UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 1934

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

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.

Schedule of Collections.

Operator's monthly reports and all attachments (latest on top).

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.

✓ Interim Reports.

✓ On-site Exam Report(s). (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number_____

Operator's Monthly Reports in folder number _____

J. Z. M.
Reviewer's Initials

Greenwood
Betty

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the records pertaining to Contract No. Idm-8274, Docket DMEA 1934, with

James Young and

Angus A. McDonald, Partners

Philipsburg, Montana

covering a project for the exploration of lead; and, further have consulted with the Executive Officer of the Regional Field Team.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reasons:

(a) the contract was terminated by the Government on January 7, 1953, on the grounds that the contractor had failed to prosecute operations pursuant to the terms of the contract;
(b) No monthly reports have been submitted by the contractor.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by contractor	$ - 0 -
Exceptions	- 0 -
Total Accepted Cost	$ - 0 -

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of no and no/100 Dollars,

- $ -0- -

is considered valid and proper.

Robert M. Hull
Robert M. Hull, Auditor

May 26, 1953

NOTICE OF TERMINATION OF EXPLORATION PROJECT CONTRACT, UNDER THE TERMS OF THE CONTRACT, BEFORE THE COMPLETION OF THE WORK

GOVERNMENT COPY

To: James Young and Angus A. McDonald, Partners

Philipsburg

Montana

Operator under Exploration Project Contract I-dm-E 274, Docket No. DMEA- 1934, dated March 17, 1952.

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, under the terms of the above-mentioned contract, hereby terminated the contract on the following grounds: 1/

~~(a) Your failure to provide your share of the money necessary to prosecute operations pursuant to the terms of the contract.~~

(b) In the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract.

~~(c) In the opinion of the Government, operations up to the time of this notice have not indicated the possibility of making any worthwhile discovery and in the opinion of the Government further operations are not justified.~~

Upon receipt of this notice, as provided in said contract, you are required to dispose of any remaining materials, supplies, facilities, buildings, fixtures, equipment, or other items, in which the Government has an interest, for the joint account of yourself and the Government; and to render to the Government a full and final accounting of your operations under the contract and of your expenditures of money on account thereof.

Any work prosecuted or costs incurred by you after the receipt of this notice shall be for your sole account, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures,

---

1/ Strike out any grounds not applicable.

equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

Dated this 7th day of January, 1953.

UNITED STATES OF AMERICA

By A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

MF-200
(June 1951)

DMEA-1934
Docket No. ~~XXX~~
Commodity Lead

Idm-E-274

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

✓Government's Copy

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 17th day of March, 195 2 between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] James Young and Angus A. McDonald, Partners. Philipsburg, Montana

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Montana, County of Granite, described as follows: [3] Six unpatented lode mining claims: The Sunbeam No's 1, 2 and 3, and the Rock Rabbit No's 1, 2 and 3; located in the W½ of Sec. 22 and the E½ of Sec. 21, T. 3 N., R. 15 W.

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

~~(*b*) That he is a lessee, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:~~

3. *Exploration project.* The Operator, within 120 days from the date of this contract shall commence work on a project of exploration for [5] Lead; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] Seven (7) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $1,500.00, which is 50 percent of the agreed estimated total cost of this project, $3,000.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

James Young and Angus A. McDonald, Partners
(Operator)

By James W. Young
James Young, Partner

By Angus A. McDonald
Angus A. McDonald, Partner

By O. Mittenthal
Acting Administrator
Defense Minerals Exploration
Administration

U. S. GOVERNMENT PRINTING OFFICE 16—61060-2

EXPLORATION PROJECT CONTRACT
JAMES YOUNG & ANGUS A.McDONALD, Partners
DOCKET NO. DMEA-1934

EXHIBIT "A"

Statement of the Work

1. Cleaning approximately 4,120 feet of foot trails.

2. Removal of debris from outcrops.

3. Hand-cutting shallow prospect trenches across lode. Aggregate of such trenching shall not exceed 1,000 linear feet.

4. Sampling of lode, both in trench exposures and across natural outcrops.

Work on the project shall be started as soon as snow conditions permit. It is estimated that two operating months will be required to complete the project.

Estimated Costs of the Project.

1.	Constructing foot trails	$ 412.00
2.	Removal of debris from outcrops	800.00
3.	Shallow prospect trenching, 1000 ft. @ $1/ft.	1,000.00
4.	Equipment rental	288.00
5.	Engineer at not to exceed $300	300.00
6.	Assaying at not to exceed $200	200.00
	Total Estimated Cost	$3,000.00

Costs of items 1, 2, 3 and 4 include all labor, supervision, bookkeeping and necessary operating supplies to complete this work.

An engineer may be employed to do the engineering and prepare the reports required by the Government at not to exceed $300 for the project.

Details

Fixtures and Improvements

None

Operating Equipment

To be rented

1 - 1¼ ton truck, 3 days at @ $16 per day	$ 48.00
2 - horses, saddles, and pack equipment at $120 per month for 2 months	240.00
	$288.00

To be purchased

None

Equipment to be furnished by Operator

None

Labor and Supervision

2 miners, each at $14.00 per shift

An engineer at not to exceed $300 for the project.

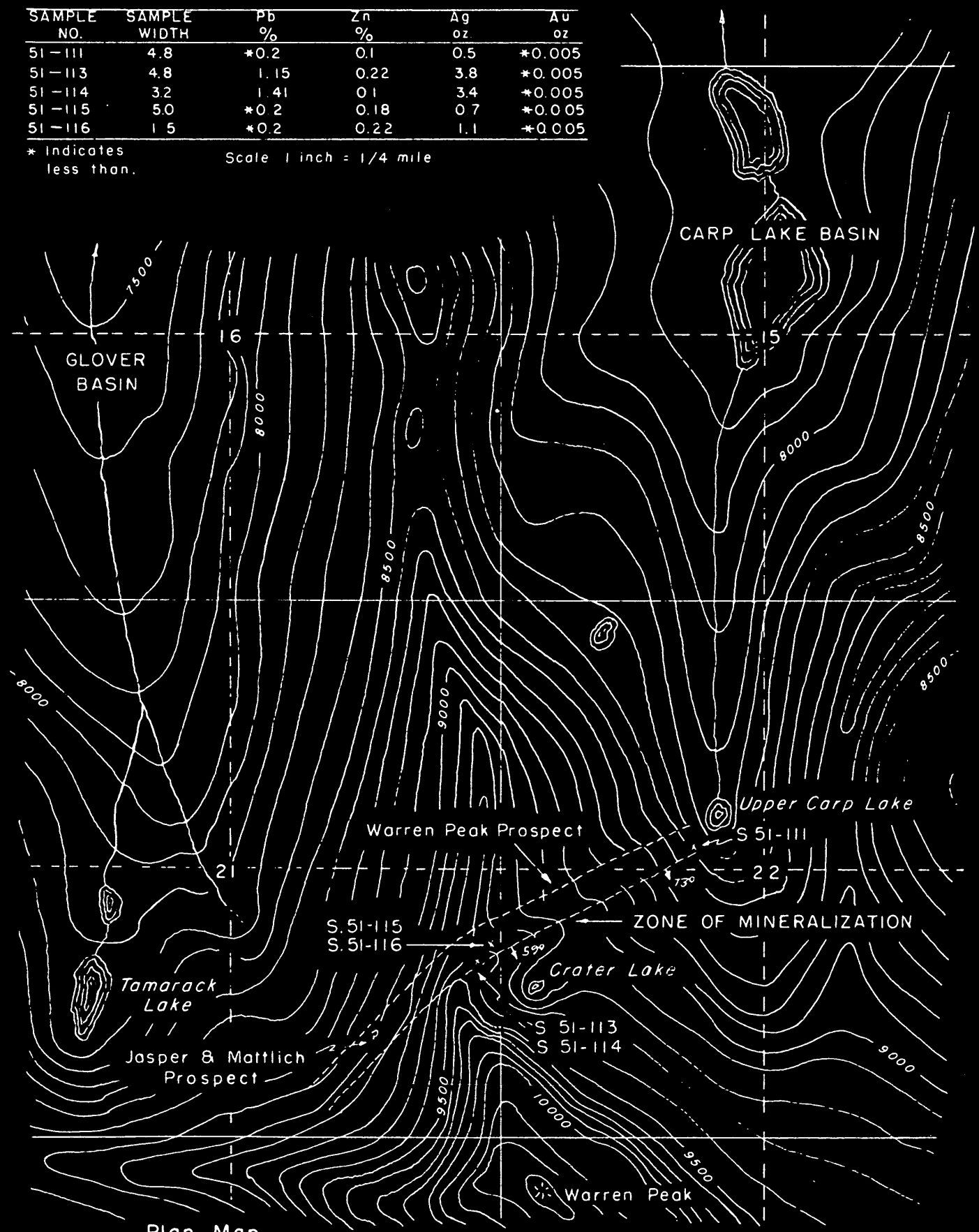
Defense Minerals Administration—Docket No. 1934

SAMPLE DATA

SAMPLE NO.	SAMPLE WIDTH	Pb %	Zn %	Ag oz.	Au oz
51—111	4.8	*0.2	0.1	0.5	*0.005
51—113	4.8	1.15	0.22	3.8	*0.005
51—114	3.2	1.41	0.1	3.4	*0.005
51—115	5.0	*0.2	0.18	0.7	*0.005
51—116	1.5	*0.2	0.22	1.1	*0.005

