMEA-3790 (Uranium-Tungsten)
American Strategic Minerals Corporation
McDaniel Lease
and
Docket No. DMEA-4022 (Uranium-Zirconium)
Riverside Claims
Okanogan County, Washington

Dear Mr. Selfridge:

Enclosed are four copies of a report by Mr. James J. Quinlan, Geological Survey, on the American Strategic Minerals Corporation properties.

In our opinion the properties have no merit as uranium prospects. Mr. Ernest E. Thurlow, Chief, Salt Lake Exploration Branch, Division of Raw Materials, Atomic Energy Commission, has the same opinion as expressed in his letter of November 18, 1955, copies enclosed.

Neither does the McDaniel property have merit as a tungsten prospect; outcrops were lamped, and the applicant was urged to show the examiners any tungsten occurrences which he was unwilling or unable to do.

We recommend that these applications be denied.

By Field Team, Region I, NW District

A. E. Weissenborn

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

Thomas E. Howard

Thomas E. Howard, Acting Member
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
12-30-55
(date)

Enclosures
cc: USBM(2)
USGS(SRO)
AEC, Salt Lake(2)
Quinlan

SLEB:DLD:af

November 18, 1955

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District
South 157 Howard Street
Spokane 4, Washington

Dear Al:

Reference is made to your letter of October 28 concerning Docket No. DMEA-4022 (uranium-zirconium), American Strategic Minerals Corporation, Riverside Claims, Okanogan County, Washington.

These properties were visited by Atomic Energy Commission personnel November 7, 1955. We concur in your conclusion that DMEA assistance is not warranted.

Very truly yours,

Reviewed by
DMEA OPERATING COMMITTEE
12-30-55
(date)

Ernest E. Thurlow, Chief
Salt Lake Exploration Branch
Division of Raw Materials

cc: L. D. Jarrard
D. L. Hetland

RECEIVED
NOV 23 1955
U. S. G. S.
SPOKANE, WASH.

DMEA

RECEIVED
DEC 27 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

December 14, 1955

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: James J. Quinlan, Geologist, U. S. Geological Survey

Subject: Field Examination Report, Docket No. DMEA-3790 (Uranium-Tungsten), McDaniel Lease, and Docket No. DMEA-4022 (Uranium), Riverside Claims, properties of the American Strategic Minerals Corporation, Okanogan County, Washington

INTRODUCTION

The McDaniel and Riverside properties of the American Strategic Minerals Corporation were examined by Mr. Paul Weis, Geological Survey, and the writer on November 1 and 2, 1955. Mr. Walter S. Price, President of the American Strategic Minerals Corporation, accompanied the field examiners during the examination. Mr. F. B. Satterlee, employed by the applicant as a consultant geophysicist, also accompanied the examiners the first morning of the examination.

A snowstorm on November 2 caused some inconvenience, but it did not greatly hamper field work as most of the outcrops of the reported uranium structures and other exposures were relatively free from snow.

Neither the McDaniel nor the Riverside properties are of any interest as uranium prospects as there are no significant radioactive anomalies on either property.

Lamping of the McDaniel property with an ultraviolet lamp failed to confirm the presence of scheelite as reported by the applicant, and no other tungsten minerals were recognized at any of the outcrops examined. In fact, Mr. Price was unable to furnish a specimen of tungsten ore from the main area in which it was reported. He did, however, show us a small specimen of hubnerite with a few specks of scheelite on it which reportedly came from an area about a mile east of the area examined. Although we expressed a desire to examine the outcrop where this specimen came from, Mr. Price's attitude indicated

Reviewed by
DMEA OPERATING COMMITTEE
12-30-55
(date)

that he did not care to show us the area, and we believe that he may have been stalling because he was uncertain as to whether he could find the tungsten showing this specimen came from.

Zirconium is listed in the Riverside application as one of the metals to be explored for, but it is not a metal which qualifies for DMEA assistance.

Twenty samples were taken during the examination of the applicant's properties. Although it was evident that most of these samples did not contain a significant amount of radioactivity, chemical assays were made on all samples in order to provide reliable data on the reported radioactive showings on the properties. The samples were assayed by the Geological Survey's Geochemistry and Petrology Branch laboratory at Denver, Colorado.

RECOMMENDATION

It is recommended that the application of the American Strategic Minerals Corporation for exploration assistance on the McDaniel and Riverside properties be denied.

APPLICANT

The applicant is the American Strategic Minerals Corporation, P. O. Box 523, Tonasket, Washington. Officers of the corporation are Walter S. Price, president, Gordon D. Luther, vice-president, and Ruth A. Price, secretary-treasurer. These officials are residents of Seattle, Washington, and as far as it is known none has had a great amount of mining experience.

Corporation affairs and operations are under the direct supervision of Walter Price. Although Mr. Price appears to be sincere, he is misguided and is not considered qualified to supervise a mining operation. He depends for the most part on F. B. Satterlee, a "self-styled geophysicist," for technical assistance. Satterlee's recommendations are reportedly based on the readings obtained on an instrument of his own invention, which allegedly can detect deposits of any substance at any distance or depth.

At one time Mr. Price hired Mr. Forbes Robertson, a consulting geologist from Seattle, Washington, to examine the McDaniel property. A copy of Mr. Robertson's report on the property, with the exception of one section, is a part of the application. Although Mr. Robertson offers some encouragement for a small exploration project which the writer believes is not warranted, it is clearly evident that he does not think highly of the property. At the time of the examination Mr. Price stated his dissatisfaction with Mr. Robertson's report, mostly because of derogatory statements made in it about Mr. Satterlee's

instrument. That section of Robertson's report dealing with Mr. Satterlee's instrument has been deleted from the copy of the report furnished DMEA.

McDANIEL PROPERTY

Property

The McDaniel property is in the Horse Springs Coulee area about 3 to 5 miles west of Tonasket, Washington. It is reported to consist of 2,040 acres of land in secs. 2, 10, 11, 13, 14, and 24, T. 37 N., R. 26 E., W.M., Okanogan County, Washington. The mineral rights to the property are held by Mr. Price under the terms of lease and option agreements with the owners, Loy J. and Tessie M. McDaniel. Copies of the lease and option agreements which contain a detailed description of the property are a part of the application. Although the application is filed in the name of the American Strategic Minerals Corporation, there are no documents accompanying the application that indicate that Mr. Price has assigned his lease and option agreement to the corporation.

Although the Horse Springs Coulee area has been adequately prospected and exploration undertaken to test the more favorable mineral showings, no mine has as yet been found. Several pits, a shallow shaft, and a 35-foot long adit were driven on the McDaniel property many years ago in the search for gold. In the last year the applicant has also dug several trenches and drilled two shallow diamond drill holes to test the uranium possibilities of the property. None of this work has, however, given any indication that the property contains any ore deposits of economic interest.

Geology

The McDaniel property is within the area mapped and described by A. C. Waters and Konrad Krauskopf in the Bulletin of the Geological Society of America, vol. 52, pp. 1355-1418, September 1941, "Protoclastic Border of the Colville Batholith." The property is principally underlain by metamorphic rocks and glacial material. The metamorphic rocks in the area are a part of the Lower Anarchist series which is believed to be of Permian age. The glacial material is mainly glaciofluvial and glaciolacustrine sediments of Quaternary age.

Forbes Robertson mapped the property when he examined it for Mr. Price. Robertson divided the Lower Anarchist series into three members: lower, middle, and upper. The lower member consists of graphitic phyllites, chloritic phyllites, and greenstone with a massive dark-gray dolomite unit as the topmost member. The middle unit consists mainly of chloritic phyllites and greenstones with some interbedded

argillite and quartzite bands. The upper unit is characterized by black carbonaceous argillite and contains bands of chloritic phyllites, gray phyllites, and greenstones. The rocks of the Lower Anarchist strike north to northwest and dip 20°-75° E. or NE.

Robertson's map of the property was used as a base during the examination and on it has been plotted the description of the so-called radioactive anomalies (pl. 1).

Robertson recognizes two and possibly three probable faults on the property. The two main faults are shown on plate 1.

Radioactivity

The background count in areas of the McDaniel property underlain by glacial material is very low, 0.005 MR/HR. Although there is considerable range in the count in the areas of metamorphic rock, at no place can the count be considered abnormally high for metamorphic rocks; in fact, the range of radioactivity is, if anything, somewhat below normal. In places, the background in areas of the metamorphic rocks is as low as 0.002 MR/HR, but the average is about 0.010-0.015 MR/HR. Locally, some zones of radioactivity as high as 0.025-0.031 MR/HR occur. For the most part, the areas with the highest radioactivity are within bands of chloritic phyllite.

Thirteen samples were taken at places showing the highest radioactivity on the property; the location and assay results of these samples are shown on plate 1 and in the table tabulated below. Chemically, the highest assay only showed 0.001 percent U.

Sample No.	Width (feet)	%eU	%U	Location
822	0.1	0.003	<0.001	Robertson's Area No. 8
823	1.0	0.003	<0.001	Robertson's Area No. 2
824	1.0	0.004	<0.001	Satterlee's Area No. 3
825	2.5	0.006	<0.001	Satterlee's Tungsten Area
826	0.5	0.002	<0.001	Robertson's Area No. 1
827	1.0	0.003	<0.001	Robertson's Area No. 1
828	10.0	0.004	0.001	Robertson's Area No. 6
829	20.0	0.003	<0.001	Robertson's Area No. 4
830	1.0	0.006	<0.001	Robertson's Area No. 10
831	8.0	0.003	<0.001	Robertson's Area No. 3
840	3.0	< 0.001	<0.001	Undesignated Area on Satterlee's Map
841	2.0	< 0.001	<0.001	Satterlee's Area No. 5
842	5.0	0.001	<0.001	Satterlee's Area No. 1

RIVERSIDE PROPERTY

Property

The Riverside property is about 20 miles north of the McDaniel property and only a mile south of the Canadian border. It is on the south side of the Similkameen River about 7 miles northwest of Oroville, Washington, and can easily be reached over fair roads from this town.

The property consists of 14 unpatented quartz lode mining claims, Riverside Nos. 1 through 14. These claims are reported to be in sec. 9, T. 40 N., R. 26 E., W.M., Nighthawk Mining District, Okanogan County, Washington. The claims are held by the applicant under the terms of an option agreement with the owners, Percy Eastman, Ray Silvers, George Dixon, W. J. Schildgen and Emil Twait, all of Loomis, Washington. A copy of the option agreement accompanies the application.

Gold placers on the Similkameen River are reported to have been worked as early as 1859; although lode deposits must have been recognized at the time, no known locations were made. Shortly after the early but brief activity, the area was made a part of an Indian reservation and withdrawn from mineral entry. It was again open to mineral entry in 1890. Production from the district is of the magnitude of one to two million dollars in gold, silver, lead, and copper.

Geology

The geology of the Nighthawk district is described by Joseph B. Umpleby in Part II of Washington Geological Survey Bulletin No. 5, "Geology and Ore Deposits of the Oroville-Nighthawk District."

The Riverside property lies along the eastern margin of the Similkameen batholith and is within the contact area of the batholith with rocks of the Anarchist series (pl. 2). The Anarchist series in the vicinity of the contact zone on the property consists of black carbonaceous argillites and light-gray to black silty quartzites. These rocks strike within a few degrees either direction of north and dip 65°-80° W.

The contact zone of the batholith is well exposed in a railroad cut near the northern boundary of the property (pl. 2). The contact area contains a variety of igneous rocks which for the purposes of discussion can be divided into the following groups: (1) diorites, (2) granites, and (3) alaskites and other feldspathic rocks. In addition to the igneous rocks, the contact zone contains a number of sedimentary rock inclusions in various stages of modification and recrystallization.

The most abundant rock type in the contact area is amphibole diorite. While some of the diorite is massive, most is distinctly banded. The banding in the diorite as well as the bedding in the sedimentary inclusions strike a few degrees either direction of north and dip 65°-80° W. which is parallel to the bedding in the Anarchist rocks immediately outside the contact area. The granite for the most part occurs as distinct bands parallel to the banding in the diorite. The maximum thickness of an individual granite band is about 35 feet. The diorite, granite, and sedimentary inclusions within the contact zone are cut by a number of alaskitic and feldspathic sills, dikes, and irregular lenses. These alaskitic and feldspathic structures range in width from less than an inch to about 2 feet but most are less than a foot wide. The greatest number of dikes of this group are of alaskitic composition, but in places they contain little quartz and are mostly of feldspathic composition.

Radioactivity

The background count in areas of the Riverside property underlain by rocks of the Anarchist series is about 0.007 MR/HR, whereas the background count in areas underlain by granitic rocks is about two to three times higher. The radioactivity of the granite is within the normal range found in granitic rocks elsewhere; much of the differences in radioactivity may be attributed to the differences in the amount of potash (including its radioactive isotope, K_{40}) in the rocks, but it is the applicant's contention that the higher background in the areas underlain by the granitic rocks represents a large uranium ore body.

Within the area underlain by the granitic rocks the granite has a slightly higher background count than the diorite; generally, the background count in areas of diorite was 0.015-0.020 MR/HR and in granite 0.020-0.025 MR/HR. The highest radioactivity noted was in the alaskitic and feldspathic dikes, sills, and irregular lenses. The highest count noted was 0.40 MR/HR on a 1/2- to 2-inch alaskitic stringer in the No. 1 pit (pl. 2).

Seven samples were taken in areas showing the highest radioactivity on the property; the locations where these samples were taken are shown on plate 2, and the results are tabulated on the next page.

Sample No.	Width (feet)	%eU	%U	Description
R-1	0.15	0.045	0.031	1/2"-4" stringer of alaskitic material in Pit No. 1
R-2	6.0	0.004	<0.001	Zone of irregular pods and lenses along west wall of Pit No. 1
R-3	3.2	0.007	0.003	Sample across north wall of Pit No. 1
R-4	Grab	0.027	0.020	Grab of small pile of alaskitic material on dump of Pit No. 1
R-5	35.0	0.004	0.001	Sample across granite band in railroad cut
R-6	1.0	0.012	0.006	Sample across small feldspathic dike in railroad cut
R-7	0.3	0.002	0.001	Small quartz pod in No. 3 pit

When one considers that the above samples represent the highest grade material that can be obtained from the property, it is clearly evident that the property is of no interest as a uranium prospect.

Thorium assays of the above samples were not made because the highest theoretical thorium content of the best sample, R-1, would be only 0.07 percent thorium.

CONCLUSIONS

Neither the McDaniel nor Riverside properties are of any possible interest as uranium prospects as there are no significant occurrences of radioactive minerals on either property.

Lamping of the McDaniel property with an ultraviolet lamp failed to confirm the presence of scheelite as reported by the applicant.

The applicant has no great knowledge of mining or geology and should the applicant--or for that matter any responsible officer of the American Strategic Minerals Corporation--present another application for DMEA assistance at some future date, it would be well to require them to present a reliable geologic or engineering report on the property before a field examination is considered.

Enclosures (2)
Distribution:
DMEA(4)
USBM(2)
USGS(SRO)
AEC, Salt Lake (2)
Quinlan

Docket No. DMEA-3790
Docket No. DMEA-4022

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
No. 157 Howard Street
Spokane 4, Washington

RECEIVED
NOV - 4 1955

October 28, 1955

Mr. Ernest E. Thurlow
U. S. Atomic Energy Commission
P. O. Box 2196
Salt Lake City, Utah

Re: Docket No. DMEA-4082 (uranium-zirconium)
American Strategic Minerals Corporation
Riverside Claims
and
Docket No. DMEA-3790 (uranium-tungsten)
McDaniel Lease
Okanogan County, Washington

Dear Mr. Thurlow:

We have been requested to make field examinations of the McDaniel leases and Riverside group of claims in Okanogan County, Washington. The claims are owned by the American Strategic Minerals Corporation of Seattle, Washington; Mr. Walter S. Price is the president.

Copies of the applications are enclosed. We would greatly appreciate any comments you may have about the properties, particularly if any of your people have seen them. As you may suspect, we are not favorably impressed with the application but will have to see it in the field anyway.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District

Enclosure

cc: DMEA (2)
[illegible] (2)
Q. Inlan

10/21/55

RECEIVED
OCT 28 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

October 25, 1955

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

Re: Docket No. DMEA-3790 (uranium-tungsten)
McDaniel Lease
and
Docket No. DMEA 4082 (uranium-zirconium)
Riverside Claims
American Strategic Minerals Corporation
Okanogan County, Washington

Dear Mr. Selfridge:

In reply to your teletype of October 25, 1955, we had already scheduled examination of properties on November 1 and 2, 1955. Mr. Paul Weis, who is in charge of this area's radioactive reconnaissance project, will accompany Mr. J. J. Quinlan of the DMEA group.

Sincerely yours,

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

cc: DMEA (2)
Quinlan

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
OCT 27 1955

October 24, 1955

Mr. Walter S. Price, President
American Strategic Minerals Corporation
P. O. Box 523
Tonasket, Washington

Re: Docket No. DMEA-3790
(uranium and tungsten)
McDaniel Leases
Okanogan County, Washington

Dear Mr. Price:

A DMEA examination team will be in Tonasket on November 1, 1955, to examine the McDaniel group of claims. The examiners will meet you or your representative on that date at 8:00 a.m. at the Tonasket Post Office.

If for any reason you are unable to keep this appointment, please let us know immediately.

Sincerely yours,

James J. Quinlan
For: A. R. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District

cc: DMEA (2)
[illegible] (2)
Quinlan

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
OCT 27 1955

October 24, 1955

Mr. Walter S. Price, President
American Strategic Minerals Corporation
P. O. Box 323
Tonasket, Washington

Re: Docket No. DMEA-3790
(uranium and tungsten)
McDaniel Lessee
Okanogan County, Washington

Dear Mr. Price:

A DMEA examination team will be in Tonasket on November 1, 1955, to examine the McDaniel group of claims. The examiners will meet you or your representative on that date at 8:00 a.m. at the Tonasket Post Office.

If for any reason you are unable to keep this appointment, please let us know immediately.

Sincerely yours,

James J. Quinlan
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District

cc: DMEA (2)
[redacted] (2)
Quinlan

Surname copy

700

Ching
Ellis
Kilegaard
Yoder
Selfridge

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

OCT 17 1955

Mr. Walter S. Price, President
American Strategic Minerals Corporation
P. O. Box 523
Tonasket, Washington

Re: Docket No. DMEA-3790 (Uranium and tungsten)
McDaniel Leases, Okanogan County, Washington

Dear Mr. Price:

The application for assistance in exploring the subject property in Okanogan County, Washington, under the captioned docket number, has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. It has been referred for a field examination to the Executive Officer of Region I at the following address:

Mr. A. E. Weissenborn
Executive Officer, Northwest District
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

The Regional Office will contact you at the earliest opportunity in regard to your project.

Sincerely yours,

Frank E. Johnson

Acting Administrator

MChing/gla
10-14-55
cc to: Admr.'s Reading File
Docket
Code 700
Mr. Ching
DMEA Field Team, Region I, Northwest District (2)

R.C.H.

Surname copy

709

Chiang
Ellis
Paone
Kilsgaard
Selfridge
Fitzhugh

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

OCT 17 1955

Mr. A. E. Weissenborn
Executive Officer, Northwest District
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-3790 (Uranium and tungsten)
American Strategic Minerals Corporation
McDaniel Lessees
Okanogan County, Washington

Dear Mr. Weissenborn:

The subject application is being referred to you for investigation, a field examination, and recommendation. A copy of the application was retained in your office.

Since your letter of April 18, 1955, on the subject application, we have written three letters to the Applicant requesting additional information or clarifying DMEA procedure. Copies of these letters have been forwarded to you.

Enclosed are the following supplemental material furnished by the Applicant in response to above-mentioned letters:

1. Copy of a letter, dated May 30, in reply to ours of May 12, 1955.

2. Copy of a letter, dated June 30, in reply to ours of June 3, 1955.

3. A report, dated April 28, 1955, on the geology and radiometric survey of the property, by Forbes Robertson, with map.

4. A report, dated May 31, 1955, of a geophysical survey of the property, by Floyd B. Satterlee, with map.

5. Copy of a letter, dated July 8, 1955, with attached assay report of Union Assay Office, Inc.

6. Copy of a letter, dated October 10, 1955, with attached letter, dated September 14, 1955, from Louie Williams and map showing mineralization and target areas.

Also enclosed is a copy of Memorandum to the File, dated September 20, 1955, by Ernest Wm. Ellis, describing an interview with Mr. and Mrs. Walter S. Price in connection with the subject application.

R.C.S.

It is apparent that the Applicant has supplied all the information available to him. While such information is not entirely satisfactory, we believe that the most practical way to deal with this application, under these circumstances, is to have the property examined.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/13)

Enclosures

APPROVED:

P. F. Yopes (2/13)
Member, Bureau of Mines

Thor H. Kiilsgaard (2/13)
Member, Geological Survey

MChing/gla
10-14-55
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
Code 700
Mr. Ching

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

RECEIVED
OCT 1 5 1955

October 10, 1955

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Attention, Mr. Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division
Re: Docket No. 3790
Uranium-Tungsten

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WSP:RP

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Copy

LEWIS WILLIAMS MONT CLAIR SPEAR
Attorneys at Law
Jones Building
1331 Third Avenue
Seattle 1, Washington
Elliott 6119

September 14, 1955

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P.O. Box 523
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LEWIS WILLIAMS

LW:ms

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Mr. Ellis:

Herewith three copies of amended application, your Docket No. 3790. Quadruplicate copy is being taken personally by Mr. Price to Mr. Weissenborn in Spokane, in connection with our loan application on the new property, also in Okanogan County, about which we spoke to you when we were in your office. This latter new application will be forwarded to you by Mr. Weissenborn.

Ruth Price.

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OCT 11 1955

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With reference to your letter of July 8, signed by the Administrator, and our letter of the same date, and in compliance with oral request of Mr. Ellis to the undersigned in his office of September 19, 1955, there is forwarded herewith a corrected map laid out in conformance with section and township lines, on which is indicated part of the radioactive anomalies and six "target areas".

The applicant has core-drilled at the point marked "H", to the west of target area # 3, and on Vein BJ in target area # 1.

In core drill hole # 1, we missed the mineralized area, and as a result of determining that we would have to drill to at least 300 feet to bisect the mineralized zone, we consequently moved the drill to Vein BJ in target area # 1. From 121 feet of drilling, we were able to obtain only about 10 feet of core. No core at all was obtainable from the mineralized zone at about 85 feet to the bottom of the hole. Both holes are full of water; consequently we are unable to obtain accurate probe readings. However, the readings are high enough to indicate that we are in radioactive material. The sludge samples from core drill hole # 2 assayed very low, approximately .024 U_3O_8.

As indicated in the enclosed copy of letter from Mr. Lewie Williams, we are apparently having the same or similar experience to that which they have had in northern Nevada. The undersigned discussed this problem with Atomic Energy Commission representatives at Grand Junction and at Salt Lake. They recommended that we try a Calyx Drill, or at least a drill with a BX core. We further discussed the problem with experienced drillers at Salt Lake, Spokane, Boise, Seattle, and Orangeville, California. They all recommended against attempting to drive a Calyx Drill through the argillite formation, through which we must pass in order to get to the mineralized zone, and instead recommended at least a BX Core Drill or churn drilling.

Since the geologists and geophysicists are not in agreement as to the formation underground, and since there are no shafts or other test holes in the vicinity at the depth to which we must go, it would seem most sensible to the undersigned to drive an exploratory incline shaft at the site of core drill hole # 2, namely target area # 1. After which we would be in a position to develop a more intelligent core drilling program on the remainder of the property.

The chief geologist for the Atomic Energy Commission at Salt Lake told us that it was likely that our inability to obtain a core in target area # 1 was due to the fact that the primary ore is probably "sooty pitchblende", similar to some of the ore found at Marysville, Utah. (This ore won't core, and in addition the radioactivity disappears in wet drilling).

With reference to the Administrator's letter of July 8, 1955, the undersigned has never acknowledged that the "potential tables", submitted with the geophysical report accompanying our letter of June 30, are "meaningless". We simply stated at the time of submission that we were unable to convert these tables at that time into chemical content of the ore. In fact, the tables are very meaningful, and are based upon a comparison with many properties in Montana, Idaho, eastern Washington, Oregon, and, in addition, ore from numerous areas on the Colorado plateau and elsewhere. The only ore that compares in potential with this property is that from Marysville, Utah.

Therefore, we feel that we are fully justified in requesting that our original application be approved, with this amendment, namely, that a 200 foot twenty per cent incline shaft be driven at target area # 1. On the basis of our examinations, we should bisect the ore body at approximately 165 feet, the shaft to be driven on the strike of the vein to the east. We can contract for the driving of the exploratory shaft for approximately $50 per foot. We believe that we can save a great deal in connection with the future development of the property, and especially on the drilling program, by first driving this shaft.

In reverting to our original application, the following is to be noted:

1. Given commercial grade ore, three elements are necessary in order to successfully mine, namely, water, transportation and power must be available. Transportation we have, but we need water and power as outlined in our original application.

2. It requires from three weeks to a month to obtain returns on uranium assays from Denver, Salt Lake, or Grand Junction, which is far too long to successfully prosecute a mining program. Therefore we believe that the assay and laboratory facilities outlined in our original application should be approved.

In order that your office may the more readily review our application, the following have been submitted:

1. March 30, 1955, original application addressed to the Spokane Office of D.M.E.A.,containing the following:

a. Applidation
b. Owner's consent to lien
c. Outlines of proposed exploratory program
d. Resumé of estimated expenditures
e. Sketch of radioactive areas
f. Township map (delineating leases)
g. Aerial map
h. Mining leases
i. Biographical data of business manager
j. Copy of Articles of Incorporation
k. Copy of By-Laws of corporation
l. Copy of Corporation license.

2. April 26, 1955, acknowledgment of application, and assignment of docket number from D.M.E.A.

3. May 12, 1955, letter from D.M.E.A. requesting clarification of various points.

4. May 30, 1955, letter acknowledging above, and clarifying the various points brought up.

5. June 3, 1955, acknowledgment of our letter of May 30, 1955.

6. June 30, 1955, submission of geological and geophysical reports, together with map of mineralized areas.

7. July 8, 1955, submission of certified assay showing uranium content of outcrops.

It must be noted that in correspondence from the D.M.E.A., apparently considerable importance is attached to assays.

Also on a recent trip across the United States, the undersigned on numerous occasions heard of an unofficial 1/1 of 1% rule before applicant either to the A.E.C. or D.M.E.A. can get an inspection of the properties by field crews operating for the Government. The writer would like to suggest that in his opinion this is a very faulty rule. There are literally hundreds of mines that have operated in the past in this country and Canada, and some are still operating today, which, if such a rule had been followed, would never have been opened up. (A classic example, of course, is Steen's Mi Vida Mine).

As the undersigned stated orally to Mr. Ellis, if we had shipping grade ore on the surface, it wouldn't be necessary for us to apply for a D.M.E.A. loan. However, a close study of the Defense Production Act of 1950, and hearings upon which the Act

is based, and subsequent amendments thereto, lead applicant to believe that this property qualifies in every respect for a loan. Under Section 6 of the Act (a) there is no question as to the strategic importance of the minerals involved; (b) the geological probability of making a significant discovery is definite; (c) manpower, materials, supplies, equipment, water and power are available; and (3) the Business Manager has been connected with over three billion dollars of Governmental contracts since April 1940, who, with the aid and advice of a man who has been actively engaged in mining for more than 30 years, should enable applicant to prosecute almost any reasonable program to a successful conclusion.

In short, we believe that more than enough time has elapsed to enable your office to issue the necessary instruction to the field office to make the required inspection in order that the work can proceed.

Very truly yours,

Walter S. Price

Walter S. Price
President

WSP:RP

Enclosures:
1. Map showing radioactive anomalies and target areas

2. Letter from Lewie Williams 9/14/55

LEWIE WILLIAMS MONT CLAIR SPEAR

ATTORNEYS AT LAW
JONES BUILDING
1331 THIRD AVENUE
SEATTLE 1, WASHINGTON
ELLIOTT 6119

September 14, 1955

Mr. Walter S. Price
American Strategic Minerals Corporation
P.O. Box 523
Tonasket, Washington

Dear Mr. Price:

In compliance with your request, the following outlines briefly my findings in examining the core drill holes with a Universal Nucliometer probe on your properties in Okanogan County.

It is to be noted that both core drill holes Nos. 1 and 2 were filled with water. With certain types of ore, this might have the effect of blanketing the radioactivity to a considerable extent.

The readings in core drill hole No. 1 set on .1 averaged from 2 to 4 and those in core drill hole No. 2 averaged from 2½ to 5. The high point of 5 was recorded at 80 to 85 feet of depth.

With reference to your inability to obtain a core from core drill hole No. 2, it would appear that you may be having the same or similar results experienced on certain properties in Northern Nevada that have come to my attention. In fact these properties are located in the immediate vicinity of properties in which I'm interested. Their experience was that they lost the radioactivity with wet drilling; the sludge assays were very low; the probe readings similar to yours. A large pit was dug with a bulldozer and large samples of ore obtained. The net result was that the chemical assays were above that indicated by the probe readings or as indicated by the sludge.

It is possible that you are faced with a similar problem, since the probe readings are quite high, especially in core drill hole No. 2, and are much higher than the chemical assay of the sludge indicates.

I hope that the above is of some assistance to you, and that your efforts to bring a uranium property into profitable production in that area may meet with final success.

With best regards, I am

Very truly yours,

Lewie Williams
LEWIE WILLIAMS

LW ms

DOCKET COPY

700

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

September 20, 1955

Memorandum

To: File

From: Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division

Subject: Docket No. DMEA-3790 (Uranium-tungsten)
American Strategic Minerals Corporation
McDaniel Leases
Okanogan County, Washington

Mr. and Mrs. Walter S. Price spent two hours in my office on this date. I explained to them the reason we had not referred the subject application to the field was that we were waiting for a proper map of their proposed project whereon was shown the location of the drilling to be done. Mr. Price thought that the small sketch that he supplied with the application showed the location of the drill holes. However, I convinced him otherwise.

He stated that he had drilled two holes with little or no success as to core recovery or mineralization indication. He said that in his opinion the drilling was out and that he now proposes to sink a 200-foot incline shaft at a chosen spot. I informed him that, of course, he could amend his application but would have to come in with all information learned from his recent drilling operation and a map showing where same was done, which would also show the proposed incline shaft. I stated that it might be very difficult to get favorable action on the shaft-sinking operation since there was little information at the present time which would justify such work.

Mr. Price then brought out that they had another large property adjacent to the railroad some 30 miles or more from the subject property in which there was considerable uranium mineralization shown on the surface. He furthermore stated that he hoped in time he would be able to mine said deposit by the open cut method. He also stated that he was thinking of filing an application on that property and might even consider dropping the subject application. I could see his mind was not made up, so I told him there was nothing we could do here until we either had all of the data heretofore requested on the instant application, or an amended application. Again I emphasized the need of a proper sketch or map showing the property, any and all work done to date, and his findings.

I gave him two sets of application blanks.

Until we hear from Mr. Price one way or the other, this docket (DMEA-3790) should be held in abeyance.

Ernest Wm. Ellis

Ernest Wm. Ellis

American Strategic Minerals Corp. - DMEA-3790

Chronology

4-25-55 Application received in Washington
5-12-55 Additional information requested
5-30-55 Applicant replies
6-3-55 Clarifying letter to applicant
6-30-55 to 7-8-55 Applicant supplies supplemental information which is still incomplete
7-8-55 Letter to applicant advising that we will hold application in abeyance pending receipt of requested information.
9-5-55 Applicant requests appointment for Sept. 19
9-9-55 O.K. appointment for Sept. 19.

WARREN G. MAGNUSON, WASH., CHAIRMAN

JOHN O. PASTORE, R. I.
A. S. MIKE MONRONEY, OKLA.
GEORGE A. SMATHERS, FLA.
PRICE DANIEL, TEX.
SAM J. ERVIN, JR., N. C.
ALAN BIBLE, NEV.
STROM THURMOND, S. C.

JOHN W. BRICKER, OHIO
ANDREW F. SCHOEPPEL, KANS.
JOHN MARSHALL BUTLER, MD.
CHARLES E. POTTER, MICH.
JAMES H. DUFF, PA.
WILLIAM A. PURTELL, CONN.
FREDERICK G. PAYNE, MAINE

EDWARD JARRETT, CHIEF CLERK

United States Senate

COMMITTEE ON
INTERSTATE AND FOREIGN COMMERCE

September 14, 1955

RECEIVED
SEP 1 9 1955

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

Dear Mr. Mittendorf:

Mr. and Mrs. Walter Price of Seattle will be in Washington, D. C. on Monday, September 19. I understand they have an appointment with Mr. Ellis of D. M. E. A.

I have known the Prices for a long time. Mrs. Price has been very active in community activities. Both are highly thought of in this area and any courtesies you and Mr. Ellis are able to extend to them will be deeply appreciated.

Thanks and best regards.

Sincerely,

Warren G. Magnuson

WARREN G. MAGNUSON, U.S.S.

WGM:hk

Surname 700

Ching
Ellis
Mitkendorf

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

SEP - 9 1955

Mr. Walter S. Price, President
American Strategic Minerals Corporation
P. O. Box 523
Tonasket, Washington

Re: Docket No. DMEA-3790 (Uranium-tungsten)
McDaniel Leases
Okanogan County, Washington

Dear Mr. Price:

This is in reply to your letter of September 5, requesting an appointment for Monday, September 19, preferably in the morning.

We shall be pleased to discuss your application with you at that time in Room 4449.

Sincerely yours,

SIGNED

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

MChing:am
9-8-55
cc to: Admr. Reading File
Docket
Code 700
Mr. M. Ching
DMEA Field Team, Region I NW Dist.(2)

R.C.S.

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

September 5, 1955

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington, 25, D.C.

Attention, C. O. Mittendorf, Administrator
Ernest Wm. Ellis, Chief, Rare and
Miscellaneous Metals Division

RECEIVED
SEP - 7 1955

Re: Docket 3790
Uranium and Tungsten

Dear Sirs:

In view of the fact that it is necessary for my wife and myself to be in New York for the wedding of our daughter on Saturday, September 17, 1955, we wish to utilize the opportunity to come to Washington, D.C., on Monday, September 19, to confer with you regarding the progress of our application for a Defense Minerals exploration loan, which, at that time will have been on file with you for nearly five months.

May we have an appointment for Monday, September 19, preferably in the morning? An air-mail reply will be appreciated, in order that your letter will reach us before we leave for the east.

In view of the fact that we have recently acquired an option on additional radioactive properties consisting of fourteen claims and a one-quarter section of State School lands, the outcrop readings on which are very high, we would like to discuss the problems involved in including these properties in our application. These properties are in the same county as those covered in our original application.

If the scintillometer readings and other tests can be converted to chemical content in the ore, it isindicated that the average of the ore on the surface runs from .4% to 1%, indicating that these properties may be amenable to open cut methods of operation.

Thanking you.

Very truly yours,

AMERICAN STRATEGIC MINERALS CORPORATION

Walter S. Price

Walter S. Price, President

WSPERP

Mr. Ellis

7/29/55 gla

OFFICE OF

THE SECRETARY OF THE INTERIOR

WASHINGTON

July 29, 1955

Mrs. Ruth A. Price, Secretary-Treasurer
American Strategic Minerals Corporation
P. O. Box 523
Tonasket, Washington

Dear Mrs. Price:

Mr. Gilbert A. Robinson, Administrative Assistant to the Under Secretary of Commerce, has sent the Department of the Interior the following:

1. Your letters to Mr. N. Walter Williams, the Under Secretary of Commerce, dated July 13 and 14, 1955.

2. Copies of Mr. Walter S. Price's letters to this Department dated June 30 and July 8, 1955.

3. Copy of letter to Mr. Walter S. Price dated July 8, 1955, from C. D. Mittendorf, Administrator, Defense Minerals Exploration Administration.

4. Mimeographed booklet submitted by Forbes Robertson on your properties under lease in Okanogan County, Washington. — in packet

All of the above material has been forwarded to the Defense Minerals Exploration Administration for the consideration of Mr. Ernest William Ellis on Administrator Mittendorf's staff. In acknowledging this material, Mr. Ellis asked me to invite your attention to Mr. Mittendorf's letter to Mr. Walter S. Price dated July 8, 1955. I quote from this letter as follows:

"As you have pointed out, the 'potential' tables accompanying the geophysical report are somewhat meaningless at this stage. We are, as you know, interested in chemical assay returns on representative samples, and shall look forward to receiving the assay returns mentioned in your letter.

"It is suggested that you forward the results of your preliminary core drilling to this office as soon as they are available. Perhaps by that time you will be able to work out a definite drilling program and indicate the position of your proposed holes on a reliable claim map.

"We shall hold your application in abeyance pending receipt of this new information."

Mr. Ellis informs me that upon compliance with this letter your application for a loan will receive further consideration.

Sincerely yours,

Evan L. Krogh
Special Assistant to
the Secretary

Krogh/lab

cc: Secretary's files
Mr. Gilbert A. Robinson
Special Assistant to the Under Secretary
Department of Commerce
Mr. Ernest Wm. Ellis, DMEA (with incoming material)

July 28-'55

DMEA-3790

Mr. E. L. Krogh of the Secretary's Office called to say he had the attached information from a "friend of a friend" of someone in the Dept. of Commerce: American Strategic Minerals Corp. - DMEA-3790.

He wanted me to review the docket to see if this info was what we were waiting for. I reviewed & gave him the "low-down" i.e. waiting for an answer to our July 8 letter

E.W.T.

Sent entire file to Mr. Krogh June 29. ret. with letter 7/29/55

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

July 14, 1955

Hon. W. Walter Williams
Under Secretary of Commerce
Washington, D. C.

Dear Mr. Williams:

In connection with my letter to you of yesterday's date regarding our application to the DMEA, my husband, on perusing the copy this morning, felt that you should also have the additional copies of his letter to the DMEA:

Price-DMEA June 30, 1955
Price-DMEA July 8, 1955.

They are enclosed; and we thank you for any assistance you may be able to give us.

Sincerely yours,

Ruth A Price

(Mrs.) Ruth A. Price

Enclosures with
letter Price-Williams 7/13/55

Copy of report Geologist Robertson
Copy of report Geophysicist Satterlee
Copy of letter DMEA/Price 7/8/55
Copy of Union Assay Office report 6/24/55

July 8, 1955

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Attention: Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division.
Re: Docket No. 3790
(Uranium-Tungsten).

Dear Sirs:

With reference to our letter of June 30, 1955, and previous, concerning application under the above cited docket, there is transmitted herewith assay certificate and three certified true copies from the Union Assay Company of Salt Lake City, Utah.

The rock from which this assay was made was taken from one of numerous schistose radioactive outcrops. These outcrops have a scintillometer reading of from .025 to .035 including the background count (about .007). The material, when removed from the outcrop, gradually decreases in radioactivity over a period of hours, indicating that we get a considerable reading as the result of radon gas (or the daughter element to which it disintegrates).

The area in which this occurs covers roughly four to six square miles. By a close examination of the geological and geophysical reports accompanying our letter of June 30th, 1955, it can be surmised that this radioactivity is due indirectly to primary ore bodies at depth. This conclusion can be reached for the following reasons:-

(1) The formation is similar to that at Marysvale, Utah, and at Uggeirica, Portugal;

(2) All of the uranium indicator minerals are present below the surface, in the mineralized zones, namely, bismuth, copper, kaolin, sercite, chlorite, pyrite, vanadium, and in certain areas silver and gold. (Tungsten is also present but does not appear to be associated with the uranium);

(3) Although the assay is relatively low, it does prove the presence of uranium over a considerable area;

(4) We can prove beyond a reasonable doubt to a competent survey team that this mineralized area is over a"contact" zone. It is undoubtedly the juncture zone of the Colville and Sinlehekin batholiths (both granitic). The "lake" beds on the tops of

the low lying hills are evidence that the area on the east side of our properties was uplifted approximately 1200 feet. The action taking place at the time the juncture of these two granitic batholiths occurred at depth may account for the formation of the uranium ore bodies. In any case, the geological situation is similar to several places in Canada where primary uranium ores have been found, namely, at the juncture zone of sedimentary and crystalline rocks. The action taking place at the time of the juncture of the batholiths brought about the faulting and fracturing in the sedimentary formations that allowed the mineralizing solutions to be deposited;

(5) We have recovered one quite small sample of pitch blend in the core drilling at about 45 feet of depth.

On the basis of information presented to date, it is apparent that our primary problem is:- at what depth does commercial grade (or even primary) ore occur? We believe that this can only be worked out by a considerable core drilling and exploratory program. And in this connection we again earnestly request that the Defense Minerals Exploration Administration give serious consideration to our application.

Very truly yours,

Walter S. Price

Walter S.Price
President

WSP:RPA

Enclosures

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

June 30, 1955

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Attention, Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division
Re: Docket No. DMEA-3790
(Uranium-Tungsten)

Dear Sirs:

In furtherance of our application under the above cited docket, and in compliance with suggestions contained in paragraph two of your communication dated June 3, 1955, there are transmitted herewith in quadruplicate the preliminary geological and geophysical reports and maps.

With regard to the "potential" tables accompanying the geophysical report of Mr. Floyd B. Satterlee, it should be pointed out that we are not as yet able to establish a reliable conversion table from potential readings to chemical, or percentage content for uranium ores at variable depths. The methods used consist primarily of a combination of spontaneous conductivity and gradient resistivity.

Due to the fact that assay offices recommended or recognized by the Bureau of Mines are so swamped, we are not yet able to forward assays that conform to or confirm scintillometer readings. These will be forwarded when received.

Due to a misunderstanding with regard to a fence line and its relationship to the township line, it should be pointed out that the map accompanying the geophysical report is in error with respect to the location of the ore bodies in Section 11 and the northern half of Section 13. The two main fault systems should be shifted approximately one quarter mile to the west. This correction is being effected on another map.

We are now engaged in core drilling in the vicinity of Station "H" as shown on the large map. We hope through this drilling to determine at what depth commercial grade ore occurs. The maximum depth to which we can reach with the present equipment that we have is about 150 feet. We are achieving about a 75% core recovery.

Very truly yours,

Walter S. Price

Walter S. Price
President

WSP:RP

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

Seattle residence address:
4736½ University Way
Seattle 5, Washington
July 13, 1955

Hon. W. Walter Williams
Under-Secretary of Commerce
Washington, D. C.

Personal

Dear Mr. Williams:

This is to ask you if there is any way possible that you can help expedite a matter for us with the Government in Washington, D.C.

My husband, Walter S. Price, has been engaged for the past several months in trying to develop and prove out a group of uranium tungsten leases in Okanogan County, Eastern Washington.

In a letter dated November 4, 1954, Ernest D. Thurlow, Chief of the Salt Lake Exploration Branch, Division of Raw Materials, U.S. Atomic Energy Commission, suggested that we apply for and attempt to qualify for a defense minerals exploration loan. This we have been attempting to do for the past several months.

Our Application for Aid was filed April 4, 1955, with the Spokane Branch Office, which in turn forwarded it to the Defense Minerals Exploration Administration office, Department of Interior, Washington, D.C.

This application bears docket number DMEA-3790. Geological and geophysical reports and maps, together with assay report from Union Assay Office, Salt Lake City, showing uranium, have all been filed with the DMEA authorities in Washington. Enclosed is a copy of the last letter received from the DMEA (July 8, 1955).

Mr. Williams, it is extremely urgent that we obtain the help applied for from the Government, and this at the earliest possible date.

To the present time we have carried all of the expenses up into the thousands of dollars; it is now the middle of July; winter weather in Okanogan County will soon be upon us; and we need the Government help for which we have applied; and we need it now.

The extreme emergency which motivates my writing this letter to you, asking your help if possible, is that last night, my husband, who has been carrying the brunt of this matter, financially and physically, was injured in an accident. The Willys jeep which we are purchasing and using in connection with the development of this property, overturned on a hill in Okanogan County, fracturing three of his ribs. Dr. Warren Calvin told us today that it will be six weeks before he is able to do physical work again, so necessary in connection with this program.

