IMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4678

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
Contract with all exhibits and annexes
✓ Owner's Consent to Lien
Subordination Agreement
✓ Leases and assignments of leases
✓ Application and attachments
(3) Envelope for maps

Right Side

Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report (Tab)
Operator's Final Report
(2R) Interim Reports
(2R) Operator's monthly reports and all attachments (latest on top)
✓ On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order) Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

9774

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

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DATE	INITIALS	CODE

March 6, 1957

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

Re: New Application (Uranium)
Mervyn D. McKenzie
Blue Jay Claim No. 2
Ferry County, Washington

Dear Mr. Selfridge:

Enclosed are three copies of an application for DMEA aid to explore for uranium in the Colville National Forest, Ferry County, Washington. The applicant, Mr. Mervyn D. McKenzie, proposes to explore by driving 530 feet of drift and crosscut and diamond drilling 2000 feet of hole at an estimated total cost of $76,011. The applicant proposes to meet his share of the cost by furnishing equipment which he evaluates as worth $19,700.

The AEC office in Spokane has no information on this property.

We are also enclosing the only copy of a Consent to Lien which was furnished with the application, and will secure additional copies later, if necessary.

By Field Team, Region I, NW Dist.

A. E. Weissenborn

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

Wing G. Agnew

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

Enclosures

cc: USBM (2)
AEC (SLC)
AEC (Spokane)
Geologist

MAR

[illegible]

February [illegible], 1957
[illegible]
Re[illegible]

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United States Dept. of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Att: Mr. Soldak

Dear Mr. Soldak:

Enclosed see m[illegible] four copies of the application for a DMEA loan. As you know I have been quite some time in [illegible] this all together. I have [illegible] and have all [illegible]

I trust all is in order but [illegible] as soon as possible. Thank [illegible]

Very [illegible] yours,

Mervyn D. Mc Kenzie

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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MAR 4 1957
U.S.G.S.
SPOKANE, WASH.

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

Not to be filled in by applicant

Docket No. 4678
Metal or Mineral uranium
Date Received 3-11-57
Estimated Cost $76,000.00 7M
Participation (Government %)

RECEIVED MAR 11 1957 D.M.E.A.

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:

Mervyn D. Mc Kenzie
2430 Meridian Street
Bellingham, 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 Blue Jay Claim No. 2 Located in TWP 38 North, Range 35 E.W.M. Section 30, Colville National Forest, Ferry County, Washington. The foregoing is the principal claim, however, I have staked, completed discovery work and have declared and filed 5 Chena Claims surrounding the above property. See attached sheet

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Blue Jay 2 is leased. onsent to lein attached. Chena Claims are all legally staked and work completed.

(*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. Copy attached

(*e*) If you own the land, describe any liens or encumbrances on it None

(*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.

(*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.

By CFS

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

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

(*c*) The work will start within 60 days and be completed within 24 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.

By CFS

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

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

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

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

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

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

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

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes. Use a lump sum $5.00 per day

(*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.

By CFS

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?

☐ Money ☑ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper. – in #6 – d.

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 _____, 195__

_____ (Applicant)

By C. F. Stone – Sec. & Treas.

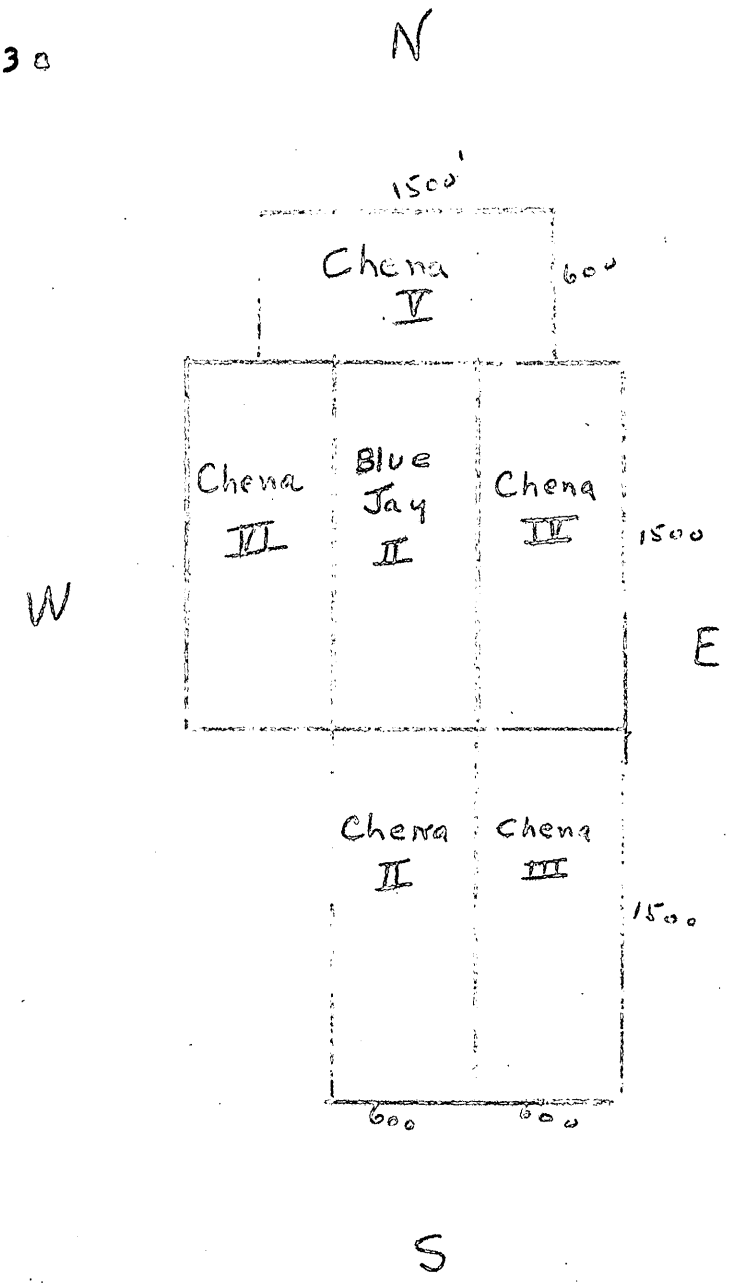
_____

_____

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

** Refer 3 a



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DATE	INITIALS	CODE

The Above Blue Jay Claim is leased and the consent to lien is attached. The Chena Claims, 2,3,4,5,6, are all legally staked claims. I have completed, declared and filed the discovery work.

Mervyn D. Mc Kenzie
2430 Meridian Street
Bellingham, Washington

4. PROPERTY DESCRIPTION.

(a) The area in question consists of certain claims located in the Curlew Mining District which is located in Ferry County of the State of Washington.

No mining has taken place or is taking place at this property at the present time. However, mining is being carried on in the imediate area by a uranium exploration company.

Exploration operations have been carried on by airplane and by ground parties. Indications have been favorable and the possibility of an area of uranium mineral concentration appears likely. Geiger counters and scintillation counters were used during the surface exploration. Grab samples were taken from outcrops on the property. Assays of these samples indicate uranium minerals in sufficient amounts so as to classify the rock as ore. Further exploration will be necessary to determine the extent and amount of the uranium mineral zone. Only following this future exploration will we be able to determine whether or not there are sufficient values so as to classify the rock as ore and to initiate mining.

My interest in this property will be as geologist and mining engineer on a consulting basis. At present, I am employed by the Dove Found Company as a mining engineer.

Accessibility to the property is favorable. The property is located about eighteen miles west of Orient, Washington, within 1500 feet of a graded and maintained Forest Service road. It is possible to drive the entire distance of this road. A cleared trail extends from the road to the property.

(b) No current or past production has resulted from this property. No ore reserves have as yet been determined at this property. Further exploration will be needed to determine the ore reserves, if any.

(c) This property is located in an area which appears to be predominantly metamorphosed sediments. Rocks of the area include quartzites, slates, schists, and gneiss.

All of these rock types are found on the property of this report. The rock located here strike to the Northeast and dip at 80 degrees to the North-west. Contacts are very clear and well defined.

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Mervyn D. Mc Kenzie
2130 Meridian Street
Bellingham, Washington

4. (continued)

The primary outcrop opens into a hogback which extends into Profanity Mountain. A quartzite appears to be the dominant rock of this ridge. This quartzite also appears to be the bearer of the uranium minerals which are located here. Associated with this quartzite is a very well defined garnetiferous biotite schist. Large individual garnets are found at the contact. Slates and gniesses are also found on the property.

The quartzite indicates to be the uranium mineral bearer in two ways: (I) the very high background count (2) minerals indicated by use of a black-light. Other rocks in the area appear to have relatively high background counts, but the quartzite is by far the highest.

It is my opinion that the uranium minerals are a secondary enrichment type deposit. In the geologic past, the area was probably under water. A primary source, an igneous body which contained uraninite or pitchblende, was eroded; depositing uranium sand upon a sea basin. These sands were incorporated with other sands, silts and clays into a sedimentary deposit. This in turn became sandstones, shales, limestones and dolomites. A subsequent period of metamorphism, faulting, folding and upheaval took place converting the sediments into their present rock formations. Therefore, the former uranium bearing sands presently have become uranium bearing quartzites.

It is also my opinion that in order to determine the amounts of uranuim bearing quartzites to be found it will be necessary to drive an exploration drift with diamond drill stations collared at selected intervals. This drift could then serve as both an exploration adit and as a possible production drift if suitable deposits are located.

