See agreement in E 247, DMEA 2292; AMERICAN ALLOY METALS INC.
(Combining E 105 and E 127. - DMEA 1951)

400

FILE COPY
SURNAME:

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

Selfridge
Chambers
Hatthwel
Hedges
Lemmon
H Johnson

CERTIFICATION BY THE UNITED STATES OF AMERICA OF A DISCOVERY OR DEVELOPMENT UNDER AN EXPLORATION PROJECT CONTRACT

To: American Alloys Metals, Inc., a Nevada corporation, with principal offices at 1 Montgomery Street, San Francisco, California.

Pursuant to the provisions of Exploration Project Contract No. Idm-E127, dated August 24, 1951 (Docket No. DMA 1951X), hereinafter called the "Contract", between you and the United States of America, hereinafter called the "Government", to establish and fix the claim and lien of the Government under the terms of the Contract, the Government hereby certifies that a discovery or development has resulted from the work under the Contract from which commercial production of ore may be made, in or upon that certain property situated in the State of Montana, County of Beaverhead, described as follows: The Ivanhoe Lode Mining Claim situated in Lot No. 37, Township 4 South, Range 10 West, M.P.M.

The Government's estimate of said discovery or development is particularly described and delinited as follows:

Tungsten in the form of scheelite-powellite occurs in a series of tactite members in a body of metamorphic rocks underlain by igneous intrusives. Diamond core drilling has partly explored the tactite and indicated the presence of tungsten of ore grade.

THE UNITED STATES OF AMERICA

4/29

By C O Mittendorf
Acting Administrator
Defense Minerals Exploration Administration

Dated: April 28, 1952

GCSelfridge:ls 4/28/52

cc: Docket
Admn. Reading File
Field Team, Region II
G. C. Selfridge
J. L. Chambers
Operating Committee
D. M. Lemmon, USGS
J. M. Hedges, USBM
Jess Larson, DMPA Administrator
Mrs. Edith Terry, Room 2520
Frank E. Johnson

MF-200
(June 1951)

Docket No. DMA 1951X
Commodity Tungsten
DMA-127

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 24 day of August, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] American Alloys Metals, Inc.
1 Montgomery Street
San Francisco, California

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 Beaverhead described as follows: [3]

See Appendix I attached hereto.

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:~~

Appendix II, Guaranty,

(*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 Thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] tungsten ore; 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] four (4) 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 75 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $16,495.35, which is 75 percent of the agreed estimated total cost of this project, $21,993.00.

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.

American Alloys Metals, Inc.
(Operator)

By Frank Schelberger V.P.

THE UNITED STATES OF AMERICA

By C O Mittendorf
Director, Production Expansion Division
Defense Minerals Administration

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

EXHIBIT A - Exploration Project

The exploration program consists of diamond drilling six holes totaling 2000 feet on the Ivanhoe Lode Mining Claim situated in Lot 37, T4S, R10W, Beaverhead County, Montana, which is a portion of the property described in Appendix I attached. In addition to the actual drilling, repair of present camp buildings, repair of road to property and building of access road to drilling sites are required for the project.

Estimated costs of the project are as follows:

(1)	Diamond drilling 2000 feet @ $7.75 per foot	$15,500.00
(2)	Bulldozer 100 hours @ $15.00 per hour	1,500.00
(3)	Labor, 40 shifts @ $14.00 per shift	560.00
(4)	Supervision, 1 @ $600 per month for 2 months	1,200.00
(5)	Repair of buildings	1,000.00
(6)	Equipment to be rented by operator	433.80
(7)	Sampling, assaying and miscellaneous supplies	1,800.00
	Total	$21,993.80

(1) The diamond drilling is to be done on contract at an estimated cost of $7.75 per foot and contract is subject to Government approval prior to starting of work.

(2) A bulldozer is to be rented at a rate of $15 per hour including operator, supplies, repairs and maintenance, and is allowable to a maximum of $1500.

(3) Labor to consist of miner and common laborers @ $14.00 per day, as required for road and building repair, to a maximum of 40 days.

(5) Repair of existing camp buildings required for crew is detailed and allowable as follows:

Water line to cook house	$ 400.00
Replace window frames and glass	150.00
Repair of building frames	100.00
Repair of building roofs	100.00
Insulation of cook house and other buildings as required	250.00
Total	$1,000.00

(6) Equipment to be rented by the company is listed and allowable as follows:

Compressor	$164.00	per month
Rock Drill	36.00	" "
Hose and Steel	16.90	" "
Total	$216.90	

Maximum rental period allowable to be two months.

Cost of fixtures and improvements and cost of rehabilitation and repairs other than specified above shall not be allowable under this contract.

C O P Y

APPENDIX I

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned are the assignees of the lessee under that certain mining lease by and between FLUORESCENT MINES, a Montana corporation, as lessor, and E. L. CLEVELAND, as lessee, dated January 17, 1951, and covering the following described mining claims situate in the Vipond Mining District of Beaverhead County, Montana:

"STAR NO. 1" Mining Claim as located January 23, 1943, the Certificate of Location thereof being recorded in Book 101 of Lode Locations at pages 380 and 381 thereof, official records of Beaverhead County, Montana;

"STAR NO. 2" Mining Claim, as located January 23, 1943, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 381 and 382 thereof, official records of Beaverhead County, Montana;

"STAR NO. 3" Mining Claim as located January 23, 1943, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 382 and 383 thereof, official records of Beaverhead County, Montana;

"BLACK BOTTLE" Mining Claim, as located August 26, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 358 and 359 thereof, official records of Beaverhead County, Montana;

"LOST COPPER" Mining Claim, as located July 15, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 342 and 343 thereof, official records of Beaverhead County, Montana;

"TIN HORN" Mining Claim, as located August 12, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 351 and 352 thereof, official records of Beaverhead County, Montana;

"LONE EAGLE" Mining Claim, as located August 25, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at page 357 thereof, official records of Beaverhead County, Montana;

"GRANIT" Mining Claim, as located August 12, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 353 and 354 thereof, official records of Beaverhead County, Montana;

"RED RASPBERRY" Mining Claim, as located August 26, 1942, the certificate of Location thereof being recorded in Book 101 of Lode Locat ions, at pages 359 and 360 thereof, official records of Beaverhead County, Montana;

"RED METAL" Mining Claim, as located August 12, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 352 and 353 thereof, official records of Beaverhead County, Montana;

"TRAIL NO. 1" Mining Claim, as located August 15, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at page 356 thereof, official records of Beaverhead County, Montana;

"HIGH BOY" Mining Claim, as located August 20, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 354 and 355 thereof, official records of Beaverhead County, Montana;

"LONESOME" Mining Claim, as located August 25, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 357 and 358 thereof, official records of Beaverhead County, Montana;

"MAMMOTH" Mining Claim, as located August 20, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 355 and 356 thereof, official records of Beaverhead County, Montana;

"GARNET" Mining Claim, as located July 20, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 249 and 250 thereof, official records of Beaverhead County, Montana;

"FOX" Mining Claim, as located July 15, 1942, the Certificate of Location thereof being recorded in Book 101 of Lode Locations, at pages 341 and 342 thereof, official records of Beaverhead County, Montana; and

WHEREAS, the undersigned are the assignees of the lessee under that certain agreement and lease by and

between GEORGE W. FARLIN, lessor, and E. L. CLEVELAND, lessee, dated May 26, 1951, and covering the Ivanhoe Lode Mining Claim, Lode No. 37 located in Township 4 South of Range 10 West, M.P.M. and situated in Beaverhead County, State of Montana; and

WHEREAS, the undersigned are the assignees of that certain option to buy real property given on June 13, 1951 by R. C. McLAUGHLIN to E. L. CLEVELAND, and covering the property known as Browns Lake, situate in Beaverhead County, Montana, and more particularly described as follows:

> Beginning at corner No. 1, a red fir tree twenty-four inches in diameter marked 1-4596, from which a red fir tree ten inches in diameter marked 1-4596 B.T. bears south twenty degrees and thirty minutes east nineteen feet distant; a red fir tree thirteen inches in diameter marked 1-4596 B.T. bears north sixty-eight degrees and thirty minutes east twenty-seven feet distant, and Initial Point No. 1, bears south thirty-eight degrees and thirty minutes west two thousand and eighty-three feet distant.
> Thence, first course, magnetic variation eighteen degrees and thirty minutes east, north sixty-five degrees and thirteen minutes east one thousand three hundred and seventy-three and three tenths feet to corner No. 2.
> Thence second course, magnetic variation eighteen degrees and thirty minutes east, north forty-eight degrees and five minutes west six hundred and fifty feet the west end of No. 1 excavation, seven hundred and fifty feet to corner No. 3.
> Thence, third course, magnetic variation eighteen degrees and fifteen minutes east, north eight-five degrees and twenty minutes east one thousand five hundred and thirty-seven and four tenths feet to corner No. 4.
> Thence fourth course, magnetic variation seventeen degrees and thirty minutes east, south forty-two degrees and thirty minutes east seventy-five feet to corner No. 5.
> Thence, fifth course, magnetic variation seventeen degrees and fifteen minutes east, north seventy-five degrees and nine minutes east two hundred and sixty-two feet to corner No. 6.
> Thence, sixth course, magnetic variation eighteen degrees and thirty minutes east, south eighty-three degrees and twenty-two minutes east four hundred and fifty-seven feet to a point from which the center of No. 4 excavation bears south fifty-eight degrees west

one hundred and twenty feet distant; and the north-east corner of a dam across Rock Creek bears south twenty-four degrees and thirty-eight minutes west two hundred and forty-four feet distant; five hundred and ninety-nine feet to corner No. 7.
Thence, seventh course, magnetic variation eighteen degrees and fifteen minutes east, south twenty-three degrees and fifteen minutes east fifty-five feet to said Rock Creek; five hundred and eighty-nine feet to corner No. 8.
Thence, eighth course, magnetic variation eighteen degrees and thirty minutes east, south forty-nine degrees and thirty-five minutes west three hundred and fifty-five feet to corner No. 9.
Thence, ninth course, magnetic variation eighteen degrees and fifteen minutes east, south eight-six degrees and thirty-two minutes west one hundred and fifteen feet croppings of lime rock; nine hundred and seventy-three and eight-tenths feet to corner No. 10, from which corner No. 2 of this survey bears north seventy-three degrees and ten minutes west nine hundred and two feet distant.
Thence, tenth course, magnetic variation eighteen degrees and fifteen minutes east, south forty degrees and twenty-four minutes west, one hundred and eighty-five feet croppings of lime rock; five hundred and eighty-two feet to corner No. 11.
Thence, eleventh course, magnetic variation eighteen degrees east, south sixty-six degrees and forty minutes west seven hundred and twenty-three feet croppings of lime rock; one thousand seven hundred and thirty -two feet to corner No. 12.
Thence, twelfth course, magnetic variation eighteen degrees east north nine degrees and fifty-five minutes west four hundred and ninety feet to said Rock Creek; eight hundred and twenty-seven feet to Corner No. 1, the place of beginning, containing 73.78 acres, more or less;

NOW, THEREFORE, the undersigned, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable considerations to them paid, receipt whereof is hereby acknowledged, hereby sell, release, quit claim and assign unto AMERICAN ALLOY METALS, INC., a Nevada corporation, its successors and assigns forever, all of our right, title and interest in and to the aforesaid leases, agreements and options.

IN WITNESS WHEREOF, we have hereunto set our

hands this 20th day of August, 1951.

(S) Estey A. Julian
Estey A. Julian

(S) Frank Eichelberger
Frank Eichelberger

(S) E. L. Cleveland
E. L. Cleveland

STATE OF California)
) ss.
County of San Francisco)

On this 20th day of August, 1951, before me, Eugene P. Jones, a Notary Public in and for the County of San Francisco, residing therein, duly commissioned and sworn, personally appeared ESTEY A. JULIAN, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in the County of San Francisco, the day and year in the certificate first above written.

(s) Eugene P. Jones
NOTARY PUBLIC
in and for the County of San Francisco,
State of California.

(SEAL)

STATE OF Washington)
) SS.
County of Spokane)

On this 9 day of August , 1951, before me, E. E. Ellersick , a Notary Public in and for the County of Spokane , residing therein, duly commissioned and sworn, personally appeared FRANK EICHELBERGER, known to me to be the person whose name is subscribed t o the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in the County of Spokane , the day and year in this certificate first above written.

(S) E. E. Ellersick
NOTARY PUBLIC
in and for the County of Spokane
State of Washington.

(Seal)

STATE OF Nevada)
) ss.
County of Washoe)

On this 15th day of August, 1951, before me, Oliver C. Custer, a Notary Public in and for the County of Washoe, residing therein, duly commissioned and sworn, personally appeared E. L. CLEVELAND, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in the County of Washoe, the day and year in this certificate first above written.

(S) Oliver C. Custer
NOTARY PUBLIC
in and for the County of Washoe
State of Nevada.

My commission expires February 10, ????

(Seal)

APPENDIX II

G U A R A N T Y

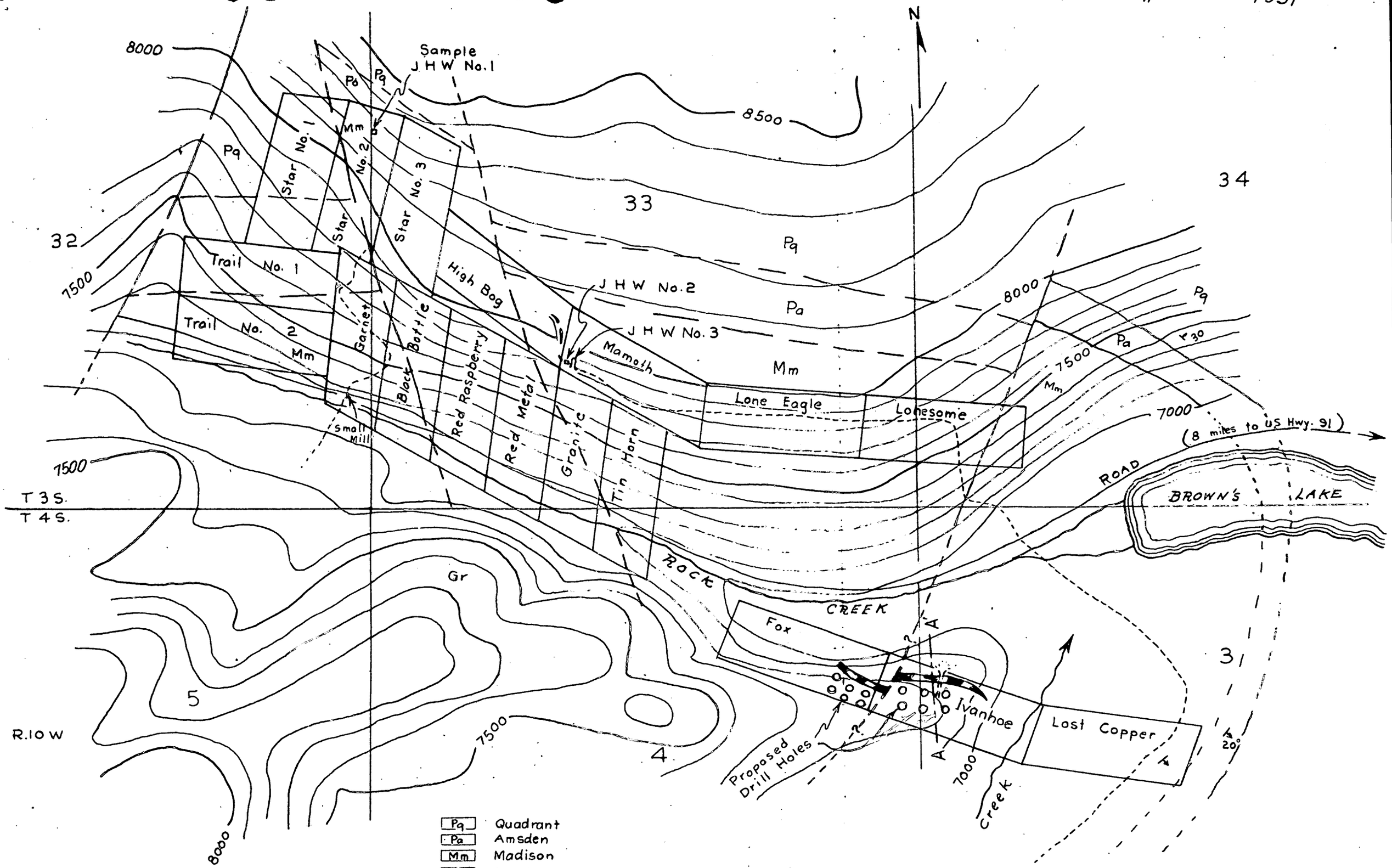
In consideration of the waiver by the United States of America of the requirement of a landlord's subordination agreement as set forth in paragraph 2(b) of the attached Exploration Project Contract between the undersigned and the United States of America, the undersigned hereby guarantees the payment to the United States of America of royalties, as specified in paragraph 15 of said Contract, upon any and all ore discovered or developed as a result of said Contract, which is mined within 10 years from the date of said Contract, whether or not the undersigned has any interest in the property covered by the said Contract or any part in the mining operations at the time said ore is mined. If for any reason the net smelter returns from operations that would be subject under said contract to such payments to the United States of America are not available as a means of measuring the amount of such payment, then the undersigned agrees and undertakes to make such payment according to the best estimates of the amount that can reasonably be made, and in the event of dispute as to such estimate, the undersigned agrees that the determination thereof by either the Administrator of Defense Minerals Administration or by the Director of the United States Bureau of Mines shall be final and binding upon the undersigned; provided, however, that should undersigned, prior to the accrual of any obligation to pay under this guarantee, furnish to the United States the subordination agreement required by paragraph 2(b) of said contract this covenant shall thereupon become fully satisfied and of no further force or effect.

Dated this 23d day of August 1951.

American Alloys Metals, Inc.

Frank Eichelberger V.P.

DMC DOCKET No. 148
" " " 1951



Scale 1" = 1000'

Brown's Lake Tungsten Deposit

Beaverhead County, Mont.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1951

Date received 8-13-51

Participation

American Alloys Metals, Inc.
Suite 1223
No. 1 Montgomery Street
San Francisco, California

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application August 14, 1951

Estimated cost $21,993.80

Mineral or metal Tungsten

Percentage of Government participation 75%

Location of mine Browns Lake, Beaverhead County, Montana

Lot 37, T 4 S, R 10 W

Date of filing MF-100

DMA Docket Number, if available 1951

INSTRUCTIONS

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

THE APPLICANT

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

*2. If a partnership, state names and addresses of partners. None

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders. See attached Sheet #1.

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. See attached Sheet #2.