He and two other men have been doing all of the development labor,

coredrilling, etc., themselves. It will now be necessary to establish a payroll to proceed to carry on the development at top speed. Therefore government aid more than ever is needed.

If there is anything you can do to expedite the granting of the loan, it will be deeply appreciated.

A reading of the government brochure on the Defense Minerals Exploration Program does not indicate that citizens must be asked to sacrifice everything before the government grants assistance.

The purpose of the program is to "encourage exploration for unknown or undeveloped sources of strategic or critical metals and minerals". Our application shows that we are trying to open up and develop an entirely new area of uranium.

Anything that you can do to expedite the granting of the loan, especially in view of the accident sustained by my husband, necessitating our immediate establishment of a payroll, will be deeply appreciated.

Sincerely yours,

Ruth A Price

(Mrs.) Ruth A. Price

Copy

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

July 8, 1955

Mr. Walter S. Price, President
American Strategic Minerals Corp.
P. O. Box 523
Tonasket, Washington

Re: Docket No. DMEA-3790 (Uranium tungsten)
McDaniel Leases
Okanogan County, Washington

Dear Mr. Price:

Receipt is acknowledged of your letter of June 30, 1955, together with supplemental information in the form of preliminary geological and geophysical reports and maps.

As you have pointed out, the "potential" tables accompanying the geophysical report are somewhat meaningless at this stage. We are, as you know, interested in chemical assay returns on representative samples, and shall look forward to receiving the assay returns mentioned in your letter.

It is suggested that you forward the results of your preliminary coredrilling to this office as soon as they are available. Perhaps by that time you will be able to work out a definite drilling program and indicate the position of your proposed holes on a reliable claim map.

We shall hold your application in abeyance pending receipt of this new information.

Sincerely yours,

C. O. Mithendorf
Administrator

Assay Report
Union Assay Office, Inc.
Salt Lake City 10, Utah
June 24, 1955

Mine American Strategic Minerals Corporation

No. # 1	Per cent U_3O_8	
	0.031	Chemical analysis

(signed A. C.Selby ?)

7/14/55 gla

RECEIVED
JUL 14 1955

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

July 8, 1955

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Attention: Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division.
Re: Docket No. 3790
(Uranium-Tungsten).

Dear Sirs:

With reference to our letter of June 30, 1955, and previous, concerning application under the above cited docket, there is transmitted herewith assay certificate and three certified true copies from the Union Assay Company of Salt Lake City, Utah.

The rock from which this assay was made was taken from one of numerous schistose radioactive outcrops. These outcrops have a scintillometer reading of from .025 to .035 including the background count (about .007). The material, when removed from the outcrop, gradually decreases in radioactivity over a period of hours, indicating that we get a considerable reading as the result of radon gas (or the daughter element to which it disintegrates).

The area in which this occurs covers roughly four to six square miles. By a close examination of the geological and geophysical reports accompanying our letter of June 30th, 1955, it can be surmised that this radioactivity is due indirectly to primary ore bodies at depth. This conclusion can be reached for the following reasons:-

(1) The formation is similar to that at Marysvale, Utah, and at Urgeirica, Portugal;

(2) All of the uranium indicator minerals are present below the surface, in the mineralized zones, namely, bismuth, copper, kaolin, sericite, chlorite, pyrite, vanadium, and in certain areas silver and gold. (Tungsten is also present but does not appear to be associated with the uranium);

(3) Although the assay is relatively low, it does prove the presence of uranium over a considerable area;

(4) We can prove beyond a reasonable doubt to a competent survey team that this mineralized area is over a "contact" zone. It is undoubtedly the juncture zone of the Colville and Sinlehekin batholiths (both granitic). The "lake" beds on the tops of

the low lying hills are evidence that the area on the east side of our properties was uplifted approximately 1200 feet. The action taking place at the time the juncture of these two granitic batholiths occurred at depth may account for the formation of the uranium ore bodies. In any case, the geological situation is similar to several places in Canada where primary uranium ores have been found, namely, at the juncture zone of sedimentary and crystalline rocks. The action taking place at the time of the juncture of the batholiths brought about the faulting and fracturing in the sedimentary formations that allowed the mineralizing solutions to be deposited;

(5) We have recovered one quite small sample of pitch blend in the core drilling at about 45 feet of depth.

On the basis of information presented to date, it is apparent that our primary problem is:- at what depth does commercial grace (or even primary) ore occur? We believe that this can only be worked out by a considerable core drilling and exploratory program. And in this connection we again earnestly request that the Defense Minerals Exploration Administration give serious consideration to our application.

Very truly yours,

Walter S. Price

Walter S. Price
President

WSP:RP

Enclosures

TELEPHONE 3-3302

Hand Sample Serial 93690

ASSAY REPORT

UNION ASSAY OFFICE, Inc.

J. V. SADLER, President
A. C. SELBY, Vice-Pres. & Treas.
A. C. SELBY, JR., Secretary
Salt Lake City 10, Utah

RECEIVED JUL 14 1955

Mine American Strategic Metals Corporation

RESULTS PER TON OF 2000 POUNDS

June 24, 1955

NO.	GOLD Ozs. per Ton	SILVER Ozs. per Ton	LEAD Per Cent Wet	~~COPPER~~ Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	IRON Per Cent	LIME Per Cent	Per Cent	Per Cent	VALUE GOLD
#1				U_3O_8 0.031	Chemical Analysis							

Remarks

Charges $ 4.00 Paid

A. C. Selby

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

RECEIVED
JUL 14 1955

July 8, 1955

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Attention: Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division.
Re: Docket No. 3790
(Uranium-Tungsten).

Dear Sirs:

With reference to our letter of June 30, 1955, and previous, concerning application under the above cited docket, there is transmitted herewith assay certificate and three certified true copies from the Union Assay Company of Salt Lake City, Utah.

The rock from which this assay was made was taken from one of numerous schistose radioactive outcrops. These outcrops have a scintillometer reading of from .025 to .035 including the background count (about .007). The material, when removed from the outcrop, gradually decreases in radioactivity over a period of hours, indicating that we get a considerable reading as the result of radon gas (or the daughter element to which it disintegrates).

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Very truly yours,

Walter S. Price

Walter S.Price
President

WSP:RPZ

Enclosures

Telephone 3-3302 Hand Sample Seriel 93960

RECEIVED JUL 14 1955

Assay Report
UNION ASSAY OFFICE, Inc.,
J. V. Sadler, President
A. D. Selby, V.P. & Treas.
A. C. Selby, Jr. Secretary
Salt Lake City 10, Utah

Mine American Strategic Minerals Corporation

Results per ton of 2000 pounds. June 24, 1955.

	Per Cent U_3O_8 Chemical Analysis
#1	0.031

Charges $4.00 paid. /s/ A. C. Selby

Certified to be a true copy of the signed original.

Walter S. Price

Walter S. Price

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

RECEIVED
JUL 14 1955

July 8, 1955

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Attention: Ernest Wm. Ellis, Chief
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Re: Docket No. 3790
(Uranium-Tungsten).

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Very truly yours,

Walter S. Price

Walter S. Price
President

WSP:RP

Enclosures

Telephone 3-3302 Hand Sample Seriel 93690

RECEIVED
JUL 14 1955

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UNION ASSAY OFFICE, Inc.,
J. V. Sadler, President
A. C. Selby, V.P. & Trea
A. C. Selby, Jr. Sec.
Salt Lake City 10, Utah

Mine American Strategic Minerals Corporation

Results per ton of 2000 pounds. June 24, 1955.

	Per Cent
#1	U_3O_8 Chemical Analysis
	0.031

Charges $4.00 paid. /s/ A. C. Selby

Certified to be a true copy of the signed original.

Walter S. Price

Walter S. Price

Surname 700

Ching

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

JUL - 8 1955

Mr. Walter L. Price, President
American Strategic Minerals Corp.
P. O. Box 523
Tonasket, Washington

Re: Docket No. DMEA-3790 (Uranium-tungsten)
McDaniel Leases
Okanogan County, Washington

Dear Mr. Price:

Receipt is acknowledged of your letter of June 30, 1955, together with supplemental information in the form of preliminary geological and geophysical reports and maps.

As you have pointed out, the "potential" tables accompanying the geophysical report are somewhat meaningless at this stage. We are, as you know, interested in chemical assay returns on representative samples, and shall look forward to receiving the assay returns mentioned in your letter.

It is suggested that you forward the results of your preliminary core drilling to this office as soon as they are available. Perhaps by that time you will be able to work out a definite drilling program and indicate the position of your proposed holes on a reliable claim map.

We shall hold your application in abeyance pending receipt of this new information.

Sincerely yours,

C. O. Mittendorf

Administrator

MChing:am
7-8-55
cc to: Admr. Reading File
Docket
Messrs. J. E. Crawford, Rm. 3641
T. H. Kiilsgaard, Rm. 5224
J. O. Hosted, Rm. 3210, GSA
Code 700
Mr. Ching
DMEA Field Team, Region I NW District (2)

P.C.J.

7/5/55 gla

AMERICAN STRATEGIC MINERALS CORPORATION

P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

June 30, 1955

RECEIVED
JUL - 5 1955

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Attention, Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division
Re: Docket No. DMEA-3790
(Uranium-Tungsten)

Dear Sirs:

In furtherance of our application under the above cited docket, and in compliance with suggestions contained in paragraph two of your communication dated June 3, 1955, there are transmitted herewith in quadruplicate the preliminary geological and geophysical reports and maps.

With regard to the "potential" tables accompanying the geophysical report of Mr. Floyd B. Satterlee, it should be pointed out that we are not as yet able to establish a reliable conversion table from potential readings to chemical, or percentage content for uranium ores at variable depths. The methods used consist primarily of a combination of spontaneous conductivity and gradient resistivity.

Due to the fact that assay offices recommended or recognized by the Bureau of Mines are so swamped, we are not yet able to forward assays that conform to or confirm scintillometer readings. These will be forwarded when received.

Due to a misunderstanding with regard to a fence line and its relationship to the township line, it should be pointed out that the map accompanying the geophysical report is in error with respect to the location of the ore bodies in Section 11 and the northern half of Section 13. The two main fault systems should be shifted approximately one quarter mile to the west. This correction is being effected on another map.

We are now engaged in core drilling in the vicinity of Station "H" as shown on the large map. We hope through this drilling to determine at what depth commercial grade ore occurs. The maximum depth to which we can reach with the present equipment that we have is about 150 feet. We are achieving about a 75% core recovery.

Very truly yours,

Walter S. Price

Walter S. Price
President

WSP:RP

see report in pocket.

Surname 700

6-6-55 Dm.

Ching
Ellis
Mkandorf

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

JUN - 3 1955

Mr. Walter S. Price, President
American Strategic Minerals Corporation
P. O. Box 523
Tonasket, Washington

Re: Docket No. DMEA-3790 (Uranium-tungsten)
McDaniel Leases
Okanogan County, Washington

Dear Mr. Price:

Receipt is acknowledged of your letter of May 30 in connection with the subject application.

Our questions regarding the property to be covered under your application have now been clarified. However, you advise that the supplemental information required by us is still being compiled. We take it that such information will be forwarded to us as soon as it is complete. It will expedite matters if you will send us four copies each of any supplemental geological reports, maps, radiometric and chemical assay certificates, and other pertinent data that are available. A large scale claim map showing all the geological and physical features developed in your recent work and the position of your proposed drill holes, is particularly essential.

Your references to the sending of a Bureau of Mines representative to your property to review the available data and expedite your application indicate that you may have an erroneous impression of Defense Minerals Exploration Administration procedure. At this stage it is up to you to supply the above-mentioned maps and supplemental information to this office. If, after reviewing such information we and our Spokane office find that your property warrants a field examination by geologists and engineers of our Field Team, this will be done. The Field Team will then submit a comprehensive report of examination to this office which will be the basis for our decision to either draw up an exploration contract with you or deny your application.

We trust that this letter will be of some help to you and that the information requested by us will be mailed shortly so that we can more thoroughly appraise the merits of your proposed program.

Sincerely yours,

SIGNED

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

MChing:am
6-3-55

R.C.L.

cc to: Admr. Reading File
Docket

Messrs. J.E.Crawford,Rm.3641
T.H.Kiilsgaard,Rm.5224
J.O.Hosted,Rm.3210,GSA

Code 700
Mr. Ching
DMEA FT,Reg.I,NW
(2)

6-2-55

RECEIVED JUN - 1 1955

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

May 30, 1955

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

Attention, Mr. Ernest Wm. Willis, Chief
Rare and Miscellaneous Metals Division

Re: Docket No. DMEA-3790 (Uranium-tungsten)
McDaniel Leases
Okanogan County, Washington

Dear Sir:

The following is in reply to your letter of May 12, 1955, in connection with our application for Government aid in an exploration project, which, at the time of filing, had been reviewed by a representative of the Bureau of Mines, and was considered complete enough by him to process.

The supplemental information required has been in process of compilation. The preliminary and first report has been compiled by Forbes Robertson, presently at the University of Washington, on leave from the Montana School of Mines.

It would be of considerable assistance to applicant if a competent representative could be sent at this time by the Bureau to review the geological and other reports now being compiled in relation to the physical problems involved. In this connection, a representative was sent from the Spokane office last fall, with a Willys Pickup Truck, with a scintillator mounted on top. The examination was very cursory and inadequate. At the time, the exact extent of the radioactive areas was not completely understood or known. In the past two months, applicant has been in process of mapping and further prospecting these properties, and we believe they are now opened up sufficiently to warrant sending a representative from the Spokane office in order that the processing of our application may be expedited.

Referring to paragraph 3 of your letter, it is requested that Article III of our application be amended to show the N 1/2 of the NE 1/4 of Section 15, as indicated on the Township Map.

Referring to paragraph 4 of your letter, the SW 1/4 of Section 11 should be included. It was inadvertently omitted by the stenographer in typing the stencil. The SW 1/4 of the NW 1/4 of Section 11 is excluded.

In connection with paragraph 5 of your letter, specific target areas have been developed, mapped, and applicant has proceeded with exploration activities to just about the limit of his financial abilities. The geologist has mapped eight anomolies on which the count is six and seven times the background count (considerably higher than indicated in the original application).

By open cutting, applicant has determined that the formation is a vein formation, and that the uranium bearing ore bodies are very extensive and very deep. The depth to which we must go to find commercial grade ore has not yet been definitely determined, and probably can only be determined by a core drilling program. Sufficient information has been developed to warrant the Bureau in assisting with this core drilling program.

The areas in which anomolies occur with the highest radiation readings have been mapped and staked.

An immediate review of our work on the ground at this time by a competent representative of the Bureau of Mines would undoubtedly expedite the program, and be of considerable assistance to the applicant and the Government in determining the extent of the commercial uranium bodies.

The preliminary work indicated in paragraph 6 of your letter has been accomplished, in the form of an open cut, 100 feet long, and 22 feet deep at the lowest point. Additional work is being done on this open cut.

With reference to the tungsten, it has been determined that there are at least 22 veins of tungsten, some of which appear to be of very high grade on the basis of samples presently in possession of applicant.

On the basis of our knowledge of this property at this time, it is clearly indicated that we are in process of proving out the largest uranium ore body that has been discovered in the United States todate, and it would be appreciated if we would receive immediate cooperation and assistance from the Bureau. Otherwise applicant will have to return to the Atomic Energy Commission for assistance. If necessary, we are prepared to apply to our Congressional representatives for help in developing these properties.

Very truly yours,

Walter S. Price

Walter S. Price
President

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

Surname copy

Ching
Ellis
Wednesday

MAY 12 1955

Mr. Walter S. Price, President
American Strategic Minerals Corporation
P. O. Box 523
Tonasket, Washington

Re: Docket No. DMEA-3790 (Uranium-tungsten)
McDaniel Leases
Okanogan County, Washington

Dear Mr. Price:

A review of your application for Government aid in an exploration project discloses that it is too incomplete to process further at this time. Some of the supplemental information required by this office was pointed out to you in your meeting with Mr. Weissenborn.

We understand that you plan to engage a competent geologist to map the geology, radioactivity, and other pertinent features on your property. In connection with such mapping, it is important that the boundary lines of your property be shown in correct relationship to all other features. This applies also to the location of the proposed drill holes.

In Article 3 of the application you describe the property as being located in Sections 2, 10, 11, 13, 14 and 24, Township 37 North, Range 26 East. The township map and leases show part of Section 15 as also being included. Kindly advise as to which is correct.

A review of the two leases submitted indicates that the SW¼ and the NW¼ of the NW¼ of Section 11 are not to be included in the property to be explored. Please confirm this understanding. Your attention is called to the fact that this omitted area is located in the center of the proposed exploration area and it appears that some of your proposed holes are located within it. This situation points up the importance of having a correct claim map as the basis for an exploration plan.

We wish again to emphasize the point brought out by Mr. Weissenborn that any exploration program must have specific targets. Such targets may be indicated by mineralized outcrops from which representative samples have been taken and proof of significant mineralization shown by assays; or, areas of exceptionally strong radioactivity may provide specific targets. However, in the latter respect Mr. Weissenborn informs us that the radioactivity on your property is comparatively low and at its highest, reaches no more than 3 or 4 times background, which is not extraordinary.

R.C.E.

Aside from providing more geologic and engineering information you may find it necessary to do some preliminary work such as trenching or drilling a few holes for your own account in order to establish specific objectives for an exploration program.

We shall hold your application in abeyance pending receipt of the additional information requested above. It would be appreciated if you will advise us promptly of your intentions in regard to our request as we cannot hold your application open indefinitely.

Sincerely yours,

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

MChing/gla
5-11-55
cc to: Admr.'s Reading File
Docket
Messrs. J. E. Crawford, Rm. 3641
T. H. Killsgaard, Rm. 5224
J. O. Hosted, Rm. 3210, CSA
Code 700, Mr. Ching
DMEA Field Team, Region I, NW District (2)

5/5/55 gla

IN REPLY REFER TO:

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

Defense Minerals Administration
RECEIVED
MAY 5 - 1955

May 4, 1955

Re: DMEA-3790
American Strategic
Minerals Corp.
Tonasket, Washington
$150,000
Uranium-Tungsten

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

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

Subject: Review of application

The letter of the Executive Officer Region I, recommending that the applicant get some definite indications of the mineralization claimed in the application, cares for this request.

N. E. Nelson

N. E. Nelson

IN REPLY REFER TO:

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

Department of the Interior
Defense Minerals Administration
RECEIVED
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NENelson:hlm
G-5/4/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641 Interior
J. O. Hosted, 3210 GSA

IN REPLY REFER TO:

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NENelson:hlm
G-5/4/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641 Interior
J. O. Hosted, 3210 GSA

5/2/55 ga

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

MAY 2 - 1955

April 29, 1955

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: Bureau of Mines Member
Uranium Commodity Committee

Subject: DMEA Docket 3790, American Strategic Minerals Corporation, Okanogan County, Washington

I have reviewed the attached application of American Strategic Minerals Corporation, DMEA Docket 3790; and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

We suggest that the applicant be requested to supply additional information on the mineralogical composition of the vein material, and assay data showing the width and grade of samples taken and analyzed.

J. E. Crawford

J. E. Crawford

Attachment

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

April 29, 1955

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To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: Bureau of Mines Member
Uranium Commodity Committee

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

April 29, 1955

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Uranium Commodity Committee

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J. E. Crawford

Attachment

April 26, 1955
Subject: DMEA 3790
Re: Exploration Assistance

American Strategic Minerals Corp.
P. O. Box 523
Tonasket, Washington

Gentlemen:

The receipt of your application dated March 30, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3790 and referred to the Rare and Miscellaneous Metals 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

April 26, 1955

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 Northwest.

DMEA-3790 American Strategic Minerals 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

April 18, 1955

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

Re: DMEA Application (uranium and tungsten)
American Strategic Minerals Corporation
Okanogan County, Washington

Dear Mr. Selfridge:

Enclosed are the original and two copies of an application for DMEA assistance presented by the American Strategic Minerals Corporation of Tonasket, Washington, on a property which they own in Okanogan County.

Mr. Price, the applicant, was in and talked at some length with the Executive Officer. In addition, Mr. Paul Weis of the Geological Survey visited the property last fall on a trip not connected with DMEA.

The application, as you will observe, is very vague. There is a large area which the applicant claims is radioactive; however, the radioactivity is very low and apparently at its highest it reaches no more than 3 or 4 times background and in most places is much less. This, of course, is very little more than would be expected from passing from recent sediments into the chlorite schist which forms the country rock of the area. This was pointed out to Mr. Price, but Mr. Price is convinced that the radioactivity is due to underlying deposits of uranium. When Paul Weis visited the property last fall he did not find any significant high level of radioactivity, although, according to Mr. Price, he saw only the north end of the property and did not see all the area which is included in the present application.

Mr. Price speaks of uranium veins and scheelite veins but does not show very clearly where these veins are, nor does he have any assays or any specimens from them. Some of these veins are said to outcrop. Mr. Price was vague on this point, but most of them, we infer, have been located by Mr. Saterlee by means of a geophysical method which Mr. Saterlee has devised. Mr. Saterlee, you will recall,

is the geophysicist involved in the Hidden Treasure property, Docket No. DMEA-2506, which was denied. We do not understand and are not convinced of the validity of Mr. Saterlee's methods.

Mr. Price had a sample of what he stated was his most radioactive material. On examination it proved to be schist with a little bit of brown iron staining which Mr. Price had evidently confused with uranium oxides. This material was tested, and was found to be completely nonradioactive. A radiometric analyses made later on our laboratory scaler indicated an eU content of 0.006 percent, which is not unusual for a schist. Mr. Price stated that this material was not very radioactive away from the outcrop but on the outcrop it was much more radioactive.

It was pointed out by the Executive Officer to Mr. Price that the proposal he made was incomplete in that it did not have a specific objective and, consequently, what he proposed was more prospecting than exploration and hence did not seem to come under the DMEA program. He was told that the Executive Officer did not think that the proposal could be seriously considered by the DMEA at this time until he had done more work, had more specific information, and came up with a more specific program. Mr. Price stated that he "realized the application was incomplete but he had been advised that he should submit an application at this time because of the possibility the DMEA program might not continue beyond the end of the fiscal year." He said that he planned in the very near future to have Mr. Forbes Robertson map the geology and the veins on the property and that Mr. Saterlee would also do geophysical work and map the veins. The Executive Officer then told him that the Field Team would send in the application but would take no action until this additional information could be furnished to the Field Team.

Mr. Forbes Robertson is a competent and reputable geologist and if we could get a map and recommendations from him the property could be seriously considered. On the basis of the present information, however, we strongly recommend that Mr. Price be informed that his proposal comprises more prospecting than exploration, and that we will hold the docket open for him until say about June 1, 1955, so that he can supply more geologic and engineering information, but that unless and until this information is made available to the Field Team, his proposal cannot be considered further under the DMEA program.

By Field Team, Region I, NW District

A. E. Weissenborn

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

Wing G. Agnew

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosure (in trip.)
cc: USBM (2)
AEC (2)
Weis

Department of the
Defense Minerals
RECEIVED
APR 2 5 1955

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AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

March 30, 1955.

Mr. E. A. Weissenborn
Defense Minerals Exploration Administration,
United States Geological Survey,
South 157 Howard Street,
Spokane 4, Washington.

Dear Sir:

In compliance with suggestion contained in letter dated November 4, 1954, from the Division of Raw Materials, Salt Lake Exploration Branch, United States Atomic Energy Commission, (Ref; SLEB:af), there is transmitted herewith application for aid in an exploration project, pursuant to DMEA Order 1, as amended, under the Defense Production Act of 1950. (MF-103 in quadruplicate).

In view of the facts presented herein, with supporting information, it is the belief of applicant that it would be to the interest of the Government to join in carrying out the exploration outlined in the enclosed application. The Chief Geologist for the State of Washington has stated (orally and informally to the undersigned) that his office considers the area under investigation to be one of the most highly mineralized areas in the State, but that very little has ever been done about it.

Information concerning the geology of this area is very meager and in fact is not completely understood. The effects of faulting and shearing in the immediate area upon the formations and mineralization at depth has not been determined. Since most of this area was homesteaded and patented in the early years of this century, very little prospecting has been done. Some prospecting was done in the early 1900's by prospectors looking for free gold. However, even this prospecting was ineffective for the reason that apparently the effects of glaciation were not understood or misled the prospectors as to the true location of ore bodies.

A large percentage of the area under consideration has proven to be quite radioactive (two, three and four times the background count). Through tests made by applicant over a period of time, it has been proven with a fair degree of certainty that a part of this radiation is from radon gas. One conclusion can be that the source of this radon gas is from unstable ore bodies at depth, the gas percolating through the seams of schist and argillite. If this is the case, it would certainly seem that a modest exploratory program is warranted to determine if commercial grade uranium ores are available.

The radioactive area under consideration is roughly two miles

square

square. If commercial grade ores can be located, the possible available tonnage is very large. (By use of geophysical equipment it has been determined that uranium ores may be available to an average depth of 1500 feet.)

Since the Government is trying to develop reserves of radioactive ores, it is believed that the modest exploratory program envisaged in the enclosed application warrants serious consideration.

Applicant believes that this property under consideration is either on or in the immediate vicinity of a granitic contact. (In this connection mention is made of the fact that uranium ores in commercial grades and quantities have been located on the Spokane Indian Reservation in an area where argillite contacts granites). We do know with certainty that we have a felsitic porphyry or micro-granite porphyry contact with argillite which may well indicate the presence of commercial grade uranium ores in situ. No other granitic outcrops have been located on the property. However, the glacial moraine contains large amounts of granite and pegmatites. The source of these granites and pegmatites has not been determined. However, there is some evidence that a considerable part of the glacial deposits were created from material in the immediate vicinity.

In addition to the radioactivity indicated on this property, it has been determined by geophysical examination and by the use of mineral lights that there is tungsten, in the form of scheelite, in and adjacent to the felsitic porphyry dike which traverses the property in a north-south direction for a distance of about two miles. Therefore, the possibility of finding tungsten in commercial grade and quantity should also be thoroughly explored.

In view of the foregoing and facts presented in the enclosed application, it is earnestly requested that the Defense Minerals Exploration Administration give early consideration to the program outlined herein.

Very truly yours,

Walter S. Price

Walter S. Price.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
APR 4 1955
U. S. G. S.
SPOKANE, WASH.

RECEIVED
APR 25 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. 3790
Metal or Mineral Uranium, Tungsten
Date Received 4-25-55
Estimated Cost $150,000
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 Strategic Minerals Corporation
P. O. Box 523,
Tonasket, Washington.

(*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 Mineral leases on patented property located in Sections 2, 10, 11, 13, 14, 15 and 24, Township 37 N., Range 26 E.W.M., Okanogan County, Washington. (See Township map attached).

(*b*) State any mine name by which the property is known. None.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise 5 year mineral leases on patented lands renewable for 5 years with option to purchase.

(*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. Certified true copies of leases submitted herewith.

(*e*) If you own the land, describe any liens or encumbrances on it 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.

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. See attached.

(*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.

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

(*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. See attached.

(*c*) The work will start within 90 days and be completed within 12 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.). See attached Schedule of Work.

(*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)? Yes.

(*b*) How do you propose to furnish your share of the costs? By furnishing proportionate share of cash, labor and materials.

[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 March 30, 1955.

American Strategic Minerals Corporation
(Applicant)

By Walter S. Price
Walter S. Price, President
4736½ University Way,
Seattle 5, Washington.

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

APR 25 1955

APPLICATION OF
AMERICAN STRATEGIC MINERALS CORPORATION

Replies to instructions contained in Form MF-103 attached:

1. (b) Corporation organized in the State of Washington.
   (c) (1) Walter S. Price, President
   4736½ University Way, Seattle 5, Washington.
   (2) Gordon D. Luther, Vice President
   3727 Bagley Ave., Seattle 3, Washington.
   (3) Ruth A. Price, Secretary-Treasurer
   4736½ University Way, Seattle 5, Washington.

   (d) Not applicable.

4. (a) The mineral leases comprise 2040 acres located approximately 5 miles west of Tonasket, Washington. The properties are located near a well travelled county road, part of which is surfaced. Over a period of years a considerable amount of prospecting has been done on this property. A considerable amount has been done recently in connection with mapping a radioactive area approximately 2 miles square. (See sketch attached hereto).

(b) There has been no past profitable production in so far as can be verified with certainty.

(c) The properties lie on three benches with elevations from 1450 feet to approximately 2500 on the upper bench. All three benches are traversed by numerous veins with a north-south strike. The veins on the west side are three to four feet wide. As you progress eastward the veins become wider until you reach the third bench where the veins average ten to fifteen feet in width. The upper or third bench has a prominent chlorite schist exposure with felsitic porphyry veins or dikes intruding it. This exposure extends in a north-south direction for approximately two miles. In the vicinity of the chlorite schist there has been indicated by the use of Geiger Counters and Scintillators a considerable amount of radioactivity. In places the radioactivity is three and four times the background count. By geophysical examination it has been determined that there is also a considerable body of tungsten ore either in or near the felsitic porphyry. The quantity, quality and extent can only be determined by drilling or other methods of testing.

To the west of the chlorite schist lies a lime bed with quartzitic replacements. The lime bed also has a north-south strike or placement. At or near contact of porphyry dike and lime there is a strong probability of a high degree of mineralization. The geological information available from the U.S.G.S. and other sources covering this area is very meager.

(In this connection see map and discussion contained in the Geological Society of America Bulletin dated September 1, 1941, Vol. 52, No. 9). According to one competent and recognized Geologist, the discussion in the above cited Bulletin omitted so many facts that bear on the geology and thus the mineralogy of the area, that it is very misleading and should be rewritten.

All of the veins on which it can be determined have a dip of approximately 65 degrees to the east.

Between the quartzitic veins lies a graphitic (argillite) formation with quartzitic intrusives. There is radioactivity throughout this formation also. (According to the assay made by the U.S.G.S. it runs .0104 equivalent uranium. The sample taken from a test hole approximately five feet below the surface). A more recent test made with samples taken from the vicinity of the chlorite schist, and checked against a calibrated sample of pitch blend obtained from the Atomic Energy Commission shows a uranium content, or its daughter elements, of approximately .06 per cent uranium.

The radioactivity has proven to cover approximately an area two miles square. Since the radioactivty is so wide spread, it is the belief of applicant that a core drilling program is warranted to prove out values at depth.

(d) A county road passes through the property. It is five miles to Tonasket, Washington, where rail and loading facilities are available. Supplies are available at Tonasket and points south as far as Wenatchee, also at Spokane. There is a house, which can be rehabilitated, located on the property. Additional housing is available at Tonasket.

(e) Man power is available at various points up and down the Okanogan River Valley. Materials, supplies and equipment can be obtained at the same points and also at Spokane. The applicant has an understanding with the leasor that water can be obtained for mining and milling purposes by driving a well in the valley below the mine property. It is an old river valley and the water supply has been proven by wells immediately south of the property. Power can be obtained from the Ferry County Public Utility District. Power is presently being supplied to run pumps a short distance to the south.

5. (d) The applicant has in the vicinity about three thousand dollars worth of miscellaneous tools and equipment. In addition the applicant has access to the facilities of the Silver Mountain Mine about one and one-half miles to the north.

6. (d) The project will be supervised by a Business Manager with the aid of geological and mining engineer consultants. (See outline of experience attached hereto).

7. (a) Yes. Funds will be deposited in the Pacific National Bank of Seattle.

OUTLINE OF PROPOSED EXPLORATORY PROGRAM

The following outline is set forth in sequence and in line with the resumé of estimated expenditures in so far as possible.

(1) On the basis of applicant's recent experience in the area under consideration, it is essential to have assay and research facilities immediately available. The applicant has available a small two story building (18' X 20') in Tonasket which can be moved to the site to serve as an assay office. (Cost of building and moving to site of work $500.00) In addition a building should be built adjacent to it for an ore dressing laboratory with dimensions of 24' X 30'. (Estimated cost using rough lumber $1,000.00). Equipment and supplies for the assay office are estimated at $3,500.00 Equipment for the ore dressing laboratory is estimated at $3,500.00; both estimates based on information supplied by the Denver Equipment Company.

(2) Rehabilitate house indicated on sketch for a center from which to carry on the work. Applicant has this house rented. Amount budgeted for this purpose $500.00. An old building on the property can be restored for a tool and storage shed at approximate cost of $300.00.

(3) There is a thirty foot test tunnel on the property which can easily be fixed up for dynamite storage. Cost for rough lumber and door $150.00.

(4) Have the Ferry County P.U.D. extend the power line from a point approximately one-half mile south to the house, assay office and pumps. Estimated cost $6000.00.

(5) In order to have an assured supply of water it will be necessary to drill a well in the valley below the house. Estimated cost of well, lifter and booster pumps, pipe, storage tanks and fittings $7,700.00.

(6) To develop the work program, it is proposed to bull doze a series of trenches in an east-west direction across the top and down the sides of the three benches on the property with the purpose of exposing, if possible, most or all of the veins which lie in a north-south direction. The over-burden runs from zero to 20-30 feet. (Where it is necessary to drill and blast rock outcrops to accomplish the bull dozing a mine crew will be available. $4,500.00 has been budgeted for this purpose.

(7) Concurrently with the bull dozing a drill rig will start a series of core drilling holes at sites indicated on the attached sketch. Where necessary the bull dozer will be available to cut benches from which the drill rig can operate. $25,000.00 has been budgeted for this purpose.

(8) In view of the extent of the mineralized area, as indicated by the sketch attached, it would appear best to contract for two mining crews, one for the north end and one for the south. These crews to be used to drive a series of short adits into the more prominent outcrops for determining the vein formations and general conditions underground. Also if it appears advisable, to sink short shafts in areas where it appears warranted by the results of the core drilling. $13,000.00 has been budgeted for this purpose.

(9) Under the heading of operating materials and supplies, the following will be required:

(a) The applicant has blasting equipment available. Powder and electric caps are available from the DuPont Powder Company agent at Wenatchee who will deliver to the job site. Estimated cost $2,385.00;

(b) The applicant has saws, picks, shovels, wrenches, etc., available. However, it is estimated that additional tools, repairs, and drill steel will cost $1,480.00;

(c) Gas & oil for trucks and compressors $1,400.00.

(10) (a) With two crews quite widely separated, it will be necessary to have two portable compressor units on the job. Two Atlas Diesel units on rental at $300.00 per month for 9 months $2,700.00;

(b) Two Copco rock drills with pusher legs and hose assemblies, and 1 Copco Automatic Grinder, estimated cost $1,520.00. It is planned to use Sandvik Coramant drill steel with integral tungsten carbide chisel bits with these Copco drills;

(c) It is planned to use the GISMO method of operation for possible open-cut and tunnel work. This equipment is fabricated by the Sanford-Day Iron Works and consists of a crawler tractor equipped with winch, cable, and controls; and a GISMO or a crawler mounted self-loading transport. The use of this equipment will eliminate the need of hoists, rails, cars, and other types of earth and hard rock moving equipment normally used in a mining operation. The cost of this equipment is $26,000.00 f.o.b., Knoxville, Tennessee, plus freight to the job site.

(11) There is available in the area a flat bed Dodge truck with winch and A-Frame which can be used in connection with hauling water, sinking shafts and miscellaneous haulage. Obtainable for $900.00; in order to have a piece of equipment to shunt the compressors about and to haul equipment and supplies to the operating area, it is believed a second hand Wilys pick-up, four wheel drive, should be purchased for this purpose. Cost $1,000.00.

(12) It will be necessary for the Business and Operations Manager and the Assayist-Metallurgist to live on the property. Camp expenses have been estimated at $2,115.00.

(13) The salary of the Business and Operations Manager has been set at $750.00 per month. Budget for one year to start and complete the work $9,000.00. The fees for engineering and geological consultants have been estimated at $15,000.00.

(14) The salary for an assayist-metallurgist has been set at $500.00 per month for an estimated ten months. $5,000.00.

(15) Insurance, payroll taxes and freight $3,800.00.

(16) Reserve for contingencies estimated at $11,550.00.

Resumé of Estimated Expenditures in
Connection with DMEA Loan Application

1.	Assay and Research Facilities:		
	(a) Assay Office and Laboratory for ore dressing		$1,500.00
	(b) Assay Laboratory Equipment & Supplies		3,500.00
	(c) Laboratory Ore Dressing Equipment		3,500.00
2.	Rehabilitation of Buildings:		
	(a) House		500.00
	(b) Tool & Storage Shed		300.00
3.	Powder storage:		
	Fixing tunnel & building door for dynamite storage		150.00
4.	Installation of Power Line:		
	To house, assay office & pumps		6,000.00
5.	Water:		
	(a) Well drilling contract (100 ft. @ 17.00)		1,700.00
6.	Bull dozing:		
	(a) Contract - 300 hours at $15.00		4,500.00
7.	Core (diamond) drilling:		
	5000 ft. at an average of 5.00		25,000.00
8.	Two mine crews on contract:		
	(a) 500 ft. drift at 10.00 per ft.	5,000.00	
	(b) 100 ft. shaft @ 40.00 " "	4,000.00	
	(c) Excavation & cross cutting	4,000.00	13,000.00
9.	Operating Materials & Supplies:		
	(a) Dynamite, caps & blasting equip.	2,385.00	
	(b) Drill steel, misc. tools & repairs	1,480.00	
	(c) Gas & oil	1,400.00	5,265.00
10.	Equipment:		
	(a) Two portable compressor units on rental, Atlas Diesel, 106 C.F.M.	2,700.00	
	(b) 2 Copco rock drills with pusher legs & hose assemblies	1,130.00	
	(c) 1 Copco Automotic Grinder	390.00	
	(d) 1 HC 5 Allis-Chalmers tractor Complete with attachments	16,700.00	
	(e) 1 mucking GISMO operated by above	9,800.00	30,720.00
11.	Transportation:		
	(a) Wilys Pick-up truck	1,000.00	
	(b) Dodge truck with winch & A-Frame	900.00	1,900.00
12.	Miscellaneous Camp Expense		2,115.00
	Total Forward		$105,650.00

	Total Forward		$105,650.00
13.	Supervision:		
	(a) Business & Operations Manager	9,000.00	
	(b) Engineering & Geological consul.	15,000.00	24,000.00
14.	Assayist & Metallurgist		5,000.00
16.	Reserve for contingencies		11,550.00
		TOTAL	$150,000.00

COPY

MINING LEASE

State Minerals Administration
RECEIVED
APR 25 1955

This indenture, made this 22nd day of September 1954, between Loy J. McDaniel and Tessie M. McDaniel, his wife, of loomis, Washington, parties of the first part, and Walter S. Price of Seattle, Washington, Party of the second part,

WITNESSETH:

In consideration of the rents, covenants and agreements hereinafter reserved and contained, said parties of the first part do grant and convey to said party of the second part, his heirs, executors, administrators and assigns, the exclusive right of entering in and upon the lands hereinafter described, for the purpose of searching for gold, silver, lead, copper, zinc, tin, platinum and any and all other minerals and of conducting mining and quarrying operations, to such an extent as he may deem advisable, for a period of five (5) years from date, and do hereby grant and convey to said party of the second part all the gold, silver, lead, copper, zinc, tin, platinum and any and all other minerals that may be mined in and under said lands hereinafter described during said term; but not to hold possession of any of said lands, for any other purpose whatsoever, and to pay for the site occupied for buildings or other work necessary to said mining, a reasonable rent in the sum of fifty ($50.00) dollars per annum. Said lands are situated in Okanogan County, State of Washington and described as follows: N.E.$\frac{1}{4}$; Township 37N., Range 26 E.W.M., Section 14. (Northeast quarter of Section 14).

It is specifically understood that second party, if he finds it unprofitable to mine said lands, may surrender this lease and option and have no further liability in connection therewith except such rents or royalties which may then be owing to first parties.

Said party of the second part hereby agrees that he, his heirs, executors, administrators or assigns, will pay or cause to be paid to said parties of the first part the following payments, to-wit:

In addition to the said $50.00 per annum a royalty of ten (10%) per cent of the net returns of all minerals mined and sold until this lease expires under its terms as to time or until the second party may exercise his option to purchase as hereinafter stated, and also covenants that no damage shall be done to or upon said premises and lands other than may be necessary in the conduct and operation of said mine or mines, and that in the event of a mine being dug, he will so prop, support and bolster up the roof of said mine as to insure safety and preserve intact the surface of the premises under which said mine is dug. And said party of the second part further expressly agrees that if no gold, silver, lead, copper, zinc, tin, platinum or other minerals be mined or quarried, as now contemplated by said parties, within the period of five (5) years from the 22nd day of September, 1954, then this lease

shall terminate and be wholly void, but that if gold, silver, lead, copper, zinc, tin, platinum or any other minerals shall be found and mined by said party of the second part, then at the end of the term for which this lease shall run said party of the second part shall have the privelege of renewal for another term of five (5) years for the consideration herein named.

It is further agreed that the second party shall have the right and option to purchase the above dexcribed property at any time during the life of this lease upon the payment to the first parties of the sum of three thousand ($3,000.00) dollars the first parties reserving the grazing rights on said lands in so far as the same will not interfere with mining operations.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 22nd day of September, 1954, at Loomis, Washington.

/s/Loy J. McDaniel
Loy J. McDaniel
/s/Tessie M. McDaniel
Tessie M. McDaniel

Parties of the First Part

/s/Walter S. Price
Walter S. Price

Party of the Second Part

Certified to be a true copy of the signed original and recorded in Book 22, page 226 of the records of Okanogan County, Washington.

Walter S. Price
Walter S. Price

Copy.

MINING LEASE

This indenture made this 25th day of September, 1954, between Loy J. McDaniel and Tessie M. McDaniel, his wife, of Loomis, Washington, parties of the first part, and Walter S. Price of Seattle, Washington, party of the second part,

WITNESSETH:

In consideration of the rents, covenants, and agreements hereinafter reserved and contained, said parties of the first part do grant and convey to said party of the second part, his heirs, executors, administrators and assigns, the exclusive right of entering in and upon the lands hereinafter described, for the purpose of searching for gold, silver, lead, copper, zinc, tin, platinum, and any and all other minerals and of conducting mining and quarrying operations, to such an extent as he may deem advisable, for a period of five (5) years from date, and do hereby grant and convey to said party of the second part all the gold, silver, lead, copper, zinc, tin, platinum and any and all other minerals that may be mined in and under said lands hereinafter described during said term; but not to hold possession of any of said lands, for any other purpose whatsoever, and to pay for the site occupied for buildings or other work necessary to said mining, a reasonable rent in the sum of one ($1.00) dollars and other consideration per annum. Said lands are situated in Okanogan County, State of Washington, and described as follows: S½ of the SW¼, Sec. 2; N.E.¼ of the N.E.¼, S½ of the N.E.¼, S.E¼ of the N.W.¼, S.E.¼, and S.E.¼ of the S.W.¼, all in Sec. 10; N.W.¼, S.W.¼ of the N.E.¼, W½ of the S.E.¼, all in Sec. 11; N.W.¼, S.W.¼, W½ of the N.E.¼, W½ of the S.E.¼, all in Sec. 13; N.W.¼, N.W.¼ of the S.W.¼, all in Sec. 14; N½ of the N.E.¼, Sec. 15; N.W.¼, N.E.¼ of the S.W.¼, S½ of the S.W.¼, all in Sec. 24; all of the above being in Township 37N, Range 26 E.W.M., Okanogan County, Washington. (The S.W.¼ of the N.W.¼ of Section 11 is hereby deleted) WSP/L.J.M. S.W. ¼

It is specifically understood that second party, if he finds it unprofitable to mine said lands, may surrender this lease and option and have no further liability in connection therewith except such rents or royalties which may then be owing to first parties.