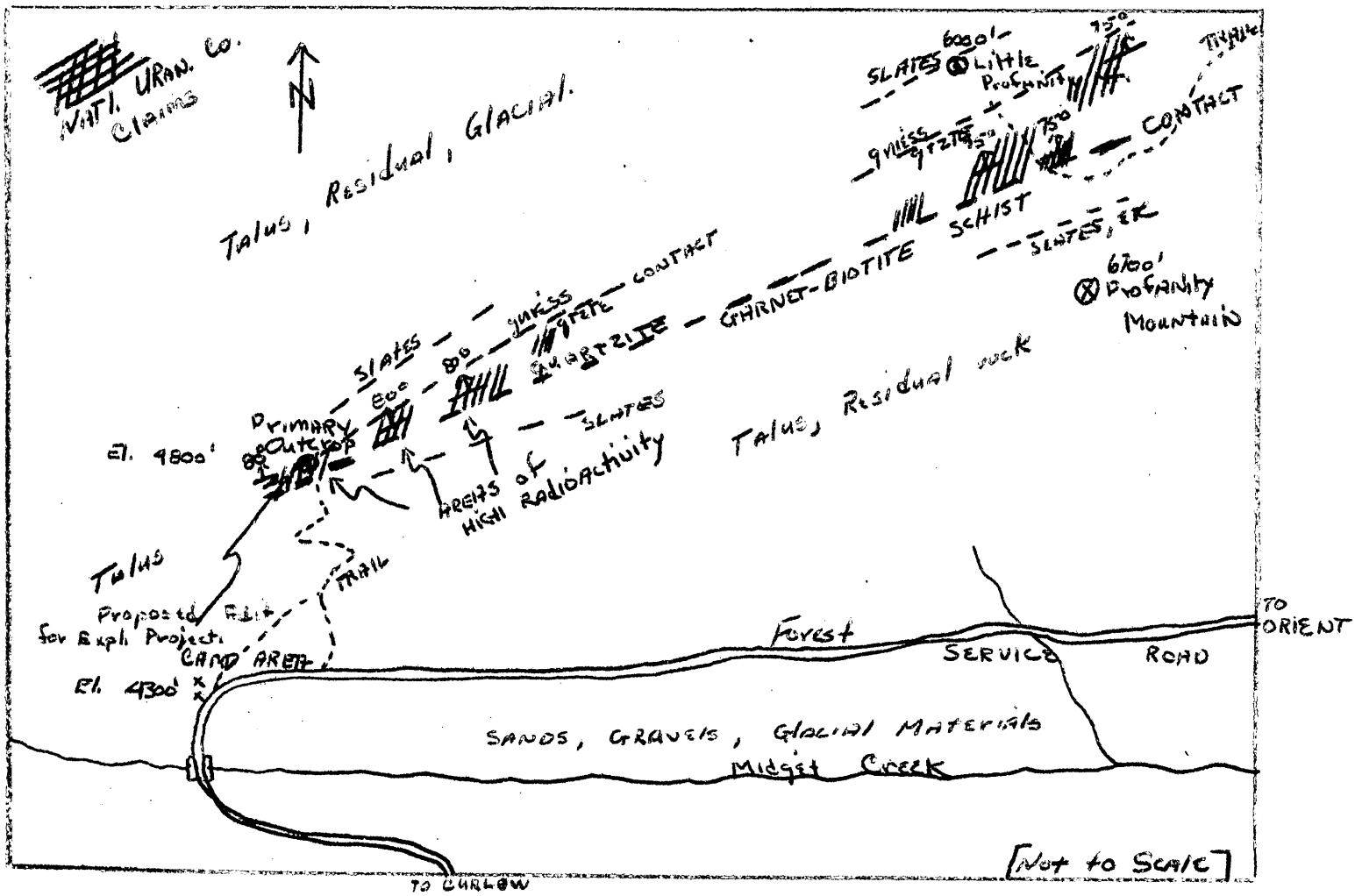
On a separate sheet, maps and exploration sketches will be found.

(d) Access to the property is by Forest Service road for eighteen miles. This is from Orient, Washington which is a railhead and would be the shipping point for the possible ore. This would also be the supply and residence point.

(e) Water is available at the property, power will be supplied by a portable unit. Other materials, supplies and equipment could be obtained locally or in Spokane. Manpower is available for the project.

Mervyn D. Mc Kenzie
2430 Meridian Street
Bellingham, Washington

General Geology Sketch of Profanity Mountain Area.



Radio-active zone appears in the quartzite / Lateral and areal extent is not known.

Dip - About 75-80° to NW.

Strike - NE

Sketch of Exploration project under #5 reading.

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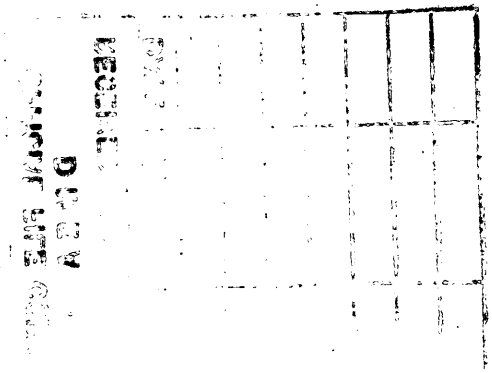

Mervyn D. Mc Kenzie
2430 Meridian Street
Bellingham, Washington

5. THE EXPLORATION PROJECT.

(a) The mineral to be explored for is URANIUM or uranium bearing minerals.

(b) The principle reason for this project is to explore for uranium bearing minerals. In my opinion, the best way to do this is to drive an exploration drift with diamond drill stations located along it at selected intervals. Underground drilling can be done much easier than surface drilling in this area, and probably at less expense. As the property is located in excess of 5000 feet, surface drilling could be carried on only on a seasonal basis, underground drilling can be carried on year around.

The exploration drift would extend 500 feet from the portal to the last diamond drill station. There will be three diamond drill stations. They will be located at 100, 300 and 500 foot intervals beginning with 0 at the portal. There will be 30 feet of diamond drill cross-cut drift. Altogether there will be 530 feet of drifting. The drifts will be 5 x 7 in size. The diamond drill cross-cuts will be 8 x 9 in size.

The drift will follow the quartzite - garnetiferous schist contact in general, but will be kept in a straight direction.

Diamond drilling will begin immediately after the first station is completed. There will be a minimum of 600 feet of drilling at the first station. The total amount of drilling will be 2000 feet.

Below is a sketch of the proposed work:

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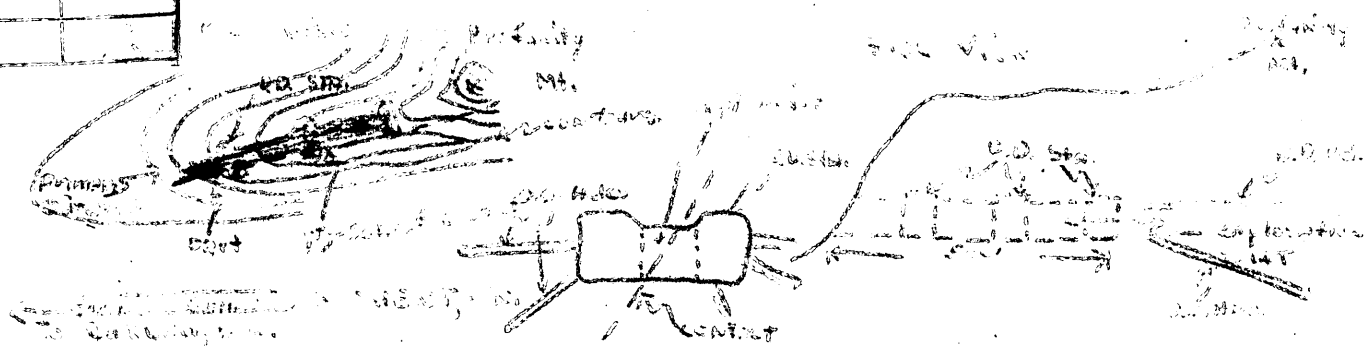

(c) The work will begin within 60 days and will be completed within 24 months from the date of the contract.

(d) Miners and diamond drillers will be used to do the exploration work. The applicant has done a large amount of previous uranium exploration. Supervision will be done by a graduate geologist and mining engineer.

Mervyn D. Mc Kenzie
2430 Meridian Street
Bellingham, Washington

6. ESTIMATE of COSTS

(a) Contracts - Mining and diamond drilling will be on contract.

The mining contract shall include miners wages, drilling, loading, blasting, mucking, tramming, pipe and rail installation, explosive costs and accounting costs. This will be at [illegible].50/foot for 350 feet. Total cost- [illegible],[illegible].00.

The diamond drilling will include wages, core recovery, drilling and bit logs. The rate will be [illegible]/foot for 2000 feet. Total cost- 11,000.00 .

Total cost of contracting ----- [illegible]3,[illegible].00.

(b) Labor - Labor is included in the contracts. Consultant will be at [illegible]50.00/day. or 40 days maximum.

Total costs of labor ---------- 1000.00.

(c) Materials and Supplies --- Total cost --- 7011.00

1000' of 16" rail	-- 800.00	Jub fittings -	100.00
2000' of 1" pipe	-- [illegible]	Bang, picks, etc	100.00
1500' of 2" pipe	-- 7[illegible].00	Bolts, belts -	100.00
400' drill steel	-- [illegible]	Bit grinder -	300.00
300' vent pipe	-- 300.00	200' core steel	600.00
20 diamond bits	-- 1000.00	40 carbide bits	300.00
2000' 7/8" wire rope	-- 370.00	Vent fittings	100.00

(d) Operating Equipment --- Total cost --- [illegible]

Vent fan	-- 300.00	2-27 cu/ft ore cars	630.00
Electric plant	2000.00	2-1000 gal/min pumps	500.00
1-7 HP hoist	1000.00	2-[illegible] drills 70#	1770.00
1 cu/ft [illegible] rucker	2000.00		

1- Drill, diamond (Boyles Brothers) [illegible] (appl. owned)
1- Donkey engine with winches 3000.00 (applicant owned)
1- [illegible] hammer 300.00 (applicant owned)
1- Blue Brute compressor [illegible] (applicant owned)
1- [illegible] 7 calculator [illegible]
1- 1000 Ford 2 Ton Truck 2100.00

(e) Repairs --- None

(f) New Buildings --- Total cost 1000.00

1- [illegible] x 20 portable steel storage bldg. -- 1000.00

(g) Miscellaneous --- Total cost [illegible]

Steel repair.	300.00	Drill repair.	[illegible]
Drill oil	300.00	Lub. & grease	[illegible]
Bit replacement	[illegible]		

Operating equipment maintenance 1700.00

(h) Contingencies --- Total cost [illegible]

Allowances due to price and labor increases.

