



FAXED
Confirmed SW

003527

INTER-OFFICE MEMORANDUM

DATE: June 7, 1996
TO: Sherman Hanowski
FROM: Dick Arndt
SUBJECT: 1996 Exploration Projects
cc: Exploration file

As we discussed on the telephone yesterday, here is a list of 1996 Exploration Projects that need Account Numbers or "J" numbers:

These projects all come from the list on Table 1 (attached) that was part of the 1996 Exploration AFE completed last week. I am not sure how we handle these as far as current staffing requirements are concerned. It appears that the Geological Staff folks are placed in 1998 and 1999. This will be tough, since I feel that they may want to get paid before that time and we may want them to do the work starting in 1996.

District Wide Exploration:

Faro Airborne Geophysics (This is the Areodat work that may already have a number).

Exploration Research

Geophysical Tests

Geological Re-interpretation

Geological Staff and Overhead ?

Faro SE Project:

Ski Hill S - Geophysics

Ski hill S - Drilling

MM and JJ Claims

Swim Basin Drilling:

Moose Lake (This work has been done, and must have a number, since invoices have been paid).

Swim Lake S

Swim Lake Geophysics

Vangorda Plateau:

Grum Block North Drilling

Grum Block - SW

Vangorda Block

Dy Block NE

Dy Block SW

Faro NW Project

NW of Faro Pit

Rose Creek

This should complete the list of accounts that will be used up to December 31, 1996. Can I receive a copy of the 1996 Budget and be on the list for the 1997 budget? Thanks.



Dick Arndt
Exploration

Table 1

**1996 Exploration AFE
Proposed Exploration Expenditures - Anvil District**

	1996	1997	1998	1999	Total
District Wide Exploration					
— geological re-interpretation	319,000	254,000	-	-	\$ 573,000
— geological staff + overhead	-	-	250,000	250,000	\$ 500,000
— airborne geophysics	420,000	-	-	-	\$ 420,000
— exploration research	125,000	75,000	25,000	-	\$ 225,000
— geophysical tests	250,000	-	-	-	\$ 250,000
Sub-total	1,114,000	329,000	275,000	250,000	\$ 1,968,000
Vangorda Plateau					
— Grum block - extensions to Grum	252,000	-	-	-	\$ 252,000
— Grum block - southwest to Grum	336,000	-	-	-	\$ 336,000
— Vangorda block	336,000	-	-	-	\$ 336,000
— Dy block - northeast of Dy	150,000	-	86,000	100,000	\$ 336,000
— Dy block - southwest of Dy	150,000	-	100,000	250,000	\$ 500,000
Sub-total	1,224,000	-	186,000	350,000	\$ 1,760,000
Swim Basin					
— Trend south of Moose Lk.	240,000	-	-	-	\$ 240,000
Overburden Drilling		300,000	-	-	\$ 300,000
magnetic anomaly east of Moose Lk.		-	144,000	-	\$ 144,000
— South of Swim Lk.	150,000	140,000	120,000	-	\$ 410,000
— geophysical followup	125,000	-	-	-	\$ 125,000
Sub-total	515,000	440,000	264,000	-	\$ 1,219,000
Faro Southeast					
— Valley south of Ski Hill - geophysics	50,000	-	-	-	50,000
— Valley south of Ski Hill - drilling	112,000	-	-	-	\$ 112,000
Deep drilling west of Ski Hill	-	100,000	124,000	250,000	\$ 474,000
Sub-total	162,000	100,000	124,000	250,000	\$ 636,000
Faro Northwest					
— Below calc-silicate panel, NW of Faro	120,000	-	-	-	\$ 120,000
— Below calc-silicates down Rose Creek	82,500	-	-	-	82,500
Deep drilling elsewhere		250,000	250,000	350,000	\$ 850,000
Sub-total	202,500	250,000	250,000	350,000	\$ 1,052,500
MM and JJ Claims					
Sub-total	320,000	0	0	0	\$ 320,000
Total	\$3,537,500	\$1,119,000	\$1,099,000	\$1,200,000	\$ 6,955,500

Notes:

Note 1: \$224,000 of the amount in the lightly shaded box is the Current Swim Lake Drill Program included in the 1996 budget covered by AFE 96003. Therefore, only \$16,000 is in the request.

Note 2: The amount in the darker shaded box is included in the 1996 budget as the Faro Northwest Project but no AFE has been submitted.