Said party of the second part hereby agrees that he, his heirs, executors, administrators or assigns, will pay or cause to be paid to said parties of the first part the following payments, to-wit:

In addition to the said $1.00 and other consideration per annum a royalty of ten (10%) per cent of the net returns of all minerals mined and sold until this lease expires under its terms as to time or until the second party may exercise his option to purchase as hereinafter stated.

The pa rty of the second part agrees that no act will be done or committed which will interfere with the grazing operations of the party of the first part, and also convenants that no damage shall be done to or upon said premises and lands other then may necessary in the conduct and operation of said mine or mines, and that in the event of a mine being dug, he will so prop, support and bolster up the roof of said mine as to insure safety and preserve intact the surface of the

premises under which said mine is being dug. And said party of the second part further expressly agrees that if no gold, silver, lead, copper, zinc, tin, platinum or other minerals be mined or quarried, as now contemplated by said parties, within the period of five (5) years, from the 25th day of September, 1954, then this lease shall terminate and be wholly void, but that if gold, silver, lead, copper, zinc, tin, platinum or any other minerals shall be found and mined by said party of the second part, then at the end of the term for which this lease shall run said party of the second part shall have the privelege of renewal for another term of five (5) years for the consideration herein named.

It is further agreed that the second party shall have the right and option to purchase the above described property at any time during the life of this lease upon the payment to the first parties of the sum of Forty Thousand ($40,000.00) dollars the first parties reserving the grazing rights on said lands in so far as the same will not interfere with mining operations.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 25th day of September, 1954, at Loomis, Washington.

/s/ Tessie M. McDaniel /s/ Loy J. McDaniel
Tessie M. McDaniel Loy J. McDaniel
Parties of the First Part.

/s/ Walter S. Price
Walter S. Price
Party of the Second Part.

STATE OF WASHINGTON)
)ss.
County of Okanogan)

I, the undersigned, a notary public in and for the State of Washington, hereby certify that on this 25th day of September, 1954, personally appeared before me Loy J. McDaniel and Tessie M. McDaniel, his wife, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal the day and year last above written.

/s/ Ruth A. Price
Ruth A. Price
Notary Public in and for the State pf Washington residing at Seattle.

Certified to be a true copy of the signed original and recorded in Book 22, page 224 of the records of Okanogan County, Washington.

Walter S. Price
Walter S. Price

BIOGRAPHICAL DATA OF BUSINESS MANAGER

The Business Manager has had many years of experience working for and dealing with governmental agencies.

The following is a resumé of that experience to date:

(1) Born Hayden, Colorado, September 12, 1905;

(2) Graduated from Hayden Union High School, 1922;

(3) Finished Pharmacy School, also had accounting courses and allied subjects at Southwestern University, Los Angeles, Cal., 1926;

(4) Joined U. S. Marine Corps for aviation duty only June 6, 1927;

(5) Special Order Discharge on March 6, 1929, at Peiping, China, to accept employment in the U. S. Legation in that city. Held successively positions as Code Clerk, Property Custodian, Disbursing Officer, Vice Consul, Special Officer and Clerk of the Tientsin Consular Court. Resigned effective February 15, 1936, to return to the United States to resume college education at the University of Washington;

(6) Completed studies at the University of Washington and obtained Certificate of Completion of foreign service course from The Roudybush Foreign Service School, Washington, D. C., October, 1938;

(7) From November, 1938, to April 1, 1940, was proprietor of own business and Accountant-Salesman for the Maury*henry Co., New York, (Income Tax Specialists);

(8) From April, 1940, to August, 1943, was employed by the U. S. Army Engineer Corps successively as (a) accounting clerk; (b) Accountant responsible for setting up the audit of fixed-fee contracts which activities covered Washington, Western Canada, and Alaska; (c) Supervising Auditor at Fort Lewis at peak of construction activities;

(9) Resigned August, 1943, to assume position as Secretary-Treasurer of Silver Star Mine (now Silver Mountain Mine); assisted in organizing for the purpose of shipping silica ore to the Tacoma Smelter. Purchased and assisted in building six mile power line from Tonasket to the mine. Failed to get the mine into operation due to inability to obtain experienced mine crews (due to the War) and also because shipping grade ore was not immediately available;

(10) From November 1, 1943, to August, 1945, engaged as Chief Accountant and Office Manager for a joint venture in the Aleutian Islands. Joint Venturers were Puget Sound Bridge & Dredging Co., of Seattle, and Macco Construction Co., of Clearwater, California. Work consisted of earth and rock excavation and fill; camp construction, general construction, and airfield construction; and purchasing and accounting for major construction equipment;

(11) Upon completion of above went into real estate business in Los Angeles, California. Building materials freeze put me out of business and returned to Seattle;

(12) From August, 1947, to February, 1952, employed as Paymaster for another joint venture in the Aleutian Islands. Joint Venturers were Puget Sound Bridge & Dredging Co., of Seattle, and Johnson, Drake & Piper of Minneapolis. Contract consisted of many types of construction activities;

(13) From the above to date have been in business for myself; first as a fur farmer and for this past year as mine operator in Okanogan County, Washington;

(14) From 1942 to date have maintained an active interest in the mining possibilities in Okanogan County, Washington. First as a stock holder and active participant in the Silver Mountain Mine and later as a prospector and operator.

On the basis of the experience and education shown above the Business Manager has a very considerable experience in governmental procedures, commercial law and business practices; has a good working knowledge of State and Federal Mining laws; on the basis of immediate past experience has up-to-date information on sources of labor, supplies, materials and equipment; also through intensive study has acquired up-to-date information on present mining and milling practices and methods.

ARTICLES OF INCORPORATION
OF
AMERICAN STRATEGIC MINERALS CORPORATION

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, each being of full age, and two-thirds of whom are citizens of the United States, have associated ourselves together for the purpose of forming a corporation under the laws of the State of Washington, and in pursuance thereof do hereby sign and acknowledge the following Articles of Incorporation in triplicate originals, and do state as follows:

ARTICLE I

That the name of this corporation shall be

AMERICAN STRATEGIC MINERALS CORPORATION.

ARTICLE II

That the objects for which this corporation is formed are:

1. To carry on the business of mining, milling, concentrating, converting, smelting, treating, preparing for market, manufacturing, buying, selling, exchanging,and otherwise producing and dealing in gold, silver, copper, lead, zinc, brass, iron, steel, and all kinds of ores, metals and minerals, and the products and by-products thereof of every kind and description, and by whatever process the same can be, or may hereafter be produced, and generally and without limit as to amount, own, buy, sell, exchange, lease, acquire and deal in mines, minerals, mineral rights and claims, and to conduct all business pertaining thereto; to purchase, lease or otherwise acquire mining rights, timber rights, water rights, mines, buildings, dwellings, plants, machinery, tools and other properties whatsoever which this corporation may from time to time find to be of advantage; to mine

and market any mineral or other products that may be found in or on such lands, and to explore, work, exercise, develop or turn to account the same.

2. Generally, to purchase, own, lease, hire, or otherwise acquire, hold, maintain, operate and deal in any real, mixed and/or personal property, wherever situated, and any rights and privileges which the company may think necessary or convenient for the purposes of its business, and to sell or otherwise dispose of and turn to account all or any part of the same.

3. To borrow or raise money for any purpose of the company, and to secure the repayment of money and the interest thereon in such manner or on such terms as the directors or trustees may deem expedient, and in particular and/or by the issue of bonds, debentures and debenture stock charged upon the whole or any part of the undertaking, property and assets of the company present or after acquired, including its uncalled capital.

4. To engage in any and all kindred occupations usual or germane to the business hereinbefore expressed, and to exercise every power and authority granted or conferred by the general incorporation laws of the State of Washington, or under any special laws of said state applying to corporations of this character and to do and perform any and all things necessary, proper or convenient for the carrying out or accomplishment of the objects and purposes herein specified.

ARTICLE III

That this corporation shall continue perpetually.

ARTICLE IV

That the location and Post Office Address of the registered office of this corporation shall be:

Tonasket, Washington.

ARTICLE V

That the names and Post Office addresses of each of the incorporators and the number of shares subscribed by each are as follows, to-wit:

NAMES	POST OFFICE ADDRESS	STOCK SUBSCRIPTION
Walter S. Price	4736½ University Way, Seattle 5, Washington	2,000,000
Gordon D. Luther	3727 Bagley Avenue Seattle 3, Washington	175,000
Ruth A. Price	4736½ University Way Seattle 5, Washington	150,000
Edwin F. Gjersee	1500 East 65th Street Seattle 5, Washington	45,000
Eldred D. Smith	2632 - 30th Avenue West Seattle 99, Washington	15,000

2285

ARTICLE VI

That the amount of capital stock of this corporation shall be Three Hundred Thousand Dollars ($300,000.00), divided into Three Million (3,000,000) shares of non-assessable, full-voting, common stock, with a par value of Ten Cents (10¢); and that the amount of paid in capital with which this corporation shall begin business is the sum of Five hundred ($500.00) Dollars.

ARTICLE VII

That the number of directors of this corporation shall not be less than three nor more than eleven; that the number, qualification, terms of office, manner of election, time and place of meetings and the powers and duties of the directors shall be such as are prescribed by the by-laws of this corporation; that the names and post-office addresses of the directors who shall manage the affairs of the corporation for a period of one year after its incorporation, all of whom are citizens of the United States, are as follows:

Walter S. Price	4736½ University Way, Seattle 5, Washington
Gordon D. Luther	3727 Bagley Avenue, Seattle 3, Washington
Ruth A. Price	4736½ University Way, Seattle 5, Washington
Edwin F. Gjersee	1500 East 65th Street, Seattle 5, Washington
Eldred D. Smith	2632 - 30th Avenue West, Seattle 99, Washington

ARTICLE VIII

That the authority to make by-laws for this corporation is hereby expressly vested in the Board of Directors of this corporation, subject to the power of shareholders to change or repeal such by-laws.

ARTICLE IX

That the Board of Directors may delegate any power not expressly required by law to be exercised by the whole board to an executive committee composed of members of such board and with such powers and duties as are provided in the by-laws.

IN WITNESS WHEREOF, we, the incorporators hereinbefore mentioned, have hereunto set our hands and seals to these presents in triplicate this _____ day of March, 1955.

_____

_____

_____

_____

_____

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

This is to certify that on this ____ day of February, 1955, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally came

_____ _____
_____ _____
_____ _____
_____ _____
_____ _____
_____ _____

to me known to be the persons described in and who executed the foregoing Articles of Incorporation of the Washington Uranium Development Company, Inc., and each for himself and not for the other acknowledged to me that he signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

_____
Notary Public in and for the State
of Washington residing at Seattle

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

This is to certify that on this ____ day of February, 1955, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally came Mrs. Ruth A. Price, to me known to be one of the persons described in and who executed the foregoing Articles of Incorporation of the Washington Uranium Development Company, Inc., and acknowledged that she signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

_____
Notary Public in and for the State
of Washington residing at Seattle

BY-LAWS OF
AMERICAN STRATEGIC MINERALS CORPORATION

We, the undersigned, being all of the incorporators and original directors of the American Strategic Minerals Corporation, a corporation organized under the laws of the State of Washington, for the purposes expressed in its Articles of Incorporation, do hereby adopt the following by-laws for the government of the said corporation and the regulation of its affairs until such time as the same may be modified or amended in a manner provided by law.

ARTICLE I

SHAREHOLDERS

Section 1. At least one meeting of the shareholders shall be held in each calendar year. Meetings of shareholders may be held within or without the State of Washington as the Board of Directors may determine; except as otherwise determined, meetings of the shareholders shall be held at the registered office of the corporation.

Section 2. The regular annual meeting of the shareholders for the election of Directors shall be held in the registered office of the corporation in Washington on the first Tuesday in the month of February in each year at the hour of ten o'clock A.M. Should the first Tuesday in the month of February in any year fall on a holiday, the regular annual meeting of shareholders in such year shall be held at said hour on the next business day thereafter.

Section 3. Special meetings of the shareholders may be called at any time by the Board of Directors or upon written request of any Director or of any shareholder or shareholders holding in the aggregate one-third of the voting power of all shareholders; and if more than eighteen months have elapsed without the annual shareholders' meeting being held, any shareholder may call a meeting to be held at the registered office of the corporation. Such special meeting shall be called not less than ten nor more than thirty-five days after the receipt of such request, and if the Secretary shall neglect or refuse to issue such call, a Director or shareholder or shareholders making the request may do so.

Section 4. Notice of all special meetings of the shareholders, stating the time and in general the purposes thereof, shall be mailed by the Secretary or person calling such meeting to each shareholder at his address, as the same appears on the records of the corporation, at least ten days prior to the date of the special meeting. No other notice of meetings of the shareholders need be given. If such notice is placed in the United States mail, postage prepaid, and addressed to the shareholders at his last known post-office address, notice shall be deemed to have been given him. Notice of any shareholders meetings may be waived in writing by any shareholder at any time. No stockholder shall be entitled to any notice unless his address has been furnished to the company.

Section 5. An entry of the service of notice of a meeting os the shareholders, given in manner above provided, shall be made in the minutes of the proceedings of the shareholders, and such

entry if read and approved at a subsequent meeting of the shareholders, shall be conclusive on the question of such service.

Section 6. When all the shareholders are present at any meeting, however called or notified, or sign a written consent thereto, and such written consent is made a part of the records of such meeting, the proceedings had at such meeting are valid, irrespective of the manner in which the meeting is called.

Section 7. At any meeting of the shareholders, the holders of a majority of the shares of the corporation entitled to vote must be represented in person or by proxy in writing, and the holders of such majority of the shares entitled to vote, when so represented, shall constitute a quorum for any and all purposes, including the election of Directors.

Section 8. Any regular or called meeting of the shareholders may adjourn from day to day, or from time to time, without further notice, until its business is completed, and any regular or called meeting of the shareholders may adjourn from day to day, or from time to time, without further notice, if for any reason there be not present the holders of a majority of the shares of the corporation entitled to vote, in person or by proxy, until a quorum shall attend, such adjournment and the reasons therefor being re cordered in the journal of the proceedings of the shareholders; and when a quorum shall attend, any business may be transacted which might have been transacted at any meeting had the same been held on the day on which the same was originally appointed or called, except the annual meeting for the election of Directors may be adjourned only from day to day.

Section 9. The President, or, in his absence, the Vice-President, providing the Vice-President is a Director, or in the absence of the President and Vice-President, a chairman, elected by the shareholders present, shall call the meetings of the shareholders to order and shall act as the presiding officer thereof.

Section 10. The Secretary of the corporation shall act as a secretary of all meetings of the shareholders, and in his or her absence the presiding officer may appoint any person to act as secretary.

Section 11. At the annual meeting of the shareholders, held in each year, the shareholders entitled to vote shall elect by ballot a Board of Directors as constituted by these by-laws and the Articles of Incorporation of this corporation.

Section 12. At each meeting of the shareholders, each shareholder of the common stock shall have the right to vote, in person or by proxy, the number of shares entitled to vote standing in his own name on the books of the corporation, at least ten (10) days prior thereto, and likewise at any meeting of the shareholders when the preferred stockholders may vote, they shall be entitled to one vote for each share standing in their names on the books at least ten (10) days prior thereto.

Section 13. All proxies must be in writing, executed by the shareholders themselves, or by their duly authorized attorneys, and must be filed with the Secretary of the corporation at or before the meeting of the shareholders.

Section 14. The time and place of holding the shareholders' meetings for the election of Directors shall not be changed within sixty (60) days next before the day on which the election is to be held, and notice of such change shall be given to each shareholder thirty (30) days before the election is held, in person or by letter mailed to his last known post-office address.

ARTICLE II

DIRECTORS

Section 1. The corporate powers, business, and property of the corporation shall be exercised, conducted and controlled by a board of not less than three nor more than eleven Directors.

Section 2. Qualifications of Directors: Any person of lawful age, whether he be a shareholder in this corporation or not, who has not been convicted of a felony, may be elected a Director of this corporation.

Section 3. Each Director shall hold office for one year, or for such period as he may have been appointed and until his successor shall have been elected and shall qualify.

Section 4. Whenever any vacancy shall happen among the Directors by death, resignation, or otherwise, except by removal and the election of his successor as provided by Section 31, Paragraph IV, Uniform Business Corporation Act, it shall be filled by appointment of the Board of Directors. Such Director so appointed shall hold office until his successor is elected at the next annual meeting of the shareholders or at any special meeting duly called for that purpose prior thereto.

Section 5. Immediately after the election of Directors at the annual meeting of the shareholders, the Directors shall meet for the purpose of organization, the election of officers, and the transaction of other business.

Section 6. Meetings of the Board of Directors may be held at such time and place within or without the State of Washington as the Board may from time to time appoint.

Section 7. Stated meetings of the Board of Directors shall be held, without notice, on the fifth day of each month, at the hour of four P.M. at the registered office of the corporation unless otherwise determined by the Board of Directors.

Sectiom 8. Special meetings of the Board of Directors shall be called at any time on the order of the President or on the order of a majority of the Directors.

Section 9. Notices of special meetings of the Board of Directors, stating the time and in general terms the purpose or purposes thereof,

shall be mailed or telegraphed or personally delivered to each Director, not later than the day before the day appointed for the meeting. An entry of the service of notice, given in the manner above provided, shall be made in the minutes of the proceedings of the Board of Directors, and such entry, if read and approved at a subsequent meeting of the Board of Directors, shall be conclusive on the question of service. If all the Directors shall be present at any Directors' meeting, however called or noticed, and sign a written consent thereto, which is entered on the record of such meeting, or if the majority of the Directors are present, and those not present sign a written waiver of notice of such meeting, whether prior to or after the holding of such meeting, which said waiver shall be filed with the Secretary of the corporation, and entered on the record of such meeting, any business may be transacted at such meeting and the transactions of such meeting shall be as valid as if had at a meeting regularly called and noticed.

Section 10. Each Director shall register his address with the Secretary, and notices of meetings mailed or telegraphed to such address shall be valid notices thereof.

Section 11. A majority of the whole number of Directors shall constitute a quorum for the transaction of business, and every act or decision of a majority of the Directors present at a meeting at which a quorum is present, made or done when duly assembled, shall be valid as the act of the Board of Directors; but a majority of those present at the time and place of any stated or special meeting, although less than a quorum, may adjourn from day to day, or from time to time, without further notice, until a quorum shall attend; and when a quorum shall attend, any business may be transacted which might have been transacted at the meeting had the same been held on the day on which the same was originally appointed or called.

Section 12. The Board of Directors shall have full power to borrow money on behalf of the corporation, including the power and authority to borrow money from any of the shareholders, Directors, or officers of the corporation, and otherwise to incur indebtedness on behalf of the corporation, and to authorize the execution of promissory notes or other evidences of indebtedness of the corporation, and to agree to pay interest thereon; to sell, convey, alienate, transfer, assign, exchange, lease, and otherwise dispose of, mortgage, pledge, hypothecate, and otherwise encumber the property, real and personal, and the franchises of the corporation; to purchase, lease, and otherwise acquire property, real and personal, on behalf of the corporation; and generally to do and perform or cause to be done and performed, any and every act which the corporation may lawfully do and perform.

Section 13. The Board of Directors may, by resolution, passed by a majority of the whole Board, designate two or more of their number to constitute an executive committee, who, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the business of the corporation.

Section 14. Any Director may be removed by the vote of two-thirds of the shareholders having voting power at a special meeting called for that purpose, and, upon such removal, a vote of the shareholders at said meeting may at once be taken to fill such vacancy or vacancies.

Section 15. The compensation of the Directors shall be fixed by the shareholders.

ARTICLE III

OFFICERS

Section 1. The executive officers of the corporation shall be a President, Vice-President, Secretary and Treasurer.

Section 2. None of said officers, except the President, need be a Director, but the Vice-President who is not a Director cannot succeed to or fill the office of President. Any two of the offices of Vice-President, Secretary, and Treasurer, may be combined in one person. The officers shall be elected at their first meeting after the organization of the corporation, and thereafter at the first meeting after the annual election of the Directors, and they shall hold office for one year and until their successors are elected, provided, however, that the Secretary and the Treasurer may be removed by the Board of Directors at any time with or without cause.

Section 3. The Board of Directors may also appoint such other officers, agents, and employees of the corporation as they may deem proper. The Board of Directors may delegate the power of appointment and removal and the power to fix the compensation of such other officers, agents, and employees to any officer of the corporation. Except as above provided, the compensation of the executive officers and of other officers, agents, and employees of the corporation shall be fixed by the Board of Directors.

Section 4. Any officer or agent may be removed by the Board of Directors whenever in their judgment the best interest of the corporation will be served thereby. Such removal, however, shall be without prejudice to the contract rights of the persons so removed.

Section 5. Officers and Directors shall be deemed to stand in a fiduciary relation to the corporation and shall discharge the duties of their respective positions in good faith and with that diligence, care and skill which ordinarily prudent men would exercise under similar circumstances in like positions.

ARTICLE IV

PRESIDENT

Section 1. The President shall be the chief executive officer of the corporation. He shall preside at all meetings of the shareholders and of the Board of Direc tors. He shall have general charge of the business of the corporation, shall execute, with the Secretary, in the name of the corporation, all deeds, bonds, contracts (except contracts made in the ordinary course of business) and other obligations and instruments authorized by the Board of Directors to be executed, and with the Secretary shall sign all certificates of the shares of the corporation.

Section 2. The President shall also have such other powers and shall perform such other duties as may be assigned to him by the Board of Directors.

Section 3. All contracts made in the ordinary course of business may be executed in behalf of the company by such officer or agent as may be duly authorized by the President or the Board of Directors.

ARTICLE V

Vice-PRESIDENT

Section 1. The Vice-President shall be vested with all the powers and shall perform all the duties of the President, in case of the absence or disability of the President, except in case the Vice-President be not a member of the Board of Directors.

Section 2. The Vice-President shall also have such other powers and shall perform such other duties as may be assigned to him by the Board of Directors.

ARTICLE VI

SECRETARY

Section 1. The Secretary shall keep the minutes of all proceedings of the shareholders and of the Board of Directors in books provided for that purpose. He shall attend to the giving and serving of notices of all meetings of the shareholders and of the Board of Directors and otherwise. He shall execute, with the President, in the name of the corporation, all deeds, bonds, contracts, (except contracts made in the ordinary course of business) and other obligations and instruments authorized by the Board of Directors to be executed, and with the President, shall sign all certificates for shares of the corporation. He shall be the custodian of the corporate seal of the corporation, and when so ordered by the Board of Directors shall affix the seal to deeds, bonds, contracts, and other obligations and instruments. He shall keep and have charge of the minutes of the meetings of the Board of Directors and of the shareholders, the share and transfer book, the book of share certificates, the book of by-laws, and such other books and papers as the Board of Directors may direct. He shall, in general, perform all the duties incident to the office of Secretary, subject to the control of the Board of Directors.

ARTICLE VII

TREASURER

Section 1. The Treasurer shall keep, or cause to be kept, full and accurate accounts of receipts and disbursements in books to be kept for that purpose. He shall receive and deposit, or cause to be received and deposited, all moneys and other valuables of the corporation, in the name and to the credit of the corporation, in such depositories as may be designated by the Board of Directors. He shall disburse, or cause to be disbursed, the funds of the corporation, as may be directed by the Board of Directors, taking proper vouchers for such disbursements. He shall render to the President and to the Board of Directors, whenever they may require, and to the annual meeting of the shareholders accounts of all his transactions as Treasurer and of the financial condition of the corporation. He shall, in general, perform all the duties incident to the office of Treasurer, subject to the control of the Board of Directors.

ARTICLE VIII
VACANCIES

Section 1. If the office of the President, Vice-President, Secretary, or Treasurer becomes vacant by reason of death, resignation, removal, or otherwise, the Board of Directors shall elect a successor, who shall hold office for the unexpired term, and until his successor is elected.

ARTICLE IX
SHARES AND CERTIFICATES FOR SHARES

Section 1. Certificates for shares of the corporation shall be issued only when fully paid for.

Section 2. The certificates shall be in such form and device as shall be provided by the Board of Directors and shall be signed by the President, or the Vice-President, and by the Secretary, and the seal of the corporation shall be affixed thereto, except when the Board of Directors shall provide that certificates may be signed by the transfer agent or registrar, the signatures of the corporate officers and corporate seal may be facsimiles engraved or printed. All certificates of stock shall comply with the requirements of Section 14, Paragraph 11 of the Uniform Business Corporation Act.

Section 3. No new certificate shall be issued until the former certificate for the shares represented thereby shall have been surrendered and canceled, except in the case of lost or destroyed certificates, and in that case only after the receipt of a bond by the corporation, satisfactory to the Board of Directors, indemnifying the corporation and all persons against loss in consequence of the issuance of such new certificates.

Section 4. Shares of the corporation may be transferred by endorsement by the signature of the owner, his agent, attorney or legal representative, and the delivery of the certificate; but no transfer shall be valid except between the parties thereto, until the same shall have been entered upon the books of the corporation, so as to show the names of the parties, by and to whom transferred, the numbers and designation of the shares, and the date of the transfer.

Section 5. A subscriber becomes a shareholder upon the allotment of shares to him. The person registered on the books of the company as the owner of the shares shall be recognized by the company as the person exclusively entitled to have and to exercise the rights and privileges incident to the ownership of such shares, or to hold liable for costs and assessments.

Section 6. The Board of Directors may open up and maintain a share register in any State of the United States and appoint an agent there to sign the certificates of stock, and make and register the transfer of the shares in accordance with these by-laws.

Section 7. Subscriptions for shares of this corporation shall be in writing and in such form and upon such conditions as the Board of Directors may determine.

Section 8. The unpaid portion of any and all subscriptions shall be paid upon the call of the B oard of Directors,at such time and in such manner as said Board may determine; provided written notice of

such call shall be sent by United States mail to each subscriber, at the last post office address given by him to the Secretary of the Company at least thirty days before the call is payable.

Section 9. If any subscription is not paid after the demand of the call, the corporation may sell the shares of such subscription at public auction, after giving notice of the time and place and terms of the sale by registered mail addressed to such subscribing shareholder at his last known place of business or residence and by publication in some newspaper published in the county where this corporation has its registered office.

ARTICLE X

Section 1. The Board of Directors may, by resolution passed by a majority of the whole Board, designate two or more of their number to constitute an Executive Committee, who, to the extent provided in said Resolution, shall have and exercise the authority of the Board of Directors in the management of the business of the corporation.

Section 2. The Executive Committee shall advise with,and aid the officials of the company in all matters concerning its interests, and the management of its business, and generally perform such duties and exercise such powers as may be directed or delegated by the Board of Directors from time to time, except such powers as are expressly required by law to be exercised by the whole Board.

Section 3. The Executive Committee shall fix its own rules of proceeding, and shall meet where and as provided by such rules, or by resolution of the Board of Directors, but in every case the presence of a majority shall be necessary to constitute a quorum.

Section 4. The Executive Committee shall keep regular minutes of its proceedings, and all actions by the Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action, and shall be subject to revision or alteration by the Board of Directors; provided, that no rights or acts of third parties shall be affected by any such revision or alteration.

ARTICLE XI.

SEAL

Section 1. The Board of Directors shall provide a suitable seal for the corporation, which shall be circular in form, which shall contain the following inscription:

Incorporated 1955 - Seattle, Washington.

ARTICLE XII

AMENDMENTS

Section 1. These By-laws, or any part thereof, may be repealed or amended, or new By-Laws may be adopted,at any annual meeting, or at any other meeting of the shareholders called for that purpose. The Board of Directors shall also have power to amend these By-Laws and to adopt new By-Laws, except that the Directors shall not have the power to amend Section 15 of Article II.

Section 2. All By-Laws adopted by the Board of Directors may be repealed or amended at the annual meeting, or at any other meeting of the shareholders called for that purpose.

CERTIFICATE OF ADOPTION

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, being all of the Directors of the corporation (incorporated under the laws of the State of Washington) known as American Strategic Minerals Corporation, do hereby certify that the above and foregoing By-Laws were duly adopted as the By-Laws of said corporation on the 22nd day of March, 1955, and that the same do now constitute the By-Laws of said corporation.

s/ Walter S. Price

s/ Gordon D. Luther

s/ Ruth A. Price

s/ Edwin F. Gjersee

s/ Eldred D. Smith

SECRETARY OF STATE
Earl Coe, Secretary

STATE OF WASHINGTON

Date March 18, 1955 License No. 49043

The corporation named hereon having paid the fee required by law is licensed to do business in the State of Washington until June 30, 1955.

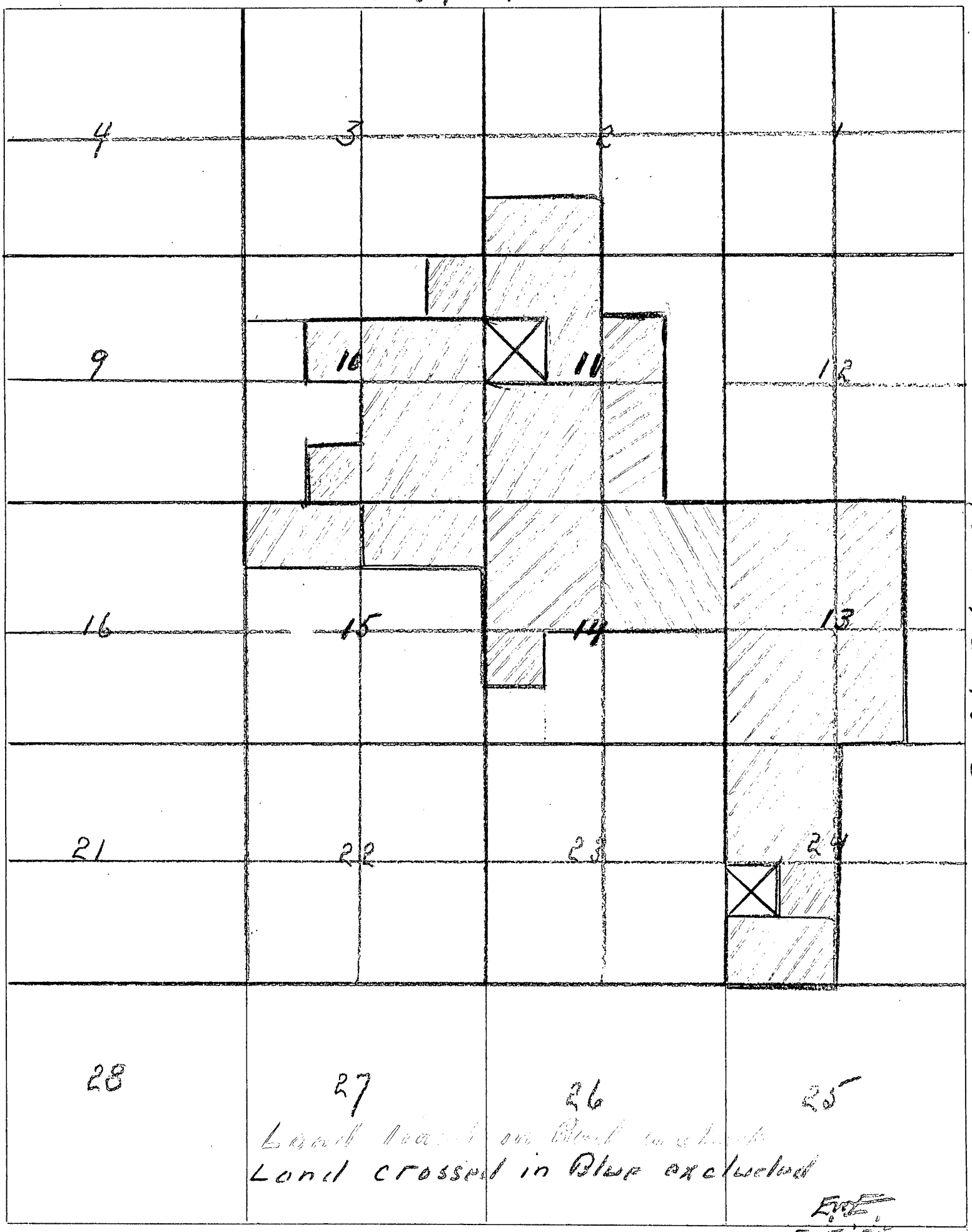
AMERICAN STRATEGIC MINERALS CORPORATION
Tonasket, Washington

Corporate Seal
State of Washington

Earl Coe
Secretary of State

T. 87 N.

R. 26 E. (W.M.)



Land located on Black in red

Land crossed in Blue excluded

5-25-55

6072 NM 7-37

FORBES ROBERTSON
Economic Geologist
P.O. Box 91, University Station
Seattle 5, Washington

April 28, 1955

Mr. Walter S. Price, President
American Strategic Minerals Corp.
4736½ University Way
Seattle 5, Washington

Dear Mr. Price:

Enclosed is my report on the properties you have under lease in Horse Springs Coulee, Okanogan County, Washington. Attention is called particularly to the fact that one of the samples collected at Locality 1 shows a trace (about 25 per cent over background) of radioactivity away from the outcrop.

The report has been prepared in some haste. The map shows the location of 10 areas of anomalous radiation of which five are from six to as much as seven times the normal background over the area. All of the observations made are not shown on the map. This is a preliminary map to show the general geology and point out the areas of anomalous radiation. If further work is justified, a finished map should be prepared.

Frankly I was pleasantly surprised to find a number of areas which showed such strong anomalies, compared to the background count. I think you may well be justified in determining the source of the radiation. If the results of such explorations are encouraging, a more comprehensive exploration and development program may be in order. Until the nature of the radiation is determined, its source revealed, and its grade determined in a favorable area, the exploration program should be carried out at a minimum cost. You are probably not yet ready to embark on a large exploration program.

Sincerely yours,

(signed)

Forbes Robertson

REPORT ON THE GEOLOGY AND RADIOMETRIC SURVEY OF AN AREA IN HORSE SPRINGS COULEE, OKANOGAN COUNTY, WASHINGTON

Prepared for:

Walter S. Price, President

American Strategic Minerals Corporation

Seattle, Washington

by:

Forbes Robertson

Economic Geologist

April 28, 1955

Seattle, Washington

REPORT ON THE GEOLOGY AND RADIOMETRIC SURVEY

OF AN AREA IN HORSE SPRINGS COULEE, OKANOGAN COUNTY, WASHINGTON

by Forbes Robertson

Introduction

The general geology and the location of ten radiation anomalies which have intensities of from four to seven times background are shown on the accompanying map. The area is held under lease by American Strategic Minerals Corporation of Seattle, Washington.

One and one half days were spent on the property April 8 and 9, and two full days April 21 and 22, 1955. A preliminary report covering the first trip dealt with the general geological situation at the property. On April 21 and 22, a portion of the southeast part of the area was mapped in some detail, and a radiometric survey conducted to determine the stratigraphic control of the radiation anomalies, and to locate areas of anomalous radiation for possible exploration. Reconnaissance traverses were made over the western and northwestern parts of the area which served to eliminate a large area from detailed mapping and radiometric survey at this time. Mr. Thomas Nelson assisted the writer for one and one half days on the second trip.

The radiometric survey was made with a 111B model Precision scintillation counter. Background and anomalous radiation was measured with the probe on the outcrop. The background for the area was found to be about .005 MR/HR, a very low background generally, but one which is comparable in intensity with the background found in the Okanogan Valley generally, and in other parts of Western Washington.

Location and Accessibility

The properties investigated are located in parts of sections 11, 12, 13, 14, 23, and 24, T.37N., R. 26 E. in Horse Springs Coulee, Okanogan County, about three to five miles west of Tonasket, Washington.

The properties may be reached by a good County road. The region has low relief generally, with low ridges of metamorphic rocks rising above glacial "lake beds" deposits. The properties may be traversed easily in a jeep or a field car.

Geological Setting

The bed rock at the properties consists of low-grade metamorphic rocks of the Lower Anarchist series of possible Permian age. To the east of the area, east of the Okanogan River, the Colville batholith is exposed. To the west rocks of granitic composition are likewise encountered, whereas to the north, a considerable amount of Anarchist metamorphic rocks are found.

The Okanogan valley has been glaciated, and glaciofluvial and glacial lake deposits are abundant in Horse Springs Coulee, and cover many of the metamorphic rocks which have been but recently re-excavated.

Although a number of mineral occurrences are reported from the area, no producing mines have as yet been developed, and heretofore, no radiation anomalies of significance have been reported.

Geology

The metamorphic rocks consist of phyllites and low-grade green schists, with some dolomite and silty argillite bands. They are probably Lower Anarchist according to Watters and Krauskopf. The foliation planes which appear to be more or less parallel to the bedding, dip in an easterly direction from 10° to about 70°. The strike of the beds trend 10° to 45° west.

From west to east, there are three more or less readily distinguishable units within the metamorphic rocks. The total thickness of the section is tentatively estimated at about 4000 feet.

The Lower Unit consists of graphitic phyllites, and sericite and chlorite phyllites with a massive dark gray dolomite unit at the top of the unit. The graphitic schists are not dominant, but are characteristic of the unit. A massive diorite porphyry (?) sill (?) was noted below the dolomite at one locality.

The Middle Unit is composed dominantly of chloritic schists and massive ledges of greenstone. Above the dolomite of the lower unit there are graphitic phyllites, and in the upper part of the unit there are silty argillite bands. This unit is about 1200 feet in thickness. The principal quartz bands and exudation pods occur in this unit.

The upper unit is characterized by silty argillite bands within chloritic phyllites and massive greenstones. Although the silty bands comprise possibly less than 20 percent of the unit, they are characteristic of the upper part of the section.

Structure

The foliation planes within the schist dip uniformly to the east and strike west of north. Lineation due to minute folding on the S-surfaces rake 10° more or less to the north.

The reported north-south vein system consists of quartz bands and pods of exudation or replacement origin within the metamorphic rocks and are conformable with the metamorphics. Gross cutting veinlets are rare and commonly show distinctive replacement structures. The quarts is white, and contains minor amounts of

iron oxide staining. Rarely do the vein structures, so called, exceed one foot in width, although locally they may bell out into pods several feet in thickness. The quartz bodies of this system should not be considered as fissure veins of the type so commonly found in many mining districts.

In the northeast part of the area south of the fence line in about the northeast corner of the NW$\frac{1}{4}$ sec. 13, there is a zone of quartz vein and breccia which strikes about N 65° E. is nearly vertical, and is about 40 feet in width. It consists of veins up to as much as two or three feet in width with horses of the country rock, and irregular breccia zones with open space filling and replacement. The country rock is a brittle, silty band. The zone could not be traded more than a few hundred feet, and in each instance, the principal quartz breccia and vein matter occurred in silty bands and could not be traced at all or very imperfectly in the chloritic schist layers. In other words, the veins and fracture zone "made" in the brittle silty bands, and not in the chlorite beds.

Pyrite was noted in some of the quarts vein matter. No other minerals were recognized. Scheelite was reported in a quartz pod in the chlorite schist of the middle unit.

In the detailed mapping during the second trip, two and possibly three probable faults were recognized. The one fault, which is quite definite, strikes about N. 30° E. and cuts off the main outcrop area of metamorphic rocks south of the operating prospect. The foliation planes north of the fault strike about 10° W. whereas south of the fault, the strike is much greater, about N. 45° W.

A second fault is postulated between the prospect (locality 2) and locality 8. The phyllitic beds at the prospect (locality 2) does not persist northward along the strike, rather the next ridge north on strike is a chlorite phyllite of the middle unit in which there is no detectable radiation above the background of .005.

The straight valley which strikes about N. 15° W just east of locality 9 and extends to just west of locality 7 is probably fault controlled, and may be rather important fault structure. Insufficient mapping was completed to determine the need for a fault in this straight structural trend which cuts the trend of the ridges of metamorphic rocks at a small angle.

Radiometric Survey

The background over the area mapped, and along the Okanogan Valley generally, was determined to be about .005 MR/HR. The green chloritic phyllites and the more massive greenstones were measured at a great many places to be .005 MR/HR with variations from .0035 to about .007.

On the accompanying map, ten locations are shown where the radiation count was .020 MR/HR or better, of which five were .030 MR/HR or better. The highest recorded reading on the property was .035 MR/HR at locality number one. The general situation at each of the anomalies in the higher group is outlined briefly. In all cases, the host rock which displays anomalous radiation is very fine grained, somewhat sericitic phyllite of low grade. The rocks are generally gray, and in some cases iron stained. In only one instance, that at locality 3, is there any obvious structuralrelation of high radiation and the surrounding rocks. In that case, a quartz pod directly overlies anomalous radiation, and the anomalous radiation is confined to the area of the quartz exudation pod.

Locality 1. SE¼ NE¼ sec. 24 on west side of low ridge. The rocks strike N. 40° W. and dip 40° NE. The radiometric count varied over about a 12-foot section of gray low-grade phyllite from 0.16 to persist for more than 50 feet north along the strike of the small ridge. The phyllite is iron stained,and has a bluish cast (possibly glaucophane). A specimen of the schist was collected and brought back to Seattle. Two different series of tests were made two days following the collection of the chip which is about four inches long, two inches wide, and about one quarter inch thick. The Seattle background was measured at .004 MR/HR. Consistent results of .005 MR/HR were obtained from the specimen placed in contact with the probe. This is but a 25 percent increase over "background" but it is the only specimen collected which shows any radiation when removed from the outcrop.

Locality 2. Locality two is at the prospect which is currently being explored. A maximum count of .034 was registered in the small prospect hole, however the high radiation zone is very narrow, about two feet wide, and could not be traced at more than .022 10 feet north or south of the prospect pit. Samples collected at the outcrop show no anomalous radiation when removed from the outcrop. It is at this locality that an assay reportedly gave values of .08 to .30 U_3O_8. This assay has not been verified nor certified.

Locality 3. At this locality, there is a quartz pod which has a maximum thickness of about 26 inches. Directly overlying the quartz is chloritic phyllite and greenstone which has a background count of .007, but which in less than 10 feet is .006. The gray phyllitic rocks below the quartz at the point of maximum thickness show six to eight feet of rock which ranges from .020 to .030 MR/HR. A zone of radiation persists for about 20 feet north, and 25 feet south of the maximum. Fifteen feet below the quartz, the background is .005. At this locality there appears to be an indication of an association of the high radiation with the quartz. Samples of the highest radiation zones showed no anomalous radiation away from the outcrop. Radiation counts from the quartz contact and taken at about one foot intervals below the quartz gave the following values: .025; .022; .030; .020; .022; .020; .023; .023 (end of outcrop).

Locality 4. This locality is at the south end of the massive group of outcrops south of the main prospect (locality 2). This is the widest zone of anomalous radiation found with values from .020 to .030 MR/HR over a 20 foot band of gray phyllite which directly underlies an impure sandstone. The band which gives the high radiation goes under soil cover so it could not be traced north along the strike for more than 20 feet.

Locality 5. The anomalous radiation emanates from a thin silty arguillite layer in chloritic phyllite. Values from .018 to .030 were found in a zone several feet wide, and traced along the outcrop for more than 50 feet north on the west side of a small ridge.

Localities 6 through 10 have distinctly lower maxima, but all occur in phyllitic bands in the metamorphic sequence, and are largely confined to the upper unit, or the upper part of the middle unit. The association with gray phyllitic bands is constant. The chloritic phyllites and greenstones, as well as the argillite beds, do not normally contain anomalous radiation.

The graphitic phyllite of the lower member, and that found directly above the limestone unit of the lower member, shows distinctly higher radiation counts than the chloritic bands, however, only at the tunnel on the west side of the property, about one quarter mile north of the office, and at the prospect pit on the "second bench" were values as high as .020 and .018 respectively encountered.

Stratigraphic Control of Anomalous Radiation

The relationship of the anomalous radiation to the gray, low-grade phyllite bands has been mentioned. It appears probable that there were several bands which give rise to anomalous radiation, however, the number may be small. It appears possible, for example, that the band at locality 2 has been offset by faulting, and that the band of anomalous radiation at Locality 8 may be the same. Certainly the linear pattern confined to but a few feet of practically identical-appearing rocks found in the same stratigraphic succession, lends attractiveness to the hypothesis. If this be true, then the zone from Locality 2 cannot be found on the next ridge to the north which is in a green chloritic phyllite, in spite of the projected "trend" which will presently be mentioned.