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

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

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

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

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. See attached Sheet #3.

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)? See attached Sheet #4.

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

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property. See attached Sheet #5.

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

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

*11. State the present and former names of the property, if any. See attached Sheet #6.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads. See attached Sheet #7.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. See attached Sheet #8. State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. See attached Sheet #9.

15. State in detail how the ore could be shipped and how and where milled. See attached Sheet #10.

*16. History: See attached Sheet #11.

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

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

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

*17. Production: Not in production.

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

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

*18. Ore or mineral reserves: (If property is or has been operating.) See attached Sheet #12.

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

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

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

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions. None.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? See attached Sheet #13.

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. See attached Sheet #14.

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

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data. See attached Sheet #15.

THE REQUIREMENTS AND COSTS

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

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each. See attached Sheet #16.

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

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

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

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

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

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

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

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

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent. See attached Sheet #17.

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.

American Alloys Metals, Inc.
(Name of company)

By Frank Uchelberger
(Signature of authorized official)

Aug 14 1951
(Date)

Vice President.
(Title)

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

*Same as footnote on page 1.

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

Form MF-103

American Alloys Metals, Inc.

Sheet #1.

3.	Estey A. Julian	President and Director	Suite 1223, No. 1 Montgomery Street San Francisco, California
	Willis A. Swan	Secretary and Treasurer	Suite 1223, No. 1 Montgomery Street San Francisco, California
	E. L. Cleveland	Director	Post Office Box 2267 Reno, Nevada
	Frank Eichelberger	Vice President and Director	401 Symons Building Spokane 4, Washington

These are the only stockholders.

MF-103

American Alloys Metals, Inc.

Sheet #2.

4. Estey A. Julian, the president, has been engaged in mining for 45 years. He is a graduate of William Jewel and Raleigh School of Mines. He is vice president and general manager of The Goldfield Consolidated Mines Company, and has many other titles and activities.

Frank Eichelberger, vice president and general manager, has been engaged in mining for 43 years. He is a graduate of Ohio State and Michigan College of Mines.

Both Mr. Julian and Mr. Eichelberger's records can be found in any volume of "Who's Who in Engineering and Industry."

MF-103

American Alloys Metals, Inc.

Sheet #3

8. Company was formed in Nevada in 1950. It has neither assets nor liabilities, so hence has no profit and loss statement.

MF-103

American Alloys Metals, Inc.

Sheet #4

9. We are prepared to invest in the property up to $20,000.00, and this is sufficient to pay part of the cost as detailed in Question 23.

MF-103

American Alloys Metals, Inc.

Sheet #5

10. a. There is no real property.

b. Ivanhoe Mining Claim situated in Lot 37, Township 4 South, Range 10 West, Beaverhead County, Montana.

Applicant is also developing the claims of the Fluorescent Mining Company, and is willing to subordinate the net earnings from this property to repay the cost of the government participation in this operation.

MF-103

American Alloys Metals, Inc.

Sheet #6

11. The present and only name of the property is the Ivanhoe Quartz Mining Claim.

MF-103

American Alloys Metals, Inc.

Sheet #7

12. The property is located about 15 miles southwest of Melrose, Montana, a shipping point on the Union Pacific Railway, OSL Division. It is reached by 7-1/2 miles south of Melrose on U. S. Highway 91, and then 7-1/2 miles over County and Forest Service road to the property.

The nearest railroad siding from the property is Glen, 8-1/2 miles. At Glen there is a post office and general store. Highway 91 is a hard-surfaced, paved road in excellent condition, and the access road to the property is a County road for two miles and Forest Service road for 5-1/2 miles, and the condition of this road is good.

MF-103

American Alloys Metals, Inc.

Sheet #8

13. Rock Creek runs past the property and empties into Browns Lake, so there is sufficient water for any purpose during the entire year. The closest source of power is the Montana Power Company, power lines 6-1/2 miles distant, where it crosses the access road to the mine.

MF-103

American Alloys Metals, Inc.

Sheet #9

14. There are five old buildings at the foot of Browns Lake, which have been used for a fishing resort. This resort has been purchased at a cost of $8,000.00, and the rehabilitation work as outlined in the attached schedule will put them in good condition for occupancy.

MF-103

American Alloys Metals, Inc.

Sheet #10

15. Ore could be hauled from the workings of the property to a mill to be located above Browns Lake, where mill will have to be built to beneficiate the ore.

MF-103

American Alloys Metals, Inc.

Sheet #11

16. a. The history of the property is a meager one. During the first World War considerable workings were opened for the purpose of mining a thin seam of copper ore on the hanging wall of the ore bed. No known record exists of the production, but it must have been rather small and probably unprofitable. The presence of tungsten was unknown.

b. There is no known history of production from the surrounding properties, although a great deal of exploration work in the form of small tunnels and openings has been done.

c. Report of Walter E. Bauer, geologist of Salt Lake City, Utah, was submitted with the application for Fluorescent Mining Company properties, and is available for this application, along with the metallurgical investigations.

MF-103

American Alloys Metals, Inc.

Sheet #12

18. a. Tungsten ore occurs in a tactite bed from 50 to 60 feet thick, and known to outcrop on the property for a distance of approximately 500 feet. The ore is scheelite.

b. The U. S. Geological Survey has done some sampling on the property and their report is available.

c. There is only one class of ore reserves and the estimated tonnage is upwards of one million tons of 1/2 per cent WO_3.

MF-103

American Alloys Metals, Inc.

Sheet #13

20. The mineral is scheelite and the exploration will be conducted to prove the extent of the tactite orebody.

MF-103

American Alloys Metals, Inc.

Sheet #14

21. It is proposed to diamond drill the deposit as shown on the accompanying map, in order to prove its continuity down dip beyond that which was proved by the former owners in mining for copper ore. These workings were sampled by the U. S. Geological Survey and the U. S. Bureau of Mines, and their reports are available.

MF-103

American Alloys Metals, Inc.

Sheet #15

22. The accompanying map shows the location of the Ivanhoe and adjoining claims. It should be noted on these maps that the orebodies outcrop boldly on the outside of the cliffs and can be easily sampled and explored. Note Bauer's report accompanying Application No. 148.

MF-103

American Alloys Metals, Inc.

Sheet #16

23. a. Labor used will be miners, and bulldozers to get a road to the property. Also some common labor will be used in clearing the right-of-way.

Bulldozing--100 hours @ $15.00 per hour		$ 1,500.00
(This is the going rate in the district)		
Labor--40 shifts @ $14.00 per day		560.00

b. Supervisors--one @ $600.00 per month for two months 1,200.00

c. $1,000.00 has been allocated for the repair of existing camp buildings, detailed as follows:

1. Putting in water to the cook house at camp buildings	$ 400.00	
2. Replacing window sash and window lights	150.00	
3. Jacking up buildings and putting in some new sills	100.00	
4. Repairing of roofs	100.00	
5. Lining cook house and other buildings where necessary	250.00	
		1,000.00

d. None.

e. Rental of compressor, rock drills, hose, and steel, as detailed

f.

Rental of Compressor	$ 164.00	
Rock Drill	36.00	
100 Feet Hose	14.10	
Steel	2.80	
per month	$ 216.90	433.80 (2 months)

g. None

h. Oil, gasoline, powder caps and fuse--estimate 800.00

i. Diamond drilling--2,000 feet @ $7.75 per foot 15,500.00
(as per letter enclosed)
Sampling and assaying 1,000.00

Total $21,993.80

MF-103

American Alloys Metals, Inc.

Sheet #17

24. Project will be started immediately upon granting of loan and expected time of finishing is 90 days.

ANNEX ONE

WHEREAS the subordination agreement of the lessor required by Paragraph 2 (B) of the annexed contract has not been obtained covering the Ivanhoe Lode Mining Claim held by Mining Lease and Option Agreement with the American Alloys Metals, Inc., and

WHEREAS the United States of America has agreed to waive requirement of the lessor's subordination agreement,

NOW THEREFORE, in consideration of said exploration project contract and of the effect, the operator hereby undertakes and agrees to pay all sums that may fall due to and owing to the United States of America under the terms of said contract, in the same manner and to the same extent as if the subordination agreement of the lessor had been given.

If, for any reason the net smelter returns from operations as would be subject under said contract to such payments to the government are not available as a means of measuring the amount of such payment, then the operator agrees and undertakes to make such payments according to the best estimates of the amount that can reasonably be made.

And, in the event of dispute as to such estimates, the operator agrees that the determination thereof by either the Administrator of Defense Minerals Administration or by the Director of the U. S. Bureau of Mines shall be final and binding upon the operator, provided, however, that should the operator furnish the United States the subordination agreement required by Paragraph 2 (B) of this contract, then this covenant shall be null and void.

AMERICAN ALLOYS METALS, INC.

Frank Pichelbergen
Vice President

August 2, 1951

The Browns Lake Tungsten (a Partnership)
Suite 401 Symons Building
Spokane, Washington

Gentlemen:

With regard to a proposed diamond drill program on your Ivanhoe Claim at your Browns Lake property near Melrose, Montana.

We understand that you will drill a minimum of 1000 linear feet, holes ranging from 250 ft to 500 ft in depth, AX size, that you will furnish access road to the site including a bridge across Rock Creek and that you will furnish a tractor which will assist in mobilizing our equipment.

Based on the above, we quote you as follows:

Overburden Drilling	- 0 to 75 ft per hole	$12.50 per ft
Core Drilling	- 0 to 500 ft per hole	7.75 per ft

The above quotation provides for our furnishing all material, labor, equipment, water line, pumping plants and diamond bits necessary to complete these holes.

In the event loose and caving material or water courses are encountered that will tend to make drilling impractical without the use of casing or cement, an additional charge of $3.50 per foot will be made for reaming and landing the casing or placing cement and redrilling the cemented section of the hole.

If, upon completion of the contract our cost figures reflect a net profit in excess of 10% of our expenses which include a 12½% overhead, we will refund the difference.

Our employees will be covered by Workmen's Compensation to comply with the State Act and our operation will be covered by Public Liability in the amounts of $100,000 and $300,000 and Property Damage in the amount of $100,000.

Yours very truly,

R. S. McCLINTOCK

RSM/ls

ASSIGNMENT OF MINING LEASE

This Agreement to assign mining lease made and entered into the 24th day of May, 1951 by and between Roscoe C. McLaughlin of Dillon, Montana, hereinafter termed the assignor, and E. L. Cleveland of Reno, Nevada, hereinafter termed the assignee.

WITNESSETH:

1. Assignor, in consideration of the terms and conditions hereinafter set out, hereby assigns to assignee, and assignee in consideration of the said terms and conditions hereby accepts as assignee, that certain "Lease and Bond on 'Ivanhoe Lode Mining Claim' situated in Beaverhead County, State of Montana" dated January 25, 1951 whereby George W. Farlin, as lessor, leased said "Ivanhoe Lode Mining Claim" to Roscoe C. McLaughlin as lessee.

2. Assignor hereby represents that said George W. Farlin, lessor as aforesaid, has by his written consent dated February 14, 1951, consented in writing to the assignment of said lease to assignee.

3. Assignee hereby agrees to fulfill all of the conditions of said lease required of lessee.

4. Assignee agrees to pay to assignor a royalty of one (1%) per cent of the net smelter returns, after deducting the cost of milling and/or smeltering, on all ores mined and extracted from said Ivanhoe Lode Mining Claim until the aggregate amount of royalties so paid to assignor shall amount to $5,000.00; and assignor hereby agrees that when assignee has paid royalties from said Ivanhoe Mining Claim in the total amount of $5,000.00 to assignor, then all of the assignor's interest in said lease and said leased premises shall cease and terminate.

5. Assignee hereby agrees that he will not assign said lease and bond without the written consent of assignor first had and received unless said sum of $5,000.00 has been paid to assignor in royalties as provided in paragraph 4 hereof.

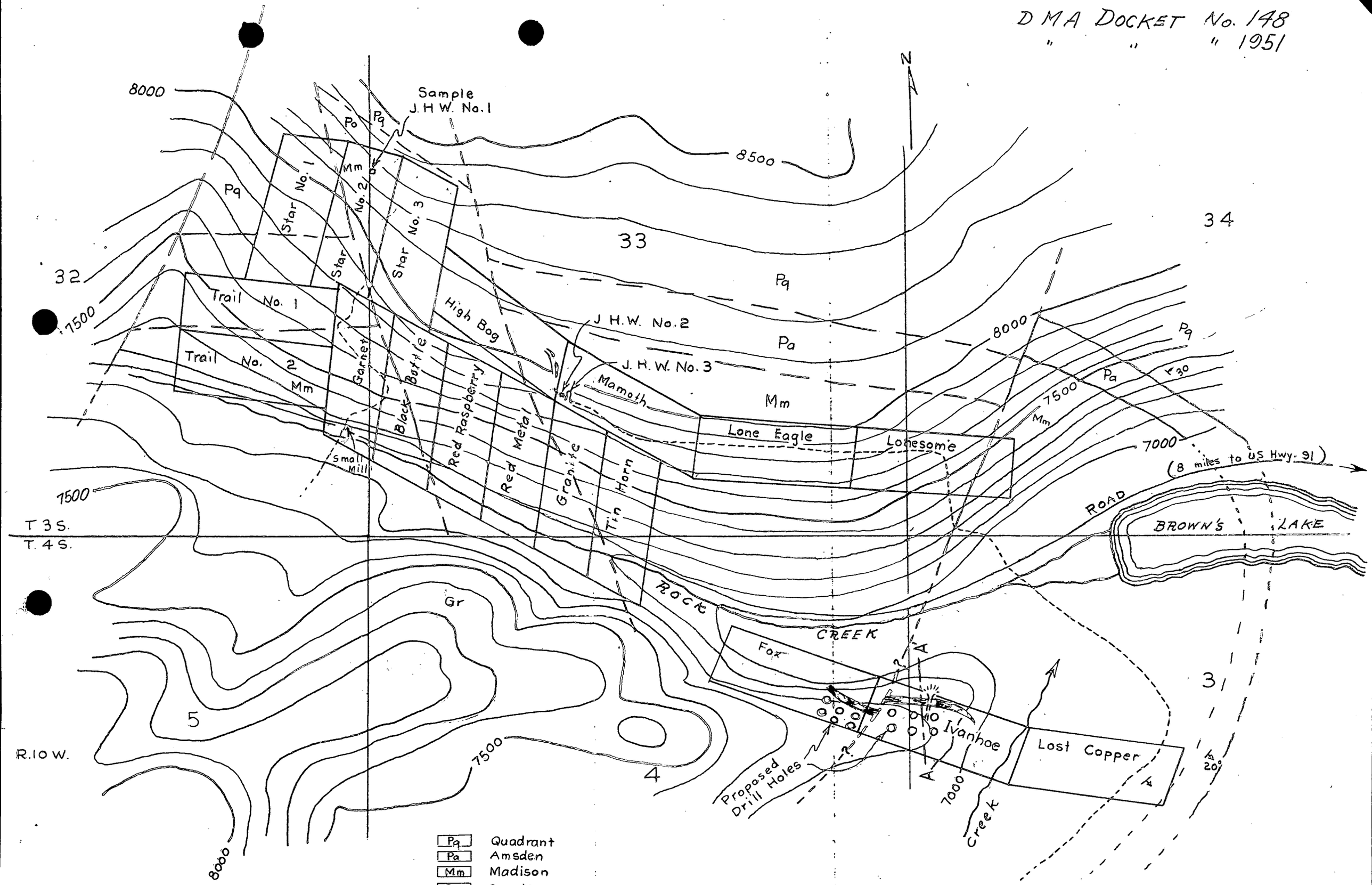
6. Assignee further agrees in the event he does not perform the terms of said lease, that he will immediately reassign said lease to assignor.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first hereinabove written.

Roscoe C. McLaughlin
Assignor

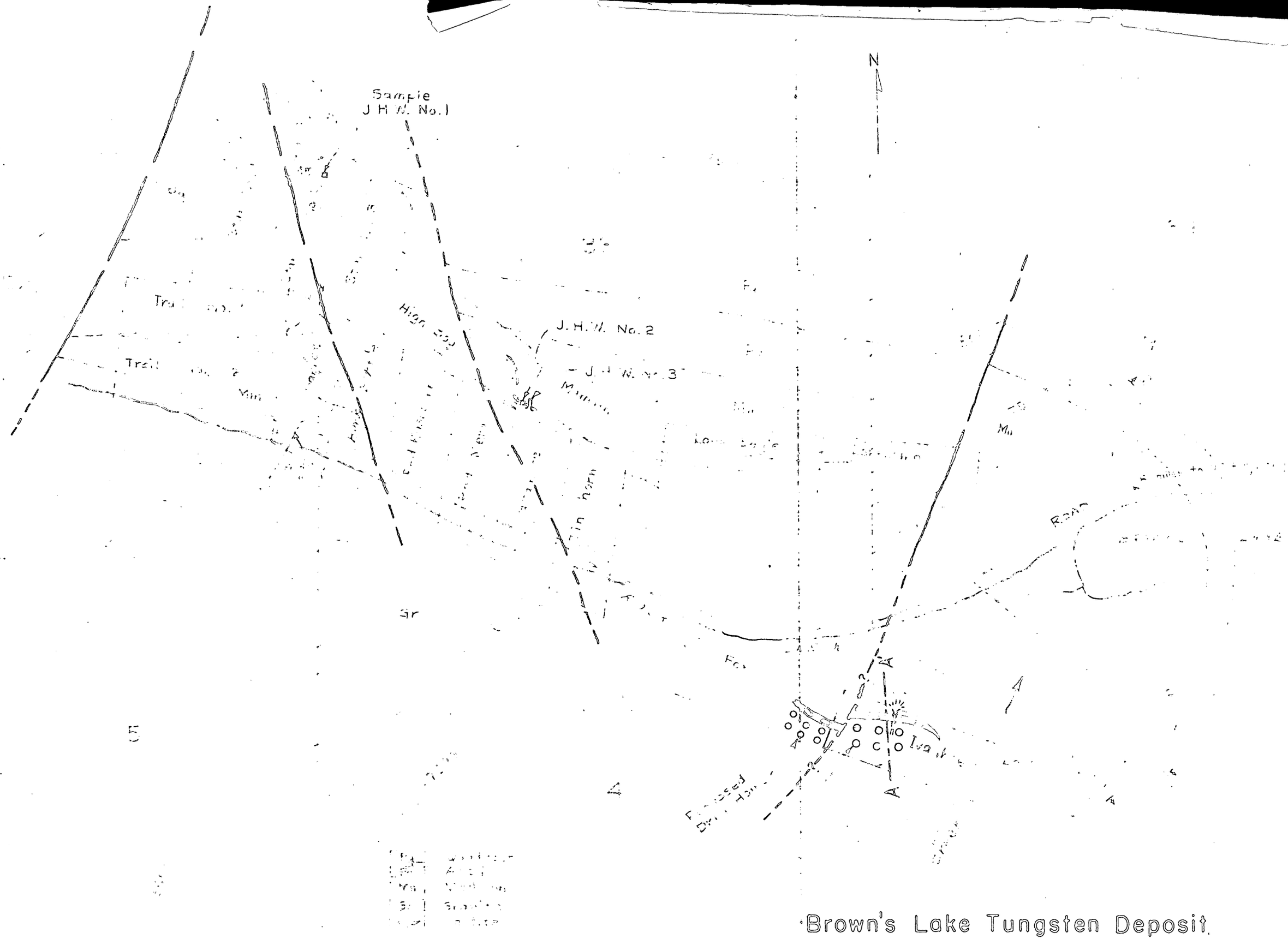
E. L. Cleveland
Assignee

DMA DOCKET No. 148
" " " 1951



Scale 1" = 1000'

Brown's Lake Tungsten Deposit
Beaverhead County, Mont.