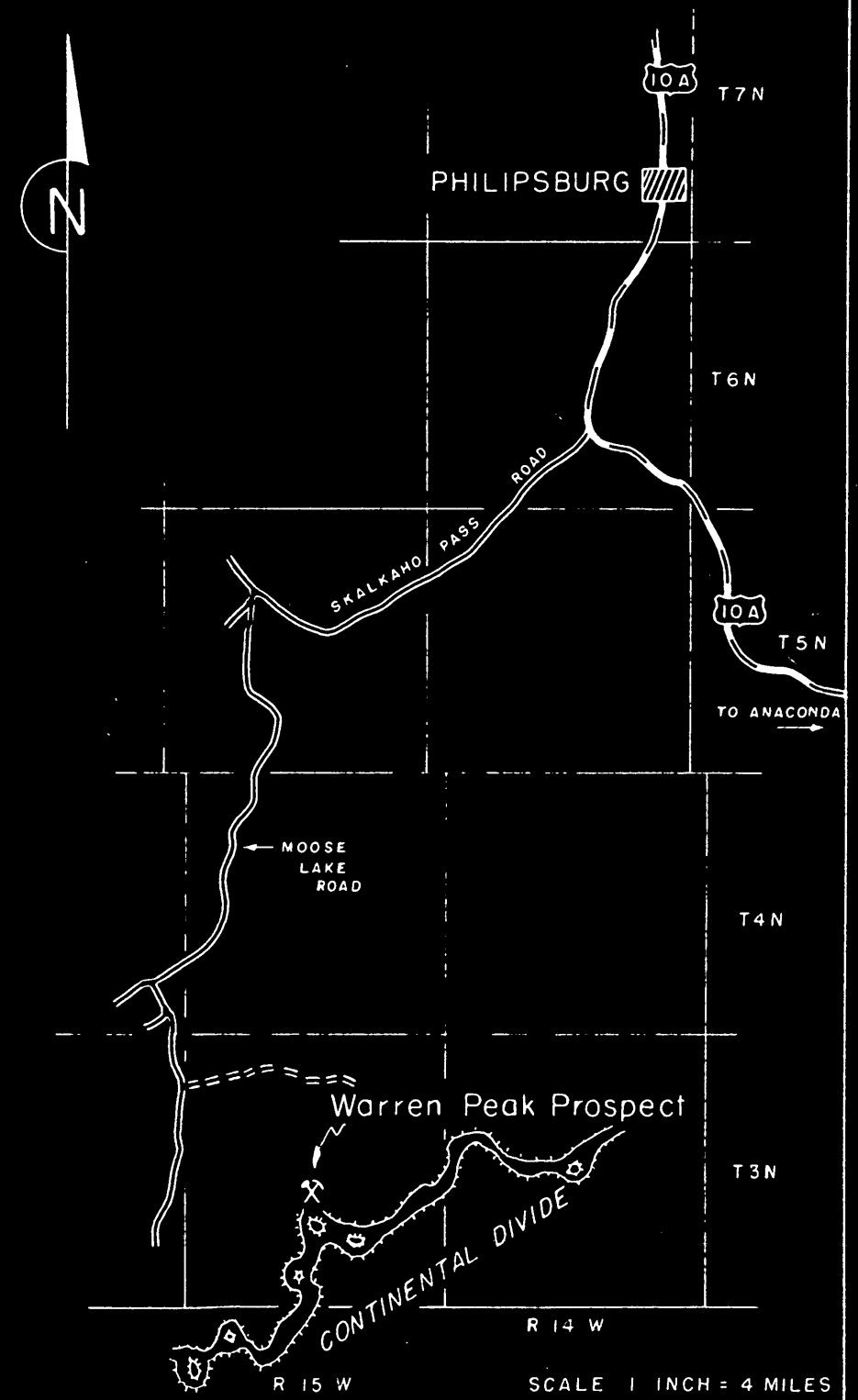
* Indicates less than.

Scale 1 inch = 1/4 mile



Plan Map

FROM U.S.G.S. AND U.S.F.S. MAPS—SECTION LINES PROJECTED



Location Map.

Warren Peak Prospect, Granite County, Montana.

MF-200
(June 1951)

Docket No. DMA 1934
Commodity Pb-Ag-Au

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

(Void)

EXPLORATION PROJECT CONTRACT [1]

It is agreed this ..... day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] James Young and Angus A. MacDonald of Philipsburg, Montana, acting as equal partners

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Montana, County of Granite described as follows: [3] six unpatented lode mining claims: the Sunbeam Nos. 1, 2, and 3, and the Rock Rabbit Nos. 1, 2, and 3; located in the W 1/2 of sec. 22 and the E 1/2 of sec. 21, T. 3 N., R. 15 W., Granite County, Mont.

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

(*b*) ~~That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.~~

3. *Exploration project.* The Operator, ~~within~~ in July following ~~days from~~ the date of this contract shall commence work on a project of exploration for [5] lead-silver-gold ores; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] 2 operating months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, and other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $1,250.00, which is 50 percent of the agreed estimated total cost of this project, $2,500.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ---

By ---

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

Warren Peak Prospect
Granite County, Mont.
Docket No. DMA 1934

Exploration Project Contract

EXHIBIT "A"

Performance of Work

Work will consist of the following:

1. Cleaning foot trails to vein outcrops.

2. Removal of patches of talus obscuring the lode.

3. Hand-cutting shallow prospect trenches across lode. Aggregate of such trenching shall not exceed 1,000 linear feet.

4. Sampling of lode, both in trench exposures and across natural outcrops.

Geologic mapping to determine advisability of further exploration will be performed by the Field Team.

Work on the project will be started during the month of July following the effective date of the exploration project contract. It is estimated that two operating months will be required to complete the project.

Estimated cost of project

1.	Constructing foot trails, 4120 feet @ $0.10/ft.*	$ 412.00
2.	Clearing talus from outcrops, 5000 sq. ft. @ $0.16/sq. ft.	800.00
3.	Shallow prospect trenching, 1000 feet @ $1.00/ft.	1,000.00
4.	Equipment rental	288.00
	Total cost of project	$2,500.00

*Unit costs include labor, supervision, operating supplies, and assaying charges.

Docket No. DMA 1934

EXHIBIT "A" (Cont.)

Fixtures and improvements:

Living quarters (tent)	$93.00

Operating equipment:

To be purchased

Forge	$45.00	
Anvil	25.00	
Hand steel	15.00	
Small tools	50.00	$135.00

To be rented

1 - 1-1/2 ton truck, 3 days @ $16/day	$ 48.00
2 horses, saddles, and pack equipment @ $120/month, 2 months	240.00
	$288.00

Labor and supervision

Classification	Rate pershift
2 miners per shift	$14.00

Rehabilitation and repairs

None

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R103.1.

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.

MF-103 Should Be Filed With General Technical Data Form MF-100

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

NOV 26 9 15 AM '51

Not To Be Filled in by Applicant

Docket No. dmea 1934
Metal or Mineral
Date Received 11-26-51
Amount $
Participation (Government %)

JAMES YOUNG
and
ANGUS A. McDONALD

Philipsburg, Montana

Name and address of applicant

Date September 11, 1951

If you have already filed MF-100, give date filed Sept. 11, 1951, type of assistance requested Exploration Loan 50% Government participation,

DMA Docket Number (if available) 1934

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

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

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

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

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

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

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company)	By James W. Young (Signature of authorized official) Angus McDonald
(Date)	Owners (Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

Warren Peak Lead-Silver-Gold Claims
of
James Young and Angus A. MacDonald
Granite, County, Montana.

(1a) Property consists of six unpatented lode mining claims within the Moose Lake mining district, Granite County, Montana. They are the Sunbeam #1, #2, and #3, and the Rock Rabbit #1, #2, and #2 lode claims. At present, no mine workings, buildings, nor equipment are present on the property.

(1b) Applicants are owners of the property.

(1c) Area upon which exploration is to be conducted is in the W 1/2 of section 22 and the E 1/2 of section 21, T-3-N, R-15-W, Granite County, Montana. Exploration work will be confined to the six lode claims mentioned in question 1a, within this area. No liens nor enbumbrances are held against the property.

(2a) The commercial metals expected to be found are lead, silver, and gold.

(2b) The galena bearing deposits lie on a sharp ridge running north from Warren Peak, this ridge separating the Carp Lake Basin from the Glover Basin. Both basins were formed by heavy glaciation from the flanks of Warren Peak. From Forest Service contour maps, the base of the ridge at the mineral zone has an elevation of 8,400 ft. and the summit of the ridge has an elevation of 9,800 ft. However, the contouring appears inaccurate and I would estimate the difference in elevation to be 2,500 ft. The ridge rises to a knife-edge summit, and the maps show a width across the base of about 4,000. ft.

The zone of mineralization cuts directly across this ridge about 3/4 of a mile north of the summit of Warren Peak, striking about N. 75° E, dipping about 73° S, and has a width of at least 300 ft. This zone of mineralization is a shear zone within which the veins occur. The greatest mass of the shear zone is barren and shows no alteration.

The veins conform to the stike of the shear zone, but dip from 40° to 60° S. The veins are not continuous, those observed reaching a mixumum width of 10 ft and tapering down to small stringers. The best grade of ore appeared to be where the veins are less than 4 ft in thickness. The length of the individual veins could not be observed due to the steepness of the area, but one vein at the summit, now largely removed by erosion, had a length of at least 1,000 ft before tapering out. Other veins were seen to reach a width of 5 ft, only to taper out within 100 ft. Generally, it appears that there at least three veins in every section of the shear zone, and where one vein fades out, another parallel vein takes its place.

The country rock at the base of the ridge is granodiorite, but one-quarter of the way up the side of the ridge, the country rock becomes an impure limestone, probably palezoic. The veins in the granodiorite are siliceous replacements of that rock and where observed, carry only minor amounts of galena. However, a large part of the granite area is concealed by talus, and lead deposits may occur. Observations made to date indicate that the lead deposit are confined to the limestone country rock which makes up the upper three-quarters of the ridge. The veins there are made up of altered

limestone, easily recognized by its ferruginous coloring, within which quartz seams occur erratically. Sampling may prove the altered limestone to be barren. The quartz seams, which seldom exceed 2 ft in thickness, carry varying amounts of galena. Some of these seams appear to carry up to 50% galena. The galena mineralization is quite pockety, however.