Grand total cost --- $76,001.00

Applicant furnishes --- 1[illegible],700.00 (in equipment)
Government share --- [illegible],311.00 (7[illegible])

Mervyn D. Mc Kenzie
2430 Meridian Street
Bellingham, Washington

Vitro URANIUM COMPANY

A DIVISION OF VITRO CORPORATION OF AMERICA

[illegible] WEST 33rd SOUTH STREET • SALT LAKE CITY 10, UTAH • [illegible]

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September 11, 1956

Mr. B. E. McKenzie
2430 Meridian Street
Bellingham, Washington

Dear Mr. McKenzie:

I have just received the laboratory tests of your recently submitted sample. The grade was a little low, going .37% U_3O_8. We also find that this ore is very amenable to our process.

If you think you could maintain a monthly average of .5% U_3O_8 on this type of ore, I would be happy to discuss purchase of the ore from you.

Thank you very much for your interest.

Very truly yours,

VITRO URANIUM COMPANY

E. M. Coleman
Ore Buyer

rba/lg

Vitro MINERALS CORPORATION
600 W. 33rd SO. ST. • P. O. BOX 67 • SOUTH SALT LAKE • TELEPHONE IN 7-8414

February 21, 1957

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Dr. M. D. McKenzie
2430 Meridian
Bellingham, Washington

Dear Dr. McKenzie:

In reply to your request, I am herewith submitting results of tests conducted on samples sent to us from your properties.

We received three samples; one in August, one in September, and one in October, 1956. These samples assayed .17, .224 and .302, respectively. Amenability tests were run on each of these samples and were found to be quite amenable to our acid leach process. They did not consume excess acid and the percentage of recovery was very satisfactory.

We have no record of where these samples were collected, nor the manner in which they were collected. We would be happy to discuss in more detail the results of the amenability tests with the proper authorities, however, these details are considered confidential by Vitro and we cannot give you any more detail than the above at this time.

Very truly yours,

VITRO MINERALS CORPORATION

JAMES CHURCIN, Staff Geologist

JC:jmo

Via Airmail

COPY

UNITED STATES ATOMIC ENERGY COMMISSION
Division of Raw Materials
Salt Lake Exploration Branch

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DATE	INITIALS	CODE

Address Reply To:
U. S. Atomic Energy Commission
Spokane Project Office
P. O. Box 1805
Spokane, Washington

July 10, 1956

And Refer To: SLAO:DLH:mn

REPORT ON RADIOACTIVE ANALYSIS

Sample submitted by: M. D. McKinzie
Box 331
Republic, Wash.

Date: July 3, 1956

Name of property: unknown
(near Mt. Leona)

	Percent Uranium Oxide (radiometric)	(chemical)
Sample number: Lab. #289	0.25	

Uranium minerals identified:

Remarks:

Very truly yours,
/s/ Donald L. Hetland
Donald L. Hetland
Project Geologist
Northwest District

LEASE AND AGREEMENT

This Lease and Agreement made and entered into this 29th day of August, 1956 by and between, Erman E. Coil Douglas L. Elmes + E. H. Ramsey, as Lessors and Murvyn D. McKenzie, as Lessee,

WITNESSETH:

That for and in consideration of the mutual covenants hereinafter contained, it is agreed between the parties as follows:

Property: Lessor leases to Lessee Blue Jay #2 located in Twp 38 North, Range 35 E.W.M. Sec. 30 Colville National Forest, Ferry County, State of Washington.

Period: This lease shall run for a period of three years from the date hereof unless sooner terminated, and it is agreed that the Lessee shall have an option to renew this lease for additional three year periods, providing and conditioned upon their faithful compliance with all of the terms and conditions of the existing lease.

Royalty: Lessee agrees to pay the Lessors as rent, a royalty on all valuable mineral ore including Uranium ore taken from said property, 10% on the gross value on all ore of a value up to $ 30.00 per ton, and 12½% on the gross value on all ore of a value up to $ 50.00 per ton, and 15% on the gross value on all ore of a value over $ 50.00 per ton.

Lessee shall cause these royalties to be paid direct to Lessors, and also to cause a copy of the United States certificate of purchase or smelter return or other purchaser's return, to be sent direct to Lessors at time of payments.

Laws and regulations: Lessee agrees to comply with all applicable mining laws and regulations of United States and of the State of Washington; also agrees to pay when due all taxes relating to the mining property and equipment, also all Federal and State laws such as Social Security, Workmen's Compensation, Industrial Insurance and the like; also agrees to save Lessors harmless from all expenses and liability incurred by Lessee in holding or operating the mining property; also agrees not to incur any labor or material liens against the mining property of Lessors, and to notify Lessors at once of any such liens, in writing.

Assessment Work: Lessee agrees to perform and to record (as required by law) all required annual assessment work for year ending July 1, 1957, and thereafter, before June 30, of each year, and to furnish Lessors

with a copy of affidavit of such work before June 30, of each such years, all without expense to Lessors, so long as this lease is in effect.

It is further understood and agreed between the parties that there in only a limited time remaining to complete the discovery work required by law as to Blue Jay # 2 claim, and the Lessee herein agrees to perform said discovery work in accordance with the existing requirements as by law provided and shall have until the 25th day of September, 1956 to perform said discovery work and if the same has not been accomplished by said date, then the Lessors shall have the right to perform the same and shall be reimbursed for said work within thirty (30) days after its completion, by the Lessee;

That the Lessee shall have until July 1st 1957 to explore and prospect said mining claim and shall diligently pursue said exploring and prospecting, using the accepted methods of the locality, during said period, weather permitting, unless they abandon said property and terminate this agreement as herein provided, or should elect to actively mine said property as hereinafter provided.

That upon the expiration of the prospecting period herein provided for, or sooner, upon the election of the Lessee, they shall actively mine said property and continuously and diligently mine said property in a good minerlike manner during the entire term of this lease or any extension or renewal of the same, subject to the terms and conditions herein contained, it being understood that if weather, strikes, or other circumstances beyond the control of the Lessee make said mining impossible or uneconomical, they shall be excaused from performance of this provision so long as said circumstances exist.

That any discovery bonuses received from the United States or otherwise shall be equally divided; 50% to the Lessee and 50% to the Lessors.

That the Lessors or their agents may inspect the books and records of the Lessee at all reasonable times and places and the Lessee shall allow the Lessors or their agents access to the premises for purposes of inspection at all reasonable times and places.

Surrender of lease: Lessee shall have the privilege at any time to surrender this lease after first serving or sending to the Lessors, by registered mail, written notice thereof, providing Lessee has complied with the terms and conditions of this lease.

Forfeiture notice: If Lessee fails to pay or cause to be paid any

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RECEIVED MAR 11 1957

DATE	INITIALS	CODE

royalty when due or violates any other covenant herein, Lessors shall have the optional right to serve on it or to mail to it a sixty (60) day written notice thereof; and if before expiration of such notice Lessee fails to pay such royalty due or to rectify such breach of covenant, then at expiration of the notice this lease shall terminate, and Lessee shall forthwith vacate the premises, and the Lessors shall retain as liquidated damages, all royalty and other money payments theretofore paid to Lessors.

Assigning lease: Lessee shall have the right to assign of sublease its rights under this lease and agreement to others, provided they, (the lessee) have the written consent of the Lessors.

Dated this 29 day of August, 1956.

Mervyn D. McKenzie

Lessee

Erman E. Coil
Douglas L. Elmes
E.W. Rumsey

Lessors

STATE OF WASHINGTON)
County of Whatcom) ss.

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that on this 29th day of August, 1956, personally appeared before me Mervyn D. McKenzie to me known to be the individual described in and who executed the within instrument, and acknowledged that he signed and sealed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

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

Notary Public in and for the State of Washington, residing at Bellingham

STATE OF WASHINGTON)
County of Ferry) ss.

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that on this 1st. day of October, 1956, personally appeared before me Erma Coil Erman, Douglas L. Elmes and E.W. Rumsey to me known to be the individuals described in and who executed the within instrument, and acknowledged that they signed and sealed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

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

Leo W. Strasburg

Notary Public in and for the State of Washington, residing at Curlew, Wash.

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D M E A
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DATE	INITIALS	CODE

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator_____
Docket No. DMEA-_____
Contract No. Idm-E_____
Contract Date_____

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

RECEIVED MAR 11 1957 D.M.E.A.

To the United States of America:

Referring to that certain land in the County of _____, State of _____, described as follows: 2/

BLUE JAY 2 located in Twp. 38 North, Range 35 E.W.M. Sec. 30

Colville National Forest, Ferry County, State of Washington

_____,

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

_____

_____

_____

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ 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.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: _____ (State "None" or "See Annex No.____")

Dated this 14th day of January, 1957.

E. W. Rumsey X	[Seal]	Malo, Washington	[Address]
Douglas L. Elmes X	[Seal]	Malo, Washington	[Address]
Ermon E. Coil X	[Seal]	Malo, Washington	[Address]
Subscribed by E W Rumsey	[Seal]	Douglas L Elmes and	[Address]
Ermon E Coil this 14th	[Seal]	day of January 1957	[Address]
	[Seal]	William Sullen	[Address]

Notary Public for the State of Washington
Residing at Spokane, Washington

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

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DMEA
RECEIVED OCT 21 1957

DATE	INITIALS	CODE
10/21	C	220
		225

So. 157 Howard Street
Spokane 4, Washington

October 17, 1957

Mr. Mervyn D. McKenzie
2430 Meridian Street
Bellingham, Washington

Re: Docket No. DMEA-4678 (Uranium)
Blue Jay and Chena claims
Ferry County, Washington

Dear Mr. McKenzie:

We are returning herewith the following information which you submitted with your application March 4, 1957 for Government assistance:

Letter dated September 11, 1956 from R. B. Coleman, Ore Buyer, Vitro Uranium Company, 600 West 33rd Street South, Salt Lake City, Utah.