Brown's Lake Tungsten Deposit
Beaverhead County, Mont.

COPY AGREEMENT AND LEASE COPY

This agreement made and entered into this 26th day of May, A. D., 1951, by and between: George W. Farlin, of Seattle, Washington, hereinafter termed the Lessor, and E. L. Cleveland, of Reno, Nevada, hereinafter termed the Lessee.

WITNESSETH

Whereas Lessor heretofore and on the 25th day of January, A. D., 1951, entered into a certain "Lease and Bond" agreement with one Roscoe C. McLaughlin of Dillon, Montana, under the terms of which agreement Lessor leased the Ivanhoe Lode Mining Claim located in Beaverhead County, Montana, to said Roscoe C. McLaughlin, for mining purposes; and Whereas said Roscoe C. McLaughlin thereafter assigned said lease to E. L. Cleveland, lessee herein; and Whereas said Lessor and Lessee have agreed to change and modify said lease heretofore entered into by Lessor with said Roscoe C. McLaughlin and by said Roscoe C. McLaughlin assigned to Lessee and to substitute the following lease in place of said lease previously made and entered into; and Whereas said Roscoe C. McLaughlin has agreed that said "Lease and Bond" agreement entered into between himself as Lessee and said George W. Farlin, as Lessor, may be set aside, and that the following agreement, as it pertains to him, is acceptable to him in the place and stead of said former "Lease and Bond" agreement.

NOW, THEREFORE, IT IS MUTUALLY AGREED by and between said lessor and said lessee as follows:

A. That said Lease and Bond on the "Ivanhoe Lode Mining Claim" entered into on the 25th day of January, A. D. 1951 by and between George W. Farlin, Lessor (and Lessor herein) of Seattle, Washington, and Roscoe C. McLaughlin, as Lessee and by said Roscoe C. McLaughlin assigned to E. L. Cleveland, assignee, (and Lessee herein) is hereby terminated and set aside and the Mining Lease hereinafter set out is adopted in its place and stead.

B. That the said Lessor, for and in consideration of the rents, royalties, covenants, and agreements hereinafter contained by said Lessee to be kept and performed specifically at the time and in the manner hereinafter set forth, have let and by these presents do lease and let unto the said Lessee the following described mining claim and mining property, to-wit:

The Ivanhoe Lode Mining Claim, Lot #37, located in Township 4, South of Range 10 West, M. P. M. and situated in Beaverhead County, State of Montana.

To have and to hold unto the said Lessee for the term of six (6) years from date hereof, and expiring on the 26th day of May, 1957, at which time all right of possession and/or interest of the said Lessee shall be fully completed, terminated, and ended unless this Lease is sooner terminated or forfeited by reason of the failure, neglect or refusal of said Lessee to specifically perform each and every term, covenant, and condition herein contained at the time and in the manner as is herein

provided to be performed by the said Lessee. Provided, however, that if at the expiration of the term of this lease said Lessee has faithfully performed the terms and conditions hereof, Lessee shall have the exclusive option of renewing this lease upon the same terms and conditions for a further term of six years; and the further option of renewing this lease upon the same terms and conditions for an additional period of six years at the expiration of said first renewal term. In the event said Lessee shall desire to exercise any of said options to renew this lease, he shall give lessor written notice of his said intention at least 60 days prior to the termination date hereof, or, in the event said option to renew has once been exercised, at least 60 days prior to the termination date of the extended period of this lease, said notice to be addressed to Lessor at 1914 Magnolia Blvd., Seattle, Washington, or at such other place as Lessor shall designate.

In consideration of the execution of this lease by the Lessor to the Lessee, the said Lessee does hereby covenant and agree to and with the said Lessor as follows, to-wit:

1. That Lessee will furnish to the Lessor immediately after sampling, geological and engineering work when completed, copies of all maps and data made showing the locations from which all samples are taken and copies of assay reports of each and every of said ore samples.

2. To well and sufficiently timber tunnel, shafts, drifts or other working points, where proper, in accordance with good mining, and to repair all old timbering wherever it may become necessary. Timber used to be eight inches by eight inches.

3. To allow said Lessor and his agents at all times to enter upon and into all parts of said mine for purposes of inspection and taking samples, with the use of all passages, ropes, windlass, ladderways and all other means of ingress and egress for such purposes.

4. To occupy and hold all cross or parallel lodes, dips, spurs, feeders, crevices, or mineral deposits of any kind, which may be discovered in working under this lease, or in any tunnel run to intersect said "IVANHOE" lode, or by said Lessee, or any person under him, in any manner at any point within one thousand feet of the center line of said lode, as the property of said Lessor; with the privilege to said Lessee of working the same as an appurtenance of said demised premises during the term of this lease; and to not locate or record the same and to endeavor not to allow the same to be located or recorded, except in the name of said Lessor.

5. To keep at all times the drifts, shafts, tunnels and other passages and workings thoroughly drained and clear of loose rock and rubbish of all kinds.

6. To pay promptly, when due, any and all bills for labor, material, supplies, or other things used in and about the mining operation herein, and not to permit any

lien or attachment to be levied against said claims, or either of them, by reason of any act or thing done, made, or suffered by said Lessee; to pay all taxes due or to become due on the property; to carry and keep in force during the term of this lease all compensation, public liability and other insurance, and to operate said property, and the whole thereof, strictly in accordance with any and all laws, rules and regulations of the state of Montana or the United States Federal Government.

7. To pay to said Lessor a royalty of Seven (7) per cent on the net return, of all tungsten ore mined and extracted from said premises. And to pay to said Lessor as royalty Twelve (12%) on the net returns of all other ores (except tungsten ore) mined and extracted from said premises; all settlements to be made upon the smelter, mill or sampler net assay values, deducting therefrom only the actual costs of transportation and treatment if said ores be shipped elsewhere for treatment. In no event shall Lessee deduct any of its costs in preparing the products for shipment. Provided however, that in the event the aggregate return paid to the Lessor for any one of the first six months of the term of this lease shall not amount to $100.00, the Lessee shall pay Lessor such an amount as will, when added to the royalty actually paid Lessor during either or any month of such period, amount to the sum of $100.00; and provided further, that in the event the royalty return paid to the Lessor for any one of the months comprising the second six month period of the term of this lease shall not amount to $200.00, the Lessee shall pay Lessor such an amount as will, when added to the royalty actually paid Lessor during either or any month of such period, amount to the sum of $200.00; and provided further that if the royalty return paid to the Lessor for any one of the subsequent months during the term of this lease shall not amount to $300.00, the Lessee shall pay Lessor such an amount as will, when added to the royalty actually paid Lessor during either or any month of such period, amount to the sum of $300.00. Provided further, however, that Lessee shall not be required to operate said mine nor to guarantee a minimum royalty during the months of December, January, February, March or April of any year during the term of this lease and any six months period, hereinbefore in this paragraph provided for, shall not include either or any of said months unless Lessee shall elect voluntarily to operate said mine due to favorable snow and weather conditions.

8. The Lessee shall keep accurate books of account showing the amount of ore extracted from said property, the amount and to whom the ore shipped, sold or treated, and shall on the 20th day of each month, or as soon thereafter as received, account and pay to the Lessors all royalties received from ores extracted, treated or shipped from said leased premises.

9. That the Lessee shall keep an accurate account of each and every ton of ore mined from said property showing the name of the person, firm or corporation to whom

said ore is shipped or sold, and shall on or before the 20th each month during the term hereof render to the Lessors a complete and accurate account of the production and sale, and will pay or cause to be paid to the Lessors herein their rent and royalty, due hereunder, said payments to be made to the Lessor at any address to be designated by the Lessor. If at any time the Lessor should so request, the Lessee shall cause the purchaser of the products to pay all royalties direct to Lessor.

10. It is further agreed that at the end of the term hereof, or sooner termination of this lease, that the Lessee may remove all machinery and equipment placed by him on said mining property, but all buildings placed by said Lessee on said property shall remain on and become a part of said mining property and belong to the Lessor.

11. It is further agreed between the parties hereto that the Lessee may construct any building necessary for his use on the property of Lessor, and shall have the right to use water for all purposes.

12. To deliver up to the said Lessor the said premises, with the appurtenances and all improvements in good order and condition, with all shafts and tunnels and other passages thoroughly clear of rubbish and drained, as provided herein.

13. That in event of failure to comply with any of the covenants or terms herein the Lessor shall notify the Lessee in writing of such failure, and the Lessee shall have thirty (30) days to correct the same.

14. Lessor hereby warrants unto Lessee that Lessor is the owner of the property leased hereby, free and clear of all adverse liens, claims and encumbrance, excepting only current taxes, and that Lessor will warrant and defend said property against all lawful claims.

15. Lessee may terminate this lease at any time by notice in writing to Lessor and such termination shall be effective at once, making this lease of no further force or effect. Lessee shall, however, pay Lessor all sums due them to the date of such termination.

16. Time is hereby declared to be the essence of this agreement, but Lessee shall be excused from any delays in performance resulting from strikes, acts of God, or other causes reasonably beyond the control of Lessee.

17. Each and every term, clause, covenant, and condition of this lease herein contained shall extend to and include the heirs, executors, administrators or assigns of the Lessor and Lessee.

18. Lessor hereby agrees, in consideration of the acceptance of the foregoing lease and the expenditures to be made thereunder, that the Lessee shall have the exclusive right to purchase the said Ivanhoe Lode Mining Claim, for the sum of Forty Five Thousand Dollars ($45,000.00) lawful money of the United States of America at any

time during the term of this lease or of any extension thereof through the exercising of one of the options to renew said lease granted Lessee under the terms hereof.

19. It is further agreed by and between the parties hereto that all royalties or payments in lieu of royalties paid by Lessee to Lessor, or by any assignee of Lessee, shall apply upon and become a payment in part upon the said purchase price of Forty Five Thousand ($45,000.00) Dollars and shall reduce the purchase price agreed upon by an amount equal to the amount of such royalty and other payments paid by Lessee.

20. Provided, however, that this option hereby given Lessee to purchase said premises for the sum of $45,000.00 shall only be exercised by Lessee or his assigns while this lease is in good standing.

21. And upon the tender of such payment in full, the Lessor will make, execute, acknowledge and deliver at his own cost, a good and sufficient warranty deed conveying the said premises free and clear of all encumbrances.

22. The forfeiture, surrender or termination of the above lease for any cause shall render the foregoing option to purchase void, and the above mentioned payment may not thereafter be tendered.

23. It is further expressly agreed by and between the parties hereto that in the event Lessee or his assigns shall terminate this lease, or in the event Lessor shall terminate this lease under the terms hereof, for any reason, Lessor will immediately tender to Roscoe C. McLaughlin of Dillon, Montana, an assignment of this lease as the same exists on said date and said Roscoe C. McLaughlin shall have 30 days after the date of such tender of assignment to accept or reject said assignment; and in the event said Roscoe C. McLaughlin desires to accept said assignment he shall notify Lessor in writing of his said intention to accept said assignment by depositing such notice in the U. S. Post Office at Dillon, Montana, registered U. S. Mail, postage prepaid, addressed to Lessor at an address to be designated in the said tender of assignment hereinbefore provided for, not less than 5 days prior to the expiration of said 30 day period.

24. In event of any assignment of this lease, a copy thereof shall immediately be sent to the Lessor by registered mail.

IN WITNESS WHEREOF the Lessor and the Lessee have hereunto affixed their signatures the day and year first hereinabove set out.

WITNESS:

/s/ Estey A. Julian

/s/ Carl Kennedy

/s/ Geo. W. Farlin, Lessor

/s/ E. L. Cleveland, Lessee

STATE OF_____)
) ss
County of _____)

On this _____ day of _____, 1951, personally appeared before me, the undersigned, a Notary Public in and for said County of _____, State of _____, _____, George W. Farlin, a single man, known to me to be the person described in and who executed the foregoing AGREEMENT AND LEASE, who acknowledged to me that he executed the same freely and voluntarily, and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in the County of _____, State of _____, the day and year in this certificate first above written.

_____
Notary Public in and for the County of
_____, State of
_____. My commission
expires _____.

STATE OF MONTANA)
) ss
County of Beaverhead)

On this 26th day of May, 1951, personally appeared before me, the undersigned, a Notary Public in and for the said County of Beaverhead, State of Montana, E. L. Cleveland, known to me to be the person described in and who executed the foregoing AGREEMENT AND LEASE, who acknowledged to me that he executed the same, freely and voluntarily, and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in the County of Beaverhead, State of Montana, the day and year in this certificate first above written.

/s/ W. S. Gilbert, Jr.
Notary Public in and for the County of
Beaverhead, State of Montana. My commission expires October 19, 1952.

C
O
P
Y

LEASE AND BOND ON "IVANHOE LODE MINING CLAIM"
Situated in Beaverhead County, State of Montana.

THIS INDENTURE, Made this 25th day of JANUARY, in the year of our Lord One Thousand Nine Hundred Fifty One (1951), by and between GEORGE W. FARLIN, a bachelor, of Seattle, Washington, Lessor and party of the First Part, and ROSCOE C. McLAUGHLIN of Dillon, Montana, LESSEE and Party of the Second Part;

WITNESSETH: That the said lessor (George W. Farlin) for and in consideration of the rents, royalties, covenants and agreements hereinafter reserved and the covenants and agreements hereinafter expressed, and by the said lessee (Roscoe C. McLaughlin) to be kept and performed, has granted, demised and let and by these presents do grant, demise and let unto the said lessee all of the following described Mine and Mining property situated in the County of Beaverhead, State of Montana, to-wit:

The IVANHOE LODE MINING CLAIM,
Lot #37, Township 4 South of Range 10, West, said lode mining claim being situated in the County of Beaverhead, State of Montana, together with the appurtenances thereunto belonging.

to have and to hold to the said LESSEE (Roscow C. McLaughlin) for the term of four years (4) beginning on the 25th day of January, 1951, and expiring on the 24th day of January, 1955, at midnight, unless sooner forfeited or determined through the violation of any covenant hereinafter against the said Lessee (Roscoe C. McLaughlin), reserved.

And in consideration of such demise, the said Lessee does covenant and agree with the said Lessor as follows, to-wit:

FIRST: To enter upon said mine or premises, and to work the same mine fashion, in manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the safety, development and preservation of the said premises as a workable mine, and to the special covenants hereinafter reserved:

SECOND: To work and mine said premises as aforesaid steadily and continuously from the date of this lease, and that any failure to work said premises with less than Three Hundred Eighty Four (384) Man Hours in each and every calendar month, may be considered a violation of this covenant.

THIRD: To well and sufficiently timber tunnel, shaft, drifts, or other working points, where proper, in accordance with good mining, and to repair all old timbering wherever it may become necessary. Timber used to be eight inches by eight inches

FOURTH: To allow said Lessor and his agents at all times to enter upon and into all parts of said mine for purposes of inspection and taking samples, with the use of all passages, ropes, windlass, ladderways and all other means of ingress and egress for such purposes.

COPY

FIFTH: To occupy and hold all cross or parallel lodes, dips, spurs, feeders, crevices, or mineral deposits of any kind, which may be discovered in working under this lease, or in any tunnel run to intersect said "Ivanhoe" lode, or by said lessee, or any person under him, in any manner at any point within One Thousand feet of the center line of said lode, as the property of said Lessor: with the privilege to said Lessee of working the same as an appurtenance of said demised premises during the term of this lease; and to not locate or record the same or allow the same to be located or recorded, except in the name of said Lessor.

SIXTH: To keep at all times the drifts, shafts, tunnels and other passages and workings thoroughly drained and clear of loose rock and rubbish of all kinds.

SEVENTH: To free said lessor of any and all liability that may be incurred against the said mining property while under the control of said Lessee, said liability to cover both supplies furnished and wages due for labor to the employees of said Lessee.

EIGHTH: Lessee is not to assign this lease or any interest thereunder, and not to sub-let the said premises, or any part thereof, without the written consent of said lessor, and not to allow any person or persons, except the said Lessee and his workmen to take or hold possession of the said premises, or any part thereof, under any pretense whatever.

NINE: To pay to said Lessor as royalty SEVEN (7) per cent of the net smelter returns, after deducting the cost of milling or smeltering of all TUNGSTEN ore mined and extracted from said premises and by delivery of all ore so extracted with all convenient speed to some mill, smelter or regular ore buyer. And to pay to said Lessor as royalty Twelve (12) per cent of the net smelter returns, after deducting the cost of milling or smeltering of all ore (EXCEPT TUNGSTEN ORE) mined and extracted from said premises and by delivery of all ore so extracted with all convenient speed to some mill, smelter or regular ore buyer. All shipments are to be made in the name of said Lessor and the proceeds are to be paid by said mill, smelter or regular ore buyer as follows:

SEVEN (7) per cent of the returns on all TUNGSTEN ORE and TWELVE (12) per cent of the returns on all other ores to be mailed to Lessor's agent, CARL B. KENNEDY at Post Office Box 421, Dillon, Montana, and Ninety Three (93) per cent of the returns on all TUNGSTEN ORE, and EIGHTY EIGHT (88) per cent of the returns on all other ores to be paid to said Lessee; the Lessor's agent, Carl B. Kennedy to be notified in writing Ten (10) days before every shipment of ore.

TEN: To deliver to said Lessor the said premises with the appurtenances, and all improvements in good order and condition, with all drifts, shafts, tunnels and

COPY

other passages clear and drained and the mine ready for immediate continued working (accident not arising from negligence alone excepted) without demand or further notice on the said Twenty Fourth (24) day of January, 1955, or at any time previous on demand due to forfeiture.

