☑ Audited

☐ Certified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 12-22-54
Incl. Voucher for March 1953

☐ Actual Cost

☑ Agreed Unit Costs

Name Lakeview Manganese Mines

Docket No. 2393

State California

Commodity Manganese

Idm-E No. 447

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	300	$10205.00			
Raising					
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation		1440.00		$991.01 (reported by Operator)	- 0 -
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		150.00			
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		600.00			
Other (Specify) Sampling & Assaying Consultant		225.00 390.00			
Totals		$13000.00		$991.01	- 0 -

Note: Cost of $991.01 disallowed by Audit.
$991.01 REFERRED TO COMPTROLLER FOR COLLECTION
JAN. 27, 1955

Prepared by James Hayden

71626

DMEA 2393

DOCKET INDEX

ACTION DOCUMENTS

1	APPLICATION	DATE RECEIVED	2/26/52
2	CONTRACT	DATE	11/17/52
3	TERMINATION ~~AGREEMENT~~ NOTICE	DATE	3/1/54
4	CERTIFICATION	DATE	
5	AUDIT REPORT	DATE	
6	AMENDMENTS - NUMBERS	DATE	

EXPLORATION PROJECT CONTRACT
LAKEVIEW MANGANESE MINES
DOCKET NO. DMEA-2393

ANNEX I

CLAIMS OF LAKEVIEW MANGANESE COMPANY

Three lode mining claims located in Section 27, T. 26 N., R. 9 E., Mount Diablo Meridian.

Name of Claim	Located	Book No.	Page No.
Iron Dyke	April 19, 1938	21	406
Lakeview	May 2, 1938	21	65
Trail	August 14, 1941	22	459

EXPLORATION PROJECT CONTRACT
LAKEVIEW MANGANESE MINES
DOCKET NO. DMEA-2393

EXHIBIT "A"

Description of the Work

Stage I

Time Schedule: 0 to 1 month

(1) The project consists of bulldozing five trenches, each of which shall be about 100 feet in length and of a depth sufficient to explore the rock outcrops for geological study, and sampling where necessary. The approximate locations of these trenches are shown on Figure 1, attached hereto and made a part hereof.

(2) A study of the results obtained from the above trenching shall be made by a consulting geologist who shall be selected for this project with the approval of the Government's Field Team (referred to hereinafter in this Exhibit as "the Government"). Said consulting geologist shall report as to the feasibility of the following stage of the project.

Stage II

Time Schedule: 1 to 5 months

(1) This work shall be undertaken after the completion of Stage I, only if the Government indicates that results of the work under Stage I warrant undertaking the work under Stage II.

(2) The project consists of approximately 300 feet of drifting and crosscutting, the location of which shall be determined by the consulting geologist, with the approval of the Government, on the basis of results obtained from Stage I.

Estimated Costs of the Project
(*Indicates allowable maximum)

(1) Independent Contracts

Stage I

1 - Bulldozer, 80 hours @ $14/hr. 1/	$ 1,120.00

1/ This work includes Operator, operating supplies, accessories and repairs, and cost of moving bulldozer to and from site.

Stage II

1 - Bulldozer, 10 hours @ $14/hr.[2]		$ 140.00

(2) Labor, Supervision, Consultants

Stage I

1 - Supervisor,[3] 1 month @ $400/mo.	$ 400.00*	
1 - Consulting geologist, 4 days @ $65/day (including expenses)	260.00*	
1 - Laborer, 10 days @ $13/day	130.00	
Accounting	20.00	810.00

Stage II

1 - Supervisor,[3] 4 months @ $400/mo.	1,600.00*	
1 - Miner, 105 days @ $15/day (includes overtime)	1,575.00	
1 - Mucker, 105 days @ $13/day (includes overtime)	1,365.00	
1 - Consulting geologist, 6 days @ $65/day (including expenses)	390.00*	
Accounting	80.00	5,010.00

(3) Operating Materials and Supplies

Stage I

Fuel, oil and miscellaneous for truck, 1 month	40.00

Stage II

Powder, fuse, caps, fuel, oil, steel, bits, timber and miscellaneous	3,300.00

2/ See Footnote 1.

3/ The supervisor shall direct the operation and shall be responsible to the consulting geologist for securing representative samples, where warranted, and their subsequent handling. He shall keep up to date maps for the progress reports.

(4) Operating Equipment

Stage I

To be purchased

None

To be rented

None

To be furnished by the Operator

1 - Truck, value $1,500.00, depreciation @ $25/mo.,* 1 month		$ 25.00*

Stage II

To be purchased

Tools and miscellaneous small equipment		150.00

To be rented

None

To be furnished by the Operator

1 - Sullivan 360 cfm portable compressor, value	$3,000.00	
1 - Jackhammer, column, arm, saddle, air and water hose, pressure tank and miscellaneous	800.00	
Mine rails, 3 tons	400.00	
1,000 feet 2-inch pipe; 1,000 feet 1-inch pipe	700.00	
2 - Mine cars	300.00	
1 - Jeep truck	1,500.00	
Total value	$6,900.00	
Depreciation, 4 months @ $115/mo.*		460.00*

(5) **Rehabilitation and Repairs**

Stages I and II

None

(6) **New Buildings, Improvements and Installations**

Stage I

None

Stage II

1 - Compressor building		$ 600.00*

(7) **Miscellaneous**

Stage I

Sample sacks	$10.00	
Assaying, 20 samples @ $2.00 each	40.00	
Office and engineering supplies	15.00	
Workmen's Compensation and Employers' Liability Insurance, and payroll taxes	60.00	125.00

Stage II

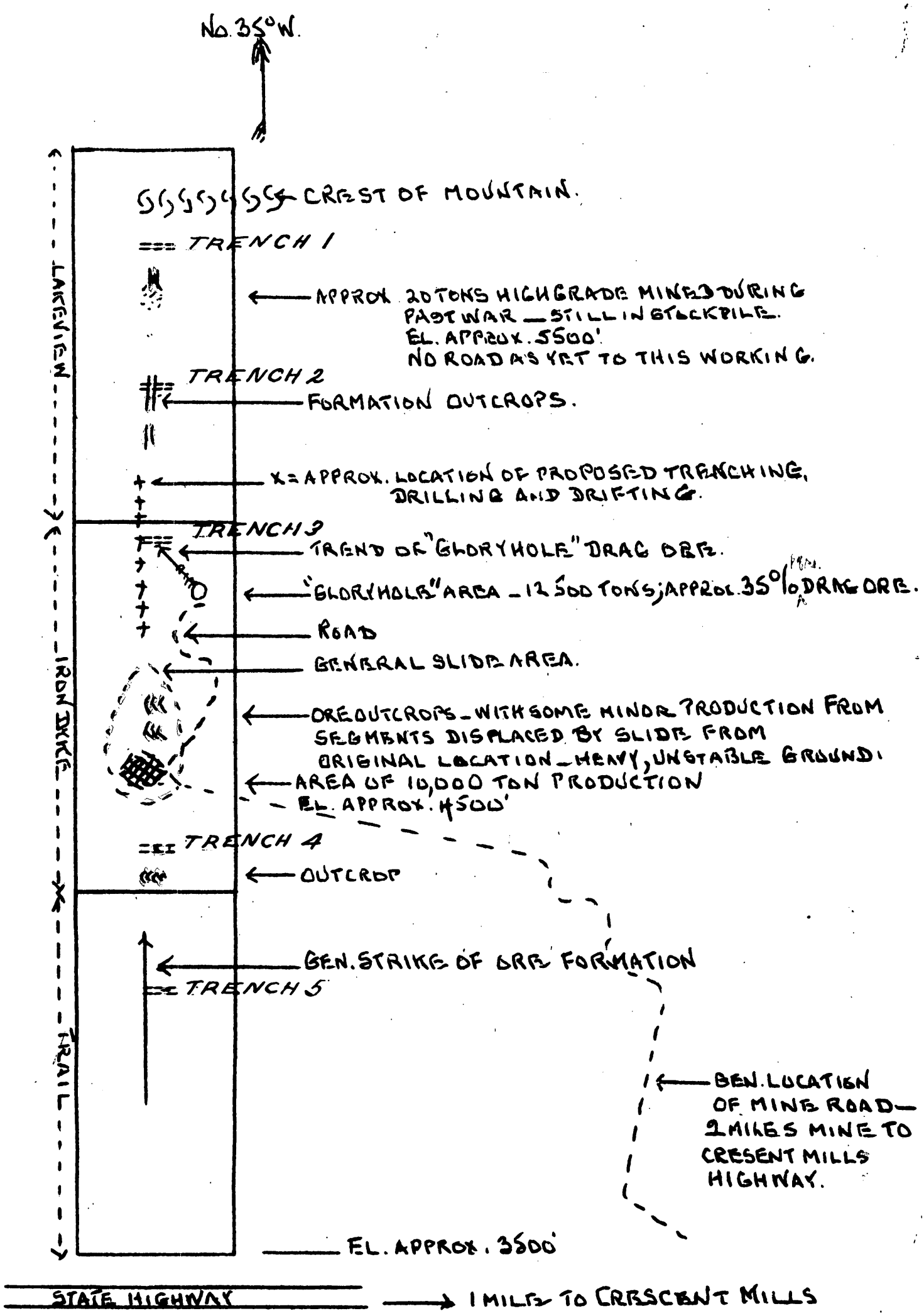
Sample sacks	20.00	
Assaying, 40 samples @ $2.00 each	80.00	
Office and engineering supplies	60.00	
Workmen's Compensation and Employers' Liability Insurance, and payroll taxes	685.00	845.00

(8) **Contingencies**

Stage I	80.00
Stage II	295.00

S U M M A R Y

Total Estimated Cost of Stage I	$2,200.00	
Total Estimated Cost of Stage II	10,800.00	
Total Estimated Cost of the Project		$13,000.00*
Government Participation @ 75%		$ 9,750.00*



(LAKEVIEW MANGANESE MINES)
CRESCENT MILLS, CALIF.
5/25/52

SCALE:-
APPROX 1" = 500'

FIG. 1

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner ~~in fee simple~~ by mining location title of that certain parcel of ground in the county of Plumas, State of California, described in a certain Exploration Project Contract dated _____, 195__, between Myles Fleming, Charles Herring and Mrs. Frank Bear, Lessors and owners, and Lakeview Engineering Miner, assignee of lease, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated _____ Nov. 20, 1950, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this _____ day of _____, 195__

Chas Herring

Mrs F. Bear

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

MF-200
(June 1951)
(Revised Feb. 1952)

rewritten

DOCKET NO. DMEA 2393

COMMODITY Manganese

UNITED STATES OF AMERICA ~~Government's Copy~~
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Lakeview Manganese Mines, a limited partnership between H. C. Thomas, L. W. Brindley and Clair Waterbury, limited partners and O. H. Griggs, Crescent Mills, California, general partner.

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of California, County of Plumas, described as follows: [3] Three unpatented lode mining claims recorded in the office of the County Recorder, Plumas County, California. See Annex I and Fig. 1. (Lakeview Manganese Mines Crescent Mills, Calif. 5/25/52) both attached sheets make a part hereof.

the Operator represents and undertakes: [4]

(*a*) That the Operator ~~is the 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 lender is attached~~

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the ~~Owner's Consent to Lien~~ L. J. Agrell is attached.

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.

ARTICLE 3. *Exploration project.*—The Operator, within _____ days from the date of this contract shall commence work on a project of exploration for [5] manganese in or upon the described land; and shall bring the project to completion within a period of _____ from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—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.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[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, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *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. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 75 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of ~~$21,000.00~~ $9,750.00, which is 75 percent of $~~28,000.00~~ 13,000.00 the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *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 worth while 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 dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* _____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Lakeview Manganese Mines
(Operator)

By Acting Administrator
Defense Minerals Exploration Administration

By _____

I, _____, certify that I am the _____ secretary of the corporation named as Operator herein; that _____, who signed this contract on behalf of the Operator, was then _____ of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

ANNEX I

CLAIMS OF LAKEVIEW MANGANESE COMPANY

Three lode mining claims located in Section 27, T. 26 N., R. 9 E., Mount Diablo Meridian.

Name of Claim	Located	Book No.	Page No.
Iron Dyke	April 19, 1938	21	406
Lakeview	May 2, 1938	21	65
Trail	August 14, 1941	22	459

LAKEVIEW MANGANESE MINES
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2393
CRESCENT MILLS, PLUMAS COUNTY, CALIFORNIA

EXHIBIT "A"

Description of the Work

Stage I

Time Schedule: 0 to 1 month

(1) The project consists of bulldozing five trenches, each of which shall be about 100 feet in length and of a depth sufficient to explore the rock outcrops for geological study, and sampling where necessary. The approximate locations of these trenches are shown on Figure 1, attached hereto and made a part hereof.

(2) A study of the results obtained from the above trenching shall be made by a consulting geologist who shall be selected for this project with the approval of the Government's Field Team (referred to hereinafter in this Exhibit as "the Government"). Said consulting geologist shall report as to the feasibility of the following stage~~s~~ of the project.

Stage II

Time Schedule: 1 to 4 months

(1) This work shall be undertaken after the completion of Stage I only if the Government indicates that results of the work under Stage I warrant undertaking the work under Stage II.

(2) The project consists of diamond drilling approximately 2,000 feet of holes. The number, location, attitude and length of these holes shall be determined by the consulting geologist, with the approval of the Government.

Stage ~~III~~ II

Time Schedule: ~~4 to 8~~ 1 to 5 months

(1) This work shall be undertaken after the completion of Stage I, ~~or Stages I and II~~, only if the Government indicates that results of the work under Stage I, ~~or Stages I and II~~, warrant undertaking the work under Stage ~~III~~ II.

~~(2) The work of Stage III, if recommended by the consulting geologist and approved by the Government, may be carried on concurrently with the work of Stage II.~~

(2) The project consists of approximately 300 feet of drifting and crosscutting, the location of which shall be determined by the consulting geologist on the basis of results obtained from Stage I ~~or Stages I and II~~.

Estimated Cost of the Project
(*Indicates allowable maximum)

(1) Independent Contracts

Stage I

1 - Bulldozer, 80 hours @ $14.00/hr.[1] $ 1,120.00

Stage II

~~2,000' of diamond drill holes, AX size, @ $6.00/foot. (Water, supplies and accessories to be furnished by contractor. Drill sites and access roads are to be constructed by the Operator.) $12,000.00~~

~~1 - Bulldozer, 10 hours @ $14.00/hr.[1] 140.00 12,140.00~~

Stage ~~III~~ II

1 - Bulldozer, 10 hours @ $14.00/hr.[1] 140.00

(2) Labor, Supervision, Consultants

Stage I

1 - Supervisor,[3] 1 month @ $400.00/mo. 400.00*

1/ This work includes Operator, operating supplies, accessories and repairs.

3/ The supervisor shall direct the operation and shall be responsible to the consulting geologist for securing representative samples, where warranted, and their subsequent handling. He shall keep up to date maps for the progress reports.

1 - Consulting geologist, 4 days @ $~~90.00~~ 65.00 per day (including expenses)	260.00 ~~$360.00~~	
1 - Laborer, 10 days @ $13.00 per day	130.00	
Accounting	20.00	$ 810.00

Stage II

1 - Supervisor,3/ 3 months @ $400.00/mo.	~~1,200.00~~	
1 - Consulting geologist, 6 days @ $90.00 per day (including expenses)	540.00	
1 - Laborer, 15 days @ $13.00 per day	195.00	
Accounting	60.00	~~1,995.00~~

Stage ~~III~~ II

1 - Supervisor,3/ 4 months @ $400.00/mo.	1,600.00	
1 - Miner, 105 days @ $15.00 per day (includes overtime)	1,575.00	
1 - Mucker, 105 days @ $13.00 per day (includes overtime)	1,365.00	
1 - Consulting geologist, 6 days @ $~~90.00~~ 65.00 per day (including expenses)	390.00 ~~540.00~~	
Accounting	80.00	5,010.00 ~~5,160.00~~

(3) Operating Materials and Supplies

Stage I

Fuel, oil and miscellaneous for truck, 1 month	40.00

3/ See footnote 2.

Stage II

Fuel, oil and miscellaneous for truck, 3 months	$ 120.00

Stage ~~III~~ II

Powder, fuse, caps, fuel, oil, steel, bits, timber and miscellaneous	3,300.00

(4) Operating Equipment

Stage I

To be purchased

None

To be rented

None

To be furnished by the Operator

1 - Truck, value $1,500.00, depreciation @ $25.00/mo.,* 1 month	25.00

Stage ~~II~~

To be purchased

None

To be rented

None

To be furnished by the Operator

1 - Truck, value $1,500.00, depreciation @ $25.00/mo.,* 3 months	75.00

Stage ~~III~~ II

To be purchased

Tools and miscellaneous small equipment	150.00

To be rented

None

To be furnished by the Operator

1 - Sullivan 360 cfm portable compressor, value	$3,200.00	
1 - Jackhammer, column, arm, saddle, air and water hose, pressure tank and miscellaneous	800.00	
Mine rails, 3 tons	400.00	
1,000 feet 2-inch pipe; 1,000 feet 1-inch pipe	700.00	
2 - Mine cars	300.00	
1 - Jeep truck	1,500.00	
Total value	$6,900.00	
Depreciation, 4 months at $115.00 per month		$ 460.00*

(5) Rehabilitation and Repairs

Stages I, ~~II~~ and ~~III~~ II

None

(6) New Buildings, Improvements and Installations

Stages I ~~and II~~

None

Stage ~~III~~ II

1 - Compressor building	600.00*

(7) Miscellaneous

Stage I

Sample sacks	$ 10.00	
Assaying, 20 samples @ $2.00/each	40.00	
Office and engineering supplies	15.00	
Workmen's Compensation and Employers Liability Insurance, and payroll taxes	60.00	125.00

Stage ~~II~~

Core boxes	$ 200.00	
Sample sacks	10.00	
Assaying, 40 samples @ $2.00 each	80.00	
Office and engineering supplies	45.00	
Compensation and Employers Liability Insurance, and payroll taxes	160.00	$ 495.00

Stage ~~III~~

Sample sacks	20.00	
Assaying, 40 samples @ $2.00 each	80.00	
Office and engineering supplies	60.00	
W. Knowlb Compensation and Employers Liability Insurance, and payroll taxes	685.00	845.00

(8) Contingencies

Stage I	80.00
~~Stage II~~	~~150.00~~
Stage III	~~200.00~~ 295.00

S U M M A R Y

Total Estimated Cost of Stage I	$ ~~2,290~~.00 2,200.00
~~Total Estimated Cost of Stage II~~	~~14,975.00~~
Total Estimated Cost of Stage III	10,~~755~~.00 10,800.00
TOTAL ESTIMATED COST OF THE PROJECT	~~$28,000.00~~* 13,000.00
GOVERNMENT PARTICIPATION @ 75%	~~$21,000.00~~* 9,750.00

OPERATING COMMITTEE'S COPY

Extra Copy

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

[illegible]

It is agreed this 7th day of October, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government" and Yakeview Manganese Mines, C. L. Grigsby, Operator and General Partner, Crescent Mills, California, hereinafter called the "Operator", parties to that certain Exploration Project Contract No. I[illegible]-7[illegible], Docket No. DMEA 2393, dated November 17, 1952, that said contract shall be and is hereby terminated as of the first date above written.

The work prosecuted or costs incurred by the Operator after the date first above written shall be for the sole account of the Operator, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the cost of any reports, accounts and winding-up and settlement actions provided for in the contract.

The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of said Exploration Project Contract, except as herein expressly otherwise provided.

Witness the following signatures as of the day and year first above written.

[illegible] OF AMERICA

By C. O. Mittendorf
Administrator, Defense Minerals Exploration Administration

[illegible]

By _____

UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON 25, D. C.

CLAIMS DIVISION

IN REPLY PLEASE QUOTE

DM-Z-1584685-RBO-2

FEB 5 - 1960

Department of the Interior
Defense Minerals Exporation Administration
Washington 25, D. C.

Gentlemen:

There is returned herewith in accordance with your request contained in letter of June 24, 1957, addressed to this office the original contract and papers on the Lakeview Manganese Mines.

Very truly yours,

For the Comptroller General
of the United States

H. GOLDBERG

Adjudicator-Reviewer

Enclosures
c/gco

EXTRA COPY
O. M. E.
RECEIVED FEB 9 1960

DATE	INITIALS	CODE

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6-24	Chambers	800
"	Johnson	110
"	Mittendorf	100
6/25	C	220
		225

JUN 24 195

Mr. G. Schaffert
Chief, Debt Section
U. S. General Accounting Office
Washington 25, D. C.

Dear Mr. Schaffert:

In response to your request of June 17, 1957, that we return to you the original contract and papers bearing on the Lakeview Manganese Mines, your reference DW-Z 1584685-WBC-2, I am sending you the file of our Contract Administration and Audit Division bearing on this case. As this constitutes the sole file of the Division, I trust that you may be able to return it intact when you are finished with it.

Sincerely yours,

C. O. Mittendorf

Administrator

Attachment

JLChambers/wb
June 24, 1957

Copy to: Docket
Admr. Reading File
Mr. Chambers

8623

UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON 25, D. C.

CLAIMS DIVISION
IN REPLY PLEASE QUOTE
DW-Z 1584685-WBC-2

JUN 17 1957

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

Gentlemen:

It is requested that original contract No. IDM-E 447, with the Lakeview Maganese Mines, which was forwarded by Office letter of September 19, 1956, be returned to this Office for use in further collection action to be taken by this Office.

Very truly yours,

Chief, Debt Section

By: J. Schaffert

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 21 1957

DATE	[illegible]	CODE
6/21	C	220
		800

Talbert

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

Mr. Lloyd H. Sjelander
Authorized Certifying Officer
Bureau of Mines
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Fresno County, California
Contract Ldm-2447

Dear Mr. Sjelander:

By letter dated July 5, 1955, in reply to this Division's request of June 21, 1955, you forwarded the following documents applicable to the referenced project:

(1) Voucher and Schedule of Payments Form L-1017 Rev. dated June 1, 1953, Ba. Sch. No. SF-DMEA-43.

(2) Operator's Monthly Report and Voucher Form MF-104 Rev. for February and March 1953.

(3) Operator's Unit Cost and Progress Report Form MF-104A.

(4) Report Signed by Operator.

(5) Interim Inspection Report by John D. Warne, Mining Engineer for February and March 1953.

(6) Map Attached to March 1953 Reports.

These documents, which recently were returned by the General Accounting Office without advice as to disposition of the matter of the claim against the Operator, are enclosed for replacement in your files.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
September 25, 1956

Copy to: Docket
Admr. Reading File
Mr. Chambers
Mr. Mavor

UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON 25

RECEIVED

SEP 24 1956

CLAIMS DIVISION

IN REPLY PLEASE QUOTE

September 19, 1956

Mr. Jay L. Chambers
Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

DMEA-2392

Dear Mr. Chambers:

In accordance with your request of May 1, 1956, there are returned herewith original contract IDM-E 447, with the Lakeview Maganese Mines, and copy of contract No. IDM-E 126 with Lewis W. Collingwood.

You are advised that a search is being made for the other contracts mentioned in your letter and they will be forwarded immediately upon receipt in this Office.

Very truly yours,

W. J. McCarthy

W. J. McCarthy

Attachments

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

2312

Claims Division
U. S. General Accounting Office
Washington 25, D. C.

Gentlemen:

In compliance with a telephone conversation with Mr. McCarthy of the Claims Division, I am calling your attention to three claims sent you, one in a letter of November 1, 1954, and one each in two letters of January 27, 1955. These three claims involved the following three companies and contracts: On November 1, 1954, a claim against the Olivine Products Corporation, Contract No. Idm-5202, Docket No. DMA-1264; on January 27, 1955, a claim against Lakeview Manganese Mines, Contract No. Idm-2447, Docket No. DMA-2093; and also on January 27, 1955, a claim against the Bakersfield Mining Company, Inc., Contract No. Idm-5296, Docket No. DMA-2350.

At your request of June 17, 1955, we also obtained from the Bureau of Mines Finance Office at San Francisco the file copy of the paid voucher No. 113151, on appropriation No. 16X4651 Revolving Fund, Defense Production Act, Interior, submitted under contract Idm-2447, DMA-2093, by the Lakeview Manganese Mines.

All of the above dockets are the original files of the Contract Administration and Audit Division. This Division is now in need of them and therefore requests you to return them immediately. Mr. McCarthy asked me if we had requested their return in the submitting letters. On re-examining these letters I find that the last paragraph of each requested the return of the file.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
May 1, 1956

Copy to: Docket (3)
Admr. Reading File
Mr. Chambers

Docket copy
Surname:
Talbot

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

JAN 26 1956

Claims Division
U. S. General Accounting Office
Washington 25, D. C.

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines, Inc.
Plumas County, California
Contract Idm-5447

Your Ref: DW-S 1964665-MSC-12

Gentlemen:

Your letter of January 20, 1956, on Form C-26 (Rev. 7-25-55) enclosed an undated letter from the referenced debtor and requested information in answer to the allegations contained therein.

The original of the contract (dated November 17, 1952), a copy of notice of termination (dated March 1, 1954), copies of the contractor's claims (for February and March, 1953), a photostatic copy of the Government check (dated June 5, 1953) and copies of all pertinent correspondence were enclosed as exhibits with the Department's letter of January 27, 1955, referring this case to the Comptroller General. The disbursing office voucher and the originals of the contractor's claims, together with other supporting documents, were obtained from the Certifying Officer and forwarded to your Division on July 11, 1955, in accordance with your request under date of June 17, 1955, on Form C-397 (Rev. 12-11-53). It appears, therefore, that your office is in possession of either the originals or copies of all documents pertinent to this case.

Not having available either the contractor's original claims or copies thereof, we are not in a very tenable position for complying with your request for information in reply to the debtor's allegations. We can state, however, that our files contain no indication of the receipt of any claim "for an amount something over $400.00." The only claims received from this contractor were in the amounts of $372.41 and $618.60 for work performed during February and March, 1953, respectively, for which payment in the aggregate amount of $743.26 (for the Government's 75 percent contractual share) was made by check number 21,983,001 dated June 5, 1953. The photostatic copy of this check indicates endorsement by the contractor. Furthermore, except for the discrepancy in amounts ($400.00 as against $743.26) the debtor's allegation as to nonpayment appears to be a repetition of his previous protest. (See Exhibits Nos. 3, 4, 7, 10, and 11 accompanying the Department's letter of January 27, 1955.)

R.C.G.

The penultimate paragraph of the debtor's letter apparently refers to transactions with the General Services Administration under the manganese purchase program of that agency. It is not believed that the debtor's allegations relative thereto have any bearing on the case under consideration.

The debtor's undated letter and a copy of the Department's letter of January 27, 1955, which were enclosed with your letter of January 20, 1956, are returned herewith.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

Enclosures-2

EDTalbert/wb
January 25, 1956

Copy to: Docket
Admr. Reading File
Mr. Martin
Mr. Chambers

UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON 25, D. C.

RECEIVED
JAN 24 1956

CLAIMS DIVISION

IN REPLY PLEASE QUOTE
DW-Z 1584685-WBC-12

JAN 20 1956

Department of the Interior
Office of the Secretary
Washington 25, D. C.

Attention: Defense Minerals Exploration Administration

Re: Lakeview Manganese Mines,
Crescent Mills, California

Your Ref: Docket DMEA (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-E-447

Gentlemen:

Reference is made to the above-captioned indebtedness to the United States which was reported to this Office as uncollectible.

There is enclosed letter received from the debtor in response to demand for payment.

Since the records here are inadequate to prepare a proper reply, it is requested that there be furnished such information as will enable this Office to answer the specific allegations contained in debtor's letter. In the event the status or amount of the debt has changed since it was reported here for collection, this Office should be appropriately advised.

The enclosure should be returned with an original and one copy of your report.

Very truly yours,

J. M. Whelan

For Chief, Debt Section

Enclosure

C-28 (Rev. 7-28-55)

C
O
P
Y

LAKEVIEW MANGANESE MINES
1903 Outpost Drive,
Hollywood 28, Calif.

Re DW Z 1584685 10

U. S. General Accounting Office,
The Comptroller General.
Washington, 25, D. C.

Gentlemen:- We have your letter of Dec 20th. re a claim of $743.26 asserted against us.

Without going into our old files for more precise data, may we say that shortly after cancelling the DMEA loan alloted in the sum of some $13,000.00, but after expending only some $1,600.00 of that amount, we filed with the designated office a full statement of the expenditures; and at the same time our billing for an amount of something over $400.00 then due us. We never received this latter amount.

Nothing was heard further of this transaction for more than a year when we received a request for a statement, which would have meant a duplication of the statement previously furnished by us. We promptly wrote calling attention to the fact that we had several months before provided the data required; and as we now recall it, we mentioned the office to which our statement had been sent, Nothing further was heard.

We have not pressed our claim for the item of $400.00 above mentioned inasmuch as we have felt the effort would be more than the item is worth.

Ore from our mine was rejected by Government stockpile under the claim of excessive Silica content, although Government assays did not coincide with our own. We found there was nothing we could do about it and suspended operations at the mine which has remained idle ever since. During the War we produced several thousand tons of highgrade Manganese ore from this mine, it being by far the largest producer on the coast with the ore averaging above 47% Manganese— an excellent ore and probably as good as any ore mined in the U. S. The refusal of U. S. Stockpile has caused us a tremendous loss and while we feel the refusal entirely unjustified we have been helpless to correct the situation.

We sincerely trust this information is sets the matter straight.

Respectfully,

/s/ O. H. Griggs
O. H. Griggs.

Talbert

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

JUN 21 1955

Mr. Lloyd H. Sjolander
Authorized Certifying Officer
Bureau of Mines
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Docket DMU-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Ida-F447

Dear Mr. Sjolander:

In connection with their consideration of our claim against the subject Operator the Claims Division of the General Accounting Office has requested that we furnish the following disbursing office voucher, together with all attachments:

D.O. Vou.No.	Date Paid	Disbursing Officer	Symbol
113191	June 5, 1953	A. H. Hoilend	412

It will be appreciated if you will forward this document to this office for referral to the General Accounting Office. It will be returned when it has served its purpose.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

EDTalbert/wb
June 21, 1955

Copy to: Docket
Admr. Reading File
Mr. Ricker
Mr. Martin
Mr. Chambers

RCR.

FILE COPY
Surname:
DMEA

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

N.S. in R.R. JAN 27 1955

Talbert
Martin
Boyd
Fleming
Whittemore
Hollund
Parrish
Appu. Sol.

My dear Mr. Campbell:

In accordance with General Regulation No. 120, Revised, there is being referred to your office for advice on disposition an improper payment in the amount of $743.26 made by the Defense Minerals Exploration Administration to the Lakeside Manganese Mines, a limited partnership between H. G. Thomas, L. W. Brindley and Clair Waterbury, limited partners, and O. N. Griggs, general partner. The address of the partnership is Crescent Mills, California. This improper payment occurred under DMEA Exploration Project Contract No. Idm-E447, Docket No. DMEA-2993 (Exhibit No. 1).

The contract was terminated by notice to the Operator (Exhibit No. 2) under date of March 1, 1954. Only a small part of the work was performed and the voucher, upon which the improper payment was made, covered the only costs claimed by the Operator for contribution by the Government.

This improper payment was made by Lloyd H. Sjelander, Authorized Certifying Officer, Region III, San Francisco, Calif., on D. O. Voucher No. 113191, paid by Check No. 21,983,081, dated June 5, 1953, issued by A. H. Nelland, Regional Disbursing Officer, Symbol No. 412. This payment was supported by the contractor's claim on Forms MF-104 (Rev.) for the months of February and March 1953 (Exhibits Nos. 3 and 4).

The certifying officer approved the costs claimed ($991.01) on these Forms MF-104, and certified for payment the Government's contractual 75 percent participation ($743.26), without documentary proof of the incurrence of the costs by the contractor. The penultimate paragraph of the instructions on the reverse of Form MF-104 requires the submission of supporting documentation.

Under arrangements made by the Department and the General Accounting Office, after completion of the project work the Administration performs a site audit of the contractor's accounts or, in instances of adequately documented Forms MF-104, an administrative review of the contractor's claims, and issues an appropriate certificate designating the total amount due the contractor. A

Report of Review (Exhibit No. 5), together with a Schedule of Exceptions attached thereto, as issued by George Naver, Government Auditor, on May 26, 1954, takes exception to all costs claimed due to lack of documentary evidence in support of the claims. This Report of Review was issued only after Mr. H. C. Miller, Executive Officer, DSEA Field Team, Region III, had written letters to Mr. O. N. Griggs, the sole general partner, and Mr. Naver had visited Mr. Griggs' home in Hollywood, California, in unsuccessful attempts to obtain the supporting documentation or, in lieu thereof, access to the partnership's accounts.

By letter dated June 18, 1954 (Exhibit No. 6), addressed to Mr. Griggs at 1903 Outpost Drive, Hollywood, California, with a copy to each of the limited partners, the Administrator advised the contractor that the Government considered him in default under the contract and stated that "unless you promptly assure us that you will furnish the reports and accounting required under the contract, we shall be required to take steps to recover all money paid to you under the contract." In a reply dated July 1, 1954 (Exhibit No. 7), Mr. Griggs protests that he has complied with the contract but that "I do not find anywhere in my records that we have been paid the amount due as shown in the reports we have made." Replies also were received from two of the limited partners, H. C. Thomas (Exhibit No. 8) and Clair Waterbury (Exhibit No. 9).

After obtaining from the General Accounting Office a photostatic copy (Exhibit No. 10) of the pertinent Government check, which indicates endorsement by Mr. Griggs, the Acting Administrator addressed a registered letter dated September 20, 1954 (Exhibit No. 11) to Mr. Griggs at the Hollywood address again requesting documentary evidence of the claimed costs to which the Government had contributed. Copies of this letter also were sent to the limited partners. The original letter was returned marked "Unclaimed" by the Post Office Department. However, a reply on the letterhead of Lakeview Manganese Mines, Crescent Mills, California, and dated October 5, 1954 (Exhibit No. 12), signed "O. N. Griggs by C. B." was received by the Administration advising that Mr. Griggs was out of the country but that the matter would be given his immediate attention upon his return in about two weeks.

By registered letter dated October 29, 1954 (Exhibit No. 13) the Administrator again forwarded the letter of September 20 to Mr. Griggs. This letter was returned by the Post Office Department marked "Unclaimed."

Under date of November 24, 1954, in a final effort to elicit a reply from the contractor, the Administrator addressed a registered letter (Exhibit No. 14) to the Lakeview Manganese Mines, Crescent Mills, California. This letter, also, was returned marked "Unclaimed" both at the Crescent Mills and the Hollywood address, to which it was forwarded by the Post Office Department.