Letter dated February 21, 1957 from James Churgin, Staff Geologist of the Vitro Minerals Corporation, 600 W. 33rd Street South, Salt Lake City, Utah.

Report on Radioactive Analysis dated July 10, 1956, from Donald L. Hetland, Project Geologist, Northwest District, Atomic Energy Commission, Division of Raw Materials, Salt Lake Exploration Branch, Salt Lake City, Utah.

Sincerely yours,

D. R. MacLaren
for: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

Enclosures

cc: DMEA (2)
USBM (2)

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/30	Knouse	700
8/30	Ellis	700
8/30	Bishop	130
"	[illegible]	110
"	Mittendorf	100
		~~240~~
8/30	Kilsgaard	130
		220
		700

AUG 30 1957

Mr. Mervyn D. McKenzie
2430 Meridian Street
Bellingham, Washington

Re: Docket No. DMEA-4678 (Uranium)
Blue Jay and Chena Claims
Ferry County, Washington

8/30 Selfridge (130)

Dear Mr. McKenzie:

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, although noting a small amount of uranium mineralization on your property, indicates that the probability of disclosing significant 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 Exploration Program and for bringing your property to our attention.

Sincerely yours,

G. O. Mittendorf (for)

Administrator

FLKnouse/izm 8-30-57
cc to: Mr. Knouse
Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224
DMEA FT Reg. I (2)

8623

Docket
Knopse
Ellis

August 30, 1957

Summary of Proposed Project

Object: Denial of application for exploration aid.

Docket No.: DMEA-4678

Commodity: Uranium

Applicant: Mervyn D. McKenzie
2430 Meridian Street
Bellingham, Washington

Property: Consists of 6 unpatented lode mining claims as follows: Blue Jay No. 2, and Chena Nos. 2, 3, 4, 5, and 6, in secs. 19 and 30, T. 38 N., R. 35 E., EWM&B., Ferry County, Washington.

Property Rights: The Chena claims were staked by Applicant and the Blue Jay No. 2 claim is leased from Erman E. Coil, Douglas L. Elmes and E. W. Rumsey.

Date of Application: Undated - recd. Washington March 3, 1957

Amount of Application: $76,001.00

Referred to Region I: May 27, 1957

Field Examination made: June 10 & 11, 1957

Field Team Report recd.: August 19, 1957

Work Proposed: Consists of 500 feet of drifting along a uranium-bearing quartzite-garnetiferous schist contact - 30 feet of crosscuts off drift for 3 diamond drill stations and 2,000 feet of diamond drilling.

Estimated Cost:

Independent Contract		
*530 ft. drifting & crosscutting @ $42.50/ft.	$22,525.00	
2,000 ft. core drilling @ $5.50/ft.	11,000.00	
		$33,525.00
*Includes labor, explosives & accounting costs only.		
Engineering, Consultant, 40 days @ $50/day		1,000.00
Materials & Supplies:		
Rail, pipe & fittings, drill steel & drill bits, vent pipe, diamond drill bits, wire rope, bit grinder, etc.		7,011.00
Operating Equipment		28,665.00
New Buildings - 20 x20 portable		1,000.00

Miscellaneous:

Equipment reconditioning & maintenance	$2,600.00	
Lubricants & grease	200.00	
		$2,800.00
Contingencies:		2,000.00

Estimated Total Cost of Project $76,001.00
Government Participation @ 75% $57,000.75

Field Team Report - dated Aug. 12, 1957, by E.W. Parsons, USBM AND D.R. MacLaren, USGS:

Due to extensive overburden, rock exposures are scarce but apparently the rocks underlying the property are quartzites, slates, schist, and gneiss that have been intruded by pegmatite and granite (?). The meta-sediments appear to range in strike from N.20° to 30° E and dip steeply to the west.

An open cut on the Blue Jay No. 2 claim has exposed a shear zone about 1 foot wide that strikes N.20° E and dip 60° N.W. in rock of gneissic to pegmatic texture composed of quartz and orthoclase with accessory amounts of tourmaline and garnet. Radioactivity background in the open cut is about 0.01 mr/hr. Two small lenslike patches, in the hanging wall rock of the shear, each about 18 inches long by 12 inches wide, show a radioactivity anomaly of about twice background. No anomalous radioactivity was found in the shear now was any found elsewhere in the open cut or along the lines of traverse.

Two channel samples cut across each of the anomalous patches one assayed 0.04% eU_3O_8 and 0.03% cU_3O_8, and the other assayed 0.03% eU_3O_8 and 0.026% cU_3O_8.

Radioactive granitic and pegmatite rocks have been found over a large area in Ferry County. However, upon examination of the areas they have proven to be from small discontinuous pegmatic zones or granatic bands. No shipments of acceptable ore are known to have been made from the area.

It is concluded that the probability of making a significant discovery of uranium on the property is poor. Therefore, the application should be denied.

Commodity Member's Comments:

USBM, James Paone, August 23, 1957:

Agrees with the Field Team's recommendation of denial.

USGS, W. P. Williams, August 28, 1957:

"The examining teams report that the applicant's property is not favorable for the presence of worthwhile new uranium ore deposits. They describe how low-grade

radioactive minerals are found in small, discontinuous pegmatites and granitic bands. No shipments of ore have been made from the vicinity.

"The best of two channel samples taken by the examiners had a grade of only 0.03 percent cU_3O_8.

"The applicant's proposal appears, under the conditions, to have little likelihood of success. I am, therefore, in agreement with the recommendation for denial of the application."

Div. of Rare & Misc. Metals, F.L. Knouse, August 30, 1957:

Since only two small patches of low-grade uranium-bearing material were observed by the examining team on the property, and no target objective exists, the application for exploration aid should be denied.

Conclusions:

The probability of making a significant discovery of uranium on the property is not promising. Therefore, the application for exploration aid should be denied.

Ernest Wm. Ellis

Ernest Wm. Ellis, Director
Division of Rare and
Miscellaneous Metals

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

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DMEA
IN REPLY REFER TO:
RECEIVED AUG 29 1957

DATE	INITIALS	CODE
8/29	C	220
"	FLK	700
	Complete	

August 28, 1957

Memorandum

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of field examination report, DMEA 4678 (uranium), M. D. McKenzie, Blue Jay and Chena claims, Ferry County, Washington

The examining team report that the applicant's property is not favorable for the presence of worthwhile new uranium ore deposits. They describe how low-grade radioactive minerals are found in small, discontinuous pegmatites and granitic bands. No shipments of ore have been made from the vicinity.

The best of two channel samples taken by the examiners had a grade of only 0.03 percent cU_3O_8.

The applicant's proposal appears, under the conditions, to have little likelihood of success. I am, therefore, in agreement with the recommendation for denial of the application.

W. P. Williams

W. P. Williams

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August 23, 1957

4678

Uranium
Mervyn D. McKenzie
Blue Jay and Chena claims
Ferry County, Washington

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

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

Examination Report

2. Date of [illegible]: 8/14/57 [illegible] 8/22/57

3. [illegible]

4. [illegible]

5. [illegible]

6. [illegible]

7. [illegible]

8. Factors [illegible]:
a. [illegible]
b. [illegible]
c. [illegible]
d. [illegible]
e. [illegible]
f. [illegible]
g. [illegible]

9. Action [illegible]
a. [illegible]
b. [illegible]
c. [illegible] x
d. [illegible] x
e. [illegible]
f. [illegible]
g. [illegible]
h. [illegible]

10. [illegible]

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

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RECEIVED AUG 19 1957

DATE	INITIALS	CODE
8/19	Q	220
8/23	C	130
		220
	EHC	700

August 14, 1957

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

Re: Docket No. DMEA-4678 (Uranium)
Mervyn D. McKenzie
Blue Jay and Chena claims
Ferry County, Washington

Dear Mr. Selfridge:

Enclosed are three copies of an examination report on the above-referenced property by E. W. Parsons, Mining Engineer, U. S. Bureau of Mines and D. R. MacLaren, Geologist, U. S. Geological Survey.

ON-SITE EXAM.

The only working on the property was a small open cut in which there are two small areas of anomalous radioactivity. Samples of these areas assayed 0.03 percent cU_3O_8 and 0.026 percent cU_3O_8, respectively. No other evidence of the presence of uranium was found. Therefore, Parsons and MacLaren conclude that the chance of making a significant discovery of uranium on this property is poor and they recommend that the application be denied.

We concur with this recommendation.

By Field Team, Region I

Wing G. Agnew

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren

Donald R. MacLaren, Acting Member
U. S. Geological Survey

Enclosures

cc: USBM (2)
USGS (SRO)
AEC, Salt Lake w/encl. & cy. apl.
AEC, Spokane

Reviewed by
DMEA OPERATING COMMITTEE
8-23-57
(date)

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RECEIVED AUG 19 1957

DATE	INITIALS	CODE
		130
		220

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
So. 157 Howard Street
Spokane 4, Washington

August 12, 1957

MEMORANDUM

To: DMEA Field Team, Region I

From: E. W. Parsons, Mining Engineer, U. S. Bureau of Mines, and D. R. MacLaren, Geologist, U. S. Geological Survey

Subject: Field Examination Report, Docket No. DMEA-4678 (uranium), Mervyn D. McKenzie, Blue Jay and Chena claims, Ferry County, Washington

Reviewed by
DMEA OPERATING COMMITTEE
8-23-57
(date)

INTRODUCTION AND SUMMARY

On March 11, 1957, Dr. Mervyn D. McKenzie submitted an application for aid in exploring for uranium on the Blue Jay No. 2 and Chena Nos. 2 through 6 unpatented lode claims located in secs. 19 and 30, T. 38 N., R. 35 E. W. M., Curlew Mining District, Colville National Forest, Ferry County, Washington.

The property was ex-mined June 10 and 11, 1957, by the examining team who were accompanied on June 10 by M. D. McKenzie, the applicant. The applicant was not too familiar with the property so could not supply much information. However, he said that the assays submitted with the application were of samples taken from the open cut on the Blue Jay No. 2 claim. About 7 hours were spent on the property.