ELEVEN: And finally, upon the violation by the said Lessee, or any person working under him, of any covenant or covenants hereinbefore made or promised, the term of this lease shall, at the option of the LESSOR, expire and the same and said premises, with the appurtenances shall become forfeited to said Lessor; and the said Lessor or his agent may thereupon, after demand in writing, enter upon said premises and dispossess all persons occupying the same, with or without force, and with or without process of law, or at the option of said lessor, the said Lessee and all persons found in occupation may be proceeded against as trespassers from the beginning of said term, both as to realty and the ore served therefrom or as guilty of unlawful detainer.

TWELVE: And in consideration of the acceptance of the foregoing lease and the expenditures to be made thereunder, and the well and faithful keeping of the covenants thereof, the said Lessee, ROSCOE C. McLAUGHLIN, shall have the right to purchase the said demised premises by payment of the sum of FORTY FIVE THOUSAND DOLLARS ($45,000.00) lawful money of the United States of America on or before January 24th, 1955, provided this lease is in good standing at that time, time being the essence of the contract as to such payment.

THIRTEEN: And it is hereby further agreed by and between the parties to this contract that all royalties paid by said Lessee, ROSCOE C. McLAUGHLIN, SHALL, IN the event he purchases the property, apply upon and become a payment in part of the purchase price of FORTY FIVE THOUSAND Dollars ($45,000.00), and shall be deducted from the amount of the bond, and shall reduce the purchase price agreed upon an amount equal to the royalties paid on the purchase price, only applies in case Lessee purchases the property.

And upon the tender of such payment in full, the Lessor will make, execute acknowledge and deliver at his own cost and charges, good and sufficient Special Warranty deed to the said Lessee or such person or company as he shall nominate, conveying the above described premises free and clear of encumbrances.

The forfeiture, surrender or termination of the above lease for any cause shall render the option to purchase void, and the above mentioned payment may not thereafter be tendered.

Each and every clause and covenant of this indenture shall extend and be binding on the heirs, executors, administrators and lawful assigns of all the parties hereto.

COPY

Time being the essence of this lease and bond.

IN WITNESS WHEREOF the said parties have hereunto set their hands and seals.

George W. Farlin - - - - - - - LESSOR.

Roscoe C. McLaughlin - - - - - LESSEE.

The lessee hereby agrees to mine, mill and ship
all ores and metals separate from all others.

Roscoe C. McLaughlin

- -

STATE OF WASHINGTON
ss
COUNTY OF KING

I, the undersigned, Notary Public in and for the State of Washington, do hereby certify that on this 25th day of January, 1951, before me personally appeared George W. Farlin, a bachelor, to me known to be the individual described in and who executed the within instrument and acknowledged that he signed and sealed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

Given under my hand and official seal this 25th day of January, A. D. 1951

- - G. L. Small - - - - - - - - - - - - - -
(NOTARIAL SEAL) Notary Public in and for the State of Washington, residing at Seattle.

STATE OF MONTANA
ss
COUNTY OF BEAVERHEAD

I, the undersigned, Notary Public in and for the State of Montana, do hereby certify that on this day of January, 1951, before me personally appeared ROSCOE C. McLAUGHLIN to me known to be the individual described in and who executed the within instrument and acknowledged that he signed and sealed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

Roscoe C. McLaughlin

GIVEN under my hand and official seal this 29 day of January, A. D. 1951.

- - - - - Carl E. Robison - - - - - - - - -
(NOTARIAL SEAL) Notary Public in and for the State of Montana, residing at Dillon.

NOTARY PUBLIC for the State of
Montana
Residing at Dillon, Montana.
My commission expires Dec. 20, 1951.

Docket
Surname:
Chambers
Martin
Selfridge
Gilmore

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

FEB 25 1955

American Alloy Metals, Inc.
One Montgomery Street
San Francisco, California

Re: Docket No. DMA-1951X (Tungsten)
Ivanhoe Lode Mining Claim
Beaverhead County, Montana
Contract No. Idm-X127
and
Docket No. DMEA-2292 (Tungsten)
Ivanhoe Claim
Beaverhead County, Montana
Contract No. Idm-X247

Gentlemen:

Under contract Idm-X127, as amended by an agreement dated October 1, 1952, the Government allotted a total of $55,283.80 for exploration for tungsten and agreed to share 75 percent of the cost as approved and accepted by this Administration. The Contract Administration and Audit Division of this Administration in its final audit report of January 18, 1953, determined the total allowable cost of the project to be $30,838.17, and the Government's share at 75 percent participation to be $23,128.63.

Under amended contract Idm-X247 the Government allotted a total of $66,914.00 for exploration for tungsten and agreed to share 75 percent of the cost as approved and accepted by this Administration. The Contract Administration and Audit Division of this Administration in its final audit report of September 14, 1954, determined the total allowable cost of the project to be $58,300.23, and the Government's share at 75 percent participation to be $43,725.17.

If the exploration work resulted in a discovery, the Company was to pay to the Government a royalty at the rate of 5 percent over a period of 10 years from the dates of the contracts, or until the amount advanced by the Government was liquidated, whichever occurred first. The production from land under these contracts enabled the Company to repay the Government's total advance ($66,853.80) in a comparatively short time.

I wish to congratulate you for a successful exploration and also to thank you for the payment of your account under the contract. It has been a pleasure to participate in this very fine undertaking.

JIChambers/wb 2-24-55

Sincerely yours,

C. O. Mittendorf
Administrator by SSY

cc: Docket
Admr. Reading File
F.T. Region I NWD (2)
Administrator
Messrs. Kiilsgaard, Geehan,
Johnson, Martin, Chambers

R.C.G.

400

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

1201 N. Division St.
Spokane 2, Washington

February 20, 1953

WSM

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 24 1953

Subject: Docket No. DMA 1951-X - Tungsten
American Alloy Metals, Inc.
Contract Idm-E127

Dear Mr. Selfridge:

Attached is 1 ozalid copy of an invoice submitted by R. S. McClintock for diamond drilling under the subject contract.

This was requested in your letter of February 11, 1953 to Mr. Weissenborn.

400's ltr.

Sincerely yours,

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

Enclosure 1

R. S. McCLINTOCK

Diamond Drill Contracting

Diamond Drills and Supplies
Castset Bits

TELEPHONE RIVERSIDE 1916

WEST 416-418 SECOND AVENUE

Invoice No. 719

SPOKANE 7, WASH., October 31 19 51

Your Order No.

Shipped Via

Date Returned

Date Shipped

Mr. Frank Richelberger
Doing business for: L. L. Cleveland
Roy A. Julian
Frank Richelberger
Suite 401, Symons Bldg., Spokane, Washington

Terms: Net Cash

UNIT NO.	WT. SET	CUTOUT	SCRAP	FOOTAGE	PRICE PER UNIT	AMOUNT
	Diamond drilling at your Bruns lake property near Nelson, Montana, for month of October 1951					
Hole No. 9	Reaming 10/2 5' 10/2-B 10' 10/2-C 8'9" 24'9"	Cementing 10/1 22' 22'	From 0	To 85'9"	Footage 85'9"	
10	10/6 4' 10/7 3' 10/8 3' 10'	10/19 25' 10/21 8' 10/24 55' 88'	0	213'3"	213'3"	
11	10/24 78'	10/18 10' 10/20 41' 10/22 26' 10/23 27' 104'	0	215	215	
14		10/14 6'	0	12	12 526 ft	
Hole No. 6	85'9" Diamond Drilling @ 7.75 24'9" Reaming @ 3.50 22' Cementing @ 3.50				664.56 86.62 77.00	828.18
Hole No. 10	213'3" Diamond Drilling @ 7.75 10' Reaming @ 3.50 88' Cementing @ 3.50				1,652.68 35.00 308.00	1,995.68
Hole No. 11	215' Diamond Drilling @ 7.75 78' Reaming @ 3.50 104' Cementing @ 3.50				1,666.25 273.00 364.00	2,303.25
Hole No. 14	12' Diamond Drilling @ 7.75 6' Cementing @ 3.50				93.00 21.00	114.00
						5,241.11

526

400

RECEIVED
BUREAU OF MINES
FEB 19 1953
SPOKANE, WASH.

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

USBM

FEB 11 1953

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

Re: Docket No. DMA 1951-X - Tungsten
American Alloys Metals, Inc.
Ivanhoe Lode Mining Claim
Beaverhead County, Montana
Exploration Contract No. Idm-E-127

Dear Mr. Weissenborn:

Reference is made to the subject docket. In closing out this contract we find that a copy of the invoice submitted by R. S. McClintock for diamond drilling is needed to calculate the drilling costs.

It will be appreciated if you will have a copy of the above invoice in the amount of $5,241.11 prepared and forwarded to this office.

Sincerely yours,

George C. Wallinger
Chairman, Operating Committee

Approved:

A. H. Hedges
Member, Bureau of Mines

D. M. Lemmon
Member, Geological Survey

Refer to Bureau for reply

400

FILE COPY
SURNAME:

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

Rutledge
Martin
Chamberlin
Selfridge

FEB 11 1953

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

Re: Docket No. DMA 1951-X - Tungsten
American Alloys Metals, Inc.
Ivanhoe Lode Mining Claim
Beaverhead County, Montana
Exploration Contract No. Idm-E-127

Dear Mr. Weissenborn:

Reference is made to the subject docket. In closing out this contract we find that a copy of the invoice submitted by R. S. McClintock for diamond drilling is needed to calculate the drilling costs.

It will be appreciated if you will have a copy of the above invoice in the amount of $5,241.11 prepared and forwarded to this office.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. R. Hodges

Member, Bureau of Mines

D. M. Lemmon

Member, Geological Survey

cc: Docket
Field Team, Region 2
Code 400
Admn. Read. File
Operating Committee
R. W. Geehan, USBM
D. M. Lemmon, USGS
Mr. Chambers

FARutledge/hhb
2/11/53

402

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

February 10, 1953

Mr. Frank Michelberger
American Alloy Metals
401 Symons Building
Spokane, Washington

DMA
-1951

W50

Re: Contracts Idm-E105 and K127
Browns Lake Tungsten
Beaverhead County, Montana

Dear Mr. Michelberger:

Enclosed please find a copy of an Audit Certificate, pertaining to the subject contracts, and a copy of a list showing items disallowed by the audit.

You will note in the audit that the Government has been billed for a total of $33,096.08 of which $2,357.51 has been disallowed leaving an acceptable total of $30,838.17. Of this total 75 percent or $23,128.63 is payable by the Government. Inasmuch as $22,541.10 has already been paid there remains as payable $587.53, which amount will reach you shortly.

Items that have been disallowed are explained in the accompanying notice. The bulk of the disallowed amount consisted of wages, claims for which had been submitted in duplicate, and of supervision which had been claimed in excess. Of those disallowed items, if you could properly substantiate your claim of August 1951 for $258.83 for other equipment, and your sampling and assaying claims of August and September 1951, we could probably recommend their payment.

As you probably know, all disallowances have been thoroughly discussed with Mr. Neil Roby. At the time of this discussion there was no evidence presented that could be used to substantiate those claims listed as disallowed by audit and it was therefore recommended that the Government not participate in payment thereof.

Sincerely yours,

cc: DMEA (2)
USBM (2)
Myers

Thor K. Killingard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
~~xxxxxxxxxxxxxxxxxx~~
So. 157 Howard Street
Spokane 1, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FEB 0 1953

February 5, 1953

Mr. Ray Lindman
Certifying Officer, DMA, Region II
U. S. Bureau of Mines
1201 S. Division
Spokane, Washington

Re: Completed Contracts Idn-125 - Dmea 148
and Idn-127 Dmea 1951
American Alloy Metals, Inc.

Dear Mr. Lindman:

This is to inform you that a report dated October 31, 1951 entitled, "Report on the Tungsten Occurrences - Browns Lake, Montana and a Program for Exploration and Production" submitted by Mr. J. [illegible] Melrose, company project engineer, is considered by the Field Team as an acceptable Operator's report for the above-cited completed contracts.

By Field Team, Region II

A. [illegible] Glassmoore, Soc. Officer
(U. S. Geological Survey)

[illegible] Volin, Member
(U. S. Bureau of Mines)

cc: [illegible] (3)
Co. Adm. [illegible] Div., [illegible], D. C.
[illegible] (2)
Auditor Hull, [illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~
Spokane, Washington
January 27, 1953

MEMORANDUM

To: Chairman, DMEA Operating Committee, Washington 25, D. C.

From: DMEA Field Team, Region II

Subject: Final reports on completed DMEA projects.

In reply to your letter dated January 9, 1953, concerning status of the following exploration projects in Region II:

DMA 364X - McRae Tungsten Corporation

Project has been completed. Final engineering report is in preparation. Final audit report will be made when property is accessible in spring.

DMEA 148 and DMEA 1951 - American Alloy Metals, Inc.

By agreement entered into on October 1, 1952, between the DMEA and the American Alloy Metals, Inc., work under Contracts Idm-E105 and Idm-E127 was suspended permanently in favor of work to be prosecuted under Contract Idm-E247. At that time it was also agreed that Contracts Idm-E105 and Idm-E127 shall be treated as one contract for purposes of accounting, terminating and winding up. A single final report is now being prepared by the field engineers covering work performed under the two subject contracts. The final audit report has been transmitted to Washington

DMEA 315X - Double Eagle Tungsten Co. (McLure and McLure)

Work under contract Idm-E114 was terminated by mutual agreement of the Double Eagle Tungsten Co. and the DMEA Field Team, Region II after commencement but before completion of the project as described in the contract. A final report of the work done under the contract is now being prepared by the DMEA field engineers.

DMA 700X - Alps Mining and Milling Co.

This contract has not been terminated. Further work has been proposed. *Funds are exhausted*

DMA 747X - Kelly Camp Tungsten, Ferry Co., Wash.

The DMEA auditors have just completed a final audit (Jan. 15, 1953). Final Field Team report was submitted on Dec. 9, 1952.

DMA 1499X - Chief Joseph Mines, Inc.

Mutual termination papers have been forwarded to operator but have not been returned as yet to this office. Further steps will be taken to terminate the project.

DMA 1466X - Addy Mining Co., Stevens Co., Wash.

The project has been completed although there remains unexpended a few hundred dollars. The final Field Team report is awaiting completion of sampling now being carried out.

DMA 1931X - John W. Cole

Notice of termination has been forwarded to operator.

DMEA 2474 - Mullin Mines Co., Inc., Idaho Co., Idaho

The company has completed the field work and submitted the final report, but due to discrepancies between weights and yardages the report has been returned for correction.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey
So. 157 Howard Street

N. E. Volin, Member
U. S. Bureau of Mines
1201 North Division St.

cc: Wash. - 2
USGS - 2
DMEA
D/F
Hull

Received
Oct. 1, 1952

C C
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Y

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

So. 157 Howard Street
Spokane 4, Washington

September 29, 1952

Air Mail

Mr. Frank Eichelberger
c/o Windsor Park Hotel
Washington, D. C.

Dmea
1951
original in Dmea 148 (E-105)

Dear Mr. Eichelberger:

Enclosed are the original and five copies of a proposed agreement combining two of your exploration projects (Idm-E105 and Idm-E~~107~~) and terminating them.
127

If this meets with your approval, would you please sign all copies and insert on page 1 the date this is done. After signature, retain one copy, marked "Operator's Copy", and return the rest to this office for distribution. If any part of the agreement does not meet with your approval, please return all copies to this office together with appropriate comments.

Sincerely Yours,

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

Enclosure

P. S. In the event this does not meet with your approval, it might save time, as long as you are in Washington, to take the enclosures to DMEA and discuss it with Mr. George Selfridge.

cc: DMEA (2)
USBM (2)

AEW

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400

FILE COPY
Surname:

Martin
Selfridge
AEKane
Hofflund

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

C C
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Y

(DATE STAMPED)
Sep. 22, 1952

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

Re: Dockets Nos. 148, 1951, & 2292 - Tungsten
American Alloy Metals, Inc.
Browns Lake property
Beaverhead County, Montana
Contracts Nos. Idm-E-105, E-127, & E-247

Dear Mr. Weissenborn:

Enclosed are the original and five copies of a proposed agreement combining two exploration projects (Idm-E-105 and Idm-E-127) and terminating them. We have left blank the date of the agreement in the first line of the first page and the date of the termination under section 4, page 2, to be completed by you.

Please have the above executed by American Alloy Metals, Inc., and returned to us if the agreement is satisfactory to the Operator. If any part of the agreement does not have the Operator's approval, please return all six copies to this office, together with the proposed changes for consideration.

In addition to the foregoing, we are returning herewith all the copies of a Guaranty signed by Mr. Frank Eichelberger, which we have left undated because it will not be required if the proposed agreement is consummated.

Sincerely yours,

/s/ Frank E. Johnson

Chairman, Operating Committee

Enclosures

WSMartin:ls 9/16/52

Approved:

J. H. Hedges
Bureau of Mines

T. P. Thayer
Geological Survey

cc: Docket
Admn. Read. File
Field Team, Region 2
Operating Committee
W. S. Martin
G. C. Selfridge
D. M. Lemmon, USGS
R. W. Geehan, USBM

C C
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Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Washington 25, D. C.

File Copy
Surname

Chambers

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August 27, 1952

Memorandum

To: Mr. J. L. Hofflund, Chief Counsel

From: Jay L. Chambers, Chief (Stamped) (Signed) J. L. Chambers
Contract Administration

Subject: American Alloy Metals, Inc., Docket No. 148, Idm-E105; Docket No. 1951, Idm-E127; and Docket No. 2292, Idm-E247

Reference is made to your memorandum of August 26, 1952 in regard to the above-referenced projects.

I have read your proposed amendment to combine these three projects. I believe this proposed amendment will solve the difficulties which we have experienced in certifying the reimbursements on these projects.

Attachments

JLChambers/wb
August 27, 1952

Copy to; Mails & Files
Admr. Reading File
Mr. Selfridge
Mr. Chambers

C C
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Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

140

File Copy
Surname

C O P Y

August 26, 1952

Memorandum

To: Mr. J. L. Chambers

From: Chief Counsel

Subject: American Alloy Metals, Inc., Docket No. 148, Idm-E105; Docket No. 1951, Idm-E127; and Docket No. 2292, Idm-E247

Attached is a rough draft of "Agreement Combining Two Exploration Project Contracts and Terminating Them," which I have made pursuant to Mr. Selfridge's request and his memorandum to me dated August 6. I underatand that this proposed contract is largely for the benefit of accounting and auditing the two contracts in question.

Mr. Selfridge left today on his trip West, and took a copy of this draft agreement with him. It has been examined by Mr. Martin of Mr. Selfridge's office, who advises me that he thinks it is in good order, but suggests that we wait until we hear from Mr. Selfridge before we put it in final form. In the meantime please examine this draft agreement and see if it will accomplish the purpose.