(3a) It is proposed that the exploration work be conducted in two stages. Stage I will consist of the work of two men eight weeks beginning during July, 1952. Their work will consist of building trail to the mineralized exposures on the steep ridge, cleaning off patches of slide rock on the exposures, and cutting shallow trenches in the oxidized surface mineralization. Samples will be taken and assayed. The trenches will cross all mineral exposures, and the total length of trenching will probably be 1,000 ft. Some blasting will be required, the holes being drilled with hand steel. Provisions can be brought by jeep within 4 miles of the prospect and carried the rest of the way by pack horses. The men will have to be employed on a six day week basis owing to the short season and severe living conditions. Stage I is expected to cost a maximum of $2,457.00, 1/2 of the cost to be born by the government.

Stage II will be preceded by the examination of a DMA engineer for approval. The engineer will survey by triangulation the mineral exposures and resmaple them. Upon approval, the location of one or more prospect drifts will be decided upon, and a maximum of 200 ft of drifting will be done. This drifting will start in July, 1953, unless sufficient time is left in the summer of 1952 to begin work then.

Living conditions will be severe, and all supplies will have to be brought in by pack horse. A skid trail to the portal site will have to be built and the compressor skidded to that location. The drift will probably have to be fully timbered, the timbers being cut nearby and skidded up to the portal site. Contract drifting on a footage basis has proven the most successful in this type of work , and is the method recommended. Four men will be needed for a period of four months; two acting as miners and two acting as outside men cutting timbers and handling the skidding and packing of supplies. Equipment and mining supplies will be furnished to the drift contractors.

Stage II is expected to cost a maximum of $15,027.00. However, this cost will probably be revised when the exact work to be done is decided upon, and can be reduced considerably if upon completion of stage I, an access road is considered warranted and is put in.

The maximum total cost of stages I and II will be $17,484.00, one half of the cost to be born by the government.

(3b) Due to the high elevation and severe weather conditions, Stage I is expected to start some time in July, 1952, and two months time will be necessary for its completion. Stage II will be dependant upon the approval of a DMA engineer after survey and sampling. Stage II will begin after this approval, probably in July, 1953, unless an earlier date is considered practical. Stage II is expected to take four months for completion.

(4) Only generalized mapping can be done at present as the property is still in an early stsge of prospecting, and the outcrops are not fully exposed. Snowfall and sleet during the last two days has made climbing on the 55° slope to hazardour for mapping now, and no beneficial results would be gained.

(5) No facilities, buildings, installations, not fixtures are present on the property.

(6) No facilities nor buildings are to be erected.

Under stage I, no fixtures are to be purchased.

Under stage II, the following fixtures are to be purchased and installed on the property:

1200 ft of air line (2" pipe)	$ 600.00
1200 ft of water line (1" pipe)	300.00
400 ft of mine rail (8 lb)	100.00
Mine car, 1/2 ton.	125.00
1000 ft 3/8 " wire rope, and blocks	300.00
Air and water line valves and fittings	400.00
	$1,825.00

(7a) Equipment to be rented, stage I.

Horses, saddles, & pack equipment (2 months)	$ 240.00
1 1/2 ton truck (3 days)	48.00
	$ 288.00

Equipment to be rented, stage II.

Air compressor (210 cu ft) (3 months)	450.00
Bulldozer for skidding equipment (d-4)(2 weeks)	1,000.00
1 1/2 ton truck (12 days)	200.00
	$1,650.00

(7b) Material to be purchased, stage I:

Forge	45.00
Hand steel	15.00
Anvil	25.00
Small tools	50.00
Powder, fuse, and caps	60.00
Assays	300.00
Tent	50.00
	$ 545.00

Material to be purchased, stage II:

Powder, caps, and fuse	500.00
Compressor Fuel and oil	125.00
Small tools	250.00
Drill steel	45.00
Bits	250.00
Assays	100.00
	$1,270.00

(7c) Material furnished by applicant, stage I.
No rental is asked for jeep, camp equipment, and tools applicca can furnish.

Material furnished by applicant, stage II.

1 jeep	$1,650.00
1 power saw (for mine timber)	365.00
1 hand winch	45.00
1 Ingersoll-Rand #43 Stoper	623.00
1 S-55 Gardner-Denver Jackhammer	275.00
Air and water hoses	225.00
Water tank	65.00
1 Rex #43 gasoline-driven pump	450.00
	$3,698.00

Rental allowance (4 months). $ 247.00

(8) Labor schedule, Stage I.

2 Prospector-miners @ $14.00 per day, 6 day week, 8 weeks.	$1,456.00
Industrial accident Insurance	146.00
Social Security	22.00
	$1,624.00

Labor schedule, Stage II.

Work to be contracted for price expected to be $9,000 for 200 ft of drifting by four men working for a period of four months. This will be a total of 45o working days (considering time and a half for Saturdays), and the miner's pay will be $20.00 per day. It will be difficult to make the contract acceptable at a smaller figure, and more work will be done per dollar spent than could be had on a daily wage basis. O t of this sum, the miners will have to furnish living quarters, food, pack horses, harnesses, feed, equipment repair and maintenance, and move the equipment and supplies from the end of the road to the prospect, and move out the equipment after the contract completion.

Labor Contract	$9,000.00
Industrial Accident Insurance	900.00
Social Security	135.00
	$10,035.00

(9) All costs listed in foregoing items. Assays are included in materials purchased, 75 lead-silver-gold assays being allowed for stage I and 25 similar assays allowed for stage II.

(10a) Applicant is prepared to invest $1,228.50 in stage I of the proposal, and if the results of this work is satisfactory to both him and the examining DMA engineer, the applicant is prepared to invest $7,513.50 in stage II of the proposal.

(10b) Yes.

(11) The mineral outcrops on the side of the ridge are occupied by snow-slide paths, and while prospect drifts may be started on these out-crops, a production adit should be located off the veins and in a position safe from snow-slides.

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

DEFENSE MINERALS ADMINISTRATION
WASHINGTON, D. C.

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOV 26 9 14 AM '51

NOT TO BE FILLED IN BY APPLICANT

Docket No. Amend 1934

Date received 11-26-51

JAMES YOUNG and ANGUS A. McDONALD

Philipsburg, Montana

Name and address of applicant

Date September 11, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company)

By James W Young
(Signature of authorized official)

Owners
(Title)

(Date)

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—63792-1

Warren Peak Lead-Silver-Gold Claims
of
James Young and Angus A. MacDonald
Granite County, Montana

(1a) Lead, silver, and gold.

(1b) None known at present.

(2a) None

(2b) None

(2c) None

(2d) None

(3a) 125 mild truck haul to the East Helena, Montana, lead smelter. Of this distance, 8 miles of access road will have to be built to the prospect, and 14 miles of this distance is on existing secondary and Forest Service roads. Property 39 miles South from Philipsburg.

(3b) Moose Lake (unorganized) mining district.

(3c) T-3-N, R-15-W, sections 21 & 22.

(3d) Granite County, Montana.

(4a) Property not in operation.

(4b) Applicants operating as owners.

(5) Property has never produced. Earliest possible production would be in summer of 1953.

(6) The applicants are owners of property and will manage operations. MacDonald has had 30 years of mining experience, operating mining leases producing manganese, gold, and silver ores, and employing as many as 27 men in some of these operations. These operations have generally been successful. MacDonald has been Sheriff of Granite County for a number of years, and at present is employed as Assistant Chief Inspector of the Enforcement Division of the Montana Liquor Control Board. Young has had 30 years of experience mining, having been employed as a miner and at times as foremen. During this time he has had considerable prospecting experience. He is competent in this work as well as being competent as a packer in difficulty accessible country.

(7a) So far as known, the property was never staked for mineral location until 1946 when the applicants made their locations. The area is difficult of access, and while mineral outcrops were probably observed much earlier, claims were not staked because of the poor accessibility. The work of the applicants has been confined to prospecting and shallow trenching, no production having been made.

(7b) The adjoining Jasper and Mattlich claims, which are on the same zone of mineralization, were located in 1947, and have about 120 ft of drifting. This work is said to have produced about 30 tons of ore on the mine dump and 4 or 5 tons of sorted ore packed out by horse and shipped to East Helena. Mr. Jasper states this ore to have carried 40% lead, $9.00 gold, and 26 oz silver per ton. No other mineral locations have been made in the area, although on the continuation of the strike of the mineral zone 3 miles to the southwest, small, very high-grade galena stringers are reported on Porter Ridge, and 3 miles further to the southwest on this same strike, a claim on a galena-bearing vein is said to have been located at Little Johnson Lake.

(7c) No previous reports have been made on this property.

(8) The property is to be operated as an equal partnership of James Young and Angus A. MacDonald, both of Philipsburg, Montana.

(9) No capital stock issued.

(10) There has been no production.

(11) No plans can be made previous to the proposed exploration.

(12a) The galena-bearing deposits lie on a sharp ridge running north from Warren Peak, this ridge separating the Carp Lake Basin from the Glover Basin. Both basins were formed by heavy glaciation from the flanks of Warren Peak. From Forest Service countour maps, the base of the ridge at the mineral zone has an elevation of 8,400 ft and the summit of the ridge has an elevation of 8,800 ft. However, the contouring appears inaccurate and I would estimate a difference in elevation of about 2,500 ft. The ridge rises to a knife edge summit, and the maps show a width across the base of about 4,000, ft.

The zone of mineralization cuts directly across this ridge about 3/4 of a mile north of the summit of Warren Peak, striking about N 75° S, and has a width of at least 300 ft. This zone of mineralization is a shear zone with which the veins occur. The greatest mass of the shear zone is barren and shows no alteration.