The applicant's proposal is to drift 500 feet and to cut 3 diamond drill stations which would total 30 feet, followed by 2,000 feet of diamond drill hole. During the examination, two small radioactive areas were pointed out where a cliff face had been blasted off to expose a granitic-pegmatitic structure. The resulting open cut is about 20 feet high, 20 feet wide, and a maximum of 6 feet deep. Two channel samples were taken from the face exposed by this cut. Other areas of radioactivity were reported but could not be pointed out by Mr. McKenzie or found by the examiners. No other work has been done on the property.

Radioactive granitic and pegmatitic rocks have been found over a large area in this part of Ferry County, especially for about 20 miles to the south of the Blue Jay-Chena claims, and a good deal of prospecting has been done. Occasionally samples of ore-grade

material have been reported but on examination these samples prove to be from small discontinuous pegmatitic zones or granitic bands. No shipments of acceptable ore are known to have been made from this general area.

Mr. Donald Hetland of the Spokane office of the Atomic Energy Commission stated that they had no information on this property other than the one sample which they assayed. A copy of the assay report accompanied the application.

CONCLUSIONS AND RECOMMENDATIONS

It is concluded that the chance of making a significant discovery of uranium ore on this property is poor, and therefore it is recommended that the application be denied.

ACCESSIBILITY

From Orient, Washington, go south on paved U. S. Highway 395 for 2.5 miles, thence 2 miles west on the Curlew road (graveled), thence 13.5 miles southwest on a graded Forest Service road to the base of Profanity Mountain. The claims lie north of Midget Creek along a steep, sharp ridge which trends toward Profanity Mountain. A rough trail has been cut straight up the mountainside. Entrance roads from U. S. Highway 395 are not kept free of snow during the winter.

PROPERTY

The property, as defined in the application, consists of 6 unpatented lode claims, the Blue Jay No. 2 and Chena Nos. 2 through 6, in secs. 19 and 30, T. 38 N., R. 35 E. W. M. The claims are recorded in the office of the County Recorder, Republic, Ferry County, Washington, as follows:

Name	No.	Book	Page	Date
Blue Jay No. 2	122330	10	450	8/28/56
Chena No. 2	122332	14	262	8/29/56
Chena No. 3	122333	14	263	8/29/56
Chena No. 4	122334	14	264	8/29/56
Chena No. 5	122331	14	261	8/29/56
Chena No. 6	122335	14	265	8/29/56

Blue Jay No. 2 is owned by Messrs. Coil, Elmes, and Ramsey and has been leased to Mr. McKenzie. The Chena claims are owned by McKenzie by right of location.

The centerpost of the Blue Jay No. 2 claim was found within 15 feet of an open cut, and the centerpost of the Chena No. 2 claim was found near the Forest Service access road. A compass and tape traverse, corrected for vertical angles, was run from the centerpost of the Blue Jay No. 2 claim to the centerpost of the Chena No. 2 claim. Plotting of this traverse indicates that the claim map submitted with the application is not a true representation of the relative position of the Blue Jay No. 2 and the Chena claims.

COMPETENCY OF APPLICANT

The applicant apparently knows nothing of mining, although it is believed he would obtain competent men to advise him in case the application was favorably considered. It is believed the applicant is financially able to pay his share of the costs of the proposed project.

DESCRIPTION OF THE PROPERTY

No facilities exist on the property. According to Mr. McKenzie, the only workings on the property consist of an open cut roughly 20 feet high, 20 feet wide, and 6 feet deep, which has been blasted out of the face of a cliff at an altitude of about 500 feet above the Forest Service road. The claims cover part of the nose of a steep, sharp ridge which starts at Midget Creek and trends northward to Profanity Mountain. The surface is covered with a fair growth of conifers.

GEOLOGY

Due to extensive overburden, exposures are scarce but apparently the rocks underlying the property are quartzite, slate, schist, and gneiss that have been intruded by pegmatite and granite(?). The meta-sediments appear to range in strike from 20° to 30° E., and to dip steeply to the west.

In an open cut about 15 feet northeast of the centerpost of the Blue Jay No. 2 claim, the rock is gneissic to pegmatitic in texture and is probably best described as a granulite composed essentially of quartz and orthoclase, with accessory amounts of tourmaline and garnet. There is a fairly strong shear zone up to 1 foot wide that strikes N. 20° W. and dips 60° northeast.

Radioactivity background in the open cut is about 0.01 MR/hr. Two small lenslike patches, each about 18 inches long and a foot wide, show a radioactivity anomaly of about twice background. The patches are not sharply bounded, although they have a slightly darker color than the surrounding granulite. Both patches are on the hanging-wall side of the shear from 3 to 6 feet away. No anomalous radioactivity

was found in the shear, nor was any found elsewhere in the open cut or along the lines of traverse.

A channel sample was cut across each of the anomalous patches, one sample assaying 0.04 percent eU_3O_8 and 0.03 percent cU_3O_8, the other assaying 0.030 percent eU_3O_8 and 0.026 percent cU_3O_8.

PAST OPERATION

Work on the claim was done in 1956 when a rough trail was cut straight up the side of the mountain and part of a cliff face was blasted off. A portable compressor was placed at the bottom of the trail and pipe laid up the trail for drilling. It is estimated that 150-200 tons of rock was broken and lies on top of talus on the hillside below. The assays submitted with the application were of samples taken from this material. No other excavations were reported and none were found while examining the property. No shipments have been made and no ore-grade material has been stockpiled.

SUPPLIES AND EQUIPMENT

Supplies and equipment are available in Colville, Washington, 45 miles to the southeast, or in Spokane, Washington, about 130 miles to the southeast. Any power used would be developed by gasoline- or diesel-driven equipment. There is water on the property but it would have to be carried to the project site, possibly 800 feet above its source. Labor is available locally and the wage scale starts at about $15.00 per day.

APPLICANT'S PROPOSAL

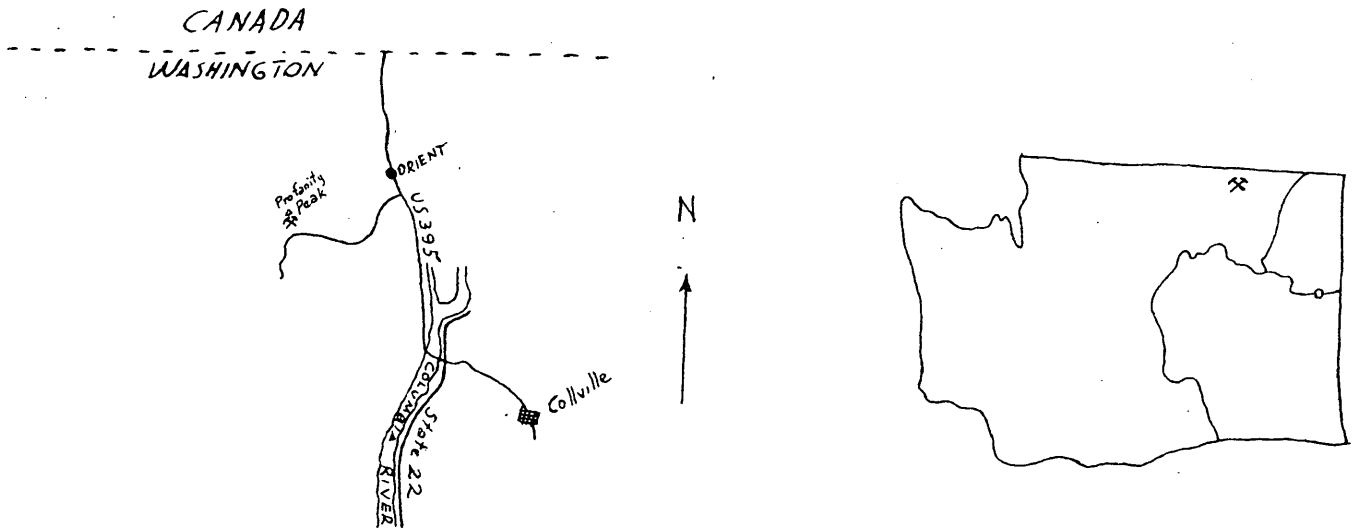
The applicant's proposal was drawn up by C. F. Stone, a mining engineer-geologist. It was not possible to correlate the descriptions in the application with the findings on the ground and the applicant, not being familiar with the property, could not help very much. The proposal calls for an adit drift 500 feet in length with 3 diamond drill stations totaling 30 feet, for a total of 530 feet, plus 2,000 feet of diamond core drilling. The map accompanying the application shows the proposed portal site near the north endline of the Blue Jay No. 2 claim. Mr. McKenzie insisted that the intended tunnel site is at the open cut. Because of Mr. McKenzie's obvious unfamiliarity with the property, a compass and tape traverse was run from the centerpost of the Blue Jay No. 2 claim to the vicinity of the tunnel site as indicated on the map. A pace traverse from that point was made as shown on plate 1. As no radioactivity could be detected in the only outcrop near the indicated tunnel site, Mr. McKenzie was probably correct in his assertion that the tunnel was intended to start at the open cut.

From a tunnel started at either site and on the bearing indicated on the applicant's map, the proposed drill holes to the southeast would emerge from the steep hillslope within a very short distance. Possibly the direction of the proposed adit as plotted on the map was taken with a compass with the declination set off on the wrong side. In the estimate of costs the material costs have apparently been included twice.

It was evident during the examination that approval of the application would not be recommended; therefore, the discrepancy in the costs was not discussed with the applicant, nor will the costs be included in this report.