In the settlement of this account consideration must be given to the fact that the work, to which costs claimed were applicable, was performed by the Operator and accepted by the Government. However, there is an apparent overpayment, even though the costs claimed should be substantiated by the contractor. The Forms MP-104 include a claim of $241.25 for 48 hours supervision. The contract, however, provides an "allowable maximum" for full time supervision under Stage I of $400.00 for one month. On the basis of 160 hours (i. e. 20 days) to a working month the hourly rate would be $2.50, and the "allowable maximum" for 48 hours would be $120.00. Accordingly, a firm disallowance of $121.25 of the claimed costs, or $90.94 for the Government's 75 percent contribution, is indicated.

Accompanying this letter are a number of exhibits taken from the files of the Defense Minerals Exploration Administration. Upon your determination of the case the return of the exhibits to this Department will be appreciated since they constitute a part of our permanent records.

Sincerely yours,

(sgd) D. Otis Beasley

Administrative Assistant Secretary

Hon. Joseph Campbell
Comptroller General
of the United States
Washington 25, D. C.

Enclosure

EDTalbert/wb
January 10, 1955

Copy to: Secretary's File Copy
Secretary's Reading File
Administrative Assist. ~~Secretary~~
DMEA Mails & Files
Admin. Reading File, DMEA
Administrator, DMEA
F. E. Johnson, DMEA
J. L. Hofflund, Solicitor
J. L. Chambers, DMEA
Region III Field Team (2)
K. Bailey, Bu Mines

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

JAN - 7 1955.

Memorandum

To: The Administrator, DMEA
Attention: Contract Administration and Audits Division

From: Acting Assistant Solicitor, Defense Minerals

Subject: Lakeview Manganese Mine, Docket No. DMEA-2393

Reference is made to a draft of a letter for the signature of the Administrative Assistant Secretary to the Comptroller General, asking for his advice on the disposition of an improper payment made to the Operator in the sum of $743.26. I think that the letter does not sufficiently inform the Comptroller General unless the following is added as the second paragraph:

> The contract was terminated by notice to the Operator (Exhibit No. 2) under date of March 1, 1954. Only a small part of the work was performed, and the two vouchers for costs upon which the improper payment was made were the only vouchers submitted or costs claimed by the Operator for contribution by the Government.

J. L. Hofflund
Acting Assistant Solicitor,
Defense Minerals

J. L. Hofflund:gjb

Copy to: DMEA Docket
Solicitor's Docket
Contract Admin. & Audits Div.
J. L. Hofflund
Chron. File

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

JAN - 7 1955.

Memorandum

To: The Administrator, DMEA
Attention: Contract Administration and Audits Division

From: Acting Assistant Solicitor, Defense Minerals

Subject: Lakeview Manganese Mine, Docket No. DMEA-2393

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J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor,
Defense Minerals

J. L. Hofflund:gjb

Copy to: DMEA Docket
Solicitor's Docket
Contract Admin. & Audits Div.
J. L. Hofflund
Chron. File

Docket copy
Surname:
Talbert
Rutledge
Hofflund
Johnson

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

NOV 24 1954

Registered Mail
Return Receipt Requested

Lakeview Manganese Mines

Crescent Mills, California

INTERIOR DEPT.

NOV 22 1954

SOLICITOR

Re: Docket DMEA-2993 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract No. Ida-2447

Attention: C. B.

Gentlemen:

Under date of October 5, 1954 you kindly advised us that the nondelivery of a registered letter dated September 20, 1954, addressed by this Administration to Mr. O. H. Griggs, 1903 Outpost Drive, Hollywood 28, California, with reference to the settlement of the referenced Exploration Project Contract, was due to the temporary absence from the country of Mr. Griggs. You also advised that his return was expected in about two weeks and, further, that immediately upon his return our letter would be given his attention and the information requested would be forwarded to us.

Failing to hear further from either you or Mr. Griggs, another registered letter dated October 29, 1954 was addressed to him. An informational copy was forwarded to Lakeview Manganese Mines. This second registered letter, like the first, was returned to us marked "Unclaimed". Furthermore, no further advice was received from you.

Under the circumstances it appears that this Administration has no alternative but to refer this matter to the Comptroller General of the United States for appropriate action toward recovery of the amount paid by the Government. In order, however, to avoid any possibility of an injustice to Mr. Griggs or the Lakeview Manganese Mines, we will defer such action until December 15, 1954, to afford a last opportunity for furnishing the documentary proof of costs as requested in our previous letters.

Sincerely yours,

C. O. Mittendorf

Administrator

EDTalbert/wb 11-22-54

Copy to: Docket
Admr. Reading File
Mr. Ricker, Region III
Mr. Martin
Mr. Mavor
Mr. Hofflund
Mr. Chambers

R.C.J.

File Copy
Surname:
Talbert

Martin
Hofflund
Lefbridge

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

OCT 29 1954

Registered Mail
Return Receipt Requested

Mr. O. H. Griggs
Lakeview Manganese Mines
1903 Cutpost Drive
Hollywood 28, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-2447

Dear Mr. Griggs:

There is attached hereto a letter dated September 20, 1954, addressed to you by this Administration, relative to matters pertaining to the settlement of the referenced Exploration Project Contract.

This letter was forwarded to you by registered mail with return receipt requested. It was returned to us marked "Unclaimed". Subsequently, however, we were advised by a letter, dated October 5, 1954 on the letterhead of Lakeview Manganese Mines, Crescent Mills, California, and initialed by "C. B.", that you were out of the country and not expected back for about two weeks.

Please give the enclosed letter your prompt attention.

Sincerely yours,

C. O. Mittendorf

Administrator

Attachment

EDTalbert/wb 10-27-54

Copy to: Docket
Admr. Reading File
Lakeview Manganese Mines, Crescent Mills, Calif.
Mr. Miller, Region III
Mr. Martin
Mr. Mayer
Mr. Hofflund
Mr. Chambers

R.G.S.

DOCKET

LAKEVIEW MANGANESE MINES
CRESCENT MILLS, CALIFORNIA

Defense Minerals Administration
RECEIVED
OCT 11 1954

Oct 5, 1954.

WSM

Defense Minerals Exploration Administration,
Department of the Interior,
Washington 25, D.C. Attention Mr. F.E.Johnson.

Gentlemen:- Re garding Docket DMEA-2393 (Manganese), Contract Idm-3447, Mr. Hal C. Thomas, a partner in the Lakeview Manganese Mines, has furnished our office a copy of your letter of Sept 20th addressed to Mr. O.H.Griggs.

Apparently a Registered letter addressed to Mr. Griggs was not delivered. This no doubt was because Mr. Griggs has been out of the country from some time and is not expected back for about two weeks yet.

Immediately upon his return your letter will be given his attention and information you request can then be forwarded to you.

Mr. Griggs is keeping his office at 1903 Outpost Drive, Hollywood28 and mail reaches him there. When he is away, registered letters cannot receive his signature and so do not reach him.

Respectfully yours,

O.H.Griggs
by C.B.
C.B.

No reply necessary

Docket Copy
Surname:
Chambers
Martin
Hoffman
Selfridge
Johnson

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

INTERIOR DEPT.
SEP 14 1954
SOLICITOR

SEP 20 1954

Registered Mail
Return Receipt Requested

Mr. O. H. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-E447

Dear Mr. Griggs:

By letter dated June 18, 1954 this Administration advised you that, unless you assure us that you will furnish the reports and accounting required under the subject Exploration Project Contract, we will be required to take steps to recover all money paid to you under the contract. Copies of this letter were sent to each of the limited partners of Lakeview Manganese Mines, i. e., Messrs. H. C. Thomas, Clair M. Waterbury and L. W. Brindley.

Under date of July 1, 1954 you replied with a summary of your understanding of the history of the contract and included a statement that "I do not find anywhere in my records that we have been paid the amount due as shown in the reports we have made." Mr. Thomas replied under date of June 29, 1954 advising that he had conferred with you on the matter and that you were forwarding the required "reports"; however, he also indicated that payment had not been received for the Government's participation in the costs of the project. Mr. Waterbury's reply was in the form of a copy of his letter to you, under date of June 30, 1954, in which he also requests an accounting of your expenditures. No reply was received from Mr. Brindley.

As a result of your statement that the Lakeview Manganese Mines was not paid for the Government's share of the cost claimed under the contract, an investigation has been made. The findings are that you submitted two Forms MF-104 (Operator's Monthly Report and Voucher), one for the month of February, 1953 in the amount of $372.41 and one for the month of March, 1953 in the amount of $618.60, with your certifications thereon being dated March 1, 1953 and April 1, 1953, respectively. The narrative accompanying these two vouchers, however, was dated April 8, 1953. The vouchers were received in the San Francisco office of this Administration on May 13, 1953. Check No. 21,983,001 in the amount of $743.26, covering the Government's

RLS

contractual 75 percent contribution to the total claimed project costs of $991.01, was issued by the San Francisco Disbursing Office of the U. S. Treasury Department on June 5, 1953. A photostatic copy of both the obverse and reverse of this check is enclosed. It will be noted that this check bears your signature as an endorsement.

The Exploration Project Contract specifically provides in:

(a) Article 7(d) that "The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at anytime *****. The Operator shall keep and preserve said records and accounts for at least three years after the completion of the project or the termination of this contract. Upon the completion of the project or the termination of the contract the Operator shall render a final account as provided in Article 12";

(b) Article 8 that "The Government will pay 75 percent of the allowable costs incurred, as they accrue ******"; and

(c) Article 12 that upon the completion of the contract 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."

Furthermore, the instructions on the reverse of the Form MF-104 (operator's Monthly Report and Voucher) state that the original of said form must be supported by original documentation or by certified copies of purchase orders, invoices, payrolls or transcripts of payrolls.

The original Forms MF-104 for the months of February and March, 1953, as submitted by you, and upon which payment was made to you, were not supported by the required documentation in proof of the actual incurrence of the project costs claimed. The records disclose that Mr. R. C. Miller, Executive Officer, DMEA Field Team Region III, San Francisco, California, addressed letters to you under dates of January 21, 1954 and March 5, 1954 requesting that you submit supporting documentation for:

1. Bulldozing costs aggregating $672.00,
2. Labor costs aggregating $77.76, and
3. Supervision costs aggregating $241.25

Since no reply was received from you, an audit representative of this Administration attempted to contact you at your residence on May 7 and 8, 1954 for the purpose of auditing your accounts covering the project operations. On the evening of May 7, 1954 apparently no

one was at home. On the morning of May 8, 1954 your brother-in-law advised the auditor to return at 1:00 P. M. when you were expected home. However, upon his return at that time the auditor could obtain no answer to his knocks at either the front or back doors.

In view of the foregoing I have no alternative but to advise you that, unless you promptly submit the original documentation to support the costs claimed of $991.01 to which the Government has contributed its contractual 75 percent or $743.26, it will be necessary to turn the matter over to the Comptroller General of the United States for appropriate action toward recovery of the amount paid by the Government. If you so desire, the original documents will be returned to you upon completion of the audit review and a determination that the costs claimed are allowable under the terms of the contract.

Sincerely yours,

Frank E. Johnson (by ESF)

ACTING Administrator

Enclosure

EDTalbert/wb
September 9, 1954

cc to: Mr. H. C. Thomas
352 North Avenue 59
Los Angeles 42, Calif.

Mr. Clair M. Waterbury
c/o Aviation Export Company Ltd.
3108 Valhalla Drive
Burbank, Calif.

Mr. L. W. Brindley
c/o David Hunt
453 South Spring St.
Los Angeles, Calif.

Mr. Miller, Region III (w/encl.)
Mr. Martin
Mr. Mayer
Mr. Hofflund
Mr. Chambers
Docket
Admr. Reading File

FILE COPY
SURNAME:

Talbert
Chambers

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

Hon. Ivy Baker Priest
The Treasurer of the United States
Department of the Treasury
Washington 25, D. C.

My dear Mrs. Priest:

Would you please furnish this Administration with photostatic copies of the face and reverse of the following described check:

Check No.: 21,983,001
Date: June 5, 1953
D. O. Symbol No.: 412
D. O. Name: A. N. Holland
Amount: $743.26
Payee: Lakeview Manganese Mines

These photostats are required by this Administration in settlement of a controversy with the payee.

Sincerely yours,

C. O. Mittendorf

Administrator

EDTalbert/wb
August 4, 1954

Copy to: Docket - DMEA-2393
Admr. Reading File
Mr. Martin
Mr. Chambers

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

Hon. Ivy Baker Priest
The Treasurer of the United States
Department of the Treasury
Washington 25, D. C.

My dear Mrs. Priest:

Would you please furnish this Administration with photostatic copies of the face and reverse of the following described check:

Check No.: 21,983,001
Date: June 5, 1953
D. O. Symbol No.: 412
D. O. Name: A. H. Hoiland
Amount: $743.26
Payee: Lakeview Manganese Mines

These photostats are required by this Administration in settlement of a controversy with the payee.

Sincerely yours,

C. O. Mittendorf

Administrator

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

July 28, 1954

Memorandum

To: The Administrator, DMEA
Through: Mr. W. S. Martin

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-2393 (Manganese) Lakeview Manganese Mines, Contract Idm-E447

Reference is made to memorandum to me dated July 16 from the Chief, Iron and Ferro-Alloys Division, and to my memorandum to you dated July 13.

I still find nothing in the docket for legal consideration at this time, and refer you to the last two sentences of my memorandum to you of July 13.

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

DMEA
File Copy

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

July 28, 1954

N.S. in R.R.

Memorandum

To: The Administrator, DMEA
Through: Mr. W. S. Martin

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-2393 (Manganese) Lakeview Manganese Mines, Contract Idm-E447

Reference is made to memorandum to me dated July 16 from the Chief, Iron and Ferro-Alloys Division, and to my memorandum to you dated July 13.

I still find nothing in the docket for legal consideration at this time, and refer you to the last two sentences of my memorandum to you of July 13.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

JLHofflund:ep

Copy to: Solicitor's Docket
DMEA Docket
Mr. Martin (2)
Mr. Hofflund
Chron.

Talbert
Rutledge
Chambers

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

JUL 20 1954

Mr. George Mayor
DMEA Auditor
420 Custom House
555 Batter Street
San Francisco 11, California

AIR MAIL

Re: Idn-F447, DMEA-2393
Lakeview Manganese Mines

Dear Mr. Mayor:

As a result of the Executive Officer's memorandum of June 7, 1954 addressed to the Administrator, relative to his inability to get any response from the subject Operator in regard to the amount suspended by your recent Report of Review, the Administrator wrote letters to the general partner and the two limited partners.

In a reply dated July 1, 1954 from C. W. Griggs, the general partner, and a reply dated June 29, 1954 from W. C. Thomas, one of the limited partners, it was indicated that payments of the Government's share of the costs indicated on the monthly MF-104's have never been received by the partnership. Accordingly, in order to prosecute the case further it will be necessary for this office to obtain photostatic copies of the checks and endorsements thereon.

It is requested that you advise this office by return air mail as to the following information covering the $991.01: Disbursing Officer's name, Disbursing Symbol number, date of check, number of checks and amounts of individual checks.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
July 19, 1954

Copy to: Docket
Admr. Reading File
Mr. Martin
Mr. Chambers

R.C.G.

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

ID 7-21

DATE 7-16-54

REFERRED TO:

1. ~~Mr. Miltonberg 4624~~
2. ~~DMEA Control 4539~~
3. ~~Docket & Records, Solicitor's~~
4. Office - 6038

~~Act. Asst. Solicitor (Hoffland) - 7349~~

INTERIOR DEPT.
JUL 20 1954
RECEIVED
SOLICITOR
JUL 23 1954
GENERAL COUNSEL
DEFENSE MINERALS ADMINISTRATION

FOR:

X	Action		Recommendation
	Approval		Record
	Comment		of
	Conference		Referring
X	Consideration		to
	Filing		Reply for signature of
	Instructions		
	Investigation		Rewriting
	Initials		Signature
	Mailing		Suggestions
	Previous correspondence		Your information

REMARKS: DMEA Docket 2393 attached, containing letter from Hal C. Thomas of June 28 & letter of July 1 from O.H.Griggs, alleging non-receipt of money under contract which DMEA is seeking to collect back; also letter of June 30 from Clair M. Waterbury.

Check (X) before the items needing attention.

W. S. Martin

Initials of sender.

GPO 16—63815-1

Reclamation material referred to in memo from M. Martin detached in Docket Room, office of Solicitor.

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 7/19/54

REFERRED TO:

1. Iron and Ferro-Alloys Div.
2.
3.
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS: Please note last 2 sentences of Counsel's memo. Are we prepared to recommend any legal action at this time, or is further correspondence with Griggs, and possibly Miller of Reg. III, indicated first?

Check (X) before the items needing attention.

Chamber preparing letter JAR.

Initials of sender.

GPO 16—63815-1

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

July 16, 1954

Memorandum

To: Acting Assistant Solicitor, Defense Minerals

From: Chief, Iron and Ferro-Alloys Division, DMEA
Through: Administrator, DMEA

Subject: Docket No. DMEA-2393 (Manganese)
Lakeview Manganese Mines
Contract No. Idm-E447

Reference is made to your memorandum of July 15, 1954, informing us that you cannot find Mr. Waterbury's letter dated June 20, 1954, to which reference was made on our routing slip of July 8.

We regret our error in referring to Mr. Waterbury's letter of June 30, 1954, as June 20. This letter inadvertently became detached from the docket in transmission to your office.

We are returning herewith some correspondence dealing with a matter in the Bureau of Reclamation, which was inadvertently sent to us with your above-mentioned memorandum.

W S Martin
W. S. Martin, Chief
Iron and Ferro-Alloys Division

Attachments

RECEIVED
JUL 23 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Docket
Martin

400

July 16, 1954

Memorandum

INTERIOR DEPT.
JUL 20 1954
SOLICITOR

To: Acting Assistant Solicitor, Defense Minerals

From: Chief, Iron and Ferro-Alloys Division, DMEA
Through: Administrator, DMEA

Subject: Docket No. DMEA-2393 (Manganese)
Lakeview Manganese Mines
Contract No. Idm-2447

Reference is made to your memorandum of July 15, 1954, informing us that you cannot find Mr. Waterbury's letter dated June 20, 1954, to which reference was made on our routing slip of July 8.

We regret our error in referring to Mr. Waterbury's letter of June 30, 1954, as June 20. This letter inadvertently became detached from the docket in transmission to your office.

We are returning herewith some correspondence dealing with a matter in the Bureau of Reclamation, which was inadvertently sent to us with your above-mentioned memorandum.

W. S. Martin, Chief
Iron and Ferro-Alloys Division

Attachments

WSMartin/ls

cc: Docket
Code 400
Adm. Reading File

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

July 13, 1954

Memorandum

To: The Administrator, DMEA
Through: Mr. W. S. Martin

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-2393 (Manganese) Lakeview Manganese Mines, Contract Idm-E447

Reference is made to letter dated June 29, Hal C. Thomas, to you, and letter dated July 1, O. H. Griggs, to you, which was submitted to me on routing slips and received here July 9 with the notation: "To be considered with letter by Clair M. Waterbury dated June 20, 1954." The letter last referred to does not seem to be in the docket nor does it accompany the submission to this office.

I find nothing in these letters requiring any legal consideration. The last action taken by this office was the letter for your signature, dated June 18 to Mr. Griggs in which it was indicated that if he did not comply with the requirements of the contract "...we shall be required to take steps to recover all money paid to you under the contract." I believe that you should now determine whether the requirements of the contract have been complied with and what further steps you may wish to take with respect to the contract. If any legal action is desired, please refer the matter to this office with your instructions.

J. L. Hofflund

J. L Hofflund
Acting Assistant Solicitor
Defense Minerals

DMEA
File Copy
Surname

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

July 13, 1954

Memorandum

To: The Administrator, DMEA
Through: Mr. W. S. Martin

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-2393 (Manganese) Lakeview Manganese Mines, Contract Idm-E447

INTERIOR DEPT
JUL 15 1954
SOLICITOR

INTERIOR DEPT
JUL 20 1954
SOLICITOR

Reference is made to letter dated June 29, Hal C. Thomas, to you, and letter dated July 1, O. H. Griggs, to you, which was submitted to me on routing slips and received here July 9 with the notation: "To be considered with letter by Clair M. Waterbury dated June 20, 1954." The letter last referred to does not seem to be in the docket nor does it accompany the submission to this office.

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J. L. Hofflund

J. L Hofflund
Acting Assistant Solicitor
Defense Minerals

JLHofflund:lm

Copies to: Docket Solicitor
Docket DMEA
Mr. Martin(2)
Mr. Hofflund
Chron.

THornwall 2-4863 CABLE ADDRESS AIVEX

AVIATION EXPORT COMPANY LTD.

INC.

3108 VALHALLA DRIVE
BURBANK, CALIFORNIA

Bureau of the Interior
Mines Minerals Administration
RECEIVED
JUL 7 - 1954

INTERIOR DEPT.
JUL 7 - 1954
SOLICITOR

June 30, 1954

Denver - 2392
Adm 6-449
Mon

WSM

Mr. G. G. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Dear Hal:

I was recently contacted by Hal Thomas, who indicated he had managed to raise sufficient funds to continue operation of the mine. I have heard nothing recently from him as to the progress he is making. I would appreciate your indicating what date I can meet with you and Mr. Thomas to discuss the future of the Lakeview Manganese Mines.

I note in a copy of a letter addressed to you from the United States Department of the Interior, that they too require an accounting of your expenditures. I have repeatedly asked for an accounting as have the other limited partners. Under the terms of our partnership, it is our legal right to expect such an accounting and it is your legal obligation to provide such accounting as a general partner. I should like to advise you that unless a meeting is arranged within the next ten days and satisfactory progress indicated, I shall be forced to turn this case over to my attorney and appropriate Government officials.

Yours sincerely,

Clair M. Waterbury

CMW/mg

cc: Mr. David Hunt
Bateman, Eichler & Co.
453 South Spring Street
Los Angeles, Calif.

C. O. Mittendorf, Administrator
U.S. Department of the Interior
Washington 25, D.C.

HAL C. THOMAS
352 NORTH AVENUE 59
LOS ANGELES 42, CALIF.

MINING AND FINANCE

29 June 1954.

INTERIOR DEPT.
JUL 1 - 1954
SOLICITOR

W3M

My dear Mr. Mittendorf:

Thank you, very much, for your letter of June 18, re:
Docket No. DMEA- 2393 (Manganese) Lakeview Manganese Mines, Plumas County, California, Contract Idm-E447, with which you also sent me copy of your letter of same date to Mr. O. H. Griggs, of Hollywood, our General Partner. My delay in acknowledging is due to absence from the city.

I have taken this matter up with Mr. Griggs, who is writing you also and sending the reports you request, but neither of us can understand the apparent "mix-up". Griggs has been away from here much of the time, which might account for undelivered mail. On the other hand, it should have been forwarded to him, or have been found awaiting him upon his return.

Nevertheless, he and I both had thought everything had been done, according to regulations, to effect the termination and to secure the indicated refund to us of around $1,100.00 (?) which was due us for work done and paid for by us. We have wondered, for months, why this refund had not come from DMEA.

At the suggestion of Mr. Johnson, head of your Reno office, upon whom Griggs and I called in person, Mr. Griggs made out the termination papers, with report and all complete, and filed them, I believe, with Mr. Harold Miller, of your San Francisco office. The report showed that no manganese ore had been shown as discovered by this exploratory work. Mr. Griggs subsequently checked with Harold Miller who told him he had forwarded the papers, approved by him, with request for check to cover the refund due to Mr, Griggs. That was months ago, and no further word has been received, and no refund check, until your letters of June 18. Apparently, papers presumably forwarded to you suffer the same fate as the letters you state were mailed to Mr. Griggs.

Sincerely yours,

Hal C. Thomas

Mr. C. O. Mittendorf
Administrator, DMEA
U.S. Dept. of the Interior
Washington 25, D.C.

LAKEVIEW MANGANESE MINES

~~CRESCENT MILLS, CALIFORNIA~~
1903 OUTPOST DR.
HOLLYWOOD 28 CALIF.

DEPARTMENT OF THE INTERIOR
Bureau of Mines
RECEIVED
JUL 7 - 1954

July 1, 1954.

INTERIOR DEPT.
JUL 8 - 1954
SOLICITOR

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

Dear Mr. Mittendorf:- This will acknowledge your letter of June 18th re Docket DMEA-2393 (Manganese) having to do with loan made to this concern.

So that what seems to be a misunderstanding may be set straight, let me relate the entire transaction in this connection:-

It had been suggested to me that our Manganese operation could be speeded up by a Government exploration loan-- this suggestion came at a conference held with Bureau of Mines personnel in Reno. I was averse to making an application as at that time there was much confusion between various Government departments and applications were reported subject to long delays. I did say however that if the Bureau of Mines would care to make an examination and supply the data for anapplication, I would sign the application. So, on May 21, 1952, Mr. George Holmes, Engineer with the Bureau, came to the mine and the two of us worked out data necessary for such application which I signed and forwarded to the proper office. In other words, in this instance the examination was made before the application was submitted.

no application dated 2/27/52

wrong

Under date of May 16, 1952, I find in my file a letter signed by you acknowledging receipt of the application and saying it had been referred to Mr. H.C.Miller in San Francisco.

said you forwarded letter

In my file is a copy of the contract for the loan dated Nov. 17, 1952. This contract is also signed by you. A letter from Mr. Miller dated Nov. 19, 1952, forwards to me the contract typed in six copies, five to be returned to Miller and one to be retained.

Owing to winter conditions work contemplated under the contract could not be commenced as expected, but my files contain copy of a letter on Form MF 104 (Rev) dated March 1953 in which I submitted details of work done to that time which totalled $991.01. I find no letter of transmittal with this in my files, and now cannot be certain to whom it was sent; but inasmuch as my files contain a letter dated April 8, 1953, addressed to Mr. A.C.Johnson, Chief of Bureau of Mines at Reno, the same being the required "Narrative", I must assume that the statement of "March, 1953" was sent to Mr. Johnson.

Dated as "April, 1953" I find a report on Form MF104 (Rev) in which is shown a total expenditure of $1,649.65 and a detail of work done. I find a memo that I had conferred in Reno with Mr. Johnson as to using additional funds alloted under the contract and a later letter dated June 15, 1953 in which I terminated the contract saying we would not desire to use any more of the allowed

funds-- this letter having been addressed to Mr. Johnson. Nothing more was done nor heard until late autumn last year when Miller in San Francisco wrote me that I had not made reports. I wrote him giving in brief what I have here given you. The next word is your recent letter of June 18th last. I have no memo of any registered letter.

I still do not understand wherein we have failed to comply with all of the requirements of the contract.

If any registered letter was sent to me, as is of course possible from your own records, it may be that it came during one of my frequent absences and could not be delivered.

Keep in mind, please, the rather confusing processes required of a borrower: As between Washington departments, departments in San Francisco and the requirement to report to the Bureau of Mines at Reno, the changes of address of departments in San Francisco in particular-- it may well be seen how easy it is for confusion to exist. As a matter of fact I spent one whole day in San Francisco trying to run down and locate one department which had removed from more than one place to others.

If you still feel that we have not complied with our contract, I shall be glad to further search my records in an effort to find additional data, but my search up to now is what I have found as recited above. I do not find anywhere in my records that we have been paid the amount due as shown in the reports we have made.

I would also respectfully state that my partners in this partnership are limited partners who under our California law take no part in the business of the partnership other than to receive reports and declared profits. During last January there was held a meeting of partners at which was submitted my records of expenditures and which had been reviewed by an accountant of one of my partners. There was no criticism of my records other than that I had not specifically provided for items like depletion and possible tax deductions allowable to partners. My original records were inspected at this meeting. Since that time inactivity at the mine has precluded necessity of reports to partners.

Respectfully yours,

O.H.Griggs.

Upon checking the foregoing, I find an error in the date stated on which Mr. Holmes inspected the mine and which I gave as May 21, '52. Another memo places this date about a month earlier.

Wrong! Holmes made examination May 20-21, 1952

File Copy
Surname

Porter
Martin
Talbutt
Hofflund

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

JUN 18 1954

Mr. H. C. Thomas
352 North Avenue 59
Los Angeles,
California.

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-E447

Dear Mr. Thomas:

We understand that you are a limited partner in the Lakeview Manganese Mines, Limited Partnership, which performed some work under the subject project.

There is attached, for your information, a copy of a letter which we have this date sent to Mr. O. H. Griggs, General Partner of the subject partnership.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

HCRubin:lm - 6-16-54

Copies to: Docket
Administrator
Adm. Reading file
Operating Committee
Field Team Reg. III (2)
Gilbert DeHuff B/M (Rm 3523)
Louis Pavlides USGS (Rm. B-242-B GSA)
Mr. Martin (2)
Mr. Hofflund
Mr. Rubin
Chron.
Pending

Same letter to:
Mr. L. W. Brindley and Clair Waterbury
453 South Spring St.
c/o David Hunt, Los Angeles, Calif.

R.C.G.

File Copy
Surname
Burton
Martin
Talbert
Johnson

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

JUN 18 1954

Mr. O. H. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California.

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-E447

Dear Mr. Griggs:

With a letter dated October 12, 1953, a proposed termination agreement was sent to you concerning the subject contract. You did not respond to the Executive Officer's letter of transmittal nor to his follow-up letters of November 23, 1953, and January 13, 1954. With a registered letter, return receipt requested, dated March 5, 1954, the Executive Officer sent to you a Notice of Termination under the provisions of the contract, which letter was returned to him "unclaimed."

Apart from the letters concerning the termination of the contract, in a letter dated January 21, 1954, the Executive Officer informed you that your claims for Government contribution (MF-104 forms) to costs of work under the contract must be supported by documentary evidence. You did not respond to this letter.

We feel that we have made reasonable efforts to contact you concerning the termination of the contract and concerning evidence to support your claims for Government contribution. The contract plainly provides that you were required to keep suitable records and accounts of operations which the Government might inspect and audit at any reasonable time; and it provides further that upon completion of the project or any termination of the contract you were required to render to the Government a full and final report of the work, a full and final accounting of your operations under the contract, and your expenditures of money. As you have failed to fulfill these requirements, the Government considers you in default of the contract.

R.C.G.

Accordingly, unless you promptly assure us that you will furnish the reports and accounting required under the contract, we shall be required to take steps to recover all money paid to you under the contract.

Sincerely yours,

C. O. Mittendorf

Administrator

HCRubin:lm - 6-15-54

Copies to: Docket
Administrator
Adm. Reading file
Operating Committee
Field Team Reg. III (2)
Gilbert DeHuff B/M (Rm 3523)
Louis Pavlides USGS (Rm B-242-B GSA)
Mr. H. C. Thomas, 352 North Avenue 59, Los Angeles [redacted] Calif.
L. W. Brindley, 453 So. Spring St.
c/o David Hunt, Los Angeles, Calif.
Clair Waterbury, 453 So. Spring St.
c/o David Hunt, Los Angeles, Calif.
Mr. Martin (2)
Mr. Hofflund
Mr. Rubin
Chron.
Pending

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

420 Custom House
555 Battery Street
San Francisco 11, Calif.

June 7, 1954

Memorandum

To: C. O. Mittendorf, Administrator, DMEA, Interior Building
Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA-2393 - Manganese
Lakeview Manganese Mines
Plumas County, California
Contract No. Idm-E447

In connection with the termination of the subject contract, I sent six copies of a termination notice, which had been drawn up in Washington and signed by you, to Mr. Griggs with a covering letter dated October 12, 1953. After no acknowledgment of this letter was received and the signed copies of the termination failed to be returned, I again addressed a letter to Mr. Griggs on November 23, 1953, requesting him to return the signed copies promptly. There was no response to my November 23 letter, so I wrote again on January 13, 1954, calling Mr. Griggs' attention to my previous letters and the fact that no reply to any of them had been received by this office. No reply was received to that letter.

On January 21, 1954, a letter from me to Mr. Griggs requesting documentary evidence in support of his claims also brought no response.

By letter dated March 1, 1954, Mr. George C. Selfridge sent me a termination notice prepared in the Washington office and requested that I forward it to the Operator. Accordingly, with a letter dated March 5, 1954, I sent the termination notice to Mr. O. H. Griggs, Lakeview Manganese Mines, 1903 Outpost Drive, Hollywood 28, California, by registered mail, return receipt requested. This letter was returned to this office "unclaimed."

On May 7 and 8, Mr. George Mavor, DMEA Auditor, attempted to contact Mr. Griggs at his residence in Hollywood and though he found the doors of the residence unlocked, no one responded to his ring or to his call.

None of the letters sent to Mr. Griggs, other than the registered letter for which a receipt was requested, was returned by the Post Office department so it is surmised that each had been properly delivered.

In a Report of Review dated May 26, 1954, Mr. Mavor disallowed the entire amount paid to Mr. Griggs which is 75 per cent of $991.01, or $743.26. In view of our inability to get any response from Mr. Griggs to any of our communications to him, I suggest that the legal department of DMEA take such action as it may desire to collect the entire amount paid to Mr. Griggs under DMEA Contract No. Idm-E447.

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

Copy to: Roscoe Smith, USGS

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

JUN 2 1954

Mr. George Mayer
DMEA Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Subj.: Idm-E10, DMA-420X
Bristol Silver Mines Co.
and
Idm-E447, DMEA-2303
Lakeview Manganese Mines

Dear Mr. Mayer:

Receipt is acknowledged of three copies each of the Reports of Review covering the subject Exploration Project Contracts.

The following minor errors should be corrected on the originals and copies retained by you, after which normal distribution may be effected:

E-10: (1) Insert "further" between the words "possible" and "disallowances" under reason (a); and
(2) Correct date in reason (b) to read "September 22, 1953."

E-447: (1) Insert "further" between the words "possible" and "disallowances" under reason (a); and
(2) Correct contract number to "Idm-E447".

These corrections have been made on the copies submitted to this Division.

In regard to the above corrections indicated as (1) under each contract, please refer to code (K) (a) on page 3 of Mr. Chambers' memorandum of February 2, 1954 on the subject of Reports of Review.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

EDTalbert/wb
June 2, 1954

Copy to: Docket (2)
Admr. Reading File
Mr. Chambers

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

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

May 13, 1954

Memorandum

To: George C. Selfridge, Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract No. Idm-E447

Mr. W. S. Martin wrote me on April 28, 1954, suggesting that we make one more attempt to contact Mr. O. H. Griggs to deliver the termination notice to him and to discuss the points raised in my letter of January 21, 1954.

Mr. George Mavor, DMEA Auditor, went down to Hollywood from Bakersfield, where he was auditing the Walabu account last week, to get in touch with Mr. Griggs. Attached is a copy of a memorandum to me from Mr. Mavor, dated May 11, showing that his mission was unsuccessful. Mr. Mavor told me on the side that the look on Mr. Griggs's brother-in-law's face when he told him who he was, made him suspicious that there is something "fishy" about the whole deal.

Apparently Mr. Mavor had the right idea, as I heard this morning that Mr. R. E. Reno, Jr., in charge of stockpiling, General Services Administration, San Francisco, has been called to Los Angeles to testify at a trial or hearing involving Mr. Griggs. I have been unable to get any additional information but may be able to when Mr. Reno returns to San Francisco.