The veins conform to the strike of the shear zone, but dip from 40° to 60° S. The veins are not continuous, those observed reaching a maximum width of 10 ft and tapering down to small stringers. The best grade of ore appeared to be where the veins are less than 4 ft in thickness. The length of these individual veins could not be observed due to the steepness of the area, but one vein at the summit, now largely removed by erosion, had a length of at least 1,000 ft before tapering out. Other veins were seen to reach a width of 5 ft only to taper out within 100 ft. Generally, it appears that there are at least 3 veins in every section of

the shear zone, and where one vein fades out, another parallel vein takes its place.

The country rock at the base of the ridge is granodiorite, but one-quarter of the way up the side of the ridge, the country rock becomes an impure limesone, probably palezoic. The veins in the granodiorite are siliceous replacements of that rock and where observed, carry only minor amounts of galena. However, a large part of the granite area is concealed by talus, and lead deposits are confined to the limestone country rock which makes up the upper three quarters of the ridge. The veins there are made up of altered limestone, easily recognized by its ferruginous coloring, within which quartz seams occur erratically. Sampling may prove the altered limestone to be barren. The quartz seams, which seldom exceed 2 ft in thickness, carry varing amounts of galena. Some of these seams appear to carry up to 50% galena. The galena mineralization is quite pockety, however.

(12b) This eposit is still in an early stage of prospecting, and no estimates can be made of possible ore reserves.

(13) The deposit is within the Anaconda-Pintlar Primative Area in the Deer Lodge National Forest, and as a result, the Forest Service has opposed the building of roads and cabins. However, they cannot prevent this road and cabin building for legitimate mining claims. No cabins have been built at the prospect. The Philipsburg is 39 miles distant and Anaconda is 54 miles distant from the property. 22 miles of travel are necessary before highways are reached, 14 miles of which are on the Moose Lake road. Should the property reach production, 8 miles of road will have to be built as the property is now reached by way of 4 miles of very poor jeep road and 4 miles over a poor pack horse trail. Road building should not prove very difficult as while numerous boulders will need blasting, no solid rock should be encountered.

(14) The water supply would be adequate for any possible milling operations. A small lake lies at the foot of the ridge where the deposits are found, and would be the source of water should a mill be located there. Should a mill be desired at a lower elevation, there are numerous creeks which would provide adequate water.

(15) Due to the isolated location, power for mining operations would probably be from diesel power units. Water power sites can be found in the area, and a power line is 8 miles distant.

(16) Capable miners can be hired from the Philipsburg and Butte areas. No estimate can be made of the men needed for mine operation as the property is still in its early prospecting stage. The planned exploration work to which a DMA loan is to apply would require the hiring of two men, with pack horses to carry provisions and camp supplies, for two months in the summer of 1952. If this work is successful and further work is approved, four men would be hired for four months in the summer of 1953.

(17) At present, no equipment nor buildings are on the property.

(18) Due to the high elevation (over 8,000 ft), snow conditions will be severe, and not more than a 6 month yearly operation would be feasible.

U. S. DEPARTMENT OF THE INTERIOR
Defense Minerals Administration.

Dm A
1934

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 7 1951

U. S. Department of Interior)
Geological Survey)
So. 157 Howard St.,)
Spokane, Washington)

Angus A. McDonald
Philipsburg, Montana

Date July 31, 1951

Date of Application July 31, 1951. Estimated cost $20,000.00

Mineral or metal Molybdenum - Lead % of Govt. participation 50%

Location of Mine Moose Lake Mining Dist.

The Applicant

1. Applicant is Partnership.
2. James R. Young and Angus A. McDonald, Philipsburg, Montana
3. Not applicable.
4. Angus A. McDonald: 30 years mining; independent leaser employing up to 20 men; Real estate operator; Rancher.

   James R. Young: 30 years miner and prospector.
5. Applicants own property.
6. No claims, liens or encumbrances against the property.
7. Note: Lessee
8. No production on mine. Is prospect.
9. Applicant is prepared to invest $10,000.00 in proposed project. It is sufficient to pay your part of the cost of the project as detailed in question 23 of this form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5).
10. Description of real property involved in exploration project:

    Rock Rabbit No.'s 1, 2 and 3 and Sunbeam No.'s 1, 2 and 3. Six Quartz Lode Mining Claims in the vicinity of Sections 15 & 27 (unsurveyed), Township 3 North, Range 15 West, Montana Principal Meridian.

11. Present and former names of property: MacDonald - Young mines.

12. Location of property: 30 miles S.W. of Philipsburg via Skalkaho, Copper Creek and Carp Creek Roads. Good road within 8 miles of mine. Jeep road within 3 miles. Forest service trail to property. N. P. Railway at Philipsburg. U. S. Highway No. 10A through Philipsburg.

13. Plenty of water all year for mining and milling; fuel generated power.

14. Useable facilities, equipment, buildings, or structure now on property that will be devoted to exploration work: Cabin; small mine tools; drilling machines; compressor; hoist.

15. How ore can be shipped and how and where milled: Construction of 8 miles truck road. Ship to A.S. & R. Smelter, Helena, Montana, from Philipsburg via N. P. Railway.

16. History:

(a) Original discovery 3 years ago. Still just prospects.

17. Production:

(a) mine not in production.

18. Ore or mineral reserves: Mine not operating. Is just proppects.

19. Conditions or circumstances not sufficiently brought out by the foregoing questions:

Lead: Lead opened up 4000 feet below outcrop, six feet wide. Carries 4% silver, 2% lead - .005. At outcrop carries 48% lead, 52 oz. silver; $8.00 gold; no zinc. Vein is in Granite formation.

Molybdenum: Lead ½ mile below granite; lime contact in granite; lead 24 inches wide where opened; lead tracible for approximately ½ mile and widens to about 12 feet at one point. Ore 2½% Molybdenum.

Carp mine one mile North; produced $50,000.00 or $60,000.00 in silver; packed out. A foot lead ran about 500 oz. silver. Faulted out and never found again.

Not sufficiently developed to determine. Vein structure indicates large tonnages available. Strong low grade lead where opened. Indications show possibility of untapped mineralized area.

20. The mineral or minerals and for what types of deposits and ores the explorations will be conducted: Molybdenum and lead.

21. Proposed work and estimated time required to complete it: Drive a 100 ft. 5 x 7 foot shaft on Sunbeam #2 to sink in commercial ore. Construction of road and sinking of shaft to take 12 months.

22. Geological basis of project: Part of the Philipsburg Quadrangle.

23. Estimated requirements and costs of the project:

(a) Labor -

Miners	@	$12.50	per day

(b) Supervisors

One Supervisor	@	$325.00	per month
One Bookkeeper	@	240.00	per month

√(c) Cost of construction of:

Compressor House ---------- $750.00

√(d) Cost of Materials and supplies:

Powder, fuse and caps ---------- $1200.00
Bits - 200 @ .45¢---------- 90.00

√(e) Rental of Bulldozer ---------- $1000.00

(f) Gasoline for jeep and compressor ----- 600.00

24. 100 ft. 5 x 7 foot shaft; 300 feet of drift would be completed within twelve months, and would cost $20,000.00

CERTIFICATION

The undersigned owner, hereby certifies that the information contained in this form and accompanying papers is correct and complete to the best of his knowledge and belief.

Angus McDonald
Signature of Owner

July 31, 1951.
Date

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

So. 157 Howard Street
Spokane 4, Washington

Gravold
Alb
Betty
4/7/53. Received by [illegible]

March 30, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 3 1953

Mr. James Young
Box 72
Philipsburg, Montana

Re: Docket No. DMEA-1934X (Lead)
Warren Peak Property
Granite County, Montana
Contract Idm-3274 (Terminated)

Dear Mr. Young:

In a field team letter to you of March 27, the expiration date was erroneously shown as January 17, 1953. Would you please correct it to show the date as October 17, 1952 in the last paragraph of the letter? Thank you.

Very truly yours,

Eva M. Raymond
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Quinlan

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

March 27, 1953

Mr. James W. Young
Box 72
Philipsburg, Montana

Re: Docket No. DMEA-1934X (Lead)
Warren Peak Property
Granite County, Montana
Contract Idm-E274

Dear Mr. Young:

This will acknowledge receipt of your letter of February 24, 1953, in which you express the desire that the Government reconsider its action in terminating the captioned contract and allow you to start work under the terms of the contract.

The Government cannot be concerned in your differences with Mr. McDonald; its only interest in this matter is in a contract entered into with Mr. James Young and Mr. Angus A. McDonald, partners, to aid in exploring the Sunbeam and Rock Rabbit group of claims in Granite County, Montana. The partnership did not fulfill the obligations under the terms of the contract and, therefore, the contract had to be terminated; in fact, we had no choice as the expiration date stated in the contract had been passed and no work had been done to carry out the provisions of the contract.

On July 14, 1952, you were advised in a letter addressed to you and your partner, Mr. McDonald, that under the terms of the contract work must be started before July 17. You were also advised at the same time that the contract could be assigned from the partnership to you. You were again advised in a letter dated September 3, 1952, addressed to you personally, of the procedure that should be followed if the contract were to be transferred from the partnership to you. At the same time a copy of the letter of July 14 was sent to you. Neither you nor your ex-partner have ever notified this office of any action taken to effect this transfer.

This office has been exceedingly patient in holding the contract open as long as we did to allow you to effect this transfer; in fact, we undoubtedly will be severely criticized for having done so. Inasmuch as the contract expired on January 17, 1953, we obviously had no choice but to consider it terminated.

Your criticism of Mr. McNabb does not appear justified. It was up to you, not Mr. McNabb, to take the initiative in getting the contract assigned from the partnership to you, if this was your desire. We do not see, therefore, how any criticism can be made of Mr. McNabb in this connection.

By DMEA Field Team, Region II

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

M. E. Volin, Member
(U. S. Bureau of Mines)

cc: DMEA (2)
USBM (2)
Quinlan

C
O
P
Y

Box 72
Philipsburg, Mont.
Feb. 24, 1953

A. E. Weissenborn,
Spokane 4, Washington

Dear Sir:

Your letter of Jan. 7, 1953 in regard of the Re. Exploration Project Contract Idm-E274 Docket No. DMEA 1934X (Lead)

Notice of the termination of the exploration project I have written you last summer on or about the 1st of July that Gus McDonald wouldn't put up his share of the money. He told me he was giving up all his interest in the mining claims that we were interest in together.