Enclosure

Distribution:
DMEA (3)
USBM (5)
USGS(SRO)
AEC, Salt Lake City
Deskot



Location Map Blue Jay and Chena Claims, Mervyn D. McKenzey, Ferry County Washington

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D M E A
RECEIVED AUG 1957

DATE	INITIALS	FOR

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5-24	Ellis	700
5/27	Selfridge	130
5/27	McMahon	130
5/27	Kilgoard	130
"	Nittendorf	100
		220

MAY 27 1957

Mr. Mervyn D. McKenzie
2430 Meridian Street
Bellingham, Washington

Re: Docket No. DMEA-4678 (Uranium)
Blue Jay and Chena Claims
Ferry County, Washington

Dear Mr. McKenzie:

This will acknowledge receipt of your letter of May 8, enclosing additional information requested in our letter of March 25, 1957. The above-named application for assistance in exploring your claims has been referred for a field examination to:

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

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

Sincerely yours,

D. D. Nittendorf

Administrator

EWEllis/dlm 5-24-57
cc to : Mr. Ellis
Admr's Reading File
DMEA FT Reg. I (2)

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5.24	Ellis	700
5/27	GCS	130
"		
"	Mathews	100
5/27	C	220
		700

MAY 27 1957

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

Re: Docket No. DMEA -4678 (Uranium)
Mervyn D. McKenzie
Blue Jay and Chena Claims
Ferry County, Washington

Dear Mr. Meissenborn:

The subject application is being referred to you for investigation, a field examination, and recommendations.

Enclosed are memoranda, dated March 15 and 19, 1957, from N. E. Nelson, USGS, and John B. Crawford, USBM, respectively. Also enclosed are the following: An extra copy of the application for the use of the Field Team; two copies of additional information (with two maps each) received in answer to our letter of March 25, 1957; and additional comments, dated May 20 and May 22, 1957, from James Pacne, USBM, and N. E. Nelson, USGS, respectively, relating to the supplemental information.

As you state in your letter of March 6, 1957, if a project is recommended, we will require five more copies of the Consent to Lien and Subordination Agreement covering the Blue Jay 2 claim. Be sure to see that the address is also shown on each copy of the agreement.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JAB)

Enclosures

APPROVED:

A. D. McMahon

Member Bureau of Mines (JAB)

Thor H. Kiilsgaard

Member, Geological Survey (JAB)

EWEllis/dlm 5-24-57
cc to : Mr. Ellis
Admr.'s Reading File
Operating Committee
THKiilsgard, 5225

8623

IN REPLY REFER TO:

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

May 22, 1957
Re: DMEA 4678
Dr. M. D. McKenzie
Blue, Jay, etc. claims
Ferry County, Washington
$76,011.00 - Uranium

Memorandum

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

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

Subject: Review of supplemental information.

The applicant was requested to give more definite information concerning the vein from which the 4 uranium-bearing samples were taken.

A map shows 4 outcrops, three of which are in line. Presumedly a vein (pegmatite) is to be inferred and the length is about 700 feet. No width of vein has been given and no sampling widths have been assigned the samples.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 23 1957

DATE	INITIALS	CODE
5/24	JWD	220
		700

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 21 1957

DATE	INITIALS	CODE
5/21	C	220
5/21	Kmanie	700

May 20, 1957

4678

Uranium

Mervyn D. McKenzie

Blue, Jay and Chena Claims

Ferry County, Washington

~~Ernest William~~ Ellis, DMEA Member
Uranium Commodity Committee
James Paone, Bureau of Mines Member JP
Uranium Commodity Committee

Supplemental Information to Application

b. Refer to Field Team [x]

Application is deficient in many respects and the pegmatitic material does not appear to warrant an exploration program; perhaps the Field Team has some knowledge of the property upon which they could base a definite decision.

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 13 1957

DATE	INITIALS	CODE
5-13	C	220
5-14	Khouse	700

Bellingham, Washington
May 8, 1957

Re: Docket No. DMEA-~~4657~~ 78 (Uranium)
Blue Jay and Chena Claims
Ferry County, Washington

Mr. Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division
Department of the Interior
Washington, D. C.

Dear Mr. Ellis:

In reply to your letter of March 25, 1957, I am enclosing the information for which you asked. In the last paragraph of your letter you explained about the contribution of the governmant and how it is made. We do have sufficient funds to carry on the project work according to your explanation.

I realize that we have been some time in answering but our geologist was on another job and we had to wait until he could get in over the roads.

I trust that all is in order with our application but I will be ready to aupply any additional information which you desire.

Very sincerely,

Mervyn D. McKenzie

Mervyn D. Mc Kenzie

Maps in pocket envelope

DUPLICATE COPY

United States Atomic Energy Commission
Division of Raw Materials
Salt Lake Area Office

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 13 1957

DATE	INITIALS	CODE

Address Reply To:
U. S. Atomic Energy Commission
Spokane Field Office
P. O. Box 1805
Spokane 10, Washington

April 22, 1957

And Refer To: SLAO:DLH:mn

REPORT ON RADIOACTIVE ANALYSIS

Sample submitted by: M. D. McKenzie Date: July 3, 1956

Name of property:
(near Mt. Leona)

	Percent Uranium Oxide (radiometric)	(chemical)
Sample number: Lab. #289		0.25

Uranium minerals identified:

Remarks:

Very truly yours,

Donald L. Hetland

Donald L. Hetland
Project Geologist

February 21, 1957

Dr. M. D. McKenzie
2430 Meridian
Bellingham, Washington

Dear Dr. McKenzie:

In reply to your request, I am herewith submitting results of tests conducted on samples sent to us from your properties.

We received three samples; one in August, one in September, and one in October, 1956. These samples assayed .17, .224 and .302, respectively. Amenability tests were run on each of these samples and they were found to be quite amenable to our acid leach process. They did not consume excess acid and the percentage of recovery was very satisfactory.

We have no record of where these samples were collected, nor the manner in which they were collected. We would be happy to discuss in more detail the results of the amenability tests with the proper authorities, however, these details are considered confidential by Vitro and we cannot give you any more detail than the above at this time.

Very truly yours,

VITRO MINERALS CORPORATION

JAMES CHURGIN, Staff Geologist

JC:jmo

Via Airmail

May 8, 195[illegible]

Re: Docket No. DMEA --4678 (Uranium)
Blue Jay and Chena Claims
Ferry County, Washington

1. (a) Shown on accompanying maps.
   (b) Locations shown on accompanying maps--radiometric determination enclosed.
   (c) Shown on accompanying maps.

2. Mineralized exposures:

   #1. Central section of Blue Jay 2--pit near bottom ofhill--size 2' x 2' x 3'

   #2. N-Central section of Blue Jay 2 at blasting and drilling point. Primary outcrop is 20 feet wide , 15 feet high and length unknown.

   #3. In Chena 5--on top of ridge. Outcrop which we assume to be a continuation of outcrop shown at blasting and drilling area.
   #4. In Chena 4 there is another outcrop.

   Narrative description: The geology is the same in all four exposures. The outcrops are along the same strike of the mineralized zone. The principle rocks are quartzite, garnet schist and pegmatite gniess. Both the quartzite and the pegmatite are radioactive. The quartzite is primarily quartz with autunite and uranpohane being the uranium minerals found in it.

   Examination of the pegmatite shown it to be;

Feldspar	40%
Hornblende	30%
Quartz	15%
Mafris	4%
Uranium mineral	3%
Others	8%

   In some of the samples the feldspar content is up to 60%.

   This general description can be used in all 4 exposures as they are all in the same unit, except they are exposed at different intervals.

3. Blue Jay 2 is owned by Douglas L. Elmes, E. W. Runsey and Erman E. Coil and the mailing address of each is Malo, Washington

   Blue Jay 2 -No. 122330-Recorded , page 450, Book 10, August 28, 1956, Republic, Wash
   Chena 2, No. 122332-Recorded, page 262, Book 14, August 29, 1956, Republic, Wash.
   Chena 3, No. 122333-Recorded, Page 263, Book 14, August 29, 1956, Republic, Wash.
   Chena 4, No. 122334-Recorded, Page 264, Book 14, August 29, 1956, Republic, Wash.
   Chena 5, No. 122331-Recorded, Page 261, Book 14, August 29, 1956, Republic, Wash.
   Chena 6, No. 122335-Recorded, Page 265, Book 14, August 29, 1956, Republic, Wash.

   (Republic, Washington is the County Seat of Ferry County, Washington.)
   The above claims were all recorded by County Auditor, Adeline M. Schreiber.

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 13 195[illegible]
DATE | INITIALS | CODE

2430 Meridian Street
Bellingham, Washington

April 18, 1957

Mr. Allem S. Dakan, Director
Operations Control and
Statistics Division
Department of the Interior
Washington 25, D.C.

Subject DMEA-4678

Dear Mr. Dakan:

We are in receipt of your letter dated Mar 25, 1957 and we will send all additional information within the next week or two. Our geologist is at a camp where there is considerable snow but we expect that he will be able to be out soon.

Very truly yours,

Mervyn D. McKenzie

Mervyn D. Mc Kenzie

OFFICIAL FILE COPY
DMEA
RECEIVED APR 24 1957

DATE	INITIALS	CODE
4/24	C	220
4-24	[illegible]	700

DMEA Form 7
(12-56)

700

OFFICIAL FILE COPY

Date	Surname	Code
3-25	Kuoyse	700
3-25	Ellis	700
"	Mittendorf	100
3/26	C	220

700

MAR 25 1957

Mr. ~~Melvin~~ Mervyn D. McKenzie
2430 Meridian Street
Bellingham, Washington

Re: Docket No. DMEA-4678 (Uranium)
Blue Jay and Chena Claims
Ferry County, Washington

Dear Mr. McKenzie:

Please clarify and furnish the following information so that we may continue processing your application.

1. The claim map and sketches submitted with your application do not show the necessary information to process your application. On a map or sketch, drawn to scale, you should show the following:

   (a) the location and extent of all mineralized exposures;

   (b) the locations where samples were taken, with their chemical analyses and/or radiometric determination, and describe how and over what width exposure each sample was taken; and

   (c) location of all proposed work, drifts, crosscuts, and drill holes, all in relation to the claim boundaries.

2. Also, please furnish a narrative description of each mineralized exposure, including the length, width and mineralization with any additional local geological features as justification for your proposed project.

3. Please give the mailing addresses of the owners of the Blue Jay No. 2 claim and the recording data of all the claims listed in your application, i.e., book and page numbers and where recorded.

You should forward four copies of the above information so that we may process your application with a minimum of delay.