/s/ J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachments

JLHofflund/em
Copy to: Mails and Files
W. S. Martin J.L.Hofflund chron

C O P Y

Docket # DMA-1951

Mr. John L. Hofflund, Chief Counsel, DMEA August 6, 1952

Iron and Ferro-Alloy Division, DMEA

Consolidation of two exploration contracts--
Dockets Nos. DMA 148 and DMA 1951
American Alloy Metals, Inc.
Browns Lake tungsten deposit
Beaverhead County, Montana
Contracts Nos. Idm-E-105 and Idm-E-127

Because of auditing difficulties, it has been proposed that the subject contracts be combined and considered as one. Contract No. Idm-E-105 was executed August 1, 1951, and provided for work on a group of claims held by the Fluorescent Mining Company. With the exception of one claim (the Fox), all of the claims lie on the north side of a valley. Contract No. Idm-E-127 was executed August 24, 1951, and provided for work on the Ivanhoe claim adjoining the Fox claim, both on the south side of the valley. Shortly after exploration work was started, it was discovered that the Fox claim laid practically inside of the Ivanhoe claim and that it was the younger claim. Thus, work that had been done on the Fox claim under Contract No. Idm-E-105 really had been done on the Ivanhoe claim. A certificate of discovery was issued under Contract No. Idm-E-127.

Because of this, auditing difficulties arose in separating the charges to the respective contracts, and seemingly the only method of straightening out these difficulties is to combine the two contracts and consider them as one. It has been thought that this can be taken care of by formulating a statement setting forth that they can be considered as one contract. Both of the contracts have now expired and it is believed best that they be closed, leaving a third contract in operation.

Attached are a number of copies of a guaranty that Mr. Frank Eichelberger has signed to take care of any legal difficulties with regard to repayment of the exploration loans. Under Contract No. Idm-E-105 a subordination agreement was secured from the lessor, while under Contract No. Idm-E-127 a guaranty was submitted in lieu of a subordination agreement. It is noted that in the attached guaranty the Contract No. Idm-E-105 is used. Actually no ore has been found on the claims included under Contract No. Idm-E-105 and it would be impossible to issue a certificate of discovery or development under that contract. As previously stated, a certification of discovery and development has been issued based on the exploration work on the Ivanhoe claim, Contract No. Idm-E-127.

During the review of our contract file, it was noted that the Ivanhoe claim had been leased by Mr. McLaughlin and then assigned to a Mr. Cleveland on a small additional royalty basis. Later the lease was changed. It is not clear just how American Alloy Metals received control from Mr. Cleveland. It might be well to check the legal chain before reaching a definite conclusion regarding the ultimate combining of the two contracts.

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

GCSelfridge:ls
8/6/52

cc: Docket No. DMA 148
Admn. Reading File
G. C. Selfridge
Docket No. DMA 1951

400

FILE COPY
SURNAME:

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

Selfridge
Drawler
Hefland
Johnson

APR 2 8 1952

Mr. Jess Larson, Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

Re: Docket No. DMA 1951X - Tungsten
American Alloys Metals, Inc.
The Evanhoe Lode Mining Claim
Beaverhead County, Montana
Exploration Project Contract Idm-E127

Dear Mr. Larson:

I am enclosing a copy of a "Certification of Discovery" on the above-noted property.

As soon as we receive the final fiscal and field team reports, I shall supply you with such data as have accompanied the transmittal to you of previous certifications.

Sincerely yours,

C. O. Mittendorf

cc
4/29

Acting Administrator
Defense Minerals Exploration
Administration

Enclosure

GCSelfridge:ls
4/28/52

cc: Docket
Admn. Reading File
G. C. Selfridge
Field Team, Region II
Operating Committee
Frank E. Johnson
J. H. Hedges, USBM
D. M. Lemmon, USGS

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

So. 157 Howard Street
Spokane 4, Washington

April 17, 1952

Department of the Interior
Defense Minerals Administration
(Spokane)
APR 21 1952

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

Dear Mr. Mittendorf:

Enclosed in quadruplicate are maps of Ivanhoe Claim, Brown's Lake, Montana district. The map is to accompany my letter of April 14 with reference to Docket No. 1951X, Tungsten, American Alloy Metals Company, Inc., Beaverhead County, Montana, Exploration Project Contract Idm-E127, and report by Mr. Melrose on behalf of the company, which were forwarded to you on April 14, 1952.

Sincerely yours,

A E Weissenborn

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

Enclosures

cc: USBM

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

So. 157 Howard Street
Spokane 4, Washington

April 14, 1952

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

Dear Mr. Mittendorf:

In reply to your letter of April 3 referring to docket 1951X, tungsten, American Alloy Metals Co., Inc., Ivanhoe Lode Mining Claim, Beaverhead County, Montana, Exploration Project Contract, Idm-E127, I am enclosing a report submitted by Mr. Melrose on behalf of the company. This report does not describe the project as completely as I believe that a report of this type should; however, I recommend that we accept it for two reasons:

1. Contract Idm-E127 has been superseded by a new contract, Idm-E247. Work is now in progress on this contract. Inasmuch as this is essentially one exploration job even though there are two (or as a matter of fact, three) contracts involved, I think that we could accept this and then insist on a complete and thorough report when the whole job is terminated.

2. As stated above, we are terminating Idm-E127 in favor of Idm-E247. Unless a discovery can be certified from the work of Idm-E127, it would appear to me that the Operator would have no responsibility for making any repayment on Idm-E127 even though subsequent work on his new contract made a commercial discovery of ore. However, in his report, Mr. Melrose has claimed a discovery both in the main bed and in the two upper beds which he mentions. There is actually some question in my mind as to whether a discovery "from which a commercial production of ore may be made" can actually be claimed in this case. However, since inasmuch as the Operator is himself claiming the discovery I think we should accept his report and make a certification on this basis.

Mr. Hull has now returned from the field and we will make an audit of the books of Idm-E127 so that the account can be closed.

Sincerely yours,

A. E. Weissenborn

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

Enclosures, original & two
cc: USBM - Spokane
USBM - Albany

Copy retained 400

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

[illegible]

[illegible]

[illegible]

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[illegible] project [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible], original & two

[illegible]

FILE COPY
SURNAME:

Selfridge

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

APR 3 1952

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

Re: Docket No. 1951X - Tungsten
American Alloys Metals, Inc.
Ivanhoe Lode Mining Claim
Beaverhead County, Montana
Exploration Project Contract
No. Idm-E127

Dear Mr. Weissenborn:

Please refer to your telegram of March 20 and to field memorandum of March 17, 1952.

We would appreciate having all of the information pertaining to the termination of the subject contract as soon as available in order that we may protect the Government's participation under this contract, if warranted, before the customary 6-month period has elapsed.

Will you please advise us whether or not you think that we shall be able to certify a discovery under this contract?

Sincerely yours,

E. O. Mittendorf (for) 4/3

Acting Administrator
Defense Minerals Exploration
Administration

GCSelfridge:ls
4/2/52

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

REPORT ON THE TUNGSTEN OCCURRENCES - BROWNS LAKE, MONTANA

AMERICAN ALLOY METALS, INC.

RECEIVED
APR 1 1952
U. S. G. S.
SPOKANE, WASH.

AMERICAN ALLOY METALS, INC.

REPORT ON THE TUNGSTEN OCCURRENCES - BROWNS LAKE, MONTANA

INTRODUCTION

D. M. A. Loan 148 X Idm-E 105 on Fluorescent Mines Claims in the Browns Lake District was granted to American Alloy Metals, Inc., effective August 1, 1951. Fluorescent Mines Claims leased from R. C. McLaughlin cover tactite occurrences on the south and north sides of Rock Creek Valley for a distance of several miles above Browns Lake. There are 17 unpatented claims in this group in Sections 3 and 4, T 4 S, R 10 W, and Sections 32, 33 and 34, T 3 S, R 10 W.

Prior to examination on the ground the only map available was a combination geologic, topographic and claim map prepared by Walter E. Bauer, geologist of Salt Lake City. It was assumed this map was reasonably accurate in regard to claim lines, but upon examination in the field it was found to be in error between the Fox Claim of Fluorescent Mines and the adjoining Ivanhoe patented claim, thereby placing most of the exposed tactite body within the Ivanhoe Claim. On August 22, D. M. A. Loan 1951 X Idm-E 127 was granted to explore the Ivanhoe Claim in conjunction with exploration of Fluorescent Mines holdings.

LOCATION

The properties are located in Sections 3 and 4, T 4 S, R 10 W, and Sections 32, 33 and 34, T 3 S, R 10 W, Beaverhead County, Montana. The claims are in Rock Creek drainage, a tributary of the Big Hole River, eight miles west of Glen, Montana.

OWNERSHIP

The claims are under two ownerships; namely, the Fluorescent Mines, controlled by R. C. McLaughlin, Dillon, Montana, and under lease to American Alloy Metals, Inc., and the Ivanhoe Lode Mining Claim, patented and described as Lot 37, T 4 S, R 10 W, under lease and bond to purchase by American Alloy Metals, Inc. The Fluorescent Mines claims consist of the Fox and Lost Copper on the south side of Rock Creek Valley and the Lonesome, Lone Eagle, Mammoth, High Boy, Star Nos. 1, 2 and 3, Trail Nos. 1 and 2, Garnet, Black Beetle, Red Raspberry, Red Metal, Granite and Tin Horn, all unpatented.

PHYSICAL FEATURES

Rock Creek, situated in a glacial valley, drains a considerable area of the east-central portion of the Pioneer Range and flows abundantly the year around. It is interrupted in its course to the Big Hole River by Browns Lake, now owned by American Alloy Metals, Inc.

The former resort on the lake makes an ideal site for a mining camp, being only a mile from the principal tactite bodies.

The climate is typical of the west-central mountain area of Montana, Precipitation occurs largely as thunder showers in summer and snow flurries in winter. No deep snows are recorded and little effort would be required to keep the roads open.

Access to the area is by good county and forest road, eight miles from Glen, Montana, on the U. S. Highway No. 91 in the Big Hole Valley. The Butte-Sale Lake branch of the Union Pacific Railroad parallels the highway at this point.

The altitude at Glen is 5,000 feet and at Browns Lake, 6,500 feet.

Abundant fir, pine and spruce is available on the claims and a small sawmill capable of making mine timber is at Browns Lake.

GEOLOGY

The country rock along Rock Creek Valley is of both sedimentary and igneous origin. Exposed high on the flanks of the valley and forming the ridges is the Quadrant quartzite formation. Between the quartzite and the granitic rock in the lower portion of the valley is limestone. The limestone, containing reddish, shaly, and yellowish, sandy beds is the Amsden formation. These rocks on the south side of the valley, and as exposed on the Fox, Ivanhoe and Lost Copper Claims trend northwest-southeast and dip from 20° to 40° to the south. As shown in the drill holes the top of the underlying granite is relatively flat. The sediments on the north side of the valley also trend northwest-southeast. In places they are almost flat, but toward the east end of the exposures above Browns Lake dip to the northeast quite rapidly, giving the impression of an eastward plunging anticline. However, the limestone bodies on the south side are several hundred feet lower than the north exposures and are possibly roof pendants in the granite.

Very little faulting is to be noted. Occasionally minor faulting, accompanied by brecciation of the limestone is seen in some of the old underground workings. A good example may be seen in No. 1 working, where a displacement of one foot occurs.

Ancient landsliding is responsible for certain configurations of the landscape. Browns Lake has been formed by damming of Rock Creek Valley from landsliding. A landslide on the north side of the valley occurred in the vicinity of Star No. 2 Claim and brought large segments of sediments from an elevation of 8,500 feet down to about the 7,000-foot elevation. The Garnet Claim covers this down slump.

THE TACTITE

Numerous tactite bodies are exposed along the valley walls and vary in thickness from a foot to as much as 62 feet. The largest exposure explored to date is on the Ivanhoe Claim. Here it averages about 55 feet and may be followed along the cliffs for 1,200 feet. It is bounded on the west by granite, but the east and extension on the Lost Copper Claim is unknown, as it disappears under a cover of glacial debris.

The extent of the tactite bodies on the north side are for the most part unknown. Several pits and one underground working indicate they are extensive, but early snows on the higher elevations precluded stripping operations this year. A previously unknown body was uncovered on Star No. 3 during construction of the unfinished north side road. The largest visible deposit occurs on the east end of the High Boy Claim and the west end of the Mammoth Claim. Here it is 20 feet thick in a draw near the mouth of an old 80-foot tunnel driven on the hanging wall. Two old pits on the High Boy indicate it may have a thickness of 40 feet.

The term "tactite" here is used to include both garnet rock and hornfels.

In each occurrence of tactite both materials are found usually in alternating beds, but sometimes the hornfels occurs in pods or lenses. An occasional lens or pod of crystalline limestone remains in the tactite.

The predominate minerals are garnet and epidote, with lesser amounts of other contact metamorphic minerals. In addition to the scheelite, chalcopyrite, bornite, pyrite and pyrrhotite are found for the most part sparingly, but in places chalcopyrite and bornite occur in appreciable amounts near the hanging wall. There appears to be a relationship between the copper mineralization and higher WO_3 content. This has been found to be true on the Ivanhoe Claim. The old tunnel on the Mammoth was driven on copper mineralization and the tactite orebody lamps exceptionally well.

Favorable horizons in the Amsden formation were apparently responsible for the tactite bodies, but it will be noted from the drill hole logs these horizons may or may not be continuous over great distances and underground drilling in conjunction with mining should be in order. It is of interest that the hard, tough hornfels members usually carry but little WO_3, whereas the softer pulverulent members often contain large crystals of scheelite and assay higher.

Lower grade of ore was encountered in the west end of the Ivanhoe, although one assay of eight feet-nine inches in No. 5 Hole returned 0.50 WO_3. For the most part, the assays in Holes No. 1, 2 and 5 were 0.10 WO_3 or less. No. 1 Hole was 50 feet back from the outcrop; No. 2, 100 feet; and No. 5, 150 feet. No. 3, 250 feet back, and No. 4, 200 feet back, did not encounter tactite. Two channel samples were taken across the face of the outcrop on the west end and showed better values. An average of 55 feet went 0.19 WO_3.

Assays of surface croppings and underground workings of the large east tactite body showed it to contain o.50 WO_3 or better, so the drills were moved to this area as rapidly as possible to probe the tactite 150 feet down dip before cold weather set in. The race was lost and Holes No. 10 and 11 lacked about 10 feet on a projection of reaching the main tactite bed. Hole No. 10 passed through 16 feet of tactite, which crops on the surface above the main bed. This checks closely with a projection on its dip. The core assayed 0.59 WO_3. No. 11 Hole, which is 100 feet east of No. 10 and 7.5 feet lower in elevation did not penetrate the 16-foot bed. In its place was a quartz-epidote rock containing copper mineralization but no scheelite. However, this hole encountered two horizons of high-grade tactite. One was high stratigraphically and concealed on the surface. From 36-43 feet it assayed 1.45 WO_3. The other horizon was even better, with 2.21 WO_3. Although the main tactite horizon was not penetrated, these assays support the belief of higher WO_3 content to the east and with associated copper minerals.

All assaying was done by Union Assay Office, Salt Lake City, and it is interesting to observe how much lower their assays are than the Bureau of Mines. In sampling by the Bureau and U. S. G. S. last spring, Union was 0.13 lower on underground samples and 0.05 on surface.

Samples were taken underground at various workings. The 16-foot bed was sampled in four places in Nos. 1 and 2 workings, but the average was low. It was difficult to get much thickness, as little is exposed. The upper six feet of the main bed was sampled in No. 1 working and returned 0.57 WO_3. Eleven samples of the top of the main bed in No. 4 working, which is the largest area exposed underground, average 0.53 WO_3.

A 2,200-pound bulk sample was taken at the point on the outcrop channel sampled by the Government field team earlier in the year. The channel sample returned 0.50 WO_3 by U. S. Bureau of Mines assay and 0.45 WO_3 by Union Assay. The bulk sample was assayed by the U. S. Bureau of Mines at their Albany, Oregon station and the returns are as follows: 0.39 WO_3; .005 Au; .05 Ag; .037 Cu; .05 Mo; 0.1 Pb; and 1.4 $CaCO_3$.

CONCLUSION

The granting of loans for exploration of these properties was made about one month too late in the year for this type of country. The rough, rugged, precipitous terrain was too much to conquer for access in a short time. The road to drilling sites, which took a month to complete, was of no use, for the first holes and the rigs had to negotiate the mountain under their own power. For later drilling, it proved invaluable. Although we encountered considerable tactite down dip from the outcrop on the west end, only one eight-foot, nine-inch bed showed commercial ore. We cannot say the drilling was of no value; we now know our ore is on the east side of the claim and a possibility of it extending 1,000 feet from the granitic dike to the east end of the claim. Because of the Lake Agnes morains there is no way of telling what happens to the eastern extension, but small pits have exposed tactite on the Lost Copper Claim about 1,200 feet to the east.

On the north side the best area to date is believed to be on the Mammoth and High Boy Claims, although with further work, additional large bodies may be found on the Star, Lone Eagle and Lonesome Claims.

In regard to tonnage on the east side orebody, we can compute to date more than the 750,000 tons estimated by the U. S. Geological Survey, which was based on an average thickness of 50 feet over a length of 1,000 feet and down dip 150 feet as exposed in No. 4 working. The bed is 60 feet thick, and now we can compute additional tonnage as shown by beds encountered in No. 10 and 11 Holes. In No. 11 the 16-foot bed is 120 feet down dip, and if continuous for 1,000 feet would give an additional 192,000 tons. In No. 10 the two seven-foot are an unknown quantity, as they were not found in No. 11. On a 35° dip, the upper seven-foot bed is 25 feet down the dip and the lower seven-foot bed 90 feet down dip. These beds are covered on the surface and their lateral extent is not known. A striking thing about these newly found upper beds is their high WO_3 content.

In any event, we can raise our estimate to 900,000 tons without considering the west orebody, but we must assume the grade will hold throughout.

It was unfortunate work could not have started on the Ivanhoe Claim first, but the owner would not sign a subordination agreement and it was not until August 22 that exploration could begin. By that time drilling was in progress on what we assumed was the Fox Claim to the west and by the time we were able to move to the east orebody, severe weather was setting in.

In light of experience gained from the project in 1951, it is recommended that before any exploration is planned for claims of Fluorescent Mines situated on the valleys north wall, detailed sampling and mapping be done. Numerous channel samples should be taken along the tactite croppings and in the old prospect workings. Eyeball assaying by use of the ultra-violet lamp should be discouraged.

Provided favorable results are obtained on the north side sampling, it is also recommended that personnel of the U. S. G. S. and U. S. B. M. be on the ground in an advisory capacity at the finish of the preliminary sampling and mapping to expedite the rewriting of Fluorescent Mines contract.

J. W. Melrose

J. W. Melrose

TT

Dmea 1951

400 a file

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 21 1952

383 WA SP /I-GS-G/

SPOKANE 3-20-52 1200P

C. O. MITTENDORF

ACTING ADMINISTRATOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF INTERIOR

WA /DC/

TERMINATION OF CONTRACT I-DM-E- 127, AMERICAN ALLOYS, BROWN-S LAKE DELAYED PENDING FINAL AUDIT AND SUBMISSION OF OPERATORS REPORT NOW IN PREPARATION.

A. E. WEISSENBORN, EXECUTIVE OFFICER DMEA FIELD TEAM, REGION II.

I-DM-E-127

VA 1201P

MAR 21 9 58 AM '52
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

Dec. 1951

M. E. Volin, Member, DMEA Field Team, Reg. II March 17, 1952

E. G. Erickson, mining engineer, Bureau of Mines

Contract Idm-E127 (American Alloy Metals, Inc., Beaverhead County, Mont. - tungsten).

Winter weather caused drilling operations to be suspended in October 1951. Mr. Melrose, project manager, was to complete mapping and logging of drill cores if weather permitted.

The American Alloy Metals proposed to amend the contract upward in cost to include an underground exploration program. It was ruled that the new program be considered under a new contract, which was duly drawn up as Idm-E247.

The final payment of Contract Idm-E127 is being withheld pending audit. It is recommended that the operator furnish DMEA with complete data on drill holes, assays and appropriate maps before final payment is made. To date little or no data has been submitted.

Mr. Hull (auditor for Region II) will make the audit as soon as his schedule permits and the operator is available.

E. G. Erickson

Orig. to files
cc: USGS, Spokane (with 2 cys for Wash.)
EGE

1951

MONTANA

BEAVERHEAD COUNTY

February 1, 1952

American Alloys Metals, Inc., Idm-E127, Tungsten
(Ivanhoe property)

75-25 of $21,993.80

4 months

The exploration program consists of diamond drilling six holes totaling 2,000 feet in order to explore a contact zone.

Drilling program has been terminated, but results are inconclusive. The inconclusive results are due in part to cold weather that necessitated stoppage of the diamond drill program before all the planned holes had been completed, and in part because geologic conditions are more complex than had been anticipated.

A new contract involving underground exploration has been negotiated and the existing one will be terminated.

1951X

1201 North Division Street
Spokane 2, Washington
January 29, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 4 1952

MEMORANDUM

To: Tom Lyon, Director Program Development Division, DMPA

From: M. E. Volin, Member, Field Team, Region II

Subject: Beneficiation test work on tungsten samples from Brown's Lake, Montana.

The test data noted in the attached copy of a memorandum from P. H. Floyd, Acting Head of Mineral Dressing Section, Bureau of Mines Metallurgical Station, Albany, Oregon, result from preliminary work on a one-ton sample in connection with exploratory projects Idm-E 105 and DMA 1951X. This information is sent along with the idea that it may be of some help in discussions of a tungsten milling plant and stock pile at Butte, Montana. Although the tests are not comprehensive and are not concerned with samples from other deposits, it is considered that the results have some bearing on the over-all aspects of tungsten production from the Beaverhead County tactite belt because the Brown's Lake appears to be the largest deposit.

Field Team evaluation of the metallurgical data will be given in a follow-up memorandum. You will note that a commercial tungsten concentrate can be made from the Brown's Lake ore. This seems significant to us in suggesting that plans for a milling plant and stock pile should visualize the desirability of making commercial concentrate. Certainly, it would seem to be in the interest of the Government to have tungsten production from this source as largely as possible in the form of commercial concentrates that can be immediately utilized by industry rather than in a low-grade concentrate tied up in a stock pile.

The test work also shows that a low-grade milling product can be made. This product and the commercial concentrate together account for nearly 80 percent of the tungsten in the heads. The middling product averaging about 13 percent tungsten trioxide logically could be stockpiled for later chemical plant treatment when the tonnage justified it.

MEV:p
cc: G. Holderer
C. O. Mittendorf
Stephen M. Shelton
Files
USGS

M. E. Volin

MM125[illegible]

Albany, Oregon
January 22, 192[illegible]

METALLURGICAL REPORT

Memorandum

To: H. G. Peale, Chief, Nonferrous Metals Branch

From: P. H. Floyd, Acting Head, Mineral Dressing Section

Subject: Report on beneficiation test work on tungsten ore from Brown's Lake, Montana.

This ore was submitted by A. P. Bardill of the Mining Division, Region IX, for Frank Eichelberger, who plans to mine and mill the ore. Development of a flowsheet was requested, which would make a clean tailing, and maximum recovery consistent with a concentrate grade of about 15 percent tungstic oxide.

Test work indicated the possibility of making a high grade tungsten concentrate containing 57.3 percent tungstic oxide and 2.1 percent molybdenum, and carrying 63.8 percent of the total tungsten, and a second (low grade) concentrate containing 13.5 percent tungstic oxide, and 0.8 percent molybdenum, and accounting for an additional 15.0 percent of the tungsten. In a similar test a tungsten concentrate containing 61.0 percent tungstic oxide and 1.5 percent molybdenum was made with a recovery of 37 percent of the tungsten. This would indicate the possibility of making some recovery of direct shipping tungsten concentrate either before or after flotation.

Preliminary examination of the material submitted yielded the following information:

Chemical Analysis

Assay Percent					Ounces Per Ton		Albany Assay No.
WO_3	MoO	Cu	Pb	CaO	Au	Ag	
0.38	0.05	0.037	0.1	1.6	0.005	0.5	36,57

Spectrographic Analysis

Over 10 percent	Al, Ca, Fe, Si
5 to 10 percent	Mg
1 to 5 percent	None
0.1 to 1 percent	Na, K
0.01 to 0.1 percent	Cr, Mn, Ni, Ti, V, Zn, Zr
0.001 to 0.01 percent	Ag, Cd, Sn

Given that

Petrographic Examination

This material contains garnet, some calcite, quartz, diopside, very fine biotite, smaller amounts of chalcopyrite, limonite, malachite, fine-grained molybdenum-bearing scheelite, epidote, amphibole, magnetite, and traces of cerussite and bornite.

Scheelite particles ranged in size from 48 mesh to slime sizes, and was not liberated from the copper minerals above 100 mesh.

Test Procedure

The ore as received was stage roll-crushed through 10-mesh, and the product used as a test head. This test head was passed over a 35-mesh screen with the oversize going to table concentration and the undersize to hydraulic classification. The oversize table tailing was subjected to a roll crushing (to eliminate possible rod mill reduction) and returned to the 35-mesh screen. The hydraulically classified products of the undersize were passed separately to shaking tables. The resulting coarse tailings were ground in a ball mill and returned to hydraulic classification with the middlings. The fine tailings (the eventual total tailings from the gravity circuit) were sent to a grinding circuit followed by scavenger flotation. Table concentrates were dried, roasted, and magnetically cleaned into a final high-grade scheelite product.

The flotation circuit required only the usual scheelite reagents: sodium silicate, sulfuric acid (for pH regulation), quebracho, and emulsified fatty acid (oleic acid 50 percent, D-142 50 percent). The pH of the circuit was maintained at 8.5. Rougher flotation concentrates were tabled, producing a final concentrate containing most of the coarse scheelite, which floats with difficulty, and a tailing containing a large proportion of the calcite, which also interferes with good scheelite flotation. Table middlings were cleaned in a final flotation circuit. Metallurgical results are presented in Table I.

A second test scheme was tried, utilizing flotation only. This work is in the preliminary stage and only batch tests have been completed to date. A representative test is presented in Table II. Procedures used were standard for tungsten flotation, and the reagent schedule involved the use of sodium silicate, soda ash (for pH regulation), quebracho, and fatty acid emulsion (50 percent oleic acid, 50 percent D-142). The pH was maintained at approximately 8.2.

Summary and Conclusions

A combination test procedure of screening, hydraulic classification, tabling, stage crushing and grinding, flotation, and magnetic separation yielded a high grade scheelite concentrate of 57.3 percent tungstic oxide and 2.1 percent molybdenum with a 62.6 percent tungstic oxide recovery. A low grade scheelite product of 19.5 percent tungstic

oxide and 0.8 percent molybdenum with a 15.0 percent tungstic oxide recovery was made. The final tailing assayed 0.05 percent tungstic oxide and accounted for a loss of 11.6 percent of the total tungsten values. A similar test yielded a high-grade scheelite concentrate of 61.0 percent tungstic oxide and a 1.5 percent molybdenum with a 37.0 percent recovery. The results indicate the probability that a high grade scheelite product of market specifications in every respect but high molybdenum content could be produced. The scavenger low-grade product would probably be of sufficient grade for a chemical upgrading plant for the production of a molybdenum-free artificial scheelite product. The test procedure was of a complex nature, but little difficulty was experienced with it during the beneficiation procedure. The principal difficulties of the ore lay in the fine grained nature of the contained scheelite. This fineness of the scheelite mineral required more than the usual amount of crushing and grinding for liberation, consequently it was difficult to prevent the production of excessive amounts of scheelite slimes.

The direct flotation beneficiation procedure has not been tested beyond the preliminary stage; however, the results obtained indicate that a product suitable for chemical upgrading is possible with a reasonable recovery. A representative test indicates a 7.5 percent tungstic oxide grade with a 68.6 percent recovery, and a tailing of 0.06 percent tungstic oxide containing 10.2 percent of the total tungsten values. The balance of recovery, 21.2 percent, is contained in a middling product. It is possible that this middling can be treated by a combined flotation cleaning and tabling procedure to markedly increase the overall recovery and possibly raise the tungstic oxide grade of the finished concentrate several percent. Flotation concentrates as high as 17 percent have been obtained in this work.

This work was performed on a sample submitted for beneficiation tests, and consequently only represents the Bronk's Lake tungsten ores to the extent that the sample represents that ore.

Test Engineer:
P. H. Floyd

P. H. Floyd

PHF: jm

m/f
r/f
d/f
phf (2)
Volin (2)
Bardill (1)

U. S. BUREAU OF MINES
Albany, Oregon
Mineral Dressing Section
Metallurgical Data

January 22, 1952

TABLE I

Test No. 2795-2799
Test Engineer: F. H. Floyd
Real No. & Use: Mds 225 - Brown's Lake Tungsten Ore
Treatment: Combined processes of screening - stage grinding - hydraulic classification - tabling - magnetic separation and flotation.

Product	Weight Percent	Assay Percent WO_3	Assay Percent Mo	Distribution Percent WO_3
Hi grade WO_3 Conc.	0.44	57.3	2.1	63.8
Lo grade WO_3 Conc.	0.54	13.5	0.8	15.0
Mag. Middl.	1.83	0.29		1.4
Table Middl.	3.18	0.24		1.9
Flot. Middl.	1.56	1.61		6.3
Tailing	92.53	0.05		11.6
Calculated Heads	100.0	0.40		
Assay Hds.		0.39	*0.05	
Total Conc.	0.98	35.7	1.5	78.8
Total Middling	6.59	0.58		9.6

*Less than

U. S. BUREAU OF MINES
Albany, Oregon
Mineral Dressing Section
Metallurgical Data

TABLE II

January 22, 1952

Test No. 2809
Test Engineer: P. H. Floyd
Head No. & Ore: Hd 225 - Brown's Lake Tungsten Ore
Treatment: Batch flotation test.

Product	Weight Percent	Assay Percent WO_3	Distribution Percent WO_3
WO_3 Conc.	4.2	7.5	68.6
WO_3 Midl.	17.3	0.57	21.2
Tailing	78.5	0.06	10.2
Calculated Head	100.0	0.46	100.0
Assay Head		0.39	

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Washington 25, D. C.

So. 157 Howard Street
Spokane 4, Washington

December 19, 1951

Idm-E 127
Dec. 19, 1951

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

Re: Exploration Contracts
Idm-E-123 & Idm-E-105

Dear Sir:

Enclosed are three copies of an approval to amend contract IdmE-123, and five Field Team approvals concerning contract Idm-E-105. These copies are to be appended to copies of the exploration contract which you have retained for your files.

One copy of each of the approvals has been retained at this office, one copy forwarded to Fiscal Office, Albany, Oregon, and one copy forwarded to the Operator.

Sincerely yours,

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

Enclosures

c.c. to: U.S.B.M.

To attachment - A [illegible] with this letter from Kiilsgaard
[illegible]

Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. _____
Bu. Vou. No. 85

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of $_____
Comptroller General of the United States
By _____

U. S. Interior, Mines
(Department, bureau, or establishment)
Voucher prepared at Albany, Oregon Jan. 3, 1952
(Give place and date)
THE UNITED STATES, Dr.,
To American Alloy Metals, Inc.
(Payee)
Address 401 Symons Bldg., Spokane 4, Washington
Payee's Account No. IDM-E 127

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms _____% Discount Cash _____ days	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	October 1951	As per attached certified Form MF-104 dated November 1, 1951				6198	82

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 6,198 82

(Payee must NOT use this space)
Differences _____
Account verified; correct for 6,198 82
(Signature or initials) _____

Contract No. IDM-E 127 Date 8/24/51 Req. No. _____ Date _____ Invoice Rec'd _____

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	6198.82	6198.82

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. _____ dated _____, 19____, for $_____ } on Treasurer of the United States payee named above.
{ Cash, $_____, on _____, 19____, Payee _____ (Sign original only)

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for $_____", and over his official title.

Per _____
Title _____

16—22900a-1

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.
2. (*a*) After advertising by circular letters sent to _____ dealers.
   (*b*) And by notices posted in public places.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(*a*)(*b*)" or "2(*a*)", depending on whether or not notices were posted.)

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with _____
5. Without advertising, it being impracticable to secure competition because of _____

_____

_____

_____

_____

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

U. S. GOVERNMENT PRINTING OFFICE: 1946 O-88934

16—22900-1

NARRATIVE STATEMENT

Early in the month we started Hole No. 6, but could see that because of the difficult terrain we would not reach the east end of the orebody before winter set in, so stopped drilling on No. 6 and moved to the east end as rapidly as possible. Our object was to probe the orebody at depth, down dip from outcrops and underground workings which sampling showed 0.50 WO_3.

We set up three rigs on Holes No. 10, 11 and 12, but for lack of water supply could only drill Nos. 10 and 11 at one time. No. 10 encountered tactite from 155-171 feet, which corresponded very closely with a 16-foot bed on the outcrop and lying above the main bed. No. 11 Hole encountered tactite from 36-43 feet. This bed was unknown to us and obscured on the surface. The same hole again passed through tactite from 119-126 feet. All of the tactite appeared good under the lamp, but as of this date we do not have the assay returns.

Both holes continued down and were within 10 feet of where they should have encountered the main tactite bed when extreme cold weather set in, making it impossible to do further drilling this year. It was just not possible to keep the long water lines open.

Although the drilling necessarily had to stop, we will continue as long as weather permits, to do certain mapping and sampling preparatory to resuming our drilling next spring.

A 2,000-pound plus sample was taken on the precipitous cliffs of the west end orebody and back packed to the end of the road. This sample was taken for metallurgical tests by the U. S. Bureau of Mines and shipped to Albany, Oregon.

J. W. Melrose
Project Manager

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

EXHIBIT
EXPLANATION

Item	2(b)	Rented	
		See agreement with R. S. McClintock to build trails and approval of field team	$1,500.00
		See invoice rental equipment Andrews Equipment Co.	216.00
			1,716.00
	4	Labor for trench and cliffside sampling See payroll sheet and refer to attached letter of explanation	$ 479.25
	5	Supervision Ivanhoe claim	$ 400.00
	10	Contract work See McClintock Invoice	$5,241.11
	11	Sampling, assaying and miscellaneous supplies**	
		Gasoline and oil	$ 190.72
		Bags	58.50
		Hammer	2.63
		Assays	81.00
		Ultra violet lamp battery	.75
		Sample express charges	7.84
		Professional services	84.00
		Transportation of bulk samples	4.40
		Equipment rental*	100.00
			$ 527.34

*See attached receipt.
**Broken down on Page 4 under Sampling and Assaying $337.12
Miscellaneous Supplies $190.72

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 127

Name of Operator American Alloy Metals, Inc.
Docket No. DMA 1951X Idm-E-127
Total Contract Amount $ 21,993.80
Government Participation: 75 % Amount, $ 16,495.35
Distribution of Expenditures for Month of October, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

American Alloy Metals, Inc.
(Name of Company)

By /S/ J. W. Melrose
(Signature of Authorized Official)

November 1, 1951
(Date)

J. W. Melrose
Project Manager
(Title)

NOTE.—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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2]	1,716.90	216.90	1,933.80			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings		381.29	381.29			
(c) Installations		545.00	545.00			

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures		67.20	67.20			
4. Labor[3]	479.25	None	479.25			
5. Supervision	400.00	800.00	1,200.00			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work	5,241.11	None	5,241.11			
11. Other (specify)						
Sampling, assaying, & misc. supplies	527.84	865.91	1,393.75	427.84		
Total	8,365.10	2,876.30	11,241.40			
Deletions	100.00					
Adjusted totals						
Totals previously reported	~~8,365.10~~	2,876.30	11,241.40			
Totals to date	~~8,365.10~~	2,876.30	11,241.40	8265.10		

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by /S/ W. R. Lee
Entered by /S/ Glenn C. Reed
Approved by $6198.82
Amount approved for payment
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes				5,241.11	5,241.11	foot	526	None	526	2,000
Overburden										
Rehabilitation and preparation										
Geology and geophysics	400.00				400.00	month	2/3	1-1/3	2	2
Trenching										
Sampling and assaying	479.25			337.12	816.37					
Roads and trails				1,500.00	1,500.00	hour	100	None	100	100
Test pits										
Other (specify) misc. supplies			190.72		190.72					
rented				216.90	216.90					
Totals	879.25		190.72	7,295.13	8,365.10					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

EXTRA COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 127

Name of Operator American Alloy Metals, Inc.
Docket No. DMA 1951X Idm-E-127
Total Contract Amount $ 21,993.80
Government Participation: 75 % Amount, $ 16,495.35
Distribution of Expenditures for Month of October, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

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CERTIFICATION

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

American Alloy Metals, Inc.
(Name of Company)

By J. W. Melrose
(Signature of Authorized Official)

November 1, 1951
(Date)

Project Manager
(Title)

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16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
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(a) Facilities						
(b) Buildings						
(c) Fixtures						
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(a) Purchased[1]						
(b) Rented[2]	1,716.90	216.90	1,933.80			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings		381.29	381.29			
(c) Installations		545.00	545.00			

EXTRA COPY

NARRATIVE STATEMENT

Early in the month we started Hole No. 6, but could see that because of the difficult terrain we would not reach the east end of the orebody before winter set in, so stopped drilling on No. 6 and moved to the east end as rapidly as possible. Our object was to probe the orebody at depth, down dip form outcrops and underground workings which sampling showed 0.50 WO_3.

We set up three rigs on Holes No. 10, 11 and 14, but for lack of water supply could only drill Nos. 10 and 11 at one time. No. 10 encountered tactite from 155-171 feet, which corresponded very closely with a 16-foot bed on the outcrop and lying above the main bed. No. 11 Hole encountered tactite from 36-43 feet. This bed was unknown to us and obscured on the surface. The same hole again passed through tactite from 119-126 feet. All of the tactite appeared good under the lamp, but as of this date we do not have the assay returns.

Both holes continued down and were within 10 feet of where they should have encountered the main tactite bed when extreme cold weather set in, making it impossible to do further drilling this year. It was just not possible to keep the long water lines open.

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A 2,000-pound plus sample was taken on the precipitous cliffs of the west end orebody and back packed to the end of the road. This sample was taken for metallurgical tests by the U. S. Bureau of Mines and shipped to Albany, Oregon.

J. W. Melrose
Project Manager

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures		67.20	67.20			
4. Labor[3]	479.25	None	479.25			
5. Supervision	400.00	800.00	1,200.00			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work	5,241.11	None	5,241.11			
11. Other (specify)						
Sampling, assaying, & misc. supplies	527.84	865.91	1,393.75			
Total	8,365.10	2,876.30	11,241.40			
Deletions						
Adjusted totals						
Totals previously reported	8,365.10	2,876.30	11,241.40			
Totals to date	8,365.10	2,876.30	11,241.40			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by .....
Entered by .....
Approved by .....
Amount approved for payment .....
Remarks .....

16—64008-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes				5,241.11	5,241.11	foot	526	none	526	2,000
Overburden										
Rehabilitation and preparation										
Geology and geophysics	400.00				400.00	month	2/3	1-1/3	2	2
Trenching										
Sampling and assaying	479.25			337.12	816.37					
Roads and trails				1,500.00	1,500.00	hour	100	none	100	100
Test pits										
Other (specify) misc. supplies			190.72		190.72					
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Totals	879.25		190.72	7,295.13	8,365.10					

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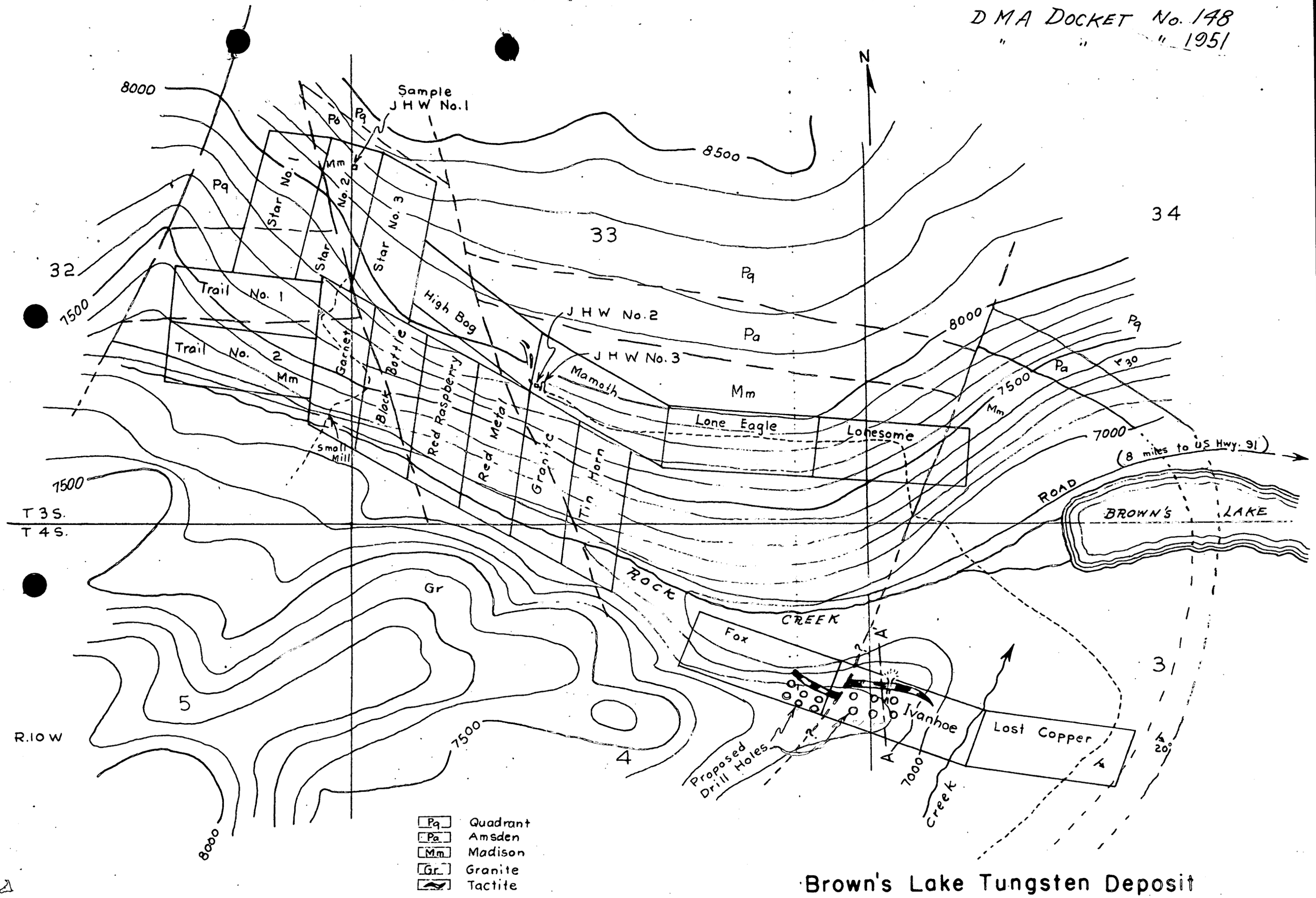
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

DMA DOCKET No. 148
" " " 1951



Brown's Lake Tungsten Deposit
Beaverhead County, Mont.

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 127

Name of Operator American Alloy Metals, Inc.
Docket No. DMA 1951X Idm-E-127
Total Contract Amount $ 21,993.80
Government Participation: 75 % Amount, $ 16,495.35
Distribution of Expenditures for Month of October, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

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American Alloy Metals, Inc.
(Name of Company)

By J W Melrose
(Signature of Authorized Official)

November 1, 1951
(Date)

J. W. Melrose
Project Manager
(Title)

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16—64068-3

MONTHLY SUMMARY COST STATEMENT

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(b) Buildings						
(c) Fixtures						
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J. W. Melrose

J. W. Melrose
Project Manager

EXHIBIT
EXPLANATION

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	See invoice rental equipment Andrews Equipment Co.	216.00
		1,716.00
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5	Supervision Ivanhoe claim	$ 400.00
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	Sample express charges	9.84
	Professional services	50.00
	Transportation of bulk samples	2.40
	Equipment rental**	100.00
		$ 527.84

*See attached receipt.
**Broken down on Page 4 under Sampling and Assaying $337.12
Miscellaneous Supplies $190.72

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures		67.20	67.20			
4. Labor[3]	479.25	None	479.25			
5. Supervision	400.00	800.00	1,200.00			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work	5,241.11	None	5,241.11			
11. Other (specify)						
Sampling, assaying, & misc. supplies	527.84	865.91	1,393.75			
Total	8,365.10	2,876.30	11,241.40			
Deletions						
Adjusted totals						
Totals previously reported	8,365.10	2,876.30	11,241.40			
Totals to date	8,365.10	2,876.30	11,241.40			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Glenn A. Reed
Amount approved for payment
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF ~~October, 1951~~

(Supply Data Below Applicable Only to Your Operations)

U.S. BUREAU OF MINES
RECEIVED
DEC 19 1951
PORTLAND, OREGON

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes				5,241.11	5,241.11	foot	526	None	526	2,000
Overburden										
Rehabilitation and preparation										
Geology and geophysics	400.00				400.00	month	2/3	1-1/3	2	2
Trenching										
Sampling and assaying	479.25			337.12	816.37					
Roads and trails				1,500.00	1,500.00	hour	100	None	100	100
Test pits										
Other (specify) misc. supplies			190.72		190.72					
rented				216.00	216.00					
Totals	879.25		190.72	7,295.13	8,365.10					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

COPY

D. O. Vou. No. _____
Bu. Vou. No. DMA-24

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of $_____
Comptroller General of the United States
By _____

U. S. Dept. of the Interior, Bureau of Mines
(Department, bureau, or establishment)

Voucher prepared at Albany, Oregon - 10/12/51
(Give place and date)

THE UNITED STATES, Dr.,

To American Alloy Metals, Inc.,
(Payee)

Address 401 Symons Building, Spokane 4, Washington
Payee's Account No. Idm-E-127

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms _____% Discount Cash _____ days	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	8/22-9/30/51	Certified form MF-104 dtd 10/2/51				2,157	23

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 2,157 23

(Payee must NOT use this space)
Differences _____
Account verified; correct for 2,157 23
(Signature or initials) _____

Contract No. _____ Date _____ Req. No. _____ Date _____ Invoice Rec'd _____

2,157.23

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	2,157.23	2,157.23

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. _____ dated _____, 19____, for $_____ } on Treasurer of the United States in favor of payee named above.
{ Cash, $_____, on _____, 19____, Payee _____ }
(Sign original only)

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for $_____", and over his official title.

Per _____
Title _____

16—22900a-1

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.

2. (*a*) After advertising by circular letters sent to _____ dealers.

   (*b*) And by notices posted in public places.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(*a*)(*b*)" or "2(*a*)", depending on whether or not notices were posted.)

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.

4. Without advertising in accordance with _____

5. Without advertising, it being impracticable to secure competition because of _____

_____

_____

_____

_____

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

U. S. GOVERNMENT PRINTING OFFICE: 1946 O-88934

16—22900-1

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 127

Name of Operator American Alloy Metals, Inc.
Docket No. DMA 1915X Idm-E127
Total Contract Amount $ 21,993.80
Government Participation: 75 % Amount, $ 16,495.35
Distribution of Expenditures for Month of Aug. 22 - Sept. 30, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

CERTIFICATION

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

American Alloy Metals, Inc.
(Name of Company)

By /S/ J. W. Melrose
(Signature of Authorized Official)

401 Symons Building, Spokane 4, Wash.
October 2, 1951
(Date)

J. W. Melrose
Project Manager
(Title)

NOTE.—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.

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2]	216.90	None	216.90			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings	381.29	None	381.29			
(c) Installations	545.00	None	545.00			

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures	67.20	None	67.20			
4. Labor[3]						
5. Supervision	* 800.00	None	*800.00			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Sampling & Assaying	794.94	None	794.94			
Misc. supplies per contract.	70.97	None	70.97			
Total	2,876.30		2,876.30			
Deletions						
Adjusted totals						
Totals previously reported	None	None				
Totals to date	2,876.30	None	2,876.30			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

* Includes supervision

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by /S/ J. B. Sanders
Entered by
Approved by /S/ Glenn C. Reed
Amount approved for payment $2,157.23
Remarks

* pro-rated portion of Aug. plus Sept. per contract.

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF Aug. 22-Sept. 30, 1951.

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation				993.49	993.49					
Geology and geophysics	800.00				800.00	month	1 1/3	None	1 1/3	2
Trenching										
Sampling and assaying				794.94	794.94					
Roads and trails										
Test pits										
Other (specify) Misc. supplies per contract.				70.97	70.97					
Equipment rent*al per contract				216.90	216.90					
Totals	800.00			2,076.30	2,876.30					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

* includes supervision

NARRATIVE SUMMARY

The access road to the orebody on the south side of Rock Creek Valley was completed October 1 (See map). It was deemed not feasible to spend more money to continue the road east along the mountainside because of the rugged terrain. Therefore the diamond drill contracting company erected a high line to hoist this equipment to drill hole levels and are building tote trails to tug machines and material the remaining distance to the east.

Two more machines were brought in by the company during the month. Three holes were completed. Two did not show ore, but the third looks favorable. This makes a total of three holes (two in August) that encountered ore.

An access road to claims on the north side of Rock Creek Valley was started during the month in order to trench, sample and otherwise explore claims in this area. Although difficulty will be encountered in building this road, it will not be as difficult as the south side road.

Building repairs which included a shower room, greatly boosted the morale of the men.

Bulk samples for metallurgical study by the U. S. Bureau of Mines are being taken. Because of the precipitous nature of the face of the orebody the securing of these samples will take time.

Attached is a preliminary geologic map of the south side orebody. A map is now being made of the north side.

J. A. Melrose
Project Manager

EXHIBIT

EXPLANATION

ITEM

11 Other (specify)

Sampling and Assaying		
Bags	$ 8.70	
Assays	111.00	
Core boxes	302.64	
Freight on samples	12.60	
Professional sampling fees	300.00	
		$794.94
Miscellaneous Supplies		
Oil and gasoline		70.97

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 127

EXTRA COPY

Name of Operator American Alloy Metals, Inc.
Docket No. DMA 1951X Idm E127
Total Contract Amount $ 21,993.80
Government Participation: 75 % Amount, $ 16,495.35
Distribution of Expenditures for Month of Aug. 22 - Sept. 30, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 13 1952

CERTIFICATION

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

American Alloy Metals, Inc.
(Name of Company)

By J. W. Melrose
(Signature of Authorized Official)

401 Symons Building, Spokane 4, Wash.

J. W. Melrose

October 2, 1951
(Date)

Project Manager
(Title)

NOTE.—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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2]	216.90	None	216.90			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings	381.29	None	381.29			
(c) Installations	545.00	None	545.00			

NARRATIVE STATEMENT

The access road to the orebody on the south side of Rock Creek Valley was completed October 1 (See map). It was deemed not feasible to spend more money to continue the road east along the mountainside because of the rugged terrain. Therefore the diamond drill contracting company erected a high line to hoist this equipment to drill hole levels and are building tote trails to tug machines and material the remaining distance to the east.

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Attached is a preliminary geologic map of the south side orebody. A map is now being made of the north side.

J. W. Melrose
Project Manager

EXHIBIT

EXPLANATION

ITEM

11 Other (specify)

Sampling and Assaying		
Bags	$ 8.70	
Assays	111.00	
Core boxes	302.64	
Freight on samples	12.60	
Professional sampling fees	360.00	
		$ 794.94
Miscellaneous Supplies		
Oil and gasoline		70.97

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures	67.20	None	67.20			
4. Labor[3]						
5. Supervision	800.00*	None	800.00*			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Sampling & Assaying	794.94	None	794.94			
Misc. supplies per contract	70.97	None	70.97			
Total	2,876.30		2,876.30			
Deletions						
Adjusted totals						
Totals previously reported	None	None				
Totals to date	2,876.30	None	2,876.30			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.
& includes supervision

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by J. Sanders
Entered by
Approved by Glen A. Rud
Amount approved for payment $ 2,157.23
Remarks

* pro-rated portion of Aug. plus Sept. per contract.

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF Aug. 22 - Sept. 30, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										2000 ft.
Overburden										
Rehabilitation and preparation			?	993.49	993.49					$1,000
Geology and geophysics	800.00				800.00	month	1 1/3	None	1 1/3	2 120
Trenching										
Sampling and assaying				794.94	794.94					$1,850
Roads and trails										
Test pits										
Other (specify) Misc. supplies per contract				70.97	70.97					
Equipment rental per contract				216.90	216.90					100 hrs. 50
Totals	800.00			2,076.30	2,876.30					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

* Includes Supervision

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 127

Name of Operator American Alloy Metals, Inc.
Docket No. DMA 1951X Idm E127
Total Contract Amount $ 21,993.80
Government Participation: 75 % Amount, $ 16,495.35
Distribution of Expenditures for Month of Aug. 22 - Sept. 30, 1951

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
NOV 30 1 59 PM '51

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

American Alloy Metals, Inc.
(Name of Company)
401 Symons Building, Spokane 4, Wash.
October 2, 1951
(Date)

By J. W. Melrose
(Signature of Authorized Official)
J. W. Melrose
Project Manager
(Title)

NOTE.—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.

16—64068-3

U. S. BUREAU OF MINES
RECEIVED
OCT 24 1951
ALBANY, OREGON

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total.	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2]	216.90	None	216.90			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings	381.29	None	381.29			
(c) Installations	545.00	None	545.00			

NARRATIVE STATEMENT

The access road to the orebody on the south side of Rock Creek Valley was completed October 1 (See map). It was deemed not feasible to spend more money to continue the road east along the mountainside because of the rugged terrain. Therefore the diamond drill contracting company erected a high line to hoist this equipment to drill hole levels and are building tote trails to tug machines and material the remaining distance to the east.

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Attached is a preliminary geologic map of the south side orebody. A map is now being made of the north side.

J. W. Melrose
Project Manager

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures	67.20	None	67.20			
4. Labor[3]						
5. Supervision	* 800.00*	None	800.00*			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Sampling & Assaying	794.94	None	794.94			
Misc. supplies per contract	70.97	None	70.97			
Total	2,876.30		2,876.30			
Deletions						
Adjusted totals						
Totals previously reported	None	None				
Totals to date	2,876.30	None	2,876.30			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

* Includes Bonding

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Glenn A. Reed
Amount approved for payment Glenn A. Reed
Remarks

*pro-rated portion of Aug. plus Sept. per contract.

16—64068-3

U. S. BUREAU OF MINES
RECEIVED
OCT 24 1951
ALBANY, OREGON

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF Aug. 22 - Sept. 30, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation				993.49	993.49					
Geology and geophysics	* 800.00				800.00	month	1 1/3	None	1 1/3	2
Trenching										
Sampling and assaying				794.94	794.94					
Roads and trails										
Test pits										
Other (specify) Misc. supplies per contract				70.97	70.97					
Equipment rental per contract				216.90	216.90					
Totals	800.00			2,076.30	2,876.30					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

* includes supervision

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

NARRATIVE STATEMENT

The access road to the orebody on the south side of Rock Creek Valley was completed October 1 (See map). It was deemed not feasible to spend more money to continue the road east along the mountainside because of the rugged terrain. Therefore the diamond drill contracting company erected a high line to hoist this equipment to drill hole levels and are building tote trails to tug machines and material the remaining distance to the east.