From the time we were notified that the loan was granted he had found some other property around Twin Bridges, and he tried to have his part of the loan transferred to that district. Mr. McNabb was suppose to locate me to start work on my property which he never did. I went and located McNabb myself and that is when he told me that Gus McDonald wanted his half of the loan transfered over to Twin Bridges and that I couldn't go ahead with my part. He said he would phone the head office in Spokane, and tell them what happened, and as soon he heard from them he'd come out to my house and let me know. I haven't seen McNabb since I first talked to him. At that time I had quit my job and went up to the property, and made camp, and was clearing trails. I don't see any reason why you should cancell my loan when in good faith I wanted to continue this exploration and I still want to. Gus McDonald is no longer a partner of mine. I wrote to the Defence Minerals Exploration Administration telling them I wanted to continue with this work. If they gave me any word to go ahead with the sampling or any other exploration they would have some kind of record of it, as I have never received any letter telling me to go ahead. If you would please, when writing to me in regards to this contract do not connect Angus McDonald's name as he seems to be receiving all the mail.

In my books this thing isn't going to be dropped so easy.

You have a nice man out here representing our Government. He has put in more time fishing and driving around in a government car than tending to his job that he was suppose to do.

I am willing to corporate with this office and straighten this contract out. I am

Sincerely yours

/s/ James W. Young

2-2-53
Hofflund

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 22 1953

January 7, 1953

RECEIVED
JAN 30 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Registered
Return Receipt Requested

Messrs. James Young and
Angus A. McDonald
c/o Mr. James Young
Box 72
Philipsburg, Montana

Re: Exploration Project Contract Idm-8274
Docket No. DMA 1934 (Lead)

Gentlemen:

Enclosed is Notice of Termination of Exploration Project Contract Idm-8274 under the terms of the contract before the completion of the work.

This action is necessary because of your failure to start work under the contract. Your attention is called to the fact that work under the contract was to start by July 17, 1952, and was to be completed by October 17, 1952.

Copies of a Contract Rescission Agreement were sent to Mr. McDonald for execution on August 7, 1952; as of this date, these forms have not been executed by the partnership.

Mr. Young expressed a desire to assume complete responsibility for completing work under the contract. You were advised as early as July 14, 1952, of the procedure to be followed if the contract was to be transferred to one partner to the exclusion of the other. As of this date, you have failed to notify this office of any concrete action being taken to effect the transfer, and we can no longer hold this contract for further consideration.

By Field Team Region II

Case
1-23-54
approve
2/2/54

cc:
Angus A. McDonald w/o encl.
USBM(2)
DMEA(2)
~~Quinlan~~ Finance Office
~~Enclosure~~

A. L. Weissenborn, Exec. Officer
(Geological Survey)

H. L. Volin, Member (Bureau of Mines)

Docket No. 1934
(lead)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
1201 N. Division St.
Spokane 2, Wash.

August 26, 1952

Mr. James Young
Philipsburg, Montana

Subject: Contract Idm --E274 DMA-1934

Dear Mr. Young:

Mr. McDonald has indicated that your partnership has been dissolved and that the exploration work specified in the subject contract cannot proceed.

It would appear, therefore, that the interests of both yourselves and the Government would be served by rescinding the contract. By this action, funds presently obligated to your project could be diverted to other worthwhile exploration work.

For your convenience eight copies of a Contract Rescission Agreement are enclosed. Please sign and return all copies to this office. Upon completion, an executed copy will be returned to you.

Sincerely yours,

M. E. Volin
Acting Exec. Officer
DMEA Field Team, Region II

Enclosure

CC: 2-Wash.

gds
9-4-52

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

Keller
Petty

TO : M. E. Volin, Member, DMEA Field Team, Region II

DATE: Butte, Montana Aug. 12, 1952

FROM : John S. McNabb, Mining Engineer, Bureau of Mines

SUBJECT: Routine inspection of Young and McDonald Lead, Idm-E 274, Granite County, Montana, Docket No. DMEA 1934 (lead)

This project was scheduled to start on July 10, 1952. I met with Mr. McDonald on that day and he informed me that he had dissolved partnership with Mr. Young. The contract was made out to the partnership of Young and McDonald. Mr. McDonald stated that he would be willing to assign his share of the loan to Mr. Young, and that his only desire was to sever all relations with his former partner. He naturally wants to be absolved of all responsibility regarding the contract.

I met with Mr. Young on July 12, 1952. Mr. Young stated that he would still like to carry on the exploration project under Contract No. Idm-E 274. However, I do not believe that Mr. Young has the necessary equipment and funds to carry out the project in a workmanlike manner.

Mr. G.C.Read was immediately informed of the situation regarding this contract, and has since mailed assignment papers along with pertinent instructions to Messrs Young and McDonald.

John S. McNabb

DEPARTMENT OF THE
Defense
AUG 25 1952

MK

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

1201 N. Division St.
Spokane 2, Wash.

August 7, 1952

Mr. Angus A. McDonald
Philipsburg, Montana

Subject: Contract Idm-E274

Dear Mr. McDonald:

In accord with our discussion, I am enclosing for your convenience eight copies of a Contract Rescission Agreement for execution by yourself and your partner, James Young. Please return the original and six copies to this office.

If at some future time conditions improve sufficiently to enable you to proceed as originally planned, we will be happy to assist you in such action as may be appropriate.

Sincerely yours,

Glenn C. Reed
For M. E. Volin
Acting Exec. Officer
Field Team, Region II

Enclosures

CC: 2-Wash.

M. E. Volin, Member, DMEA Field Team, Region II July 22, 1952

John S. McNabb, Mining Engineer, Bureau of Mines

Routine inspection of Young and McDonald Lead, Idm-E274
Granite County, Montana, Docket No. DMEA 1934 (lead)

Work under this contract is not scheduled to begin until July 10, 1952. I will meet with Young and McDonald some time during the ensuing month.

John S. McNabb

8/4/52 - Contents noted - [illegible]
Date of Contract - March 17, '52
Starting time - 120 days
Total Cost - $3,000.00

cc: Our Files (1)
USGS (2)
Wash. (2)

CE OF THE ADMINISTRATOR

Docket.

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

So. 157 Howard Street
Spokane 4, Washington

April 14, 1952

Defense Minerals Administration
1 - 1952

Operating Committee
Defense Minerals Exploration Administration
Department of Interior
Washington 25, D. C.

Gentlemen:

Enclosed are four copies of contract Idm-E274 signed by James W. Young and Augus McDonald for the exploration of their property in Granite County, Montana. One copy has been retained here and the Operator has one copy.

Sincerely yours,

A. E. Weissenborn
A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures.

cc: USBM

500
FILE COPY
Surname:

Jyr. Ce.
Matdo

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

MAR 17 1952

Mr. A. E. Weissenborn
Executive Officer, Region II
DMEA Field Team
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA 1934 (Lead)
James Young and
Angus A. McDonald, Partners
Exploration Project Contract

Dear Mr. Weissenborn:

We are enclosing the original and five copies of the above contract, signed by this office for the Government, together with Exhibit "A" (2 pages) and one map.

If the terms and conditions of this contract meet with your approval and are satisfactory to the Operator, all six copies should be signed by the partners. One copy is to be given to the Operator, one copy retained by your office and the original and three copies returned to this office. However, if any changes are required, all the contract copies are to be returned to this office with your comments regarding the proposed changes.

Sincerely yours,

CC 3/17

(signed) FRANK E. JOHNSON (NB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosures - 6
APPROVED:

C. N. Johnson (NB)
Member, Bureau of Mines

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

JWAlt/hmj 3-13-52

CC to: Adm. R. File
Operating Committee
Region II
Mr. Bishop
Mr. McKnight
Mr. Moulds
Mr. Alt
Docket File Copy

FILE COPY
SURNAME:

Guthrie

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

March 10, 1952

Memorandum

To: Acting Administrator

From: Chief Counsel

Subject: James Young & Angus A. McDonald, Partners - Exploration Project Contract - DMEA-1934

The attached seven copies of a draft of an exploration project contract in this case are in satisfactory legal form subject to the attachment of the requisite maps.

Your file in this case is returned.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

N.S
R&R

Attachments

RRGuthrie/ema
Copy to: Mails & Files
J. L. Hofflund
R. R. Guthrie
Chron.

IN REPLY REFER TO:

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

March 3, 1952

Re: DMA-1934
Warren Peak Claims
Moose Lake Mining District
Granite County, Montana
$2,500
Lead, silver, gold

Memorandum

To: Mr. D. E. Moulds

From: E. L. Newcomb
O. M. Bishop

Subject: Recommendation on above-mentioned docket

A field examination has been made on the subject property. The field report outlines a 2-stage project, but recommends only Stage 1 for approval.

The work in Stage 1 consists of building trail, cleaning debris from the outcrop zone, and cutting about 1,000 feet of shallow trenches across the vein structure for sampling and geologic mapping.

If the results of this work are favorable, the second stage of exploration may be undertaken, but it cannot be defined in advance of the information to be acquired from Stage 1.

We concur with the field team and recommend that Stage 1 be approved as outlined in the proposed contract.

E. L. Newcomb
E. L. Newcomb
Geologist

O M Bishop
O. M. Bishop
Mining Engineer

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 4, Washington

February 7, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 12 1952

Mr. D. E. Moulds, Acting Chief
Base Metals Branch
Defense Minerals Exploration Administration
Washington 25, D. C.