Anomalous radiation is not found in any significant amounts in the green chloritic phyllites, the massive greenstone ledges, the argillite bands (silty phyllites), or in the dolomite ledges. Somewhat higher radiation counts were observed in the graphitic phyllites of the lower unit and the lower part of the middle unit.

Source of the Radiation

The source of the radiation has not been determined. It may be from uranium, thorium, or possibly other radioactive materials. In spite of the fact that the radiation counts are as much as six and even seven times background, in only one instance has a sample collected at the site of the anomaly shown any radioactivity when removed from the outcrop. In that case, the increase produced by the sample collected from locality 1 is only about 25 per cent. In no case has the amount of the radiation been sufficient to indicate the specific mineral or minerals which are responsible for the anomalies.

It is possible that the radioactive minerals which may once have been in the rocks, have been leached from the outcrop by normal weathering processes. If so, the tracing of the "favorable" bands underground to a point below the water table should serve to locate the materials responsible for the anomalous radiation. As the metamorphic rocks were once scoured by glaciation, the depth of oxidation may not be great. Pyrite has been noted in many samples from the outcrops. Ironstaining, presumably from pyrite, is more common. There is no indication of intense leaching and alteration by surface waters.

Although the anomalies were quite strong, when compared to the regional background, it should be held in mind that the anomalies themselves are actually of smaller intensities than high background areas in the Colorado Plateau and in western Nevada with which the writer is familiar. The presence of anomalies which run from six to seven times background may, however, be significant. Certainly the area is an unproven region. The anomalies may well be worthy of sufficient prospecting to determine the source of the anomalous radiation.

A Second and Separate Exploration Program

(This paragraph omitted as irrelevant to this report. W.S.P.)

Recommendations

In view of the number of anomalies which have been found; the intensity of the anomalies; and the fact that the lessees have committed funds for exploration by the purchase of a jeep pick-up truck, compressor, drill, and miscellaneous equipment and supplies; the following recommendations are made:

1. At locality 1, an incline prospect shaft of small dimensions should be sunk at the point of highest count (.035 MR/HR). The "favorable" band in the metamorphic rocks is some 12 feet wide so that it should not be difficult to stay within the limits of the band so that each foot of depth on the favorable band should add information which will ultimately indicate the origin of the radiation and serve to evaluate the commercial significance of the deposit. Thus, when the source of the radiation is found, and the amount of radioactive material determined, the prospect will have served its primary objective at probably the lowest cost.

If this recommendation is acted upon, the work should be followed from time to time by a geologist who should be responsible for sampling radioactive rocks from the shaft for assay, and also be responsible for obtaining certified assay reports which should accompany the final report.

2. A diamond drilling program is distinctly second choice. Mr. Price asked that a drilling program be included if further exploration appeared justified. Locality 1 should be tested first with a drill hole to intersect the "favorable" horizon at a depth of about 50 feet below the outcrop, and at an angle that will cut the formation about at right angles. Drilling sites, and directions may be determined by a geologist.

   If a moderately comprehensive program is desired, each of the five most favorable areas may be tested, however the results of the first hole should be studied and evaluated before additional holes are definitely spotted.

   All core should be saved and placed in core boxes in order, with footage marked for each core run. The geologist should be responsible for sampling the core, and obtaining assays. A probe should be inserted into the hole, if practicable.

   Churn drilling may be considered for an initial test at locality 1. This might be less expensive than a diamond drilling program, especially if only one hole is desired. The same conditions, that is to intersect the favorable bed at about 50 feet, should be considered.

4. If the results of the exploration program outlined in one of the above appears favorable for commercial possibilities, a more detailed geological survey should be considered to work out the structure in detail. However, further geological mapping is not considered essential until there is a demonstrated need for it.

5. The reported scheelite should be checked with a black light.

In the interest of economy, and consideration of equipment already available at the property, the first recommendation is preferred.

Respectfully submitted,

(signed)

Forbes Robertson
Economic Geologist

P.O. Box 91
University Station
Seattle 5, Washington
April 28,1955

Floyd B.Satterlee
Geophysical Surveys

Omak, Washington
May 31, 1955

Mr. Walter S.Price, President
American Strategic Minerals Corporation
4736½ University Way
Seattle, Washington

Dear Mr. Price:

Pursuant to your request for the Geophysical survey of the property which you hold under lease and which is located in The Horse Spring Coulee District, Okanogan County, Washington, I herewith submit my report.

The objective of this survey is to locate and trace out all of the mineral bearing veins and to determine the different minerals present, also to determine the strike, dip, extension, and any faulting that may occur, also to determine as to the depth that the veins ma y attain and also their relation to the surface.

This report is not a mining engineer's report and should not be considered as such, the data has been taken with a scientific instrument which has been proven and accepted by some of the leading geologists for the larger mining companies.

The writer has followed the mining profession continually for the past thirty years, and feels that he is in a position to report on the survey.

The survey covers 2,200 acres which is held under lease by the American Strategic Minerals Corporation, most of which is highly mineralized, the holdings being in a solid block and located about five miles west of Tonasket, Washington, in the Horse Spring Coulee area.

Sincerely yours,

(signed)

F. B. Satterlee

Report of
The Geophysical Survey
on the present holdings of

AMERICAN STRATEGIC MINERALS CORPORATION

prepared for

Walter S. Price, President
American Strategic Minerals Corporation

by

Floyd B. Satterlee
Geophysical Surveys

May 31, 1955

Omak, Washington

Report on the findings of the Geophysical Survey
of the present holdings of
THE AMERICAN STRATEGIC MINERALS CORPORATION
by FLOYD B. SATTERLEE

Introduction

The report is accompanied by a large map, 30x40 inches, showing the different veins and their relation to the faulting action and to each other, also their location.

The occurrence of uranium is evidently one or more of the primary ores, as it appears along the faulting plane and paralleling to the fault, also in some of the extensive cross fractures, attaining a depth to 4,600' to the West of the major fault, while the parallel and cross faulting to the East and the uranium on the fault attain a depth of 2,800'.

The mineralization occurs along a fault plane, striking N.35 degrees W. and attains a depth of more than 4000' on the West side of the fault, while just going down to 2,800' on the East side of the fault.

This could be the conjunction of the Sinlahekin and the Colville batholiths which have caused the faulting and fractures, forming more than forty mineralized veins, the leading values being uranium and tungsten.

The major fault which bisects the property from North to South is carrying uranium which checks out very strong. There are three main cross fracture zones along the fault, the first being in the extreme southern part of Sec. 13, where the present exploratory work is being done. The second fracture zone is 1,200' to the North, here the overburden is very radioactive, making this a proper place to do some exploratory work.

The third fracture zone along the fault is on the center line of Sec. 13, and 500' to the East from the West side of Sec. 13. Here the fracturing takes a trend N. 55 degrees W. and extends for a distance of 7,000' to the N.W. The proper exploratory point on this structure would be to the East of the County road near the base of the hill.

The tungsten show several prominent outcroppings, the outcrop near the water trough in the N.E. corner of Sec. 14 would be an ideal spot to explore.

Twenty-four days were spent in the field in making the survey, starting the survey on April 23, and completing the field work May 26th.

Each vein was surveyed out for strike, dip, extension in length, depth, and its relations to the surface, also the possible ore potential

was taken at numerous places along the veins. At each place where the potential was taken an iron pipe was driven and numbered. The readings are tabulated later in the report.

The survey of the Fault Vein

The large fault vein, as it is designated on the map, bisects the property from North to South, striking N. 35 degrees W., the vein dips at about 80 degrees to the West, the uranium values on the fault show to be from 12' to 20' wide and bottom at around 2,800', there being several places along the strike where the overburden shows some radiation, one of the more pronounced radiation anomalies being at station No. 8, marked H, located on the vein near the center of the S.W. quarter of Sec. 13.

The vein extends from the South boundary of the property at about 1,600' from the North end of the North and South quarter line of Sec. 24, and extending to the north in the property to near the center of the N.E. quarter of Sec. 11, this being a distance of more than 9,000' of the fault vein lying within the boundarys of the property.

Uranium is the chief mineral in the vein except where it passes through the lime for a distance of approximately 600' in the S.E. quarter of Sec. 11. Here the tungsten comes in down to a depth of 800'.

Uranium Vein No. 2

Here there are two parallel veins which are cross faults. The present exploratory work is being done on the South vein. An open cut on the point of the hill is down to about 25'. The veins lie in the South Half of Sec.13, about 600' from the S.line; they strike N. 57 degrees E.; the veins are 40' apart; the South vein is 12' wide and extends to the East of the open cut for a distance of 200' and to the West 700', crossing through the big fault vein.

The North vein is 16' wide, 2,500' long; it crosses the big fault vein and extends through the hill for a distance of 750' from its intersection of the fault vein; the veins go down to 2,800'. An iron stake marked D is located on this North vein about 300' to the East of the fault vein; here the possible ore potential was taken; the readings will be found later in the report.

Uranium Vein No. 15

No. 15 is a mineralized zone about 500' wide and 1,700' long, comprising five veins, located in the West half of Sec. 24, near the center of the Section; the veins are carrying uranium, lead, silver and copper; the uranium bottoms at 500'; and the other minerals go down to 2,600'; an iron stake marked A is driven near the center of this mineralized zone just to the East of the road; the veins are striking N 34 degrees W and dip at 60 degrees to theN.E.

400' to the East of No. 15 is another small mineralized zone 150' wide and 900' long, with the same strike and dip, carrying only uranium which bottoms at 125'; there are several outcrops on this zone which show rather high radiation anomalies; an iron stake marked B is driven near the center of this zone.

Vein No. 20

Vein No. 20 is a small vein carrying gold, silver and copper, striking N 22 degrees E; it dips at 60 degrees to the East; the vein is 900' long and bottoms at 900'.

Vein No. 20 is 400' North of No. 2 uranium vein and extends to the big fault vein at the top of the point above the present cut.

Vein No. 13

Vein No. 13 is located in the S.W. quarter of Sec.13; it strikes N 60 degrees East; the dip is at 55 degrees to the S.E.; this vein is carrying gold, silver and copper; the possible ore potential was taken at the iron stake, marked G, which is located on top of the ridge just to the South of the road; the vein does not outcrop, having about 60' of overburden; it is 2,500' long, 11' wide, and bottoms at 1,800'.

Vein No. 12

Vein No. 12 is located in the S.E. quarter of Sec. 14, extending 400' into the S.W. quarter of Sec. 13; the vein is located by a wooden stake driven on the vein along the fence line 1,500' S of the West quarter corner of Sec. 13.

The vein is carrying lead and silver; the strike is N 40 degrees W; dip 50 degrees N.E.; the outcrop is on the sheer bluff to the S.W. in Sec. 14; the vein is 7' wide, 1,400' long, and bottoms at 1,200'.

Uranium Vein No. 3

Uranium Vein No. 3 is a lateral fault, paralleling the main fault; striking N 22 degrees W; it lies 500' East of the main fault at the South end and 1,200' East at the North end; this lateral fault extends from the uranium vein No. 2 in the extreme Southern part of Sec. 13, running diagonally across Sec. 13 through the S.W. corner of Sec. 12, and through Sec.11 to within 880' of the North line of Sec. 11, this being a distance of 8,600'.

Vein No. 16

Vein No.16 is carrying uranium and tungsten, about 20' wide and 2,400' long;it is located in the NE quarter of Sec. 13, and the strike is N 65 degrees W; dip 60 degrees to the N.E.; the vein outcrops in

the draw and there is driven an iron stake marked CC, where the possible ore potential was taken, and which is tabulated in the report; the tungsten extends down to a depth of 725', and the uranium bottoming at 2,900'.

Vein No. 17

Vein No. 17 is located in the East half of Sec. 13, and parallels the lateral fault, vein No. 3, which lies 1,500' to the West; this vein is carrying tungsten, uranium and gold; the strike is N 22 degrees W; it dips at 60 degrees to the NE; the vein is quite wide, and has a large quarts outcrop 6' wide; on the outcrop a small shaft has been dug in the early days to a depth of about 12'; the dump shows iron pyrites and a trace of scheelite; the vein is 2,400' long; the tungsten goes down to 700'; and the uranium bottoms at 2,700'; an iron stake marked CB is driven near the prospect hole; the uranium potential was taken here and is tabulated later in the report.

Vein No.18

Vein No. 18 is a large mineralized zone consisting of ten parallel veins, six of which extend across the NE quarter of Sec. 14, and about 1,600' into the SW quarter of Sec. 11; the mineral strikes N 55 degrees W, and extends to the big fault, contracting it near the center of the West line of Sec. 13, giving this uranium bearing zone a length of 7,000' and a width of 800'.

The zone lies on the North slope and extends down and crosses the County road about 1,000' to the North of the office; at this point an old road branches off to the right and East of the County road, along the East side of the old road; iron stakes are driven on each of the veins, where the possible ore potential was taken; the potential was also taken on the South and near where the veins contact the major fault; here iron stakes were driven on each of the veins; the potential checks out to be very high and consistent on each of the levels down to 600'; the recording of the potential readings are tabulated later in the report; the uranium in this zone reaches down to a great depth, bottoming at 4,600'; the four veins marked with iron stakes, BD, BE, BF, and BG, which are driven along the East side of the old road; is a zone of 2,000' long and having a low ore potential, this zone bottoms at 1,200'.

Tungsten Vein No. 3

Tungsten vein No. 3 consists of two parallel veins, striking N 55 degrees W, and dipping at 70 degrees to the NE; the veins cross the draw at the water trough which is in the NE corner of Sec. 14; at this point the outcrop shows very good scheelite and wolframite tungsten; here iron stake marked CD was driven and the possible ore potential taken; the results of which are tabulated later in the report; the veins are 1,500' long and the tungstem bottoms at 725'.

Tungsten Vein No. 4

Tungsten vein No. 4 is located on the NE quarter of Sec. 14, striking N 45 degrees E, dipping at 60 degrees to the SE; the vein

strikes at almost a right angle to vein No. 3, and runs for a distance of 2,300' extending into Sec. 12,iron stake marked CE is driven on the vein where it crosses the draw; at this station the possible ore potential was taken, and is tabulated later in the report; the tungsten bottoms at 800'.

Five hundred feet to the North of vein No. 4 are eight tungsten veins, running parallel and covering an area 1,200' wide by 2,000' long, they have numerous outcrops showing some scheelite.

Vein No. 19

Vein No. 19 is a gold, silver vein, striking N 50 degrees W and located in the NW quarter of Sec. 11 and in the NE quarter of Sec. 10, located by a wooden stake driven on the vein near the old road and near a large rusty rock about 600' on the strike from the Section corner; the vein is 1,700' long, 6' to 8' wide and dips at 70 degrees to the North; there is a prominent outcrop on the cliff to the East.

Vein No. 7

Vein No. 7 is a gold, silver, tungsten vein, striking N 55 degrees W, it is located in the NW quarter of Sec.11, and is 2,200' long; a wooden stake and a stone monument are placed on the vein 300' N and 500' to the East from the corner where the County road turns to the West, the vein bottoms at 900'.

Vein No. 10

Vein No. 10 crosses the County road near the center of the Section line between Sec. 10 and Sec.11, striking N 75 degrees W, it dips at 70 degrees to the N; the vein is 3,600' in length and bottoms at 4,000'; the minerals are gold, silver, uranium, lead and tungsten; an iron stake marked BH is driven on the vein about 70' East of the road; here the possible ore potential was taken and is tabulated later in the report.

Summary

The Introduction covers the Summary of this report, and was placed there as it can be read without going through the whole report.

A supplement accompanies the report, tabulating the possible ore potential readings.

F. B. Satterlee

Tabulation of the possible ore potential

Iron stake A.

Located on vein No. 15.

Potential points at the different depths,

Uranium	lead	silver	copper		
1. pt.	.10	.10	.03	at	50'
3. "			.50	"	100'
15."	15.	3.	15.		400'

Iron stake B.

Located 500' N.E. from stake A. on small uranium zone.

U. pot.	3. pts.	at	30'
	3. "	"	100'
	3. 2	"	125'

Iron stake C.

Located on the big fault vein 400' S. of cut.

U. pot.	.30 pts	at	surface
	3. "	"	20'
	6. "	"	50'
	23. "	"	100'
	25. "	"	200'
	29. "	"	300'
	29. "	"	400'
	15. "	"	500'
	33. "	"	600'

Iron stake D.

Located on No. 2 vein 40' W. of fault.

U. pot.	.15 pts	"	20'
	9. "	"	50'
	29. "	"	100'
	37. "	"	200'
	63. "	"	300'
	67. "	"	400'
	75. "	"	500'
	83. "	"	600'

Ore potential continued

Iron stake E.

Located on fault vein at top of point near present work.

U. pot.	.05	pts	at	30'
	7.	"	"	50'
	33.	"	"	100'
	37.	"	"	200'
	41.	"	"	300'
	45.	"	"	400'
	47.	"	"	500'
	67.	"	"	600'

Iron stake F.

Located on uranium vein No. 2. 150' E. of fault.

U. pot.	.25	pts.	at	20'
	21.	"	"	50'
	26.	"	"	100'
	35.	"	"	200'
	37.	"	"	300'
	37.	"	"	400'
	37.	"	"	500'
	37.	"	"	600'

Iron stake G.

Located on vein No. 13. W. side of road at top of ridge.

Cu. potential	15. pts
Au. "	.60 "
Ag. "	.50 "

Iron stake H.

Located about 900' N. from Stake E.

U. pot.	3.	pts.	at	10'
	32.	"	"	50'
	41.	"	"	100'
	47.	"	"	200'
	52.	"	"	300'
	65.	"	"	400'
	71.	"	"	500'
	77.	"	"	600'

Iron stake I.

Located 350' N.E. from stake H. on short fracture vein.

U. pot.	2.	pts.	at	10'
	5.	"	"	50'
	5.	"	"	100'
	4.	"	"	200'
	6.	"	"	300'
				40'

Ore potential continued

Iron stake AE.

Located 50' S. from AD. at survey station.

U. pot.	.35	pts	at	25'
	15.	"	"	50'
	23.	"	"	100'
	53.	"	"	200'
	47.	"	"	300'
	47.	"	"	400'
	47.	"	"	500'
	53.	"	"	600'
			bottoms	4,600'

Iron stake AF.
Located 30' N. from AB. at survey station.

U. pot.	.80	"	at	30'
	7.	"	"	50'
	33.	"	"	100'
	53.	"	"	200'
	69.	"	"	300'
	69.	"	"	400'
	69.	"	"	500'
	69.	"	"	600'
			bottoms	2,500 '

Iron stake AG.
Located 35' N. from AF. at survey station.

U. pot.	7.	"	at	50'
	33.	"	"	100'
	53.	"	"	200'
	53.	"	"	300'
	63.	"	"	400'
	63.	"	"	500'
	63.	"	"	600'
			bottoms	4,600'

Iron stake AH.
Located on vein No. 18. 800' S. from BC.

U. pot.	5.	pts.	at	20'
	15.	"	"	50'
	29.	"	"	100'
	47	"	"	200'
	49.	"	"	300'
	71.	"	"	400'
	65.	"	"	500'
	33.	"	"	600'
			bottoms	4,600'

Ore potential continued

Iron Stake BI.
Located 635' S. from BC. East of County Road.

U. Pot.	19.	pts.	at	50'
	59.	"	"	100'
	63.	"	"	200'
	65.	"	"	300'
	65.	"	"	400'
	65.	"	"	500'
	65.	"	"	600'
			bottoms	2,600'

Iron stake BJ.
Located 410' S. from BC.

U. pot.	.30	pts.	at	25'
	9.	"	"	50'
	67.67	"	"	100'
	67.	"	"	200'
	67.	"	"	300'
	67.	"	"	400'
	67.	"	"	500'
	67.	"	"	600'
			bottoms	2,500'

Iron stake BA.
Located 355' S. from BC.

U. pot.	5.	pts.	at	35'
	5.	"	"	50'
	65.	"	"	100'
	67.	"	"	200'
	67.	"	"	300'
	67.	"	"	400'
	67.	"	"	500'
	61.	"	"	600'
			bottoms	2,300'

Tron stake BB.
Located 115' S. from BC.

U. pot.	10.	pts.	at	40'
	19.	"	"	100'
	67.	"	"	200'
	67.	"	"	300'
	67.	"	"	400'
	70.	"	"	500'
	78.	"	"	600'
			bottoms	2,150'

Ore potential continued

Iron Stake BC.
Located on Vein No. 18.

U. pot.	.30	pts.	Pb. pot.	at	70'
	10.	"	7.	"	100'
	12.	"	5.	"	200'
	16.	"	1.	"	300'
	16.	"	6.	"	400'
	16.	"	12.	"	500'
	16.	"	10'.	"	600'
				bottoms	2,600'

Iron stake BD.
Located 120' N. from BC.

U. pot.	.50	pts.	at	60'
	2.	"	"	100'
	1.	"	"	200'
	3.	"	"	300'
	2.	"	"	400'
	3.	"	"	500'
	1.	"	"	600'
			bottoms	1,700'

Iron stake BE.
Located 230' N. from BC.

U. pot.	9.	pts	at	60'
	10.	"	"	100'
	28.	"	"	200'
	55.	"	"	300'
	48.	"	"	400'
	55.	"	"	500'
	40.	"	"	600'
			bottoms	3,700'

Iron stake BF.
Located 430' N. from BC.

U. pot.	5.	pts.	at	30'
	7.	"	"	50'
	16.	"	"	100'
	8.	"	"	200'
	4.	"	"	300'
	6.	"	"	400'
	1.	"	" bottoms	500'
	.50	"		

Ore potential continued

Iron stake BG.
Located 730' N from BC.

U. pot.	4.	pts.	at	20'
	5.	"	"	50'
	7.	"	"	100'
	19.	"	"	200'
	20.	"	"	300'
	21.	"	"	400'
	20.	"	"	500'
	21.	"	"	600'
			bottoms	4,500'

Iron stake BH.
Located on vein No. 10.

Pb.	Ag.	Wo.	Pts.	Au. pts.	at	
3.	.50	4.	"	.40 "	"	40'
9.	.60	4.	"	.30 "	"	100'
3.	.20	3.	"	.08 "	"	200'
7.	.20	3.	"	.25 "	"	300'
7.	.30	4.	"	.20 "	"	400'
7.	.30	7.	"	.25 "	"	500'
7.	.30	3.	"	.20 "	"	600'
					bottoms	4,000'

Iron stake BI.
Located on vein No. 5.

wo pot.	9.	Au.	.10 pot.	at	40'
"	11.		.10 "	"	100'
"	.4		.18 "	"	200'
"	3.		.12 "	"	300'
"	.80		.10 "	"	400'
"	.70		.70 "	"	500'
"	.85		.60 "	"	600'
"	7.		3. "	" bottoms	780'

Iron stake CJ.
Located 700' S. 10 degrees W. of vein No. 5.

U. pot.	.20	Pts.	at	30'
	2.	"	"	50'
	6.	"	"	100'
	33.	"	"	200'
	33.	"	"	300'
	32.	"	"	400'
	38.	"	"	500'
	51.	"	2	600'
			bottoms	2,700'

Ore potential continued

Iron stake AJ.

Located on ridge 1100' N. from H.

U. pot.	.60	at	30'
	19.	"	50'
	31.	"	100'
	37.	"	200'
	39.	"	300'
	41.	"	400'
	53.	"	500'
	75.	"	600'
		bottoms	2,800'

Iron stake AA.
Located 1,500' N. from AJ. on fault vein.

U. pot.	.60 pts.	"	30'
	1. "	"	50'
	- - "	"	100'
	9. "		200'
	21. "		300'
	29. "		400'
	49. "		500'
	57. "		600'
		bottoms	2,900'

Iron stake AB.
Located on fault vein at survey station.

U. pot.	.50 pts.	at	30'
	15. "	"	50'
	39. "	"	100'
	43. "	"	200'
	43. "	"	300'
	43. "	"	400'
	43. "	"	500'
	43. "	"	600'
		bottoms	4,000'

Iron stake AD.
Located 30' S. of AB.

U. pot.	.7 pts.	at	30'
	15. "	"	50'
	25. "	"	100'
	53. "	"	200'
	53. "	"	300'
	53. "	"	400'
	53. "	"	500'
	53. "	"	600'
		bottoms	4,100'

Ore potential continued

Iron stake CA.
Located 1,320' W. of S.E. corner of Sec. 11

U. pot.	1.	pts.	at	25'
	9.	"	"	50'
	29.	"	"	100'
	41.	"	"	200'
	45.	"	"	300'
	42.	"	"	400'
	63.	"	"	500'
			bottoms	2,700'

Iron stake CB.
Located on vein No. 17.

U. pot.	.30	pts.	at surface	
	7.	"	"	25'
	12.	"	"	50'
	5.	"	"	100'
	15.	"	"	200'
	12.	"	"	300'
	28.	"	"	400'
	8.	"	"	500'
				600'
			bottoms	2,800'

Iron stake CC.
Located on tungsten vein No. 3, at water trough.

Wo pot.	3.	pts.	at	25'
	5.	"	"	50'
	16.	"	"	100'
	24.	"	"	200'
	26.	"	"	300'
	17.	"	"	400'
	11.	"	"	500'
	13.	"	"	600'
	6.	"	"	700'
			bottoms	725'

Iron stake CE.
Located 500' N. from No. 3.

Wo pot.	10.	pts.	at	60'
	13.	"	"	100'
	14.	"	"	200'
	12.	"	"	300'
	6.	"	"	400'
	7.	"	"	500'
	5.	"	"	600'

7-2-'52
1 88
CS-TC

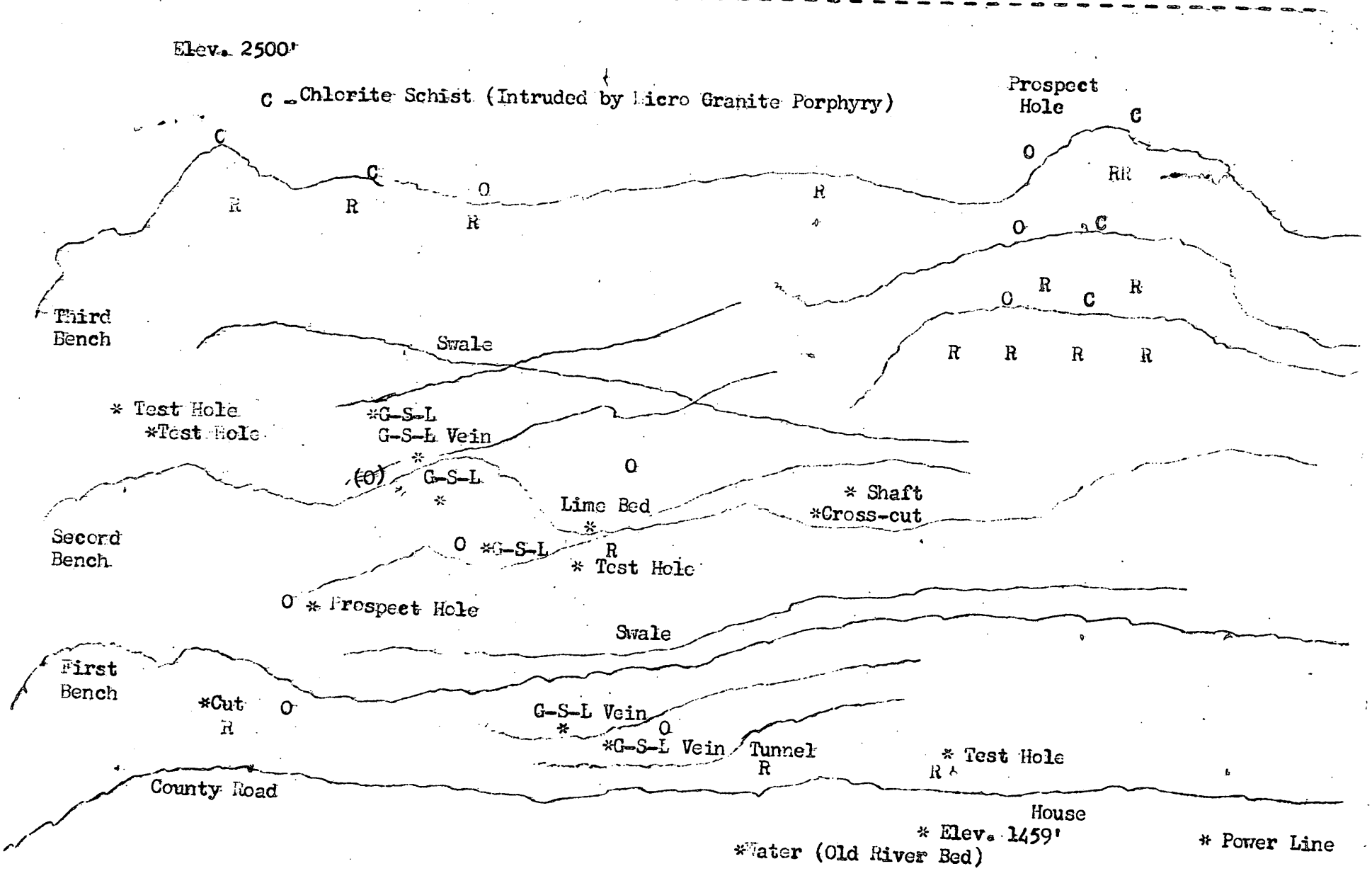
N *-----*S

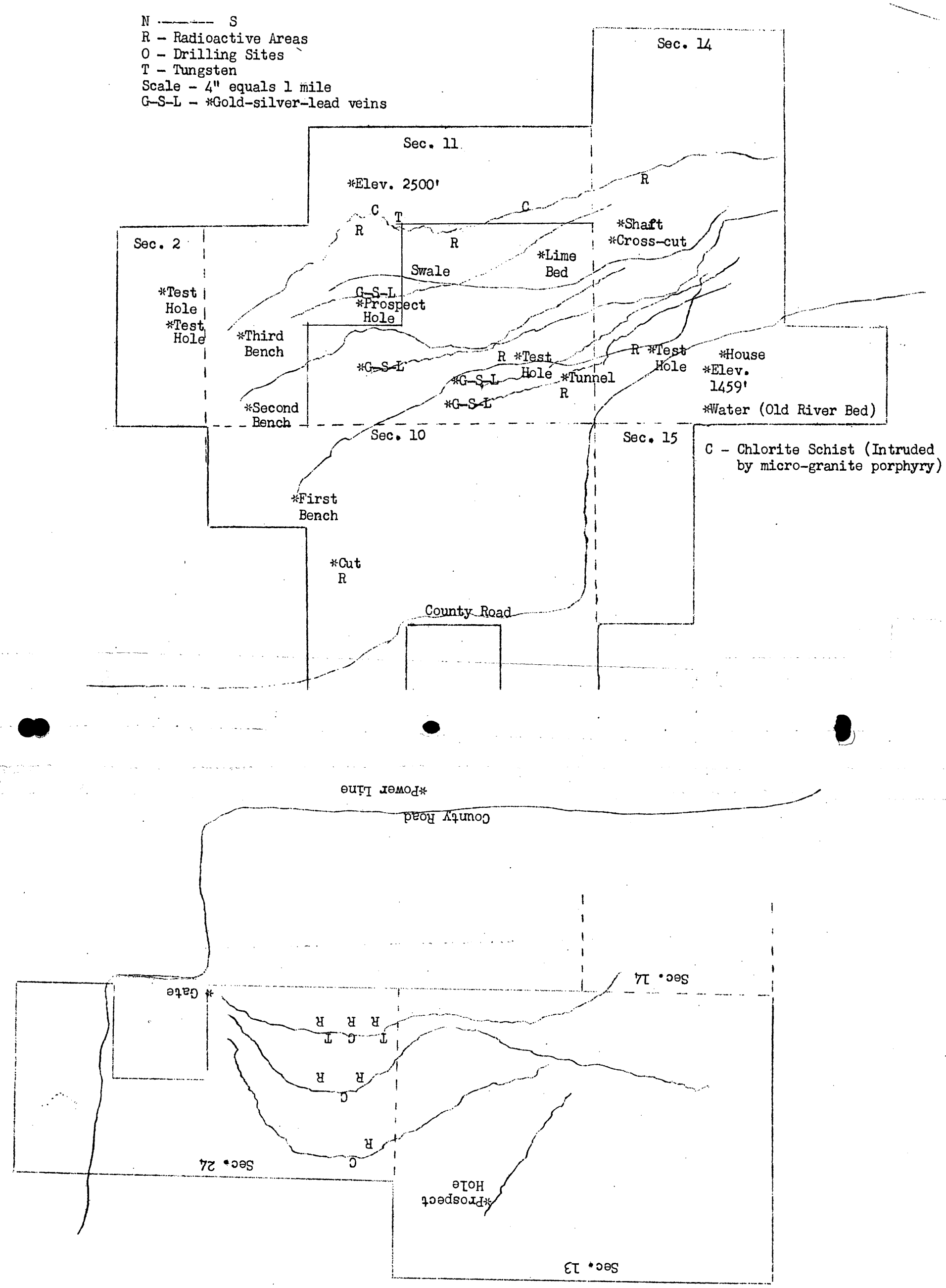
R -- Radio Active Areas

SCALE -4" equals 1 mile

O - Drilling sites

G-S-L * Gold-Silver-Lead





Composite Elevation View Imprinted
on Township Map

DEPARTMENT OF THE INTERIOR
Bureau Minerals Administration
RECEIVED
APR 25 1955

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as ~~owner,~~ ~~co-owner~~, lessor, ~~or seller~~ has an interest in certain property in the State of Washington, County of Okanogan, described ~~as follows~~:1/ in leases dated 22 September 1954 and 25 September 1954, and recorded in Book 22 page 226 and Book 22 page 224 respectively in official records of said County,

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ American Strategic Minerals Corporation

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract or any amendment thereof shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract or any amendment thereof there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

(OVER)

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions The phrase "a lien upon the land" occurring in paragraph 2 above shall be construed to cover only the ~~[illegible]~~ ~~[illegible]~~ American Strategic Minerals Corporation's (Operator's) leasehold interest under the above-mentioned leases.

Dated this 2nd day of April, 195___.

Loy J. McDaniel [Seal]
Loy J. McDaniel

[Seal]
Tessie M. McDaniel

Tessie M. McDaniel [Seal]

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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Dated this 2nd day of April, 195___.

Loy J. McDaniel [Seal]

Loy J. McDaniel

[Seal]

Tessie M. McDaniel

Tessie M. McDaniel [Seal]

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Bureau of Mines
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1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract or any amendment thereof shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production 3/ provided for under the terms of said exploration project contract or any amendment thereof there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

(OVER)

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions The phrase "a lien upon the land" occurring in paragraph 2 above shall be construed to cover only the ~~lessee-holder's~~ American Strategic Minerals Corporation's (Operator's) leasehold interest under the above-mentioned leases.

Dated this 2nd day of April, 1955.

Loy J. McDaniel [Seal]

Loy J. McDaniel

[Seal]

Tessie M. McDaniel

Tessie M. McDaniel [Seal]

FORBES ROBERTSON
Economic Geologist
P.O. Box 91, University Station
Seattle 5, Washington

April 28, 1955

RECEIVED
JUL - 5 1955

Mr. Walter S. Price, President
American Strategic Minerals Corp.
4736½ University Way
Seattle 5, Washington

Dear Mr. Price:

Enclosed is my report on the properties you have under lease in Horse Springs Coulee, Okanogan County, Washington. Attention is called particularly to the fact that one of the samples collected at Locality 1 shows a trace (about 25 per cent over background) of radioactivity away from the outcrop.

The report has been prepared in some haste. The map shows the location of 10 areas of anomalous radiation of which five are from six to as much as seven times the normal background over the area. All of the observations made are not shown on the map. This is a preliminary map to show the general geology and point out the areas of anomalous radiation. If further work is justified, a finished map should be prepared.

Frankly I was pleasantly surprised to find a number of areas which showed such strong anomalies, compared to the background count. I think you may well be justified in determining the source of the radiation. If the results of such explorations are encouraging, a more comprehensive exploration and development program may be in order. Until the nature of the radiation is determined, its source revealed, and its grade determined in a favorable area, the exploration program should be carried out at a minimum cost. You are probably not yet ready to embark on a large exploration program.

Sincerely yours,

(signed)

Forbes Robertson

REPORT ON THE GEOLOGY AND RADIOMETRIC SURVEY OF AN AREA IN HORSE SPRINGS COULEE, OKANOGAN COUNTY, WASHINGTON

Prepared for:

Walter S. Price, President

American Strategic Minerals Corporation

Seattle, Washington

by:

Forbes Robertson

Economic Geologist

April 28, 1955

Seattle, Washington

REPORT ON THE GEOLOGY AND RADIOMETRIC SURVEY

OF AN AREA IN HORSE SPRINGS COULEE, OKANOGAN COUNTY, WASHINGTON

by Forbes Robertson

Introduction

The general geology and the location of ten radiation anomalies which have intensities of from four to seven times background are shown on the accompanying map. The area is held under lease by American Strategic Minerals Corporation of Seattle, Washington.

One and one half days were spent on the property April 8 and 9, and two full days April 21 and 22, 1955. A preliminary report covering the first trip dealt with the general geological situation at the property. On April 21 and 22, a portion of the southeast part of the area was mapped in some detail, and a radiometric survey conducted to determine the stratigraphic control of the radiation anomalies, and to locate areas of anomalous radiation for possible exploration. Reconnaissance traverses were made over the western and northwestern parts of the area which served to eliminate a large area from detailed mapping and radiometric survey at this time. Mr. Thomas Nelson assisted the writer for one and one half days on the second trip.

The radiometric survey was made with a 111B model Precision scintillation counter. Background and anomalous radiation was measured with the probe on the outcrop. The background for the area was found to be about .005 MR/HR, a very low background generally, but one which is comparable in intensity with the background found in the Okanogan Valley generally, and in other parts of Western Washington.

Location and Accessibility

The properties investigated are located in parts of sections 11, 12, 13, 14, 23, and 24, T.37N., R. 26 E. in Horse Springs Coulee, Okanogan County, about three to five miles west of Tonasket, Washington.

The properties may be reached by a good County road. The region has low relief generally, with low ridges of metamorphic rocks rising above glacial "lake beds" deposits. The properties may be traversed easily in a jeep or a field car.

Geological Setting

The bed rock at the properties consists of low-grade metamorphic rocks of the Lower Anarchist series of possible Permian age. To the east of the area, east of the Okanogan River, the Colville batholith is exposed. To the west rocks of granitic composition are likewise encountered, whereas to the north, a considerable amount of Anarchist metamorphic rocks are found.

The Okanogan valley has been glaciated, and glaciofluvial and glacial lake deposits are abundant in Horse Springs Coulee, and cover many of the metamorphic rocks which have been but recently re-excavated.

Although a number of mineral occurrences are reported from the area, no producing mines have as yet been developed, and heretofore, no radiation anomalies of significance have been reported.

Geology

The metamorphic rocks consist of phyllites and low-grade green schists, with some dolomite and silty argillite bands. They are probably Lower Anarchist according to Watters and Krauskopf. The foliation planes which appear to be more or less parallel to the bedding, dip in an easterly direction from 10° to about 70°. The strike of the beds trend 10° to 45° west.

From west to east, there are three more or less readily distinguishable units within the metamorphic rocks. The total thickness of the section is tentatively estimated at about 4000 feet.

The Lower Unit consists of graphitic phyllites, and sericite and chlorite phyllites with a massive dark gray dolomite unit at the top of the unit. The graphitic schists are not dominant, but are characteristic of the unit. A massive diorite porphyry (?) sill (?) was noted below the dolomite at one locality.

The Middle Unit is composed dominantly of chloritic schists and massive ledges of greenstone. Above the dolomite of the lower unit there are graphitic phyllites, and in the upper part of the unit there are silty argillite bands. This unit is about 1200 feet in thickness. The principal quartz bands and exudation pods occur in this unit.

The upper unit is characterized by silty argillite bands within chloritic phyllites and massive greenstones. Although the silty bands comprise possibly less than 20 percent of the unit, they are characteristic of the upper part of the section.

Structure

The foliation planes within the schist dip uniformly to the east and strike west of north. Lineation due to minute folding on the S-surfaces rake 10° more or less to the north.

The reported north-south vein system consists of quartz bands and pods of exudation or replacement origin within the metamorphic rocks and are conformable with the metamorphics. Gross cutting veinlets are rare and commonly show distinctive replacement structures. The quarts is white, and contains minor amounts of

iron oxide staining. Rarely do the vein structures, so called, exceed one foot in width, although locally they may bell out into pods several feet in thickness. The quartz bodies of this system should not be considered as fissure veins of the type so commonly found in many mining districts.

In the northeast part of the area south of the fence line in about the northeast corner of the NW$\frac{1}{4}$ sec. 13, there is a zone of quartz vein and breccia which strikes about N 65° E. is nearly vertical, and is about 40 feet in width. It consists of veins up to as much as two or three feet in width with horses of the country rock, and irregular breccia zones with open space filling and replacement. The country rock is a brittle, silty band. The zone could not be traded more than a few hundred feet, and in each instance, the principal quartz breccia and vein matter occurred in silty bands and could not be traced at all or very imperfectly in the chloritic schist layers. In other words, the veins and fracture zone "made" in the brittle silty bands, and not in the chlorite beds.

Pyrite was noted in some of the quarts vein matter. No other minerals were recognized. Scheelite was reported in a quartz pod in the chlorite schist of the middle unit.

In the detailed mapping during the second trip, two and possibly three probable faults were recognized. The one fault, which is quite definite, strikes about N. 30° E. and cuts off the main outcrop area of metamorphic rocks south of the operating prospect. The foliation planes north of the fault strike about 10° W. whereas south of the fault, the strike is much greater, about N. 45° W.

A second fault is postulated between the prospect (locality 2) and locality 8. The phyllitic beds at the prospect (locality 2) does not persist northward along the strike, rather the next ridge north on strike is a chlorite phyllite of the middle unit in which there is no detectable radiation above the background of .005.

The straight valley which strikes about N. 15° W just east of locality 9 and extends to just west of locality 7 is probably fault controlled, and may be rather important fault structure. Insufficient mapping was completed to determine the need for a fault in this straight structural trend which cuts the trend of the ridges of metamorphic rocks at a small angle.

Radiometric Survey

The background over the area mapped, and along the Okanogan Valley generally, was determined to be about .005 MR/HR. The green chloritic phyllites and the more massive greenstones were measured at a great many places to be .005 MR/HR with variations from .0035 to about .007.

On the accompanying map, ten locations are shown where the radiation count was .020 MR/HR or better, of which five were .030 MR/HR or better. The highest recorded reading on the property was .035 MR/HR at locality number one. The general situation at each of the anomalies in the higher group is outlined briefly. In all cases, the host rock which displays anomalous radiation is very fine grained, somewhat sericitic phyllite of low grade. The rocks are generally gray, and in some cases iron stained. In only one instance, that at locality 3, is there any obvious structuralrelation of high radiation and the surrounding rocks. In that case, a quartz pod directly overlies anomalous radiation, and the anomalous radiation is confined to the area of the quartz exudation pod.

Locality 1. SE¼ NE¼ sec. 24 on west side of low ridge. The rocks strike N. 40° W. and dip 40° NE. The radiometric count varied over about a 12-foot section of gray low-grade phyllite from 0.16 to persist for more than 50 feet north along the strike of the small ridge. The phyllite is iron stained, and has a bluish cast (possibly glaucophane). A specimen of the schist was collected and brought back to Seattle. Two different series of tests were made two days following the collection of the chip which is about four inches long, two inches wide, and about one quarter inch thick. The Seattle background was measured at .004 MR/HR. Consistent results of .005 MR/HR were obtained from the specimen placed in contact with the probe. This is but a 25 percent increase over "background" but it is the only specimen collected which shows any radiation when removed from the outcrop.