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

Attachment to 400
5-17

Copy to: Roscoe Smith, USGS

400

DOCKET
SURNAME
Rutledge
Martin
Talbert
Hoffund
Fitzsimmons
Wattendorf

APR 28 1954

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMEA 2393 - Manganese
Lakeview Manganese Mines
Plumas County, California
Contract No. Ida-1447

Dear Mr. Miller:

This responds to your memorandum dated April 7, 1954, concerning your correspondence respecting termination of the subject contract.

You certainly have done almost everything that you can to contact the Operator. However, it would be appreciated if you would make one more attempt. Possibly a local representative of the Bureau of Mines or Geological Survey could call on Mr. Griggs, deliver the termination notice, and discuss the points raised by your letter of January 21, 1954.

Mr. Griggs should be advised that unless he can support his costs with evidence of payment, the Government will have to disallow these charges and request repayment to the Government of the funds disbursed.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (2/3)

APPROVED:

J. H. Hedges (2/3)
Member, Bureau of Mines

D. M. Larrabee (2/3)
Member, Geological Survey

FARutledge:foc 4-28-54
cc to: Docket
Code 400
Admr. Reading File
Operating Comm.
FT. Reg. 3
Mr. DeHuff, USBM
Mr. Pavlides, USGS

R.C.H.

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

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

April 7, 1954

Memorandum

To: George C. Selfridge, Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract No. Idm-E447

Reference is to your letter dated January 8, 1954, requesting me to advise Mr. O. H. Griggs that if we do not receive the signed termination agreement (sent to him on November 23, 1953) within 30 days, the Government will terminate the contract under the provisions thereof.

You have a copy of my letter to Mr. Griggs dated January 13, 1954. No reply was received to that letter. Also no reply was received to my letter to Mr. Griggs dated January 21, 1954, of which you have a copy. On March 5, 1954, I again wrote Mr. Griggs (you have a copy), sending that letter registered mail, return receipt requested. In due time this letter was returned to us stamped "Unclaimed."

By letter dated March 15, 1954, Mr. Griggs sent a letter to the Bureau of Mines, Custom Building, San Francisco, requesting certain manganese production figures. I took this opportunity to again request an answer to my previous letters and to tell him that our registered letter was returned unclaimed. We noted that throughout this one-sided correspondence his address remains unchanged.

We have had no reply to our Bureau of Mines letter to him dated March 25, 1954, and as that letter has not been returned to us, we presume that it was received by him.

We believe we have reached the end of the rope and since Mr. Griggs apparently would not accept the registered letter containing the Government's notice of termination, your advise on what to do next will be appreciated.

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

Copy to: Roscoe Smith, USGS
A. C. Johnson, Reno
George Mavor

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

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

March 25, 1954

Mr. O. H. Griggs
1903 Outpost Drive
Hollywood 28, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-E447

Dear Mr. Griggs:

We acknowledge your letter of March 15, 1954, addressed to U. S. Bureau of Mines, Custom Building, San Francisco, California.

This letter is in the process of being answered and our reply will go forward to you under separate cover over my signature as Regional Director, Region III, Bureau of Mines.

In my capacity as Executive Officer, DMEA Field Team, Region III, I cannot understand why you have never answered my letters of October 12 and November 23, 1953, and January 21, 1954, and why a registered, return-receipt-requested letter sent to you on March 5, 1954, was returned unclaimed.

All addresses on DMEA letters sent to you were the same as the address you gave when requesting information from the Bureau of Mines, so we cannot understand why you haven't acknowledged the letters and why the registered letter was not claimed by you.

It would be appreciated if you would let me have an early reply so I can either readdress the registered letter to you or let our Washington office know that you refuse to accept it.

Sincerely yours,

H. C. Miller

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

Copy to: DMEA, Washington, D. C.
Roscoe Smith, USGS

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
RECEIVED
MAR 8 - 1954

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

March 5, 1954

Registered Mail
Return Receipt Requested

Mr. O. H. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-E447

Dear Mr. Griggs:

On October 12, 1953, I sent you six copies of a termination agreement which I asked you to sign and to return all but the copy marked "Operator's Copy" to this office. Not hearing from you in due time or receiving the signed copies, I again wrote you on November 23, 1953, requesting return of the signed copies so that we could officially terminate the contract. On January 13, 1954, after still no word from you, I wrote again stating that if the signed termination agreement is not received by February 12, 1954, the Government will itself terminate the contract under the provisions thereof.

Inasmuch as you have failed to permit us to teminate the contract by mutual agreement, the Government has terminated the contract. Your copy of the Notice of Termination, dated March 1, 1954, is attached.

You will note in the third paragraph of the Termination Notice that you are to render to the Government a full and final report and final accounting of your operations under the contract and of your expenditures of money on account thereof. May we therefore have a prompt reply to my letter to you, dated January 21, 1954.

In case you did not receive that letter or have mislaid it, I am enclosing an extra copy.

Sincerely yours,

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

Enclosures

Copy to: George Selfridge, DMEA, Washington, D. C. (With 3 copies of notice)
Roscoe Smith, USGS
A. C. Johnson, Reno
Finance Officer, Region III
George Mavor

400

Rutledge
Martin
Butler
Hoffman
Chandler
Selfridge
Johnson
Rutledge

MAR 1 1954

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMEA 2393 - Manganese
Lakeview Manganese Mines
Iron Dyke, Lakeview & Trail claims
Plumas County, California
Contract No. I6m-2447

Dear Mr. Miller:

Reference is made to the subject docket, our letter of January 8, 1954, and your letter of January 13, 1954, to the Operator.

If the referenced termination by mutual agreement notice has not been received, the enclosed "Termination Notice" should be forwarded to the Operator.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

J. H. Hedges
Member, Bureau of Mines (JHB)

D. M. Larrabee
Member, Geological Survey (JHB)

cc: DOCKET
FT, REG. III
CODE 400
OPER. COMM.
ADM. READ. FILE
GILBERT DE HUFF, USBM
LOUIS PAVLIDES, USGS

FARutledge/ls
2/23/54

R.C.G.
3-1-54

FILE COPY
SURNAME:

Talbert
Chambers

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

JAN 14 1954

Mr. George Mayer
DMEA Auditor
2012 Flood Building
870 Market Street
San Francisco 2, California

Re: Idm-2447, DMEA-2993
Lakeview Manganese Mines
Fresno County, California

Dear Mr. Mayer:

Returned herewith for revision are the copies of the Report of Review in lieu of final audit, covering the referenced Exploration Project Contract.

The first reason given by you for the review in lieu of audit is satisfactory but the second reason is not sufficiently applicable. This contract is on an actual cost basis and, under the requirements of DMEA Circular 19 and the instructions on the reverse of form MF-104, the costs claimed must be supported by documentary proof of such costs. Therefore, the proper reason for citation, provided it is true, is:

"the Monthly Reports were supported by documentary proof of the costs incurred under the contract."

In the event that the forms MF-104 were not supported by documentation, it is suggested that the Operator be requested by letter to submit the required evidence for the costs claimed.

It also appears that a disallowance may be required. The final MF-104 shows a charge of $241.25 for Supervision and the final MF-104A indicates a total of 48 hours were actually worked. The contract provides an "allowable maximum" for full time supervision of $400.00 for 1 month. On a basis of 160 hours (i. e. 20 days) to a working month the hourly rate would be $2.50, and the maximum allowable for 48 hours would be $120.00. Accordingly a disallowance of $121.25 is indicated.

In connection with this item of Supervision, it is suggested that you refer to footnote (2) of the Audit Guide sent to you under cover of my letter of June 4, 1953.

EDTalbert/wb 1-14-54

cc: Docket
Admr. Reading File
Mr. Chambers

Enclosures

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

R.C.G.
1-14-54

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 18 1954

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

January 13, 1954

Mr. O. H. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-M447

Dear Mr. Griggs:

On October 12, 1953, we sent you six copies of a termination agreement, with the request that you sign all six copies and return five of them to this office, retaining the one marked "Operator's Copy."

On November 23, 1953, I wrote you that the copies of the agreement had not been received and asked you to please return them to us promptly.

To date we have had no reply to either letter.

The Washington Office of the Defense Minerals Exploration Administration now informs me that if the signed termination agreement is not in this office by February 12, 1954, the Government will itself terminate the contract under the provisions thereof.

I trust, therefore, that you will see fit to return the signed agreements to us promptly.

Sincerely yours,

H. C. MILLER
H. C. Miller
Executive Officer
DMEA Field Team, Region III

Copy to: DMEA, Washington, D. C.
Roscoe Smith, USGS
A. C. Johnson, Reno

400

Martin
Cutteridge
Rubin
Hoffmann
Selfridge
Cutteridge

JAN - 8 1954

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building, 870 Market Street
San Francisco 2, California

Re: Docket No. DMEA 2393, Manganese
Lakeview Manganese Mines
Iron Dyke, Lakeview & Trail claims
Plumas County, California
Contract No. Idm-3447

Dear Mr. Miller:

This will acknowledge receipt of your memorandum of December 15, 1953, to the Operating Committee, with Final Report by the Field Team on the subject project.

By letter of November 23, 1953, you request Mr. O. H. Griggs, one of the Operator Partnership, to sign and return the termination agreement, but we find that we have not yet received our signed copies of this agreement and assume that it has not been returned to you.

Please advise Mr. Griggs that if we do not receive this signed termination agreement within 30 days, the Government will itself terminate the contract under the provisions thereof.

Sincerely yours,

George C. Selfridge (24B)
Chairman, Operating Committee

Approved:

J. H. Hedges (24B)
Member, Bureau of Mines

D. M. Larrabee (24B)
Member, Geological Survey

cc: Docket
Code 400
Oper. Comm.
Adm. Read. File
Gilbert DeHuff, USBM
Louis Pavlides, USGS
FT, Reg. 3

TLChapman/ls 1/6/54

R.C.G. 1-8-54

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

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

December 15, 1953

Memorandum

To: Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract No. Idm-E447

Attached are four copies of Final Report on the above project submitted by John D. Warne, Mining Engineer, U. S. Bureau of Mines, and Jacques F. Robertson, Geologist, U. S. Geological Survey, dated December 11, 1953.

S. Ricker for H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: E. H. Bailey, USGS
A. C. Johnson, Reno
George Mavor
F. Horton

Reviewed by
DMEA OPERATING COMMITTEE
12-28-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

FINAL REPORT

Contract Idm-E447

DMEA-2393 (Manganese), Lakeview Manganese Mines

Plumas County, California

John D. Warne, Mining Engineer
U. S. Bureau of Mines

Jacques F. Robertson, Geologist
U. S. Geological Survey

December 11, 1953

Reviewed by
DMEA OPERATING COMMITTEE
12-28-53
(date)

FINAL REPORT

Docket No.: DMEA-2393 (Manganese)

Name and address of operator: O. H. Griggs, 1903 Outpost Drive, Hollywood 28, California

Name and location of property: Lakeview Manganese Mines, Iron Dyke, Lakeview, and Trail unpatented mining claims, located in sec. 27, T. 26 N., R. 9 E., Plumas County, California.

Contract No.: Idm-E447

SUMMARY AND CONCLUSIONS

The Lakeview Manganese Mines property is located about three miles southwest of Crescent Mills, Plumas County, Calif. (fig. 1).

Exploration work for manganese by bulldozer trenching under Stage I of the DMEA contract was performed during February and March, 1953. Trenching was done in two locations on the Iron Dyke claim (fig. 2), designated at trenches Nos. 3 and 4.

Manganese bearing rocks and exposures are too low in grade and erratically distributed to estimate ore reserves from surface exploration work done; and no further work under the DMEA contract is recommended. However, a small amount of ore has been developed by underground workings and can be mined by employing a selective method. Samples of the highest grade streaks from previous underground workings reveal small streaks and irregular masses of ore from 36 to 48 percent manganese content.

The total cost of the project was $991.01, as reported by the operator, of which the Government's participation share was $743.26. Only a portion of Stage I of the program was completed. The operator terminated work after bulldozer trenching was completed at two sites, although trenching in three additional locations was outlined under the contract.

Work done under the contract was poorly executed.

RECOMMENDATIONS

No further exploration or development work, financed with Government assistance, is recommended. Further underground exploration work, by private parties, appears warranted.

The Government is not entitled to royalties from recent production resulting from privately financed underground mining on the property. DMEA should not certify that the project was successful.

A small production of manganese ore would be economically feasible by employing efficient underground mining methods. However, due to the erratic nature of the deposits, no ore reserves can be estimated from the present shallow underground workings.

DESCRIPTION OF WORK COMPLETED

Exploration by bulldozer trenching was performed on the Iron Dyke Claim during February and March 1953. A total of 48 hours of bulldozer work was performed at this time according to the operator.

Locations and extent of the work performed are shown in Fig. 2.

A shallow trench, bearing east of north, of about 250 feet in length, was excavated in the approximate location of proposed trench No. 3; and additional trenching and road work was done with a bulldozer near the middle of the Iron Dyke claim, in the vicinity of underground workings, as shown in fig. 2. This latter work consisted of a trench (which also served as a road) bearing northeastward of about 400 feet in length and three shallow, overlapping, trenches of about 100 feet in length each. This work was done in lieu of proposed trench No. 4, although it is located about 300 to 400 feet northwestward from the planned location of trench No. 4 as designated in the contract; however, it was approved as trench No. 4.

A total of 18 hours of bulldozer work was done on trench No. 3, and 30 hours work was done in connection with trench No. 4, according to the operator. No further work was accomplished in connection with this project; and the operator gave notice that intentions were to cease work in connection with the contract. The DMEA field team later recommended that the contract be terminated; and expenses aggregating $991.01 for 48 hours of bulldozer trenching work, labor, and supervision constitute the entire allowable cost of the exploration project. Only a portion of Stage I of the contract was completed.

In general, the work performed in connection with this contract was poorly planned and executed.

GEOLOGY

The Lakeview Manganese mine is in the north end of the Sierra Nevada province, in an area of folded, overturned, and metamorphosed Paleozoic and Mesozoic sediments and volcanics. It is included in the Indian Valley region described by Diller[1/], and the property has been described by Taliaferro[2/] under the names of "Braito" or "Iron Dyke" mine.

The area of the mine is underlain by the mildly metamorphosed Arlington formation, which is included in the Calaveras group of rocks of Carboniferous age. The formation strikes northwest and dips homoclinally southwest. The manganese deposits are closely associated with veinlets of quartz and albite-oligoclase in rhodonite-impregnated wall rocks.

Lithology

The Arlington formation on the Lakeview property consists of interbedded sandstone, shale, phyllite, greenstone conglomerate, tuff breccia, and fine grained pyroclastic rocks that trend continuously to northwest and dip southwest. Red and yellow cherts occur interbedded with the pyroclastic rocks, but are irregularly distributed. One or two bands of greenstone, probably related to the Taylor meta-andesite, are interbedded with the sediments in apparent conformity.

1/ Diller, J. S., 1908, Geology of the Taylorsville Region, California: U. S. Geol. Survey Bull. 353.

2/ Taliaferro, N. L., 1918, No. 2. Braito mine (Dixie Creek, Feather River, Iron Dyke), Plumas County, in Trask, P. D., and others, 1950, Geologic Description of the Manganese Deposits of California: California Division of Mines Bull. 152, p. 172-173.

The rocks have been subjected to low grade metamorphism with crystals of sericite and chlorite incipiently formed in practically all of the rocks. Near the manganese-bearing zones chert and phyllite have been altered. In part they have become soft and clayey, in part hard and siliceous, and they have acquired a distinctive brick-red color. In the manganese zone masses of jasper that occur locally are probably derived from the silicification of the country wall rock.

Structure

The sediments and pyroclastics strike N. 45°-50° W. and dip from 45° to 60° southwest. Locally, the beds dip more moderately. These attitudes agree with the general structural trend of the region. Although overturned folds and overthrusting are prominent features in the region, no folds were observed in the mine area.

Cleavage has been produced throughout all of the rocks and parallels bedding closely; the fine grained micaceous minerals developed give the rocks a phyllitic character. Volcanic rock fragments in the conglomerates and tuff breccias tend to be somewhat drawn out by shearing deformation.

R. J. Roberts and M. W. Cox (see map) indicated that a strike fault occupies the manganiferous ore zone. A portion of this fault is exposed in the trench in the middle of the Iron Dyke mine area, but its southeasterly extension is not now exposed. Where exposed, the fault dips vertically and is occupied by manganese-bearing, fractured, and silicified chert, 3 to 4 feet wide. Its continuation to northwest is suggested by the

sheared manganese -bearing zones exposed at the adits below trench No. 3. Some of the jasper masses may occur along fault zones, but such faults were not established.

The ground in the vicinity of the present "upper" and "lower" adits has slumped, forming a chaotic jumble of rocks and clay material. Undoubtedly, the slumping is partly due to caving of old underground workings, but up the slope to northwest broken ground indicates that the workings are in a landslide area. The ground in the lower adit is quite broken requiring lagging practically throughout so that not much geology and no structures are exposed to view.

ORE DEPOSITS

The Lakeview manganese deposits are located within zones that roughly parallel bedding and cleavage in the country rock. The manganese ore minerals are the oxides, mainly pyrolusite and braunite, associated with the manganese silicate, rhodonite. The deposits are exposed on the surface in cuts, trenches, and along the roads, and underground in the upper and lower adits.

The rhodonite occurs mainly in zones in chert, phyllite, and phyllitic tuff as very fine grained, pink to red crystals, that give the rock a brick-red color. Hematite or limonite may contribute to this red coloring, but these minerals have not been identified. Irregular red jasper masses 10 to 100 feet long and up to 25 feet wide occur also within the manganese-bearing zone. The outside limits of the rhodonite zones are

irregular and not clearly outlined, but range up to 30 feet wide. The centers are defined in most cases by white veinlets of medium grained quartz and albite-oligoclase. The veinlets are less than 1 inch thick, transect the rocks parallel or slightly diagonal to bedding with minor branching veinlets, and appear to be younger than the rhodonite mineralization.

At the centers of these rhodonite zones concentrations of pyrolusite and braunite occur, along the edges of the white veinlets, replacing the rhodonite-impregnated wall rock and occurring as crystalline veinlets and fracture fillings in the wall rocks. The zones of oxide minerals vary from a fraction of an inch to 3 feet wide, and from a few feet up to as much as 40 feet long. The grade of material varies tremendously in very short distances, from high-grade manganese ore, judging by the heft of specimens, to simply manganese-stained jasper or siliceous country rock. Manganese oxides occur extensively in fractures throughout the red jasper but not in concentrations suitable for ore. Manganese oxides also partially replace clayey phyllitic rocks, locally in fair concentrations, along the bedding and cleavage planes. No other minerals were found associated with the manganese deposits except a small amount of magnetite in a quartz veinlet located in the lower adit raise.

The largest single deposit of manganese oxides exposed, occurs in the trench that trends northwest from the road made under the DMEA

program. Pyrolusite and braunite occur with broken cherty rock in a 2- to 4-foot wide zone along a fault. The zone is exposed for 40 feet along the trench and to a depth of 10 to 15 feet. Grade could not be determined because of the extremely erratic distribution of manganese values. According to one of the mining partners, S. W. Binker, 32 tons of recently produced, hand sorted ore, mostly from this trench, but mixed with material from other workings, assayed 41.5 percent manganese. A sample from a few tons of ore that had been hand sorted and stockpiled from this same trench was assayed by the Bureau of Mines with the following values: % Mn 48.2, % SiO_2 9.78, % P 0.020.

Manganese ore mined from the raise in the lower adit and hand sorted to an estimated 10 to 12 tons is supposed to have run about 48 percent manganese, according to Mr. Binker. The best specimen of manganese oxide-bearing rock, taken from streaks in the bottom of the 8-foot winze in the upper adit assayed:

%Mn	% Fe	% SiO_2	% Al_2O_3	% P	% BaO
36.0	3.60	18.32	3.33	0.036	2.17

Rhodonite zones showing in various other road cuts and workings contain small amounts of pyrolusite and braunite that are mostly too siliceous to classify as ore.

ORE RESERVES

Inasmuch as the manganese ore values are so erratically distributed through the Lakeview mine property, requiring selective mining

and extensive hand sorting, ore reserves cannot be estimated with any degree of accuracy.

The fault zone in the trench described above may be expected to continue mineralized to a depth of 25 feet. Assuming a uniform length of 40 feet and average width of 2 feet, a block of material containing manganese may be inferred having a volume of 2,000 cubic feet. Perhaps 1/5 to 1/6 of this volume might be sorted out to ore having between 40 and 50 percent manganese, and weighing roughly 40 tons. It should be pointed out, however, that the ore minerals pyrolusite and braunite may be derived from rhodonite by near surface oxidation; if so, predictions of depth to which ore persists are speculative.

No ore reserves are calculated for the other scattered occurrences of manganese oxides, because the many variables involved would render any estimate misleading and of no practical significance. More ore is available on the property, if hand sorting and other mining operations permit profitable extraction.

EXPLORATION PROGRAM

Exploration proposed under the DMEA program, Stage 1, envisaged five bulldozer trenches: two in the Lakeview claim (northwest of the Iron Dyke mine workings), one at each end of the Iron Dyke claim, and one in the Trail claim to southeast. They were planned to cut extensions of the manganese-bearing, northwest-trending zones exposed in the center of the Iron Dyke claim. They were spaced at approximate-

ly 600-foot intervals, except for 1,200 feet between trenches 3 and 4 in the Iron Dyke claim.

Bulldozer work was accomplished on the Iron Dyke claim, although not strictly as the DMEA contract called for, after which the operator, Mr. O. H. Griggs, gave notice of intentions to terminate the contract. No trenching work was undertaken on the other claims.

A trench about 250 feet long was cut in the approximate position of proposed trench No. 3, bearing slightly east of north. Trench No. 3 was supposed to be 100 feet long and on a heading of N. 45° E. across the strike of the manganese-bearing rocks. The actual trench is longer than called for but is satisfactory in crossing the area and for exposing bedrock. No manganese was found in this trench, although an 18-inch wide quartz vein is uncovered on the extension of a manganese zone that is 100 feet to the southeast.

Trenching was done and a road bulldozed across the area of most recent underground development near the middle of the Iron Dyke claim. The operator claimed this work in lieu of proposed trench No. 4, the location of which would be 400 to 500 feet to the southeast near the end line of the claim. The work consists of the road, about 400 feet long bearing slightly east of north, and three shallow trenches close together and each about 100 feet long. They all partly overlap, with the trenches 50 to 100 feet from the road. Some manganese-bearing rocks were uncovered in the road cut bank and in the three trenches. The showings, however, are too poor to be regarded as ore.

GEOLOGIST'S CONCLUSION

Bulldozer work accomplished under the DMEA contract Idm-E447 was poorly executed. Trench No. 3, while not quite in the direction proposed and longer than required, was satisfactory, but did not uncover any manganese mineralization.

The road was considered sufficiently close to the area of trench No. 4 to be claimed in lieu of it, and the work was approved for payment by DMEA. It provides convenient access to some of the mine workings in the center of the Iron Dyke claim, and transects mineralized ground, part of which has already been explored and developed.

The value of cutting the three trenches near the road is questionable. The trenches uncovered some zones of rhodonite with minor pyrolusite but older adits and open cuts explored some of the same ground. They may, however, have given more information concerning the manganese-bearing zones.

The operator was not present when the property was inspected, so the reason for terminating work under the DMEA program is not known. No ore was found in the trenches and road, so no certificate of discovery should be issued. It is recommended that further work under DMEA contract Idm-E447 not be allowed on the Lakeview Manganese property.

SAMPLING AND ANALYSIS

The manganese bearing rocks and exposures made in connection with the small amount of bulldozer trenching performed were too erratical-

ly distributed and too low in grade to warrant sampling. Also, the trenching was too shallow to remove the heavy overburden or to reveal the attitude of the mineralized structures for sampling purposes. However, two samples were taken by the Bureau of Mines engineer[3/] during his inspections of the project:

Sample No.	%, Mn	%, Fe	%, SiO_2	%, Al_2O_3	%, P	%, BaO
1	36.0	3.60	18.32	3.33	0.036	2.17

Description: Specimen of best grade of ore taken from streaks at bottom of a 15-foot winze below upper adit (fig. 2), adjacent to bulldozer trench No. 4. Sample taken March 18, 1953.

2	48.2		9.78		0.020	

Description: Specimen sample of about 1.5 tons of ore sorted from portion of old mine working reopened near the surface by bulldozer trench No. 4. Sample taken April 20, 1953.

EXPENDITURES

The total estimated and allowable cost of the project was $13,000. The Government participation was not to exceed $9,750.

The actual expenditures of the terminated project were $991.01; and the approved Government participation at 75 percent was $743.26. The Government's share unexpended is $9,006.74 as a result of terminating the contract after only a portion of the work under Stage I of the contract had been performed.

3/ John D. Warne.

No production from the property has resulted from exploration work performed during this project; and the DMEA field team has recommended that no certification of discovery or development be issued requiring the operator to pay royalties on ores recently produced as a result of underground development of ores previously discovered on the property.

Itemized costs for performing the work as reported by the operator are as follows:

Item	February 1953		March, 1953		Total
	Hours	Cost	Hours	Cost	Cost
Bulldozing	18	$252.00	30	$420.00	$672.00
Supervision	18	91.25	30	150.00	241.25
Laborer	18	29.16	30	48.60	77.76
Totals	18	$372.41	30	$618.60	$991.01

EFFICIENCY OF OPERATIONS

The efficiency of the operator in conducting the exploration operations is considered poor. The locations chosen for bulldozer trenching were not strictly in compliance with DMEA contract and the total work outlined under Stage I of the contract was not completed.

Mr. O. H. Griggs, the operator, claimed that completion of the bulldozer trenching operations as outlined in the contract was impossible due to the steepness of the terrain; however, the work as outlined and illustrated in the contract met with his approval before the exploration project began. In general, the location, shallow depth of trenching, and type of supervision employed on the work were unsatisfactory.

The conduct of underground exploration and development work which was performed concurrently by the operator, without regard to the DMEA contract work, was not impressive.

EQUIPMENT PURCHASED FOR THE PROJECT

No equipment was purchased, rented, or furnished by the operator in connection with exploration work performed under Stage I of the contract.

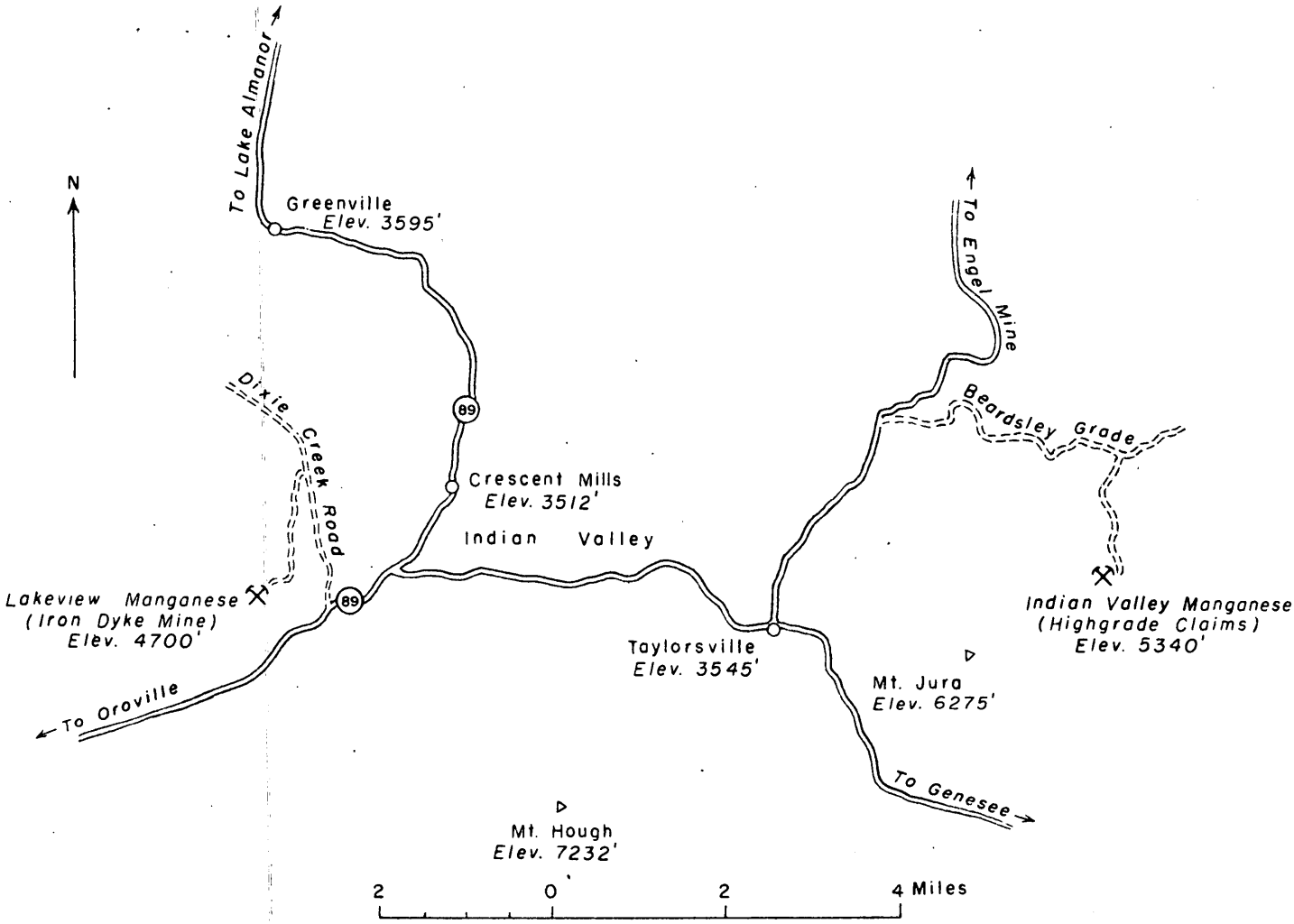

Figure 1

INDEX MAP

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

Department of the Interior
Defense Minerals Administration
RECEIVED
NOV 25 1953

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

November 23, 1953

Mr. O. H. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, Calif.
Contrace No. Idm-E447

Dear Mr. Griggs:

On October 12, 1953, we sent you six copies of a termination agreement, signed by Mr. C. O. Mittendorf, Administrator, Defense Minerals Exploration Administration, with the request that you sign all six copies and return five copies to this office. The original, marked "Operator's Copy", was to be retained by you for your files.

To date we have not received our copies of the agreement, and we request that you kindly return them to us promptly so that we may officially terminate the contract.

Sincerely yours,

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

[illegible]

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

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 16 1953

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

October 12, 1953

Mr. O. H. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, Calif.
Contract Idm-Eh47

Dear Mr. Griggs:

In your letter dated June 15, 1953, addressed to Mr. A. C. Johnson, Chief of the Mining Division, Bureau of Mines, Reno, Nevada, you requested an amendment to subject contract permitting termination of the contract. "This means," you wrote, "that we desire to not use any of the remaining portion of the contract allowance."

Your request has been given studied consideration, and Bureau of Mines engineers and Geological Survey geologists are in agreement that further operations under the contract are not justified. Accordingly, the attached termination agreement has been drawn by the Washington office of the Defense Minerals Exploration Administration and signed by Mr. C. O. Mittendorf, Administrator. Kindly sign all six copies, retaining for your files the original marked "Operator's Copy," and return the remaining five copies to me at your earliest convenience.

Sincerely yours,

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

Enclosure

Copy to: DMEA, Washington, D.C.
A.C.Johnson, Reno
E. H. Bailey, USGS

400

FILE COPY
SURNAME:

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

OCT - 8 1953

Chapman
Martin
Selfridge
Pritchard
Chandler
Selfridge
Johnson

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMA 2393 - Manganese
Lakeview Manganese Mines
Plumas County, California
Contract No. Idm-E447

Dear Mr. Miller:

Reference is made to your memorandum of September 15, 1953, on the subject docket.

We are enclosing the original and five copies of the requested termination agreement signed by the Administrator for the Government. If the terms and conditions of this agreement are satisfactory to you and the Operator, all six copies should be signed and the usual distribution made.

Sincerely yours,

George C. Selfridge (2NB)
Chairman, Operating Committee

Enclosures

APPROVED:

J. H. Hedges
Member, Bureau of Mines (2NB)

T. P. Thayer
Member, Geological Survey (2NB)

cc: DOCKET
ADM. READ. FILE
OPER. COMM.
FT, REG. III
CODE 400
G. DeHUFF, USBM
MARTHA CARR, USGS

TLChapman/ls
9/30/53

R.C.S.
10-8-53

FILE COPY
SURNAME:

Chapman
Martin
Chandler

10-8

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

September 30, 1953

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Docket No. DMEA 2393 - Manganese
Lakeview Manganese Mines, O. H. Griggs, Operator
Crescent Mills, Plumas County, California
Contract No. Idm-3447

Contract dated - November 17, 1952
Contract time - 8 months
Contract amount - $13,000.00; Government share (75%) - $9,750.00

Stages: The work was divided into two stages, the second stage to be dependent on the results obtained in the first stage.

Stage I - Bulldozing 5 trenches.
Stage II - 300 feet of drifting and crosscutting.

Target: The target was to find extensions of ore body from which 2,900 tons of 45 percent manganese ore had been shipped.

Work accomplished: 48 hours of trenching with a bulldozer in two trenches. No ore was found and the Operator requested termination of the project.

Cost of work: $991.01. Government's share (75%) - $743.26.

Work performance: The work as done was unsatisfactory and cost for work accomplished was high.

Recommendation: The Field Team recommended termination of the contract. This Division concurs with the recommendation of the Field Team and the request of the Operator. Considering the high cost of work accomplished and results obtained, it is to the advantage of the Government to terminate the contract.

W. S. Martin

W. S. Martin, Chief
Iron and Ferro-Alloys Division

TLChapman/ls

cc: Docket
Adm. Read. File
Code 400
Oper. Committee

R.C.S.
10-8-53

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

September 30, 1953

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Docket No. DMEA 2393 - Manganese
Lakeview Manganese Mines, O. H. Griggs, Operator
Crescent Mills, Plumas County, California
Contract No. Idm-E447

Contract dated - November 17, 1952
Contract time - 8 months
Contract amount - $13,000.00; Government share (75%) - $9,750.00

Stages: The work was divided into two stages, the second stage to be dependent on the results obtained in the first stage.

Stage I - Bulldozing 5 trenches.
Stage II - 300 feet of drifting and crosscutting.

Target: The target was to find extensions of ore body from which 2,900 tons of 45 percent manganese ore had been shipped.

Work accomplished: 48 hours of trenching with a bulldozer in two trenches. No ore was found and the Operator requested termination of the project.

Cost of work: $991.01. Government's share (75%) - $743.26.

Work performance: The work as done was unsatisfactory and cost for work accomplished was high.

Recommendation: The Field Team recommended termination of the contract. This Division concurs with the recommendation of the Field Team and the request of the Operator. Considering the high cost of work accomplished and results obtained, it is to the advantage of the Government to terminate the contract.

W S Martin
W. S. Martin, Chief
Iron and Ferro-Alloys Division

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

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

September 15, 1953

Memorandum

To: Ernest Wm. Ellis, Acting Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines, Plumas County, California
Contract Idm-E447

In reply to your letter of September 3, 1953, attached are four copies of a memorandum, dated September 11, 1953, prepared by Mr. A. C. Johnson, which is self-explanatory.

In view of the fact that from the trenching work already performed on this project there is no justification for proceeding to Stage II of the contract, which calls for underground exploration, will you kindly let us know if you approve official termination of the contract. As mentioned in our memorandum of July 14, 1953 to Mr. George C. Selfridge, we are withholding approval of payment aggregating $991.01 for 48 hours of bulldozer trenching work, labor, and supervision, which covers work performed by the Operator during the month of April 1953.

S. Ricker for H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: E. H. Bailey, USGS

September 13, 1953

Memorandum

To: H. C. Miller, Executive Officer, DMEA Field Team
Region III

From: Chief, Mining Division, Region III

Subject: Docket DMEA-2393 - Manganese
Lakeview Manganese Mines, Plumas County, Calif.
C. R. Griggs, Hollywood, California
Contract Idm-447

Reference is made to the letter from Mr. Ernest Wm. Ellis, dated September 3, 1953, detailing instructions to you pertaining to the termination of this contract with regard to the recent production status of the property:

As stated in my letter dated August 13, 1953, recent production from this mine has resulted from underground development work performed near the middle of the Iron Dyke claim - which was not a part of the exploration work. This underground work was done both before and after the period during which bulldozer trenching was performed in connection with this contract. Also, the underground development and exploration work by the operator was done simultaneously with the bulldozer trenching exploration work.

An interim report by J. . Warne covering an inspection of the project on March 16, 1953 states that four men were engaged in driving a development adit - which was independent of the exploration contract work. Ore was sampled in a 15-foot winze below an adit adjacent to bulldozer trench No. 4 at that time. But, trench No. 4 was excavated after the underground ore was found for the purpose of exploring for a possible extension northward near the surface. No commercial grade ore was discovered or developed by the later trenching.

About two tons of ore was sorted from near the surface from an old working (previously mined) adjacent to trench No. 4. This small quantity of ore could have been made more accessible as a result of the trenching work; however, it's discovery or development is not considered to have resulted from bulldozer trenching work done in connection with the Government contract, - and it may or may not have been shipped from the property to date.

Trench No. 4 was later used as a spur to the main access road along the Iron Dyke claim, and a compressor was later left within the cut; as the terrain is exceedingly steep at this point and any available "flat spot" can be used to store equipment or for parking vehicles. However, no access roads were constructed on the property in connection with the bulldozer trenching exploration work which could have benefited the operator for production or ore haulage purposes.

Therefore, it is again recommended that the Government enter an agreement terminating the contract; and that no certification of discovery or development be issued requiring the operator to pay royalties on ores recently produced.

A. C. Johnson

140

FILE COPY

SURNAME:
GLC
Martin
Selfridge
Johnson

Rewritten by Hoffman
Chapman
Rutledge
Elder
Selfridge

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

SEP 3 1953

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Lakeview Manganese Mines
Docket No. DMEA-2393 (Manganese)
Plumas County, California
Contract No. IDM-E447

Dear Mr. Miller:

Reference is made to your letter to the Operating Committee dated July 14, to the teletype of the Operating Committee to you dated August 11, and to your memorandum to the Operating Committee dated August 14, all dealing with the proposed termination of the subject contract.

Article 9 of the contract form provides that the Government may make a certification of discovery or development if the Government considers ". . . that a discovery or a development from which production may be made has resulted from the exploration work . . ." If such certification is made ". . . any minerals mined or produced from the land described in Article 2" becomes subject to the Government's claim for percentage royalty.

It appears from your letter of August 11 "that 27 tons of manganese ore were shipped from that property . . . on July 14." If this shipment was benefited by any work done under the contract, that shipment and any similar shipments from the property would be subject to the Government's percentage royalty, if certification should be made.

With respect to the shipments already made from the property your memorandum, quoting Mr. A. C. Johnson, states: ". . . that this shipment had no relation whatever to any work performed under Contract Idm-E447." If this statement is to be taken at its face value, it apparently means that the subject production did not result either from a discovery

R.C.H.
9-3-53

or from any development resulting from the exploration work. However, we note that at least some part and perhaps a large part of the bulldozing which was performed was expended on road work, presumably access road work. If this ore is removed over roads to the cost of which the Government contributed, and if production from the property has been and is benefited by this road work, a certification of discovery or development should be issued in the usual manner, and the Operator required to pay the royalties provided for by the contract.

We cannot be sure from the record before us what the status of this property is. If the fact is, as indicated in your letter of August 14, that the current production was not benefited by any of the work performed under the exploration contract, you should and are authorized to enter into an agreement terminating the contract upon the form provided in Circular No. 22. If the fact is that the production has been benefited by the exploration work, a certification of discovery or development should be issued at the same time that the agreement for termination is entered into, and reference should be made in the agreement for termination to the fact that the certification has been made. This reference may be made by insertion above the signatures or by a note under the signatures on the termination agreement as follows: "A Certification of Discovery or Development was issued by the Government contemporaneously with the execution of this termination agreement."

Sincerely yours,

Ernest Wm. Ellis
857
ACTING Chairman, Operating Committee

Approved:

M. H. Kline 857
Member, Bureau of Mines

A. R. Kinkel, Jr. 857
Member, Geological Survey

JLHofflund/emd 8/31/53
Copy to: Docket
Adm. R. File
Operating Committee
J.H.Hedges
J.L.Hofflund
T.P. Thayer
chron.
W.S.Martin
pending

John Hoffland

lets discuss

m

RECEIVED
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION
26 53

Mr. Mittendorf.

This strikes me as being a strange way of terminating a project. Isn't there any way of finding out if shipments of ores from the project is being made — or not being made?

JH 8/25

400

FILE COPY
SURNAME:

GC
Martin
Selfridge
HJ Smith

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

not used
rewritten J H Jemd

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco, California

Re: Docket No. DMEA 2393 - Manganese
Lakeview Manganese Mines
Plumas County, California
Contract Idm-E447

Dear Mr. Miller:

Reference is made to your memorandum of July 14, 1953, and the subject docket.

We are enclosing the original and five copies of the requested termination agreement signed by the Administrator for the Government. If the terms and conditions of this agreement are satisfactory to you and the Operator, all six copies should be signed and the usual distribution made.

Sincerely yours,

George C. Selfridge GS
Chairman, Operating Committee

APPROVED:

J. H. Hedges
GS
Member, Bureau of Mines

A. R. Kinkel, Jr.
GS
Member, Geological Survey

TLChapman/foc
8-6-53
cc: Docket
Code 400
Adm. Reading File
Operating Comm.
FT. REG. 3
N. B. Melcher, USBM
Martha Carr, USGS

Enclosure

Government's copy

AGREEMENT FOR TERMINATION OF WORK UNDER
EXPLORATION PROJECT CONTRACT

This Agreement, made and entered into this _____ day of _____, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Lakeview Manganese Mines, a limited partnership, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E447, Docket No. DMEA-2393, dated November 17, 1952, hereinafter called the "Contract," WITNESSETH THAT:

WHEREAS, it is desired to terminate all exploration work under the Contract, under the terms of which the Government may make a certification of discovery or development only if it "considers that a discovery or development from which production may be made has resulted from the exploration work"; and

WHEREAS, no such discovery or development has resulted from the uncompleted work, but in consideration of the Government's agreement to terminate the work it is desired to preserve the Government's right to a royalty on production in the same manner and to the same extent as if it had issued its certification of discovery or development;

NOW THEREFORE, it is agreed as follows:

1. All exploration work under the said Contract shall be terminated as of the date first above written.

2. Any work prosecuted or costs incurred by the Operator after the date first above written shall be for the sole account of the Operator, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the Contract.

3. The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of the said Exploration Project Contract, except as herein expressly otherwise provided.

4. The Government shall have a percentage royalty on all production from the land described in Article 2 of the Contract, and a lien to secure the payment thereof, in the same manner and to the same extent as if discovery or development had been made and the Government had made its certification thereof as of the date first above written, as provided in the Contract.

Witness the following signatures as of the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

LAKEVIEW MANGANESE MINES

By _____

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 18 1953

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

August 14, 1953

Air Mail

Memorandum

To: W. S. Martin, Acting Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines, Plumas County, Calif.
O. H. Griggs, Hollywood, Calif.
Contract Idm-E447

Reference is made to your teletype of August 11, 1953, concerning subject project.

Mr. R. B. Maurer, Chief of the Mineral Industry Division, Region III, has just started to compile records on manganese shipments and has no information to date of any shipments from the Lakeview Manganese Mines.

The General Services Administration advise that 27 tons of manganese ore were shipped from that property to the Wendon stockpile in Arizona on July 14. Mr. A. C. Johnson, of our Mining Division at Reno, advises, however, that this shipment had no relation whatsoever to any work performed under contract Idm-E447.

S. Ricker for H. C. Miller
Executive Officer, DMEA Field Team
Region III

Copy to: E. H. Bailey, USGS

FILE COPY
SURNAME: WSM

Martin
Selfridge
Whittemore

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

DEFENSE MINERALS ADMINISTRATION
WSMartin/ls
5285 3538

August 11, 1953

H. C. Miller, DMEA Executive Officer, Region 3, San Francisco, California

Reurlet July 14, 1953, recommending termination Contract Idm-2447, Lakeview Manganese Mines, Docket DMEA 2393, and notifying us that no manganese ore was discovered by the work done. Reports published in the press indicate that shipments of manganese ore have started from property. Please advise if it is possible that work done under above contract may have contributed to making such shipments.

SIGNED
W. S. Martin, Acting Chairman
Operating Committee

WSMartin/ls
8/11/53

cc: DOCKET
CONFIRMATION TO FT, REG. III
CODE 400
ADM. READ. FILE
OPERATING COMMITTEE
AUDITS DIVISION, BUR. MINES
EDGAR GEALY, BUR. MINES
MARTHA CARR, GEOLOGICAL SURVEY

FILE COPY
SURNAME:

DLC
Martin

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

N.S. in R.R.

July 24, 1953

Memorandum

To: Mr. J. T. Hofflund, Chief Counsel, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Docket No. DMEA 2393. Contract Idm-E447
Lakeview Manganese Mines
O. H. Griggs, Operator, Crescent Mills, California
Pluma County, California

The accompanying memorandum from Mr. H. C. Miller, Executive officer, DMEA Field Team, Region III, requests permission to terminate the subject contract.

This Division agrees that the contract should be terminated and would appreciate your preparing the necessary termination forms.

W. S. Martin

W. S. Martin, Acting Chief
Iron and Ferro-Alloys Division

TLChapman/jh
7/24/53
cc. to: Docket
Adm. Reading File
Code 400

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 20 1953

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

July 14, 1953

Memorandum

To: George C. Selfridge, Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines, Plumas County, California
O. H. Griggs, 1903 Outpost Drive, Hollywood 28, California, Contract Idm-E447

Reference is made to the interim report dated June 19, 1953, on the Lakeview Manganese Mine by John D. Warne in which he recommends that the contract be terminated and that expenses aggregating $991.01 for 48 hours of bulldozer trenching work, labor, and supervision constitute the entire allowable cost of the exploration project. The work has not been conducted in a satisfactory manner and from the work done there is no justification for proceeding to Stage II of the contract which is underground exploration. No manganese ore has been discovered as of the work done.

No work has been performed since the inspection made of the project on April 20, 1953; and 48 hours of bulldozer trenching, supervision and labor at a total cost of $991.01 constitutes the entire allowable cost of the exploration project.

The Operator does not desire to continue with bulldozer trenching under Stage I of the contract and in a letter to Mr. A. C. Johnson dated June 15, 1953, he requested an "amendment" to terminate the project.

Mr. Johnson concurs with Mr. Warne that the contract should be terminated. The Geological Survey also, after a recent examination of the property and work done, recommends termination of the contract. However, according to my interpretation of DMEA

Memorandum No. 18, dated March 9, 1953, approval to terminate a contract must be obtained from the Washington Office. May I, therefore, have your approval to terminate this contract for reasons given above.

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

Copy to: E. H. Bailey, USGS
A. C. Johnson, Reno

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Date: June 25, 1953

Memorandum

To: Operating Committee, DMEA, Interior Bldg., Washington 25, D.C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA 2393

Contract Idm-E 447

Commodity Manganese

Operator - O. H. Griggs
Cresent Mills, California

Property - Lakeview Manganese Mines, Plumas County, Calif., sec. 27 T. 26 N., R. 9 E.

By John D. Warne, Mining Engineer

Dated June 19, 1953

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

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

E. H. Bailey, USGS (With one copy of report)

George Mavor

INTERIM REPORT

Docket No.: DMEA-2393 (Manganese) June 19, 1953

Name and address of operator: O. H. Griggs
Crescent Mills, Calif.

Name and location of property: Lakeview Manganese Mines, Plumas County, Calif., sec. 27, T. 26 N., R. 9 E.

Contract No.: Idm-E447

SUMMARY

This exploration project was visited on June 8, 1953 by John D. Warne.

No additional work has been performed since a previous inspection on April 20, 1953; and 48 hours of bulldozer trenching, supervision, and labor at a cost of $991.01 are the total quantity and cost of the work to date.

The operator (Mr. O. H. Griggs) does not desire to continue with bulldozer trenching work under Stage I of the contract and he intends to apply for termination of the contract.

It is recommended that the contract be terminated; and expenses aggregating $991.01 for 48 hours of bulldozer trenching work, labor, and supervision constitute the entire allowable cost of the exploration project. No manganese ore was discovered as a result of the above work; and no repayment to the Government for exploration assistance should be required.

RECOMMENDATIONS

1. Bulldozer work in trenches Nos. 3 and 4 involving an expenditure of $991.01, which has previously been approved for payment, constitutes the total work and expenses to date under Stage I of the contract. No further work has been done for which payment should be approved.

2. No work under Stage II of the contract should be allowed.

3. Termination of this contract should be approved. The operator has stated verbally that he intends to apply for termination. No manganese ore has been discovered as a result of this exploration project; and no repayment of the Government's portion of exploration expenses (75% of $991.01, or $743.26) should be required.

WORK COMPLETED

The quantity of work performed to date and costs, as submitted by the operator are as follows:

Bulldozer trenching	48 hours @ $14.00/hr.	$672.00
Laborer	48 hours @ $ 1.62/hr.	77.76
Supervision	48 hours ¢ $ 5.03/hr.	241.25
	Total cost	$991.01

No additional work has been performed under Stage I of this contract during the period April 20 to June 8, 1953 (the dates of the last two inspections of this project).

GENERAL COMMENTS

On June 8, 1953, Mr. O. H. Griggs, the operator, stated that the 48 hours of bulldozing work, supervision, and labor at ($991.01) which he had previously submitted under Stage I of the contract, constituted the entire work and cost of the project as of that date.

However, on June 9, Mr. Griggs visited the Mining Branch of Region III office and indicated that he had performed 32 hours additional bulldozing work which had not yet been submitted for payment.

Only 48 hours of trenching work on this project has been performed and any additional charges against the project should be disallowed. An estimated 40% of the trenching work under Stage I of the contract has been completed; and 60% of the bulldozer time was expended in performing this work.

Mr. Griggs has stated that he does not desire to continue work on this project and that he will apply for termination of the contract.

No manganese ore has been discovered as a result of bulldozer trenching work performed to date for which the Government is entitled to repayment of the exploration loan.

CHECK SAMPLING AND ANALYSIS

No check samples were taken for analysis during this inspection of the project.

John D. Warne

John D. Warne
Mining Engineer

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Date: May 14, 1953

Memorandum

To: Operating Committee, DMEA, Interior Bldg., Washington 25, D.C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 18 1953

Docket DMEA 2393

Contract Idm-E 447

Commodity Manganese

Operator - O. H. Griggs
Crescent Mills, California

Property - Lakeview Manganese Mines, Plumas County
California, sec. 27, T. 26 N., R. 9 E.

By John D. Warne, Mining Engineer

Dated May 8, 1953

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

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

E. H. Bailey, USGS (With one copy of report)

INTERIM REPORT

May 8, 1953

Docket No.: DMEA-2393

Name and address of operator: O. H. Griggs
Crescent Mills, Calif.

Name and location of property: Lakeview Manganese Mines, Plumas County, Calif., sec. 27, T. 26 N., R. 9 E.

Contract No.: Idm-E447

SUMMARY

This exploration project was visited on April 20 by an engineer of the Bureau of Mines accompanied by Mr. S. W. Brinker one of Mr. Grigg's associates. Mr. Brinker was somewhat unfamiliar with the locations and amount of work previously done; and the future plans of project work to be done under Stage I.

Work completed to date consists of 48 hours of bulldozer trenching at a total cost of $991.01 including supervision and labor. This work has been done in the approximate locations of trenches Nos. 3 or 4 (fig. 1 - contract); but no work has been done on trenches Nos. 1, 2, and 5 as yet. The operator's narrative report indicates that he does not contemplate completing trenching work in all of the locations stipulated by the contract.

Bulldozer trenching work done to date has not been successful in locating new ore. Trenches are shallow; and the work is poorly planned and supervised.

WORK COMPLETED

The operator claims that 48 hours of bulldozing work has been performed on the Iron Dyke claim between trenches Nos. 3 and 4 as shown in fig. 1 of the contract. The approximate locations of trenching performed to date under the contract are shown in fig. 1 accompanying this report.

One trench of about 150 feet in length averaging about 10 feet in depth was excavated in the approximate location of proposed trench No. 3 (near North end of Iron Dyke claim) in the contract; and three shallow trenches were dug near the southern end of the Iron Dyke claim. This trenching was done in the same general vicinity of the 400-foot bulldozer trench previously reported - and designated as trench No. 4. Therefore, only two trenches are considered to have been completed at the time of this inspection in the approximate locations as stipulated by the contract.

Costs of work completed to date as submitted by the operator are as follows:

Bulldozer trenching	48 hours @ $14.00/hr.	$672.00
Laborer	48 hours @ 1.62/hr.	77.76
Supervisor	48 hours @ 5.03/hr.	241.25
		$991.01

GENERAL COMMENTS

The operator has concentrated the bulldozer work in the vicinity of his adit work and on roads near the south end of the Iron Dyke claim and has not performed trenching work in the vicinity of trenches Nos. 1, 2, and 5, as shown in fig. 1 of the contract. He claims that

the area in the vicinity of trenches Nos. 1 and 2 was under snow as of April 1 and that he has been unable to perform bulldozer trenching for that reason. He further claims that the terrain in the vicinity of trench No. 5 is too steep to allow bulldozer work.

It is the writer's opinion that the operator does not intend to do further bulldozer work in the approximate vicinity of trenches Nos. 1, 2, and 5 (fig. 1 - contract), and that he would prefer to have the several small trenches as shown on the attached fig. 1 (located near the south end of Iron Dyke claim in the vicinity of the originally proposed trench No. 4) serve as the entire trenching work under Stage I of the contract. Only two bulldozer trenches, Nos. 3 and 4, are considered to have been completed.

Bulldozer trenching done to date has not been successful in locating new mineralized zones. However, one previously mined ore zone was re-opened by the 400-foot bulldozer trench shown in Fig. 1 - and about two tons of manganese ore was sorted from the remnants of this old working.

In general the work done to date under this contract has not been satisfactory and it has not been done in the previously unexplored areas as provided in the contract. Most of the trenching done is too shallow and poorly located.

Charges for 48 hours of supervision at $5.03 per hour are considered exorbitant. Mr. Griggs is not believed to be closely supervising the bulldozing work; and the foreman engaged on the property is supervising underground adit work. Neither of these men are considered

capable of properly supervising or planning the exploration work.

Unless further bulldozer trenching is done in the general vicinities of trenches Nos. 1, 2, and 5, this contract should be terminated. Insufficient results have been obtained on the trenching work done to date to warrant hiring of a consulting geologist as is provided under Stage I.

The area between trenches Nos. 3 and 4 where bulldozer work has been done is exceedingly steep and covered with heavy overburden and the results of trenching work have been practically worthless as exploration is concerned and no new mineralized structures were exposed. Unless the unexplored areas are more adaptable to exploration by this bulldozing, the services of a consulting geologist will not be warranted.

Work under Stage II will not be warranted unless the operator satisfactorily completes the bulldozer trenching. His ability and efficiency in conducting underground work are considered poor.

CHECK SAMPLING AND ANALYSIS

Analysis of samples taken in connection with inspections of this project are as follows:

Sample No.	%,Mn	%,Fe	%,SiO_2	%,Al_2O_3	%,P	%,BaO	Description
1	36.0	3.60	18.32	3.33	0.036	2.17	Specimen of best grade of ore from bottom of a 15' winze below adit adjacent to bulldozer trench No. 4. Sample taken 3/18/53.
2	48.2		9.78		0.020		Specimen sample of about 1.5 tons of ore sorted from portion of old mine working reopened near surface by bulldozer trench No. 4 - sample taken 4/20/53.

OTHER INFORMATION

The operator's monthly reports have been incomplete and improperly prepared. He has been advised both by letter and verbally as to proper procedure to be followed in completing his reports.

Mr. Griggs visited the Mining Branch, Region III office on April 20, 1953 at the time an engineer was engaged in inspecting his project. He promised to return within a few days and discuss his future plans and alternate proposals for completing work under Stage I. This report and his monthly report were held in abeyance until Mr. Griggs returned in order to substantiate his project costs, to resubmit narrative reports covering work performed, and to report further of his plans (after inspection) - however, he has failed to revisit this office to date. Mr. S. W. Brinker (one of Mr. Griggs associates) who accompanied the engineer on this inspection was insufficiently familiar with the work to obtain complete data regarding this project in the field.

RECOMMENDATIONS

1. Work done to date in the vicinities of bulldozer trenches Nos. 3 and 4 involving an expenditure of $991.01 should be approved for payment. However, unless further bulldozer work is performed in a suitable manner (in the approximate locations of trenches Nos. 1, 2, and 5) this exploration project should be terminated.

2. Services of a consulting geologist should not be allowed under Stage I until all of the bulldozer trenching work is completed. Work done to date does not warrant geologic work.

John D. Warne

John D. Warne
Mining Engineer

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
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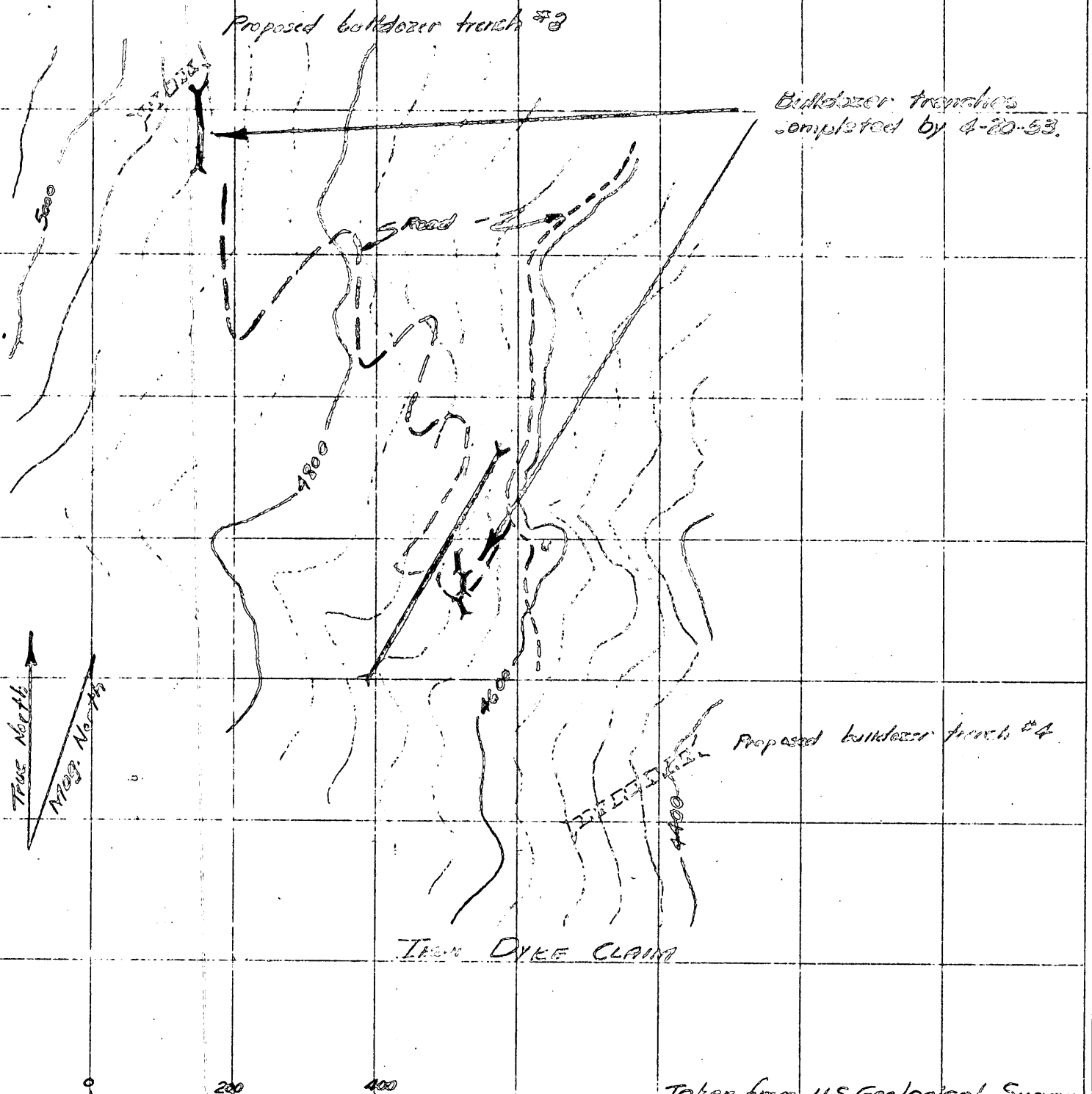
1973 MAY 13 AM 9:59

SAN FRANCISCO, CALIFORNIA



Taken from U.S. Geological Survey map by R.J. Roberts & M.W. Cox.

FIG. 1 LAKEVIEW MANGANESE MINES - DMEA 2393, Idaho - E4-47

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 6 1953

Date: April 2, 1953

Memorandum

To: Operating Committee, DMEA, Interior Bldg., Washington 25, D.C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA 2393

Contract Idm-E 447

Commodity Manganese

Operator - O. H. Griggs
Crescent Mills, California

Property - Lakeview Manganese Mines, located in sec. 27, T. 26 N., R. 9 E., M.D.B.&M., Plumas County, California

By John D. Warne, Minning Engineer

Dated Undated (Covering inspection on March 16, 1953)

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

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

E. H. Bailey, USGS (With one copy of report)
George Mavor

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
APR 6 1953

INTERIM REPORT

Docket No.: DMEA-2393

Name and address of operator: O. H. Griggs,
Crescent Mills, Calif.

Name and location of property: Lakeview Manganese Mines, located in sec. 27, T. 26 N., R. 9 E., M.D.B.&M., Plumas County, Calif.

Contract No.: Idm-E447

SUMMARY

This exploration project was inspected on March 16 by an engineer of the Bureau of Mines, accompanied by Mr. Miles Timmons, the owner of the property.

Exploration work was begun during the latter part of February and one bulldozer trench (No. 4 - see fig. 1 of the contract) has been completed. The operator's initial monthly report states that 35 hours of bulldozing work has been expended in excavating trench No. 4 which also serves as a road from the compressor site to the "glory hole" area. He also submits 35 feet of drifting work as part of the exploration work; and requests that the contract be retroactively amended to cover payment for this drifting work. This amount of drifting work was not observed upon inspecting the project -- the operator perhaps refers to adit work which has been done at the mine.

The underground adit work being done on the property is not considered efficient or warranted; and should not be made a part of Stage I of the exploration contract.

RECOMMENDATIONS

The following recommendations are made:

1. The single bulldozer excavation made to date which crosscuts the manganese bearing structure in the approximate position of Trench No. 4 as shown in fig. 1 of the contract - which also serves as part of a road from the compressor site to the "glory hole" area should be considered as one of the five bulldozer trenches approved under Stage I of the contract. One-fifth of the bulldozer operating time (or 16 hours) should be approved for payment; or 1/5 x 80 = 16 hours x $14.00 = $224.00. This should be the total cost of exploratory work completed to date.

2. Drifting should not be undertaken until the bulldozer trenching work as outlined under Stage I of the contract is completed. No amendment to the contract should be granted at this time.

WORK COMPLETED

Work was begun on this project during the latter part of February. One bulldozer trench about 400 feet in length was excavated near the southern part of the Iron Dyke claim. This excavation was made near the south side of the "glory hole" in the approximate position of trench No. 4 as shown in fig. 1 of the contract. The trench shall be designated as trench No. 4. The bulldozer work done to date also serves as a road leading from the compressor to the "glory hole".

The operator is also performing adit work in the same general area, near trench No. 4.

GENERAL COMMENTS

The operator claims that 35 hours of bulldozing work has been expended to date in the excavation of the single cut or road mentioned above (or nearly 44 percent of the allowable cost of bulldozing under Stage I). This work serves merely as one crosscut trench, or one of the five trenches outlined as exploration work under Stage I; the road work should not be considered as part of the exploration costs.

CHECK SAMPLING AND ASSAYING

One specimen sample of manganese ore was taken from the bottom of a 15-foot winze sunk from an adit adjacent to bulldozer trench No. 4. This sample is estimated to contain approximately 50 percent manganese; analysis of this sample by the Bureau of Mines has not been completed to date, but will be reported in the next interim report. The occurrence of manganese ore which was sampled appears to be spotty or irregular in shape, therefore no definite quantity of ore can be estimated. Several smaller and similar pods or spots of manganese ore are shown at the bottom of bulldozer trench No. 4 along about 50 feet of its length. These were considered too small and irregular to warrant sampling.

OTHER INFORMATION

In the operator's initial monthly report, 35 feet of drifting are submitted as a part of the exploration work; and he requested amendment to the contract to allow drifting work. No drifting is allowed under Stage I and this quantity of drifting work (35 feet at $27.20 per foot = $952.00) was not confirmed upon inspection of

the project and should not be considered a part of the project work.

At the time of inspection, four men were engaged in driving a new adit at about 25 feet in elevation below another adit, or only less than 10 feet below the ore sampled in a winze from the upper adit. The object and advantages of this work could not be ascertained by the examining engineer. The workmanship, ability, and efficiency of the mining crew was not impressive but the bulldozer trenching is satisfactory.

This new adit had been advanced about 12 feet from its portal when a landslide occurred causing the adit to completely collapse nearly trapping the crew. Heavy rain and snow had saturated the ground causing this landslide which occurred while the inspection was in progress.

John D. Warne

John D. Warne
Mining Engineer

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED

1980 APR 1 AM 8:48

SAN FRANCISCO, CALIFORNIA

Office of
Executive Officer
DMEA Field Team
Region III

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 31 1953

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

March 27, 1953

Mr. G. H. Griggs
General Partner
Lakeview Manganese Mines
Crescent Mills, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-2447

Dear Mr. Griggs:

The four copies of the MF-104 form, which you submitted to Mr. A. G. Johnson covering expenses under the caption contract for February to March 15, 1953, are being returned to you for reasons stated below.

Form MF-104 should be submitted for expenses incurred on a monthly basis. Your form also should be made out for the month of February. Your attention is called also to an error in your contract number as given on the submitted MF-104 form. Your contract is number Idm-2447 and not Idm-247.

There should be submitted along with the copies of form MF-104, of which five copies should have been sent to Mr. Johnson, (see my letter to you dated January 8, 1953) five copies of Form MF-104A. No MF-104A forms were received from you by Mr. Johnson. Five copies of a narrative report also should accompany your MF-104 and MF-104A forms.

Your contract is divided into two stages, and no work is allowed under Stage II until after the completion of Stage I, and then only if the Government indicates that the results of the work under Stage I warrant undertaking work under Stage II. Therefore, expenses for drifting cannot be passed for payment. I see no way to amend the contract to permit work under Stage II before Stage I has been completed.

At this time only those expenses which may be claimed on MF-104 form are those authorized under Stage I of the contract. From inspection of the project, it has been noted that only one bulldozer trench crosscuts the manganese structures (i.e. the road from the compressor to the "glory hole"). This excavation is located approximately where Trench 4 is designated on Figure 1 of the contract. The cost of this excavation should be included

on the MF-104 form as that for Trench No. 4. As that excavation is only one of the five authorized under the contract, only approximately one-fifth of the work allowed under Stage I should be claimed as the cost of this one trench. The actual amount you should claim for this trench, therefore, would be $224.00, i.e. 1/5 of 80 hours, or 16 hours at $14.00 per hour for bulldozer work.

Under Stage I, you also are allowed supervision, labor, accounting, and fuel for truck costs. You have made no claim for any part of these items on your MF-104 form.

In your letter to Mr. Johnson, dated March 18, you write that you are "too poor a bookkeeper" to do certain figuring and therefore are leaving certain things for his office to do. Your attention is called to the item of $20.00 allowed under Stage I of your contract for accounting. Under the contract, you are to maintain your accounts and prepare the necessary vouchers for payment of expenses. Neither Mr. Johnson's office nor this office can do that for you.

Upon receipt of properly prepared MF-104 and MF-104A forms, Mr. Johnson will approve them and transmit them to this office, where they will be passed on to the Treasurer of the United States here in San Francisco for payment.

Sincerely yours,

H. C. MILLER

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

Enclosure

Copy to: DMRA, Washington, D. C.
E. H. Bailey, USGS
A. C. Johnson, Reno

400

FILE COPY
SURNAME:

Martin

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

Mr. H. C. Miller
Executive Officer, DMEA Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

JAN 1 4 1953

Re: Docket No. DMEA 2393, Manganese
Lakeview Manganese Mines
Plumas County, California
Contract No. Idm-E 447

Dear Mr. Miller:

We are enclosing an extra copy of the referenced contract for use of your field representatives in making their examinations and reports.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

Enclosure

J. C. 1/14/53

LScott
1/13/53

cc: DOCKET
FIELD TEAM, REG. III
CODE 400
ADMN. READ. FILE
N. B. MELCHER, USBM
M. D. CRITTENDEN, USGS

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 8 1953

January 5, 1953

Memorandum

To: Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Contract Idm-E447 - Docket DMEA-2393 (Manganese) Lakeview Manganese Mines, Plumas County, California.

Reference is made to Mr. Frank E. Johnson's letter of November 17, 1952, transmitting to this office the original and five copies of subject contract.

The contract has been executed on the part of the Operator and one copy retained by him. Proper distribution has been made of the Field Team's and Finance Officer's copies, and the original and two remaining copies are returned herewith.

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

Attachment

cal
1-9-53

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

Office of
Executive Officer
DMEA Field Team
Region III

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 5 1953

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

January 5, 1953

Mr. O. M. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-E447

Dear Mr. Griggs:

We acknowledge your letter of December 26 and the return of the Government's copy of the captioned contract. We in turn are sending you herewith the Operator's Copy of the contract.

We have changed and initialed the contract to provide sixty in place of thirty days in which to start work on the contract. This will permit you to start "immediately after the first of the year", as you state in your letter you plan to do.

In the fourth paragraph of my December 23 letter I told you that four copies of MF 104 and MF 104A forms should be sent each month to Mr. A. C. Johnson at Reno, Nevada. This was an error on my part as five copies should be sent. Mr. Johnson retains one copy in his office and four are needed by us here in San Francisco for our use and that of the Washington office.

Sincerely yours,

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

Enclosure

Copy to: DMEA, Washington
E. H. Bailey, USGS
A. C. Johnson, Reno

Copy retained 400

HCMiller:mpp
Files
Chron.

ANNEX I

CLAIMS OF LAKEVIEW MANGANESE COMPANY

Three lode mining claims located in Section 27, . 26 N., R. 9 E., Mount Diablo Meridian.

Name of Claim	Located	Book No.	Page No.
Iron Dyke	April 19, 1938	21	406
Lakeview	May 2, 1938	21	65
Trail	August 14, 1941	22	459

Docket

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

GCS 12/31/52

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

December 23, 1952

Mr. O. M. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-8447

Dear Mr. Griggs:

We acknowledge your letter of December 18 returning five copies of your contract executed by you. We note, however, that you retained the original or Government copy and returned your copy - Operator's copy - to us. Therefore, will you kindly return the copy you retained and upon its receipt we will mail you your copy.

We note that our letter of November 19 was delayed in reaching you and that you did not receive the contract for signing until December 17. The contract is dated November 17, 1952, and you were allowed thirty days from that date in which to start work. Obviously, you cannot comply with that stipulation and it will be necessary for us to amend the contract. Kindly let me know the earliest date on which you can start work.

As soon as we amend your contract you will be at liberty to carry out its provisions; in other words go ahead with the work allowed under stage I of Exhibit A of the contract. In order for you to be paid the Government's share, you are to submit monthly reports on Forms MF 104 and MF 104A to this office. After these reports clear our Finance Office they will authorize the U. S. Treasury here in San Francisco to send you a check for the amount of the Government's participation. A supply of the MF 104 and MF 104A forms is inclosed.

In order to expedite payment of the monthly vouchers, four copies of each form should be sent each month for approval to Mr. A. C. Johnson, Chief, Mining Division, Bureau of Mines, Region III, Post Office Box 1551, Reno, Nevada. Mr. Johnson will send them to this office after approving them. Periodic inspections of the work being done under the contract will be made by mining engineers from Mr. Johnson's office. It will not be necessary for you to wait for an engineer to go over your property before starting the work outlined in the contract.

We note that you will be at your home in Hollywood until after the Holidays so this letter is being sent to you there.

If you have any further questions please do not hesitate to present them to us at any time.

Sincerely yours,

H. C. MILLER

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

Copy to: DMEA, Interior Bldg., Washington, D. C.
E. H. Bailey, USGS
A. C. Johnson, Reno

HCMiller:mpp
Files
Chron

Docket

GCS
12/31/52

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

December 23, 1952

Mr. O. H. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-E447

Dear Mr. Griggs:

We acknowledge your letter of December 18 returning five copies of your contract executed by you. We note, however, that you retained the original or Government copy and returned your copy - Operator's copy - to us. Therefore, will you kindly return the copy you retained and upon its receipt we will mail you your copy.

We note that our letter of November 19 was delayed in reaching you and that you did not receive the contract for signing until December 17. The contract is dated November 17, 1952, and you were allowed thirty days from that date in which to start work. Obviously, you cannot comply with that stipulation and it will be necessary for us to amend the contract. Kindly let me know the earliest date on which you can start work.

As soon as we amend your contract you will be at liberty to carry out its provisions; in other words go ahead with the work allowed under stage I of Exhibit A of the contract. In order for you to be paid the Government's share, you are to submit monthly reports on Forms MF 104 and MF 104A to this office. After these reports clear our Finance Office they will authorize the U. S. Treasury here in San Francisco to send you a check for the amount of the Government's participation. A supply of the MF 104 and MF 104A forms is inclosed.

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Copy retained 400

We note that you will be at your home in Hollywood until after the Holidays so this letter is being sent to you there.

If you have any further questions please do not hesitate to present them to us at any time.

Sincerely yours,

H. C. MILLER

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

Copy to: DMEA, Interior Bldg., Washington, D. C.
E. H. Bailey, USGS
A. C. Johnson, Reno

HCMiller:mpp
Files
Chron

Docket

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1952

12/16/52

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

December 9, 1952

Mr. G. H. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Re: Docket DMFA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-E447

Dear Mr. Griggs:

On November 19, we sent the original and five copies of the subject contract to you for signing. These were sent to you at the Lakeview Manganese Mines, Crescent Hills, California.

We now have a copy of a letter, dated December 4, from Mr. G. C. Selfridge, Chief, Iron and Ferro-Alloy Division, Defense Minerals Exploration Administration, Washington, D. C. to you, answering your inquiry of November 25 about the status of your application for exploration assistance.

We note that Mr. Selfridge's letter was addressed to you at - 1903 Outpost Drive, Hollywood 28, California. We are now wondering if the contracts were forwarded to you from Crescent Hills. They have not been returned to us, so we are wondering because of your change of address if they are being held in the Crescent Hills post office.

Sincerely yours,

H. C. MILLER

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

Copy to: DMEA, Interior Bldg., Washington, D. C.
E. H. Bailey, USGS

FILE COPY
SURNAME:

Selfridge
Scott

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

DEC 4 1952

Mr. O. H. Griggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Re: Docket No. DMEA 2393 - Manganese
Lakeview Manganese Mines
Plumas County, California

Dear Mr. Griggs:

Your letter of November 25, 1952, inquiring about the status of your application for exploration assistance, has been received.

After receipt of the data furnished by your letter of October 26, an exploration contract was prepared by this Administration. On November 17 this contract was forwarded for review to the Executive Officer, DMEA Field Team, Region III, San Francisco, California. That office will contact you shortly concerning the contract.

As you requested, your change of address has been noted in the records of this office.

Sincerely yours,

/s/ G C Selfridge 12-4-52

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

BScott 12/3/52

Copy to: Docket
Admn. Read. File
Field Team, Reg. 3
G. C. Selfridge
N. B. Melcher, USBM
M. D. Crittenden, USGS

LAKEVIEW MANGANESE MINES

CRESCENT MILLS - CALIFORNIA

Nov. 25, 1952.

Mr. G.C.Selfridge, Chief,
Defense Minerals Exploration Admsn.,
Department of the Interior,
Washington 25, D.C.

Re: Docket No. DMEA No.2393
Manganese.

Dear Mr. Selfridge:-

On October 26 last I wrote you responsive to a request from you for additional information regarding an Exploration Loan applied for by Lakeview Manganese Mines in late June. Since my October letter I have received no further word.

Will you please advise me what disposition is being made of this application. Or if my information sent you reached you.

I have advice that the Wenden, Arizona, stockpile will be open for receiving ore shortly and ore which I have ready for shipment will go to that destination.

Will you please have my address changed from Crescent Mills, Calif., to my office at 1903 Outpost Drive, Hollywood 28, California?
Thanking you, I am

Sincerely yours,

O.H.Griggs.

O.H. Griggs

Defense Minerals Administration
1952

sent to F.T. to get signature.
Nov. 17

TLChapman'lm
11/12/52

FILE COPY 400
SURNAME:

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

Chapman
Selfridge
Hedges

Cc: Admin. Reading File
Docket
H. R. Melcher, USBM
M. D. Crittenden, USGS
Field Team Region III
Operating Committee
G. C. Selfridge
T. L. Chapman

Mr. H. C. Miller
Executive Officer, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

NOV 17 1952

Re: Docket No. DMEA 2393 - Manganese
Lakeview Manganese Mines
Crescent Mills, Plumas County,
California

Dear Mr. Miller:

We are enclosing the original and five copies of the above referenced exploration contract signed by this office for the Government, together with Exhibit "A" (4 pages), Annex I, Figure I and Landlord's Subordination Agreement attached thereto.

If the terms and conditions of this contract are satisfactory to you and the Operator, all six copies should be signed by the General Partner. One copy is to be given to the Operator and the usual distribution made of the remaining copies.

If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office together with the proposed changes for consideration.

The diamond drilling requested by the applicant in the application has been removed at his request.

Sincerely yours,

Frank E. Johnson

Chairman, Operating Committee
(JHB)

J.H.
11-17-52

Enclosures

Approved:

Jo. H. Hedges
Member, Bureau of Mines
(JHB)

E. L. McKnight
Member, Geological Survey
(JHB)

P.S. Please advise the Operator that accounting should be carried under (7) Miscellaneous rather than under (2) Labor and Supervision as written in the contract.

A S S I G N M E N T

KNOW ALL MEN BY THESE PRESENTS that the undersigned STAR MINES COMPANY, a partnership, and the TRAIL MANGANESE MINES, a partnership, do hereby assign and set over to the LAKEVIEW MANGANESE MINES, a limited partnership,

that certain lease dated November, 1950, executed by the owners of the following unpatented lode mining claims situated in Plumas County, California,:- The Lakeview, the Iron Dyke and the Trail claims; to use and enjoy withoutnrestrictions all of the profits and benefits therefrom as specified in the said lease.

Dated:
March 1, 1951

Star Mines Company
O.H. Griggs
By O.H.Griggs, Partner
for the Lakeview and Iron Dyke.

Trail Manganese Mines
O.H. Griggs
By O.H.Griggs, Partner.
for the Trail.

I hereby certify that the original of the foregoing was executed by me as shown above and is in force and effect.
O.H. Griggs

FILE COPY 400
SURNAME:

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

Chief Counsel, DMEA

November 4, 1952

Chapman
Selfridge

Iron and Ferro-Alloy Division, DMEA

Contract for review and final preparation
DMEA 2393 - Manganese
Lakeview Manganese Mines
Crescent Mills, California

Replies to our letters of August 11, 14, and 20 have been received from Mr. O. H. Griggs, General Partner, Lakeview Manganese Mines, and accompany the above noted docket.

In the accompanying letter, Mr. Griggs reviews the status of the Star Mines Company and the Trail Manganese Mines in regard to the Lakeview Manganese Mines. Also enclosed is an assignment from the Star Mines Company and the Trail Manganese Mines to the Lakeview Manganese Mines.

The lessors and owners of the Lakeview Manganese Mines refused to sign an Owner's Consent to Lien, therefore, the old Landlord's Subordination Agreements have been returned and accompany the docket.

The Operator has requested the removal of diamond drilling from the contract and this stage of the project has been deleted. A rough draft of the contract is attached hereto for your review and preparation of the contract in final form.

George C. Selfridge

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

Attachments

TLChapman'lm
11/4/52

cc: Admn. Reading File
~~Docket~~
T. L. Chapman
G. C. Selfridge

LAKEVIEW MANGANESE MINES

CRESCENT MILLS - CALIFORNIA

Oct. 26, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 31 1952

Mr. G.C.Selfridge, Chief,
Defense Minerals Exploration Admn.,
Department of the Interior,
Washington 25, D.C.

Docket No. DMEA-2393
Manganese.

11/3/52

Dear Mr. Selfridge:- Responsive to your request in your letter of Aug 20th last contained in Item 1 of your letter regarding further information about our various partnerships, please be advised as follows:-

The name "Star Mines Company" is a fictitious name under which I do business, my partner being my wife. It is a general and not a limited partnership.

The name "Trail Manganese Mines" is the same sort of fictitious name, my wife being my partner, is a general and not a limited partnership. This name was adopted for the purpose of distinguishing the property from several other properties. Originally one other person was a partner, but has since been withdrawn.

The name "Lakeview Manganese Mines" identifies a Limited Partnership organized under the laws of the State of California, myself being the sole general partner, with three limited partners. Under California law, a limited partner is prohibited from taking any part in any way in the conduct of the business, his rights being restricted to receiving his prescribed share of whatever distributable profits may accrue. The general partner alone is liable for debt and the conduct of the business. Suc Limited Partnerships are recorded with the County Recorder and filed with the County Clerk in the County in which the business is to be conducted, which in this case has been done in Plumas County, California, where all of the business is carried on, and in addition has been advertised in the County's legalized newspaper in compliance with the law.

I trust that this information is what you require.

Sincerely yours,

O.H.Griggs.

LAKEVIEW MANGANESE MINES

CRESCENT MILLS - CALIFORNIA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 31 1952

Oct. 26, 1952.

Mr. G.C.Selfridge, Chief,
Defense Minerals Exploration Admn.,
Department of the Interior,
Washington 25, D.C.

Docket No DMEA-2393
Manganese.

Dear Mr. Selridge:-

Yours of the 17th of September has remained unanswered owing to the illness of the undersigned.

I response to your requirements, enclosed please find copy of assignment of the lease to the Iron Dyke, the Lakeview and the Trail lode mining claims by the Star Mines Co., and the Trail Manganese Mines to the Lakeview Manganese Mines, the latter being applicant. This copy of assignment has been signed as duplicate by the undersigned.

In regard to the Subordination agreement referred to in your letter dated Aug.20,1952, the owners of the above named claims who are more or less untutored people, decline to sign the form forwarded in your letter as a replacement of a former form. These persons take the position that they have already signed one Subordination agreement and will not sign another one. The undersigned is unable to convince them that they should do so. Therefore, enclosed we return the six executed forms which these owners did sign. We trust that the returned forms may serve your purposes.

In our application for exploration aid, there was included a sum for diamond drilling. After considerable study we now think that this item should be eliminted from our application. It is our considered opinion that the items set forth for bull-dozing and tunnel work will be adequate and will serve the purposes effectively. This will reduce the total needed from $28,000.00 to $16,000.00. If any authority for so altering our application is necessary, please regard this as such authority.

Sincerely yours

Lakeview Manganese Mines

By O.H.Griggs, Gen.Partner.

FILE COPY
SURNAME:

UNITED STATES 140
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.

August 25, 1952

Memorandum

To: Acting Administrator

Through: G. C. Selfridge

From: Chief Counsel

Subject: Lakeview Manganese Mines - Docket No. DMEA-2393

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to the attachment of the map referred to therein.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachment
AEKane/ema
cc: Mails & Files
J. L. Hofflund
A. E. Kane
G. C. Selfridge
Chron.

140

FILE COPY
SURNAME:

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

August 14, 1952

Memorandum

To: Mr. G. C. Selfridge

From: Chief Counsel

Subject: Lakeview Manganese Mine - Docket No. DMEA-2393

The application is by Trail Manganese Mine, a partnership composed of O. H. Griggs and M. I. Lessenger.

The lease dated November 29, 1950, covers three separate claims: The Iron Dyke, the Lakeview and the Trail, and the lessee is the "Star Mines Company, a partnership."

In his affidavit of January 10, 1950, O. H. Griggs swears that the Star Mines Company is not a partnership but his alter ego and that he "assigned" two mining claims, the Iron Dyke and the Lakeview covered by the lease to the Lakeview Manganese Mines (Griggs probably means that he assigned either the lease of or the right to work the Iron Dyke and the Lakeview claims), and the third mining claim--The Trail--"which is now the property of M. I. Lessenger and O. H. Griggs (probably the Trail Manganese Mines partnership).

Apparently the Trail Manganese Mines and the Lakeview Manganese Mines are two different partnerships in both of which O. H. Griggs appears to be interested.

It would therefore seem that the applicant should offer further evidence about his various partnerships and there probably needs to be an assignment from O. H. Griggs representing both the Star Mines and the Trail Mines partnership to the Lakeview Manganese Mines partnership.

If an Owner's Consent to Lien is obtained, the following paragraph should be inserted above the last "Whereas" paragraph "and WHERREAS the undersigned represents that the lease of the above described property is in good standing and that no defaults have occurred under any of the terms or provisions thereof."

In case an Owner's Consent to Lien cannot be obtained, and the Landlord's Subordination Agreement in the file is to be used, to be acceptable it should be amended to include after the words "Exploration Project Contract" in the "Now Therefore" paragraph, the following:" or any amendment thereof which does not increase the maximum amount of the Government's claim therein stated or alter the provisions for repayment."

In order not to delay the contract, it is now being prepared.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

AEKane/ema
cc: Mails & Files
J. L. Hofflund
A. E. Kane
Chron.

FILE COPY
SURNAME:

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

John L. Hofflund, Chief Counsel, DMEA

August 12, 1952

Chapman
Selfridge

Iron and Ferro-Alloy Division, DMEA

Review and preparation of Exploration Project Contract
Docket No. DMEA 2393 - Manganese
Mr. O. H. Griggs, General Partner
Lakeview Manganese Mine
Plumas County, California

Transmitted herewith is the subject docket, together with a rough draft of the proposed exploration contract for your use in preparing the contract in final form.

The applicant failed to include an assignment of the lease to the Star Mines Company, to the Lakeview Manganese Mines and a letter has been written to Mr. Griggs for this assignment. To expedite the completion of this contract, it is suggested that the contract be prepared while awaiting the receipt of the assignment.

George C. Selfridge
N S R+R

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

Attachments

TLChapman'lm
8/12/52

cc: Admn. Reading File
Docket
G. C. Selfridge
T. L. Chapman

UNITED STATES 140
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

August 25, 1952

Memorandum

To: Acting Administrator

Through: G. C. Selfridge

From: Chief Counsel

Subject: Lakeview Manganese Mines - Docket No. DMEA-2393

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to the attachment of the map referred to therein.

J. L. Hofflund
Chief Counsel

Attachment

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

August 25, 1952

Memorandum

To: Acting Administrator

Through: G. C. Selfridge

From: Chief Counsel

Subject: Lakeview Manganese Mines - Docket No. DMEA-2393

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to the attachment of the map referred to therein.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachment

FILE COPY 400
SURNAME:

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

Chapman
Selfridge
Whitlenby

AIR MAIL

Mr. G. H. Griggs
Lakeview Manganese Mines
Crescent Mills, California

Re: Docket No. DMEA 2393 - Manganese
Iron Dyke, Lakeview and Trail
Mining Claims
Lakeview Manganese Mines
Plumas County, California

Dear Mr. Griggs:

We have prepared a contract for final approval as per your application on the above noted properties and are awaiting replies to our letters of August 5 and August 20 requesting assignments from the Star Mines Company and Trail Manganese Mines to the Lakeview Manganese Mines. We are also awaiting receipt of the Owner's Consent to Lien forms.

As soon as the above mentioned data are received, we will send the contract forward with our recommendation for execution.

Sincerely yours,

ce
9-18-52

George C. Selfridge

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

TLChapman'lm
9/16/52

cc: Admn. Reading File
Docket
N. B. Melcher, USBM
M. D. Crittenden, USGS
Field Team Reg. III
G. C. Selfridge
T. L. Chapman

SD

FILE COPY 400
SURNAME:

Chapman
Selfridge
McKenzie

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

AUG 20 1952

Mr. O. H. Griggs
Lakeview Manganese Mines
Crescent Mills, California

Re: Docket No. DMEA 2393 - Manganese
Iron Dyke, Lakeview and Trail
Mining Claims
Lakeview Manganese Mines
Plumas County, California

Dear Mr. Griggs:

The Legal Department has advised us that they will need additional data in order to complete the processing of your application.

1. It will be necessary for you to submit further evidence concerning your various partnerships and you will need an assignment from the Trail Manganese Mines to the Lakeview Manganese Mines, in addition to the assignment from the Star Mining Company already requested.

2. The Landlord's Subordination Agreement which you submitted with your application has been replaced by the Owner's Consent to Lien (MP-203). We are enclosing 7 copies of the Owner's Consent to Lien. Please return to us in Washington six executed copies, retaining one for your files. We are herewith returning to you the six Landlord's Subordination Agreements which you sent to us with your application.

Sincerely yours,

J.N. 8-20-52

George C. Selfridge

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

cc: Admn. Reading File
Docket
N. B. Melcher, USBM
M. D. Crittenden, USGS
Field Team Reg. III
G. C. Selfridge
T. L. Chapman

Enclosures

TLChapman'lm
8/19/52

400

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

August 14, 1952

Memorandum

To: Mr. G. C. Selfridge

From: Chief Counsel

Subject: Lakeview Manganese Mine - Docket No. DMEA-2393

The application is by Trail Manganese Mine, a partnership composed of O. H. Griggs and M. I. Lessenger.

The lease dated November 29, 1950, covers three separate claims: The Iron Dyke, the Lakeview and the Trail, and the lessee is the "Star Mines Company, a partnership."

In his affidavit of January 10, 1950, O. H. Griggs swears that the Star Mines Company is not a partnership but his alter ego and that he "assigned" two mining claims, the Iron Dyke and the Lakeview covered by the lease to the Lakeview Manganese Mines (Griggs probably means that he assigned either the lease of or the right to work the Iron Dyke and the Lakeview claims), and the third mining claim--The Trail--"which is now the property of M. I. Lessenger and O. H. Griggs (probably the Trail Manganese Mines partnership).

Apparently the Trail Manganese Mines and the Lakeview Manganese Mines are two different partnerships in both of which O. H. Griggs appears to be interested.

It would therefore seem that the applicant should offer further evidence about his various partnerships and there probably needs to be an assignment from O. H. Griggs representing both the Star Mines and the Trail Mines partnership to the Lakeview Manganese Mines partnership.

If an Owner's Consent to Lien is obtained, the following paragraph should be inserted above the last "Whereas" paragraph "and WHEREAS the undersigned represents that the lease of the above described property is in good standing and that no defaults have occurred under any of the terms or provisions thereof."

Copy retained 400.

In case an Owner's Consent to Lien cannot be obtained, and the Landlord's Subordination Agreement in the file is to be used, to be acceptable it should be amended to include after the words "Exploration Project Contract" in the "Now Therefore" paragraph, the following:" or any amendment thereof which does not increase the maximum amount of the Government's claim therein stated or alter the provisions for repayment."

In order not to delay the contract, it is now being prepared.

J. L. Hofflund
Chief Counsel

FILE COPY
SURNAME: 400

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

Chapman
Selfridge
CCM

AIR MAIL

AUG 11 1952

Mr. O. H. Griggs
Lakeview Manganese Mines
Crescent City, California

Re: Docket No. DMEA 2393 - Manganese
Lakeview, Iron Dyke and Trail
Mining Claims
Plumas County, California

Dear Mr. Griggs:

In reviewing your application for exploration assistance, we fail to find an assignment of the lease to the Star Mines Company on the above named claims to the Lakeview Manganese Mines.

Please send us this assignment as soon as possible.

Sincerely yours,

George C. Selfridge

8/11/52

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

TLChapman'lm
8/8/52

cc: Admn. Reading File
Docket
N. B. Melcher, USBM
M. D. Crittenden, USGS
Field Team Reg. III
G. C. Selfridge
T. L. Chapman

IN REPLY REFER TO:

G-MD-CF

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

August 5, 1952

Memorandum

To: George C. Selfridge, DMEA

From: Dwight M. Lemmon, USGS

Subject: Field report and revised application DMEA 2393 - Manganese
Lakeview Manganese Mines
O. H. Griggs, General Partner
Crescent Mills, Plumas County, California

The Lakeview claims were examined May 20 and 21, 1952 by George H. Holmes, Jr., Mining Engineer, Bureau of Mines. His report, dated June 23 and transmitted July 25 by the Field Team, recommends exploration of these claims in three stages: (1) trenching, (2) core drilling and (3) drifting. Total estimated cost is $28,000.

Holmes recommends that Stage 2 shall not be undertaken until the Geological Survey has mapped the results of Stage 1 and laid out a drill program. Unless the Field Team can definitely arrange to provide this geologic guidance, the costs of a consulting geologist should be written into the contract.

I concur with the favorable recommendation of the examining engineer.

D. M. Lemmon

Copy retained 400

IN REPLY REFER TO:

G-MD-GF

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

August 5, 1952

Memorandum

To: George C. Selfridge, DMEA

From: Dwight M. Lemmon, USGS

Subject: Field report and revised application DMEA 2393 - Manganese
Lakeview Manganese Mines
O. H. Griggs, General Partner
Crescent Mills, Plumas County, California

The Lakeview claims were examined May 20 and 21, 1952 by George H. Holmes, Jr., Mining Engineer, Bureau of Mines. His report, dated June 23 and transmitted July 25 by the Field Team, recommends exploration of these claims in three stages: (1) trenching, (2) core drilling and (3) drifting. Total estimated cost is $28,000.

Holmes recommends that Stage 2 shall not be undertaken until the Geological Survey has mapped the results of Stage 1 and laid out a drill program. Unless the Field Team can definitely arrange to provide this geologic guidance, the costs of a consulting geologist should be written into the contract.

I concur with the favorable recommendation of the examining engineer.

DMLemmon:gt

IN REPLY REFER TO:

G-MD-CF

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

August 5, 1952

Memorandum

To: George C. Selfridge, DMEA

From: Dwight M. Lemmon, USGS

Subject: Field report and revised application DMEA 2393 - Manganese
Lakeview Manganese Mines
O. H. Griggs, General Partner
Crescent Mills, Plumas County, California

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

OF THE INTERIOR
Minerals Administration
JUL 29 1952

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

July 25, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 2393X (Manganese), Lakeview Manganese Mines, (Trail Manganese Mines), Plumas County, California, O. H. Griggs

Reference is made to your "Review of Application for Exploration Assistance" dated May 16, 1952. The preliminary copy of the subject application was received from you early in March before the application had been reviewed in your office, and it was sent to Reno for field investigation on March 11. Mr. George H. Holmes, Mining Engineer, Bureau of Mines, examined the property on May 20-21, and at that time he and Mr. Griggs agreed on a modified plan of exploration, costing $28,700. Subsequently, Mr. Griggs filed with this office an amended application, dated May 25, 1952 for an exploration loan of $28,000. Four copies of the amended application and covering letter, dated May 25, signed by Mr. Griggs are attached.

Attached also are four copies of a report - DMEA 2393X, Lakeview Manganese Mines, (Trail Manganese Mines), Plumas County, California by George H. Holmes, Jr., Mining Engineer, U. S. Bureau of Mines, dated June 23, 1952; and four copies each of two maps, subsequently furnished us by the Geological Survey, which were requested by the Field Team in order that the proposed trenches could be outlined.

According to the examining engineer, the manganese deposits at the Lakeview mine occur along a strike fissure zone in the sediments in a series of discontinuous lenticular ore bodies. The ore is a mixture of braunite and pyrolusite. Principal production has been from deposits on the Iron Dyke claim which is reported to be about 10,000 tons averaging 45 percent manganese and 17 percent silica.

The examining engineer believes that an exploration project has possibilities of proving up new ore bodies. The suggested program has been set up to do some bulldozer trenching across the formations at five favorable areas on three claims to locate possible extensions of the ore zones and to permit mapping and sampling. The second stage would comprise diamond drilling in favorable areas to explore for lateral and downward extension of the ore bodies and the third stage would consist of drifting on the ore in areas justified by diamond drilling.

In reply to my inquiry as to the reason for the high cost of trenching, Mr. A. C. Johnson informs me that trenches 1, 2, and 3 to the north of the Iron Dyke workings are in a steep, timbered area covered by heavy overburden. It is estimated that these trenches will be about 100 feet long but of undetermined depth. Trenches 4 and 5, below the Iron Dyke workings, are in a rugged area along a mountainside having a slope of about 37°. It is planned to open trenches about 200 feet in length in this area to explore for the southward continuation of the several ore zones mined on the Iron Dyke claim.

The general character of the terrain will make for slow progress with resultant high bulldozer costs. The estimate of 100 hours is not considered excessive for this area and was made to assure completion of the proposed work. Should the work be done in less time, the saving could be applied to diamond drilling or drifting. In this particular case, it is believed an over-estimate of costs is better than an underestimate.

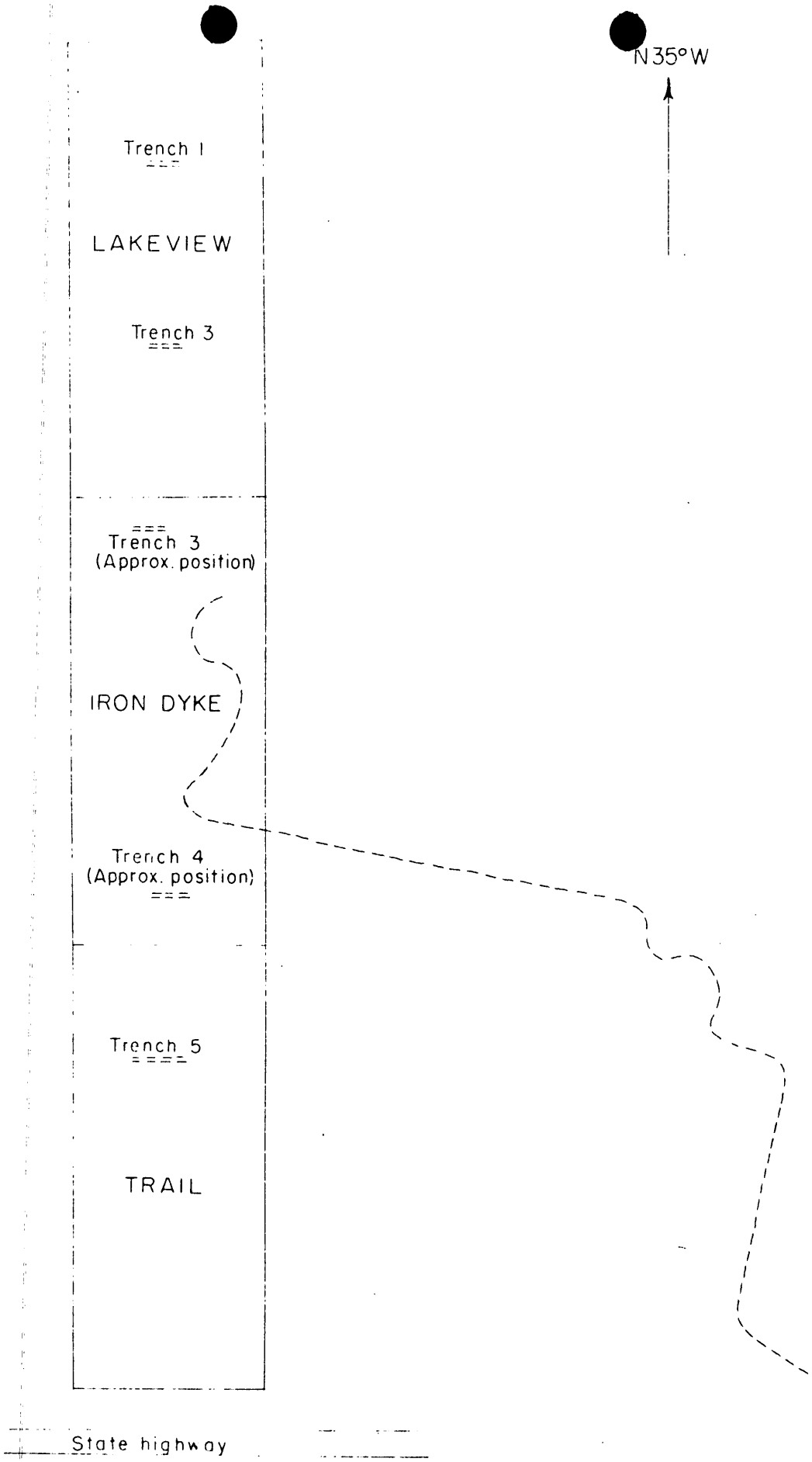
Mr. Johnson reports also that the exploration planned has good possibilities to pick up extensions of known ore zones and that he concurs with the recommendations that have been made by the examining engineer.

The docket is being returned herewith.

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

Attachments

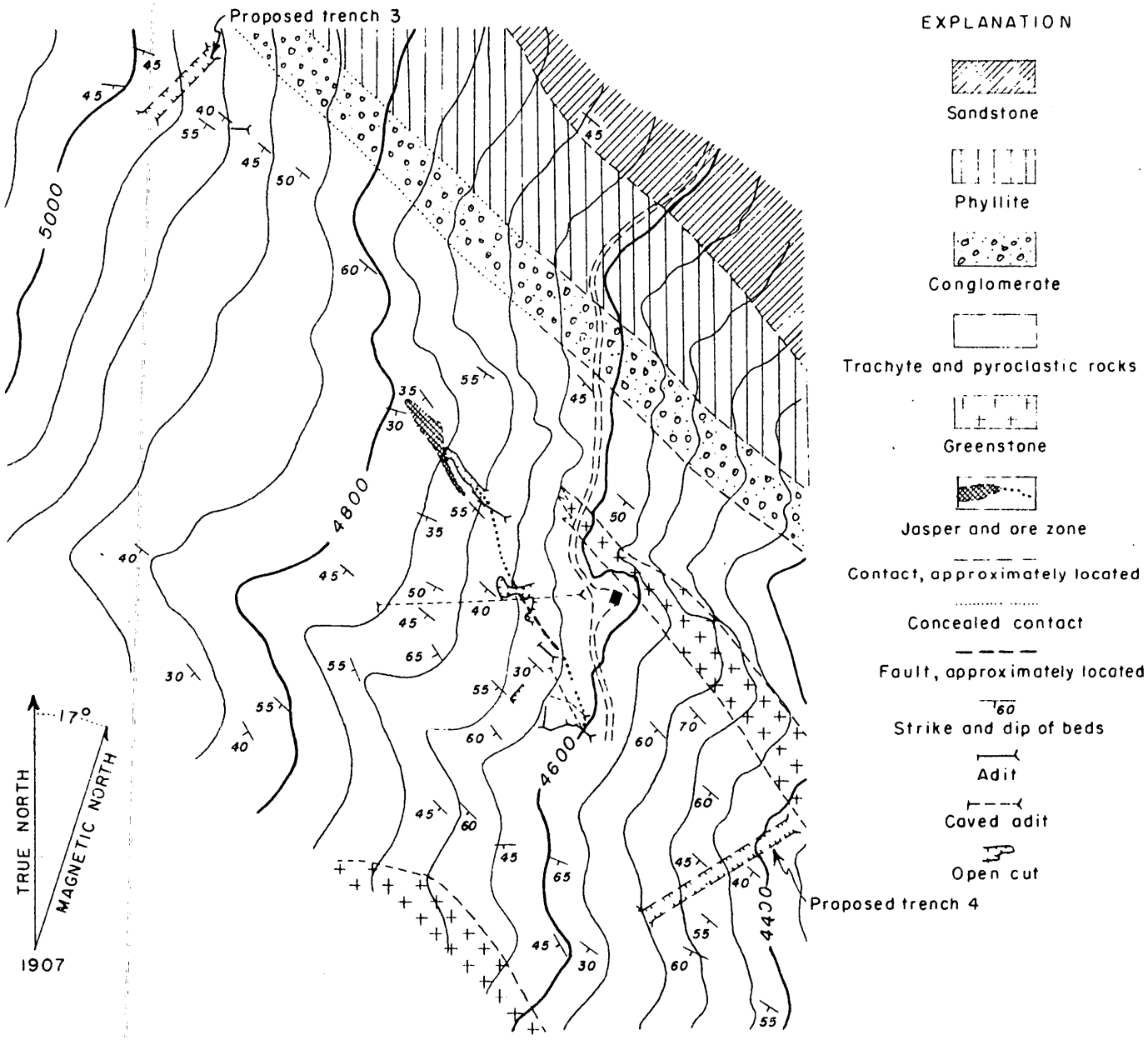
Copy to E. H. Bailey, USGS



SKETCH MAP OF LAKEVIEW MANGANESE MINE CLAIMS
BY O. H. GRIGGS

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA-2393
(MANGANESE)



Mapped by R. J. Roberts and M. W. Cox, 1944

IRON DYKE MINE, PLUMAS COUNTY, CALIFORNIA

200 0 200 400 Feet

Contour interval 40 feet

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

DEPARTMENT OF THE INTERIOR
Bureau of Mines
JUL 29 1952

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

July 25, 1952

Memorandum

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H. C. MILLER

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

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UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA-2393X, Lakeview Manganese Mines

(Trail Manganese Mines)

Plumas County, California

George H. Holmes, Jr., Mining Engineer
U. S. Bureau of Mines

June 23, 1952

Reviewed by
DMEA OPERATING COMMITTEE
8-1-52
(date)

DOCKET DMEA-2393X

LAKE VIEW MANGANESE MINES
(Trail Manganese Mines)

Plumas County, California

SUMMARY

Manganese deposits at the Lakeview mine occur along a strike fissure zone in the sediments in a series of discontinuous lenticular ore bodies. The ore zone is associated with jasper, shows much clay and gouge, and is dislocated by considerable faulting. The ore is a mixture of braunite and pyrolusite. Principal production has been from deposits on the Iron Dyke claim and is reported to be about 10,000 tons averaging 45 percent manganese and 17 percent silica.

Limited exploration indicates a continuance of mineralization to the adjoining Lakeview and Trail claims and it is possible that additional commercial ore bodies will be found in these areas.

It is believed that an exploration project to prospect for extension of known ore zones is justified and that chances for new discoveries are good. The applicant's original proposal of drifting and crosscutting on the Trail claim has been changed to include bulldozer trenching, diamond drilling, and drifting on favorable areas on the company's three claims. The work will cover a larger area and will be more comprehensive. Costs appear reasonable.

The Bureau of Mines recommends that the proposed exploration program be approved.

INTRODUCTION

Application for a Defense Minerals Exploration loan was first made by O. H. Griggs on Jan. 10, 1952 under the name of the Trail Manganese Mine. Subsequent amendments made by the applicant have included work on additional claims and a change in name to the Lakeview Manganese Mines. The DMEA operating committee reviewed the application and requested an examination of the property and a suggested change in the proposed plan of exploration.

The Lakeview manganese mines were examined on May 20 and 21 by an engineer[1] of the Bureau of Mines accompanied by O. H. Griggs, lessee and manager of the property, and Miles Timmins, mine superintendent.

The property comprises three unpatented lode mining claims; the Lakeview, Iron Dyke, and Trail, in sec. 27, T. 26 N., R. 9 E., M.D.B.&M., Plumas County, Calif., about three miles by road southwest of Crescent Mills, the closest shipping point, located on the Keddie-Klamath Falls branch of the Western Pacific railroad and state highway 89. Supply centers are at Greenville, 5 miles northwest of - and Quincy, 15 miles south of Crescent Mills.

To reach the property, travel south from Crescent Mills on state highway 89 for one mile; turn west and go three fourths of a mile up the graded, dirt Dixie Creek road; then southwest for 1¼ miles over a steep, rough mine road to the Iron Dyke workings.

1/ George H. Holmes, Jr.

The claims are in a rugged area on the southeast slope of a steep hill at elevations ranging from 3,800 to 4,900 feet. The climate is temperate with warm, dry summers and usually severe winters with heavy snows. However, bulldozers could keep the mine roads open during winter months to prevent suspension of mining operations.

No transmitted electric power is available. Compressed air is furnished by a gasoline-driven portable compressor. Adequate water for mine use is available from a series of springs on the property. A stand of large sugar pine trees is on the claims but the operators have found it more economical to buy mine timbers from nearby sawmills than to cut their own timber.

Ore is hauled by dump truck three miles to a loading ramp on the Western Pacific railroad at Crescent Mills.

HISTORY AND PRODUCTION

Records indicate the property was first worked during World War I, when the Noble Electric Company shipped about 2,000 tons of ore varying in grade from 45 to 48 percent manganese. An interesting description of an examination made by the U.S.G.S. in 1918 is contained in the California State Division of Mines Bulletin No. 152, 1950, pp. 172-173.

Some work was done during 1929 and three cars of manganese ore was shipped from the property.

The property was idle until 1938 when the Lakeview and Iron Dyke claims were acquired by Miles Timmins, Charles Herring and Mrs. Frank Bear. The Trail claim was later acquired during 1941. During World War II, the claims were leased to O. H. Griggs who operated the property under the name of Western Manganese Mines. Production from August 1942

through December 1944 was a reported 8,000 tons of ore which averaged 45 percent manganese and 17 percent silica. This production of the braunite-pyrolusite type ores came entirely from the Iron Dyke claim.

The claims were again leased by O. H. Griggs for a 10-year period during November 1950 under the name of Star Mines Company. In January 1952 the lease was modified with the Lakeview and Iron Dyke claims assigned to the Lakeview Manganese Mines, and the Trail claim to the Trail Manganese Mines. The original application for exploration assistance was made for the Trail Manganese Mines but a recent amendment includes this claim with the Lakeview and Iron Dyke claims to form the Lakeview Manganese Mines.

A 45-ton car of braunite-pyrolusite ore was shipped recently to the Deming, N. Mex. purchasing depot. Government assay of this shipment was 47.75 percent manganese and 17.75 percent combined silica and alumina.

Present operations comprise cleaning out and rehabilitating old workings on the Iron Dyke claim. Three miners are currently employed.

DEVELOPMENT

Production has come principally from a deposit near the south end of the Iron Dyke claim. The discontinuous lenses, or segments, of ore were developed by a series of adits driven at various levels and mined by square-set stoping. All of the workings have caved and several adits have been completely closed by the squeezing ground. None are accessible for examination or mapping.

A deposit close to the north end of the Iron Dyke claim was developed by an adit, winze, and a raise to surface. These workings subsequently caved and recently a crosscut adit was started at a lower level to explore for the downward extension of this deposit. However, the original adit and the raise are also being rehabilitated and an open cut is being excavated along surface exposures. Ore from this operation is being stockpiled.

A shallow opencut was excavated along a favorable exposure at the north end of the Lakeview claim but work has been discontinued until a road can be bulldozed to this area.

No work has been done on the Trail claim.

Equipment on the property comprises a Sullivan, 360 c.f.m., gasoline-driven, portable compressor; a mounted jackhammer; column, arm and saddle; drill steel fitted with detachable tungsten-carbide bits; mine cars; and an adequate supply of mine rails, hose, pipe, etc.

The comparatively soft ground requires about one-half box of powder to pull a 3-foot drift round. Close timbering is necessary, however, with round timbers used for posts, caps, and girts, and with top- and side-lagging necessary for each set. Drifting through extremely soft areas requires spiling.

Ore is hand mucked and trammed to ore bins where it is sorted and loaded into dump trucks and hauled to the rail head at Crescent Mills. This truck haulage has been done under contract at a cost of $2.00 per ton.

GEOLOGY

The rocks in the area comprise cherts, slates, jasper, and sericite schist in a belt having a general northwest strike and with moderate dips to the southwest. Manganese ore, consisting of a mixture of braunite and pyrolusite, is found along a strike fissure zone in the sediments associated with the jasper in a series of discontinuous lenticular ore bodies. The ore zone shows much clay and gouge and is dislocated by considerable faulting. Mineralized zones have varied from 5 to 14 feet in width.

A detailed description of the deposit is contained in California State Division of Mines Bulletin No. 125, 1943, pp. 62 and 82, and Bulletin No. 152, 1950, pp. 172-173.

SAMPLING

Analyses of shipments from the property are indicative of the grade of ore which can be produced. Some hand-sorting is necessary to maintain a plus 40 percent grade and to keep the silica content below 15 percent.

Inaccessibility of the workings at the south end of the Iron Dyke claim prevented sampling. Five samples were taken from the open cut being excavated on a deposit near the north end of this claim with the following analyses:

Sample No.	Percent					Description
	Mn	Fe	SiO_2	Al_2O_3	P	
131	10.2	3.40	32.6	16.2	0.023	6-foot cut across southeast face.
132	28.5	3.45	18.0	12.8	.030	Shipping grade ore - grab.
133	16.2	6.10	30.8	19.6	.019	2nd class ore - grab.
134	12.6	4.95	33.7	17.4	.034	3rd class ore (fines) grab.
135	37.7	2.45	13.3	9.3	.040	Hand sorted hi-grade ore - grab.

Ore is sorted into a shipping grade ore for the Deming, N. Mex. purchasing depot; a 2nd class ore for possible shipment to the U. S. Steel Co. at Geneva, Utah; a 3rd class ore comprised principally of fines and which is being stockpiled pending future disposition.

ORE RESERVES

Insufficient development work has been done by the operators to permit an estimate of ore reserves.

PROPOSED EXPLORATION

The applicant's original proposal comprised driving an adit on the Trail claim, 150 feet vertically below the lowest outcrop on the Iron Dyke claim, and to explore for the downward extension of the Iron Dyke ore bodies by crosscutting from this adit.

A subsequent amendment by the applicant included the Iron Dyke and Lakeview claims in the application, and a discussion of proposed exploration with the applicant resulted in a complete change of plans. Although it is reasonable to expect a continuance of mineralization to the Trail claim, exploration by driving an adit and crosscutting without prior surface work is impractical. Addition of the Iron Dyke and Lakeview claims also entails exploration in these areas.

It is suggested that the exploration work be set up in three stages: Step I to include bulldozer trenching across the formations in at least five favorable areas on the three claims to locate possible extensions of the ore zones and to permit mapping and sampling. Step II to comprise diamond drilling in favorable areas to explore for lateral and downward extension of the ore bodies. Step III to consist of drifting on the ore in areas justified by diamond drilling.

This revised proposal increased the original cost of the project but it is believed that trenching and diamond drilling are absolutely essential to explore for continuations of the discontinuous ore bodies. Geologic mapping, following the trenching, is recommended.to permit correlation of the formations and the location of diamond drill holes.

EXPLORATION COSTS

Based on current wage rates, supply and equipment costs in this area, as furnished by the applicant, the estimated project costs are:

Step I: Bulldozer trenching. Rental of an RD-8 bulldozer with operator, and with supplies furnished;

Bulldozer, 100 hrs. @ $14/hr.	$1,400	
Supervision, 2 weeks @ $100/wk.	200	
Sampling and assaying	200	
	$1,800	or $18/hr. overall

Step II: Diamond drilling. Based on a minimum footage of 2,000 feet. Location of holes to be determined following geologic mapping, and designed to cut downward extension of mineralized zones at 50 and 100 feet down dip;

Diamond drilling, 2,000 feet @ $6/ft.	$12,000	
Supervision, 3 months @ $400/mo.	1,200	
Sampling and assaying	500	
	$13,700	or
	$6.85/ft.	overall

Step III: Drifting on favorable ore zones indicated by Steps I and II. Possible 200 foot adit on Trail claim, and two 100-foot adits on Iron Dyke and Lakeview claims;

Drifting, 400 feet @ $33/ft.	$13,200

The breakdown of drifting costs are as follows:

Current wage for miners is $14 - and for muckers $12 per day. Based on a 6-day week and with an estimated 3 feet advance per shift $9.40/foot

Insurance, taxes, social security, add 12%	1.13	"
Powder, fuse, caps	3.00	"
Timber	3.00	"
Compressor supplies	3.00	"
Steel and bits	1.50	"
Repairs	1.47	"
Misc. engineering, bookkeeping,. . operating costs	2.50	"
	$25.00	"

Supervision, 5 months @ $400 = $2,000 = $5.00 per foot
Construction of compressor house = $600 = $1.50 " "

Operator will furnish own equipment on a rental basis. Equipment valued at:

Sullivan, 360 c.f.m., portable compressor	$3,200
Jackhamer, column, arm, saddle	600
Air and water hoses	150
Water tank	25
Mine rails, 3 tons	400
Air line pipe, 2-inch, 1000 feet	500
Water line pipe, 1-inch, 1000 feet	250
Mine cars (2)	300
Jeep truck, 4-wheel drive	1,500
Blacksmith tools	125
Misc. hand tools	150
	$7,200

Monthly rental = $\frac{\$7,200}{60}$ = $120 x 5 months = $600
= $1.50 per foot
Total $33.00 per foot overall

Total cost of the project based on three phases:

Step I Bulldozer trenching	$ 1,800
Step II Diamond Drilling	13,700
Step III Drifting	13,200
	$28,700

The foregoing costs have been estimated on an overall hourly and footage basis in order to simplify bookkeeping and payments for work accomplished.

CONCLUSION AND RECOMMENDATIONS

The Bureau of Mines conclude that:

1. An exploration project to prospect for extension of known ore zones is reasonable. The chances for new discoveries are good.

2. Amendment of the original application to include the three claims has increased the original estimate and work to be done.

3. The property can be more efficiently explored by bulldozer trenching, diamond drilling, and tunneling than by tunneling and crosscutting.

4. The production record and grade of ore justifies the proposed program. Estimated costs appear reasonable.

Recommendations by the Bureau of Mines are:

1. Mapping should be done by the U.S.G.S. upon completion of bulldozer trenching to permit correlation of formations and location of diamond drill holes.

2. Work should be under the direct supervision of a competent operator. Mr. Miles Timmins, the present superintendent is familiar with the property, as he has spent 30 years operating properties in this area, and appears capable of handling the proposed work.

3. That an exploration project based on the plan outlined in the report be approved.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA-2393X, Lakeview Manganese Mines

(Trail Manganese Mines)

Plumas County, California

George H. Holmes, Jr., Mining Engineer
U. S. Bureau of Mines

June 25, 1952

DOCKET DMEA-2595X

LAKE VIEW MANGANESE MINES
(Trail Manganese Mines)

Plumas County, California

SUMMARY

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No work has been done on the Trail claim.

Equipment on the property comprises a Sullivan, 360 c.f.m., gasoline-driven, portable compressor; a mounted jackhammer; column, arm and saddle; drill steel fitted with detachable tungsten-carbide bits; mine cars; and an adequate supply of mine rails, hose, pipe, etc.

The comparatively soft ground requires about one-half box of powder to pull a 3-foot drift round. Close timbering is necessary, however, with round timbers used for posts, caps, and girts, and with top- and side-lagging necessary for each set. Drifting through extremely soft areas requires spiling.

Ore is hand mucked and trammed to ore bins where it is sorted and loaded into dump trucks and hauled to the rail head at Crescent Mills. This truck haulage has been done under contract at a cost of $2.00 per ton.

GEOLOGY

The rocks in the area comprise cherts, slates, jasper, and sericite schist in a belt having a general northwest strike and with moderate dips to the southwest. Manganese ore, consisting of a mixture of braunite and pyrolusite, is found along a strike fissure zone in the sediments associated with the jasper in a series of discontinuous lenticular ore bodies. The ore zone shows much clay and gouge and is dislocated by considerable faulting. Mineralized zones have varied from 5 to 14 feet in width.

A detailed description of the deposit is contained in California State Division of Mines Bulletin No. 125, 1943, pp. 62 and 82, and Bulletin No. 152, 1950, pp. 172-173.

SAMPLING

Analyses of shipments from the property are indicative of the grade of ore which can be produced. Some hand-sorting is necessary to maintain a plus 40 percent grade and to keep the silica content below 15 percent.

Inaccessibility of the workings at the south end of the Iron Dyke claim prevented sampling. Five samples were taken from the open cut being excavated on a deposit near the north end of this claim with the following analyses:

Sample No.	Percent Mn	Fe	SiO_2	Al_2O_3	P	Description
131	10.2	3.40	32.6	16.2	0.023	6-foot cut across southeast face.
132	28.5	3.45	18.0	12.8	.030	Shipping grade ore - grab.
133	16.2	6.10	30.8	19.6	.019	2nd class ore - grab.
134	12.6	4.95	33.7	17.4	.034	3rd class ore (fines) grab.
135	37.7	2.45	13.3	9.3	.040	Hand sorted hi-grade ore - grab.

Ore is sorted into a shipping grade ore for the Deming, N. Mex. purchasing depot; a 2nd class ore for possible shipment to the U. S. Steel Co. at Geneva, Utah; a 3rd class ore comprised principally of fines and which is being stockpiled pending future disposition.

ORE RESERVES

Insufficient development work has been done by the operators to permit an estimate of ore reserves.

PROPOSED EXPLORATION

The applicant's original proposal comprised driving an adit on the Trail claim, 150 feet vertically below the lowest outcrop on the Iron Dyke claim, and to explore for the downward extension of the Iron Dyke ore bodies by crosscutting from this adit.

A subsequent amendment by the applicant included the Iron Dyke and Lakeview claims in the application, and a discussion of proposed exploration with the applicant resulted in a complete change of plans. Although it is reasonable to expect a continuance of mineralization to the Trail claim, exploration by driving an adit and crosscutting without prior surface work is impractical. Addition of the Iron Dyke and Lakeview claims also entails exploration in these areas.

It is suggested that the exploration work be set up in three stages: Step I to include bulldozer trenching across the formations in at least five favorable areas on the three claims to locate possible extensions of the ore zones and to permit mapping and sampling. Step II to comprise diamond drilling in favorable areas to explore for lateral and downward extension of the ore bodies. Step III to consist of drifting on the ore in areas justified by diamond drilling.

This revised proposal increased the original cost of the project but it is believed that trenching and diamond drilling are absolutely essential to explore for continuations of the discontinuous ore bodies. Geologic mapping, following the trenching, is recommended.to permit correlation of the formations and the location of diamond drill holes.

EXPLORATION COSTS

Based on current wage rates, supply and equipment costs in this area, as furnished by the applicant, the estimated project costs are:

Step I: Bulldozer trenching. Rental of an RD-8 bulldozer with operator, and with supplies furnished;

Bulldozer, 100 hrs. @ $14/hr.	$1,400	
Supervision, 2 weeks @ $100/wk.	200	
Sampling and assaying	200	
	$1,800	or $18/hr. overall

Step II: Diamond drilling. Based on a minimum footage of 2,000 feet. Location of holes to be determined following geologic mapping, and designed to cut downward extension of mineralized zones at 50 and 100 feet down dip;

Diamond drilling, 2,000 feet @ $6/ft.	$12,000	
Supervision, 3 months @ $400/mo.	1,200	
Sampling and assaying	500	
	$13,700	or
	$6.85/ft.	overall

Step III: Drifting on favorable ore zones indicated by Steps I and II. Possible 200 foot adit on Trail claim, and two 100-foot adits on Iron Dyke and Lakeview claims;

Drifting, 400 feet @ $33/ft.	$13,200

The breakdown of drifting costs are as follows:

Current wage for miners is $14 - and for muckers $12 per day. Based on a 6-day week and with an estimated 3 feet advance per shift $9.40/foot

Insurance, taxes, social security, add 12%	1.13	"
Powder, fuse, caps	3.00	"
Timber	3.00	"
Compressor supplies	3.00	"
Steel and bits	1.50	"
Repairs	1.47	"
Misc. engineering, bookkeeping, . .	2.50	"
operating costs	$23.00	"

Supervision, 5 months @ $400 = $2,000 = $5.00 per foot
Construction of compressor house = $600 = $1.50 " "

Operator will furnish own equipment on a rental basis. Equipment valued at:

Sullivan, 360 c.f.m., portable compressor	$3,200
Jackhamer, column, arm, saddle	600
Air and water hoses	150
Water tank	25
Mine rails, 3 tons	400
Air line pipe, 2-inch, 1000 feet	500
Water line pipe, 1-inch, 1000 feet	250
Mine cars (2)	300
Jeep truck, 4-wheel drive	1,500
Blacksmith tools	125
Misc. hand tools	150
	$7,200

Monthly rental = $\frac{\$7,200}{60}$ = $120 x 5 months = $600
= $1.50 per foot
Total $33.00 per foot overall

Total cost of the project based on three phases:

Step I Bulldozer trenching	$ 1,800
Step II Diamond Drilling	13,700
Step III Drifting	13,200
	$28,700

The foregoing costs have been estimated on an overall hourly and footage basis in order to simplify bookkeeping and payments for work accomplished.

CONCLUSION AND RECOMMENDATIONS

The Bureau of Mines conclude that:

1. An exploration project to prospect for extension of known ore zones is reasonable. The chances for new discoveries are good.

2. Amendment of the original application to include the three claims has increased the original estimate and work to be done.

3. The property can be more efficiently explored by bulldozer trenching, diamond drilling, and tunneling than by tunneling and crosscutting.

4. The production record and grade of ore justifies the proposed program. Estimated costs appear reasonable.

Recommendations by the Bureau of Mines are:

1. Mapping should be done by the U.S.G.S. upon completion of bulldozer trenching to permit correlation of formations and location of diamond drill holes.

2. Work should be under the direct supervision of a competent operator. Mr. Miles Timmins, the present superintendent is familiar with the property, as he has spent 30 years operating properties in this area, and appears capable of handling the proposed work.

3. That an exploration project based on the plan outlined in the report be approved.

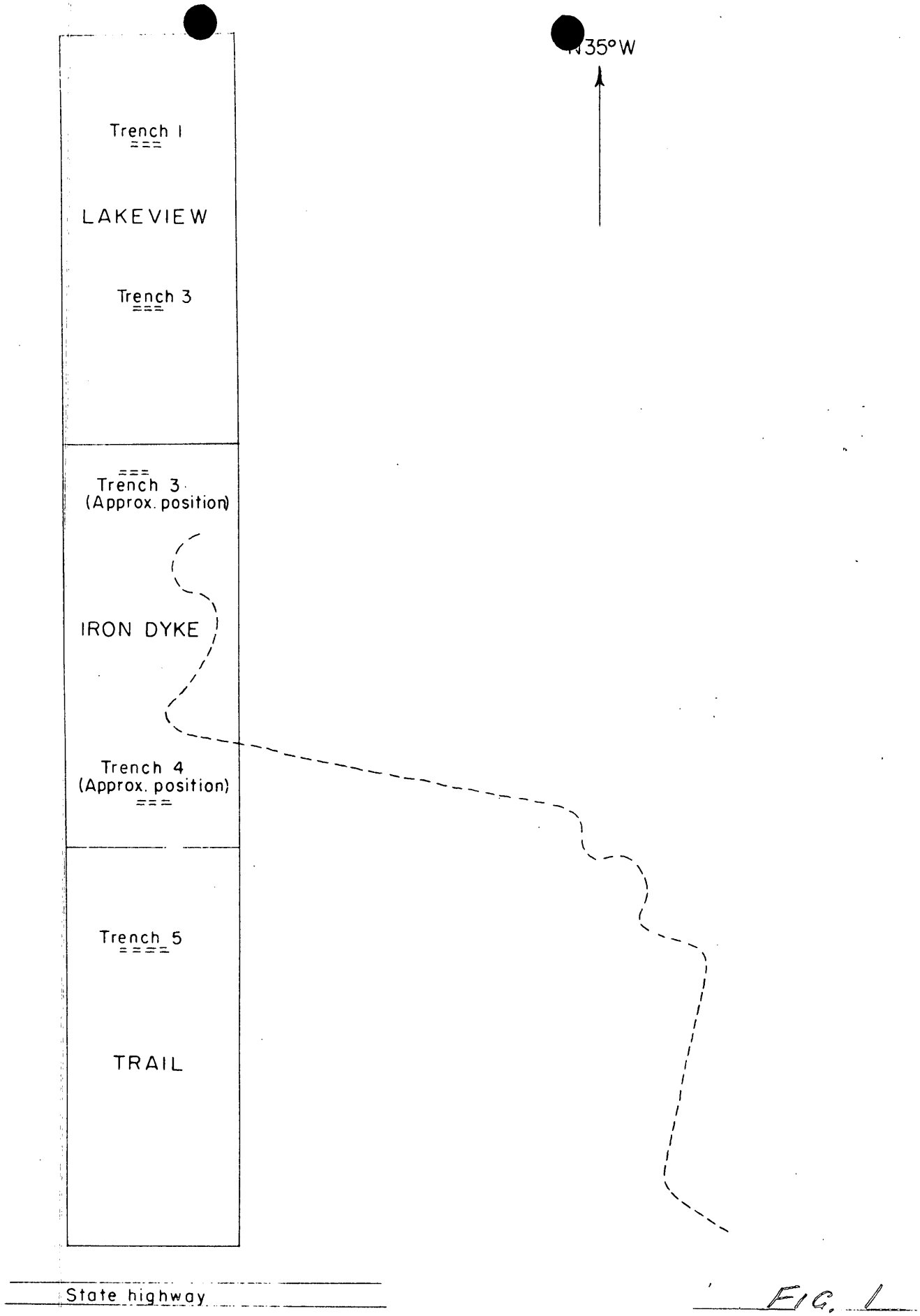

FIG. 1

SKETCH MAP OF LAKEVIEW MANGANESE MINE CLAIMS
BY O. H. GRIGGS

LAKEVIEW MANGANESE MINES

CRESCENT MILLS - CALIFORNIA

May 25, 1952.

Defense Minerals Exploration Administration,
Mr. H.C.Miller, Regional Director,
1012 Flood Bldg., 870 Market St.,
San Francisco 2, Calif.

Docket No.DMEA 2393X

Gentlemen:- We enclose attached hereto an amended application for aid in a proposed exploratory program for Manganese oxide ores in an amount of $28,000.00.

The information required by your Application Form MF 103 in the attached sheets follows the sequence of that Form.

It may be pertinent to state that the property described in this application has been examined by Mr.Geo.H. Holmes, Mining Engineer with the U.S.Bureau of Mines from the Bureau's Reno headquarters, and the figures of the Estimate marked Exhibit No. C were compiled in collaboration with Mr. Holmes at the time he made the examination. This examination came about as a result of an application previously submitted covering a somewhat different plan and is now being submitted as an amended application at the suggestion of DMEA in Washington to cover present revised plans.

We trust this application may have your early consideration.

Yours very truly,

Lakeview Manganese Mines

By O.H.Griggs, General Partner.

IN QUADRUPLICATE.

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED

1979 JUN 3 AM 11:07

SAN FRANCISCO, CALIFORNIA

LAKEVIEW MANGANESE MINES

CRESCENT MILLS - CALIFORNIA

May 25, 1952.

Defense Minerals Exploration Administration,
Mr. H.C.Miller, Regional Director,
1012 Flood Bldg., 870 Market St.,
San Francisco 2, Calif.

Docket No.DMEA 2393X

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Yours very truly,

Lakeview Manganese Mines

By O.H.Griggs, General Partner.

IN QUADRUPLICATE

FILE COPY
SURNAME:

Chapman
Selfridge
Hedges
Lemmon
Johnson

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

MAY 16 1952

Mr. O. H. Griggs
Lakeview Manganese Mines
Crescent Mills, California

Re: Docket No. DMEA 2393X - Manganese
Iron Dyke, Lakeview and Trail
Lode Mining Claims
Plumas County, California

Dear Mr. Griggs:

Your application for assistance in exploring the above mentioned property has been reviewed by the Iron and Ferro-Alloy Division of the Defense Minerals Exploration Administration and has been referred to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Region III, 1012 Flood Building, 870 Market Street, San Francisco 2, California, for a field examination.

The Regional Office will contact you at an early date in regard to the examination of your property. Any assistance that you can render the members of the field team in the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf (for)

Acting Administrator
Defense Minerals Exploration
Administration

S.N. 5-16-52

TLChapman'lm
5/13/52

cc: Admn. Reading File
Docket
N. B. Melcher, USBM
M. D. Crittenden, USGS
Field Team Reg. III
G. C. Selfridge
T. L. Chapman
Operating Committee

F.T. [illegible]

Docket File

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

MAY 16 1952

Mr. H. C. Miller
Executive Officer, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Applicant O. H. Griggs - Lakeview Manganese Mines

Docket No. 2393

Commodity Manganese

Amount $ 16,500.00

Please expedite consideration of the application with particular reference to the points raised in the attached "Review".

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

P.N.
5.16.52

APPROVED:

J. H. Hedges
Member, Bureau of Mines

D. M. Lemmon
Member, Geological Survey

13759

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 2393

Commodity Manganese

Total Amount $16,500.00

Govt. Participation 12,375.00

1. Name and Address of Applicant Mr. O.H. Grigg, Lakeview Manganese Mines, Crescent Mills, Calif.

2. Location of Property 1½ miles south of Crescent Mills, Plumas County, California.

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

If not, application will be rejected.

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

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

a) Good Yes.

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project? Yes. (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? Yes.

a) MF-201? _____

b) MF-202? Yes.

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)* Good.

d) Water (question 13)* Good.

e) Power (question 13)* Use Gasoline or Diesel power.

Is a field check needed on any of these points? _____

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? Yes.

10. Exhibit A. (question 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? Partial

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? Yes If so, attach a draft.

e) Are the cost estimates reasonable? Some material might be rented rather than bought.

f) Should more information be requested from applicant?_____

g) Is a field examination necessary to complete Exhibit A? Yes.

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes.

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

c) Is a field check needed? Yes.

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?_____

d) Is a field check needed? Yes. Check rentals against purchases

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?_____

d) Are the proposed wages and salaries reasonable? Yes.

e) Is a field check needed?_____

14. Exhibit E (question 23-c)*

a) Is it applicable? No.

b) Sufficient data?

c) Reasonable?

d) Field check needed?

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? Applicant has included two other claims in letter as amendment to his application. Project should be examined in hopes that trenching might be advisable or probably trenching with a second stage calling for drilling.

Reviewed by: R. Chapman

Send a complete file from Docket:

1- MF-103
2- USGS Memo by Crittenden
2- USBM - - Melcher

Date 5/12/58

Field Team Reg. III

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

Chapman
Selfridge

MAY 16 1952

Mr. H. C. Miller
Executive Officer, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Applicant O. H. Griggs - Lakeview Manganese Mines

Docket No. 2393

Commodity Manganese

Amount $ 16,500.00

Please expedite consideration of the application with particular reference to the points raised in the attached "Review".

Sincerely yours,

Frank E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration
Administration

APPROVED:

T. N. Hedges
Member, Bureau of Mines

D. M. Lemmon
Member, Geological Survey

13759

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED

1952 MAY 19 AM 8:42

SAN FRANCISCO, CALIFORNIA

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMMA 2393

Commodity Manganese

Total Amount $16,500.00

Govt. Participation $12,375.00

1. Name and Address of Applicant Mr. O. H. Griggs, Lakeview Manganese Mines, Crescent Mills, California

2. Location of Property 1-1/2 miles south of Crescent Mills, Plumas County, California

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

If not, application will be rejected.

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

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

a) Good Yes

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project? Yes
(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? **Yes**

   a) MF-201? _____

   b) MF-202? **Yes**

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)* **Good**

   d) Water (question 13)* **Good**

   e) Power (question 13)* **Use gasoline or diesel power.**

   Is a field check needed on any of these points? _____

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? **Yes**

10. Exhibit A. (question 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? **Partial**

      _____

   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? **Yes** If so, attach a draft.

e) Are the cost estimates reasonable? **Some material might be rented rather than bought.**

f) Should more information be requested from applicant?_____

g) Is a field examination necessary to complete Exhibit A? **Yes**

11. Exhibit B (question 23-d)*

a) Is it applicable? **Yes**

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

c) Is a field check needed? **Yes**

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

a) Is it applicable? **Yes**

b) Sufficient data? **No** If so, attach a draft.

c) Are rents and charges reasonable?_____

d) Is a field check needed? **Yes. Check rentals against purchases.**

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?_____

d) Are the proposed wages and salaries reasonable? **Yes**

e) Is a field check needed?_____

14. Exhibit E (question 23-c)*

a) Is it applicable? **No**

b) Sufficient data?

c) Reasonable?

d) Field check needed?

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

(All exploration must be completed within two years)

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TLChapman'lm
5/13/52

Reviewed by: **T. L. Chapman**

Enclosures:

1 - MF-103
2 - USGS memorandum by Crittenden
2 - UOBM ✓ ✓ Melcher

Date **May 12, 1952**

Field Team Reg. III

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

MAY 16 1952

Chapman
Selfridge

Mr. H. C. Miller
Executive Officer, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

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Applicant O. H. Griggs - Lakeview Manganese Mines

Docket No. 2393

Commodity Manganese

Amount $ 16,500.00

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Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

APPROVED:

J. H. Hedges

Member, Bureau of Mines

/s/ J. M. Lemmon

Member, Geological Survey

13759

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMMA 2393

Commodity Manganese

Total Amount $16,500.00

Govt. Participation $12,375.00

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(question 5, 6, 7)*

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*question numbers are those of MF-103

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b) MF-202? Yes

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d) Water (question 13)* Good

e) Power (question 13)* Use gasoline or diesel power.

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

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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? **Yes** If so, attach a draft.

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f) Should more information be requested from applicant?_____

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a) Is it applicable? **Yes**

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c) Is a field check needed? **Yes**

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e) Is a field check needed?_____

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c) Reasonable?

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TLChapman'lm
5/13/52

Reviewed by: T. L. Chapman

Enclosures:

1 - MF-103
2 - USGS memorandum by Crittenden
2 - USBM ✓ ✓ Melcher

Date May 12, 1952

LAKEVIEW MANGANESE MINES

CRESCENT MILLS - CALIFORNIA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 8 1952

May 6, 1952.

DMEA-2393

Mr. C.O.Mittendorf, Acting Administrator,
Defense Minerals Exploration,
Washington, D.C.

Dear Mr. Mittendorf:- Thanks for your welcome letter of Apr. 22, which owing to my absence has not been answered earlier.

Enclosed please find six copies of "Landlord's Subordination Agreement" signed by the three owners of the Iron Dyke, Trail and Lakeview mining claims which constitute the property being operated by Lakeview Manganese Mines. I might add that this mine was first opened during the First World War and was then known as the "Braito"; was operated by myself during the last War under the name of Western Manganese Mines.

This property has produced in excess of 10,000 tons of good Manganese ore and it has all come from one small area not more than an acre in extent. And all of this tonnage was ore dragged from its original position by a slide which is still moving ground. The last ore I mined during the War was a segment which produced about 3,000 tons and was in this moving ground; it broke off abruptly when 8 feet in width. Above this area I have opened up a very substantial tonnage of ore that has been similarly dragged but is not now moving ground. This ore is strictly of a pyrolusite type but has been shattered in the moving and contains much foreign materials which our tests shows can be easily washed out.

This upper area is some 800 feet along the ground from the previous producing area and in between we find segments which have also been dragged. It is my opinion that this 800 feet is a solid ore body when we get into the ore in place and the small blocks we have so far found indicate a grade of not less than 48% Mn. As I examine the openings and what indications are observable, I believe the ore body in place is not far from the points where blocks of ore have been taken. I am convinced that the deposit contains many times the tonnage so far produced-- and not only that but extends upward several hundred feet above the present upper area. In fact there is from one small opening not less than 900 feet above our present upper workings at which we have some 15 tons of highgrade ore and indications of the main ore body extending to that point.

I am extremely eager to get this property properly explored but have not at present the needed funds with which to carry out such a program. Owing the uncertain time allowed during the war I did not feel warranted in doing this work.

I shall indeed be obligated to you for whatever you may be able to do in hurrying the visit here of the Engineer for making an examination. Iwould appreciate a few days advance notice of his coming in order to be sure that I am here-- other matters keep me away at intervals for several days at a time.

With my regards,

Sincerely,

O.H.Griggs.

400

FILE COPY
SURNAME:

Selfridge

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

APR 22 1952

Mr. O. H. Griggs
Lakeview Manganese Mines
Crescent Mills, California

Re: Docket No. DMEA 2393X - Manganese
Trail Lode Claim (O. H. Griggs)
Plumas County, California

Dear Mr. Griggs:

Thank you for your letter of April 12, 1952, in which you have explained certain of the problems confronting you with regard to the exploration of your manganese claims.

Since you intend to join the Trail Lode Claim to the operations of the Lakeview Manganese, it is possible that we can send an engineer to examine your property and consult with you regarding a possible exploration program. However, before making arrangements for such an examination, we would appreciate having the completed copies of the Landlord's Subordination Agreement which were mailed to you in our letter of March 11, 1952.

Sincerely yours,

C. O. Mittendorf (for) 4/22

Acting Administrator
Defense Minerals Exploration
Administration

GCSelfridge:ls
4/18/52

cc: Admn. Reading File
Docket
N. B. Melcher, USBM
M. D. Crittenden, USGS
Field Team, Reg. 3
G. C. Selfridge

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 16 1952

2393

LAKEVIEW MANGANESE MINES
CRESCENT MILLS - CALIFORNIA

April 12, 1952.

MR.C.O.Mittendorf, Acting Administrator,
Defense Minerals Exploration,
Washington 25, D.C.

Re:Docket DMEA 2393X-Manganese.

Dear Mr. Mittendorf:-Owing to my prolonged absence, your good letter of March 1st has remained unanswered.

Reviewing the program was presented in the application for aid for the "Trail" manganese claim, you are entirely correct in your decision. I find that there was omitted certain more informative details which would have explained the plans for the proposed work. However, since making the application, I have changed plans and now intend to join the Trail claim to the operations of Lakeview Manganese, as a more practical whole.

Let me explain the situation as well as I can:- There are three claims end to end extending from the State Highway upwards to the top of a very steep mountainside. The Trail claim is lowest and then come the IronDyke and Lakeview in order. Production heretofore has come from the IronDyke, where some 10,000 tons have been extracted from an area of about one acre. From this productive area upward to the top of the mountain, we have openings which suggest a continuous orebody. Some 800 feet above the previous production, we have developed a large tonnage of ore which can be called "drag ore", that is, ore not in original place, of a grade of around 35% Mn. Still nearer the top we have an opening with a few tons extracted of highgrade ore. The ore formation is distinct and regular. All of the ore heretofore produced has been ore detached from original place by a big slide and, as mined, occured in large solid segments. We believe that enough work has now been done to prove the continuity of the ore body to be found in place, but which we have not yet actually opened.

Due to the fact that I have had to carry this operation for far longer than anticipated for lack of the establishment of stockpile facilities which latter were only announced to me early in December as being set up at Deming, New Mexico; and also due to the fact that a record winter snowfall here forced suspension of work until now since mid-December, I find myself pressed for the means with which to do the work necessary for opening up ore in place in the property. I am confident that with proper work this mine will disclose a large tonnage running into many thousands of tons of excellent ore. The opinions of all who have inspected the property agree that it is a deep seated ore body. At the time I suspended operations in December, 1944, at the end of the War program, the last ore mined was a segment dragged from its place which broke off abruptly on a face more than 8 feet in width. There I have opened the mentioned zone of "drag ore" some 800 feet above the previous production, the 35% ore is about 20 feet in width-- all of which indicates a large ore body and a continuous one.

Where this 20 feet of drag ore lies, is not more than 150 to 200 feet from the strike of ore formation. To develop the ore in place and do it for proper mining will, I estimate, cost me approximately $30,000.00. This amount includes small portable drilling equipment such as the Sullivan Company make which at one time they named an "Airbreeze" drill, the necessary tunnel footage, amd the accessory work and materials necessary. I am prepared to furnish the required 25% of this amount.

I am at a loss to know just how to proceed. If it were in line with your policies, I would suggest that one of your examining engineers come here at the earliest possible time to go over the ground and get an understanding of the situation and what I propose to do-- and I am sure he would find himself in full accord with my plans. Then I could intelligently proceed in conformity with your requirements and present the matter supported by the opinion of one of your own experts.

By next week, I expect to have the mine road cleared of slides caused by the extreme snows and begin shipments. I have opened a second Manganese property on this same formation which also has been idle since December due to the same causes. During the War I started work on this property and succeeded in shipping a limited tonnage before the War program ended. The ore ran about 56% Mn with a very low Silica. I have driven a tunnel into the ore formation there some 80 feet below the former surface production and am in 6 feet of ore of the same high quality and I look for a substantial tonnage from this mine also.

May I presume to ask your suggestions? I would be happy to have you wire me at my expense at Crescent Mills, Calif., where I shall be most of my time from now on.

Sincerely yours,

O.H.Griggs. O H Griggs

AIRMAIL.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

March 17, 1952

Memorandum

To: George C. Selfridge, DMEA

From: Norwood B. Melcher

Subject: DMEA 2393 - Trail Manganese Claim, Plumas County, California - Manganese

The applicant requested aid to the extent of $16,500.50, less 25 percent to be borne by himself, for the construction of an exploration tunnel 200 ft. in length which will extend to the boundary of the adjoining Iron Dyke claim also owned by the applicant. The Iron Dyke property is said to be currently producing manganese dioxide ore of 45½ percent manganese.

It is noted in answer to question 7 that it is not planned to rent any equipment due to a scarcity of the required type in that region and that all equipment will have to be purchased. The applicant further states that if at a later date equipment can be released from other jobs, approval for use of such equipment on a rental basis would be asked of this office. It appears that the possibility of using available equipment or renting same should be explored further if construction of a tunnel is to be considered.

On the basis of the application, the Trail Claim is favorably located with respect to two other properties, the Iron Dyke and a property to the east of the Trail Claim which is said to have produced a limited tonnage of 56 percent manganese ore during the war. The Bureau of Mines has issued no Reports of Investigations or War Minerals Reports on these deposits but the California Division of Mines Bulletin 152, "Geologic Description of the Manganese Deposits of California," p. 172, describes the Iron Dyke deposit under the heading "Braito Mine (Dixie Creek, Feather River, Iron Dyke). (By N. L. Taliaferro, 1918.) The report tends to confirm the applicant's description but contains no assays or estimates of ore.

It is questionable what purpose a tunnel to the boundary of the Iron Dyke property would serve. If it is the owner's intention to subsequently extend it further, this fact should be taken into consideration, at this time. Drilling one or both properties might serve the same purpose as the tunnel for locating ore and would be much cheaper. The sum of $2,000-$2,500 might be adequate for drilling the Trail Claim, one-fourth of which could be paid by the applicant.

Norwood B. Melcher

Docket 400
FILE COPY
SURNAME:

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

Brewer
Selfridge

MAR 1 1 1952

Trail Manganese Mine
c/o Mr. O. H. Griggs
1903 Outpost Drive
Hollywood, California

Re: Docket No. DMHA 2393X - Manganese
Trail Lode Claim (O. H. Griggs)
Plumas County, California

Dear Mr. Griggs:

The subject application for an exploration loan in the sum of $16,500.00 has been initially reviewed and we find that the lands included in the application are so situated in relation to the proposed work as to preclude further consideration of the application as received.

The application proposes that an adit be run northerly through overburden, thence along the vein, for a maximum distance of 300 feet. The location of the adit portal, as indicated by the application and by the map (Exhibit 3), is about 200 feet southerly from the northerly end line of the "Trail" claim, and about 150 feet lower in elevation than the outcrop which lies just within the adjoining "Iron Dyke" claim. The area which lies within the Trail claim, and which would be explored by the proposed work is, therefore, a triangle, bounded on the base by 200 feet of drift and limited on the north by the vertical projection of the end line of the Trail claim and on the surface by a steep sloping terrain (about 40°). This very small area, considering the discontinuous nature of the ore lenses, does not appear to be a sufficiently large "target", geologically, to be compatible with the proposed expenditures.

It is also noted that if the proposed adit were extended northward beyond the Trail claim, it would penetrate the contiguous Iron Dyke claim being worked by the "Lakeview Manganese Mines". As you control the Trail, Iron Dyke and Lakeview claims through the same lease and operate Lakeview Manganese Mines, it is suggested that your application be amended to include all three claims, thus increasing the size of the geologic "target" to be explored. Additional drifting could then be done on the Iron Dyke claim.

An initial phase (Stage I) to explore and sample the vein at or near the portal site by bulldozing may be feasible, in addition to

FILE COPY
SURNAME:

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

the work proposed heretofore (which could be noted as Stage II). If you find such an initial phase feasible, the suggested amendment could also include this phase, with its estimated time and cost.

We are enclosing seven (7) copies of the "Landlord's Subordination Agreement", which should accompany an application, six (6) of which are to be signed and returned to this office.

Further processing of your application will await your pleasure in this regard.

Sincerely yours,

C. O. Mittenderf (fw) 3/11/52

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures - 7

QLBrewer'lm
3/7/52

cc: Admn. Reading File
Docket
N. B. Melcher, USBM
M. D. Crittenden, USGS
Field Team Reg. III
G. C. Selfridge
Q. L. Brewer

IN REPLY REFER TO:

G-MD-MDC

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

February 28, 1952

Memorandum

To: George C. Selfridge, DMEA

From: M. D. Crittenden

Subject: DMEA 2393 - Trail Manganese mine
O. H. Griggs

The applicant proposes to spend $16,000 to equip and develop a new adit to test the possible extension into the Trail claim of an ore zone being mined on the adjoining Braito or Lakeview property. The Geological Survey examined this property first in 1918, and again in 1942 and 1943. The results of these examinations are briefly summarized in the California State Division of Mines Bull. 152, pp. 172-173, 1950.

The Trail claim is a longitudinal extension of two claims, which together have been called at various times the Braito, Iron Dike, Lakeview, or Western Manganese mines. The property is owned by Miles Timmins, Charles Herring, and Mrs. Frank Bear of Crescent Mills, California, and is under lease to the Star Mines Company, O. H. Griggs principal.

The mine was first operated during World War I when it was known as the Braito, was opened for a short time in 1929, and again during World War II. The total recorded production to 1942 is listed below:

Year	Production in long tons	Grade percent
1917	1100	48
1918	883	45
1929	135	41.9
1941	200	
1942	637	41.7
1943 (partial)	1445	

(per release 147A)

The mine is in Sec. 27, T. 26 N., R. 9 E. about 3 miles southwest of Crescent Mills. A bed or vein of manganese crops out on a steep southeast-facing slope, and has been developed by a series of adits and open cuts at various levels. The oldest workings were those farthest northwest and near the crest of the hill, and it appears likely that most of the ore in those areas has been mined out. Most of the work during World War II was done from adits called No. 1, No. 2, and the "Reeves tunnel". All of these workings are on the line-of-strike northwest of the proposed area to be prospected on the Trail claim, and are in the

area indicated as #1 and #2 on Exhibit 3 attached to the application.

The work at this property has encountered discontinuous lenses of ore, in a zone more or less following the strike of the schistose country rock. This zone shows considerable red clay and jasper, and is cut by persistent faults. The workings so far appear to be lined up along one horizon in the schists, and it seems reasonable to search for extensions of the ore along that zone.

The ore itself is a mixture of braunite and some pyrolusite, with jasper, clay, and other material from the walls, and requires some sorting to maintain a shipping grade of +40% Mn, and less than 15% silica.

Recommendation:

The operator's proposal to prospect for an extension of the ore zone now being mined to the southwest of the existing workings appears reasonable and the chances for a discovery appear to be good. The proposal to drive adits, then look for the ore zone underground, however, seems foolish. I suggest that the proposition be set up in two stages; step I to include trenching and sampling to locate possible extension; step II to consist of the proposed drift on the ore. Inasmuch as we have no recent first-hand information about the operations, it is suggested that the Field Team be asked to check and concur or modify if desirable before the contract is prepared.

I suspect from the way the application is worded that Griggs hopes to get the operation completely equipped to mine, by the means. Maybe he will have to purchase the shaft, but he should buy out the Government's interest when exploration is complete.

IN REPLY REFER TO:

G-MD-MDC

Docket File

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

February 28, 1952

Memorandum

To: George C. Selfridge, DMEA

From: M. D. Crittenden

Subject: DMEA 2393 - Trail Manganese mine
O. H. Griggs

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The mine was first operated during World War I when it was known as the Braite, was opened for a short time in 1929, and again during World War II. The total recorded production to 1942 is listed below:

Year	Production in long tons	Grade percent
1917	1100	48
1918	883	45
1929	135	41.9
1941	200	
1942	637	41.7
1943 (partial)	144	

The mine is in Sec. 27, T. 26 N., R. 9 E. about 3 miles southwest of Crescent Mills. A bed or vein of manganese crops out on a steep southeast-facing slope, and has been developed by a series of adits and open cuts at various levels. The oldest workings were those farthest northwest and near the crest of the hill, and it appears likely that most of the ore in these areas has been mined out. Most of the work during World War II was done from adits called No. 1, No. 2, and the "Reeves tunnel". All of these workings are on the line-of-strike northwest of the proposed area to be prospected on the Trail claim, and are in the

area indicated as #1 and #2 on Exhibit 3 attached to the application.

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The ore itself is a mixture of braunite and some pyrolusite, with jasper, clay, and other material from the walls, and requires some sorting to maintain a shipping grade of +40% Mn, and less than 15% silica.

Recommendations:

The operator's proposal to prospect for an extension of the ore zone now being mined to the southwest of the existing workings appears reasonable and the chances for a discovery appear to be good. The proposal to drive adits, then look for the ore zone underground, however, seems foolish. I suggest that the proposition be set up in two stages; step I to include trenching and sampling to locate possible extensions; step II to consist of the proposed drift on the ore. Inasmuch as we have no recent first-hand information about the operations, it is suggested that the Field Team be asked to check and concur or modify if desirable before the contract is prepared.

I suspect from the way the application is worded that Griggs hopes to get the operation completely equipped to mine, by the means. Maybe he will have to purchase the shaft, but he should buy out the Government's interest when exploration is complete.

MDCrittenden:gt

EXPLORATION

Subject: DMEA-2393
Re: Exploration Loan
Trail Lode Mining Claim
February 27, 1952

Mr. O. H. Griggs, Partner
Trail Manganese Mine
1903 Outpost Drive
Hollywood, California

My dear Mr. Griggs:

This will acknowledge receipt of your application dated January 10, 1952 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2393 and referred to the Iron and Ferro-Alloys Division.

Kindly refer to DMEA-2393 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Acting Administrative Officer

7862

DMEA-2393

Crescent Mills, California.
Feb. 15, 1952.

Defense Materials Procurement Agency,
Exploration Department,
Washington 25, D.C.

Gentleman:- Enclosed please find Application in quadruplicate covering request for Government aid in exploring a potential Manganese property.

We trust that the information contained is responsive to your Form MF 103 and is adequate for your purposes.

Respectfully yours,

O.H.Griggs
For Trail Manganese Mine,
Crescent Mills, California.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. DMEA 2393 AMENDED
Metal or Mineral
Date Received 7-29-52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

Lakeview Manganese Mines
Crescent Mills, Calif.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—Sta[illegible]e mineral or minerals for which you [illegible]ish t[illegible]xplore .....

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

(*c*) The work will start within ..... days and be completed within ..... months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

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

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

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

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

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

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

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

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

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

☒ Money ☒ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated May 25, 1952

LAKEVIEW MANGANESE MINES

By ..... (Applicant)

By [illegible]

Ezequiel Portuna

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

1. Name of Applicant:- Lakeview Manganese Mines.
   (b) A Limited Partnership, organized under the laws of the State of California.
   (c) Not applicable.
   (d) General Partner:- O.H.Griggs, Crescent Mills, Calif.
   Limited Partners:- H.C.Thomas, 352 No. Ave. 59, LosAngeles.
   L.W.Brindley Cfo David Hunt, 453 So Spring St., "
   Clair Waterbury, Cfo David Hunt, 452 So Spring St. "

2. General:- Four copies herewith.

3. (a) The property held by Applicant consists of three lode mining claims named the Trail, Iron Dyke and Lakeview. These claims lie end to end-- 4500 feet in length-- see accompanying mapping marked Exhibit A.
   (b) This property was at one time known as the "Braito"; was operated during the past War by the present General partner O.H.Griggs under the name of Western Manganese Mines.
   (c) Applicant is Lessee -- see Copy of Applicant's lease accompanying this application marked Exhibit B.
   (d) Copy of lease marked Exhibit B attached hereto.
   (e) There are no encumbrances or liens.
   (f) The Trail claim recorde in the office of the County Recorder of Plumas County, Calif. on August 14,1941 in Book of Quartz Calims 22 at Page 459.
   The Iron Dyke claim recorded in the office of the County Recorder of Plumas County, Calif., April 19,1938, in Book of Quartz Claims 21 at Page 406.
   The Lakeview claim recorded in the office of the County Recorder of Plumas County, Calif., May 2, 1938, in Book of Quartz Calims 21 at Page 65.

4. (a) The Iron Dyke claim has been the largest producer of Manganese oxide ores in California. This production which totals not less than 10,000 tons of ore averaging above 45% Mn, has come from one small area not more than an acre in extent. This area is in a slide which has been moved down the steep mountainside carrying segments of ore not in original place. Segments containing as much as 2,000 tons have been mined with ore as wide as 14 feet. The main purpose of this application is to explore for ore in place. In addition to the mentioned production, applicant has opened an area some 800 feet up the mountainside which also is ore not in original place but which has been dragged downard with the crushed and shattered original ore being now mixed with foreign material bringing the ore grade down to an average of about 35% Mn and which is now developed to a proven tonnage of 12,500 tons and which now occurs in stabilized ground-- it is in this area that the proposed work of exploration for ore in place is to be conducted-- see sketch marked Exhibit A.

(Lakeview Manganese Mines, Crescent Mills, Calif.)

4. (cont'd) (b) See (a) above.
   (c) The ores of this property are considered to be originally beddings, occuring in the slates, with cherty wall which sometimes appears to be hanging wall and at other times is where the footwall should be. The ore previously produced from the slide area mentioned in 4(a) above is regarded as having been subjected to waters which have lowered the Manganese content thereby at the same time increasing the Silica-Alumina. This alteration does not occur in the area where exploration is projected, the Silica-Alumina running much lower and the Manganese substantially higher. Concentrates made by panning of the dragged ore mentioned in 4(a) above show the concentrated Manganese to run about 8% Silica-Alumina and the Manganese about 50%. It is expected that ore in place will conform to the panned materials, and will also find wall material in place.
   (d) This property lies 3 miles from shipping point at Crescent Mills. 1 mile of which is State Highway. The road from Highway to Mine is gravelled and easily traversed. Miners live in the immediate vicinity, are married men generally who own their own homes and are first class workmen.
   (e) Labor is readily available, springs on the property supply ample water for all purposes. Power (aircompressing) is by gasoline motor. The property is equipped for the work now being carried on-- that is, the mining of the drag ore described in 4(a) above.

5. (a) The mineral to be explored is Manganese oxides
   (b) The projected work for which Applicant asks aid is (1) bulldozing cross trenching in order to more accurately indicate ore originally in place; (2) diamond drilling to outline ore in place; and (3) underground drifting to contact ore in place. See Sketch marked Exhibit A.
   (c) Work proposed can start immediately upon notice of availability of funds and, depending upon progress of diamond drilling should be completed well within a 9 months period.
   (d) O.H.Griggs, the General Partner and mine operator has had extended experience over more than 30 years of practical mining and during the past War was the largets producer of Manganese ores in California and he will be in personal charge of the proposed work.

6. See page of Estimates marked Exhibit C.

7. We are preparde to furnish our share of the proposed expenditures which is 25% of the total. Our share will consist both of money and equipment. See Exhibit C.

(Lakeview Manganese Mines, Crescent Mills, California)

STATEMENT

This is to state that I, the undersigned O.H.Griggs, am in fact the Star Mines Companynamed as Lessee in that certain Mining Lease dated November 29, 1950, having to do with certain mining claims located in Plumas County, California, named the Iron Dyke, the Lakeview and the Trail; that the name Star Mines Company is a fictitious name under which I do business and that I have full and complete right and authority in every respect to execute instruments in which the said Star Mines Company is involved or interested; that the said Lease dated November 29, 1950,is as of this date in full force and good standing; and that a subordination agreement executed by the owners of the said mining claims has heretofore been filed with the Acting Administrator of the Defense Minerals Exploration Administration, under the identification of Docket No.DMEA 2393X in Washington,D.C., in compliance with the requirements of the said Administration and on the form furnished by the said Administration.

Signed this 25th day of May, 1952.

O.H.Griggs

O.H.Griggs.

EXHIBIT D

MINING LEASE

THIS AGREEMENT made and entered into by and between Miles Timmins, Charles Herring and Mrs. Rank Bear, partners, of Crescent Mills, California, lessors, and Star Mines Company, a partnership, lessee.

WITNESSETH:

That in consideration of the mutual covenants herein contained it is agreed as follows:-

1. Lessors are the owners by mining claim title, the paramount title being in the United States, of the following described property which is free and clear of all encumbrances:-
Lode Mining Claims named the Iron Dyke, the Lakeview and the Trail situated in Plumas County, California, and hereinafter referred to as the property, the notices of location of which are recorded in the office of the County Recorder of said County.

2. Lessors hereby let and lease unto lessee the said property for the term of 10 years from date hereof.

3. For the use, occupancy and as rentals and for the purposes hereinafter set forth, lessee shall pay to lessor a royalty of 10% of the proceeds receives from sales of products derived from the property. Lessee shall give written instructions to the purchasers of the said products to remit all of such proceeds to a bank to be agreed upon by the parties hereto and such bank shall be given written instructions jointly executed by the parties hereto to deduct from the said proceeds 10% thereof in each instance paying the same to lessors or their order and the remainder to lessee. Coincident with said payment of the said remainder to lessee, lessee shall in each instance furnish lessors with a statement showing the weights, grades and prices of the said products represented by each suchremittance. Lessors shall have the privilege during office hours of inspection of the records and books of account of lessee which have to do with the said sales and the payments received therefor.

4. It is agreed that it is impractical at the date hereof for lessee to commence operations on the property due to winter weather conditions, but lessee shall, at the end of the winter season, commence work on the property and carry the same on continuously during the term hereof on a basis of not less than a five-day-work-week. It is understood that there is at this time no ore opened on the property and that the first work to be done is development work, but that upon ore being discovered the same shall be mined and sold at the then best obtainable prices provided that shipments of ore may not be elss than railroad car lots.

5. Lessee shall pay taxes assessed against the property and shall perform assessment theron required by law and file proper proofs that the same has been done and furnish lessors with the same.

6. Operations on the property shall be in a minerlike manner in keeping with good practise in similar cases, workings shall be kept safe and wherenecessary adequately timbered; and lessors shall have freeaccess to the property and its workings during usual working hours for the purposess of inpsection, but the same shall be at the risk and expense of lessors.

7. Lessors shall protect the property against liens and other encumbrances caused by lessee, and lessors shall have the right to post notices of non-responsibility on the property

8. Lessee shall have the right to terminate this agreement upon giving notice thereof to lessors and such termination shall be effective ten days after such notice and thereafter lessee shall be relieved of obligations specified herein. Lessee shall have the right and the same is hereby granted to remove from the property all machinery, tools and equipment placed thereon by lessee and such right shall extend for 30 days following the effective date of the said termination, but lessee shall not remove any underground tracks, pipes nor timber supports.

9. In the event that either party hereto shall allege any default or breach of the terms and conditions hereof against the other, the same shall be in writing specifying the nature in detail of such default or breach, and the party so alleged to be in such default or breach shall have and is hereby given 30 days after receipt of such notice in which to cure or remedy the same. Provided however that suspensions of work caused by so-called acts of God, labor troubles or inclement weather or other causes beyond the reasonable control of lessee shall not be cause for breach or default.

10. For the purposes hereof notices desirable or necessary from one party to the other shall be in writing and the same shall be mailed by U.S. prepaid registered mail to the following addresses:-

Miles Timmins.....Crescent Mills, Calif.
Charles Herring..... " " "
Mrs. Frank Bear..... " " "
Star Mines Company.....1903 Outpost Drive,
Hollywood 28, Calif.

The return receipt provided by the Postoffice Department shall be conclusive as to the date and delivery of such notices.

11. Lessee shall comply with law in the said operations and shall obey the rules, regulations and orders of authorities having jurisdiction thereof.

Times is of the essence hereof and this agreement and its terms and conditions shall inure to and belong to the heirs, assigns and successors in interest of the parties hereto.

IN WITNESS WHEREOF the parties hereto have subscribed their names and affixed their signatures this 29 day of Nov. 1950.

Miles Timmins (Signed)
Charles Herring (Signed)
Mrs. Frank Bear (Signed)
Star Mines Company
By O.H.Griggs, Partner (Signed)

EXHIBIT C

COST ESTIMATE.

Step 1.

Cross trenching with bulldozer

100 hours @ $14.00	$1400.00
Supervision 2 weeks @ $100.00	200.00

(This work will be contracted)

Step 2.

Diamond drilling from surface.

Minimum of 2,000 ft @ $6.00 per foot	12000.00
Supervision 12 weeks @ $100.00	1200.00

Location of drill to depend upon results of bulldozing work.

(Drilling to be contracted)

Step 3.

400 feet drifting @ $33.00 per foot		13200.00
Breakdown of drifting costs:-		
(a) Labor and supplies	$25.00	
(b) Supervision @ $5.00	5.00	
(c) Building use	1.50	
(d) Equipment rental	1.50	
	33.00	28,000.00

The above Estimate compiled in collaboration with Mr.Geo.H.Holmes, Mining Engineer with U.S.Bureau of Mines at time of examination by Mr. Holmes.

LAKEVIEW MANGANESE MINES

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. dmea/2393 AMENDED
Metal or Mineral
Date Received 7-29-52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

Lakeview Manganese Mines
Crescent Mills, Calif.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

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

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

(*c*) The work will start within ..... days and be completed within ..... months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

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

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

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

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

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

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

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

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

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

[X] Money [X] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated May 25, 1952

LAKEVIEW MANGANESE MINES
(Applicant)

By [signature]
Fenwood Poulter

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

1. Name of Applicant:- Lakeview Manganese Mines.
   (b) A Limited Partnership, organized under the laws of the State of California.
   (c) Not applicable.
   (d) General Partner:- O.H.Griggs, Crescent Mills, Calif.
   Limited Partners:- H.C.Thomas, 352 No. Ave. 59, LosAngeles.
   L.W.Brindley Cfo David Hunt, 453 So Spring St., "
   Clair Waterbury, Cfo David Hunt, 452 So Spring St. "

2. General:- Four copies herewith.

3. (a) The property held by Applicant consists of three lode mining claims named the Trail, Iron Dyke and Lakeview. These claims lie end to end-- 4500 feet in length-- see accompanying mapping marked Exhibit A.
   (b) This property was at one time known as the "Braito"; was operated during the past War by the present General partner O.H.Griggs under the name of Western Manganese Mines.
   (c) Applicant is Lessee -- see Copy of Applicant's lease accompanying this application marked Exhibit B.
   (d) Copy of lease marked Exhibit B attached hereto.
   (e) There are no encumbrances or liens.
   (f) The Trail claim recorde in the office of the County Recorder of Plumas County, Calif. on August 14,1941 in Book of Quartz Calims 22 at Page 459.
   The Iron Dyke claim recorded in the office of the County Recorder of Plumas County, Calif., April 19,1938, in Book of Quartz Claims 21 at Page 406.
   The Lakeview claim recorded in the office of the County Recorder of Plumas County, Calif., May 2, 1938, in Book of Quartz Calims 21 at Page 65.

4. (a) The Iron Dyke claim has been the largest producer of Manganese oxide ores in California. This production which totals not less than 10,000 tons of ore averaging above 45% Mn, has come from one small area not more than an acre in extent. This area is in a slide which has been moved down the steep mountainside carrying segments of ore not in original place. Segments containing as much as 2,000 tons have been mined with ore as wide as 14 feet. The main purpose of this application is to explore for ore in place. In addition to the mentioned production, applicant has opened an area some 800 feet up the mountainside which also is ore not in original place but which has been dragged downard with the crushed and shattered original ore being now mixed with foreign material bringing the ore grade down to an average of about 35% Mn and which is now developed to a proven tonnage of 12,500 tons and which now occurs in stabilized ground-- it is in this area that the proposed work of exploration for ore in place is to be conducted-- see sketch marked Exhibit A.

(Lakeview Manganese Mines, Crescent Mills, Calif.)

4. (cont'd) (b) See (a) above.
(c) The ores of this property are considered to be originally beddings, occuring in the slates, with cherty wall which sometimes appears to be hanging wall and at other times is where the footwall should be. The ore previously produced from the slide area mentioned in 4(a) above is regarded as having been subjected to waters which have lowered the Manganese content thereby at the same time increasing the Silica-Alumina. This alteration does not occur in the area where exploration is projected, the Silica-Alumina running much lower and the Manganese substantially higher. Concentrates made by panning of the dragged ore mentioned in 4(a) above show the concentrated Manganese to run about 8% Silica-Alumina and the Manganese about 50%. It is expected that ore in place will conform to the panned materials, and will also find wall material in place.
(d) This property lies 3 miles from shipping point at Crescent Mills. 1 mile of which is State Highway. The road from Highway to Mine is gravelled and easily traversed. Miners live in the immediate vicinity, are married men generally who own their own homes and are first class workmen.
(e) Labor is readily available, springs on the property supply ample water for all purposes. Power (aircompressing) is by gasoline motor. The property is equipped for the work now being carried on-- that is, the mining of the drag ore described in 4(a) above.

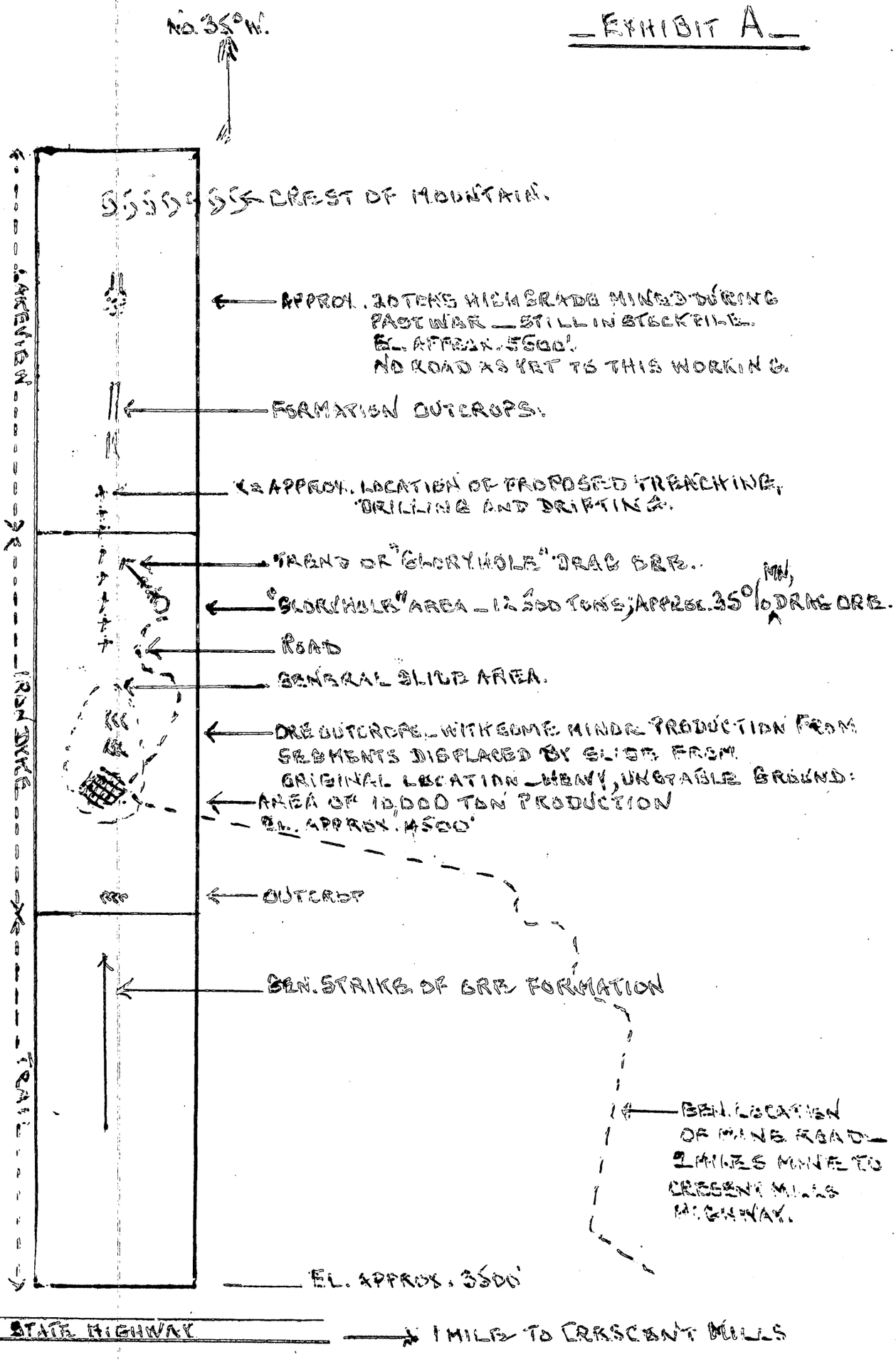
5. (a) The mineral to be explored is Manganese oxides
(b) The projected work for which Applicant asks aid is (1) bulldozing cross trenching in order to more accurately indicate ore originally in place; (2) diamond drilling to outline ore in place; and (3) underground drifting to contact ore in place. See Sketch marked Exhibit A.
(c) Work proposed can start immediately upon notice of availability of funds and, depending upon progress of diamond drilling should be completed well within a 9 months period.
(d) O.H.Griggs, the General Partner and mine operator has had extended experience over more than 30 years of practical mining and during the past War was the largets producer of Manganese ores in California and he will be in personal charge of the proposed work.

6. See page of Estimates marked Exhibit C.

7. We are preparde to furnish our share of the proposed expenditures which is 25% of the total. Our share will consist both of money and equipment. See Exhibit C.