Dear Mr. Moulds:

Please refer to your letter of January 9 re dockets 1934, Warren Peak prospect of James Young and Angus A. McDonald, in which you point out that the sample results given on page 5 of the report do not check the sample data on the map. Your letter was referred to the Bureau of Mines for reply. Mr. Reed informs me that the sample tabulated on the map illustration accompanying the examination report are correct. He further states "sample information appearing on page 5 of the examination report is based on visual inspection only" as indicated by the words "estimated to carry".

I hope that this will clear the matter up.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

c.c. to: USBM-Spokane

FILE COPY
SURNAME:

J.W.A.
Moulds
Mutt

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

JAN 9 - 1952

Mr. A. E. Weissenborn
Executive Officer, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. 1934
Warren Peak Prospect
James Young and
Angus A. McDonald

Dear Mr. Weissenborn:

In processing the above referenced docket and in reviewing the report by the Examining Team, Region II, the results of the samples as given on page 5 of the report do not check the sample data as shown on the map.

Will you please notify this office at your earliest convenience as to which of these is correct. Also advise if your recommendation of the project was based on the revised metal content indicated by assays shown on the map.

As soon as we receive this information we will review this application for exploration aid.

Sincerely yours,

SIGNED

J. W. Moulds, Acting Chief
Base Metals Branch
Defense Minerals Exploration
Administration

JAlt:mp
1-9-52
Adm. Reading File
1-9-52 Mails and Files
J.D. Mr. Mittendorf
Mr. Bishop-Bureau of Mines
Mr. McKnight USGS
Docket
Mr. Moulds
Mr. Alt

Memorandum:

To: Donald E. Moulds, Base Metals Br., DMEA

From: O.N. Bishop, Base Metals, USBM

Subject: Docket No. 1934 (Warren Peak Prospect of James Young and Angus A. McDonald in Granite County, Montana.)

~~Having~~ ~~I have~~ reviewed the application (Forms MF 100 and 103) the field team report, the exploration project contract, and the correspondence comprising Docket 1934, I recommend approval of the application ~~as drawn up in the exploration~~ contract for Stage I as ~~rec~~ presented by the field team in its examination report and contract. ~~This~~ ~~so~~ This work consists of building trail, cleaning debris from the outcrop zone and cutting shallow trenches, ~~if~~ as well as sampling and assaying the outcrops of lead-silver-gold ore that occur in a 300-foot-wide shear zone cutting across a spur running north from Warren Peak. The estimated cost of the work is $2500. Should it ~~prove~~ result ~~in favorable outcrops~~ exposing favorable outcrops a ~~&~~ second stage of exploration may be undertaken.

ONB

Pat: Please typecast copy of 3 C

OFFICE OF THE ADMINISTRATOR

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.

Nov 26 9 14 AM '51

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
RECEIVED
NOV 28 1951
Defense Minerals Administration,
Production Expansion Division.

November 21, 1951

Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: DMA 1934x

Dear Sir:

Enclosed are four copies each of forms MF-100 and MF-103 submitted by Messrs. Young and McDonald, Granite County, Montana.

Attention is called to the fact that a recommendation report, exploration project contract, and Field Team memorandum were forwarded to Washington on November 7. The original application, incompletely prepared, was returned to the applicant for necessary additions and signature.

Sincerely yours,

A. E. Weissenborn KG

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

Enclosures

cc: U.S.B.M.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1201 N. Division St.
Spokane 2, Wash.
November 7, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 1 3 1951

MEMORANDUM

To: Chairman, Coordinating Committee, Defense Minerals Administration, Washington 25, D. C.

From: DMA Field Team, Region II

Subject: DMA Docket No. 1934, Warren Peak Prospect, Granite County, Mont.

The Field Team recommends that favorable consideration be given to the request for exploration assistance at the Warren Peak prospect, Granite County, Mont. It is suggested, however, that approval be given only to Stage I of the proposal as outlined in the examination report. On completion of this step, consisting of hand trenching and sampling of outcrops, an appraisal of the advisability of additional exploration will be made.

Although available evidence is considered inadequate to support a firm recommendation, the Field Team is cognizant of the fact that token exploration in an area may well stimulate further activity resulting in ore discoveries of significance. Exploration of the Warren Peak area to date has been retarded chiefly because of its difficult accessness and relatively short operating season.

All docket material concerning the property, together with an examination report and exploration project contract, is forwarded herewith for review.

OFFICIAL FILE COPY

To		Date

By Field Team, Region II

Thor H. Kiilsgaard
for A. E. Weissenborn, Exec.Officer

Glenn C. Reed
for M. E. Volin, Member

Enclosures

UNITED STATES
DEPARTMENT OF INTERIOR
OSCAR L. CHAPMAN-SECRETARY

DEFENSE MINERALS ADMINISTRATION

Report by Examination Team
Region II

DMA No. 1934 - Warren Peak Prospect

Granite County, Mont.

ON-SITE REPORT

Peter H. Toepfer
U. S. Bureau of Mines

October 30, 1951

WARREN PEAK PROSPECT
Granite County, Mont.

DMA Docket No. 1934

By Peter H. Toepfer, USBM

RECOMMENDATIONS

The Warren Peak Prospect is completely undeveloped and is in an area difficult of access. Unless substantial reserves are developed it could not be operated for more than 6 months of the year due to the severe weather conditions common to its high altitude. Although those parts of the deposit examined do not show unusual promise of developing commercial ore, the mineralized area is extensive and can be quickly and inexpensively hand trenched and sampled. The applicants are considered reliable, are experienced miners, and have confidence in the property.

It is recommended that Stage I of the proposed project be granted as its cost, $2,457, is small in relation to the potential ore discoveries. Stage II will be performed only upon review of data resulting from Stage I and with the Field Team's approval.

APPLICANTS

The applicants are owners of the property and will manage operations. Angus A. MacDonald has been associated intermittently with mining ventures over a period of 30 years. McDonald currently is employed as assistant chief inspector of the Enforcement Division of the Montana Liquor Control Board. James Young also has had 30 years experience in mining operations, having been employed as a miner and at times as mine shift boss.

LOCATION OF DEPOSIT

The prospect, consisting of the Sunbeam Nos. 1, 2, and 3, and the Rock Rabbit Nos. 1, 2, and 3 lode mining claims (unpatented), is in the Moose Lake mining district, Granite County, Mont., in the W. 1/2 of sec. 22 and the E. 1/2 of sec. 21, T. 3 N., R. 15 W.

OWNERSHIP

The claims are held by location by the applicants, each partner having an equal interest.

HISTORY AND PAST PRODUCTION

The area is difficult of access and, while the mineral outcrops undoubtedly were observed much earlier, claims were not staked until 1946 because of the poor accessibility. The location work has been confined to prospecting and shallow trenching.

The adjoining Jasper and Mattlich claims, located in 1947 on the same lode, have about 120 feet of drifting. This work reputedly produced about 30 tons of ore stocked on the mine dump and 4 or 5 tons of sorted ore packed out by horse and shipped to the East Helena smelter. According to Mr. Jasper, this ore contained 40 percent lead, $9.00 gold, and 26 ounces silver per ton.

DESCRIPTION OF PROPOSAL

It is proposed that DMA funds be made available for additional exploration. It is further proposed that the project be set up on a step basis with the second step being undertaken contingent on the satisfactory outcome of the initial work and with the Field Team's approval.

Stage I, to begin in July 1952, is to consist of building trail to the vein outcrops on the steep ridge, cleaning off patches of slide rock on these outcrops, and cutting shallow trenches across the vein structure for sampling and geologic mapping. This trenching, to cross all mineral exposures, will aggregate about 1,000 feet. Stage I, estimated to cost $2,500, will require the work of two men for 2 months.

Upon Field Team approval, the location of one or more prospect drifts will be decided and a maximum of 200 feet of drifting will be done. This drifting is to start in July 1953 unless sufficient time is left to begin work in the summer of 1952. Stage II is expected to cost a maximum of $15,000 and to require the work of four men for 4 months. These figures probably can be revised downward if, at the end of Stage I, an 8-mile access road is considered warranted and is built to the property.

TECHNICAL FEASIBILITY

Geologic Setting

The galena-bearing deposits are on a sharp ridge trending north from Warren Peak and separating Carp Lake basin from the Glover basin. According to available topographic maps, this ridge ranges in altitude from 8400 feet to a knife-edged summit at 9800 feet.

The lode cuts across the ridge about 3/4 mile north of the summit of Warren Peak, strikes about N. 75° E., dips about 73° S., and has a width of at least 300 feet. This lode appears to be a shear zone, the greater part of which is barren and shows no alteration. A large snow slide path traverses the outcrop of the lode on the east side of

the ridge. A working adit, therefore, would have to be placed beyond this slide area.

The veins, although conforming to the strike of the shear zone, dip from 40° to 60° S. They are discontinuous bodies, ranging in width from 10 feet downward to small stringers. The best grade of ore appears to be confined to vein sections of less than 4 feet in thickness. The length of the individual veins could not be determined due to the steepness of the area. However, at the summit one vein now largely removed by erosion had a strike length of at least 1,000 feet before tapering out. Other veins were seen to reach a width of 5 feet, only to fade out within 100 feet. Generally, it appears that there are at least three veins in every section of the shear zone arranged in echelon pattern.

The base of the ridge consists of granodiorite, which is succeeded by impure Paleozoic limestones. Those veins enclosed by granodiorite contain only minor amounts of galena. However, as a large part of the granite area is covered by talus, important lead concentrations possibly may be concealed. Observations made to date suggest that the lead deposits may be confined largely to the limestones which comprise the upper three-quarters of the ridge. The quartz seams, which seldom exceed 2 feet in thickness, contain varying amounts of galena. Locally, these seams appear to contain up to 50 percent lead.

Observations and sampling were confined to the base of the ridge and to its summit. Lack of camp supplies and inclement weather obliged termination of the work before the 55° slope along the mineral zone could be examined.

Sample No. 51-111 was taken across a 4.8-foot quartz vein in granite at the base of the ridge. This vein contained little lead. The vein outcrop fades out 100 feet farther up the slope.