We note that you propose to furnish your share of the cost of the project by means of the use of owned equipment. Use allowance for equipment owned by the applicant and used on a project is based on 1/60th

8623

per month of its actual value. Also, the Government's contribution to the cost of the project work, is paid on a month to month basis after the work is completed. Therefore, an applicant should have sufficient funds to carry on the project work on the above basis.

Sincerely yours,

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

FLKnouse/izm 3-25-57
cc to: Mr. Knouse
Admr.'s Reading File
DMEA FT Reg. I NW Dist. (2)
THKiilsgaard, 5224

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 19 1957

DATE	INITIALS	CODE
3/20	C	220
"	~~[illegible]~~	700
Comments		
Complete		

March 19, 1957

4678

Uranium

Mervyn D. McKenzie
Blue Jay Claim No. 2
Ferry Co., Washington
$76,011

Ernest William Ellis, DMEA Member
Uranium Commodity Committee
John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Application

3/4/57 3/13/57

Was application on prior recommendation: Yes [ ] No [ ]

Additional factors have to recommend: Yes [ ] No [ ]

[illegible] you deem:

[illegible] action:

a. Accepted [ ]
b. Rejected [ ]
c. Deferred [ ]
d. Deferred [illegible] [ ]
e. Prior [illegible] [ ]
f. Prepared explorat[illegible] [ ]
g. Alternate explorat[illegible] [ ]
h. Costs [ ]
i. [illegible] [ ]

[illegible]

a. Obtain information from applicant [ ]
b. Refer to field [illegible] [X]
c. Recall [ ]
d. Refer [illegible] [ ]
e. Discussion with field [illegible] [ ]
f. Support [illegible] [ ]
g. Support [illegible] [ ]
h. Approval [ ]
i. Comment with Mr. _____ of _____ [illegible] office.

[illegible] (Use back of page if necessary)

IN REPLY REFER TO:

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 18 1957

DATE	INITIALS	CODE
3 18	C	220
"	Ellis	700

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

March 15, 1957

Re: DMEA 4678
Mervyn D. McKenzie
Blue Jay No. 2 Claim
Ferry County, Washington
$76,011.00 - Uranium

Memorandum

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

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

Subject: Review of application.

The applicant requests assistance in exploring a quartzite bed by drift and diamond drilling as:

Drifting	530 feet @ $42.50 ft.	$22,525.00
Drilling	2000 feet @ $5.50 ft.	11,000.00
Operating equipment		28,675.00
Buildings		1,000.00
Miscellaneous		2,800.00
Contingencies		2,000.00
Labor		1,000.00
Supplies		7,011.00
	Total	$76,011.00

No really definitive information is furnished in support of the application. Apparently at least 4 samples of uranium bearing material have been taken but no details as to widths sampled, manner of sampling etc. are given. The samples assayed:

Vitro Uran. Co. analyst	0.17% U_3O_8
" " " "	0.224 "
U. S. Atomic Energy Commission	0.302 "
	0.250 "

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

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

March 13, 1957

Mr. Marvyn D. McKenzie
2430 Meridian Street
Bellingham, Washington

Subject: DMEA-4678

Dear Mr. McKenzie:

Your application for exploration assistance, dated Undated submitted to our office at Spokane, Washington has been assigned Docket Number DMEA-4678 and referred to the Rare & Miscellaneous Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Director
Operations Control and
Statistics Division

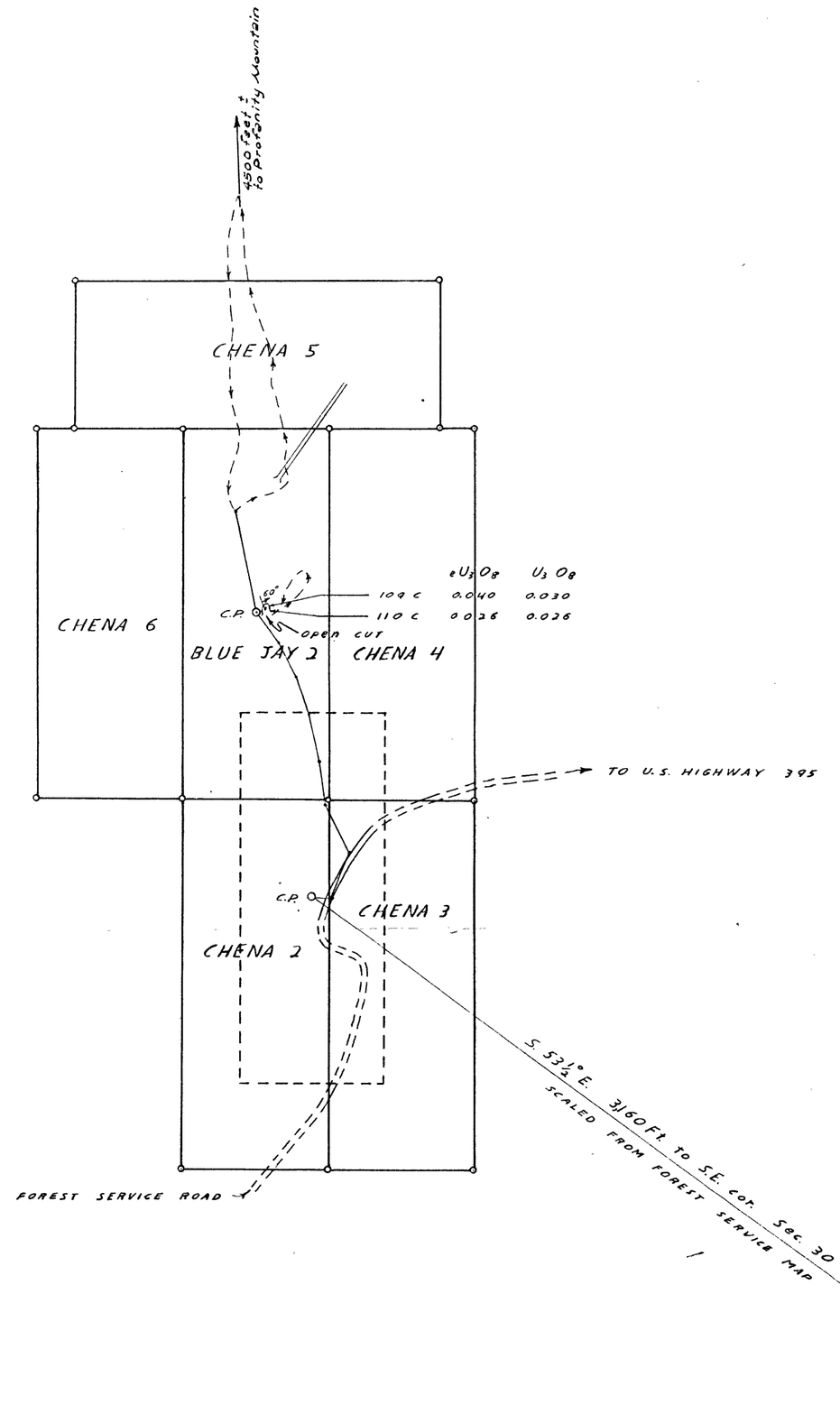
Copy to: Region I N. W.

6416

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

OFFICIAL BUSINESS

PAYMENT OF POSTAGE, $300
(PM&C)



EXPLANATION

C.P. — C.P.
BRANTON AND TAPE SURVEY

COMPASS AND PACE SURVEY

SECTION CORNER

APPLICANTS PROPOSED TRENCH

C.P. ⊙
CLAIM CENTER POSTS FOUND IN THE FIELD

NOTE: CLAIMS SHOWN BY SOLID LINE TAKEN FROM APPLICANTS MAP. CLAIM BOUNDED BY DASHED LINE BASED ON BRUNTON AND TAPE SURVEY FROM CP BLUEJAY 2 TO C.P. CHENA 2. S.E. SECTION CORNER SCALED ON FOREST SERVICE MAP FROM POINT ON ROAD.

N

MAP OF BLUEJAY 2, CHENA 2, 3, 4, 5 AND 6 CLAIMS

MERVYN D. MC KENZIE

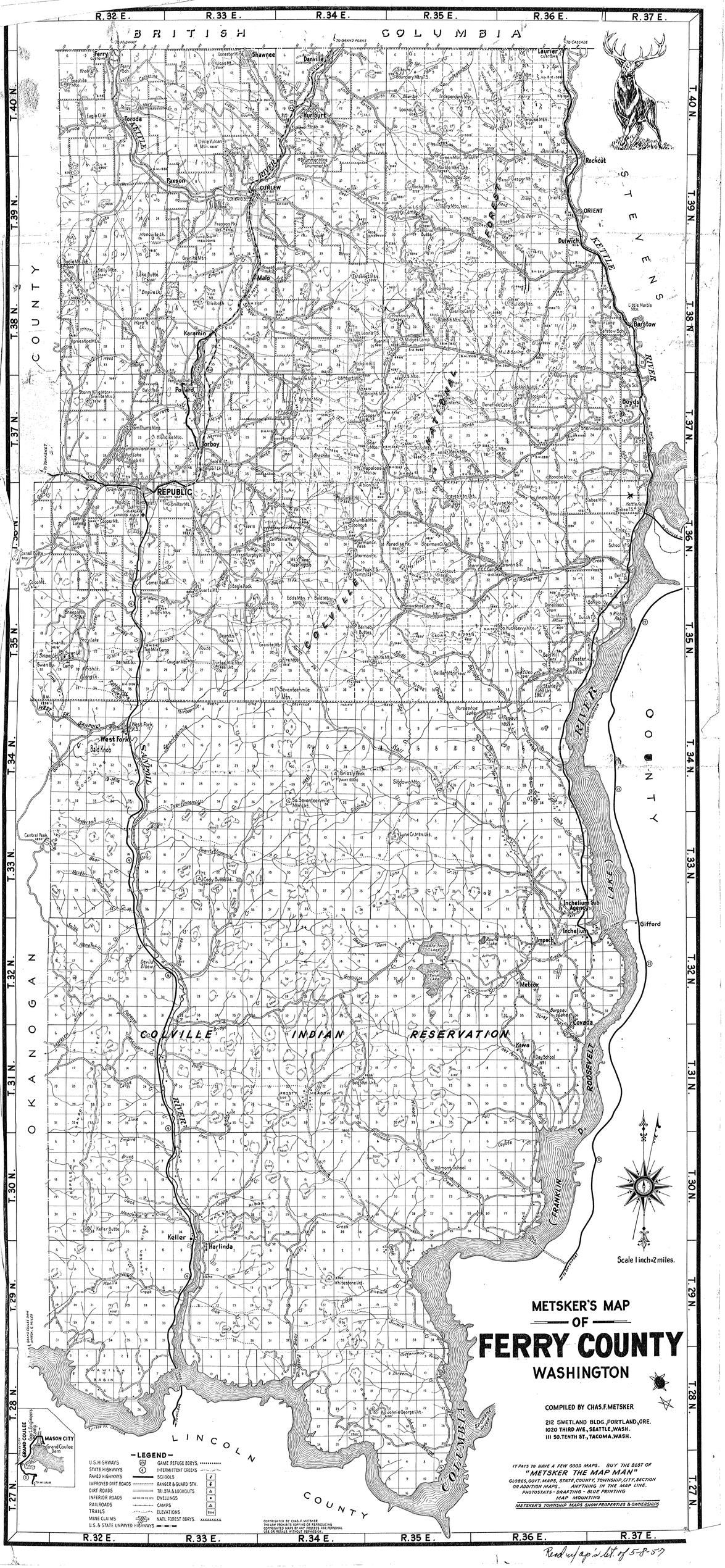
Sec. 30, T. 38 N., R 35 E., W.M.