Two more machines were brought in by the company during the month. Three holes were completed. Two did not show ore, but the third looks favorable. This makes a total of three holes (two in August) that encountered ledge.

An access road to claims on the north side of Rock Creek Valley was started during the month in order to trench, sample and otherwise explore claims in that area. Although difficulties will be encountered in building this road, it will not be as difficult as the south side road.

Building repairs which included a shower room, greatly boosted the morale of the men.

Bulk samples for metallurgical study by the U. S. Bureau of Mines are being taken. Because of the precipitous nature of the face of the orebody the securing of these samples will take time.

Attached is a preliminary geologic map of the south side orebody. A map is now being made of the north side.

J. W. Melrose
Project Manager

EXHIBIT

EXPLANATION

ITEM

11 Other (specify)

Sampling and Assaying		
Bags	$ 8.70	
Assays	111.00	
Core boxes	302.64	
Freight on samples	12.60	
Professional sampling fees	300.00	
		$794.94
Miscellaneous Supplies		
Oil and gasoline		70.97

APPROVAL

December 14, 1951
Date

Under authority granted by Order No. 2653 of the Acting Secretary of the Interior, approval is hereby given to a subcontract between American Alloys Metals, Inc. 1 Montgomery Street, San Francisco, Calif. Contracting Officer, and R. S. McClintock, Contractor, described in attached copy of letter dated July 6, 1951, an approved copy of which shall be kept on file in the Regional Office of the DMA Field Team, Region II, for a portion of the work to be performed under Exploration Contract Idm-E127 dated August 24, 1951.

This approval shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Executive Officer, DMA
Field Team, Region II

Member, DMA
Field Team, Region II

Mr. Frank Eichelberger
Doing business for: E. L. Cleveland
Estey A. Julian
Frank Eichelberger
Suite 401, Symons Building
Spokane, Washington

Dear Mr. Eichelberger:

With regard to a proposed diamond drill program at your Brown Lake property near Melrose, Montana.

We understand that you will drill a minimum of 3000 linear feet, holes ranging from 250 feet to 500 feet in depth, AX size, that you will furnish access road to the site including a bridge across Rock Creek and that you will furnish a tractor which will assist in mobilizing our equipment.

Based on the above, we quote you as follows:

0 to 500 feet per hole	$7.75 per foot

The above quotation provides for our furnishing all material, labor, equipment, water line, pumping plants and diamond bits necessary to complete these holes.

In the event loose and caving material or water courses are encountered that will tend to make drilling impractical without the use of casing or cement, an additional charge of $3.50 per foot will be made for reaming and landing the casing or placing cement and redrilling the cemented section of the hole.

If, upon completion of the contract our cost figures reflect a net profit in excess of 10% of our expenses which include a 12½% overhead, we will refund the difference.

Our employees will be covered by Workman's Compensation to comply with the State Act and our operation will be covered by Public Liability in the amounts of $100,000 and $500,000 and Property Damage in the amount of $100,000.

Yours very truly,

/s/ R. S. McClintock

RSM/is

APPROVAL

December 14, 1951
Date

Under authority granted by Order No. 2653 of the Acting Secretary of the Interior, approval is hereby given to a subcontract between American Alloys Metals, Inc. 1 Montgomery Street, San Francisco, Calif.

Contracting Officer, and R. S. McClintock,

Contractor, described in attached copy of letter dated December 8, 1951,

an approved copy of which shall be kept on file in the Regional Office of the DMA Field Team, Region II, for a portion of the work to be performed under Exploration Contract 1d-2127 dated August 24, 1951.

This approval shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

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

M. E. Velin
Member, DMA
Field Team, Region II

C
O
P
Y

R. S. McCLINTOCK
Diamond Drill Contracting

West 416-418 2nd Ave.
Spokane, Washington
December 8, 1951

American Alloy Metals, Inc.
Suite 401, Symons Building
Spokane, Washington

Gentlemen:

In connection with the diamond drill program at your Browns Lake property near Melrose, Montana, we agree to build for the sum of $1,500.00 the trails necessary to facilitate moving of our drilling equipment on the drill range located on the Ivanhoe Claim.

Yours very truly,

/s/ R. S. McClintock

RSM:eg

APPROVAL

December 14, 1951
Date

Under authority granted by Order No. 2653 of the Acting Secretary of the Interior, approval is hereby given to a subcontract between American Alloys Metals, Inc. 1 Montgomery Street, San Francisco, Calif. Contracting Officer, and Paul W. Smith, Contractor, described in attached copy of the AGREEMENT dated July 16, 1951, an approved copy of which shall be kept on file in the Regional Office of the DMA Field Team, Region II, for a portion of the work to be performed under Exploration Contract Idm-E127 dated August 24, 1951.

This approval shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

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

W. E. Mahi
Member, DMA
Field Team, Region II

C
O
P
Y

AGREEMENT

This agreement made and entered into this 16th day of July, 1951, by and between Frank Eichelberger and Paul W. Smith for the purpose of bulldozing at the Browns Lake tungsten property.

The work will be charged for at the rate of $15 an hour, with a minimum of 300 hours worth of work to be done, and a maximum of 500 hours worth of bulldozing under this contract.

The work is to be continuous until completed.

/s/ Frank Eichelberger

/s/ Paul W. Smith

Owe 1951

APPROVAL

December 14, 1951
Date

Under authority granted by Order No. 2653 of the Acting Secretary of the Interior, approval is hereby given to a subcontract between Acoalcas Alloys Metals, Inc., 1 Montgomery Street, San Francisco, Calif.

Contracting Officer, and R. D. McClintock,

Contractor, described in attached copy of letter dated July 6, 1951,

an approved copy of which shall be kept on file in the Regional Office of the DMA Field Team, Region II, for a portion of the work to be performed under Exploration Contract Ic-1105 dated August 1, 1951.

This approval shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

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

M. E. Olsen
Member, DMA
Field Team, Region II

Mr. Frank Eichelberger
Doing business for: E. L. Cleveland
Estey A. Julian
Frank Eichelberger
Suite 401, Symons Building
Spokane, Washington

Dear Mr. Eichelberger:

With regard to a proposed diamond drill program at your Brown Lake property near Melrose, Montana.

We understand that you will drill a minimum of 3000 linear feet, holes ranging from 250 feet to 500 feet in depth, AX size, that you will furnish access road to the site including a bridge across Rock Creek and that you will furnish a tractor which will assist in mobilizing our equipment.

Based on the above, we quote you as follows:

0 to 500 feet per hole $7.75 per foot

The above quotation provides for our furnishing all material, labor, equipment, water line, pumping plants and diamond bits necessary to complete these holes.

In the event loose and caving material or water courses are encountered that will tend to make drilling impractical without the use of casing or cement, an additional charge of $3.50 per foot will be made for reaming and landing the casing or placing cement and redrilling the cemented section of the hole.

If, upon completion of the contract our cost figures reflect a net profit in excess of 10% of our expenses which include a 12½% overhead, we will refund the difference.

Our employees will be covered by Workman's Compensation to comply with the State Act and our operation will be covered by Public Liability in the amounts of $100,000 and $300,000 and Property Damage in the amount of $100,000.

Yours very truly,

/s/ R. S. McClintock

RSM/is

FILE COPY
SURNAME:

400

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

AUG 3 1 1951

Contract Service Section
General Accounting Office
Washington 25, D. C.

G.E.C -

Re: Docket DMA 1951X
Exploration Project Contract
Idm-K127
American Alloys Metals, Inc.
[redacted]

Gentlemen:

Enclosed for recording in your office is the original, signed copy of an Exploration Project Contract executed between the operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf

BJ 8/31

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1

DEMoulds/meh
cc to: Adm. Reading File
Reports and Records
Mr. Mittendorf, Mr. Olund
Mr. Moulds
Docket

400
FILE COPY
SURNAME:

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

AUG 28 1951

Moulds
Mittendorf

AIR MAIL

G.E.L.

Mr. A. E. Weissenborn
Executive Officer, Region II
Defense Minerals Administration
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMA-1951Y, Tungsten
American Alloys Metals, Inc.

Dear Mr. Weissenborn:

Please find herewith two copies of contract for subject exploration project. The contract has been signed by Mr. Richterberger for the operator and by this office for the Government with effective date and register number shown.

Kindly retain one copy for your files and transmit the other copy to the operator. The copy required by the Regional Finance Office will be forwarded directly by the Washington Finance Section

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

JF 8/28

Enclosures-2

DEMoulds/jem
8-24-51

cc to: Adm. Reading File
Reports & Records
Messrs: Mittendorf-Olund
Holderer
Geehan
Thayer
Moulds
Field Team, Region II
Docket

FILE COPY
SURNAME:

Gathre
Koontz
Liebert

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

August 23, 1951

G.E.C.

Memorandum

To: Director, Production Expansion Division

From: Acting General Counsel

Subject: American Alloys Metals, Inc., exploration contract--DMA Docket No. 1951x

The contract in the captioned case is approved as to legal requirements and is found to be ready for execution by the Government. Any subcontracts entered into for the conduct of work upon the project must have the prior approval of the Government.

Your file is returned herewith.

/s/ J. G. Liebert

John G. Liebert, Acting for
J. L. Hofflund, General Counsel

Attachment

RRGuthrie/em

Copy to: Records & Reports
J. L. Hofflund
R. R. Guthrie

ESTEY A. JULIAN
CONSULTING MINING ENGINEER
ONE MONTGOMERY STREET
SAN FRANCISCO

1951

August 23, 1951

Air Mail
Special Delivery

Mr. George B. Holderer
316 North Thomas Street
Arlington 3, Virginia

Re: American Alloy Metals, Inc.

Dear Mr. Holderer:

At the suggestion of Mr. Frank Eichelberger we are enclosing herewith the original assignment of the Fluorescent Mines, Ivanhoe and Browns Lake agreements to the American Alloy Metals, Inc., dated August 20, from Messrs. Eichelberger, Cleveland and myself, and also the original of our assignment of August 20, of the Exploration Project Contract (Docket No. 148) to American Alloy Metals, Inc., conditional on obtaining the Government's consent.

It will be appreciated if these originals can be returned to us as soon as they have served the purpose.

Sincerely,

Estey A. Julian

Estey A. Julian

EAJ/m

encl

cc Mr. Eichelberger
Spokane

Form 3806-S (Rev. 3-49)
Receipt for Registered Article No. 597678
Fee paid 25 cents. Class postage AIR
Declared value ——— Surcharge paid, $———
Return Receipt fee ——— Spl. Del'y fee ———
Delivery restricted to addressee:
in person ——— or order ——— Fee paid ———
Accepting employee will place his initials in space indicating restricted delivery.
67—16—19433-4 GPO
NOTICE TO SENDER—Enter below name and address of addressee as an identification. Preserve and submit this receipt in case of inquiry or application for indemnity.
Mr Estey A Julian
(Name of addressee)
(P. O. and State of address)
1 Montgomery St San Francisco Calif
POSTMARK
WASHINGTON D.C.
SEP 6 1951

September 5, 1951

AIR MAIL - REGISTERED

Mr. Estey A. Julian
One Montgomery Street
San Francisco, California

Dear Mr. Julian:

We are enclosing herewith the original assignment of the Fluorescent Mines, Ivanhoe and Browns Lake agreements to the American Alloy Metals, Inc., dated August 20, which you requested in your letter of August 23, 1951.

Very truly yours,

George B. Holderer
Chief, Ferro-Alloys Branch

Enclosure

c
o
p
y

1951

KNOW ALL MEN BY THESE PRESENTS:

We, the undersigned, ESTEY A. JULIAN, FRANK EICHELBERGER and E. L. CLEVELAND, being all of the 'Operators' referred to in that Exploration Project Contract (Docket No. 148 and for which application was filed April 18, 1951) between the undersigned and the United States of America, acting through the Department of the Interior, Defense Minerals Administration, concerning exploration for tungsten ore in Beaverhead County, Montana, do hereby assign and set over all of our rights thereunder and our interests therein to AMERICAN ALLOY METALS, INC., a Nevada corporation, its successors and assigns forever.

Dated: August 20, 1951.

(S) Estey A. Julian

(S) Frank Eichelberger

(S) E. L. Cleveland

The above assignment is hereby accepted, and AMERICAN ALLOY METALS, INC., a Nevada corporation, hereby assumes all of the obligations imposed on, or agreed to by, the 'Operator,' as provided in the above-mentioned Exploration Project Contract.

Dated: August 20, 1951.

AMERICAN ALLOY METALS, INC.

By (S) Estey A. Julian
President

By (S) Willis A. Swan
Secretary

Consent is hereby given to the foregoing assignment and transfer of the above-mentioned Exploration Project Contract.

THE UNITED STATES OF AMERICA,

By _____

~~6/5/51~~

8/14/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 1951-X

For Approval

Commodity Tungsten

Total Amount $21,993.80

Govt. Participation $16,495.35

1. Name and Address of Applicant American Alloys Metals, Inc. Suite 1223, No. 1 Montgomery Street, San Francisco, California

2. Location of Property Brown Lake, Beaverhead County, Montana Lot 37, T 4 S, R 10 W

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

If not, application will be rejected.

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

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

a) Good Very 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 (question 5, 6, 7)*

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

Does the lease have sufficient time to run to cover a future productive period? Yes

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201? _____

b) MF-202 _____

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

a) Available manpower Yes

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

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? No

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? Yes

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

b) Is there an adequate map or sketch of the proposed work? Yes

_____

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

If not, what part of it is? _____

_____

_____

_____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Yes

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data?_____ If so, attach a draft.

e) Are the cost estimates reasonable? Yes

f) Should more information be requested from applicant? No

g) Is a field examination necessary to complete Exhibit A? No

11. Exhibit B (question 23-d)*

a) Is it applicable? No

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

c) Is a field check needed?_____

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

a) Is it applicable? Yes

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

c) Are rents and charges reasonable? Yes

d) Is a field check needed? No

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

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No

14. Exhibit E (question 23-c)*

a) Is it applicable? Yes

b) Sufficient data? Yes

c) Reasonable? Yes

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? Yes

(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? Processing of this application should be expedited to permit approval in time to use the same crews & equipment now employed on the adjoining project.

Reviewed by: J. J. Wallace

Date 8/14/51

approved
Jim Lyon

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

August 13, 1951

Mr. Frank Eichelberger
Vice President
American Alloys Metals, Inc.
Suite 1223 No. 1 Montgomery Street
San Francisco, California

Subject: Exploration Loan
Re: DMA-1951

My dear Mr. Eichelberger:

This will acknowledge receipt of your application dated August 13, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMA- 1951 and referred to the Ferro Alloys Branch.

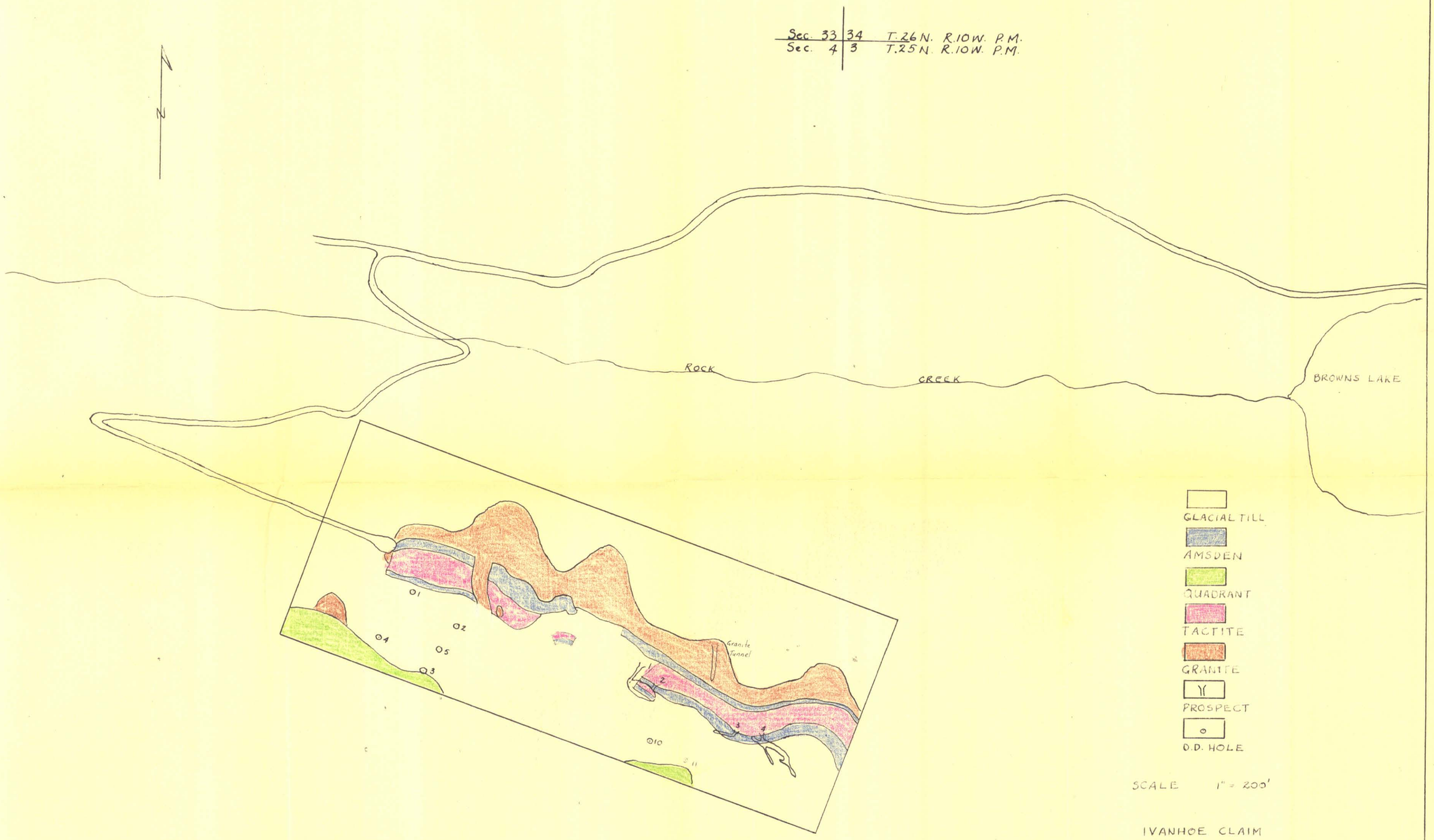
Kindly refer to DMA- 1951 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams

Robert E. Adams, Chief
Reports and Records Unit

FIG. 9



SCALE 1" = 200'

IVANHOE CLAIM
BROWNS LAKE MONT. DIST.
AMERICAN ALLOY METALS INC.

FRANK EICHELBERGER & ASSOC.
SEPT. 12. 1951