The remainder of the samples were taken from a vein at the summit. This vein, partly removed by erosion, strikes N. 73° E. and dips from 50° to 69° S. It rudely conforms in attitude to the ridge surface. The remaining ore is largely oxidized and, due to its difficult location, probably could not be mined for the remaining small tonnage. Sample No. 51-113 is a 4.8-foot section through the vein at a small prospect cut. This sample consists mainly of altered limestone. Sample No. 51-114 is a 3.2-foot section of the vein 20 feet below No. 113. No. 113 is estimated to carry 4 percent lead and No. 114 is estimated to carry 15 percent lead, which will illustrate the erratic mineralization encountered. Sample No. 51-115 was taken at the summit of the ridge across the lower 5-foot section of the vein where it forms the brow of a cliff. This sample is composed almost entirely of altered limestone, and probably carries only 1 or 2 percent lead. Sample No. 51-116 was chipped from the 1 to 2-foot quartz seam which forms the upper part of the vein at this place. This seam, exposed for a distance of 100 feet, apparently contains little lead but shows evidence of silver and may carry gold values.

Other veins were observed from the ridge summit but could not be sampled due to the extreme difficulty of access.

Future prospecting will not be done on the veins sampled but will be confined to the steep slopes of the ridge where shallow digging into the rock surface, sampling, and drifting on the most favorable outcrops could possibly develop large tonnages of ore. As previously observed, the shear zone occupied by the vein system is a snow-slide path having an average slope of about 55°. Much of the surface is bare rock. Numerous large iron-stained areas on the bare rock surface indicate mineralization to be present. However, shallow trenching through the oxidized surface zone and the removal of patches of slide rock will be required prior to sampling and the location of favorable sites for underground drifting. It is to be noted that such drifting would be exploratory in nature, as a production portal would have to be beyond the snow-slide area. Future underground drifting for production should be accompanied by diamond drilling for parallel veins.

MINE WORKINGS

No mine workings exist on the property.

ORE RESERVES

No ore reserves can be measured, estimated or inferred on the basis of available information.

MINING METHOD

A positive statement concerning stoping methods and costs cannot be made until the lode is further explored. Cut-and-fill stoping, using the barren, altered limestone of the vein for fill, might produce ore of a grade suitable for direct shipment to the smelter.

MILLING METHOD

If an ore grade suitable for direct smelter shipment cannot be maintained, coarse crushing and jigging may produce a rough concentrate for shipping. Such milling would be relatively inexpensive.

RATE OF PRODUCTION

No estimate can be made of the rate of production. However, due to the high altitude and heavy snowfall, production probably could not be maintained economically for more than 6 months of the year.

TIME SCHEDULE

Stage I of the proposal will be started in July 1952, when the area is cleared of snow. This work is expected to require 2 months. Upon completion of Stage I the work will be examined by a Field Team delegate.

If the results of Stage I are encouraging and Stage II is approved, the second stage can be started in July 1953. Four months will be required for the completion of this stage. Assuming an access road is warranted and approved, the property then would be ready for production in the summer of 1954.

MARKETING

The nearest railhead is at Philipsburg, 39 miles distant. Ore probably would be shipped by truck to the East Helena smelter over a distance of 125 miles. Before shipment could be made, however, an 8-mile access road connecting with the main highway system by 14 miles of county road would have to be built.

EQUIPMENT AND FACILITIES

No equipment or facilities exist on the property. As the deposit is within the Anaconda-Pintlar Primitive Area in the Deer Lodge National Forest, the Forest Service has opposed the building of roads or cabins.

Stage I will require no equipment other than small tools.

Stage II will require the purchase of the following fixtures:

1200 feet of 2 in. pipe
1200 feet of 1 in. pipe
400 feet of 8 lb. mine rail
mine car
1000 feet of 3/8 in. wire rope
valves and fittings

LABOR

As Philipsburg and Butte, Mont., are mining centers, experienced miners normally are readily available.

At the present time the base daily wage for miners is $14. In many instances, drifting, cross-cutting, and raising are performed on a contract basis often times netting the miner $18 to $20 per shift. A minor exploration project would not be affected by union affiliation. However, labor attached to the project would insist on recognition of the prevailing wage scale.

POWER

For the work contemplated, power would be obtained from diesel or gasoline engines. For possible future production an 8-mile transmission line would be required to tie into the existing power network.

TRANSPORTATION

Access Road Construction

The requested loan does not consider the possibility of access road construction as such road building will be contingent upon the successful completion of the project. However, if the results of the proposed exploration are favorable, an 8 mile, low grade access road will be justified. This road could be built at not more than a 10 percent grade. The route can be laid out to avoid rock work other than boulders in the glacial till. For the greater part of the route, large boulders are sparsely scattered and probably would not constitute a major construction problem.

ADEQUACY OF REQUESTED FUNDS

The funds requested for Stage I are adequate to cover the work of the prospector-miners for 2 months, which should be sufficient to enable the exposure of any existing commercial outcrops on the ridge. Previous prospecting has been handicapped by the fact that the men had to live in a cabin 4 miles from the prospect.

Stage I is estimated to cost $2,457. Of this sum, $1,624 represents the labor charge, $545 the materials and small tools to be purchased, and $288 the transportation (pack horses and truck) to be rented.

Inasmuch as work to be performed under Stage II is dependent upon the information acquired during Stage I, the adequacy of the funds cannot now be determined. Should the success of Stage I warrant the building of an access road, the cost of Stage II will be considerably reduced.

COMPETENCE OF APPLICANTS

The applicants are considered competent and experienced in mining operations. James Young, an experienced prospector and packer, can handle the work outlined in Stage I. As Young also is an experienced miner and former mine shift boss, he can conduct the work outlined in Stage II. Angus MacDonald has operated several mining leases, employing as many as 27 men in one operation. Consequently, he is considered competent to operate the mine efficiently should the project result in the discovery of commercial ore.

DISCUSSION OF PROPOSAL

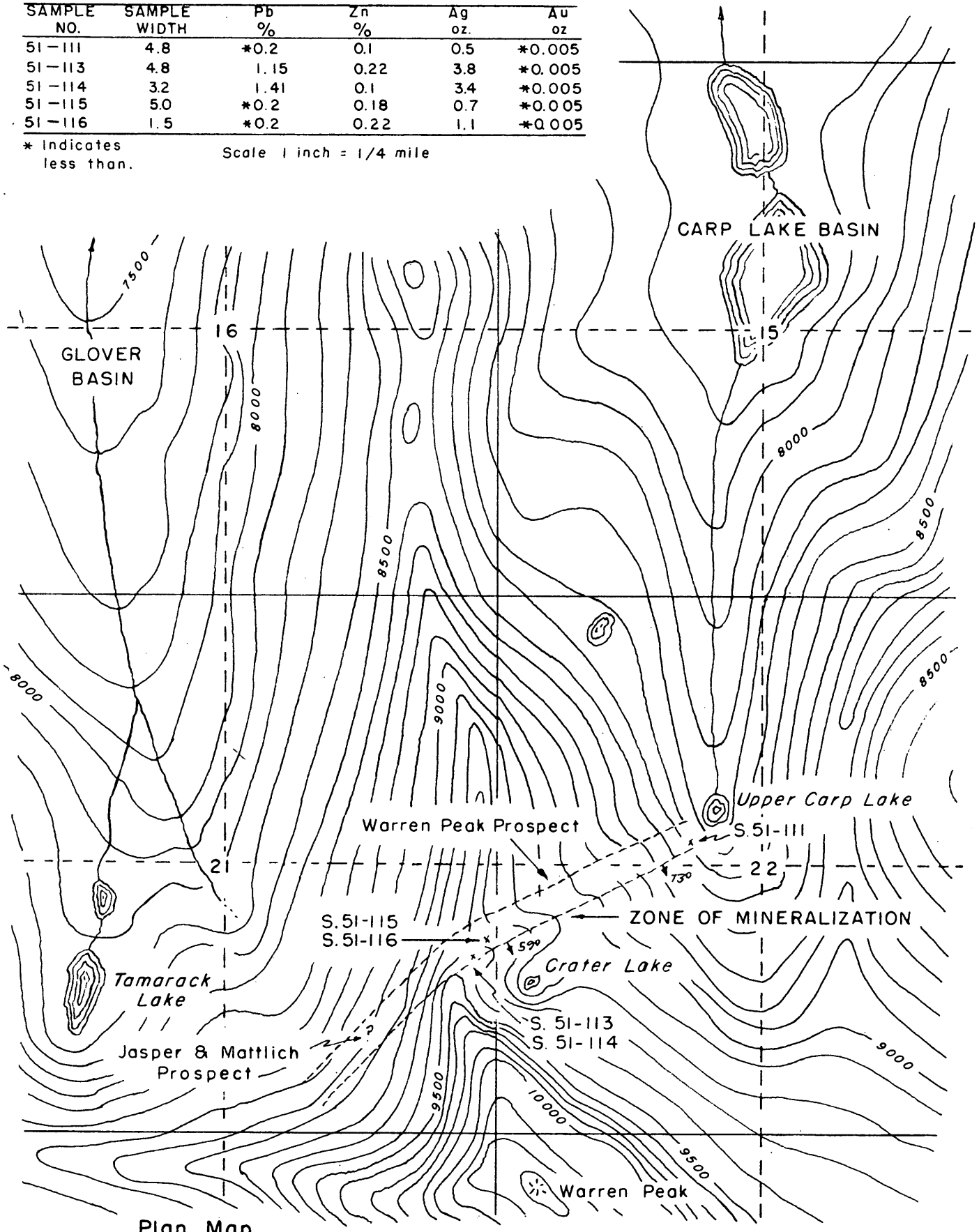
The proposed project appears to present a reasonable exploration risk. The strong shear zone, traversing both granodiorite and limestones, offers an attractive target for exploration. The presence within this zone of quartz-galena veins merits full investigation. Such investigation, however, undoubtedly has been retarded by the prospect's relative inaccessibility.