FERRY COUNTY, WASHINGTON

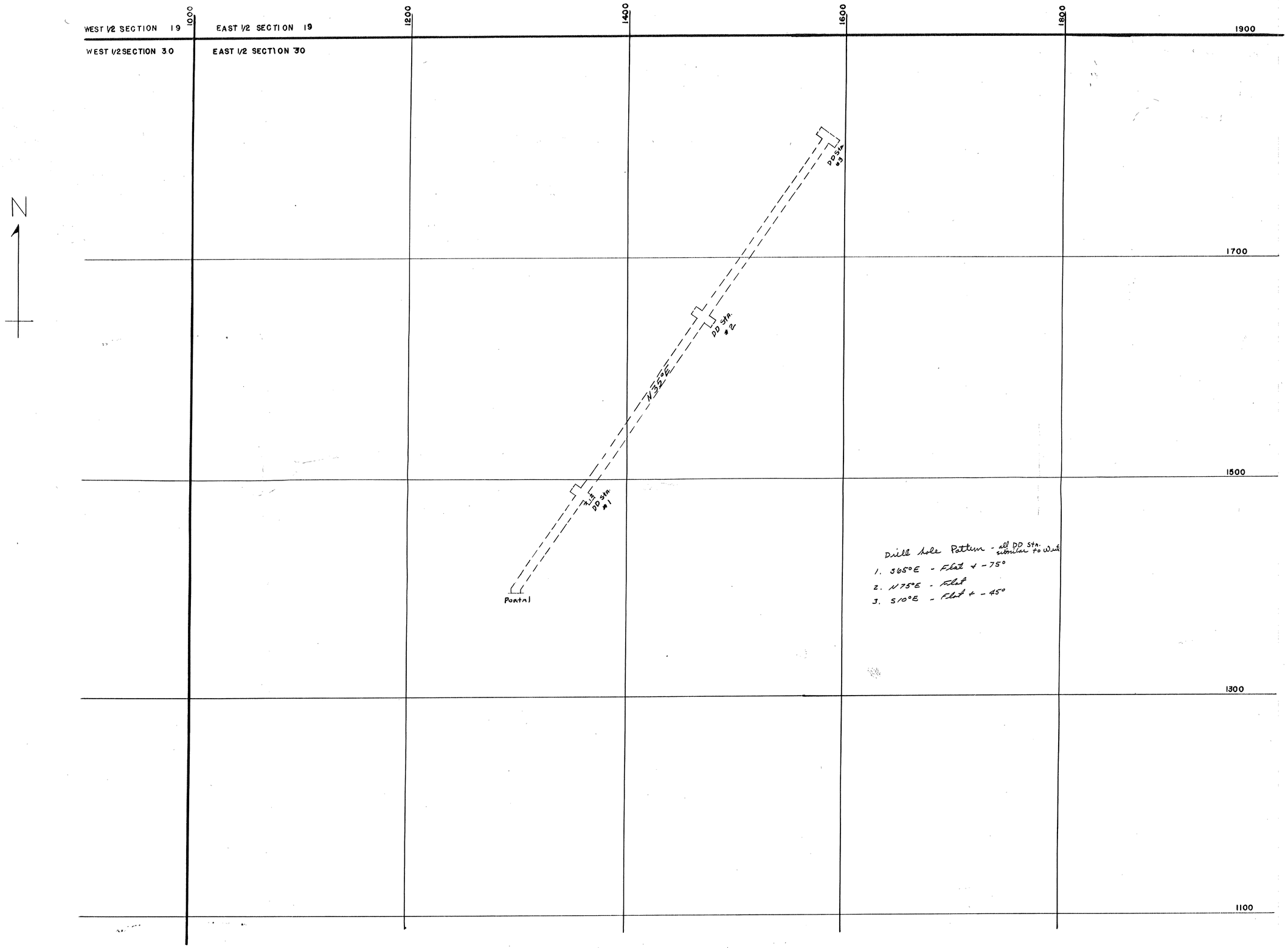
500 250 0 500 1,000 FEET

BY D.R. MACLAREN U.S.G.S.

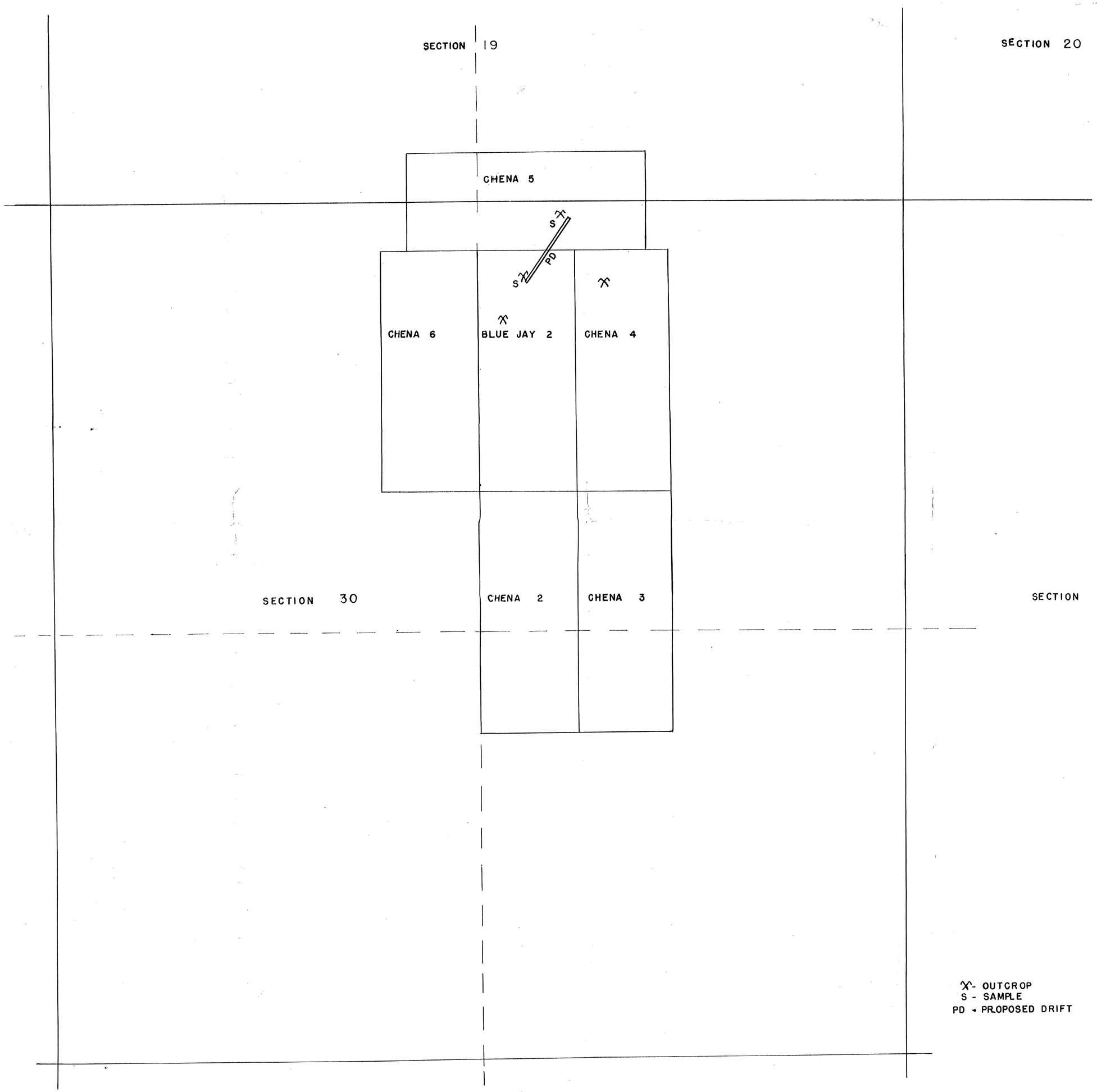
JUNE 1957



Recd w/ap's ltr of 5-8-57



CHENA MINING CO.
ORIENT, WASH.
DRIFT LAYOUT
SCALE: 1" = 40'
DRAWN BY C.F.S.
FERRY COUNTY
T. 38 N., R. 35 E.
APRIL 1957



CHENA MINING CO,
ORIENT, WASHINGTON

DRAWN BY C.F.S.

APRIL 1957

CLAIM MAP

FERRY COUNTY
T. 38 N., R. 35 E.

SCALE : 1" = 290'