Locality 2. Locality two is at the prospect which is currently being explored. A maximum count of .034 was registered in the small prospect hole, however the high radiation zone is very narrow, about two feet wide, and could not be traced at more than .022 10 feet north or south of the prospect pit. Samples collected at the outcrop show no anomalous radiation when removed from the outcrop. It is at this locality that an assay reportedly gave values of .08 to .30 U_3O_8. This assay has not been verified nor certified.

Locality 3. At this locality, there is a quartz pod which has a maximum thickness of about 26 inches. Directly overlying the quartz is chloritic phyllite and greenstone which has a background count of .007, but which in less than 10 feet is .006. The gray phyllitic rocks below the quartz at the point of maximum thickness show six to eight feet of rock which ranges from .020 to .030 MR/HR. A zone of radiation persists for about 20 feet north, and 25 feet south of the maximum. Fifteen feet below the quartz, the background is .005. At this locality there appears to be an indication of an association of the high radiation with the quartz. Samples of the highest radiation zones showed no anomalous radiation away from the outcrop. Radiation counts from the quartz contact and taken at about one foot intervals below the quartz gave the following values: .025; .022; .030; .020; .022; .020; .023; .023 (end of outcrop).

Locality 4. This locality is at the south end of the massive group of outcrops south of the main prospect (locality 2). This is the widest zone of anomalous radiation found with values from .020 to .030 MR/HR over a 20 foot band of gray phyllite which directly underlies an impure sandstone. The band which gives the high radiation goes under soil cover so it could not be traced north along the strike for more than 20 feet.

Locality 5. The anomalous radiation emanates from a thin silty arguillite layer in chloritic phyllite. Values from .018 to .030 were found in a zone several feet wide, and traced along the outcrop for more than 50 feet north on the west side of a small ridge.

Localities 6 through 10 have distinctly lower maxima, but all occur in phyllitic bands in the metamorphic sequence, and are largely confined to the upper unit, or the upper part of the middle unit. The association with gray phyllitic bands is constant. The chloritic phyllites and greenstones, as well as the argillite beds, do not normally contain anomalous radiation.

The graphitic phyllite of the lower member, and that found directly above the limestone unit of the lower member, shows distinctly higher radiation counts than the chloritic bands, however, only at the tunnel on the west side of the property, about one quarter mile north of the office, and at the prospect pit on the "second bench" were values as high as .020 and .018 respectively encountered.

Stratigraphic Control of Anomalous Radiation

The relationship of the anomalous radiation to the gray, low-grade phyllite bands has been mentioned. It appears probable that there were several bands which give rise to anomalous radiation, however, the number may be small. It appears possible, for example, that the band at locality 2 has been offset by faulting, and that the band of anomalous radiation at Locality 8 may be the same. Certainly the linear pattern confined to but a few feet of practically identical-appearing rocks found in the same stratigraphic succession, lends attractiveness to the hypothesis. If this be true, then the zone from Locality 2 cannot be found on the next ridge to the north which is in a green chloritic phyllite, in spite of the projected "trend" which will presently be mentioned.

Anomalous radiation is not found in any significant amounts in the green chloritic phyllites, the massive greenstone ledges, the argillite bands (silty phyllites), or in the dolomite ledges. Somewhat higher radiation counts were observed in the graphitic phyllites of the lower unit and the lower part of the middle unit.

Source of the Radiation

The source of the radiation has not been determined. It may be from uranium, thorium, or possibly other radioactive materials. In spite of the fact that the radiation counts are as much as six and even seven times background, in only one instance has a sample collected at the site of the anomaly shown any radioactivity when removed from the outcrop. In that case, the increase produced by the sample collected from locality 1 is only about 25 per cent. In no case has the amount of the radiation been sufficient to indicate the specific mineral or minerals which are responsible for the anomalies.

It is possible that the radioactive minerals which may once have been in the rocks, have been leached from the outcrop by normal weathering processes. If so, the tracing of the "favorable" bands underground to a point below the water table should serve to locate the materials responsible for the anomalous radiation. As the metamorphic rocks were once scoured by glaciation, the depth of oxidation may not be great. Pyrite has been noted in many samples from the outcrops. Ironstaining, presumably from pyrite, is more common. There is no indication of intense leaching and alteration by surface waters.

Although the anomalies were quite strong, when compared to the regional background, it should be held in mind that the anomalies themselves are actually of smaller intensities than high background areas in the Colorado Plateau and in western Nevada with which the writer is familiar. The presence of anomalies which run from six to seven times background may, however, be significant. Certainly the area is an unproven region. The anomalies may well be worthy of sufficient prospecting to determine the source of the anomalous radiation.

A Second and Separate Exploration Program

(This paragraph omitted as irrelevant to this report. W.S.P.)

Recommendations

In view of the number of anomalies which have been found; the intensity of the anomalies; and the fact that the lessees have committed funds for exploration by the purchase of a jeep pick-up truck, compressor, drill, and miscellaneous equipment and supplies; the following recommendations are made:

1. At locality 1, an incline prospect shaft of small dimensions should be sunk at the point of highest count (.035 MR/HR). The "favorable" band in the metamorphic rocks is some 12 feet wide so that it should not be difficult to stay within the limits of the band so that each foot of depth on the favorable band should add information which will ultimately indicate the origin of the radiation and serve to evaluate the commercial significance of the deposit. Thus, when the source of the radiation is found, and the amount of radioactive material determined, the prospect will have served its primary objective at probably the lowest cost.

If this recommendation is acted upon, the work should be followed from time to time by a geologist who should be responsible for sampling radioactive rocks from the shaft for assay, and also be responsible for obtaining certified assay reports which should accompany the final report.

2. A diamond drilling program is distinctly second choice. Mr. Price asked that a drilling program be included if further exploration appeared justified. Locality 1 should be tested first with a drill hole to intersect the "favorable" horizon at a depth of about 50 feet below the outcrop, and at an angle that will cut the formation about at right angles. Drilling sites, and directions may be determined by a geologist.

   If a moderately comprehensive program is desired, each of the five most favorable areas may be tested, however the results of the first hole should be studied and evaluated before additional holes are definitely spotted.

   All core should be saved and placed in core boxes in order, with footage marked for each core run. The geologist should be responsible for sampling the core, and obtaining assays. A probe should be inserted into the hole, if practicable.

   Churn drilling may be considered for an initial test at locality 1. This might be less expensive than a diamond drilling program, especially if only one hole is desired. The same conditions, that is to intersect the favorable bed at about 50 feet, should be considered.

4. If the results of the exploration program outlined in one of the above appears favorable for commercial possibilities, a more detailed geological survey should be considered to work out the structure in detail. However, further geological mapping is not considered essential until there is a demonstrated need for it.

5. The reported scheelite should be checked with a black light.

In the interest of economy, and consideration of equipment already available at the property, the first recommendation is preferred.

Respectfully submitted,

(signed)

Forbes Robertson
Economic Geologist

P.O. Box 91
University Station
Seattle 5, Washington
April 28,1955

Floyd B.Satterlee
Geophysical Surveys

Omak, Washington
May 31, 1955

Mr. Walter S.Price, President
American Strategic Minerals Corporation
4736½ University Way
Seattle, Washington

Dear Mr. Price:

Pursuant to your request for the Geophysical survey of the property which you hold under lease and which is located in The Horse Spring Coulee District, Okanogan County, Washington, I herewith submit my report.

The objective of this survey is to locate and trace out all of the mineral bearing veins and to determine the different minerals present, also to determine the strike, dip, extension, and any faulting that may occur, also to determine as to the depth that the veins ma y attain and also their relation to the surface.

This report is not a mining engineer's report and should not be considered as such, the data has been taken with a scientific instrument which has been proven and accepted by some of the leading geologists for the larger mining companies.

The writer has followed the mining profession continually for the past thirty years, and feels that he is in a position to report on the survey.

The survey covers 2,200 acres which is held under lease by the American Strategic Minerals Corporation, most of which is highly mineralized, the holdings being in a solid block and located about five miles west of Tonasket, Washington, in the Horse Spring Coulee area.

Sincerely yours,

(signed)

F. B. Satterlee

Report of
The Geophysical Survey
on the present holdings of

AMERICAN STRATEGIC MINERALS CORPORATION

prepared for

Walter S. Price, President
American Strategic Minerals Corporation

by

Floyd B. Satterlee
Geophysical Surveys

May 31, 1955

Omak, Washington

Report on the findings of the Geophysical Survey
of the present holdings of
THE AMERICAN STRATEGIC MINERALS CORPORATION
by FLOYD B. SATTERLEE

Introduction

The report is accompanied by a large map, 30x40 inches, showing the different veins and their relation to the faulting action and to each other, also their location.

The occurrence of uranium is evidently one or more of the primary ores, as it appears along the faulting plane and paralleling to the fault, also in some of the extensive cross fractures, attaining a depth to 4,600' to the West of the major fault, while the parallel and cross faulting to the East and the uranium on the fault attain a depth of 2,800'.

The mineralization occurs along a fault plane, striking N.35 degrees W. and attains a depth of more than 4000' on the West side of the fault, while just going down to 2,800' on the East side of the fault.

This could be the conjunction of the Sinlahekin and the Colville batholiths which have caused the faulting and fractures, forming more than forty mineralized veins, the leading values being uranium and tungsten.

The major fault which bisects the property from North to South is carrying uranium which checks out very strong. There are three main cross fracture zones along the fault, the first being in the extreme southern part of Sec. 13, where the present exploratory work is being done. The second fracture zone is 1,200' to the North, here the overburden is very radioactive, making this a proper place to do some exploratory work.

The third fracture zone along the fault is on the center line of Sec. 13, and 500' to the East from the West side of Sec. 13. Here the fracturing takes a trend N. 55 degrees W. and extends for a distance of 7,000' to the N.W. The proper exploratory point on this structure would be to the East of the County road near the base of the hill.

The tungsten show several prominent outcroppings, the outcrop near the water trough in the N.E. corner of Sec. 14 would be an ideal spot to explore.

Twenty-four days were spent in the field in making the survey, starting the survey on April 23, and completing the field work May 26th.

Each vein was surveyed out for strike, dip, extension in length, depth, and its relations to the surface, also the possible ore potential

was taken at numerous places along the veins. At each place where the potential was taken an iron pipe was driven and numbered. The readings are tabulated later in the report.

The survey of the Fault Vein

The large fault vein, as it is designated on the map, bisects the property from North to South, striking N. 35 degrees W., the vein dips at about 80 degrees to the West, the uranium values on the fault show to be from 12' to 20' wide and bottom at around 2,800', there being several places along the strike where the overburden shows some radiation, one of the more pronounced radiation anomalies being at station No. 8, marked H, located on the vein near the center of the S.W. quarter of Sec. 13.

The vein extends from the South boundary of the property at about 1,600' from the North end of the North and South quarter line of Sec. 24, and extending to the north in the property to near the center of the N.E. quarter of Sec. 11, this being a distance of more than 9,000' of the fault vein lying within the boundarys of the property.

Uranium is the chief mineral in the vein except where it passes through the lime for a distance of approximately 600' in the S.E. quarter of Sec. 11. Here the tungsten comes in down to a depth of 800'.

Uranium Vein No. 2

Here there are two parallel veins which are cross faults. The present exploratory work is being done on the South vein. An open cut on the point of the hill is down to about 25'. The veins lie in the South Half of Sec.13, about 600' from the S.line; they strike N. 57 degrees E.; the veins are 40' apart; the South vein is 12' wide and extends to the East of the open cut for a distance of 200' and to the West 700', crossing through the big fault vein.

The North vein is 16' wide, 2,500' long; it crosses the big fault vein and extends through the hill for a distance of 750' from its intersection of the fault vein; the veins go down to 2,800'. An iron stake marked D is located on this North vein about 300' to the East of the fault vein; here the possible ore potential was taken; the readings will be found later in the report.

Uranium Vein No. 15

No. 15 is a mineralized zone about 500' wide and 1,700' long, comprising five veins, located in the West half of Sec. 24, near the center of the Section; the veins are carrying uranium, lead, silver and copper; the uranium bottoms at 500'; and the other minerals go down to 2,600'; an iron stake marked A is driven near the center of this mineralized zone just to the East of the road; the veins are striking N 34 degrees W and dip at 60 degrees to theN.E.

400' to the East of No. 15 is another small mineralized zone 150' wide and 900' long, with the same strike and dip, carrying only uranium which bottoms at 125'; there are several outcrops on this zone which show rather high radiation anomalies; an iron stake marked B is driven near the center of this zone.

Vein No. 20

Vein No. 20 is a small vein carrying gold, silver and copper, striking N 22 degrees E; it dips at 60 degrees to the East; the vein is 900' long and bottoms at 900'.

Vein No. 20 is 400' North of No. 2 uranium vein and extends to the big fault vein at the top of the point above the present cut.

Vein No. 13

Vein No. 13 is located in the S.W. quarter of Sec.13; it strikes N 60 degrees East; the dip is at 55 degrees to the S.E.; this vein is carrying gold, silver and copper; the possible ore potential was taken at the iron stake, marked G, which is located on top of the ridge just to the South of the road; the vein does not outcrop, having about 60' of overburden; it is 2,500' long, 11' wide, and bottoms at 1,800'.

Vein No. 12

Vein No. 12 is located in the S.E. quarter of Sec. 14, extending 400' into the S.W. quarter of Sec. 13; the vein is located by a wooden stake driven on the vein along the fence line 1,500' S of the West quarter corner of Sec. 13.

The vein is carrying lead and silver; the strike is N 40 degrees W; dip 50 degrees N.E.; the outcrop is on the sheer bluff to the S.W. in Sec. 14; the vein is 7' wide, 1,400' long, and bottoms at 1,200'.

Uranium Vein No. 3

Uranium Vein No. 3 is a lateral fault, paralleling the main fault; striking N 22 degrees W; it lies 500' East of the main fault at the South end and 1,200' East at the North end; this lateral fault extends from the uranium vein No. 2 in the extreme Southern part of Sec. 13, running diagonally across Sec. 13 through the S.W. corner of Sec. 12, and through Sec.11 to within 880' of the North line of Sec. 11, this being a distance of 8,600'.

Vein No. 16

Vein No.16 is carrying uranium and tungsten, about 20' wide and 2,400' long;it is located in the NE quarter of Sec. 13, and the strike is N 65 degrees W; dip 60 degrees to the N.E.; the vein outcrops in

the draw and there is driven an iron stake marked CC, where the possible ore potential was taken, and which is tabulated in the report; the tungsten extends down to a depth of 725', and the uranium bottoming at 2,900'.

Vein No. 17

Vein No. 17 is located in the East half of Sec. 13, and parallels the lateral fault, vein No. 3, which lies 1,500' to the West; this vein is carrying tungsten, uranium and gold; the strike is N 22 degrees W; it dips at 60 degrees to the NE; the vein is quite wide, and has a large quarts outcrop 6' wide; on the outcrop a small shaft has been dug in the early days to a depth of about 12'; the dump shows iron pyrites and a trace of scheelite; the vein is 2,400' long; the tungsten goes down to 700'; and the uranium bottoms at 2,700'; an iron stake marked CB is driven near the prospect hole; the uranium potential was taken here and is tabulated later in the report.

Vein No.18

Vein No. 18 is a large mineralized zone consisting of ten parallel veins, six of which extend across the NE quarter of Sec. 14, and about 1,600' into the SW quarter of Sec. 11; the mineral strikes N 55 degrees W, and extends to the big fault, contracting it near the center of the West line of Sec. 13, giving this uranium bearing zone a length of 7,000' and a width of 800'.

The zone lies on the North slope and extends down and crosses the County road about 1,000' to the North of the office; at this point an old road branches off to the right and East of the County road, along the East side of the old road; iron stakes are driven on each of the veins, where the possible ore potential was taken; the potential was also taken on the South and near where the veins contact the major fault; here iron stakes were driven on each of the veins; the potential checks out to be very high and consistent on each of the levels down to 600'; the recording of the potential readings are tabulated later in the report; the uranium in this zone reaches down to a great depth, bottoming at 4,600'; the four veins marked with iron stakes, BD, BE, BF, and BG, which are driven along the East side of the old road; is a zone of 2,000' long and having a low ore potential, this zone bottoms at 1,200'.

Tungsten Vein No. 3

Tungsten vein No. 3 consists of two parallel veins, striking N 55 degrees W, and dipping at 70 degrees to the NE; the veins cross the draw at the water trough which is in the NE corner of Sec. 14; at this point the outcrop shows very good scheelite and wolframite tungsten; here iron stake marked CD was driven and the possible ore potential taken; the results of which are tabulated later in the report; the veins are 1,500' long and the tungstem bottoms at 725'.

Tungsten Vein No. 4

Tungsten vein No. 4 is located on the NE quarter of Sec. 14, striking N 45 degrees E, dipping at 60 degrees to the SE; the vein

Tabulation of the possible ore potential

Iron stake A.

Located on vein No. 15.

Potential points at the different depths,

Uranium	lead	silver	copper		
1. pt.	.10	.10	.03	at	50'
3. "			.50	"	100'
15."	15.	3.	15.		400'

Iron stake B.

Located 500' N.E. from stake A. on small uranium zone.

U. pot.	3. pts.	at	30'
	3. "	"	100'
	3. 2	"	125'

Iron stake C.

Located on the big fault vein 400' S. of cut.

U. pot.	.30 pts	at	surface
	3. "	"	20'
	6. "	"	50'
	23. "	"	100'
	25. "	"	200'
	29. "	"	300'
	29. "	"	400'
	15. "	"	500'
	33. "	"	600'

Iron stake D.

Located on No. 2 vein 40' W. of fault.

U. pot.	.15 pts	"	20'
	9. "	"	50'
	29. "	"	100'
	37. "	"	200'
	63. "	"	300'
	67. "	"	400'
	75. "	"	500'
	83. "	"	600'

Ore potential continued

Iron stake E.

Located on fault vein at top of point near present work.

U. pot.	.05	pts	at	30'
	7.	"	"	50'
	33.	"	"	100'
	37.	"	"	200'
	41.	"	"	300'
	45.	"	"	400'
	47.	"	"	500'
	67.	"	"	600'

Iron stake F.

Located on uranium vein No. 2. 150' E. of fault.

U. pot.	.25	pts.	at	20'
	21.	"	"	50'
	26.	"	"	100'
	35.	"	"	200'
	37.	"	"	300'
	37.	"	"	400'
	37.	"	"	500'
	37.	"	"	600'

Iron stake G.

Located on vein No. 13. W. side of road at top of ridge.

Cu. potential	15. pts
Au. "	.60 "
Ag. "	.50 "

Iron stake H.

Located about 900' N. from Stake E.

U. pot.	3.	pts.	at	10'
	32.	"	"	50'
	41.	"	"	100'
	47.	"	"	200'
	52.	"	"	300'
	65.	"	"	400'
	71.	"	"	500'
	77.	"	"	600'

Iron stake I.

Located 350' N.E. from stake H. on short fracture vein.

U. pot.	2.	pts.	at	10'
	5.	"	"	50'
	5.	"	"	100'
	4.	"	"	200'
	6.	"	"	300'
				40'

Ore potential continued

Iron stake AE.

Located 50' S. from AD. at survey station.

U. pot.	.35	pts	at	25'
	15.	"	"	50'
	23.	"	"	100'
	53.	"	"	200'
	47.	"	"	300'
	47.	"	"	400'
	47.	"	"	500'
	53.	"	"	600'
			bottoms	4,600'

Iron stake AF.
Located 30' N. from AB. at survey station.

U. pot.	.80	"	at	30'
	7.	"	"	50'
	33.	"	"	100'
	53.	"	"	200'
	69.	"	"	300'
	69.	"	"	400'
	69.	"	"	500'
	69.	"	"	600'
			bottoms	2,500 '

Iron stake AG.
Located 35' N. from AF. at survey station.

U. pot.	7.	"	at	50'
	33.	"	"	100'
	53.	"	"	200'
	53.	"	"	300'
	63.	"	"	400'
	63.	"	"	500'
	63.	"	"	600'
			bottoms	4,600'

Iron stake AH.
Located on vein No. 18. 800' S. from BC.

U. pot.	5.	pts.	at	20'
	15.	"	"	50'
	29.	"	"	100'
	47	"	"	200'
	49.	"	"	300'
	71.	"	"	400'
	65.	"	"	500'
	33.	"	"	600'
			bottoms	4,600'

Ore potential continued

Iron Stake BI.
Located 635' S. from BC. East of County Road.

U. Pot.	19.	pts.	at	50'
	59.	"	"	100'
	63.	"	"	200'
	65.	"	"	300'
	65.	"	"	400'
	65.	"	"	500'
	65.	"	"	600'
			bottoms	2,600'

Iron stake BJ.
Located 410' S. from BC.

U. pot.	.30	pts.	at	25'
	9.	"	"	50'
	67.67	"	"	100'
	67.	"	"	200'
	67.	"	"	300'
	67.	"	"	400'
	67.	"	"	500'
	67.	"	"	600'
			bottoms	2,500'

Iron stake BA.
Located 355' S. from BC.

U. pot.	5.	pts.	at	35'
	5.	"	"	50'
	65.	"	"	100'
	67.	"	"	200'
	67.	"	"	300'
	67.	"	"	400'
	67.	"	"	500'
	61.	"	"	600'
			bottoms	2,300'

Tron stake BB.
Located 115' S. from BC.

U. pot.	10.	pts.	at	40'
	19.	"	"	100'
	67.	"	"	200'
	67.	"	"	300'
	67.	"	"	400'
	70.	"	"	500'
	78.	"	"	600'
			bottoms	2,150'

Ore potential continued

Iron Stake BC.
Located on Vein No. 18.

U. pot.	.30	pts.	Pb. pot.	at	70'
	10.	"	7.	"	100'
	12.	"	5.	"	200'
	16.	"	1.	"	300'
	16.	"	6.	"	400'
	16.	"	12.	"	500'
	16.	"	10'.	"	600'
				bottoms	2,600'

Iron stake BD.
Located 120' N. from BC.

U. pot.	.50	pts.	at	60'
	2.	"	"	100'
	1.	"	"	200'
	3.	"	"	300'
	2.	"	"	400'
	3.	"	"	500'
	1.	"	"	600'
			bottoms	1,700'

Iron stake BE.
Located 230' N. from BC.

U. pot.	9.	pts	at	60'
	10.	"	"	100'
	28.	"	"	200'
	55.	"	"	300'
	48.	"	"	400'
	55.	"	"	500'
	40.	"	"	600'
			bottoms	3,700'

Iron stake BF.
Located 430' N. from BC.

U. pot.	5.	pts.	at	30'
	7.	"	"	50'
	16.	"	"	100'
	8.	"	"	200'
	4.	"	"	300'
	6.	"	"	400'
	1.	"	" bottoms	500'
	.50	"		

Ore potential continued

Iron stake BG.
Located 730' N from BC.

U. pot.	4.	pts.	at	20'
	5.	"	"	50'
	7.	"	"	100'
	19.	"	"	200'
	20.	"	"	300'
	21.	"	"	400'
	20.	"	"	500'
	21.	"	"	600'
			bottoms	4,500'

Iron stake BH.
Located on vein No. 10.

Pb.	Ag.	Wo.	Pts.	Au. pts.	at	
3.	.50	4.	"	.40 "	"	40'
9.	.60	4.	"	.30 "	"	100'
3.	.20	3.	"	.08 "	"	200'
7.	.20	3.	"	.25 "	"	300'
7.	.30	4.	"	.20 "	"	400'
7.	.30	7.	"	.25 "	"	500'
7.	.30	3.	"	.20 "	"	600'
					bottoms	4,000'

Iron stake BI.
Located on vein No. 5.

wo pot.	9.	Au.	10 pot.	at	40'
"	11.		.10 "	"	100'
"	.4		.18 "	"	200'
"	3.		.12 "	"	300'
"	.80		.10 "	"	400'
"	.70		.70 "	"	500'
"	.85		.60 "	"	600'
"	7.		3. "	" bottoms	789'

Iron stake CJ.
Located 700' S. 10 degrees W. of vein No. 5.

U. pot.	.20	Pts.	at	30'
	2.	"	"	50'
	6.	"	"	100'
	33.	"	"	200'
	33.	"	"	300'
	32.	"	"	400'
	38.	"	"	500'
	51.	"	2	600'
			bottoms	2,700'

Ore potential continued

Iron stake AJ.

Located on ridge 1100' N. from H.

U. pot.	.60	at	30'
	19.	"	50'
	31.	"	100'
	37.	"	200'
	39.	"	300'
	41.	"	400'
	53.	"	500'
	75.	"	600'
		bottoms	2,800'

Iron stake AA.
Located 1,500' N. from AJ. on fault vein.

U. pot.	.60 pts.	"	30'
	1. "	"	50'
	[illegible] "	"	100'
	9. "		200'
	21. "		300'
	29. "		400'
	49. "		500'
	57. "		600'
		bottoms	2,900'

Iron stake AB.
Located on fault vein at survey station.

U. pot.	.50 pts.	at	30'
	15. "	"	50'
	39. "	"	100'
	43. "	"	200'
	43. "	"	300'
	43. "	"	400'
	43. "	"	500'
	43. "	"	600'
		bottoms	4,000'

Iron stake AD.
Located 30' S. of AB.

U. pot.	.7 pts.	at	30'
	15. "	"	50'
	25. "	"	100'
	53. "	"	200'
	53. "	"	300'
	53. "	"	400'
	53. "	"	500'
	53. "	"	600'
		bottoms	4,100'

Ore potential continued

Iron stake CA.
Located 1,320' W. of S.E. corner of Sec. 11

U. pot.	1.	pts.	at	25'
	9.	"	"	50'
	29.	"	"	100'
	41.	"	"	200'
	45.	"	"	300'
	42.	"	"	400'
	63.	"	"	500'
			bottoms	2,700'

Iron stake CB.
Located on vein No. 17.

U. pot.	.30	pts.	at surface	
	7.	"	"	25'
	12.	"	"	50'
	5.	"	"	100'
	15.	"	"	200'
	12.	"	"	300'
	28.	"	"	400'
	8.	"	"	500'
				600'
			bottoms	2,800'

Iron stake CC.
Located on tungsten vein No. 3, at water trough.

Wo pot.	3.	pts.	at	25'
	5.	"	"	50'
	16.	"	"	100'
	24.	"	"	200'
	26.	"	"	300'
	17.	"	"	400'
	11.	"	"	500'
	13.	"	"	600'
	6.	"	"	700'
			bottoms	725'

Iron stake CE.
Located 500' N. from No. 3.

Wo pot.	10.	pts.	at	60'
	13.	"	"	100'
	14.	"	"	200'
	12.	"	"	300'
	6.	"	"	400'
	7.	"	"	500'
	5.	"	"	600'

So. 157 Howard Street
Spokane 4, Washington

April 18, 1955

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

Re: DMEA Application (uranium and tungsten)
American Strategic Minerals Corporation
Okanogan County, Washington

Dear Mr. Selfridge:

Enclosed are the original and two copies of an application for DMEA assistance presented by the American Strategic Minerals Corporation of Tonasket, Washington, on a property which they own in Okanogan County.

Mr. Price, the applicant, was in and talked at some length with the Executive Officer. In addition, Mr. Paul Weis of the Geological Survey visited the property last fall on a trip not connected with DMEA.

The application, as you will observe, is very vague. There is a large area which the applicant claims is radioactive; however, the radioactivity is very low and apparently at its highest it reaches no more than 3 or 4 times background and in most places is much less. This, of course, is very little more than would be expected from passing from recent sediments into the chlorite schist which forms the country rock of the area. This was pointed out to Mr. Price, but Mr. Price is convinced that the radioactivity is due to underlying deposits of uranium. When Paul Weis visited the property last fall he did not find any significant high level of radioactivity, although, according to Mr. Price, he saw only the north end of the property and did not see all the area which is included in the present application.

Mr. Price speaks of uranium veins and scheelite veins but does not show very clearly where these veins are, nor does he have any assays or any specimens from them. Some of these veins are said to outcrop. Mr. Price was vague on this point, but most of them, we infer, have been located by Mr. Saterlee by means of a geophysical method which Mr. Saterlee has devised. Mr. Saterlee, you will recall,

is the geophysicist involved in the Hidden Treasure property, Docket No. DMEA-2506, which was denied. We do not understand and are not convinced of the validity of Mr. Saterlee's methods.

Mr. Price had a sample of what he stated was his most radioactive material. On examination it proved to be schist with a little bit of brown iron staining which Mr. Price had evidently confused with uranium oxides. This material was tested, and was found to be completely nonradioactive. A radiometric analyses made later on our laboratory scaler indicated an eU content of 0.006 percent, which is not unusual for a schist. Mr. Price stated that this material was not very radioactive away from the outcrop but on the outcrop it was much more radioactive.

It was pointed out by the Executive Officer to Mr. Price that the proposal he made was incomplete in that it did not have a specific objective and, consequently, what he proposed was more prospecting than exploration and hence did not seem to come under the DMEA program. He was told that the Executive Officer did not think that the proposal could be seriously considered by the DMEA at this time until he had done more work, had more specific information, and come up with a more specific program. Mr. Price stated that he "realized the application was incomplete but he had been advised that he should submit an application at this time because of the possibility the DMEA program might not continue beyond the end of the fiscal year." He said that he planned in the very near future to have Mr. Forbes Robertson map the geology and the veins on the property and that Mr. Saterlee would also do geophysical work and map the veins. The Executive Officer then told him that the Field Team would send in the application but would take no action until this additional information could be furnished to the Field Team.

Mr. Forbes Robertson is a competent and reputable geologist and if we could get a map and recommendations from him the property could be seriously considered. On the basis of the present information, however, we strongly recommend that Mr. Price be informed that his proposal comprises more prospecting than exploration, and that we will hold the docket open for him until say about June 1, 1955, so that he can supply more geologic and engineering information, but that unless and until this information is made available to the Field Team, his proposal cannot be considered further under the DMEA program.

By Field Team, Region I, Ms District

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

Enclosure (in trip.)
cc: USGS (2)
AEC (2)
Weis

Wing G. Agnew, Member
U. S. Bureau of Mines

Department of the Interior
Federal Minerals Administration
RECEIVED
APR 25 1955

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1. Transmittal Letter to Mr. E. A. Weissenborn
2. Application (MF-103)
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5. Outline of Proposed Exploratory Program
6. Resumé of Estimated Expenditures
7. Sketch of Radioactive Areas
8. Township Map (Delineating Leases)
9. Aerial Map
10. Mining Leases
11. Biographical Data of Business Manager
12. Copy of Articles of Incorporation
13. By-Laws of Corporation
14. Copy of Corporation License

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

APR 25 1955

March 30, 1955

Mr. E. A. Weissenborn
Defense Minerals Exploration Administration
United States Geological Survey,
South 157 Howard Street,
Spokane 4, Washington.

Dear Sir:

In compliance with suggestion contained in letter dated November 4, 1954, from the Division of Raw Materials, Salt Lake Exploration Branch, United States Atomic Energy Commission, (Ref; SLEB:af), there is transmitted herewith application for aid in an exploration project, pursuant to DMEA Order 1, as amended, under the Defense Production Act of 1950. (MF-103 in quadruplicate).

In view of the facts presented herein, with supporting information, it is the belief of applicant that it would be to the interest of the Government to join in carrying out the exploration outlined in the enclosed application. The Chief Geologist for the State of Washington has stated (orally and informally to the undersigned) that his office considers the area under investigation to be one of the most highly mineralized areas in the State, but that very little has ever been done about it.

Information concerning the geology of this area is very meager and in fact is not completely understood. The effects of faulting and shearing in the immediate area upon the formations and mineralization at depth has not been determined. Since most of this area was homesteaded and patented in the early years of this century, very little prospecting has been done. Some prospecting was done in the early 1900's by prospectors looking for free gold. However, even this prospecting was ineffective for the reason that apparently the effects of glaciation were not understood or misled the prospectors as to the true location of ore bodies.

A large percentage of the area under consideration has proven to be quite radioactive (two, three and four times the background count). Through tests made by applicant over a period of time, it has been proven with a fair degree of certainty that a part of this radiation is from radon gas. One conclusion can be that the source of this radon gas is from unstable ore bodies at depth, the gas percolating through the seams of schist and argillite. If this is the case, it would certainly seem that a modest exploratory program is warranted to determine if commercial grade uranium ores are available.

The radioactive area under consideration is roughly two miles

square

square. If commercial grade ores can be located, the possible available tonnage is very large. (By use of geophysical equipment it has been determined that uranium ores may be available to an average depth of 1500 feet).

Since the Government is trying to develop reserves of radio-active ores, it is believed that the modest exploratory program envisaged in the enclosed application warrants serious consideration.

Applicant believes that this property under consideration is either on or in the immediate vicinity of a granitic contact. (In this connection mention is made of the fact that uranium ores in commercial grades and quantities have been loca ted on the Spokane Indian Reservation in an area where argillite contacts granites). We do know with certainty that we have a felsitic porphyry or micro-granite porphyry contact with argillite which may well indicate the presence of commercial grade uranium ores in situ. No other granitic outcrops have been located on the property. However, the glacial moraine contains large amounts of granite and pegmatites. The source of these granites and pegmatites has not been determined. However, there is some evidence that a considerable part of the glacial deposits were created from material in the immediate vicinity.

In addition to the radio-activity indicated on this property, it has been determined by geophysical examination and by the use of mineral lights that there is tungsten, in the form of scheelite, in and adjacent to the felsitic porphyry dike which traverses the property in a north-south direction for a distance of about two miles. Therefore, the possibility of finding tungsten in commercial grade and quantity should also be thoroughly explored.

In view of the foregoing and facts presented in the enclosed application, it is earnestly requested that the Defense Minerals Exploration Administration give early consideration to the program outlined herein.

Very truly yours,

Walter S. Price

Walter S.Price

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
APR 4 1955
U. S. G. S.
SPOKANE, WASH.

APR 25 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. 3790
Metal or Mineral Uranium, Tungsten
Date Received 4-25-55
Estimated Cost $150,000
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 Strategic Minerals Corporation
P. O. Box 523,
Tonasket, Washington.

(*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. See attached.

(*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 Mineral leases on patented property located in Sections 2, 10, 11, 13, 14, and 24, Township 37 N., Range 26 E.W.M., Okanogan County, Washington. (See Township map attached.)

(*b*) State any mine name by which the property is known. None.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise 5 year mineral leases on patented lands renewable for 5 years with option to purchase.

(*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. Certified true copies of leases submitted herewith.

(*e*) If you own the land, describe any liens or encumbrances on it 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.

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. See attached.

(*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.

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

(*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. See attached.

(*c*) The work will start within 90 days and be completed within 12 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.). See attached Schedule of Work.

(*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)? Yes.

(*b*) How do you propose to furnish your share of the costs? By furnishing proportionate share of cash, labor and materials.

[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 March 30, 1955.

American Strategic Minerals Corporation
(Applicant)

By Walter S. Price
Walter S. Price, President.
4736½ University Way,
Seattle 5, Washington.

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

OFFICE OF THE MINERAL
Strategic Minerals Administration
RECEIVED
APR 25 1955

APPLICATION OF
AMERICAN STRATEGIC MINERALS CORPORATION

Replies to instructions contained in Form MF-103 attached:

1. (b) Corporation organized in the State of Washington.
   (c) (1) Walter S. Price, President
   4736½ University Way, Seattle 5, Washington.
   (2) Gordon D. Luther, Vice President
   3727 Bagley Ave., Seattle 3, Washington.
   (3) Ruth A. Price, Secretary-Treasurer
   4736½ University Way, Seattle 5, Washington.

   (d) Not applicable.

4. (a) The mineral leases comprise 2040 acres located approximately 5 miles west of Tonasket, Washington. The properties are located near a well travelled county road, part of which is surfaced. Over a period of years a considerable amount of prospecting has been done on this property. A considerable amount has been done recently in connection with mapping a radioactive area approximately 2 miles square. (See sketch attached hereto).

(b) There has been no past profitable production in so far as can be verified with certainty.

(c) The properties lie on three benches with elevations from 1450 feet to approximately 2500 on the upper bench. All three benches are traversed by numerous veins with a north-south strike. The veins on the west side are three to four feet wide. As you progress eastward the veins become wider until you reach the third bench where the veins average ten to fifteen feet in width. The upper or third bench has a prominent chlorite schist exposure with felsitic porphyry veins or dikes intruding it. This exposure extends in a north-south direction for approximately two miles. In the vicinity of the chlorite schist there has been indicated by the use of Geiger Counters and Scintillators a considerable amount of radioactivity. In places the radioactivity is three and four times the background count. By geophysical examination it has been determined that there is also a considerable body of tungsten ore either in or near the felsitic porphyry. The quantity, quality and extent can only be determined by drilling or other methods of testing.

To the west of the chlorite schist lies a lime bed with quartzitic replacements. The lime bed also has a north-south strike or placement. At or near contact of porphyry dike and lime there is a strong probability of a high degree of mineralization. The geological information available from the U.S.G.S. and other sources covering this area is very meager.

(In this connection see map and discussion contained in the Geological Society of America Bulletin dated September 1, 1941, Vol. 52, No. 9). According to one competent and recognized Geologist, the discussion in the above cited Bulletin omitted so many facts that bear on the geology and thus the mineralogy of the area, that it is very misleading and should be re-written.

All of the veins on which it can be determined have a dip of approximately 65 degrees to the east.

Between the quartzitic veins lies a graphitic (argillite) formation with quartzitic intrusives. There is radioactivity throughout this formation also. (According to the assay made by the U.S.G.S. it runs .0104 equivalent uranium. The sample taken from a test hole approximately five feet below the surface). A more recent test made with samples taken from the vicinity of the chlorite schist, and checked against a calibrated sample of pitch blend obtained from the Atomic Energy Commission shows a uranium content, or its daughter elements, of approximately .06 per cent uranium.

The radioactivity has proven to cover approximately an area two miles square. Since the radioactivty is so wide spread, it is the belief of applicant that a core drilling program is warranted to prove out values at depth.

(d) A county road passes through the property. It is five miles to Tonasket, Washington, where rail and loading facilities are available. Supplies are available at Tonasket and points south as far as Wenatchee, also at Spokane. There is a house, which can be rehabilitated, located on the property. Additional housing is available at Tonasket.

(e) Man power is available at various points up and down the Okanogan River Valley. Materials, supplies and equipment can be obtained at the same points and also at Spokane. The applicant has an understanding with the leasor that water can be obtained for mining and milling purposes by driving a well in the valley below the mine property. It is an old river valley and the water supply has been proven by wells immediately south of the property. Power can be obtained from the Ferry County Public Utility District. Power is presently being supplied to run pumps a short distance to the south.

5. (d) The applicant has in the vicinity about three thousand dollars worth of miscellaneous tools and equipment. In addition the applicant has access to the facilities of the Silver Mountain Mine about one and one-half miles to the north.

6. (d) The project will be supervised by a Business Manager with the aid of geological and mining engineer consultants. (See outline of experience attached hereto).

7. (a) Yes. Funds will be deposited in the Pacific National Bank of Seattle.

OUTLINE OF PROPOSED EXPLORATORY PROGRAM

The following outline is set forth in sequence and in line with the resumé of estimated expenditures in so far as possible.

(1) On the basis of applicant's recent experience in the area under consideration, it is essential to have assay and research facilities immediately available. The applicant has available a small two story building (18' X 20') in Tonasket which can be moved to the site to serve as an assay office. (Cost of building and moving to site of work $500.00) In addition a building should be built adjacent to it for an ore dressing laboratory with dimensions of 24' X 30'. (Estimated cost using rough lumber $1,000.00). Equipment and supplies for the assay office are estimated at $3,500.00 Equipment for the ore dressing laboratory is estimated at $3,500.00; both estimates based on information supplied by the Denver Equipment Company.

(2) Rehabilitate house indicated on sketch for a center from which to carry on the work. Applicant has this house rented. Amount budgeted for this purpose $500.00. An old building on the property can be restored for a tool and storage shed at approximate cost of $300.00.

(3) There is a thirty foot test tunnel on the property which can easily be fixed up for dynamite storage. Cost for rough lumber and door $150.00.

(4) Have the Ferry County P.U.D. extend the power line from a point approximately one-half mile south to the house, assay office and pumps. Estimated cost $6000.00.

(5) In order to have an assured supply of water it will be necessary to drill a well in the valley below the house. Estimated cost of well, lifter and booster pumps, pipe, storage tanks and fittings $7,700.00.

(6) To develop the work program, it is proposed to bull doze a series of trenches in an east-west direction across the top and down the sides of the three benches on the property with the purpose of exposing, if possible, most or all of the veins which lie in a north-south direction. The over-burden runs from zero to 20-30 feet. (Where it is necessary to drill and blast rock outcrops to accomplish the bull dozing a mine crew will be available. $4,500.00 has been budgeted for this purpose.

(7) Concurrently with the bull dozing a drill rig will start a series of core drilling holes at sites indicated on the attached sketch. Where necessary the bull dozer will be available to cut benches from which the drill rig can operate. $25,000.00 has been budgeted for this purpose.

(8) In view of the extent of the mineralized area, as indicated by the sketch attached, it would appear best to contract for two mining crews, one for the north end and one for the south. These crews to be used to drive a series of short adits into the more prominent outcrops for determining the vein formations and general conditions underground. Also if it appears advisable, to sink short shafts in areas where it appears warranted by the results of the core drilling. $13,000.00 has been budgeted for this purpose.

(9) Under the heading of operating materials and supplies, the following will be required:

(a) The applicant has blasting equipment available. Powder and electric caps are available from the DuPont Powder Company agent at Wenatchee who will deliver to the job site. Estimated cost $2,385.00;

(b) The applicant has saws, picks, shovels, wrenches, etc., available. However, it is estimated that additional tools, repairs, and drill steel will cost $1,480.00;

(c) Gas & oil for trucks and compressors $1,400.00.

(10) (a) With two crews quite widely separated, it will be necessary to have two portable compressor units on the job. Two Atlas Diesel units on rental at $300.00 per month for 9 months $2,700.00;

(b) Two Copco rock drills with pusher legs and hose assemblies, and 1 Copco Automatic Grinder, estimated cost $1,520.00. It is planned to use Sandvik Coramant drill steel with integral tungsten carbide chisel bits with these Copco drills;

(c) It is planned to use the GISMO method of operation for possible open-cut and tunnel work. This equipment is fabricated by the Sanford-Day Iron Works and consists of a crawler tractor equipped with winch, cable, and controls; and a GISMO or a crawler mounted self-loading transport. The use of this equipment will eliminate the need of hoists, rails, cars, and other types of earth and hard rock moving equipment normally used in a mining operation. The cost of this equipment is $26,000.00 f.o.b., Knoxville, Tennessee, plus freight to the job site.

(11) There is available in the area a flat bed Dodge truck with winch and A-Frame which can be used in connection with hauling water, sinking shafts and miscellaneous haulage. Obtainable for $900.00; in order to have a piece of equipment to shunt the compressors about and to haul equipment and supplies to the operating area, it is believed a second hand Wilys pick-up, four wheel drive, should be purchased for this purpose. Cost $1,000.00.

(12) It will be necessary for the Business and Operations Manager and the Assayist-Metallurgist to live on the property. Camp expenses have been estimated at $2,115.00.

(13) The salary of the Business and Operations Manager has been set at $750.00 per month. Budget for one year to start and complete the work $9,000.00. The fees for engineering and geological consultants have been estimated at $15,000.00.

(14) The salary for an assayist-metallurgist has been set at $500.00 per month for an estimated ten months. $5,000.00.

(15) Insurance, payroll taxes and freight $3,800.00.

(16) Reserve for contingencies estimated at $11,550.00.

Resumé of Estimated Expenditures in
Connection with DMEA Loan Application

1.	Assay and Research Facilities:		
	(a) Assay Office and Laboratory for ore dressing		$1,500
	(b) Assay Laboratory Equipment & Supplies		3,500.00
	(c) Laboratory Ore Dressing Equipment		3,500.00
2.	Rehabilitation of Buildings:		
	(a) House		500.00
	(b) Tool & Storage Shed		300.00
3.	Powder storage:		
	Fixing tunnel & building door for dynamite storage		150.00
4.	Installation of Power Line:		
	To house, assay office & pumps		6,000.00
5.	Water:		
	(a) Well drilling contract (100 ft. @ 17.00)		1,700.00
6.	Bull dozing:		
	(a) Contract - 300 hours at $15.00		4,500.00
7.	Core (diamond) drilling:		
	5000 ft. at an average of 5.00		25,000.00
8.	Two mine crews on contract:		
	(a) 500 ft. drift at 10.00 per ft.	5,000.00	
	(b) 100 ft. shaft @ 40.00 " "	4,000.00	
	(c) Excavation & cross cutting	4,000.00	13,000.00
9.	Operating Materials & Supplies:		
	(a) Dynamite, caps & blasting equip.	2,385.00	
	(b) Drill steel, misc. tools & repairs	1,480.00	
	(c) Gas & oil	1,400.00	5,265.00
10.	Equipment:		
	(a) Two portable compressor units on rental, Atlas Diesel, 106 C.F.M.	2,700.00	
	(b) 2 Copco rock drills with pusher legs & hose assemblies	1,130.00	
	(c) 1 Copco Automotic Grinder	390.00	
	(d) 1 HC 5 Allis-Chalmers tractor Complete with attachments	16,700.00	
	(e) 1 mucking GISMO operated by above	9,800.00	30,720.00
11.	Transportation:		
	(a) Wilys Pick-up truck	1,000.00	
	(b) Dodge truck with winch & A-Frame	900.00	1,900.00
12.	Miscellaneous Camp Expense		2,115.00
	Total Forward		$105,650.00

	Total Forward		$105,650.00
13.	Supervision:		
	(a) Business & Operations Manager	9,000.00	
	(b) Engineering & Geological consul.	15,000.00	24,000.00
14.	Assayist & Metallurgist		5,000.00
16.	Reserve for contingencies		11,550.00
	TOTAL		$150,000.00

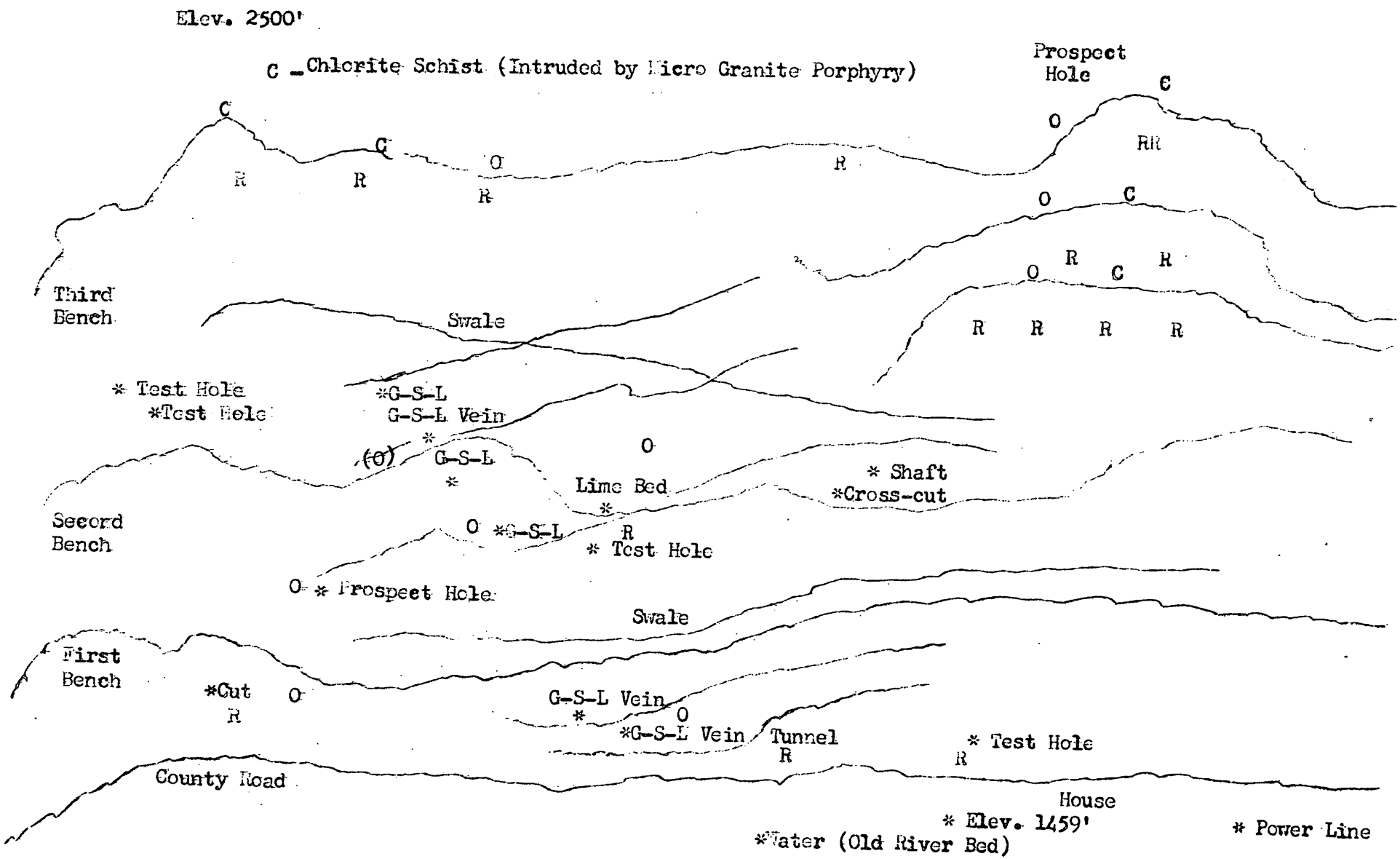
N *------*S

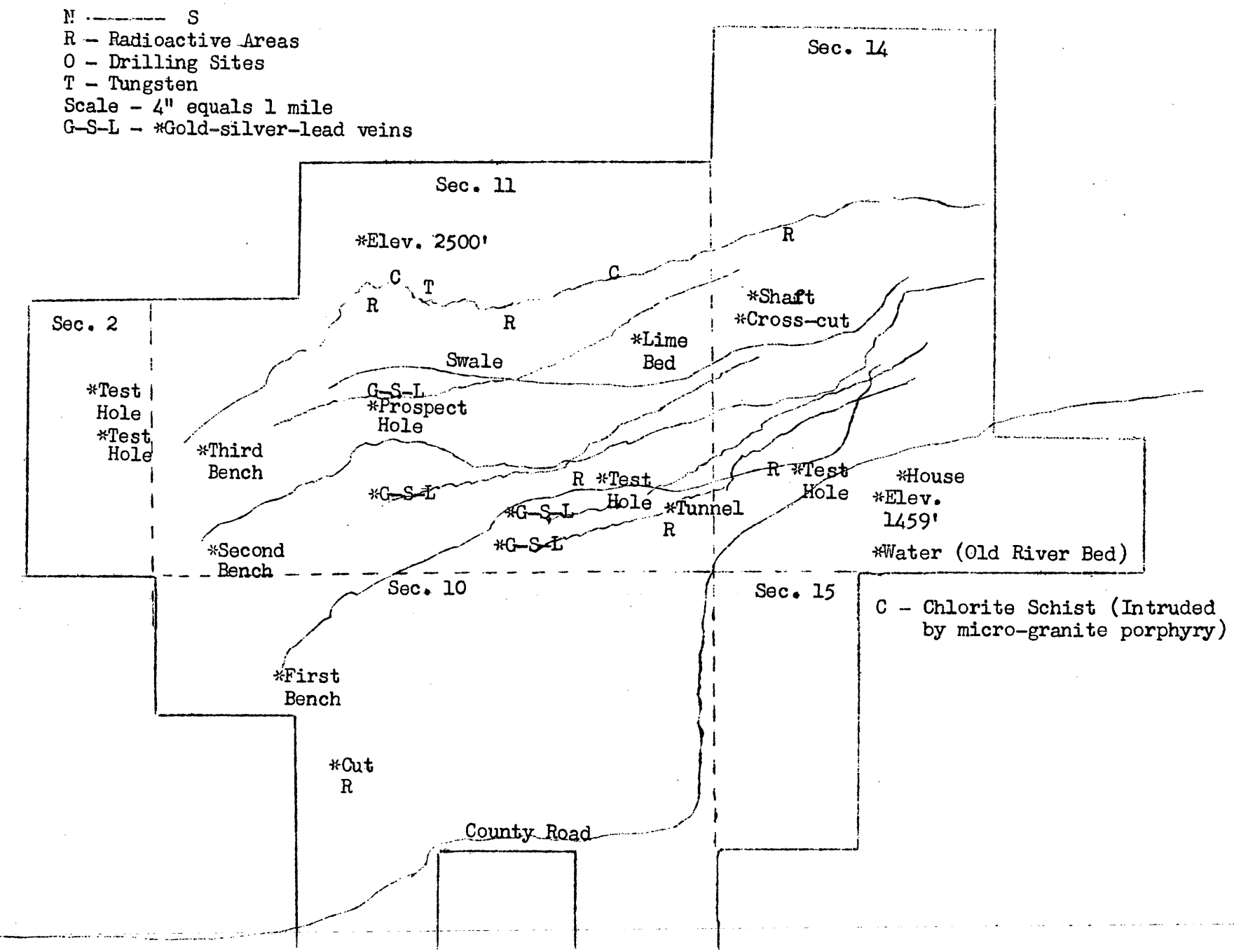
R -- Radio Active Areas

SCALE - 3" equals 1 mile

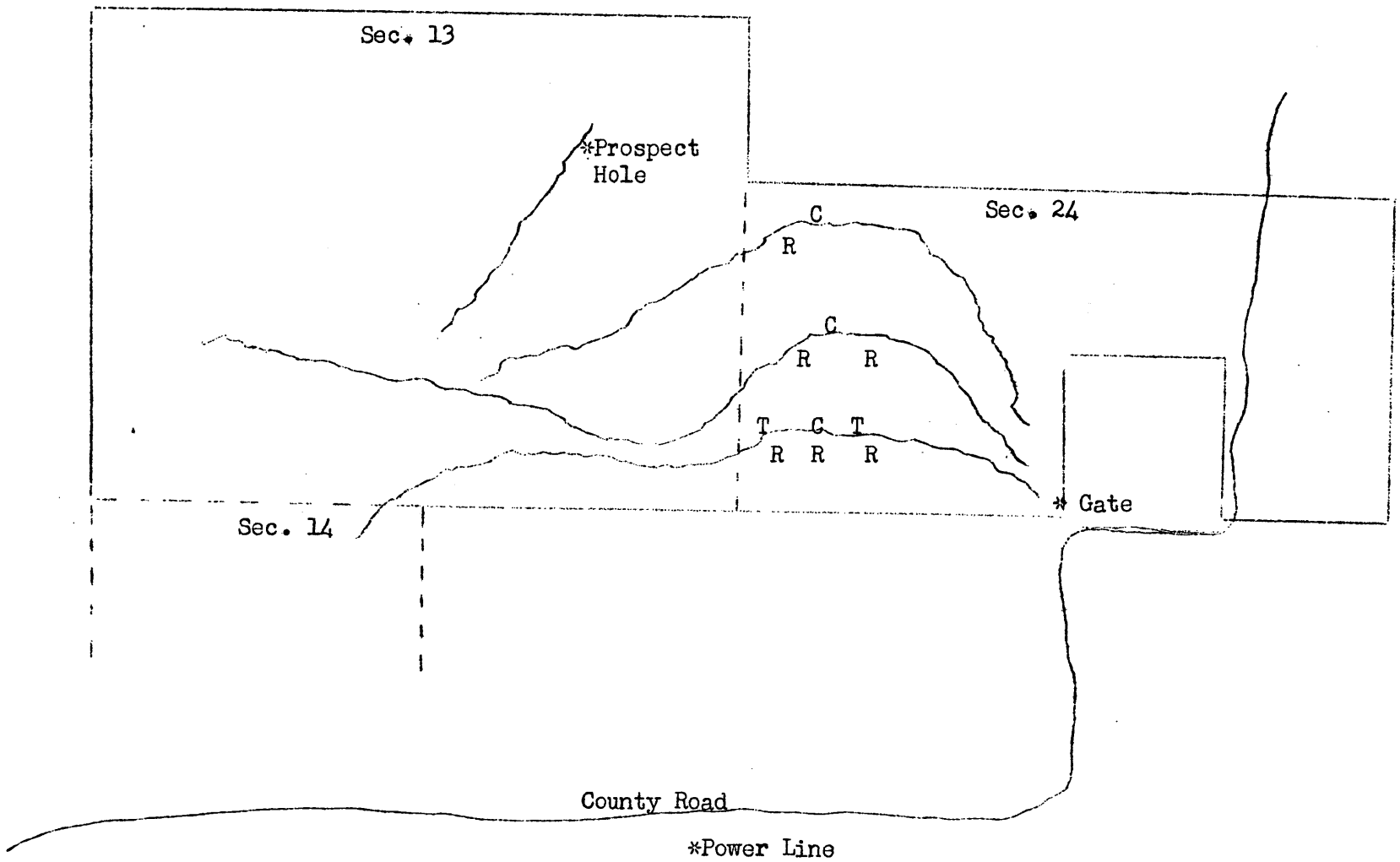
O - Drilling sites

G-S-L * Gold-Silver-Lead




N ——— S
R – Radioactive Areas
O – Drilling Sites
T – Tungsten
Scale – 4" equals 1 mile
G-S-L – *Gold-silver-lead veins
Sec. 14
Sec. 11
*Elev. 2500'
C
T
R
C
R
R
Sec. 2
*Shaft
*Cross-cut
*Lime
Bed
Swale
*Test
Hole
*Test
Hole
G-S-L
*Prospect
Hole
*Third
Bench
*G-S-L
R *Test
Hole
*Tunnel
R
*G-S-L
*G-S-L
R *Test
Hole
*House
*Elev.
1459'
*Water (Old River Bed)
*Second
Bench
Sec. 10
Sec. 15
C – Chlorite Schist (Intruded
by micro-granite porphyry)
*First
Bench
*Cut
R
County Road

Composite Elevation View Imprinted
on Township Map



Copy.

MINING LEASE

This indenture made this 25th day of September, 1954, between Loy J. McDaniel and Tessie M. McDaniel, his wife, of Loomis, Washington, parties of the first part, and Walter S. Price of Seattle, Washington, party of the second part,

WITNESSETH:

In consideration of the rents, covenants, and agreements hereinafter reserved and contained, said parties of the first part do grant and convey to said party of the second part, his heirs, executors, administrators and assigns, the exclusive right of entering in and upon the lands hereinafter described, for the purpose of searching for gold, silver, lead, copper, zinc, tin, platinum, and any and all other minerals and of conducting mining and quarrying operations, to such an extent as he may deem advisable, for a period of five (5) years from date, and do hereby grant and convey to said party of the second part all the gold, silver, lead, copper, zinc, tin, platinum and any and all other minerals that may be mined in and under said lands hereinafter described during said term; but not to hold possession of any of said lands, for any other purpose whatsoever, and to pay for the site occupied for buildings or other work necessary to said mining, a reasonable rent in the sum of one ($1.00) dollars and other consideration per annum. Said lands are situated in Okanogan County, State of Washington, and described as follows: S½ of the SW¼, Sec. 2; N.E.¼ of the N.E.¼, S½ of the N.E.¼, S.E¼ of the N.W.¼, S.E.¼, and S.E.¼ of the S.W.¼, all in Sec. 10; N.W.¼, S.W.¼ of the N.E.¼, W½ of the S.E.¼, all in Sec. 11; N.W.¼, S.W.¼, W½ of the N.E.¼, W½ of the S.E.¼, all in Sec. 13; N.W.¼, N.W.¼ of the S.W.¼, all in Sec. 14; N½ of the N.E.¼, Sec. 15; N.W.¼, N.E.¼ of the S.W.¼, S½ of the S.W.¼, all in Sec. 24; all of the above being in Township 37N, Range 26 E.W.M., Okanogan County, Washington. (The S.W.¼ of the N.W.¼ of Section 11 is hereby deleted) WSP/L.J.M.

It is specifically understood that second party, if he finds it unprofitable to mine said lands, may surrender this lease and option and have no further liability in connection therewith except such rents or royalties which may then be owing to first parties.

Said party of the second part hereby agrees that he, his heirs, executors, administrators or assigns, will pay or cause to be paid to said parties of the first part the following payments, to-wit:

In addition to the said $1.00 and other consideration per annum a royalty of ten (10%) per cent of the net returns of all minerals mined and sold until this lease expires under its terms as to time or until the second party may exercise his option to purchase as hereinafter stated.

The pa rty of the second part agrees that no act will be done or committed which will interfere with the grazing operations of the party of the first part, and also convenants that no damage shall be done to or upon said premises and lands other then may necessary in the conduct and operation of said mine or mines, and that in the event of a mine being dug, he will so prop, support and bolster up the roof of said mine as to insure safety and preserve intact the surface of the

premises under which said mine is being dug. And said party of the second part further expressly agrees that if no gold, silver, lead, copper, zinc, tin, platinum or other minerals be mined or quarried, as now contemplated by said parties, within the period of five (5) years, from the 25th day of September, 1954, then this lease shall terminate and be wholly void, but that if gold, silver, lead, copper, zinc, tin, platinum or any other minerals shall be found and mined by said party of the second part, then at the end of the term for which this lease shall run said party of the second part shall have the privelege of renewal for another term of five (5) years for the consideration herein named.

It is further agreed that the second party shall have the right and option to purchase the above described property at any time during the life of this lease upon the payment to the first parties of the sum of Forty Thousand ($40,000.00) dollars the first parties reserving the grazing rights on said lands in so far as the same will not interfere with mining operations.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 25th day of September, 1954, at Loomis, Washington.

/s/ Tessie M. McDaniel /s/ Loy J. McDaniel
Tessie M. McDaniel Loy J. McDaniel
Parties of the First Part.

/s/ Walter S. Price
Walter S. Price
Party of the Second Part.

STATE OF WASHINGTON)
)ss.
County of Okanogan)

I, the undersigned, a notary public in and for the State of Washington, hereby certify that on this 25th day of September, 1954, personally appeared before me Loy J. McDaniel and Tessie M. McDaniel, his wife, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal the day and year last above written.

/s/ Ruth A. Price
Ruth A. Price
Notary Public in and for the State
pf Washington residing at Seattle.

Certified to be a true copy of the signed original and recorded in Book 22, page 224 of the records of Okanogan County, Washington.

Walter S. Price
Walter S. Price

COPY

MINING LEASE

This indenture, made this 22nd day of September 1954, between Loy J. McDaniel and Tessie M. McDaniel, his wife, of loomis, Washington, parties of the first part, and Walter S. Price of Seattle, Washington, Party of the second part,

WITNESSETH:

In consideration of the rents, covenants and agreements hereinafter reserved and contained, said parties of the first part do grant and convey to said party of the second part, his heirs, executors, administrators and assigns, the exclusive right of entering in and upon the lands hereinafter described, for the purpose of searching for gold, silver, lead, copper, zinc, tin, platinum and any and all other minerals and of conducting mining and quarrying operations, to such an extent as he may deem advisable, for a period of five (5) years from date, and do hereby grant and convey to said party of the second part all the gold, silver, lead, copper, zinc, tin, platinum and any and all other minerals that may be mined in and under said lands hereinafter described during said term; but not to hold possession of any of said lands, for any other purpose whatsoever, and to pay for the site occupied for buildings or other work necessary to said mining, a reasonable rent in the sum of fifty ($50.00) dollars per annum. Said lands are situated in Okanogan County, State of Washington and described as follows: N.E.$\frac{1}{4}$; Township 37N., Range 26 E.W.M., Section 14. (Northeast quarter of Section 14).

It is specifically understood that second party, if he finds it unprofitable to mine said lands, may surrender this lease and option and have no further liability in connection therewith except such rents or royalties which may then be owing to first parties.

Said party of the second part hereby agrees that he, his heirs, executors, administrators or assigns, will pay or cause to be paid to said parties of the first part the following payments, to-wit:

In addition to the said $50.00 per annum a royalty of ten (10%) per cent of the net returns of all minerals mined and sold until this lease expires under its terms as to time or until the second party may exercise his option to purchase as hereinafter stated, and also covenants that no damage shall be done to or upon said premises and lands other than may be necessary in the conduct and operation of said mine or mines, and that in the event of a mine being dug, he will so prop, support and bolster up the roof of said mine as to insure safety and preserve intact the surface of the premises under which said mine is dug. And said party of the second part further expressly agrees that if no gold, silver, lead, copper, zinc, tin, platinum or other minerals be mined or quarried, as now contemplated by said parties, within the period of five (5) years from the 22nd day of September, 1954, then this lease

shall terminate and be wholly void, but that if gold, silver, lead, copper, zinc, tin, platinum or any other minerals shall be found and mined by said party of the second part, then at the end of the term for which this lease shall run said party of the second part shall have the privelege of renewal for another term of five (5) years for the consideration herein named.

It is further agreed that the second party shall have the right and option to purchase the above dexcribed property at any time during the life of this lease upon the payment to the first parties of the sum of three thousand ($3,000.00) dollars the first parties reserving the grazing rights on said lands in so far as the same will not interfere with mining operations.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 22nd day of September, 1954, at Loomis, Washington.

/s/Loy J. McDaniel
Loy J. McDaniel
/s/Tessie M. McDaniel
Tessie M. McDaniel

Parties of the First Part

/s/Walter S. Price
Walter S. Price

Party of the Second Part

Certified to be a true copy of the signed original and recorded in Book 22, page 226 of the records of Okanogan County, Washington.

Walter S. Price
Walter S. Price

BIOGRAPHICAL DATA OF BUSINESS MANAGER

The Business Manager has had many years of experience working for and dealing with governmental agencies.

The following is a resumé of that experience to date:

(1) Born Hayden, Colorado, September 12, 1905;

(2) Graduated from Hayden Union High School, 1922;

(3) Finished Pharmacy School, also had accounting courses and allied subjects at Southwestern University, Los Angeles, Cal., 1926;

(4) Joined U. S. Marine Corps for aviation duty only June 6, 1927;

(5) Special Order Discharge on March 6, 1929, at Peiping, China, to accept employment in the U. S. Legation in that city. Held successively positions as Code Clerk, Property Custodian, Disbursing Officer, Vice Consul, Special Officer and Clerk of the Tientsin Consular Court. Resigned effective February 15, 1936, to return to the United States to resume college education at the University of Washington;

(6) Completed studies at the University of Washington and obtained Certificate of Completion of foreign service course from The Roudybush Foreign Service School, Washington, D. C., October, 1938;

(7) From November, 1938, to April 1, 1940, was proprietor of own business and Accountant-Salesman for the Maury*henry Co., New York, (Income Tax Specialists);

(8) From April, 1940, to August, 1943, was employed by the U. S. Army Engineer Corps successively as (a) accounting clerk; (b) Accountant responsible for setting up the audit of fixed-fee contracts which activities covered Washington, Western Canada, and Alaska; (c) Supervising Auditor at Fort Lewis at peak of construction activities;

(9) Resigned August, 1943, to assume position as Secretary-Treasurer of Silver Star Mine (now Silver Mountain Mine); assisted in organizing for the purpose of shipping silica ore to the Tacoma Smelter. Purchased and assisted in building six mile power line from Tonasket to the mine. Failed to get the mine into operation due to inability to obtain experienced mine crews (due to the War) and also because shipping grade ore was not immediately available;

(10) From November 1, 1943, to August, 1945, engaged as Chief Accountant and Office Manager for a joint venture in the Aleutian Islands. Joint Venturers were Puget Sound Bridge & Dredging Co., of Seattle, and Macco Construction Co., of Clearwater, California. Work consisted of earth and rock excavation and fill; camp construction, general construction, and airfield construction; and purchasing and accounting for major construction equipment;

(11) Upon completion of above went into real estate business in Los Angeles, California. Building materials freeze put me out of business and returned to Seattle;

(12) From August, 1947, to February, 1952, employed as Paymaster for another joint venture in the Aleutian Islands. Joint Venturers were Puget Sound Bridge & Dredging Co., of Seattle, and Johnson, Drake & Piper of Minneapolis. Contract consisted of many types of construction activities;

(13) From the above to date have been in business for myself; first as a fur farmer and for this past year as mine operator in Okanogan County, Washington;

(14) From 1942 to date have maintained an active interest in the mining possibilities in Okanogan County, Washington. First as a stock holder and active participant in the Silver Mountain Mine and later as a prospector and operator.

On the basis of the experience and education shown above the Business Manager has a very considerable experience in governmental procedures, commercial law and business practices; has a good working knowledge of State and Federal Mining laws; on the basis of immediate past experience has up-to-date information on sources of labor, supplies, materials and equipment; also through intensive study has acquired up-to-date information on present mining and milling practices and methods.

ARTICLES OF INCORPORATION
OF
AMERICAN STRATEGIC MINERALS CORPORATION

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, each being of full age, and two-thirds of whom are citizens of the United States, have associated ourselves together for the purpose of forming a corporation under the laws of the State of Washington, and in pursuance thereof do hereby sign and acknowledge the following Articles of Incorporation in triplicate originals, and do state as follows:

ARTICLE I

That the name of this corporation shall be

AMERICAN STRATEGIC MINERALS CORPORATION.

ARTICLE II

That the objects for which this corporation is formed are:

1. To carry on the business of mining, milling, concentrating, converting, smelting, treating, preparing for market, manufacturing, buying, selling, exchanging, and otherwise producing and dealing in gold, silver, copper, lead, zinc, brass, iron, steel, and all kinds of ores, metals and minerals, and the products and by-products thereof of every kind and description, and by whatever process the same can be, or may hereafter be produced, and generally and without limit as to amount, own, buy, sell, exchange, lease, acquire and deal in mines, minerals, mineral rights and claims, and to conduct all business pertaining thereto; to purchase, lease or otherwise acquire mining rights, timber rights, water rights, mines, buildings, dwellings, plants, machinery, tools and other properties whatsoever which this corporation may from time to time find to be of advantage; to mine

and market any mineral or other products that may be found in or on such lands, and to explore, work, exercise, develop or turn to account the same.

2. Generally, to purchase, own, lease, hire, or otherwise acquire, hold, maintain, operate and deal in any real, mixed and/or personal property, wherever situated, and any rights and privileges which the company may think necessary or convenient for the purposes of its business, and to sell or otherwise dispose of and turn to account all or any part of the same.

3. To borrow or raise money for any purpose of the company, and to secure the repayment of money and the interest thereon in such manner or on such terms as the directors or trustees may deem expedient, and in particular and/or by the issue of bonds, debentures and debenture stock charged upon the whole or any part of the undertaking, property and assets of the company present or after acquired, including its uncalled capital.

4. To engage in any and all kindred occupations usual or germane to the business hereinbefore expressed, and to exercise every power and authority granted or conferred by the general incorporation laws of the State of Washington, or under any special laws of said state applying to corporations of this character and to do and perform any and all things necessary, proper or convenient for the carrying out or accomplishment of the objects and purposes herein specified.

ARTICLE III

That this corporation shall continue perpetually.

ARTICLE IV

That the location and Post Office Address of the registered office of this corporation shall be:

Tonasket, Washington.

ARTICLE V

That the names and Post Office addresses of each of the incorporators and the number of shares subscribed by each are as follows, to-wit:

NAMES	POST OFFICE ADDRESS	STOCK SUBSCRIPTION
Walter S. Price	4736½ University Way, Seattle 5, Washington	2,000,000
Gordon D. Luther	3727 Bagley Avenue Seattle 3, Washington	175,000
Ruth A. Price	4736½ University Way Seattle 5, Washington	150,000
Edwin F. Gjersee	1500 East 65th Street Seattle 5, Washington	45,000
Eldred D. Smith	2632 - 30th Avenue West Seattle 99, Washington	15,000

ARTICLE VI

That the amount of capital stock of this corporation shall be Three Hundred Thousand Dollars ($300,000.00), divided into Three Million (3,000,000) shares of non-assessable, full-voting, common stock, with a par value of Ten Cents (10¢); and that the amount of paid in capital with which this corporation shall begin business is the sum of Five hundred ($500.00) Dollars.

ARTICLE VII

That the number of directors of this corporation shall not be less than three nor more than eleven; that the number, qualification, terms of office, manner of election, time and place of meetings and the powers and duties of the directors shall be such as are prescribed by the by-laws of this corporation; that the names and post-office addresses of the directors who shall manage the affairs of the corporation for a period of one year after its incorporation, all of whom are citizens of the United States, are as follows:

Walter S. Price	4736½ University Way, Seattle 5, Washington
Gordon D. Luther	3727 Bagley Avenue, Seattle 3, Washington
Ruth A. Price	4736½ University Way, Seattle 5, Washington
Edwin F. Gjersee	1500 East 65th Street, Seattle 5, Washington
Eldred D. Smith	2632 - 30th Avenue West, Seattle 99, Washington

ARTICLE VIII

That the authority to make by-laws for this corporation is hereby expressly vested in the Board of Directors of this corporation, subject to the power of shareholders to change or repeal such by-laws.

ARTICLE IX

That the Board of Directors may delegate any power not expressly required by law to be exercised by the whole board to an executive committee composed of members of such board and with such powers and duties as are provided in the by-laws.

IN WITNESS WHEREOF, we, the incorporators hereinbefore mentioned have hereunto set our hands and seals to these presents in triplicate this _____ day of February, 1955.

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

This is to certify that on this ____ day of February, 1955, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally came

_____ _____
_____ _____
_____ _____
_____ _____
_____ _____
_____ _____

to me known to be the persons described in and who executed the foregoing Articles of Incorporation of the Washington Uranium Development Company, Inc., and each for himself and not for the other acknowledged to me that he signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

_____
Notary Public in and for the State
of Washington residing at Seattle

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

This is to certify that on this ____ day of February, 1955, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally came Mrs. Ruth A. Price, to me known to be one of the persons described in and who executed the foregoing Articles of Incorporation of the Washington Uranium Development Company, Inc., and acknowledged that she signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

_____
Notary Public in and for the State
of Washington residing at Seattle

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 25 1955

BY-LAWS OF
AMERICAN STRATEGIC MINERALS CORPORATION

We, the undersigned, being all of the incorporators and original directors of the American Strategic Minerals Corporation, a corporation organized under the laws of the State of Washington, for the purposes expressed in its Articles of Incorporation, do hereby adopt the following by-laws for the government of the said corporation and the regulation of its affairs until such time as the same may be modified or amended in a manner provided by law.

ARTICLE I

SHAREHOLDERS

Section 1. At least one meeting of the shareholders shall be held in each calendar year. Meetings of shareholders may be held within or without the State of Washington as the Board of Directors may determine; except as otherwise determined, meetings of the shareholders shall be held at the registered office of the corporation.

Section 2. The regular annual meeting of the shareholders for the election of Directors shall be held in the registered office of the corporation in Washington on the first Tuesday in the month of February in each year at the hour of ten o'clock A.M. Should the first Tuesday in the month of February in any year fall on a holiday, the regular annual meeting of shareholders in such year shall be held at said hour on the next business day thereafter.

Section 3. Special meetings of the shareholders may be called at any time by the Board of Directors or upon written request of any Director or of any shareholder or shareholders holding in the aggregate one-third of the voting power of all shareholders; and if more than eighteen months have elapsed without the annual shareholders' meeting being held, any shareholder may call a meeting to be held at the registered office of the corporation. Such special meeting shall be called not less than ten nor more than thirty-five days after the receipt of such request, and if the Secretary shall neglect or refuse to issue such call, a Director or shareholder or shareholders making the request may do so.

Section 4. Notice of all special meetings of the shareholders, stating the time and in general the purposes thereof, shall be mailed by the Secretary or person calling such meeting to each shareholder at his address, as the same appears on the records of the corporation, at least ten days prior to the date of the special meeting. No other notice of meetings of the shareholders need be given. If such notice is placed in the United States mail, postage prepaid, and addressed to the shareholders at his last known post-office address, notice shall be deemed to have been given him. Notice of any shareholders meetings may be waived in writing by any shareholder at any time. No stockholder shall be entitled to any notice unless his address has been furnished to the company.

Section 5. An entry of the service of notice of a meeting os the shareholders, given in manner above provided, shall be made in the minutes of the proceedings of the shareholders, and such

entry if read and approved at a subsequent meeting of the shareholders, shall be conclusive on the question of such service.

Section 6. When all the shareholders are present at any meeting, however called or notified, or sign a written consent thereto, and such written consent is made a part of the records of such meeting, the proceedings had at such meeting are valid, irrespective of the manner in which the meeting is called.

Section 7. At any meeting of the shareholders, the holders of a majority of the shares of the corporation entitled to vote must be represented in person or by proxy in writing, and the holders of such majority of the shares entitled to vote, when so represented, shall constitute a quorum for any and all purposes, including the election of Directors.

Section 8. Any regular or called meeting of the shareholders may adjourn from day to day, or from time to time, without further notice, until its business is completed, and any regular or called meeting of the shareholders may adjourn from day to day, or from time to time, without further notice, if for any reason there be not present the holders of a majority of the shares of the corporation entitled to vote, in person or by proxy, until a quorum shall attend, such adjournment and the reasons therefor being re cordered in the journal of the proceedings of the shareholders; and when a quorum shall attend, any business may be transacted which might have been transacted at any meeting had the same been held on the day on which the same was originally appointed or called, except the annual meeting for the election of Directors may be adjourned only from day to day.

Section 9. The President, or, in his absence, the Vice-President, providing the Vice-President is a Director, or in the absence of the President and Vice-President, a chairman, elected by the shareholders present, shall call the meetings of the shareholders to order and shall act as the presiding officer thereof.

Section 10. The Secretary of the corporation shall act as a secretary of all meetings of the shareholders, and in his or her absence the presiding officer may appoint any person to act as secretary.

Section 11. At the annual meeting of the shareholders, held in each year, the shareholders entitled to vote shall elect by ballot a Board of Directors as constituted by these by-laws and the Articles of Incorporation of this corporation.

Section 12. At each meeting of the shareholders, each shareholder of the common stock shall have the right to vote, in person or by proxy, the number of shares entitled to vote standing in his own name on the books of the corporation, at least ten (10) days prior thereto, and likewise at any meeting of the shareholders when the preferred stockholders may vote, they shall be entitled to one vote for each share standing in their names on the books at least ten (10) days prior thereto.

Section 13. All proxies must be in writing, executed by the shareholders themselves, or by their duly authorized attorneys, and must be filed with the Secretary of the corporation at or before the meeting of the shareholders.

Section 14. The time and place of holding the shareholders' meetings for the election of Directors shall not be changed within sixty (60) days next before the day on which the election is to be held, and notice of such change shall be given to each shareholder thirty (30) days before the election is held, in person or by letter mailed to his last known post-office address.

ARTICLE II

DIRECTORS

Section 1. The corporate powers, business, and property of the corporation shall be exercised, conducted and controlled by a board of not less than three nor more than eleven Directors.

Section 2. Qualifications of Directors: Any person of lawful age, whether he be a shareholder in this corporation or not, who has not been convicted of a felony, may be elected a Director of this corporation.

Section 3. Each Director shall hold office for one year, or for such period as he may have been appointed and until his successor shall have been elected and shall qualify.

Section 4. Whenever any vacancy shall happen among the Directors by death, resignation, or otherwise, except by removal and the election of his successor as provided by Section 31, Paragraph IV, Uniform Business Corporation Act, it shall be filled by appointment of the Board of Directors. Such Director so appointed shall hold office until his successor is elected at the next annual meeting of the shareholders or at any special meeting duly called for that purpose prior thereto.

Section 5. Immediately after the election of Directors at the annual meeting of the shareholders, the Directors shall meet for the purpose of organization, the election of officers, and the transaction of other business.

Section 6. Meetings of the Board of Directors may be held at such time and place within or without the State of Washington as the Board may from time to time appoint.

Section 7. Stated meetings of the Board of Directors shall be held, without notice, on the fifth day of each month, at the hour of four P.M. at the registered office of the corporation unless otherwise determined by the Board of Directors.

Section 8. Special meetings of the Board of Directors shall be called at any time on the order of the President or on the order of a majority of the Directors.

Section 9. Notices of special meetings of the Board of Directors, stating the time and in general terms the purpose or purposes thereof,

shall be mailed or telegraphed or personally delivered to each Director, not later than the day before the day appointed for the meeting. An entry of the service of notice, given in the manner above provided, shall be made in the minutes of the proceedings of the Board of Directors, and such entry, if read and approved at a subsequent meeting of the Board of Directors, shall be conclusive on the question of service. If all the Directors shall be present at any Directors' meeting, however called or noticed, and sign a written consent thereto, which is entered on the record of such meeting, or if the majority of the Directors are present, and those not present sign a written waiver of notice of such meeting, whether prior to or after the holding of such meeting, which said waiver shall be filed with the Secretary of the corporation, and entered on the record of such meeting, any business may be transacted at such meeting and the transactions of such meeting shall be as valid as if had at a meeting regularly called and noticed.

Section 10. Each Director shall register his address with the Secretary, and notices of meetings mailed or telegraphed to such address shall be valid notices thereof.

Section 11. A majority of the whole number of Directors shall constitute a quorum for the transaction of business, and every act or decision of a majority of the Directors present at a meeting at which a quorum is present, made or done when duly assembled, shall be valid as the act of the Board of Directors; but a majority of those present at the time and place of any stated or special meeting, although less than a quorum, may adjourn from day to day, or from time to time, without further notice, until a quorum shall attend; and when a quorum shall attend, any business may be transacted which might have been transacted at the meeting had the same been held on the day on which the same was originally appointed or called.

Section 12. The Board of Directors shall have full power to borrow money on behalf of the corporation, including the power and authority to borrow money from any of the shareholders, Directors, or officers of the corporation, and otherwise to incur indebtedness on behalf of the corporation, and to authorize the execution of promissory notes or other evidences of indebtedness of the corporation, and to agree to pay interest thereon; to sell, convey, alienate, transfer, assign, exchange, lease, and otherwise dispose of, mortgage, pledge, hypothecate, and otherwise encumber the property, real and personal, and the franchises of the corporation; to purchase, lease, and otherwise acquire property, real and personal, on behalf of the corporation; and generally to do and perform or cause to be done and performed, any and every act which the corporation may lawfully do and perform.

Section 13. The Board of Directors may, by resolution, passed by a majority of the whole Board, designate two or more of their number to constitute an executive committee, who, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the business of the corporation.

Section 14. Any Director may be removed by the vote of two-thirds of the shareholders having voting power at a special meeting called for that purpose, and, upon such removal, a vote of the shareholders at said meeting may at once be taken to fill such vacancy or vacancies.

Section 15. The compensation of the Directors shall be fixed by the shareholders.

ARTICLE III

OFFICERS

Section 1. The executive officers of the corporation shall be a President, Vice-President, Secretary and Treasurer.

Section 2. None of said officers, except the President, need be a Director, but the Vice-President who is not a Director cannot succeed to or fill the office of President. Any two of the offices of Vice-President, Secretary, and Treasurer, may be combined in one person. The officers shall be elected at their first meeting after the organization of the corporation, and thereafter at the first meeting after the annual election of the Directors, and they shall hold office for one year and until their successors are elected, provided, however, that the Secretary and the Treasurer may be removed by the Board of Directors at any time with or without cause.

Section 3. The Board of Directors may also appoint such other officers, agents, and employees of the corporation as they may deem proper. The Board of Directors may delegate the power of appointment and removal and the power to fix the compensation of such other officers, agents, and employees to any officer of the corporation. Except as above provided, the compensation of the executive officers and of other officers, agents, and employees of the corporation shall be fixed by the Board of Directors.

Section 4. Any officer or agent may be removed by the Board of Directors whenever in their judgment the best interest of the corporation will be served thereby. Such removal, however, shall be without prejudice to the contract rights of the persons so removed.

Section 5. Officers and Directors shall be deemed to stand in a fiduciary relation to the corporation and shall discharge the duties of their respective positions in good faith and with that diligence, care and skill which ordinarily prudent men would exercise under similar circumstances in like positions.

ARTICLE IV

PRESIDENT

Section 1. The President shall be the chief executive officer of the corporation. He shall preside at all meetings of the shareholders and of the Board of Direc tors. He shall have general charge of the business of the corporation, shall execute,with the Secretary, in the name of the corporation, all deeds, bonds, contracts (except contracts made in the ordinary course of business) and other obligations and instruments authorized by the Board of Directors to be executed, and with the Secretary shall sign all certificates of the shares of the corporation.

Section 2. The President shall also have such other powers and shall perform such other duties as may be assigned to him by the Board of Directors.

Section 3. All contracts made in the ordinary course of business may be executed in behalf of the company by such officer or agent as may be duly authorized by the President or the Board of Directors.

ARTICLE V

Vice-PRESIDENT

Section 1. The Vice-President shall be vested with all the powers and shall perform all the duties of the President, in case of the absence or disability of the President, except in case the Vice-President be not a member of the Board of Directors.

Section 2. The Vice-President shall also have such other powers and shall perform such other duties as may be assigned to him by the Board of Directors.

ARTICLE VI

SECRETARY

Section 1. The Secretary shall keep the minutes of all proceedings of the shareholders and of the Board of Directors in books provided for that purpose. He shall attend to the giving and serving of notices of all meetings of the shareholders and of the Board of Directors and otherwise. He shall execute, with the President, in the name of the corporation, all deeds, bonds, contracts, (except contracts made in the ordinary course of business) and other obligations and instruments authorized by the Board of Directors to be executed, and with the President, shall sign all certificates for shares of the corporation. He shall be the custodian of the corporate seal of the corporation, and when so ordered by the Board of Directors shall affix the seal to deeds, bonds, contracts, and other obligations and instruments. He shall keep and have charge of the minutes of the meetings of the Board of Directors and of the shareholders, the share and transfer book, the book of share certificates, the book of by-laws, and such other books and papers as the Board of Directors may direct. He shall, in general, perform all the duties incident to the office of Secretary, subject to the control of the Board of Directors.

ARTICLE VII

TREASURER

Section 1. The Treasurer shall keep, or cause to be kept, full and accurate accounts of receipts and disbursements in books to be kept for that purpose. He shall receive and deposit, or cause to be received and deposited, all moneys and other valuables of the corporation, in the name and to the credit of the corporation, in such depositories as may be designated by the Board of Directors. He shall disburse, or cause to be disbursed, the funds of the corporation, as may be directed by the Board of Directors, taking proper vouchers for such disbursements. He shall render to the President and to the Board of Directors,whenever they may require, and to the annual meeting of the shareholders accounts of all his transactions as Treasurer and of the financial condition of the corporation. He shall, in general, perform all the duties incident to the office of Treasurer, subject to the control of the Board of Directors.

ARTICLE VIII
VACANCIES

Section 1. If the office of the President, Vice-President, Secretary, or Treasurer becomes vacant by reason of death, resignation, removal, or otherwise, the Board of Directors shall elect a successor, who shall hold office for the unexpired term, and until his successor is elected.

ARTICLE IX
SHARES AND CERTIFICATES FOR SHARES

Section 1. Certificates for shares of the corporation shall be issued only when fully paid for.

Section 2. The certificates shall be in such form and device as shall be provided by the Board of Directors and shall be signed by the President, or the Vice-President, and by the Secretary, and the seal of the corporation shall be affixed thereto, except when the Board of Directors shall provide that certificates may be signed by the transfer agent or registrar, the signatures of the corporate officers and corporate seal may be facsimiles engraved or printed. All certificates of stock shall comply with the requirements of Section 14, Paragraph 11 of the Uniform Business Corporation Act.

Section 3. No new certificate shall be issued until the former certificate for the shares represented thereby shall have been surrendered and canceled, except in the case of lost or destroyed certificates, and in that case only after the receipt of a bond by the corporation, satisfactory to the Board of Directors, indemnifying the corporation and all persons against loss in consequence of the issuance of such new certificates.

Section 4. Shares of the corporation may be transferred by endorsement by the signature of the owner, his agent, attorney or legal representative, and the delivery of the certificate; but no transfer shall be valid except between the parties thereto, until the same shall have been entered upon the books of the corporation, so as to show the names of the parties, by and to whom transferred, the numbers and designation of the shares, and the date of the transfer.

Section 5. A subscriber becomes a shareholder upon the allotment of shares to him. The person registered on the books of the company as the owner of the shares shall be recognized by the company as the person exclusively entitled to have and to exercise the rights and privileges incident to the ownership of such shares, or to hold liable for costs and assessments.

Section 6. The Board of Directors may open up and maintain a share register in any State of the United States and appoint an agent there to sign the certificates of stock, and make and register the transfer of the shares in accordance with these by-laws.

Section 7. Subscriptions for shares of this corporation shall be in writing and in such form and upon such conditions as the Board of Directors may determine.

Section 8. The unpaid portion of any and all subscriptions shall be paid upon the call of the B oard of Directors,at such time and in such manner as said Board may determine; provided written notice of

such call shall be sent by United States mail to each subscriber, at the last post office address given by him to the Secretary of the Company at least thirty days before the call is payable.

Section 9. If any subscription is not paid after the demand of the call, the corporation may sell the shares of such subscription at public auction, after giving notice of the time and place and terms of the sale by registered mail addressed to such subscribing shareholder at his last known place of business or residence and by publication in some newspaper published in the county where this corporation has its registered office.

ARTICLE X

Section 1. The Board of Directors may, by resolution passed by a majority of the whole Board, designate two or more of their number to constitute an Executive Committee, who, to the extent provided in said Resolution, shall have and exercise the authority of the Board of Directors in the management of the business of the corporation.

Section 2. The Executive Committee shall advise with,and aid the officials of the company in all matters concerning its interests, and the management of its business, and generally perform such duties and exercise such powers as may be directed or delegated by the Board of Directors from time to time, except such powers as are expressly required by law to be exercised by the whole Board.

Section 3. The Executive Committee shall fix its own rules of proceeding, and shall meet where and as provided by such rules, or by resolution of the Board of Directors, but in every case the presence of a majority shall be necessary to constitute a quorum.

Section 4. The Executive Committee shall keep regular minutes of its proceedings, and all actions by the Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action, and shall be subject to revision or alteration by the Board of Directors; provided, that no rights or acts of third parties shall be affected by any such revision or alteration.

ARTICLE XI.

SEAL

Section 1. The Board of Directors shall provide a suitable seal for the corporation, which shall be circular in form, which shall contain the following inscription:

Incorporated 1955 - Seattle, Washington.

ARTICLE XII

AMENDMENTS

Section 1. These By-laws, or any part thereof, may be repealed or amended, or new By-Laws may be adopted,at any annual meeting, or at any other meeting of the shareholders called for that purpose. The Board of Directors shall also have power to amend these By-Laws and to adopt new By-Laws, except that the Directors shall not have the power to amend Section 15 of Article II.

Section 2. All By-Laws adopted by the Board of Directors may be repealed or amended at the annual meeting, or at any other meeting of the shareholders called for that purpose.

CERTIFICATE OF ADOPTION

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, being all of the Directors of the corporation (incorporated under the laws of the State of Washington) known as American Strategic Minerals Corporation, do hereby certify that the above and foregoing By-Laws were duly adopted as the By-Laws of said corporation on the 22nd day of March, 1955, and that the same do now constitute the By-Laws of said corporation.

s/ Walter S. Price

s/ Gordon D. Luther

s/ Ruth A. Price

s/ Edwin F. Gjersee

s/ Eldred D. Smith

SECRETARY OF STATE
Earl Coe, Secretary

STATE OF WASHINGTON

Date March 18, 1955 License No. 49043

The corporation named hereon having paid the fee required by law is licensed to do business in the State of Washington until June 30, 1955.

AMERICAN STRATEGIC MINERALS CORPORATION
Tonasket, Washington

Corporate Seal
State of Washington

Earl Coe
Secretary of State

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

June 30, 1955

RECEIVED
JUL - 5 1955

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Attention, Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division
Re: Docket No. DMEA-3790
(Uranium-Tungsten)

Dear Sirs:

In furtherance of our application under the above cited docket, and in compliance with suggestions contained in paragraph two of your communication dated June 3, 1955, there are transmitted herewith in quadruplicate the preliminary geological and geophysical reports and maps.

With regard to the "potential" tables accompanying the geophysical report of Mr. Floyd B. Satterlee, it should be pointed out that we are not as yet able to establish a reliable conversion table from potential readings to chemical, or percentage content for uranium ores at variable depths. The methods used consist primarily of a combination of spontaneous conductivity and gradient resistivity.

Due to the fact that assay offices recommended or recognized by the Bureau of Mines are so swamped, we are not yet able to forward assays that conform to or confirm scintillometer readings. These will be forwarded when received.

Due to a misunderstanding with regard to a fence line and its relationship to the township line, it should be pointed out that the map accompanying the geophysical report is in error with respect to the location of the ore bodies in Section 11 and the northern half of Section 13. The two main fault systems should be shifted approximately one quarter mile to the west. This correction is being effected on another map.

We are now engaged in core drilling in the vicinity of Station "H" as shown on the large map. We hope through this drilling to determine at what depth commercial grade ore occurs. The maximum depth to which we can reach with the present equipment that we have is about 150 feet. We are achieving about a 75% core recovery.

Very truly yours,

Walter S. Price

Walter S. Price
President

WSP:RP

RECEIVED
JUL - 5 1955

FORBES ROBERTSON
Economic Geologist
P.O. Box 91, University Station
Seattle 5, Washington

April 28, 1955

Mr. Walter S. Price, President
American Strategic Minerals Corp.
4736½ University Way
Seattle 5, Washington

Dear Mr. Price:

Enclosed is my report on the properties you have under lease in Horse Springs Coulee, Okanogan County, Washington. Attention is called particularly to the fact that one of the samples collected at Locality 1 shows a trace (about 25 per cent over background) of radioactivity away from the outcrop.

The report has been prepared in some haste. The map shows the location of 10 areas of anomalous radiation of which five are from six to as much as seven times the normal background over the area. All of the observations made are not shown on the map. This is a preliminary map to show the general geology and point out the areas of anomalous radiation. If further work is justified, a finished map should be prepared.

Frankly I was pleasantly surprised to find a number of areas which showed such strong anomalies, compared to the background count. I think you may well be justified in determining the source of the radiation. If the results of such explorations are encouraging, a more comprehensive exploration and development program may be in order. Until the nature of the radiation is determined, its source revealed, and its grade determined in a favorable area, the exploration program should be carried out at a minimum cost. You are probably not yet ready to embark on a large exploration program.

Sincerely yours,

(signed)

Forbes Robertson

RECEIVED
JUL - 5 1955

REPORT ON THE GEOLOGY AND RADIOMETRIC SURVEY OF AN AREA IN HORSE SPRINGS COULEE, OKANOGAN COUNTY, WASHINGTON

Prepared for:

Walter S. Price, President

American Strategic Minerals Corporation

Seattle, Washington

by:

Forbes Robertson

Economic Geologist

April 28, 1955

Seattle, Washington

REPORT ON THE GEOLOGY AND RADIOMETRIC SURVEY

OF AN AREA IN HORSE SPRINGS COULEE, OKANOGAN COUNTY, WASHINGTON

by Forbes Robertson

Introduction

The general geology and the location of ten radiation anomalies which have intensities of from four to seven times background are shown on the accompanying map. The area is held under lease by American Strategic Minerals Corporation of Seattle, Washington.

One and one half days were spent on the property April 8 and 9, and two full days April 21 and 22, 1955. A preliminary report covering the first trip dealt with the general geological situation at the property. On April 21 and 22, a portion of the southeast part of the area was mapped in some detail, and a radiometric survey conducted to determine the stratigraphic control of the radiation anomalies, and to locate areas of anomalous radiation for possible exploration. Reconnaissance traverses were made over the western and northwestern parts of the area which served to eliminate a large area from detailed mapping and radiometric survey at this time. Mr. Thomas Nelson assisted the writer for one and one half days on the second trip.

The radiometric survey was made with a 111B model Precision scintillation counter. Background and anomalous radiation was measured with the probe on the outcrop. The background for the area was found to be about .005 MR/HR, a very low background generally, but one which is comparable in intensity with the background found in the Okanogan Valley generally, and in other parts of Western Washington.

Location and Accessibility

The properties investigated are located in parts of sections 11, 12, 13, 14, 23, and 24, T.37N., R. 26 E. in Horse Springs Coulee, Okanogan County, about three to five miles west of Tonasket, Washington.

The properties may be reached by a good County road. The region has low relief generally, with low ridges of metamorphic rocks rising above glacial "lake beds" deposits. The properties may be traversed easily in a jeep or a field car.

Geological Setting

The bed rock at the properties consists of low-grade metamorphic rocks of the Lower Anarchist series of possible Permian age. To the east of the area, east of the Okanogan River, the Colville batholith is exposed. To the west rocks of granitic composition are likewise encountered, whereas to the north, a considerable amount of Anarchist metamorphic rocks are found.

The Okanogan valley has been glaciated, and glaciofluvial and glacial lake deposits are abundant in Horse Springs Coulee, and cover many of the metamorphic rocks which have been but recently re-excavated.

Although a number of mineral occurrences are reported from the area, no producing mines have as yet been developed, and heretofore, no radiation anomalies of significance have been reported.

Geology

The metamorphic rocks consist of phyllites and low-grade green schists, with some dolomite and silty argillite bands. They are probably Lower Anarchist according to Watters and Krauskopf. The foliation planes which appear to be more or less parallel to the bedding, dip in an easterly direction from 10° to about 70°. The strike of the beds trend 10° to 45° west.

From west to east, there are three more or less readily distinguishable units within the metamorphic rocks. The total thickness of the section is tentatively estimated at about 4000 feet.

The Lower Unit consists of graphitic phyllites, and sericite and chlorite phyllites with a massive dark gray dolomite unit at the top of the unit. The graphitic schists are not dominant, but are characteristic of the unit. A massive diorite porphyry (?) sill (?) was noted below the dolomite at one locality.

The Middle Unit is composed dominantly of chloritic schists and massive ledges of greenstone. Above the dolomite of the lower unit there are graphitic phyllites, and in the upper part of the unit there are silty argillite bands. This unit is about 1200 feet in thickness. The principal quartz bands and exudation pods occur in this unit.

The upper unit is characterized by silty argillite bands within chloritic phyllites and massive greenstones. Although the silty bands comprise possibly less than 20 percent of the unit, they are characteristic of the upper part of the section.

Structure

The foliation planes within the schist dip uniformly to the east and strike west of north. Lineation due to minute folding on the S-surfaces rake 10° more or less to the north.

The reported north-south vein system consists of quartz bands and pods of exudation or replacement origin within the metamorphic rocks and are conformable with the metamorphics. Gross cutting veinlets are rare and commonly show distinctive replacement structures. The quarts is white, and contains minor amounts of

iron oxide staining. Rarely do the vein structures, so called, exceed one foot in width, although locally they may bell out into pods several feet in thickness. The quartz bodies of this system should not be considered as fissure veins of the type so commonly found in many mining districts.

In the northeast part of the area south of the fence line in about the northeast corner of the NW$\frac{1}{4}$ sec. 13, there is a zone of quartz vein and breccia which strikes about N 65° E. is nearly vertical, and is about 40 feet in width. It consists of veins up to as much as two or three feet in width with horses of the country rock, and irregular breccia zones with open space filling and replacement. The country rock is a brittle, silty band. The zone could not be traced more than a few hundred feet, and in each instance, the principal quartz breccia and vein matter occurred in silty bands and could not be traced at all or very imperfectly in the chloritic schist layers. In other words, the veins and fracture zone "made" in the brittle silty bands, and not in the chlorite beds.

Pyrite was noted in some of the quarts vein matter. No other minerals were recognized. Scheelite was reported in a quartz pod in the chlorite schist of the middle unit.

In the detailed mapping during the second trip, two and possibly three probable faults were recognized. The one fault, which is quite definite, strikes about N. 30° E. and cuts off the main outcrop area of metamorphic rocks south of the operating prospect. The foliation planes north of the fault strike about 10° W. whereas south of the fault, the strike is much greater, about N. 45° W.

A second fault is postulated between the prospect (locality 2) and locality 8. The phyllitic beds at the prospect (locality 2) does not persist northward along the strike, rather the next ridge north on strike is a chlorite phyllite of the middle unit in which there is no detectable radiation above the background of .005.

The straight valley which strikes about N. 15° W just east of locality 9 and extends to just west of locality 7 is probably fault controlled, and may be rather important fault structure. Insufficient mapping was completed to determine the need for a fault in this straight structural trend which cuts the trend of the ridges of metamorphic rocks at a small angle.

Radiometric Survey

The background over the area mapped, and along the Okanogan Valley generally, was determined to be about .005 MR/HR. The green chloritic phyllites and the more massive greenstones were measured at a great many places to be .005 MR/HR with variations from .0035 to about .007.

On the accompanying map, ten locations are shown where the radiation count was .020 MR/HR or better, of which five were .030 MR/HR or better. The highest recorded reading on the property was .035 MR/HR at locality number one. The general situation at each of the anomalies in the higher group is outlined briefly. In all cases, the host rock which displays anomalous radiation is very fine grained, somewhat sericitic phyllite of low grade. The rocks are generally gray, and in some cases iron stained. In only one instance, that at locality 3, is there any obvious structuralrelation of high radiation and the surrounding rocks. In that case, a quartz pod directly overlies anomalous radiation, and the anomalous radiation is confined to the area of the quartz exudation pod.

Locality 1. SE$\frac{1}{4}$ NE$\frac{1}{4}$ sec. 24 on west side of low ridge. The rocks strike N. 40° W. and dip 40° NE. The radiometric count varied over about a 12-foot section of gray low-grade phyllite from 0.16 to persist for more than 50 feet north along the strike of the small ridge. The phyllite is iron stained,and has a bluish cast (possibly glaucophane). A specimen of the schist was collected and brought back to Seattle. Two different series of tests were made two days following the collection of the chip which is about four inches long, two inches wide, and about one quarter inch thick. The Seattle background was measured at .004 MR/HR. Consistent results of .005 MR/HR were obtained from the specimen placed in contact with the probe. This is but a 25 percent increase over "background" but it is the only specimen collected which shows any radiation when removed from the outcrop.

Locality 2. Locality two is at the prospect which is currently being explored. A maximum count of .034 was registered in the small prospect hole, however the high radiation zone is very narrow, about two feet wide, and could not be traced at more than .022 10 feet north or south of the prospect pit. Samples collected at the outcrop show no anomalous radiation when removed from the outcrop. It is at this locality that an assay reportedly gave values of .08 to .30 U_3O_8. This assay has not been verified nor certified.

Locality 3. At this locality, there is a quartz pod which has a maximum thickness of about 26 inches. Directly overlying the quartz is chloritic phyllite and greenstone which has a background count of .007, but which in less than 10 feet is .006. The gray phyllitic rocks below the quartz at the point of maximum thickness show six to eight feet of rock which ranges from .020 to .030 MR/HR. A zone of radiation persists for about 20 feet north, and 25 feet south of the maximum. Fifteen feet below the quartz, the background is .005. At this locality there appears to be an indication of an association of the high radiation with the quartz. Samples of the highest radiation zones showed no anomalous radiation away from the outcrop. Radiation counts from the quartz contact and taken at about one foot intervals below the quartz gave the following values: .025; .022; .030; .020; .022; .020; .023; .023 (end of outcrop).

Locality 4. This locality is at the south end of the massive group of outcrops south of the main prospect (locality 2). This is the widest zone of anomalous radiation found with values from .020 to .030 MR/HR over a 20 foot band of gray phyllite which directly underlies an impure sandstone. The band which gives the high radiation goes under soil cover so it could not be traced north along the strike for more than 20 feet.

Locality 5. The anomalous radiation emanates from a thin silty arguillite layer in chloritic phyllite. Values from .018 to .030 were found in a zone several feet wide, and traced along the outcrop for more than 50 feet north on the west side of a small ridge.

Localities 6 through 10 have distinctly lower maxima, but all occur in phyllitic bands in the metamorphic sequence, and are largely confined to the upper unit, or the upper part of the middle unit. The association with gray phyllitic bands is constant. The chloritic phyllites and greenstones, as well as the argillite beds, do not normally contain anomalous radiation.

The graphitic phyllite of the lower member, and that found directly above the limestone unit of the lower member, shows distinctly higher radiation counts than the chloritic bands, however, only at the tunnel on the west side of the property, about one quarter mile north of the office, and at the prospect pit on the "second bench" were values as high as .020 and .018 respectively encountered.

Stratigraphic Control of Anomalous Radiation

The relationship of the anomalous radiation to the gray, low-grade phyllite bands has been mentioned. It appears probable that there were several bands which give rise to anomalous radiation, however, the number may be small. It appears possible, for example, that the band at locality 2 has been offset by faulting, and that the band of anomalous radiation at Locality 8 may be the same. Certainly the linear pattern confined to but a few feet of practically identical-appearing rocks found in the same stratigraphic succession, lends attractiveness to the hypothesis. If this be true, then the zone from Locality 2 cannot be found on the next ridge to the north which is in a green chloritic phyllite, in spite of the projected "trend" which will presently be mentioned.

Anomalous radiation is not found in any significant amounts in the green chloritic phyllites, the massive greenstone ledges, the argillite bands (silty phyllites), or in the dolomite ledges. Somewhat higher radiation counts were observed in the graphitic phyllites of the lower unit and the lower part of the middle unit.

Source of the Radiation

The source of the radiation has not been determined. It may be from uranium, thorium, or possibly other radioactive materials. In spite of the fact that the radiation counts are as much as six and even seven times background, in only one instance has a sample collected at the site of the anomaly shown any radioactivity when removed from the outcrop. In that case, the increase produced by the sample collected from locality 1 is only about 25 per cent. In no case has the amount of the radiation been sufficient to indicate the specific mineral or minerals which are responsible for the anomalies.

It is possible that the radioactive minerals which may once have been in the rocks, have been leached from the outcrop by normal weathering processes. If so, the tracing of the "favorable" bands underground to a point below the water table should serve to locate the materials responsible for the anomalous radiation. As the metamorphic rocks were once scoured by glaciation, the depth of oxidation may not be great. Pyrite has been noted in many samples from the outcrops. Ironstaining, presumably from pyrite, is more common. There is no indication of intense leaching and alteration by surface waters.

Although the anomalies were quite strong, when compared to the regional background, it should be held in mind that the anomalies themselves are actually of smaller intensities than high background areas in the Colorado Plateau and in western Nevada with which the writer is familiar. The presence of anomalies which run from six to seven times background may, however, be significant. Certainly the area is an unproven region. The anomalies may well be worthy of sufficient prospecting to determine the source of the anomalous radiation.

A Second and Separate Exploration Program

(This paragraph omitted as irrelevant to this report. W.S.P.)

Recommendations

In view of the number of anomalies which have been found; the intensity of the anomalies; and the fact that the lessees have committed funds for exploration by the purchase of a jeep pick-up truck, compressor, drill, and miscellaneous equipment and supplies; the following recommendations are made:

1. At locality 1, an incline prospect shaft of small dimensions should be sunk at the point of highest count (.035 MR/HR). The "favorable" band in the metamorphic rocks is some 12 feet wide so that it should not be difficult to stay within the limits of the band so that each foot of depth on the favorable band should add information which will ultimately indicate the origin of the radiation and serve to evaluate the commercial significance of the deposit. Thus, when the source of the radiation is found, and the amount of radioactive material determined, the prospect will have served its primary objective at probably the lowest cost.

If this recommendation is acted upon, the work should be followed from time to time by a geologist who should be responsible for sampling radioactive rocks from the shaft for assay, and also be responsible for obtaining certified assay reports which should accompany the final report.

2. A diamond drilling program is distinctly second choice. Mr. Price asked that a drilling program be included if further exploration appeared justified. Locality 1 should be tested first with a drill hole to intersect the "favorable" horizon at a depth of about 50 feet below the outcrop, and at an angle that will cut the formation about at right angles. Drilling sites, and directions may be determined by a geologist.

   If a moderately comprehensive program is desired, each of the five most favorable areas may be tested, however the results of the first hole should be studied and evaluated before additional holes are definitely spotted.

   All core should be saved and placed in core boxes in order, with footage marked for each core run. The geologist should be responsible for sampling the core, and obtaining assays. A probe should be inserted into the hole, if practicable.

   Churn drilling may be considered for an initial test at locality 1. This might be less expensive than a diamond drilling program, especially if only one hole is desired. The same conditions, that is to intersect the favorable bed at about 50 feet, should be considered.

4. If the results of the exploration program outlined in one of the above appears favorable for commercial possibilities, a more detailed geological survey should be considered to work out the structure in detail. However, further geological mapping is not considered essential until there is a demonstrated need for it.

5. The reported scheelite should be checked with a black light.

In the interest of economy, and consideration of equipment already available at the property, the first recommendation is preferred.

Respectfully submitted,

(signed)

Forbes Robertson
Economic Geologist

P.O. Box 91
University Station
Seattle 5, Washington
April 28,1955

Floyd B.Satterlee
Geophysical Surveys

Omak, Washington
May 31, 1955

Mr. Walter S.Price, President
American Strategic Minerals Corporation
4736½ University Way
Seattle, Washington

Dear Mr. Price:

Pursuant to your request for the Geophysical survey of the property which you hold under lease and which is located in The Horse Spring Coulee District, Okanogan County, Washington, I herewith submit my report.

The objective of this survey is to locate and trace out all of the mineral bearing veins and to determine the different minerals present, also to determine the strike, dip, extension, and any faulting that may occur, also to determine as to the depth that the veins ma y attain and also their relation to the surface.

This report is not a mining engineer's report and should not be considered as such, the data has been taken with a scientific instrument which has been proven and accepted by some of the leading geologists for the larger mining companies.

The writer has followed the mining profession continually for the past thirty years, and feels that he is in a position to report on the survey.

The survey covers 2,200 acres which is held under lease by the American Strategic Minerals Corporation, most of which is highly mineralized, the holdings being in a solid block and located about five miles west of Tonasket, Washington, in the Horse Spring Coulee area.

Sincerely yours,

(signed)

F. B. Satterlee

Report of
The Geophysical Survey
on the present holdings of

AMERICAN STRATEGIC MINERALS CORPORATION

prepared for

Walter S. Price, President
American Strategic Minerals Corporation

by

Floyd B. Satterlee
Geophysical Surveys

May 31, 1955

Omak, Washington

Report on the findings of the Geophysical Survey
of the present holdings of
THE AMERICAN STRATEGIC MINERALS CORPORATION
by FLOYD B. SATTERLEE

Introduction

The report is accompanied by a large map, 30x40 inches, showing the different veins and their relation to the faulting action and to each other, also their location.

The occurrence of uranium is evidently one or more of the primary ores, as it appears along the faulting plane and paralleling to the fault, also in some of the extensive cross fractures, attaining a depth to 4,600' to the West of the major fault, while the parallel and cross faulting to the East and the uranium on the fault attain a depth of 2,800'.

The mineralization occurs along a fault plane, striking N.35 degrees W. and attains a depth of more than 4000' on the West side of the fault, while just going down to 2,800' on the East side of the fault.

This could be the conjunction of the Sinlahekin and the Colville batholiths which have caused the faulting and fractures, forming more than forty mineralized veins, the leading values being uranium and tungsten.

The major fault which bisects the property from North to South is carrying uranium which checks out very strong. There are three main cross fracture zones along the fault, the first being in the extreme southern part of Sec. 13, where the present exploratory work is being done. The second fracture zone is 1,200' to the North, here the overburden is very radioactive, making this a proper place to do some exploratory work.

The third fracture zone along the fault is on the center line of Sec. 13, and 500' to the East from the West side of Sec. 13. Here the fracturing takes a trend N. 55 degrees W. and extends for a distance of 7,000' to the N.W. The proper exploratory point on this structure would be to the East of the County road near the base of the hill.

The tungsten show several prominent outcroppings, the outcrop near the water trough in the N.E. corner of Sec. 14 would be an ideal spot to explore.

Twenty-four days were spent in the field in making the survey, starting the survey on April 23, and completing the field work May 26th.

Each vein was surveyed out for strike, dip, extension in length, depth, and its relations to the surface, also the possible ore potential

was taken at numerous places along the veins. At each place where the potential was taken an iron pipe was driven and numbered. The readings are tabulated later in the report.

The survey of the Fault Vein

The large fault vein, as it is designated on the map, bisects the property from North to South, striking N. 35 degrees W., the vein dips at about 80 degrees to the West, the uranium values on the fault show to be from 12' to 20' wide and bottom at around 2,800', there being several places along the strike where the overburden shows some radiation, one of the more pronounced radiation anomalies being at station No. 8, marked H, located on the vein near the center of the S.W. quarter of Sec. 13.

The vein extends from the South boundary of the property at about 1,600' from the North end of the North and South quarter line of Sec. 24, and extending to the north in the property to near the center of the N.E. quarter of Sec. 11, this being a distance of more than 9,000' of the fault vein lying within the boundarys of the property.

Uranium is the chief mineral in the vein except where it passes through the lime for a distance of approximately 600' in the S.E. quarter of Sec. 11. Here the tungsten comes in down to a depth of 800'.

Uranium Vein No. 2

Here there are two parallel veins which are cross faults. The present exploratory work is being done on the South vein. An open cut on the point of the hill is down to about 25'. The veins lie in the South Half of Sec.13, about 600' from the S.line; they strike N. 57 degrees E.; the veins are 40' apart; the South vein is 12' wide and extends to the East of the open cut for a distance of 200' and to the West 700', crossing through the big fault vein.

The North vein is 16' wide, 2,500' long; it crosses the big fault vein and extends through the hill for a distance of 750' from its intersection of the fault vein; the veins go down to 2,800'. An iron stake marked D is located on this North vein about 300' to the East of the fault vein; here the possible ore potential was taken; the readings will be found later in the report.

Uranium Vein No. 15

No. 15 is a mineralized zone about 500' wide and 1,700' long, comprising five veins, located in the West half of Sec. 24, near the center of the Section; the veins are carrying uranium, lead, silver and copper; the uranium bottoms at 500'; and the other minerals go down to 2,600'; an iron stake marked A is driven near the center of this mineralized zone just to the East of the road; the veins are striking N 34 degrees W and dip at 60 degrees to theN.E.

400' to the East of No. 15 is another small mineralized zone 150' wide and 900' long, with the same strike and dip, carrying only uranium which bottoms at 125'; there are several outcrops on this zone which show rather high radiation anomalies; an iron stake marked B is driven near the center of this zone.

Vein No. 20

Vein No. 20 is a small vein carrying gold, silver and copper, striking N 22 degrees E; it dips at 60 degrees to the East; the vein is 900' long and bottoms at 900'.

Vein No. 20 is 400' North of No. 2 uranium vein and extends to the big fault vein at the top of the point above the present cut.

Vein No. 13

Vein No. 13 is located in the S.W. quarter of Sec.13; it strikes N 60 degrees East; the dip is at 55 degrees to the S.E.; this vein is carrying gold, silver and copper; the possible ore potential was taken at the iron stake, marked G, which is located on top of the ridge just to the South of the road; the vein does not outcrop, having about 60' of overburden; it is 2,500' long, 11' wide, and bottoms at 1,800'.

Vein No. 12

Vein No. 12 is located in the S.E. quarter of Sec. 14, extending 400' into the S.W. quarter of Sec. 13; the vein is located by a wooden stake driven on the vein along the fence line 1,500' S of the West quarter corner of Sec. 13.

The vein is carrying lead and silver; the strike is N 40 degrees W; dip 50 degrees N.E.; the outcrop is on the sheer bluff to the S.W. in Sec. 14; the vein is 7' wide, 1,400' long, and bottoms at 1,200'.

Uranium Vein No. 3

Uranium Vein No. 3 is a lateral fault, paralleling the main fault; striking N 22 degrees W; it lies 500' East of the main fault at the South end and 1,200' East at the North end; this lateral fault extends from the uranium vein No. 2 in the extreme Southern part of Sec. 13, running diagonally across Sec. 13 through the S.W. corner of Sec. 12, and through Sec.11 to within 880' of the North line of Sec. 11, this being a distance of 8,600'.

Vein No. 16

Vein No.16 is carrying uranium and tungsten, about 20' wide and 2,400' long;it is located in the NE quarter of Sec. 13, and the strike is N 65 degrees W; dip 60 degrees to the N.E.; the vein outcrops in

the draw and there is driven an iron stake marked CC, where the possible ore potential was taken, and which is tabulated in the report; the tungsten extends down to a depth of 725', and the uranium bottoming at 2,900'.

Vein No. 17

Vein No. 17 is located in the East half of Sec. 13, and parallels the lateral fault, vein No. 3, which lies 1,500' to the West; this vein is carrying tungsten, uranium and gold; the strike is N 22 degrees W; it dips at 60 degrees to the NE; the vein is quite wide, and has a large quarts outcrop 6' wide; on the outcrop a small shaft has been dug in the early days to a depth of about 12'; the dump shows iron pyrites and a trace of scheelite; the vein is 2,400' long; the tungsten goes down to 700'; and the uranium bottoms at 2,700'; an iron stake marked CB is driven near the prospect hole; the uranium potential was taken here and is tabulated later in the report.

Vein No.18

Vein No. 18 is a large mineralized zone consisting of ten parallel veins, six of which extend across the NE quarter of Sec. 14, and about 1,600' into the SW quarter of Sec. 11; the mineral strikes N 55 degrees W, and extends to the big fault, contracting it near the center of the West line of Sec. 13, giving this uranium bearing zone a length of 7,000' and a width of 800'.

The zone lies on the North slope and extends down and crosses the County road about 1,000' to the North of the office; at this point an old road branches off to the right and East of the County road, along the East side of the old road; iron stakes are driven on each of the veins, where the possible ore potential was taken; the potential was also taken on the South and near where the veins contact the major fault; here iron stakes were driven on each of the veins; the potential checks out to be very high and consistent on each of the levels down to 600'; the recording of the potential readings are tabulated later in the report; the uranium in this zone reaches down to a great depth, bottoming at 4,600'; the four veins marked with iron stakes, BD, BE, BF, and BG, which are driven along the East side of the old road; is a zone of 2,000' long and having a low ore potential, this zone bottoms at 1,200'.

Tungsten Vein No. 3

Tungsten vein No. 3 consists of two parallel veins, striking N 55 degrees W, and dipping at 70 degrees to the NE; the veins cross the draw at the water trough which is in the NE corner of Sec. 14; at this point the outcrop shows very good scheelite and wolframite tungsten; here iron stake marked CD was driven and the possible ore potential taken; the results of which are tabulated later in the report; the veins are 1,500' long and the tungstem bottoms at 725'.

Tungsten Vein No. 4

Tungsten vein No. 4 is located on the NE quarter of Sec. 14, striking N 45 degrees E, dipping at 60 degrees to the SE; the vein

strikes at almost a right angle to vein No. 3, and runs for a distance of 2,300' extending into Sec. 12, iron stake marked CE is driven on the vein where it crosses the draw; at this station the possible ore potential was taken, and is tabulated later in the report; the tungsten bottoms at 800'.

Five hundred feet to the North of vein No. 4 are eight tungsten veins, running parallel and covering an area 1,200' wide by 2,000' long, they have numerous outcrops showing some scheelite.

Vein No. 19

Vein No. 19 is a gold, silver vein, striking N 50 degrees W and located in the NW quarter of Sec. 11 and in the NE quarter of Sec. 10, located by a wooden stake driven on the vein near the old road and near a large rusty rock about 600' on the strike from the Section corner; the vein is 1,700' long, 6' to 8' wide and dips at 70 degrees to the North; there is a prominent outcrop on the cliff to the East.

Vein No. 7

Vein No. 7 is a gold, silver, tungsten vein, striking N 55 degrees W, it is located in the NW quarter of Sec.11, and is 2,200' long; a wooden stake and a stone monument are placed on the vein 300' N and 500' to the East from the corner where the County road turns to the West, the vein bottoms at 900'.

Vein No. 10

Vein No. 10 crosses the County road near the center of the Section line between Sec. 10 and Sec.11, striking N 75 degrees W, it dips at 70 degrees to the N; the vein is 3,600' in length and bottoms at 4,000'; the minerals are gold, silver, uranium, lead and tungsten; an iron stake marked BH is driven on the vein about 70' East of the road; here the possible ore potential was taken and is tabulated later in the report.

Summary

The Introduction covers the Summary of this report, and was placed there as it can be read without going through the whole report.

A supplement accompanies the report, tabulating the possible ore potential readings.

F. B. Satterlee

Tabulation of the possible ore potential

Iron stake A.

Located on vein No. 15.

Potential points at the different depths,

Uranium	lead	silver	copper		
1. pt.	.10	.10	.03	at	50'
3. "			.50	"	100'
15."	15.	3.	15.		400'

Iron stake B.

Located 500' N.E. from stake A. on small uranium zone.

U. pot.	3. pts.	at	30'
	3. "	"	100'
	3. 2	"	125'

Iron stake C.

Located on the big fault vein 400' S. of cut.

U. pot.	.30 pts	at	surface
	3. "	"	20'
	6. "	"	50'
	23. "	"	100'
	25. "	"	200'
	29. "	"	300'
	29. "	"	400'
	15. "	"	500'
	33. "	"	600'

Iron stake D.

Located on No. 2 vein 40' W. of fault.

U. pot.	.15 pts	"	20'
	9. "	"	50'
	29. "	"	100'
	37. "	"	200'
	63. "	"	300'
	67. "	"	400'
	75. "	"	500'
	83. "	"	600'

Ore potential continued

Iron stake E.

Located on fault vein at top of point near present work.

U. pot.	.05	pts	at	30'
	7.	"	"	50'
	33.	"	"	100'
	37.	"	"	200'
	41.	"	"	300'
	45.	"	"	400'
	47.	"	"	500'
	67.	"	"	600'

Iron stake F.

Located on uranium vein No. 2. 150' E. of fault.

U. pot.	.25	pts.	at	20'
	21.	"	"	50'
	26.	"	"	100'
	35.	"	"	200'
	37.	"	"	300'
	37.	"	"	400'
	37.	"	"	500'
	37.	"	"	600'

Iron stake G.

Located on vein No. 13. W. side of road at top of ridge.

Cu. potential	15. pts
Au. "	.60 "
Ag. "	.50 "

Iron stake H.

Located about 900' N. from Stake E.

U. pot.	3.	pts.	at	10'
	32.	"	"	50'
	41.	"	"	100'
	47.	"	"	200'
	52.	"	"	300'
	65.	"	"	400'
	71.	"	"	500'
	77.	"	"	600'

Iron stake I.

Located 350' N.E. from stake H. on short fracture vein.

U. pot.	2.	pts.	at	10'
	5.	"	"	50'
	5.	"	"	100'
	4.	"	"	200'
	6.	"	"	300'
				40'

Ore potential continued

Iron stake AE.

Located 50' S. from AD. at survey station.

U. pot.	.35	pts	at	25'
	15.	"	"	50'
	23.	"	"	100'
	53.	"	"	200'
	47.	"	"	300'
	47.	"	"	400'
	47.	"	"	500'
	53.	"	"	600'
			bottoms	4,600'

Iron stake AF.
Located 30' N. from AB. at survey station.

U. pot.	.80	"	at	30'
	7.	"	"	50'
	33.	"	"	100'
	53.	"	"	200'
	69.	"	"	300'
	69.	"	"	400'
	69.	"	"	500'
	69.	"	"	600'
			bottoms	2,500 '

Iron stake AG.
Located 35' N. from AF. at survey station.

U. pot.	7.	"	at	50'
	33.	"	"	100'
	53.	"	"	200'
	53.	"	"	300'
	63.	"	"	400'
	63.	"	"	500'
	63.	"	"	600'
			bottoms	4,600'

Iron stake AH.
Located on vein No. 18. 800' S. from BC.

U. pot.	5.	pts.	at	20'
	15.	"	"	50'
	29.	"	"	100'
	47	"	"	200'
	49.	"	"	300'
	71.	"	"	400'
	65.	"	"	500'
	33.	"	"	600'
			bottoms	4,600'

Ore potential continued

Iron Stake BI.
Located 635' S. from BC. East of County Road.

U. Pot.	19.	pts.	at	50'
	59.	"	"	100'
	63.	"	"	200'
	65.	"	"	300'
	65.	"	"	400'
	65.	"	"	500'
	65.	"	"	600'
			bottoms	2,600'

Iron stake BJ.
Located 410' S. from BC.

U. pot.	.30	pts.	at	25'
	9.	"	"	50'
	67.67	"	"	100'
	67.	"	"	200'
	67.	"	"	300'
	67.	"	"	400'
	67.	"	"	500'
	67.	"	"	600'
			bottoms	2,500'

Iron stake BA.
Located 355' S. from BC.

U. pot.	5.	pts.	at	35'
	5.	"	"	50'
	65.	"	"	100'
	67.	"	"	200'
	67.	"	"	300'
	67.	"	"	400'
	67.	"	"	500'
	61.	"	"	600'
			bottoms	2,300'

Tron stake BB.
Located 115' S. from BC.

U. pot.	10.	pts.	at	40'
	19.	"	"	100'
	67.	"	"	200'
	67.	"	"	300'
	67.	"	"	400'
	70.	"	"	500'
	78.	"	"	600'
			bottoms	2,150'

Ore potential continued

Iron Stake BC.
Located on Vein No. 18.

U. pot.	.30	pts.	Pb. pot.	at	70'
	10.	"	7.	"	100'
	12.	"	5.	"	200'
	16.	"	1.	"	300'
	16.	"	6.	"	400'
	16.	"	12.	"	500'
	16.	"	10'.	"	600'
				bottoms	2,600'

Iron stake BD.
Located 120' N. from BC.

U. pot.	.50	pts.	at	60'
	2.	"	"	100'
	1.	"	"	200'
	3.	"	"	300'
	2.	"	"	400'
	3.	"	"	500'
	1.	"	"	600'
			bottoms	1,700'

Iron stake BE.
Located 230' N. from BC.

U. pot.	9.	pts	at	60'
	10.	"	"	100'
	28.	"	"	200'
	55.	"	"	300'
	48.	"	"	400'
	55.	"	"	500'
	40.	"	"	600'
			bottoms	3,700'

Iron stake BF.
Located 430' N. from BC.

U. pot.	5.	pts.	at	30'
	7.	"	"	50'
	16.	"	"	100'
	8.	"	"	200'
	4.	"	"	300'
	6.	"	"	400'
	1.	"	" bottoms	500'
	.50	"		

Ore potential continued

Iron stake BG.
Located 730' N from BC.

U. pot.	4.	pts.	at	20'
	5.	"	"	50'
	7.	"	"	100'
	19.	"	"	200'
	20.	"	"	300'
	21.	"	"	400'
	20.	"	"	500'
	21.	"	"	600'
			bottoms	4,500'

Iron stake BH.
Located on vein No. 10.

Pb.	Ag.	Wo.	Pts.	Au. pts.	at	
3.	.50	4.	"	.40 "	"	40'
9.	.60	4.	"	.30 "	"	100'
3.	.20	3.	"	.08 "	"	200'
7.	.20	3.	"	.25 "	"	300'
7.	.30	4.	"	.20 "	"	400'
7.	.30	7.	"	.25 "	"	500'
7.	.30	3.	"	.20 "	"	600'
					bottoms	4,000'

Iron stake BI.
Located on vein No. 5.

wo	pot. 9.	Au.10 pot.	at	40'
	" 11.	.10 "	"	100'
	" .4	.18 "	"	200'
	" 3.	.12 "	"	300'
	" .80	.10 "	"	400'
	" .70	.70 "	"	500'
	" .85	.60 "	"	600'
	" 7.	3. "	" bottoms	780'

Iron stake CJ.
Located 700' S. 10 degrees W. of vein No. 5.

U. pot.	.20	Pts.	at	30'
	2.	"	"	50'
	6.	"	"	100'
	33.	"	"	200'
	33.	"	"	300'
	32.	"	"	400'
	38.	"	"	500'
	51.	"	"	600'
			bottoms	2,700'

Ore potential continued

Iron stake AJ.

Located on ridge 1100' N. from H.

U. pot.	.60	at	30'
	19.	"	50'
	31.	"	100'
	37.	"	200'
	39.	"	300'
	41.	"	400'
	53.	"	500'
	75.	"	600'
		bottoms	2,800'

Iron stake AA.
Located 1,500' N. from AJ. on fault vein.

U. pot.	.60 pts.	"	30'
	1. "	"	50'
	- - "	"	100'
	9. "		200'
	21. "		300'
	29. "		400'
	49. "		500'
	57. "		600'
		bottoms	2,900'

Iron stake AB.
Located on fault vein at survey station.

U. pot.	.50 pts.	at	30'
	15. "	"	50'
	39. "	"	100'
	43. "	"	200'
	43. "	"	300'
	43. "	"	400'
	43. "	"	500'
	43. "	"	600'
		bottoms	4,000'

Iron stake AD.
Located 30' S. of AB.

U. pot.	.7 pts.	at	30'
	15. "	"	50'
	25. "	"	100'
	53. "	"	200'
	53. "	"	300'
	53. "	"	400'
	53. "	"	500'
	53. "	"	600'
		bottoms	4,100'

Ore potential continued

Iron stake CA.
Located 1,320' W. of S.E. corner of Sec. 11

U. pot.	1.	pts.	at	25'
	9.	"	"	50'
	29.	"	"	100'
	41.	"	"	200'
	45.	"	"	300'
	42.	"	"	400'
	63.	"	"	500'
			bottoms	2,700'

Iron stake CB.
Located on vein No. 17.

U. pot.	.30	pts.	at surface	
	7.	"	"	25'
	12.	"	"	50'
	5.	"	"	100'
	15.	"	"	200'
	12.	"	"	300'
	28.	"	"	400'
	8.	"	"	500'
				600'
			bottoms	2,800'

Iron stake CC.
Located on tungsten vein No. 3, at water trough.

Wo pot.	3.	pts.	at	25'
	5.	"	"	50'
	16.	"	"	100'
	24.	"	"	200'
	26.	"	"	300'
	17.	"	"	400'
	11.	"	"	500'
	13.	"	"	600'
	6.	"	"	700'
			bottoms	725'

Iron stake CE.
Located 500' N. from No. 3.