SAMPLE DATA

SAMPLE NO.	SAMPLE WIDTH	Pb %	Zn %	Ag oz.	Au oz
51-111	4.8	*0.2	0.1	0.5	*0.005
51-113	4.8	1.15	0.22	3.8	*0.005
51-114	3.2	1.41	0.1	3.4	*0.005
51-115	5.0	*0.2	0.18	0.7	*0.005
51-116	1.5	*0.2	0.22	1.1	*0.005

* Indicates less than.

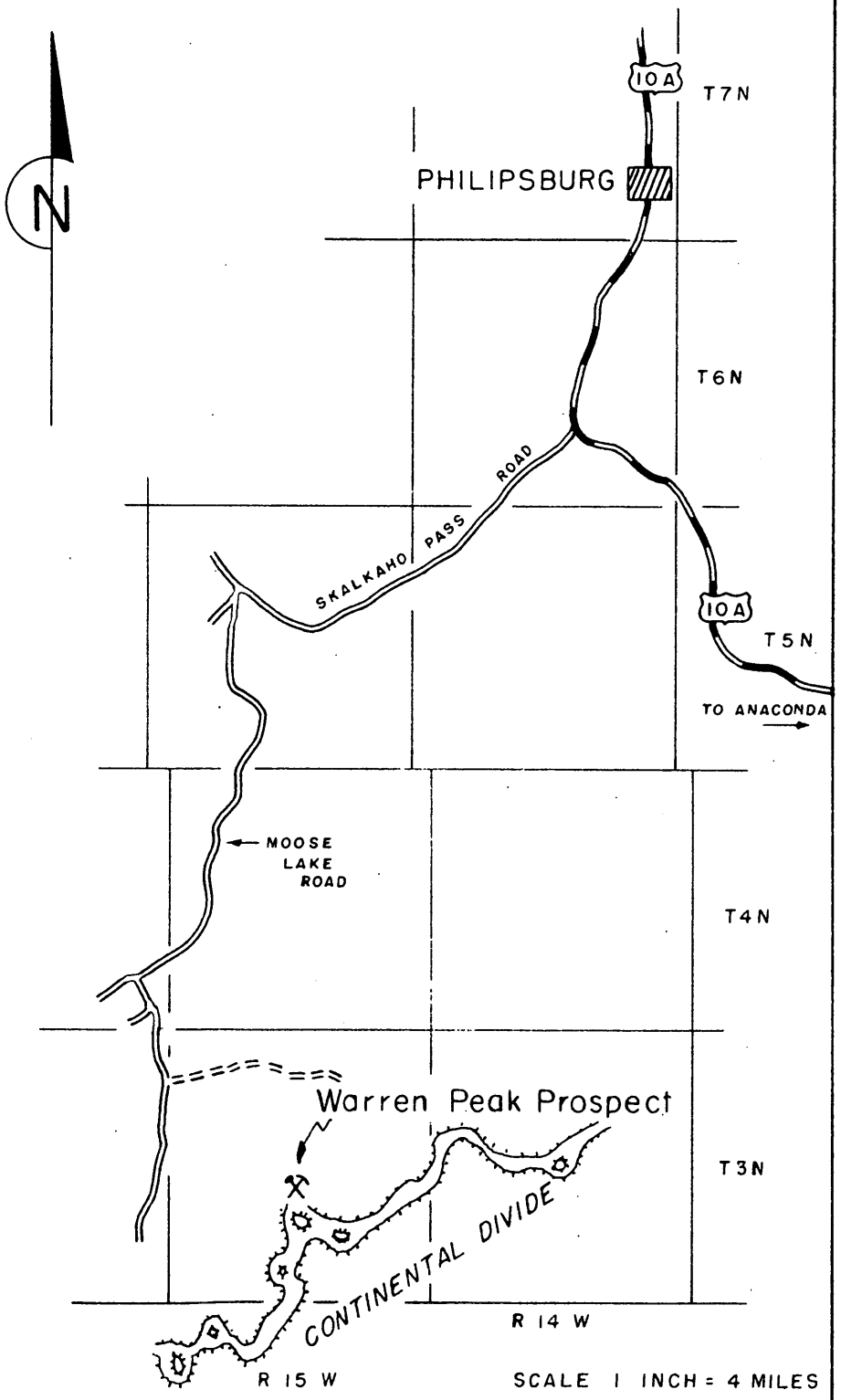
Scale 1 inch = 1/4 mile



Plan Map

FROM U.S.G.S. AND U.S.F.S MAPS—SECTION LINES PROJECTED

Defense Minerals Administration—Docket No. 1934



Location Map.

Warren Peak Prospect, Granite County, Montana.

OCT 2 [illegible]

Mr. A. E. Weissenborn
Executive Officer, Field Team II
South 157 Howard Street
Spokane 8, Washington

1934

Molybdenum

Angus A. McDonald, Philipsburg, Montana

Tom Lyon

Lowell B. Moon

T. P. Thayer

FILE COPY
SURNAME:

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

Waugh
Gowen
Kirkham
Mahan
Thayer
Moon

OCT 2 1951

Mr. Angus A. McDonald
Philipsburg, Montana

Re: Docket No. DMA-1935

Dear Mr. McDonald:

This is to inform you that your application for aid for underexploration project has been referred to the field team for further study. You will hear from Mr. A. E. Weissenborn, Executive Officer, Field Team Region II or one of his staff when they are ready to visit your property.

Very truly yours,

SIGNED S.F. 10-2

Tom Lyon, Director
Supply Division

RVWaugh:ex
9/13/51

Copy to: Administrator's Reading File
Executive Officer, DMA Field Team II
Coordinating Committee
Mr. Gowen
Mr. C.H.Johnson
D. MacLaren
Mr. Billings
Files DMA Docket

6/5/51

9-12-56

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 1934

Commodity MOLYBDENUM-LEAD

Total Amount $20,000.00

Govt. Participation $10,000.00

1. Name and Address of Applicant ANGUS A. MC DONALD
PHILIPSBURG, MONTANA

2. Location of Property SEC 15 & 27 T 3N, R 15W MOOSE
LAKE MINING DIST. GRANITE COUNTY, MONTANA

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

If not, application will be rejected.

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

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

a) Good

b) Poor

c) None

d) Don't know—needs field examination ✓

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

5. Is the applicant's right to the property clearly stated? YES - OWNER
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? —

Does the lease have sufficient time to run to cover a future

productive period? —

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201? —

b) MF-202 —

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

a) Available manpower Dont know the number of men to work

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

c) Accessibility (question 12)* No

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? Yes - Road

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

Is a field check needed on this point? No

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

a) Is the project adequately described? No

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

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

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? ~~All except Road Building~~ Yes

If not, what part of it is? ~~Same~~

Is this part a worthwhile exploration project? YES

d) Are the cost estimates detailed? YES

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

e) Are the cost estimates reasonable? YES

f) Should more information be requested from applicant? ~~YES~~ MAP Better description of project

g) Is a field examination necessary to complete Exhibit A? YES Number of men working & months, working days

11. Exhibit B (question 23-d)*

a) Is it applicable? YES

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

c) Is a field check needed? NO

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

a) Is it applicable? Esq not applicable for

b) Sufficient data? ~~YES~~ NO If so, attach a draft.

c) Are rents and charges reasonable? Can't tell

d) Is a field check needed? YES

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

a) Are there sufficient data? NO

b) Is the schedule adequate for the work proposed? Don't know number of men to work or how many work days or months

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

d) Are the proposed wages and salaries reasonable? NO Don't need a book keeper

e) Is a field check needed? YES

EXIBIT A

21 The applicant proposes to drive a 100 ft 5'x7' adit on Sunbeam #2 to reach in commercial ore. - 12 MONTHS

LABOR - MINERS @ 12.50/DAY	
SUPERVISORS	$6780.00
CONSTRUCTION	750.00
SUPPLIES	1890.00
RENTAL OF BULLDOZER	1000.00

23 d. CONSTRUCTION OF COMPRESSOR HOUSE	$750.00
e. NOT APPLICABLE	
f. RENTAL OF BULLDOZER	1000.00
g. NO APPLICABLE	
h. POWDER, FUSE & CAPS	1200.00
BITS - 200 @ $.45	90.00
GASOLINE	600.00
a. MINERS @ $12.50	
b. SUPERVISOR @ $325/MO.	$3900.00
ONE BOOKEPER @ 240/MO	2880.00
c. NO APPLICABLE	

14. Exhibit E (question 23-c)*

a) Is it applicable? No

b) Sufficient data? —

c) Reasonable? —

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? Can't judge - don't know number of miners to work a number of days per week.

(All exploration must be completed within two years)

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

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? ~~Should submit report from Jackson Lect.~~ Check feasibility + geology. Applicant mentions 300' of drifting in question 24 but makes no mention of this in question 21 describing the project.

Reviewed by: R. Waugh
D.R. MacPaven
R.W. Hutchison
J.B. Gower

Date 9/12/51

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

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

So. 157 Howard Street
Spokane 4, Washington

Dm A
1984

August 3, 1951

Mr. Landon F. Strobel
Executive Secretary
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 7 1951

Dear Mr. Strobel:

Enclosed herewith are three copies of a typed application for an exploration contract concerning a molybdenum lead property in the Moose Lake Mining District thirty miles southwest of Philipsburg, Montana. The application is submitted by Mr. Angus A. McDonald, Philipsburg, Montana. One copy of the application is being held in this office in order to expedite a field investigation.

The application is unusual in that it is a typed copy, but it appears to contain all pertinent data normally included in Form MF-103. In the event the Washington DMA office would require this application to be submitted on the proper form, please advise and we will forward the forms together with our copy of the application to the applicant.

Very truly yours,

Thor H. Kiilsgaard

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures