MAY 6 1952

Silver State Investment Company
Mr. H. I. Wilson, Secretary-Treasurer
139 North Virginia Street
Reno, Nevada

Re: Docket No. DMA (DMPA) 1151 - Tungsten
Sacramento Canyon Property
Pershing County, Nevada

Gentlemen:

Your letter of April 16, 1952, to the Defense Minerals Administration, attention of Tom Lyon, Director, Supply Division, has been referred to this Administration for reply.

We regret to inform you that we are unable to send you a copy of the report because all Government geological reports are confidential unless placed on the open file.

The Iron and Ferro-Alloy Division of the Defense Minerals Exploration Administration has reviewed your docket and noted that the subject property will need further exploration, if warranted, before it can possibly be eligible for a production loan.

As you requested, we are enclosing five sets each of the forms MF-100 and MF-103 and one copy of DMEA Order-1, the latter for your information. The questions in forms MF-100 and MF-103 are to be answered in detail and four copies of each are to be returned to the Defense Minerals Exploration Administration, Room 4070, New Interior Building, Washington 25, D. C.

Maps showing the present mine workings, including surface pits and open cuts and the proposed exploration, should accompany the application. Assay certificates or copies thereof should be included. Review of the subject application suggests that a number of surface trenches and/or pits along the outcrops of the better veins and sampling of the same should be done in addition to extending the No. 5 adit 200 or 300 feet further.

As noted in DMEA Order-1, the Government will participate to a maximum of 75 percent of the estimated cost of approved exploration projects involving tungsten.

Sincerely yours,

Copy to Bailey 5/9

George C. Selfridge

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

Enclosures

cc: Mr. Holderer, DMPA
Mr. D. M. Lemmon, USGS
Mr. R. W. Geehan, USBM

cc: Docket
Admn. Reading File
G. C. Selfridge
Field Team, Region III

TIChapman:GCSelfridge:ls 5/5/52

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED

1952 MAY 9 PM 2:08

SAN FRANCISCO, CALIFORNIA

Refer to	Noted	Date
wered		

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

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
JUL 10 1951
SAN FRANCISCO, CALIFORNIA

Memorandum

To: Landon F. Strobel, Executive Secretary, DMA

Through: Director, Supply Division

From: Tungsten Branch

In reply please refer to:
DMA-1151 -- Tungsten

Subject: Application of Silver State Investment Co.
30 Montell Ave.
Oakland 11, California

Property

Claims in Sacramento Canyon, Humboldt Range, Pershing County, Nevada, north of the dumortierite mine of Champion Sillimanite, Inc. and 2 miles south of the Oreana Tungsten mine.

Conclusions

1. The applicant has not submitted evidence that any tungsten ore is present on the property. No assay maps are given, and only assays listed consist of 7 chip samples taken for the applicant and 5 samples taken in 1941-42 by Bruce McDonell.

2. Proposed milling procedure involves an untested process. The equipment needed is not standard and would require special fabrication.

3. A straight loan is requested.

4. The applicant corporation is without mining experience. The competence and background of Mr. Robert Azevedo, who is listed as superintendant, are unknown.

Recommendation

It is recommended that this application be denied because it is not feasible technically. The applicant has been informed about exploration loans.

Applicant's proposal

A straight loan is requested to supply mining and milling equipment and working capital as follows:

Machinery and equipment	$ 85,544.00
Milling, processing, and concentrating equip.	57,95[illegible].00
Automotive and hauling equipment	26,[illegible].00
Installation and production payroll (10[illegible] men)	100,000.00
Containers for concentrate	2[illegible],000.00
Miscellaneous items	[illegible],111.00
	$330,4[illegible].00

Technical Feasibility

1. No ore reserve is demonstrated. The applicant states that scheelite is present in 17 quartz veins in limestone. A Geological Survey memorandum based on a brief examination made in 1944 states that a little scheelite was seen in quartz stringers in a pit dug along a contact between limestone and rhyolite, but that no ore was seen on the property. Seven chip samples, taken for the applicant by M. M. Azevedo and analyzed April 4, 1951 by C. M. Bell of Berkeley, California, range from 0.45 to 0.85 percent of WO_3.

The deposit was discovered in 1941. Despite favorable marketing conditions for low-grade ore, no production was made.

2. Proposed rate of production is 350 tons daily with expected output of 1,107 units. Estimate inconsistent even with stated grade of ore.

3. No discussion of mining method or costs. Plan apparently involves working 7 veins at once, and equipping each with compressor and drilling gadget.

4. Milling and concentrating to be done in 7 Turbo Mill and Pulverizer units. "The Turbo Mill and Pulverizer is a combination pulverizer, air classifier, and screen concentrator. It performs all 3 functions in one simple operation." Apparently no tests have been made to demonstrate that this process is suitable for tungsten ore.

Availability of project requirements

1. No equipment or facilities are installed.

2. Required equipment will probably be difficult to obtain.

3. The property is accessible by road.

4. Applicant states 100 men needed.

5. Nearest electric power line is several miles distant. Applicant apparently plans to use diesel power.

Competence of applicant

The applicant corporation is without mining experience. The application indicates ignorance of mining practice.

George B. Holderer
Chief, Tungsten Branch

Approved:

Ross Lemmon

Director, Supply Division

DMLemmon:AWJ

cc:Adm. Reading File
F I L E S
Mr. Strobel
Mr. Holderer
Mr. Lemmon
Regional Field Team, Region III

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

Refer to | Name | Date
Helen 7/10
Answered

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
JUL 1 0 1951
SAN FRANCISCO, CALIFORNIA

June 29, 1951

Mrs. Helene I. Wilson, Secretary-Treasurer
Silver State Investment Company
30 Montell Avenue
Oakland 11, California

In reply, please refer to
DMA-1151

Dear Mrs. Wilson:

We have carefully reviewed your application for a loan of $330,489.80 to provide mining equipment and milling facilities at tungsten prospects in Sacramento Canyon, Humboldt Range, Nevada.

Defense Minerals Administration will not recommend loans for milling facilities until an adequate ore reserve has been proved. The data that you present in your application gives little real information about the ore. No adequate sampling has been done, and you have not submitted geologic and assay maps. Your estimate that the property contains 1,100,000 tons of "ore" has no factual basis.

The only form of Government assistance for which your property might qualify would be an exploration loan, towards which your would be required to pay 25 percent. Funds have not yet been appropriated for continuance of the exploration program in fiscal year 1952, starting July 1, and no action could be taken on an exploration application from you until funds are made available. The time for filing applications for action during the present fiscal year has passed. The regulations for exploration loans, MO-5, and five copies of the application forms MF-100 and MF-103 are enclosed.

If you should apply for an exploration loan, it would be necessary for DMA to make a field examination of the property to verify your statements. The information that we now have about the prospects was gained from a brief examination in 1944 by the Government, and is not encouraging.

For the reasons mentioned, we regret that we must deny your application as submitted.

Very truly yours,

copy to S H Bailey 7/10

Tom Lyon
Tom Lyon
Director Supply Division

Enclosure

Refer to	Noted	Date
	NCC	9/17
Answered		

DEPARTMENT OF [illegible]
BUREAU OF MINES
REGION [illegible]
RECEIVED
SEP 14 1951
SAN FRANCISCO, CALIFORNIA

SEP 12 1951

[illegible]
Director of [illegible] Engineering
[illegible] Company
[illegible] Oil Point
[illegible], Nev.

Re: Docket No. [illegible] - 153 (Non-[illegible])
[illegible] Norton
[illegible] Application

Dear Mr. Morris:

Reference is made to your inquiry of August [illegible], 1951, regarding the [illegible] location of Mr. Norman A. Norton of the [illegible] application.

The consideration of Mr. Norton's application is being held in abeyance pending receipt of additional information from the [illegible]; therefore, we are not in a position to advise as to the time it will be before the [illegible] a lease can be approved for the operation. However, Mr. Norton, if [illegible], will be [illegible] with respect to the [illegible] which [illegible] to file an application.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Mineral [illegible] Division

copy to Hawley 9/17

TEJohnson/ceb
9/10/51
cc to [illegible] Reading File
[illegible] Records
[illegible] Mr. Mittendorf/[illegible]
Lyon
[illegible]
Field Ins. Seq. [illegible] (2)
TEJohnson
[illegible] Norton
Docket

Refer to

Next 9/5

THE MORTON CONSTRUCTION CO.

General Contractors

SAN FRANCISCO VENTURA

HEAVY CONSTRUCTION
GENERAL BUILDING

San Francisco
August 29th

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
SEP - 4 1951
SAN FRANCISCO, CALIFORNIA

Mr. H.C.Miller
Director, The Bureau of Mines,
Western Division
San Francisco, Calif.

Dear Mr. Miller:

This Day I received the following telegram from Mr. Mittendorf of the Defense Minerals Administration--

"RETEL AUG.28TH BEFORE RECOMMENDING THIS LOAN WE WILL REQUIRE YOU TO INVEST 35% OF REQUIRED FINANCING AS MINIMUM AND SECURE VALID LEASE ON PROPERTY.NO FINAL ACTION YOUR APPLICATION UNTIL CONDIT* IONS MET.FINAL LOAN APPROVAL DEPENDENT ON DEFENSE PRODUCTION AUTHORITY.PROBABLE TIME REQUIRED 30 TO 60 DAYS FOR FINAL ACTION. C.O.MITTENDORF DIRECTOR PRODUCTION EXPANSION DIVISION.

I have no comment except to say that I do not think Mr. Mittendorf has clearly analyzed my particular case, nor paid particular attention to the fact that a lenghty letter fully explained my contracts, lessors request, security risks etc;

At this time I wish to extend my appreciation of the manner in which I was at all times received most graciously by your own good office.

Very Truly Yours,

Norman A. Morton

Norman A. Morton
818 25th Avenue,
San Francisco, Calif.

Prior to		
Answered		

AUG 20 1951

DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
RECEIVED
AUG 23 1951
SAN FRANCISCO, CALIFORNIA

400

Mr. Norman A. Norton
610 - 25th Avenue
San Francisco, California

Re: Docket No. DMA 1153 (Manganese)
Application for a Government
Loan in the amount of $15,000.00

Dear Mr. Norton:

In considering your application for a loan, we find that our investigation of your operation has indicated the need for information not given in your application or obtainable from other sources of information.

It appears that at present you do not have a written lease in effect on the property involved but that the owner of the property has orally agreed to grant a new lease. It will be necessary that you furnish us with a copy of the new lease and a statement from the lessor that such lease is in effect and in good standing.

Since your Government contract is in default and although you may have been assured of an extension of the contract, we would like to be advised if you have any other market for the grade of ore called for under the contract. If you have such a market, please furnish details as to buyer's name and address, freight rate, purchase price, and quantity that will be purchased.

You indicate need for the following equipment:

D-7 Caterpillar tractor
Dual Drive Dump Truck Front End Loader

However, we have no information as to whether the ore can be mined without drilling and blasting. If the ore requires drilling and blasting, list in detail what equipment you have available such as machine drills, compressor, etc.

In your application you included the sum of $1,000.00 for working capital. This amount does not seem adequate to carry you until returns from ore shipments would be received. It would appear that the amount of working capital for the operation you propose should be about $6,000.00. However, the security which you offer does not appear to be sufficient for a loan of the amount needed by you. In this connection, would you be in a position to obtain the necessary working capital from other sources?

A prompt reply from you covering the foregoing questions will expedite the further processing of your application.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

FEJohnson/bjs
cc to: Adm. Reading File
Reports and Records
Mittendorf-Olund
Lyon
Rove
Neon
Region III
Johnson

Refer to | Noted | Date
Answered
Aug | 8/24

DEPARTMENT OF INT...
BUREAU OF MINES
REGION III
RECEIVED
AUG 24 1951

THE MORTON CONSTRUCTION CO.

General Contractors

SAN FRANCISCO

~~VANCOUVER~~ SAN FRANCISCO, CALIFORNIA

HEAVY CONSTRUCTION
GENERAL BUILDING

Reference Mr Mattendolo letter of Aug 20, 1951 of which your good office has a copy

San Francisco
August 23, 1951

Mr. C. O. Ulrichsen
Director
Production Expansion Division
The Defense Minerals Administration,
Washington D.C.

Enclosures. Letters of Private purchasers
References. R.F.C. report and investigations now in Washington.

Dear Mr. Ulrichsen :

Supplementing my Night Letter to your good office, please find that my leases on these properties will be mailed to you direct. These leases had elapsed only in the respect that the owners and myself were merely waiting for the Reconstruction Finance Corporation proposal, report, and investigation to reach Washington; these were there as of the 16th of August 1951. An inquiry on my part to the local R.F.C. office assured me of such.

Mr. R.C. Mull Director of the General Services Administration Emergency Procurement Services, has granted me an extension of my Government Contract. His office in Washington and the local office in San Francisco has assured me of future purchases. They understand my problem. My private purchasers are The Lincoln Electric Co. who has issued me a purchase order for an initial 500 tons of minimum 30% ore @ 50¢ per unit premium of 2¢ per unit over 30%. Future orders follow as you can see by their letters. All prices F.O.B. Alton, Calif.

I mine my project by open cut procedure as well as drilling and blasting. For the latter I have 350 lineal feet of 2 inch air hose, one 60 pound I.R. Jackhammer, four sets of drill steel and one 260 c.f.m. I.R. Compressor. This in itself assures me of ample equipment for drilling and blasting. The power, water facilities and living quarters for my crew including my Engineer.

R.F.C. proposed and recommended $ 600,000.00 as working capital. This would last me six months. My first invoice shipment would be forwarded on my Government contract in ten days. Mr. R.F. Fowler letter assures me of payments on their orders one day after receipt of invoice. Note their letter. May I offer additional security as follows.

In addition to the needed equipment to be acquired.
Assignment of lease for performance
Assignment of Government Contract one Mile
Assignment of Private Purchasers one Mile

This would aggregate approximately $ 240,000.00

I have exhausted every means at my disposal to secure private

THE MORTON CONSTRUCTION CO.

General Contractors

SAN FRANCISCO VENTURA

HEAVY CONSTRUCTION
GENERAL BUILDING

Mr. Hitchcock Cont.

potable sources of financing as required by the investigating branch R.F.C. I have exhausted my own resources in developing and surveying my properties.

In view of this may I respectfully revert to the National Defense Appendix Chapter VI Part 6(F:I) should my apparent security or collateral be not quite sufficient for the amount of the loan.

My project is in a productive stage rather than an exploratory stage.

As a last alternative as regards sufficient collateral the loan amount could be reduced if it is deemed necessary by your department.

Sincerely Yours,

Norman A. Morton

Norman A. Morton
680 25th Avenue
San Francisco, Calif.

Refer to	Noted	Date
	Hell	8/14

CLASS OF SERVICE

This is a full rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

1201

(50)

W. P. MARSHALL, PRESIDENT

SYMBOLS
DL=Day Letter
NL=Night Letter
LT=Int'l Letter Telegram
VLT=Int'l Victory Ltr.

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Answered

O A147 WM40

W.I DA100 PD=ID WASHINGTON DC 14 349P= 1951 AUG 14 PM 12 58

H C MILLER,=

1012 FLOOD BLDG870 MARKET ST SFRAN=

NORMAN MORTON APPLICATION REFERRED RFC JULY 9 FOR CREDIT INVESTIGATION NO REPLY AS YET=

TOM LYON CHAIRMAN COORDINATING COMMITTEE=

Mr. Morton phoned - gave him this message.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

1-1027
(April 1946)

UNITED STATES
DEPARTMENT OF THE INTERIOR

AGENCY BUREAU OF MINES

TELETYPE

Originator:
Ext.: 472 Room: 1006

Appro.: Bureau of Mines
Date: August 13, 1951
Time: 9:30 AM
No.:
To: George B. Holderer, Manganese Branch, Bureau of Mines, ashington, D.C.

Subject:

Reurtel June 29, Norman Morton. Can you give us further information on status of his RFC loan?

H. C. Miller
Regional Director, Region III

Authorized: H. C. Miller

HCMiller:ejs
Files
Chron

Sign original message and transmit to Room ..... in duplicate

U. S. GOVERNMENT PRINTING OFFICE 16—50915-1

COLLECT

Charge to the account of _____ $ _____

CLASS OF SERVICE DESIRED			
DOMESTIC	X	CABLE	
TELEGRAM		ORDINARY	
DAY LETTER		URGENT RATE	
SERIAL		DEFERRED	
NIGHT LETTER		NIGHT LETTER	

Patrons should check class of service desired; otherwise the message will be transmitted as a telegram or ordinary cablegram.

WESTERN UNION

A. N. WILLIAMS
PRESIDENT

1206

CHECK
ACCOUNTING INFORMATION
TIME FILED

Send the following telegram, subject to the terms on back hereof, which are hereby agreed to

COLLECT MESSAGE

1012 Flood Bldg.
870 Market St.
San Francisco 2, Calif.

August 10, 1951

Mr. Frank Stockel
Garberville, California

Regarding your telegram August 10 this office has no information on Morton's loan application which is being processed by RFC in Washington.

H. C. Miller
Executive Officer, DMA Field Team, Region III

HCMiller:am
Files
Chrono

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeated message rate is charged in addition. Unless otherwise indicated on its face, this is an unrepeated message and paid for as such, in consideration whereof it is agreed between the sender of the message and this Company as follows:

1. The Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unrepeated-message rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeated-message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.

2. In any event the Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated-message rate is paid or agreed to be paid, and an additional charge equal to one-tenth of one per cent of the amount by which such valuation shall exceed five thousand dollars.

3. The Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.

4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: In cities or towns of 5,000 or more inhabitants where the Company has an office which, as shown by the filed tariffs of the Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Company does not undertake to make delivery, but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Company is located.

5. No responsibility attaches to this Company concerning messages until the same are accepted at one of its transmitting offices: and if a message is sent to such office by one of the Company's messengers, he acts for that purpose as the agent of the sender.

6. The Company will not be liable for damages or statutory penalties in the case of any message except an intrastate message in Texas where the claim is not presented in writing to the Company within sixty days after the message is filed with the Company for transmission, and in the case of an intrastate message in Texas the Company will not be liable for damages or statutory penalties where the claim is not presented in writing to the Company within ninety-five days after the cause of action, if any, shall have accrued; provided, however, that neither of these conditions shall apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1934.

7. It is agreed that in any action by the Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employee of the Company is authorized to vary the foregoing.

10-42

CLASSES OF SERVICE

DOMESTIC SERVICES

TELEGRAMS

A full-rate expedited service.

DAY LETTERS

A deferred service at lower than the standard telegram rates.

SERIALS

Messages sent in sections during the same day.

NIGHT LETTERS

Accepted up to 2 A.M. for delivery not earlier than the following morning at rates substantially lower than the standard telegram or day letter rates.

CABLE SERVICES

ORDINARIES

The standard service, at full rates. Code messages, consisting of 5-letter groups only, at a lower rate.

DEFERREDS

Plain-language messages, subject to being deferred in favor of full-rate messages.

NIGHT LETTERS

Overnight plain-language messages.

URGENTS

Messages taking precedence over all other messages except government messages.

F818 (3-46)

PACIFIC TELEGRAM

CLASS OF SERVICE

Full Rate		Day Letter	SYMBOL DAY L	Night Letter	SYMBOL N L

IF NEITHER OF THE TWO SYMBOLS SHOWN ABOVE APPEARS AFTER THE CHECK (NUMBER OF WORDS) THIS IS A FULL RATE TELEGRAM. OTHERWISE ITS CHARACTER IS INDICATED BY THE SYMBOL APPEARING AFTER THE CHECK.

CHECK: (1408) 8 EK VR 43 X GARBERVILLE CALIF AUG 10 1951 930AM PDST

To: H C MILLER EXECUTIVE OFFICER
1415 APPRAISERS BUILDING
630 SAMSONE ST
SAN FRANCISCO CALIF

IS NORMAN MORTON ABLE TO GET A GOVERMENT LOAN TO CARRY ON HIS MINING OPERATIONS IN TRINITY COUNTY IF SO HOW LONG WILL IT BE BEFORE HE CAN START TO MINE I AM THE MINE OWNER PLEASE SEND ME A WIRE BACK COLLECT

FRANK STOCKEL

937AM PDST

Refer to		Date
Answered		

TELEPHONED ✓ MAILED ✓
To Muse Meyers
Time 930AM Date 8-10-51
Tel. No Yuk 2-5800 By 1239
Cpy. Req. ✓ Tkt.
Account Chg. O.K.

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

DL=Day Letter
NL=Night Letter
LT=Int'l Letter Telegram
VLT=Int'l Victory Ltr.

DEPARTMENT OF BUSINESS OF RECORD RECEIVED JUN 29 1951 SAN FRANCISCO, CALIFORNIA

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OA253 SSE538 1951 JUN 29 PM 3 28

O.ASA256 GOVT DL PD=ID WASHINGTON DC 29 238P=

H C MILLER, EXECUTIVE DIRECTOR=

FIELD TEAM(111 1415 APPRAISERS BLDG)1006 FLOOD BLDG

SFRAN=

RE WIRE TWENTY SIXTH NORMAND MORTON. WE ARE GOING TO RECOMMEND A DIRECT RFC LOAN BUT HAVE NO ASSURANCE THAT IT WILL BE GRANTED NOR CAN THE WORD IMMEDIATE BE APPLIED TO PROCESS=

GEORGE B HOLDERER C E F MANGANESE BRANCH=

Phoned 7/3

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

1-1027
(April 1946)

UNITED STATES
DEPARTMENT OF THE INTERIOR

AGENCY Bureau of Mines

TELETYPE

Originator:
Ext.: Room:

Appro.:
Date: June 26, 1951
Time: 12:30 p.m.
No.:
To: George B. Holderer, Chief, Manganese Branch, DMA, Interior Bldg., Washington, D.C.

Subject:

Norman Morton reports no success of any kind in getting private financing to get out his manganese ore. GSA promises him extension of his contract but he now wants to know status of his application DMA-1153.

H. C. Miller

HCMiller:am
Files
Chrono

Authorized:

Sign original message and transmit to Room ..... in duplicate

U. S. GOVERNMENT PRINTING OFFICE 16—50915-1

Noted Date

WESTERN UNION

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
JUN 22 1951
SAN FRANCISCO, CALIFORNIA

1201

W. P. MARSHALL, PRESIDENT

SERVICE

a full-rate or Cable- ess its character is in- by a suitable ol above or preceding the address.

SYMBOLS
DL = Day Letter
NL = Night Letter
LC = Deferred Cable
NLT = Cable Night Letter
Ship Radiogram

Answered

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1951 JUN 22 PM 2 32

.OA360 SSF440

O.GTA165 GOVT PD=WASHINGTON DC 22 338P=

H C MILLER, EXECUTIVE OFFICER DMA FIELD TEAM III=

1415 APPRAISERS BLDG SFRAN RTE AS=

SGA UNABLE TO MAKE ADVANCE ON CONTRACT REGRET THERE IS NO WAY OF GIVING IMMEDIATE HELP TO MORTON=

GEORGE B HOLDERER CHIEF MANGANESE BRANCH=

Phoned to Morton. BA 1-1465 4PM 6/22

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

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

Office of
Executive Officer
DMA Field Team
Region III

1415 Appraisers Bldg.
630 Sansome Street
San Francisco 11, Calif.

June 21, 1951

Memorandum

To: P. R. Bradley, Jr., Chief, Manganese Branch, Defense Minerals Administration, Washington, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: DMA-1153, Morton Construction Company; Blue Jay Mine, Trinity County, Calif.--Manganese

Reference is to your letter of June 11 concerning subject docket and Mr. Norman A. Morton, General Contractor, 818 - 25th Ave., San Francisco, who has requested a loan of $15,000 for the purchase of equipment to operate the Blue Jay Mine.

The matter of rendering immediate financial assistance to Mr. Morton so he can fulfill his contract obligation to General Services Administration is fully outlined in my teletype to James Boyd, Administrator, Defense Minerals Administration, dated June 19.

General Services Administration is especially anxious to get Morton's ore, which is a high grade product running about 51% manganese. Morton's initial contract calls for delivery of 300 tons by June 30, and he expects to get another contract for possibly up to 2000 tons.

Mr. Morton has been a frequent caller at the office, and I can vouch for his integrity and competence. GSA also has considerable confidence in his ability to carry out his promises.

It is my understanding from what Mr. Reno, of GSA, tells me that arrangements have been made in Washington to provide financial assistance to Mr. Morton to enable him to fulfill his initial contract.

Inasmuch as GSA seems satisfied that Mr. Morton can deliver the initial 300 tons of ore and arrangements have been made in Washington to finance his operation, I see no need for a field examination of the Blue Jay Mine at this time. However, if at any time we have an engineer or geologist in the vicinity of the mine, I will request an examination. If this does not meet with your approval, kindly let me know.

H. C. MILLER

H. C. Miller, Executive Officer
DMA Field Team, Region III

HCMiller:am
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TELETYPE MESSAGE

UNITED STATES
DEPARTMENT OF THE INTERIOR

Originator:
Ext.: 2261 Room:
1415 Appraisers Bldg.
San Francisco, Calif.

Above.: Bureau of Mines, San Francisco
Date: June 19, 1951
Time: 9:55 a.m.
No.:
To: James Boyd, Administrator, Defense Minerals Administration, Interior Building, Washington, D. C.

Subject:

Re Docket DMA 1153. N. A. Morton has GSA contract GS-XOR-168 to deliver 300 long tons metallurgical grade manganese ore by June 30. He has 60 tons now mined and ready to load at the mine 85 miles to stiping point at Alton, Calif. He will request extension of final delivery date if requested funds for caterpillar and dump truck are made available immediately. After initial contract is fulfilled he plans to get another contract with GSA. Says he can deliver possible 2000 long tons of 51 percent ore. H. C. Mazll, Jr., has wired Morton to advise date to which extension is desired but unless Morton gets immediately requested financial assistance he thinks seriously of requesting cancellation of his contract. Morton has exhausted all means of getting financial aid from private sources. What arrangements can be made for him to get needed financial aid immediately from DMA

H. C. Miller
Regional Director, Region III

Authorized

H. C. Miller

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Form No. PBA-50

U. S. GOVERNMENT PRINTING OFFICE 16—50429-1

GENERAL SERVICES ADMINISTRATION

Refer to	Noted	Date
Answered		

Federal Supply Service
Room 338-A, Appraisers Bldg.
630 Sansome Street
San Francisco, California

June 18, 1951

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
JUN 19 1951
SAN FRANCISCO, CALIFORNIA

Mr. H. C. Miller, Executive Officer
DMA Field Team, Region III
1415 Appraisers Bldg.
630 Sansome Street
San Francisco, California

Subject: Financial Aid - Norman A. Morton

Dear Mr. Miller:

Attached herewith please find copies of three communications in regard to the Norman A. Morton contract as per our telephone conversation today. We shall appreciate anything you can do to help Mr. Morton obtain a loan to service this contract.

Very truly yours,

Robert J. Burgess

Robert J. Burgess
Inspector
Inspection Division

Attachments-3

COPY

275 SF WAH GD/1-SCM/3140/ 1951 JUN 13 AM 11 13

WASHINGTON DC 6/13/51 150P

MAASKE GSA SF

RE.. GS-OOP-168 MORTON MANGANESE COMPANY

OPINION AND INFORMATION DESIRED AS TO WHETHER CONTRACTOR MAY HAVE MADE SHIPMENTS TO OTHERS RATHER THAN AGAINST THIS CONTRACT.

MCCARTHY FOR NEALE FSS

DH 150P

COPY

BOOK WA

7 WA SFF H M NEALE ATTN MCCARTHY INSPECTION GSA FSS WA

8 WA SFF J E SALISBURY ATTN WILDBERGER S AND T GSA EPS WA

/GF1-SCM-3140/

SAN FRANCISCO 6-14-51 1105AM

REYOURTEL 6/11/51 CONTRACT GS-00P-168/SCM/ ADVISE CONTRACTOR OUT OF FUNDS FOR PAYROLL SUPPLIES AND NECESSARY EQUIPMENT. HAS APPLIED TO MILLER BUREAU OF MINES AND P. R. BRADLEY ON WASHINGTON LEVEL FOR FINANCIAL ASSISTANCE TO SERVICE THIS CONTRACT WITHOUT RESULT. REQUIRES IMMEDIATE FUNDS APPROX. $600.00 TO TRANSPORT APPROX. 60 TONS OF MANGANESE ORE, NOW MINED AND READY TO LOAD AT THE MINE 85 MILES TO SHIPPING POINT AT ALTON, CALIF. ADVISE, IF IN ORDER, HOW ARRANGEMENT OF THIS KIND CAN BE MADE.

R E RENO, JR.

6/11/51 GS-00P-168 /SCM/ $600.00 60 85

VD 1122 AM

COPY

1951 JUN 18 PM 12 09

287 SF WAH GD/1-OE/3140/

WASHINGTON DC 6/18/51 245P

MAASKE GSA SF

RE.. GS-00P-168 MANGANESE MORTON

REURTEL 6/14 THIS ORGANIZATION CAN MAKE NO ARRANGEMENTS FOR DIRECTLY FINANCING CONTRACTOR. IF PRIVATE FINANCING NOT AVAILABLE SUGGEST MORTON FURTHER PURSUE REQUEST TO DEFENSE MINERALS ADMINISTRATION.

MCCARTHY FOR NEALE GSA FED SUPPLY SERVICE

CFN GS-00P-168 6/14

DH 246P

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

DEPARTMENT OF INTERIOR
BUREAU OF MINES
RECEIVED
JUN 13 1951
SAN FRANCISCO, CALIFORNIA

...ter to	Noted	Date
...swered		

June 11, 1951

Mr. H. C. Miller, Executive Officer
DMA Field Team Region III
1415 Appraisers Building
San Francisco, California

DMA-1153 Manganese

Dear Mr. Miller:

Mr. Norman A. Morton, General Contractor, 818 - 25th Avenue, San Francisco, has requested a loan of $15,000 for the purchase of heavy equipment to operate the Blue Jay mine, Trinity County, California. This property was examined by the Geological Survey on August 25, 1944, and on the basis of general showings at that time and the unusually high grade of the ore, it is believed that the property warrants a loan of this amount. The Manganese Branch does not, however, have any information concerning Mr. Morton's recent operations at the Blue Jay mine, nor are we able to certify as to his integrity and competence. It is requested that the field team interview Mr. Morton in San Francisco to make recommendations as to the latter. In the course of this it can be determined whether or not a field examination of the deposit itself is warranted. Inasmuch as there was little activity at the property following the visit in 1944, and the Bureau of Mines may have made more recent visits, a trip to the property may not be necessary.

Very truly yours,

P. R. Bradley

P. R. Bradley, Jr.
Chief, Manganese Branch

Enclosure

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

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION II
RECEIVED
JUN 1 8 1951
SAN FRANCISCO, CALIFORNIA

May 29, 1951

Memorandum

To: P. R. Bradley, Jr.

From: M. D. Crittenden

Subject: DMA-1153 Morton Construction Company
Blue Jay Mine
Trinity County, California

The applicant has requested a loan of $15,000 for the purchase of a tractor, loader and truck with which to operate the Blue Jay mine. The applicant already has a contract with General Services for 300 tons of this ore.

The Blue Jay mine is the best and largest of the small properties in morthern California characterized by hausmannite mineralogy. This reddish manganese oxide is appreciably higher in grade than others, and as a result the ores shipped from this property have averaged approximately 50 percent manganese, and may contain as much as 60 percent. The property was operated during World War II, and was examined by the Geological Survey on at least three occasions, the last on August 25, 1944. At that time shipments has amounted to 5,000 tons of material averaging 50 percent manganese.

The ore occurs in sedimentary beds enclosed in rocks of the Franciscan formation which have been folded and stand at high angles. The mine is located on a rather narrow ridge at the divide of the headwaters of the Mad River and was first developed by three adits on the east side of the ridge. The ore horizon was followed some distance to the west and northwest, but numerous faults made it difficult to follow the ore horizon, and underground mining was abandoned. Bulldozer stripping was begun on the property late in 1943 and about 2,000 tons of ore were removed in 1943 and 1944.

The sedimentary character of this deposit, and the superior quality of the ore it contains, make it worthwhile to assist this superior quality of the ore it contains, make it worthwhile to assit this operation if possible. No drilling had been done in 1944 to determine the downward limits of the ore, but it is known to have a vertical range of at least 60 feet, and the chances are good that it may extend to a depth of as much as much as 100 feet. The following reserves are estimated on the basis that the known ore bed will yield 50-70 tons per foot of depth.

Measured	None	-
Indicated	None	-
Inferred	3-4000	50% Mn

COPY

Inasmuch as it is necessary to determine the competence of the operator to whom this loan is to be given, it is desirable to refer this matter to the field. It should be possible to obtain the necessary information about the operator's integrity in San Francisco and if the and if the Bureau of Mines visited the property in 1950, it should not be necessary to conduct a new field examination.