Wo pot.	10.	pts.	at	60'
	13.	"	"	100'
	14.	"	"	200'
	12.	"	"	300'
	6.	"	"	400'
	7.	"	"	500'
	5.	"	"	600'

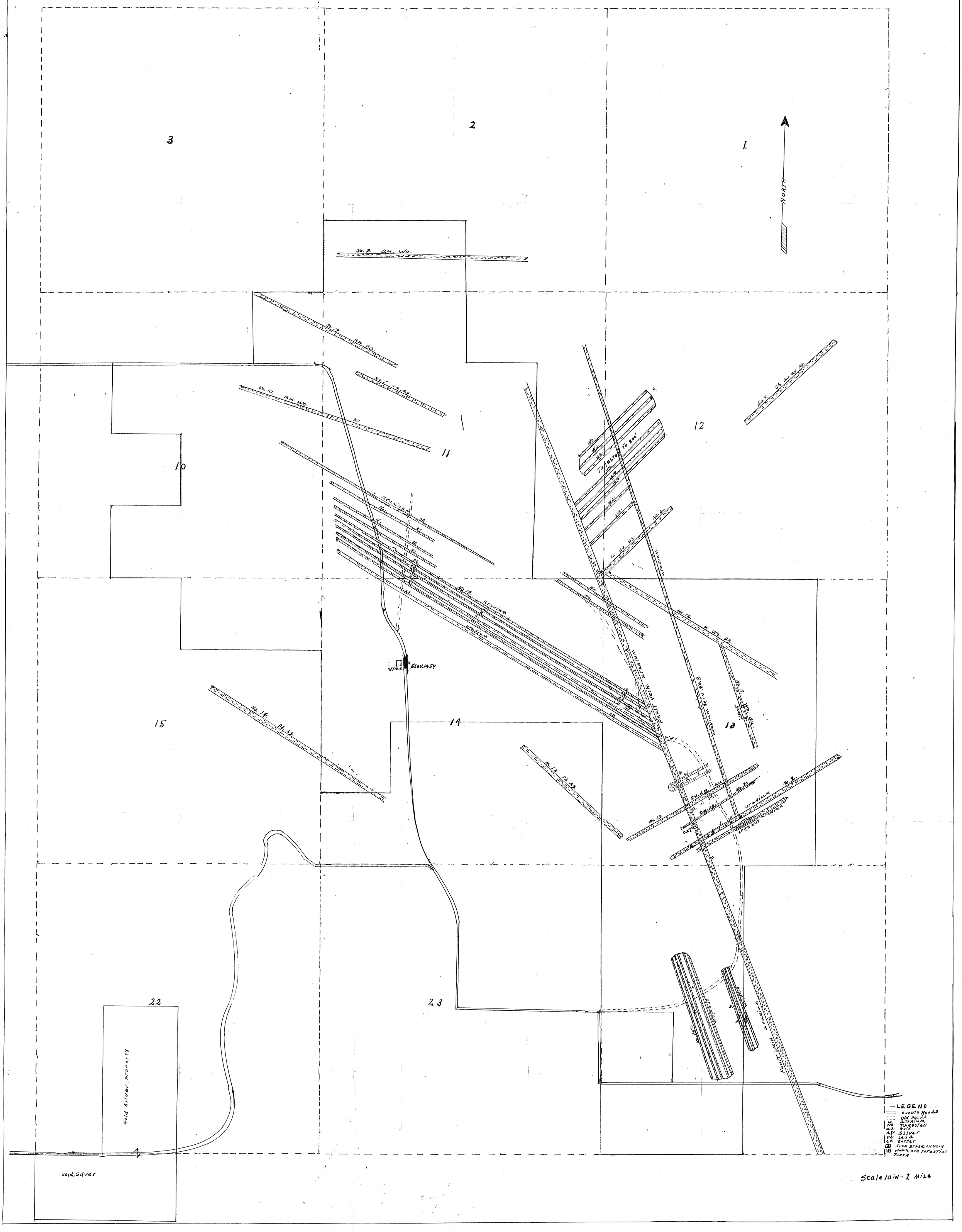
~~BUREAU OF MINES~~
~~1201 N. DIVISION ST.~~
~~SPOKANE 2, WASHINGTON~~

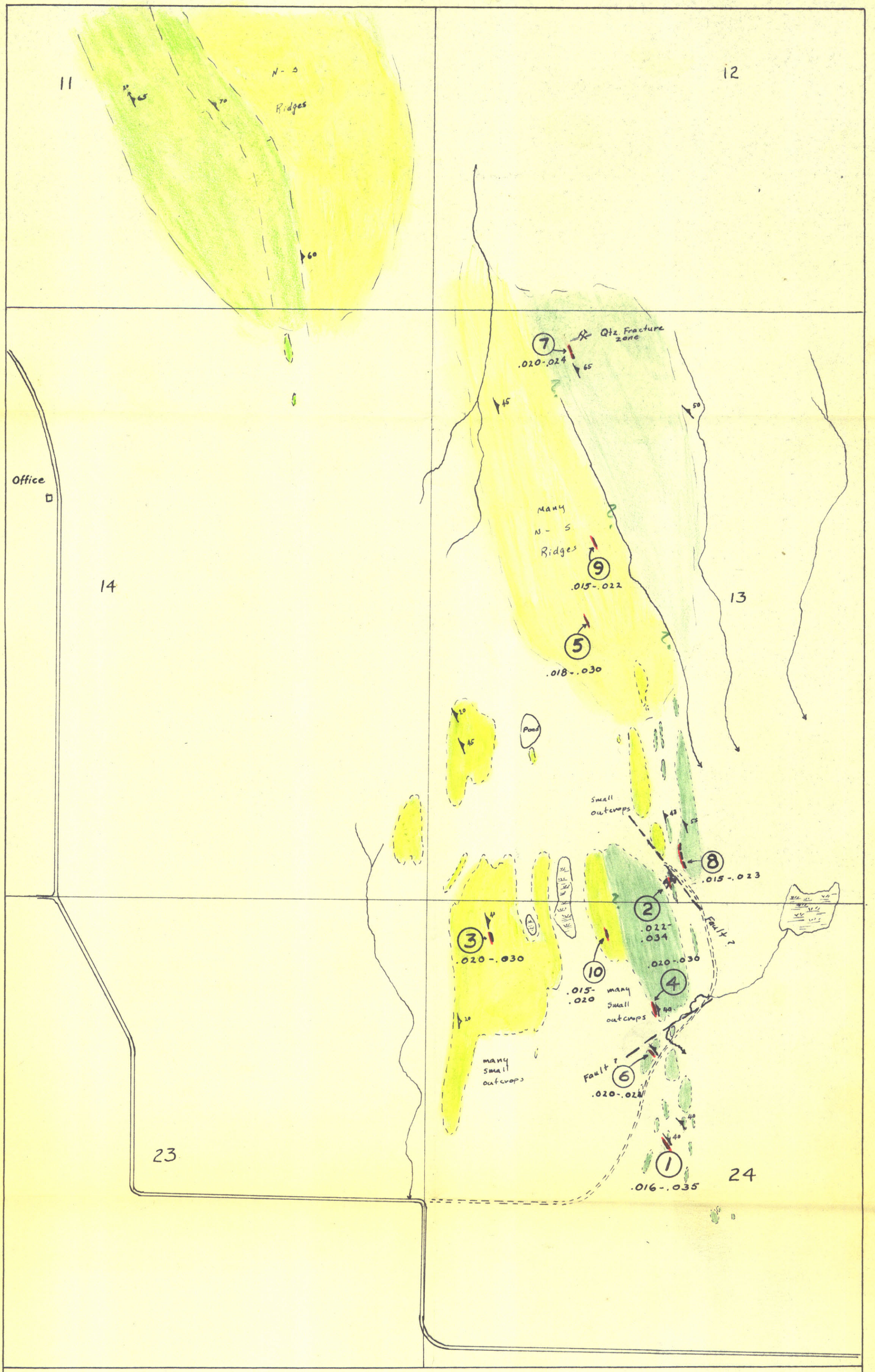
OFFICIAL BUSINESS

~~PENALTY~~ FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300
(PMGC)

Mr. George C. Selfridge
Chairman, Operating Committee
Defense Minerals Explor. Admin.
Department of the Interior
Washington 25, D. C.

American Strategic Minerals Corp.





PRELIMINARY GEOLOGICAL MAP
OF PROPERTY IN HORSE SPRINGS COULEE
OKANOGAN CO., WASHINGTON

Sections 11-14, 23 & 24, T. 37 N., R. 26 E., Leased by American Strategic Minerals Corp.

Geology by Forbes Robertson 1954

Scale One Inch = About 500 Feet

Base Map Drawn From Enlarged Air Photograph

PLEISTOCENE "Lake Beds"

LOWER ANARCHIST SERIES

Upper Member (on property)	Chloritic phyllite, greenstone, gray phyllite. Characterized by argillite	
Middle Member	Chloritic phyllite, greenstone, minor argillite, quartz bands	
Lower Member	Dolomite at top, Graphitic and Chloritic phyllite, greenstone.	

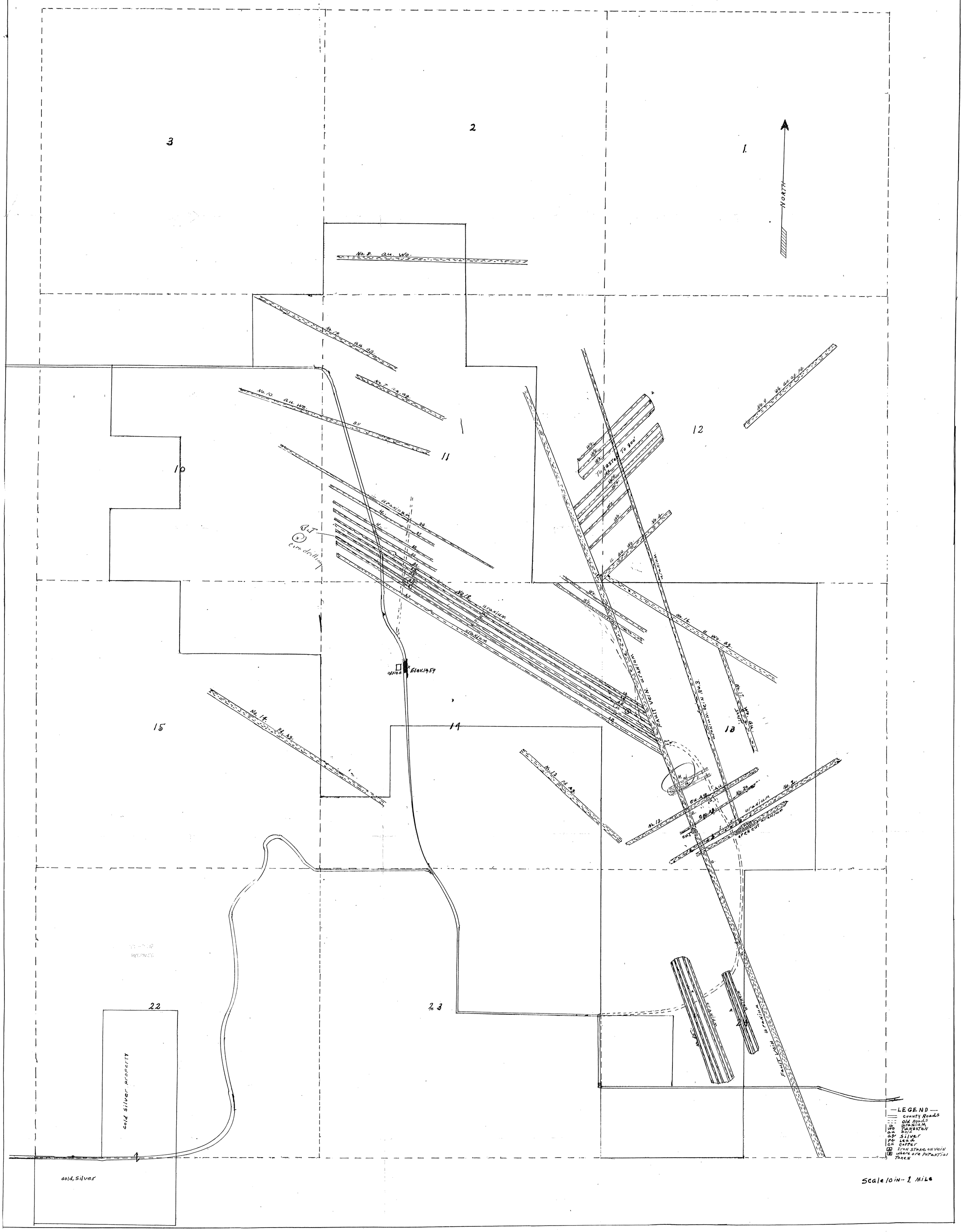
(1) .016-.035 Radiometric Anomaly

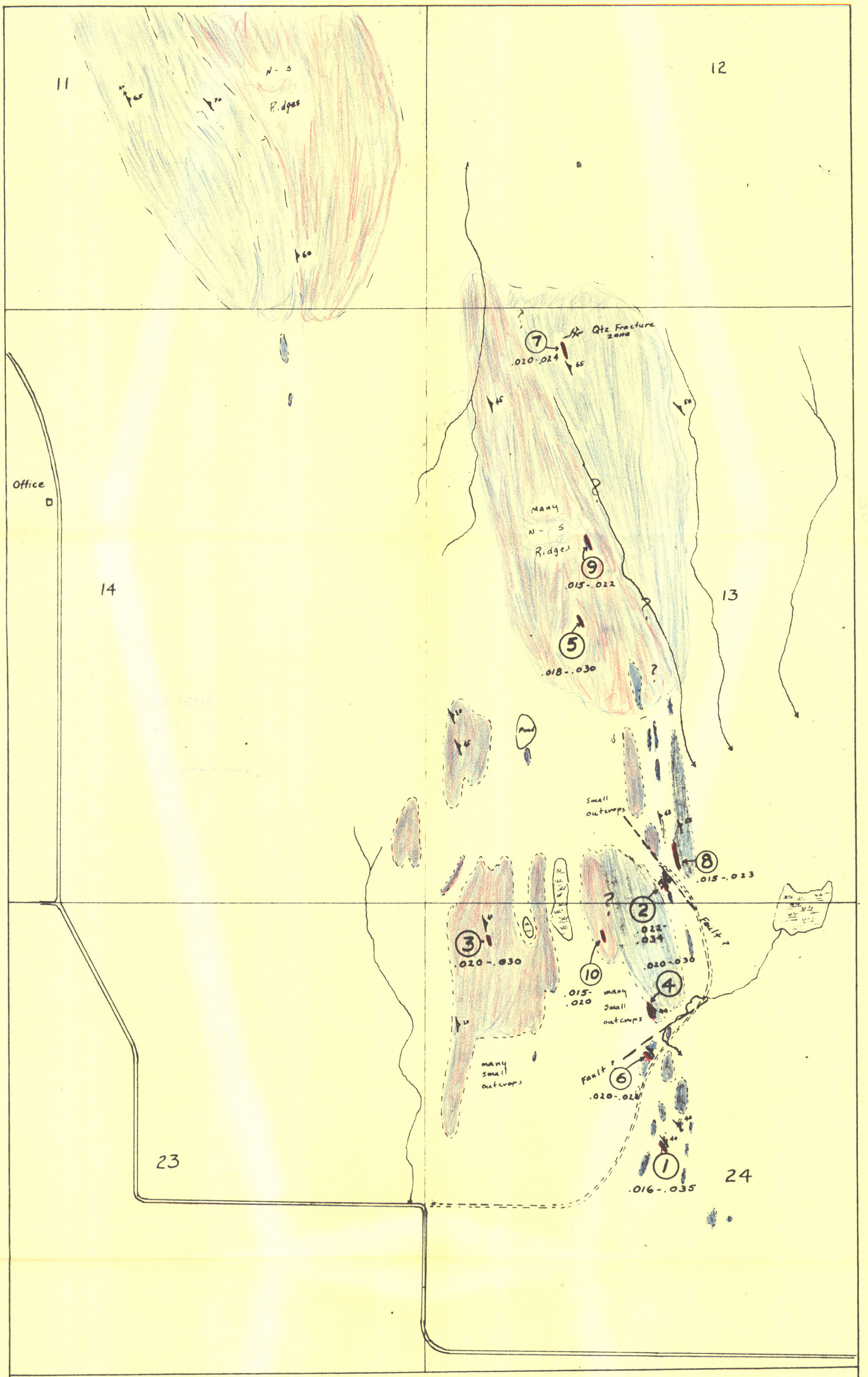
Prospect

Mapped Outcrop

40 Foliation Dip & Strike

American Strategic Minerals Corp.





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Base Map Drawn From Enlarged Air Photograph

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LOWER ANARCHIST SERIES

- Upper Member (on property) — Chloritic phyllite, greenstone, gray phyllite. Characterized by argillite
- Middle Member — Chloritic phyllite, greenstone, minor argillite, quartz bands
- Lower Member — Dolomite at top, Graphitic and Chloritic phyllite, greenstone.

(1) .016-.035 Radiometric Anomaly Prospect

Mapped Outcrop

40 Foliation Dip & Strike

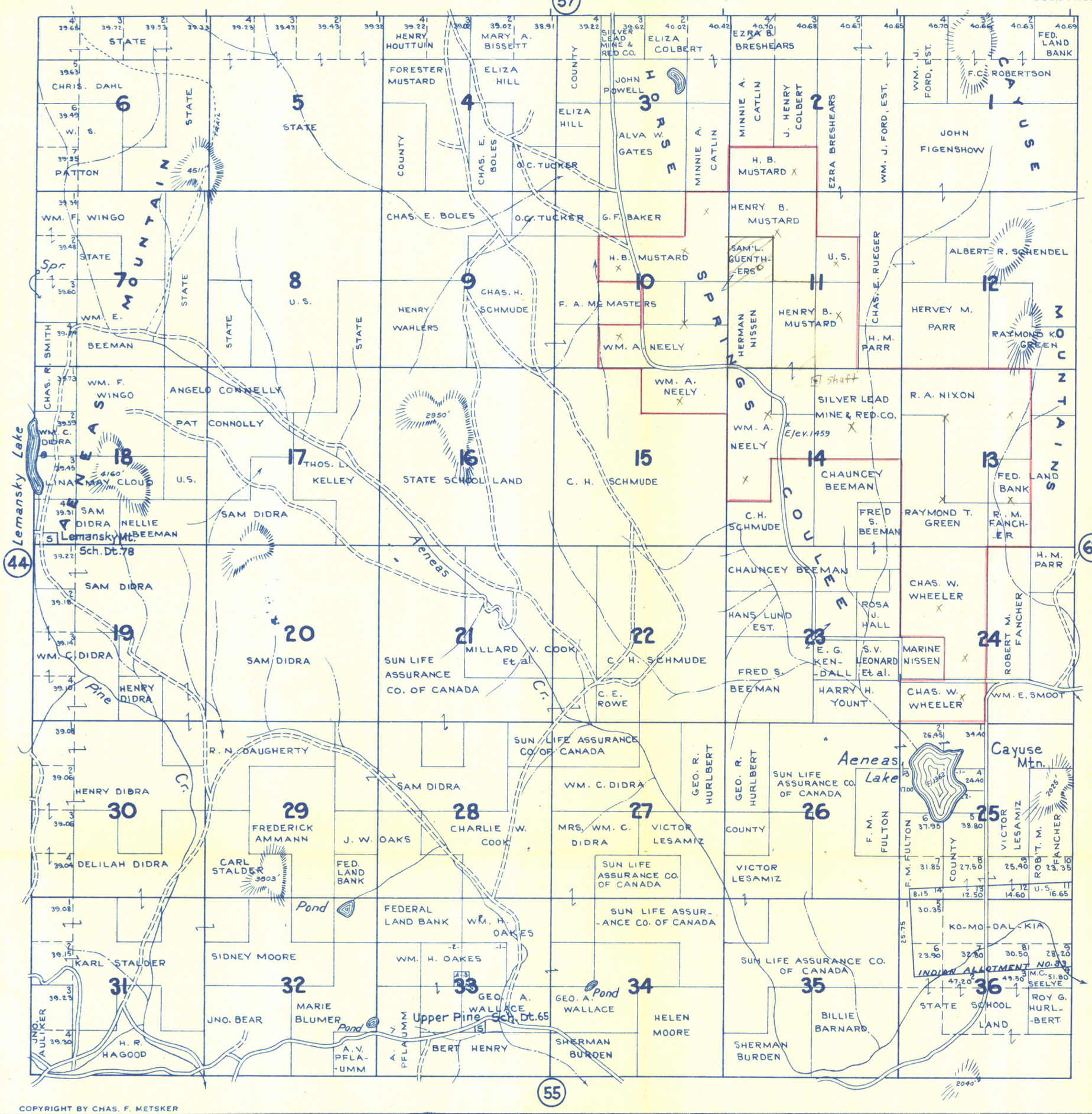
TOWNSHIP 37 N., RANGE 26 E.W. M.

OKANOGAN COUNTY, WASHINGTON

SCALE 2 IN. - 1 MILE

DATED 1934

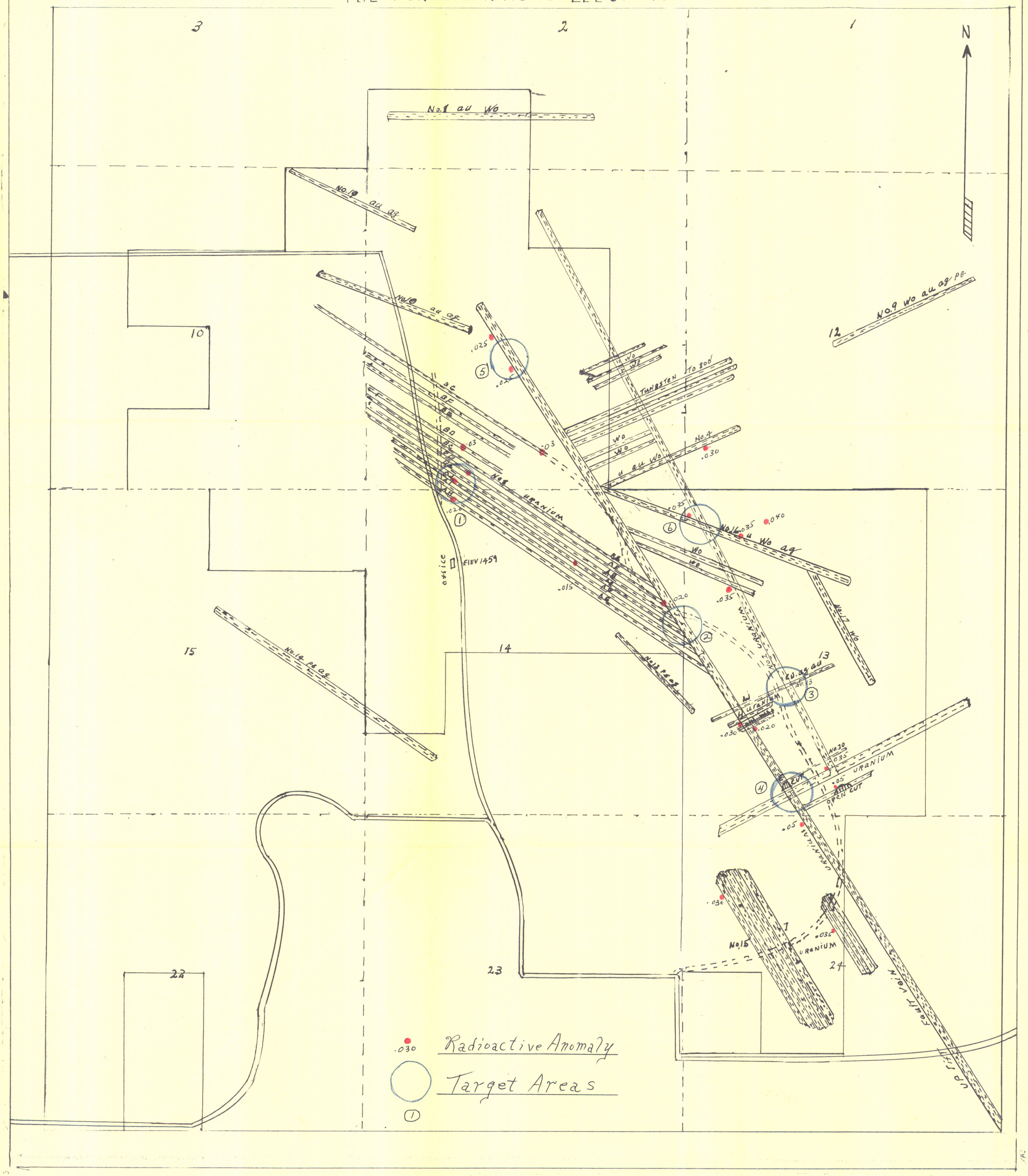
CHAS. F. METSKER, CIVIL ENGINEER
514 S.W. OAK STREET, PORTLAND, OREGON
930½ PACIFIC AVE., TACOMA, WASHINGTON



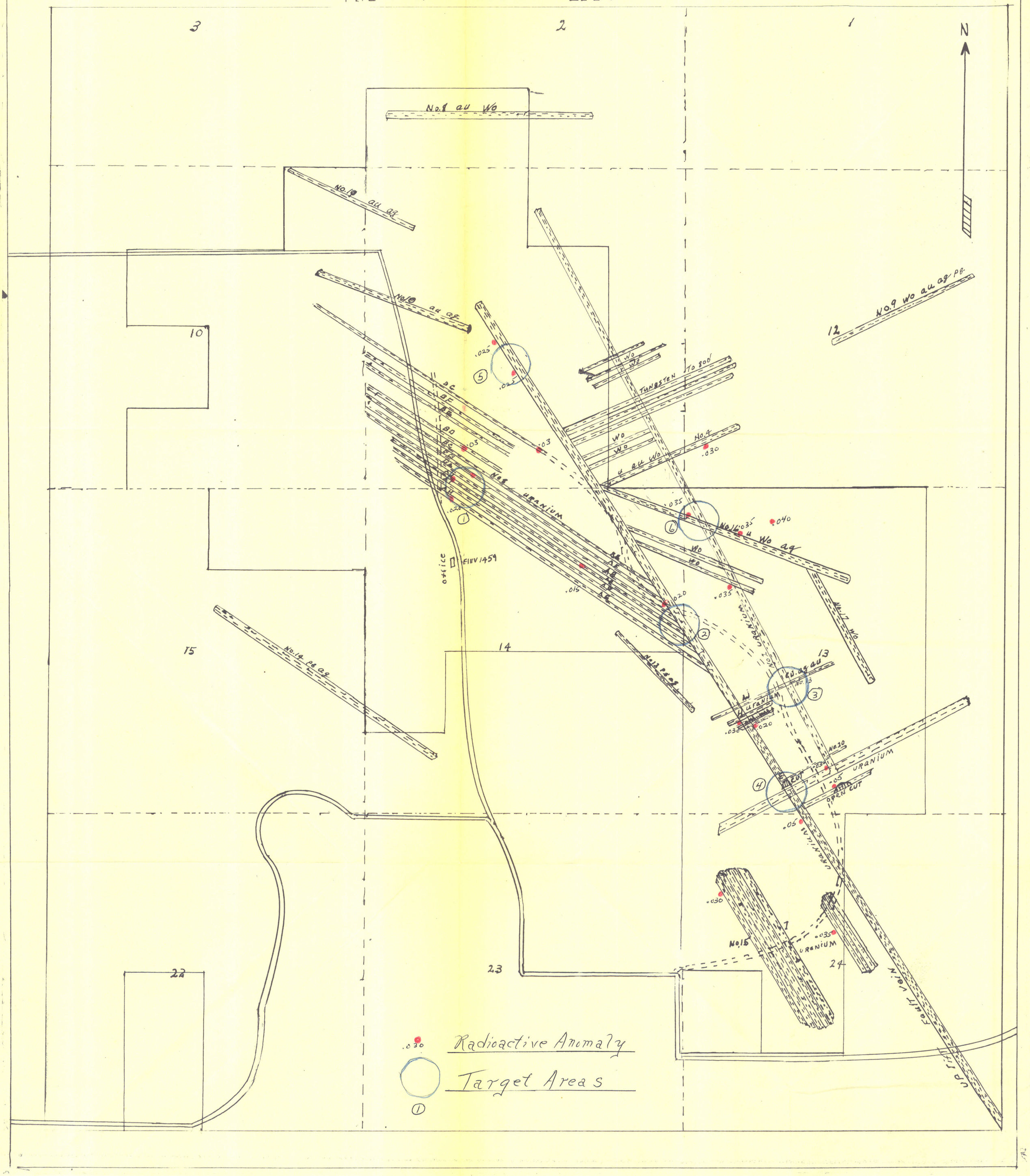
—LEGEND—

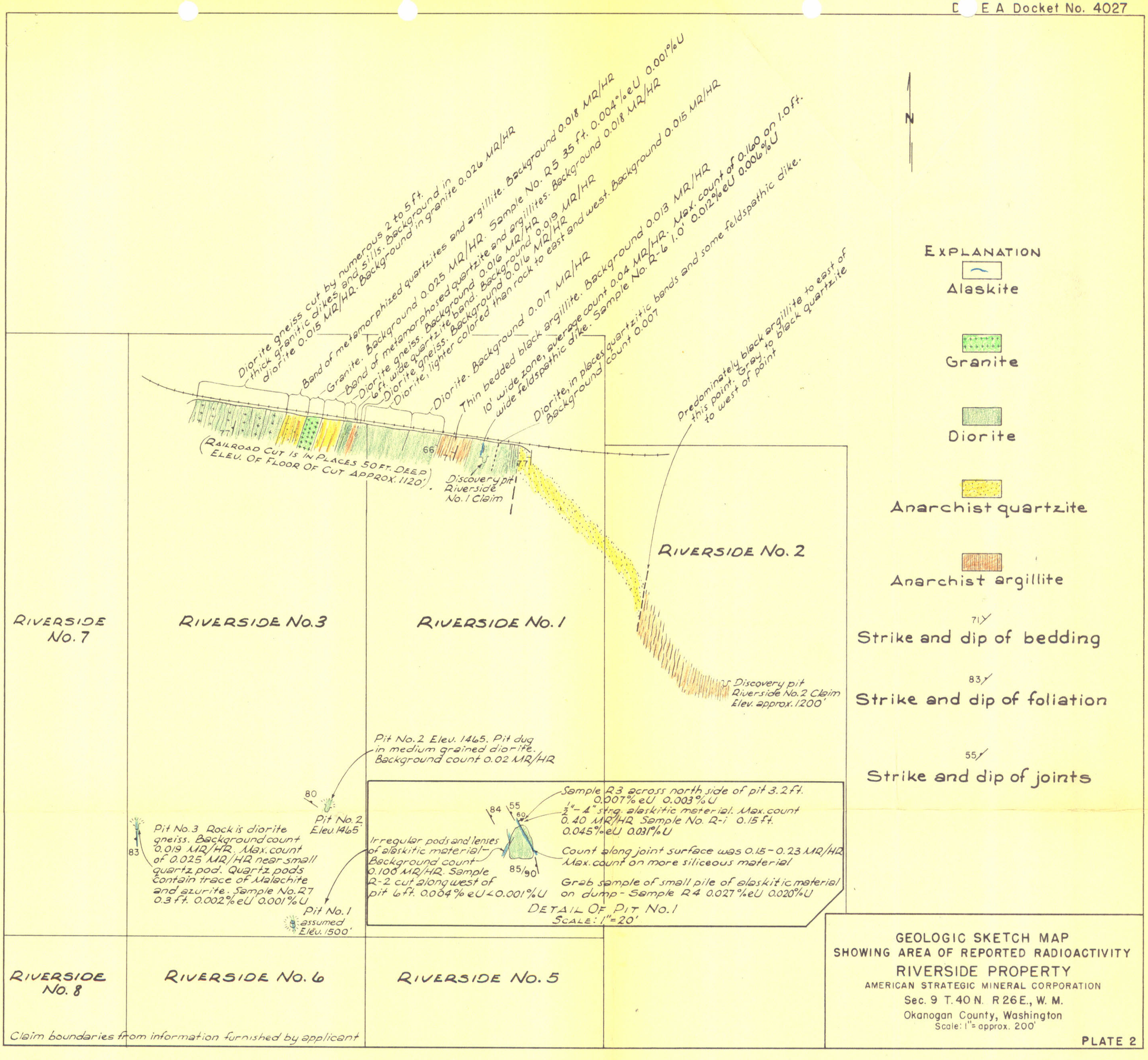
- PAVED ROADS
- STATE HIGHWAYS
- GRAVELED ROADS
- DIRT ROADS
- INFERIOR ROADS
- RAILROADS
- TRAILS
- INTERMITTENT CREEKS
- SCHOOLS

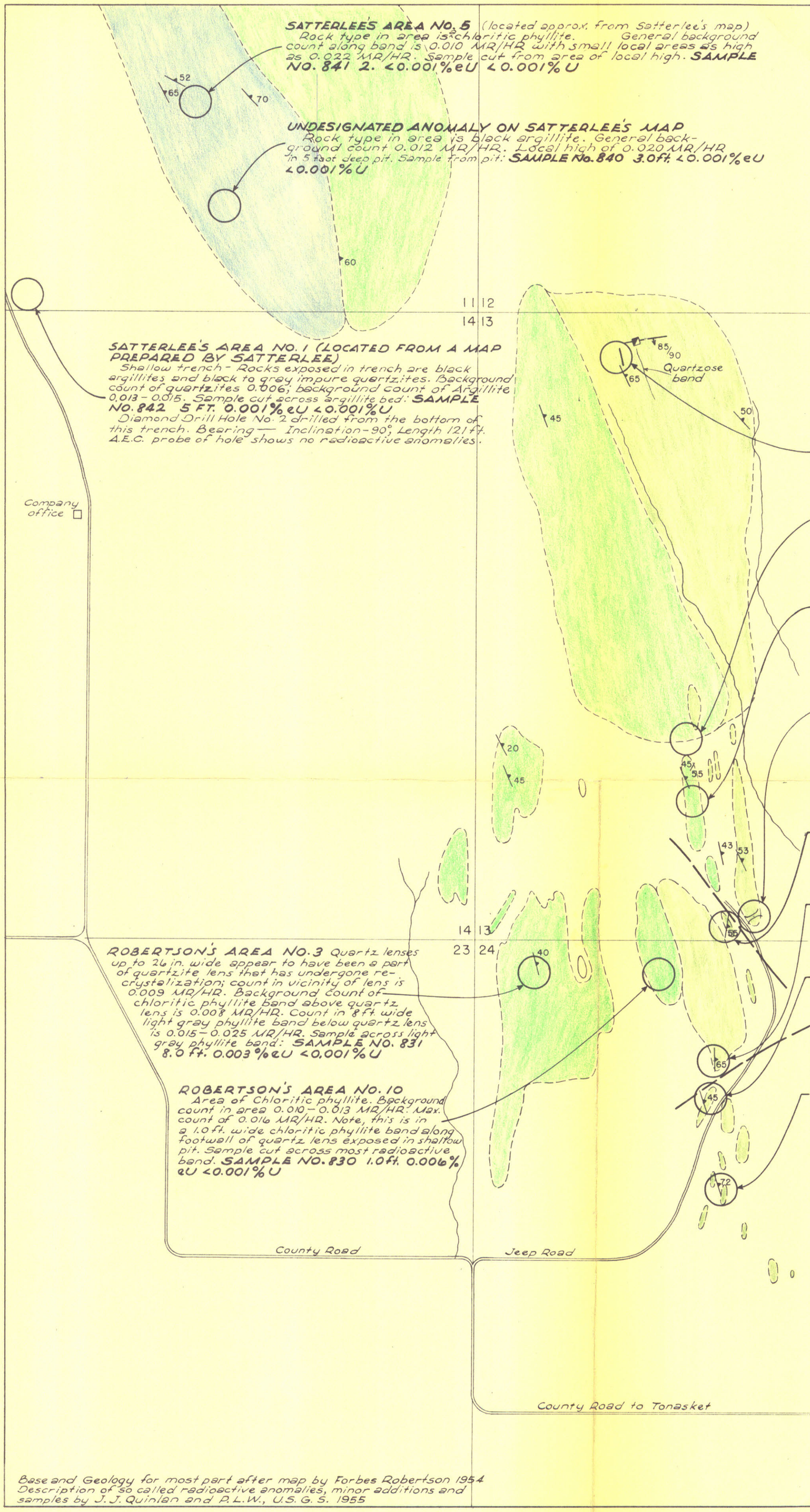
MAP SHOWING MINERALIZATION
of
AMERICAN STRATEGIC MINERALS CORPORATION'S
HOLDINGS IN
THE HORSE SPRING COULEE DISTRICT



MAP SHOWING MINERALIZATION OF AMERICAN STRATEGIC MINERALS CORPORATION'S HOLDINGS IN THE HORSE SPRING COULEE DISTRICT




Diorite gneiss cut by numerous 2 to 5 ft. thick granitic dikes and sills. Background in diorite 0.015 MR/HR. Background in granite 0.026 MR/HR
Band of metamorphized quartzites and argillite. Background 0.018 MR/HR
Granite. Background 0.025 MR/HR. Sample No. R5 35 ft. 0.004% eU 0.001% U
Band of metamorphosed quartzite and argillites. Background 0.018 MR/HR
Diorite gneiss. Background 0.016 MR/HR
6 ft. wide quartzite band. Background 0.019 MR/HR
Diorite gneiss. Background 0.016 MR/HR
Diorite, lighter colored than rock to east and west. Background 0.015 MR/HR
Diorite. Background 0.017 MR/HR
Thin bedded black argillite. Background 0.013 MR/HR
10' wide zone, average count 0.04 MR/HR. Max. count of 0.160 on 1.0 ft.
Diorite, in places quartzitic bands and some feldspathic dike. Background count 0.007
wide feldspathic dike. Sample No. R-6 1.0' 0.012% eU 0.006% U
Predominately black argillite to east of this point. Gray to black quartzite to west of point
N
EXPLANATION
Alaskite
Granite
Diorite
Anarchist quartzite
Anarchist argillite
71
Strike and dip of bedding
83
Strike and dip of foliation
55
Strike and dip of joints
(Railroad Cut is in places 50 ft. deep. Eleu. of floor of cut approx. 1120').
77
66
77
Discovery pit Riverside No. 1 Claim
Riverside No. 2
Discovery pit Riverside No. 2 Claim Elev. approx. 1200'
Riverside No. 7
Riverside No. 3
Riverside No. 1
Pit No. 2 Eleu. 1465. Pit dug in medium grained diorite. Background count 0.02 MR/HR
80
Pit No. 2 Eleu. 1465'
83
Pit No. 3 Rock is diorite gneiss. Background count 0.019 MR/HR. Max. count of 0.025 MR/HR near small quartz pod. Quartz pods contain trace of Malachite and azurite. Sample No. R7 0.3 ft. 0.002% eU 0.001% U
Pit No. 1 assumed Elev. 1500'
84
55
60
85/90
Irregular pods and lenses of alaskitic material— Background count— 0.100 MR/HR. Sample R-2 cut along west of pit 6 ft. 0.004% eU <0.001% U
Sample R3 across north side of pit 3.2 ft. 0.007% eU 0.003% U
1/2"- 4" strg. alaskitic material. Max. count 0.40 MR/HR Sample No. R-1 0.15 ft. 0.045% eU 0.031% U
Count along joint surface was 0.15 - 0.23 MR/HR Max. count on more siliceous material
Grab sample of small pile of alaskitic material on dump - Sample R4 0.027% eU 0.020% U
Detail of Pit No. 1
Scale: 1" = 20'
Riverside No. 8
Riverside No. 6
Riverside No. 5
Claim boundaries from information furnished by applicant
GEOLOGIC SKETCH MAP
SHOWING AREA OF REPORTED RADIOACTIVITY
RIVERSIDE PROPERTY
AMERICAN STRATEGIC MINERAL CORPORATION
Sec. 9 T. 40 N. R 26 E., W. M.
Okanogan County, Washington
Scale: 1" = approx. 200'
PLATE 2



EXPLANATION

PLEISTOCENE GLACIAL MATERIAL
For most part lake beds

UPPER MEMBER, LOWER ANARCHIST SERIES
Chloritic phyllite, greenstone, gray phyllite characterized by argillite

MIDDLE MEMBER, LOWER ANARCHIST SERIES
Chloritic phyllite, greenstone, minor argillite, quartz bands

LOWER MEMBER, LOWER ANARCHIST SERIES
Dolomite at top, graphitic and chloritic phyllite, greenstone argillite

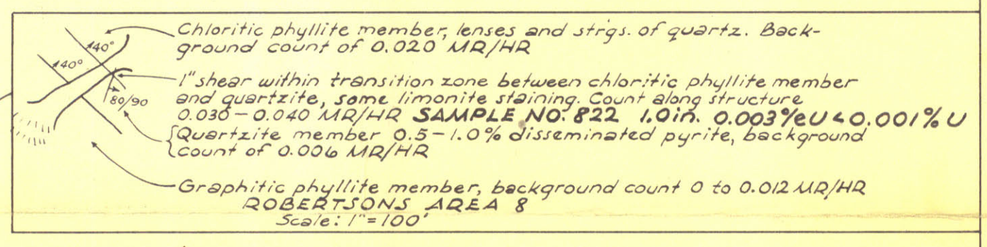
Strike and dip of foliation

Probable fault

ROBERTSON'S AREA NO. 7 Rock type in area - light gray quartzitic phyllite. General background count 0.007 MR/HR. No areas of particularly higher count noted.

SATTERLEE'S SO CALLED TUNGSTEN PIT AREA
Applicant reports pit dug to test tungsten anomaly indicated by Satterlee's instrument. No tungsten was found but applicant considers that a first rate uranium bearing structure is exposed in the pit. Applicant reports a sample from the pit assayed 0.031% U_3O_8. So called uranium structure is nothing more than a 2 to 3 foot wide chloritic phyllite band along the footwall of an 8 to 12 foot wide quartzite band: SAMPLE NO. 825 2.5 ft. 0.006%eU<0.001%U

SATTERLEE'S AREA NO. 3 Diamond Drill Hole No. 1 bearing N 67 E, inclination - 67°, length 105 ft. Hole drill almost parallel to foliation. A E C probe of hole showed no radioactive anomalies. Rock in area includes quartzites, chloritic and graphitic phyllites. General background in area is 0.003 to 0.014 MR/HR. Max. count of 0.030 MR/HR over area 1'x1' in graphitic phyllite. Sample of material showing max. count: SAMPLE NO. 824 1.0 ft. 0.004%eU <0.001%U



ROBERTSON'S AREA NO. 2 Rock type in area is light green phyllite, general background is 0.002 - 0.004 MR/HR. Count of 0.020 - 0.025 MR/HR noted along 6" - 12" light green phillite band for about 30 ft. along strike. Sample across this band at most radioactive spot: SAMPLE NO. 823 1.0 ft. 0.003%eU<0.001%U

ROBERTSON'S AREA NO. 4 Rock types in area include impure quartzite underlain by a 20 ft. wide zone of light gray phyllite. General background in quartzite is 0.013 - 0.014 MR/HR; in light gray phyllite 0.017 - 0.020 MR/HR. Sample across light gray phyllite SAMPLE NO. 829 20 ft. 0.003 %eU <0.003%eU <0.001%U

ROBERTSON'S AREA NO. 6 Rock in area is light greenish colored phyllite. General background count 0.010 - 0.012 MR/HR. Near northwestern end of outcrop along several foliation planes, count is 0.025 - 0.030 MR/HR. Sample across this zone: SAMPLE NO. 828 10 ft. 0.004%eU 0.001%U

ROBERTSON'S AREA NO. 1 - Two showings in area:
Upper or East Showing is within 20 ft. thick chloritic member. General background count is 0.015 MR/HR. Max. count at 0.020 - 0.025 MR/HR noted for 30 ft. along a 2.0' wide band of phyllite about 6 ft. above base of outcrop. Most radioactive spot is in vicinity of 2" - 4" quartz lens. Sample take at this spot: SAMPLE NO. 826 0.5 ft. 0.002%eU <0.001%U
Lower or West Showing is within a 10 - 15 ft. thick chloritic phyllite member. General background count 0.015 MR/HR. Max. count of 0.020 - 0.031 MR/HR noted for 18 ft. along a 1.0 ft. wide band near base of outcrop. Sample taken at most radioactive spot: SAMPLE NO. 827 1.0 ft. 0.003%eU <0.001%U

Base and Geology for most part after map by Forbes Robertson 1954
Description of so called radioactive anomalies, minor additions and samples by J. J. Quinlan and P. L. W., U.S. G. S. 1955

GEOLOGIC SKETCH MAP
SHOWING PRINCIPAL AREAS OF REPORTED RADIOACTIVITY
McDANIEL PROPERTY
AMERICAN STRATEGIC MINERALS CORPORATION

T 37 N R 26 E
OKANOGAN COUNTY, WASHINGTON
SCALE 1" = 677 FEET

PLATE I