(Lakeview Manganese Mines, Crescent Mills, California)

EXHIBIT A



(LAKEVIEW MANGANESE MINES)
CRESCENT MILLS, CALIF.
5/25/52

SCALE:-
APPROX. 1" = 500'

STATEMENT

This is to state that I, the undersigned O.H.Griggs, am in fact the Star Mines Companynamed as Lessee in that certain Mining Lease dated November 29, 1950, having to do with certain mining claims located in Plumas County, California, named the Iron Dyke, the Lakeview and the Trail; that the name Star Mines Company is a fictitious name under which I do business and that I have full and complete right and authority in every respect to execute instruments in which the said Star Mines Company is involved or interested; that the said Lease dated November 29, 1950,is as of this date in full force and good standing; and that a subordination agreement executed by the owners of the said mining claims has heretofore been filed with the Acting Administrator of the Defense Minerals Exploration Administration, under the identification of Docket No.DMEA 2393X in Washington,D.C., in compliance with the requirements of the said Administration and on the form furnished by the said Administration.

Signed this 25th day of May, 1952.

O.H.Griggs.

EXHIBIT B

MINING LEASE

THIS AGREEMENT made and entered into by and between Miles Timmins, Charles Herring and Mrs. Rank Bear, partners, of Crescent Mills, California, lessors, and Star Mines Company, a partnership, lessee.

WITNESSETH:

That in consideration of the mutual covenants herein contained it is agreed as follows:-

1. Lessors are the owners by mining claim title, the paramount title being in the United States, of the following described property which is free and clear of all encumbrances:-
Lode Mining Claims named the Iron Dyke, the Lakeview and the Trail situated in Plumas County, California, and hereinafter referred to as the property, the notices of location of which are recorded in the office of the County Recorder of said County.

2. Lessors hereby let and lease unto lessee the said property for the term of 10 years from date hereof.

3. For the use, occupancy and as rentals and for the purposes hereinafter set forth, lessee shall pay to lessor a royalty of 10% of the proceeds receivee from sales of products derived from the property. Lessee shall give written instructions to the purchasers of the said products to remit all of such proceeds to a bank to be agreed upon by the parties hereto and such bank shall be given written instructions jointly executed by the parties hereto to deduct from the said proceeds 10% thereof in each instance paying the same to lessors or their order and the remainder to lessee. Coincident with said payment of the said remainder to lessee, lessee shall in each instance furnish lessors with a statement showing the weights, grades and prices of the said products represented by each suchremittance. Lessors shall have the privilege during office hours of inspection of the records and books of account of lessee which have to do with the said sales and the payments received therefor.

4. It is agreed that it is impractical at the date hereof for lessee to commence operations on the property due to winter weather conditions, but lessee shall, at the end of the winter season, commence work on the property and carry the same on continuously during the term hereof on a basis of not less than a five-day-work-week. It is understood that there is at this time no ore opened on the property and that the first work to be done is development work, but that upon ore being discovered the same shall be mined and sold at the then best obtainable prices provided that shipments of ore may not be less than [redacted] car lots.

5. Lessee shall pay taxes assessed against the property and shall perform assessment theron required by law and file proper proofs that the same has been done and furnish lessors with the same.

6. Operations on the property shall be in a minerlike manner in keeping with good practise in similar cases, workings shall be kept safe and wherenecessary adequately timbered; and lessors shall have freeaccess to the property and its workings during usual working hours for the purposess of inpsection, but the same shall be at the risk and expense of lessors.

7. Lessors shall protect the property against liens and other encumbrances caused by lessee, and lessors shall have the right to post notices of non-responsibility on the property

8. Lessee shall have the right to terminate this agreement upon giving notice thereof to lessors and such termination shall be effective ten days after such notice and thereafter lessee shall be relieved of obligations specified herein. Lessee shall have the right and the same is hereby granted to remove from the property all machinery, tools and equi ment placed thereon by lessee and such right shall extend for 30 days following the effective date of the said termination, but lessee shall not remove any underground tracks, pipes nor timber supports.

9. In the event that either party hereto shall allege any default or breach of the terms and conditions hereof against the other, the same shall be in writing specifying the nature in detail of such default or breach, and the party so alleged to be in such default or breach shall have and is hereby given 30 days after receipt of such notice in which to cure or remedy the same. Provided however that suspensions of work caused by so-called acts of God, labor troubles or inclement weather or other causes beyond the reasonable control of lessee shall not be cause for breach or default.

10. For the purposes hereof notices desirable or necessary fromoone party to the other shall be in writing and the same shall be mailed by U.S. prepaid registered mail to the following addresses:-

Miles Timmins.....Crescent Mills, Calif.
Charles Herring..... " " "
Mrs. Frank Bear..... " " "
Star Mines Company.....1903 Outpost Drive,
Hollywood 28, Calif.

The return receipt provided by the Postoffice Departmentbshall be conclusive as to the date and delivery of such notices.

11. Lessee shall comply with law in the said operations and shall obey the rules, regulat ons and orders of authorities having jurisdiction thereof.

Times is of the essence hereof and this agreement and its terms and conditions shall inure to and belong to the heirs, assigns and successors in interest of the parties hereto.

IN WITNESS WHEREOF the parties hereto have subscribed their names and affixed their signatures this 29 day of Nov. 1950.

Miles Timmins (Signed)
Charles Herring (Signed)
Mrs. Frank Bear (Signed)
Star Mines Company
By O.H.Griggs, Partner (Signed)

EXHIBIT C

COST ESTIMATE.

Step 1.

Cross trenching with bulldozer

100 hours @ $14.00	$1400.00
Supervision 2 weeks @ $100.00	200.00

(This work will be contracted)

Step 2.

Diamond drilling from surface.

Minimum of 2,000 ft @ $6.00 per foot	12000.00
Supervision 12 weeks @ $100.00	1200.00

Location of drill to depend upon results of bulldozing work.

(Drilling to be contracted)

Step 3.

400 feet drifting @ $33.00 per foot		13200.00
Breakdown of drifting costs:-		
(a) Labor and supplies	$25.00	
(b) Supervision @ $5.00	5.00	
(c) Building use	1.50	
(d) Equipment rental	1.50	
	33.00	28,000.00

The above Estimate compiled in collaboration with Mr.Geo.H.Holmes, Mining Engineer with U.S.Bureau of Mines at time of examination by Mr. Holmes.

LAKEVIEW MANGANESE MINES

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

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

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

Not To Be Filled in by Applicant

Docket No. Dma-2393
Metal or Mineral
Date Received 2-26-52
Amount $
Participation (Government %)

FEB 26 1952
Defense Minerals Administration
RECEIVED

Name and address of applicant

GRAIG MANGANESE MINES, A PARTNERSHIP
GOPHER HILLS, PLUMAS COUNTY, CALIFORNIA
Partners:- C.F.Grigge, 1903 Outpost Drive, Hollywood, Calif.
M.I.Lessenger, 2209 Reservoir St., Los Angeles, Calif.

Date January 10, 1952.

If you have already filed MF-100, give date filed ——, type of assistance requested Exploration,

DMA Docket Number (if available) ——

INSTRUCTIONS

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

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

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

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

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

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

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

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

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

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

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

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

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

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

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

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

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

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

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

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

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

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

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

CERTIFICATION

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

[illegible] MINE
(Name of company)

By O. H. Griggs, Partner-Manager
(Signature of authorized official)

January 10, 1952.
(Date)

(Title)

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

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

Question 1. Page 1.

(a) One Lode Mining Claim named the "TRAIL", the Notice of Location of which was recorded in the Office of the Recorder of Plumas County California on August 14,1941 in Book 22 of Quartz Claims at Page 459. Situated In Plumas County,California, 1½ Mile South of Crescent Mills, California, lying within 300 feet of State Highway. No other property is involved in this Application. This property is virgin.

(b)Lease (copy) is attached hereto and marked Exhibit 1. Applicant is assignee of lease by leaseholder, the Star Mines Company. The Star Mines Company is a fictitious name under which O.H.Griggs does business. See Affidavit attached hereto and Marked Exhibit 2. It will be noted that Exhibit 1, the lease from the owners of the TRAIL Claim,covers three (3) lode mining claims, two of which, namely the Iron Dyke and Lakeview,have previously been assigned to the Lakeview Manganese Mines, the TRAIL Claim having been specifically excluded from such assignment.

(c)Given (a) above.

Trail Manganese Mine,
Crescent Mills, California.

(a) Manganese oxide ores only.

(b) This Trail Claim lies end to end with that certain lode Claim originally known as the "Braito" but which is named in its Notice of Location as the "Iron Dyke", and which during the pas War was operated by the undersigned Manager, O.H.Griggs, under the name of "Western Manganese Mines" and is currently again being operated by the undersigned, O.H.Griggs, under the name of "Lakeview Manganese Mines". This Iron Dyke claim has been the largest producer of Manganese oxide ores of any property in California and is at this time again producing, not less than 10,000 tons of 45% plus Manganese ores having been mined therefrom, with no limitation whatever yet in sight. The Trail Claim lies downhill from the Iron Dyke with its upper junction with the Iron Dyke about 300 feet from the above mentioned Iron Dyke production. An ore outcrop occurs only a few feet from the upper end boundary of the Trail Claim, below which outcrop material drifted from above has covered any other possible outcrops.

The Iron Dyke and its formation have been the subject of many reports, one of which is called to your attention:- A Bulletin issued in 1950 by the California Division of Mines authored by Mr. Parker D. Trask in which it is stated that the Iron Dyke ores will be deep seated. This Bulletin is devoted to California Manganese Deposits.

The Iron Dyke and Trail minerals occur in the slates with a normal hanging wall of cherty siliceous material. Originally it is thought this mineralization was a bedding which has since been tilted. At one place in the Iron Dyke Mine the ore was 14feet in width, with an average width of about 6 feet. This ore is of a blended Braunite-Pyrolusite type, hard dense, lumpy and free from fines. Average of Iron Dyke production will run above 45%Mn.

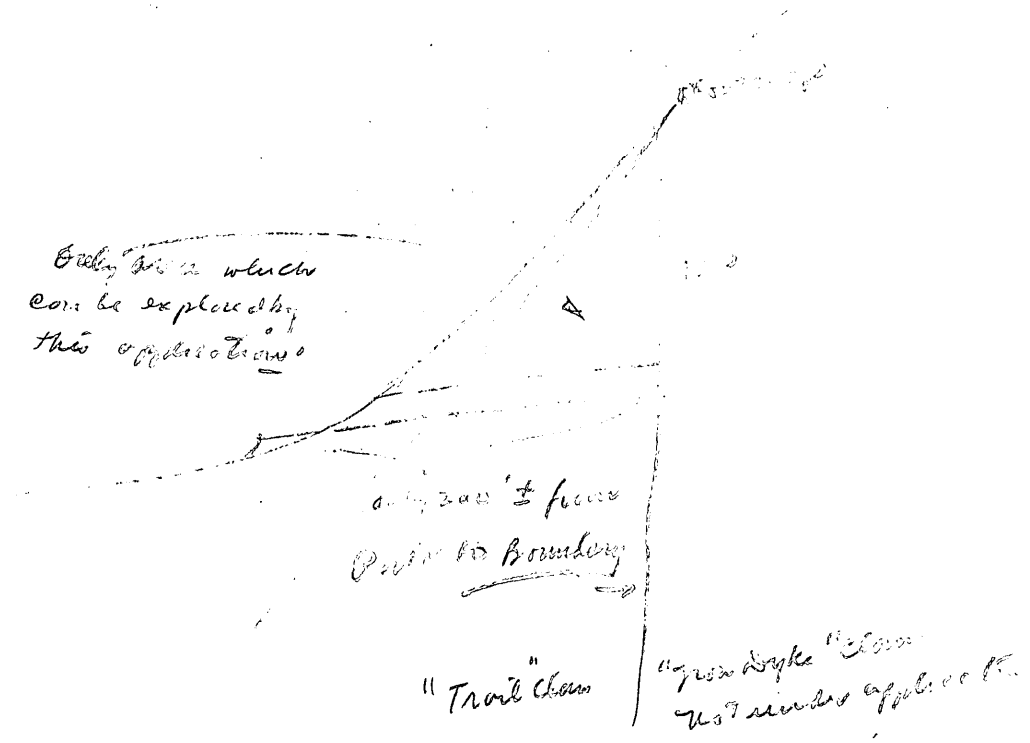
The attached sketch, marked Exhibit 3, will show the general layout and proposed location of exploratory work as well as the location of Iron Dyke production in relation thereto.

Trail Manganese Mine,
Crescent Mills, California.

(a) For cost of project see Estimate of Costs, Exhibit 4. It is proposed to drive tunnel into formation approximately 150 feet below lowest outcrop showing on end of Iron Dyke property. At this point surface material has accumulated where terrain begins to slope off at a more gentle incline. Practically no timber stands at site of tunnel, very little brush. In estimate on Exhibit 4 where road construction is noted, Estimate includes one day's time for preparing lot for compressor-change house and tunnel portal.

(b) From time when funds may be assured via this Application, 30 days is allotted for gathering equipment and 120 days for work-- that is, a total of 5 months time in which to complete program.

See Sketch, Exhibit 3.
This property is virgin, having no workings.
Work proposed is tunnel started through accumulated surface material at a point in direct line with strike of ore formation above, and about 150 feet below lowest outcrop on Iron Dyke property adjoining. Across the Iron Dyke property above the Trail, the strike of ore and ore formation has been found to be unusually straight on its No.35 degrees W. trend. This trend should continue closely on the Trail property. However, it is possible that some minor crosscutting maybe found necessary after drifting through surface materials to accurately locate ore.



Trail Manganese Mine, Crescent Mills, California.

There are no buildings, equipment or facilities of any kind on the Trail Claim. No work has ever been done on this property. The present proposal is prompted by reason of the production from the adjoining Iron Dyke Claim as described elsewhere in this Application, and the fact that the mineralized Manganese formation runs to the Trail property. This formation occurs further Easterly of the Trail where Manganese ores are being developed in substantial tonnages.

See Estimate of Costs, Exhibit 4.

(a) It is not planned to rent any equipment-- equipment such as required being scarce in this region, none is available for rent.

(b) All equipment to be required will have to be purchased, and for itemized costs see Exhibit 4.

(c) At this date Applicant has no spare equipment. If any can later be released from other jobs, use of it on any reantal basis would be submitted to your office in charge for approval.

Miners in this section receive $14.00 per 8 hours day; muckers receive $12.00. In order to keep workers it is necessary to work 6 days per week which means time -and-a-half one day each week. Miners do their own timber work. Experienced miners are available who live in this vicinity and own their own homes. Crew is taken to work by pickup truck of operator.

Supervision here is another term for work of foremen-- in case of Applicant only one foreman will be required. Foremen receive not less than $400.00 on a monthly basis.
Manager will provide any necessary engineering without extra compensation unless for any outlay of cash that may occur. In fact in this operation the managing partner is an experienced Manganese producer.

It should be noted that wages in this district are competitive with the lumbering industry whose minimum unskilled labor are paid a minimum of about $1.70 per hour.

See Exhibit 4, Costs Estimate.

This estimate, while generally in round numbers, is based on experience in purchasing similar materials and equipment within the past few months, and is believed to be close in every item.

Such minor items as assaying will be well covered by Item 21 of Exhibit 4, $378.00. Accounting also is included in Item 21.

Water for work comes from springs above by gravity.

The only power required is for aircompressing which is covered in Item 17 of Exhinit 4.

(a) Applicant is prepared to invest 25% of the total Costs as shown in Exhibit 4.

(b) Estimate of Costs shown in Exhibit 4 are based on extended experience in this kind of work in this district and are designed to cover all necessary costs as well as meeting any extra unforeseen expense which might be caused by delays or unusual happenings which are incidental to work of this character.

The foregoing 10 pages together with Exhibits 1,2,3,and 4 seem to cover the information required as Applicant understands the questions.

It might be pertinent, however, to note that the Management of the work proposed under this Application will be by the person undersigned, O.H.Griggs, and to state that O.H.Griggs was during the past War considered to have been the largets producer of Manganese in California and perhaps in the Coastal region; and is now operating two Manganese properties in the same region as the Trail Claim for which aid is being applied--the Iron Dyke, hereinbefore mentioned, which is now on production;and a Manganese property to the East of the Trail on the same mineralized formation which the undersigned began to develop during the War and from which some limited tonnage of 56% Mn ore was shipped prior to end of the War program and which mine is now stockpiling ore with shipments to begin within the next 30-60 days. O.H.Griggs has been engaged in mining for more than 30 years, having been major owner of open pit iron mine operations on both the Cuyuna Range (the Mahnomen Mine) and the Mesabi Range (the Shada Mine) as well as two underground iron mines on the Mesabi. Since disposing of iron mine interests and removing to California, has mined,in different properties, copper, gold and manganese, serving as a major owner and Manager in each case.

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

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

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

Not To Be Filled in by Applicant

Docket No. Dmea-2393
Metal or Mineral
Date Received 2-26-52
Amount $
Participation (Government %)

RECEIVED FEB 26 1952 Defense Minerals Administration

Name and address of applicant

TRAIL MANGANESE MINE?, A PARTNERSHIP
CRESCENT MILLS, PLUMAS COUNTY, CALIFORNIA
Partners:- O.H.Griggs, 1903 Outpost Drive, Hollywood, Calif.
H.I.Lessenger, 2209 Reservoir St., Los Angeles, Calif.

Date January 10, 1952.

If you have already filed MF-100, give date filed ----, type of assistance requested Exploration,

DMA Docket Number (if available) ----

INSTRUCTIONS

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

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

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

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

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

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

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

CERTIFICATION

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

TRAIL MANGANESE MINE
(Name of company)

By O.H.Griggs, Partner-Manager
(Signature of authorized official)

January 10, 1952.
(Date)

(Title)

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

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Ex. 1

MINING LEASE (Copy)

THIS AGREEMENT made and entered into by and between Miles Timmins, Charles Herring and Mrs. Frank Bear, partners, of Crescent Mills, California, lessors, and Star Mines Company, a partnership, lessee.

WITNESSETH

That in consideration of the mutual covenants herein contained it is agreed as follows:-

1. Lessors are the owners by mining claim title, the paramount title being in the United States, of the following described property which is free and clear of all encumbrance:- Lode Mining Claims named the Iron Dyke, the Lakeview and the Trail, situated in Plumas County, California, the notices of location of which are recorded in the Office of the County Recorder of said County.

2. Lessors hereby let and lease unto lessee the said property for the term of 10 years from date hereof.

3. For the use, occupancy and as rentals and for the purposes hereinafter set forth, lessee shall pay to lessor a royalty of 10% of the proceeds received from sales of products derived from the property and the same shall be paid not later than on the 15th day of each month next following the month in which said proceeds are received by lessee. Such royalty shall be in three equal amounts paid to each of the said above partners or to their nominees. Cincident with the said payments of royalty, lessee shall furnish lessors with a statement showing the weights and grades of products sold and the prices received therefor; and lessors shall have the privilege during office hours of inspection of the records andbooks of account of lessee which have to do with the said sales and the payments received therefor.

4. It is agreed that it is impractical at the date hereof for lessee to commence operations on the said property due to winter weather conditions, but lessee shall, at the end of the winter season, commence work on the property andcarry the same on continuously during the term hereof on a basis of not less than a five-day-work-week. It is understood that there is at this time no ore opened on the property and that the first work to be done is development work, but that upon ore being discovered the same shall be mined and sold at the then best obtainable prices provided however that shipments of ore may not be less than carload lots.

5. Lessee shall pay taxes assessed against the property and shall perform assessment work thereon required by law and file proper proofs that the same has been done and furnish lessors with same.

6. Operations on the property shall be in a minerlike manner in keeping with good practise in similar cases, workings shall be kept safe and where necessary adequately timbered; and lessors shall have free access to the property and its workings during usual working hours for the purposes of inspection, but the same shall be at the risk and expense of lessors.

7. Lessee shall protect the property against liens or other encumbrances caused by lessee, and lessors shall have the right to post notices of non-responsibility on the property.

8. Lessee shall have the right to terminate this agreement upon giving written notice thereof to lessors and such termination shall be effective ten days after such notice and thereafter lessee shall

be relieved of obligations specified herein. Lessee shall have the right and the same is hereby granted to remove from the property all machinery, tools and equipment placed thereon by lessee and such right shall extend for 30 days following the effective date of the said termination, but lessee shall not remove any underground tracks, pipes nor timber supports.

9. In the event that either party hereto shall allege any default or breach in the terms and conditions hereof against the other, the same shall be in writing specifying the nature in detail of such default or breach, and the party so alleged to be in such default or breach shall have and is hereby given 30 days after receipt of such notice in which to cure or remedy the same. Provided however that suspensions of work caused by so-called Acts of God, labor troubles or inclement weather or other causes beyond the reasonable control of lessee shall not be cause for breach or default.

10. For the purposes hereof notices desirable or necessary from one party to the other shall be in writing and the same shall be mailed by U.S.prepaid registered mail to the following addresses:-

Miles Timmins.....Crescent Mills, California.
Charles Herring..... " " "
Mrs. Frank Bear..... " " "
Star Mines Co.....1903 Outpost Drive, Hollywood 28, California.

The return receipt provided by the Post Office Department shall be conclusive as to the date and delivery of such notices.

11. Lessee shall comply with law in the said operations and shall obey the rules, regulations and orders of authorities having jurisdiction thereof.

Time is the essence hereof and this agreement and its terms and conditions shall inure and belong to the heirs, assigns and successors in interest of the parties hereto.

IN WITNESS WHEREOF the parties hereto have subscribed their name and affixed their signatures this 29th day of November, 1950.

Miles Timmins)
Charles Herring) Signed.
Mrs. Frank Bear)
Star Mines Company
By O.H.Griggs (Signed)

MODIFICATION OF MINING LEASE

The undersigned being parties to that certain mining lease agreement dated Nov. 29, 1950, hereby agree to and do modify the said lease in the following particulars:-

Paragraph Numbered 3 of the said lease is hereby stricken out and the following inserted instead thereof:-

For the use, occupancy and as rentals and for the purposes hereinafter set forth, lessee shall pay to lessors a royalty of 10% of the proceeds received from sales of products derived from the said property. Lessee shall give written instructions to the purchasers of the said products to remit all of such said proceeds to a bank to be agreed upon by the parties hereto and such bank shall be given written instructions jointly executed by the parties hereto to deduct from the said proceeds thereof in each instance 10% paying the same to lessors or their order and the remainder to lessee. Lessee shall in each instance furnish lessors with a statement showing the weights, grades and prices of the said products represented by each such remittance. Lessors shall have the privilege during office hours of inspection of the records and books of account of lessee which have to do with the said sales and the payments received therefor.

IN WITNESS WHEREOF the parties hereto have subscribed their names and affixed their signatures this 30th day of November, 1950.

Miles Timmins
Charles Herring
Mrs. Frank Gear.

Star Mines Company
By O.N.Griggs.

Ex. 2

State of California }ss
County of Plumas }

Before me, a Notary Public in and for said State and County, this 10th day of January, 1952, personally appeared before me O.H.Griggs to me known to be the person who executed that certain mining lease dated Nov.29, 1950 and modified Nov.30, 1952, between Miles Timmins, Charles Herring and Mrs.Frank Bear, lessors, and Star Mines Company by the said Griggs, lessee, and who after first having been sworn deposes and states as follows:-

That the Star Mines Company is a fictitious name under which he does business and that he is in fact the Star Mines Company and has full right in every respect as the alter ego thereof to execute any and all mining leases; that the said mining lease is in good standing in every respect and in full force; that previously he had assigned two mining claims covered by the said lease to the Lakeview Manganese Mines, namely the claims Iron Dyke and Lakeview, but in said assignment he had specifically excluded the lode mining claim named the "Trail" which Trail claim is now by assignment the property of the partnership composed of H.I.Lessenger and affiant under the said leasehold of Nov.29, 1950 as modified by addenda of Nov.30, 1950; that affiant has full right and authority in every respect to deal, execute instruments, make loans, conduct operations, mine and sell ores and collect proceeds therefrom due from same, and carry on business of the partnership named the Trail Manganese Mine as in affiant's sole discretion seems proper or advisable.

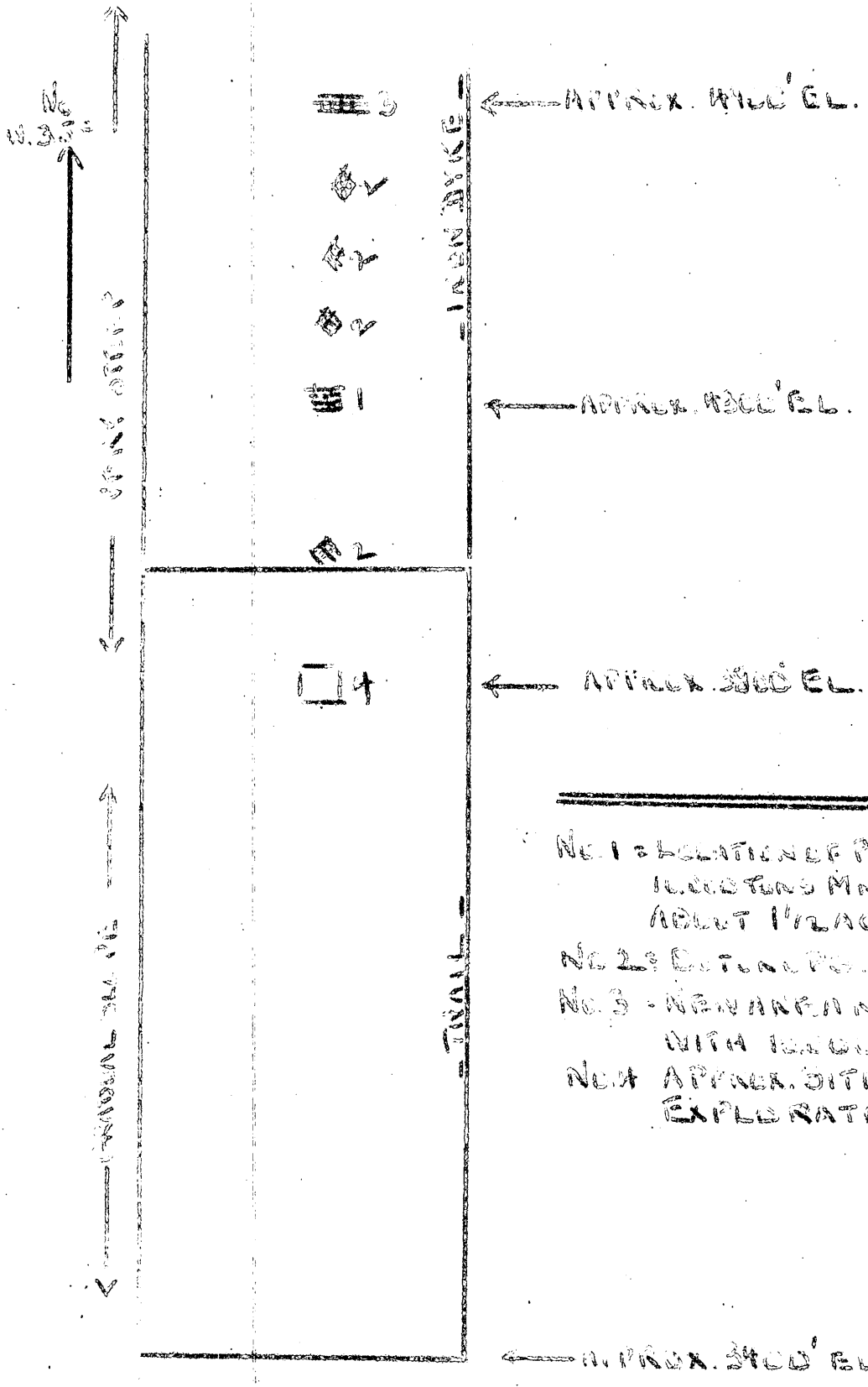
O.H.Griggs

Sworn and subscribed to before this 10th day of January, 1952.

Marguerite J. Cuestin
Notary Public.

Com. expires July 6, 1952

EXHIBIT 3



No. 1: BOUNTIFUL PRODUCTION OF
ILLEGAL MN GUZ-ANBA
ABOUT 1½ACRE PRODUCING NEW.
No. 2: [illegible]
No. 3 - NEW ARRANGEMENT BRANCH OPENED
WITH ROADS TO PLUS PROVED
No. 4 APPROX. SITE PROPOSED
EXPLORATORY WORK.

STATE HIGHWAY → MARIGENT MILLS 1½M.

TRIELLMAN & NAPIER MINE - LAVERGENT MILLS, CALIF.

Ex. 4

COST ESTIMATE--EXPLORATION PROGRAM.

TRAIL CLAIM, PLUMAS COUNTY, CALIFORNIA.

1. Road construction--highway to workings-- 3 days bull-dozer @ $96.00			$288.00
2. Gas-driven portable type 105' aircompressor			2000.00
3. 500' 2" pipe for compressed air line @ 45¢			225.00
4. 800' 1" pipe for water lines @ 35¢			280.00
5. Valves, pipe fittings., etc for piping			50.00
6. 1- Swedish type rock drill with bits, steel, etc			850.00
7. 2 lengths 25' each water and air hose, oiler, etc			60.00
8. 1,000 linear ft round mine timber @ 20¢			200.00
9. Lumber for combination compressor-changhouse		350.00	
Labor construction		150.00	
Oil heating stove		60.00	
Oil storage		25.00	
		585.00	585.00
10. Blacksmith equip.-forge, tools, etc			125.00
11. 3/4 ton 12 lb. rail @ $110.00			72.50
12. 80 ties @ 15¢			12.00
13. 2-mine cars @ $100.00			200.00
14. 1-3/4 ton utility pickup truck			1500.00
15. Est. maximum 300 ft. tunnel, raises, crosscuts @ $20.00			6000.00
16. Misc'l labor, pipe laying, mntnce, etc			250.00
17. Expendable supplies:-			
Gasoline..250 gal. @ 30¢	$75.00		
1 ton 40% explosives	475.00		
Fuse and caps	100.00		
	650.00		650.00
18. Supervision 5 months @ $400.00			2000.00
19. Compensation Insurance			500.00
20. Other Insurance			75.00
			16122.50
21. Misc'l			378.00
			16500.50

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

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

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

Not To Be Filled in by Applicant

Docket No. Dmca-2393
Metal or Mineral
Date Received 2-26-52
Amount $
Participation (Government %)

RECEIVED FEB 26 1952

Name and address of applicant

TRAIL MANGANESE MINES, A PARTNERSHIP
CRESCENT MILLS, PLUMAS COUNTY, CALIFORNIA
Partners:- O.H.Griggs, 1903 Outpost Drive, Hollywood, Calif.
M.I.Lessenger, 2209 Reservoir St., Los Angeles, Calif.

Date January 10, 1952.

If you have already filed MF-100, give date filed ——, type of assistance requested Exploration,

DMA Docket Number (if available) ——

INSTRUCTIONS

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

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

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

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

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

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

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

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

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

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

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

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

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

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

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

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

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

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

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

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

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

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

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

CERTIFICATION

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

TRAIL MANGANESE MINE
(Name of company)

By O.H.Griggs, Partner-Manager
(Signature of authorized official)

January 10, 1952.
(Date)

(Title)

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

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

Question 1. Page 1.

(a) One Lode Mining Claim named the "TRAIL", the Notice of Location of which was recorded in the Office of the Recorder of Plumas County California on August 14,1941 in Book 22 of Quartz Claims at Page 459. Situated In Plumas County,California, 1½ Mile South of Crescent Mills, California, lying within 300 feet of State Highway. No other property is involved in this Application. This property is virgin.

(b)Lease (copy) is attached hereto and marked Exhibit 1. Applicant is assignee of lease by leaseholder, the Star Mines Company. The Star Mines Company is a fictitious name under which O.H.Griggs does business. See Affidavit attached hereto and Marked Exhibit 2. It will be noted that Exhibit 1, the lease from the owners of the TRAIL Claim,covers three (3) lode mining claims, two of which, namely the Iron Dyke and Lakeview,have previously been assigned to the Lakeview Manganese Mines, the TRAIL Claim having been specifically excluded from such assignment.

(c)Given (a) above.

Trail Manganese Mine,
Crescent Mills, California.

(a) Manganese oxide ores only.

(b) This Trail Claim lies end to end with that certain lode Claim originally known as the "Braito" but which is named in its Notice of Location as the "Iron Dyke", and which during the pas War was operated by the undersigned Manager, O.H.Griggs, under the name of "Western Manganese Mines" and is currently again being operated by the undersigned, O.H.Griggs, under the name of "Lakeview Manganese Mines". This Iron Dyke claim has been the largest producer of Manganese oxide ores of any property in California and is at this time again producing, not less than 10,000 tons of 45% plus Manganese ores having been mined therefrom, with no limitation whatever yet in sight. The Trail Claim lies downhill from the Iron Dyke with its upper junction with the Iron Dyke about 300 feet from the above mentioned Iron Dyke production. An ore outcrop occurs only a few feet from the upper end boundary of the Trail Claim, below which outcrop material drifted from above has covered any other possible outcrops.

The Iron Dyke and its formation have been the subject of many reports, one of which is called to your attention:- A Bulletin issued in 1950 by the California Division of Mines authored by Mr. Parker D. Trask in which it is stated that the Iron Dyke ores will be deep seated. This Bulletin is devoted to California Manganese Deposits.

The Iron Dyke and Trail minerals occur in the slates with a normal hanging wall of cherty siliceous material. Originally it is thought this mineralization was a bedding which has since been tilted. At one place in the Iron Dyke Mine the ore was 14feet in width, with an average width of about 6 feet. This ore is of a blended Braunite-Pyrolusite type, hard dense, lumpy and free from fines. Average of Iron Dyke production will run above 45%Mn.

The attached sketch, marked Exhibit 3, will show the general layout and proposed location of exploratory work as well as the location of Iron Dyke production in relation thereto.

Trail Manganese Mine,
Crescent Mills, California.

(a) For cost of project see Estimate of Costs, Exhibit 4. It is proposed to drive tunnel into formation approximately 150 feet below lowest outcrop showing on end of Iron Dyke property. At this point surface material has accumulated where terrain begins to slope off at a more gentle incline. Practically no timber stands at site of tunnel, very little brush. In estimate on Exhibit 4 where road construction is noted, Estimate includes one day's time for preparing lot for compressor-change house and tunnel portal.

(b) From time when funds may be assured via this Application, 30 days is allotted for gathering equipment and 120 days for work-- that is, a total of 5 months time in which to complete program.

See Sketch, Exhibit 3.
This property is virgin, having no workings.
Work proposed is tunnel started through accumulated surface material at a point in direct line with strike of ore formation above, and about 150 feet below lowest outcrop on Iron Dyke property adjoining. Across the Iron Dyke property above the Trail, the strike of ore and ore formation has been found to be unusually straight on its No.35 degrees W. trend. This trend should continue closely on the Trail property. However, it is possible that some minor crosscutting maybe found necessary after drifting through surface materials to accurately locate ore.

There are no buildings, equipment or facilities of any kind on the Trail Claim. No work has ever been done on this property. The present proposal is prompted by reason of the production from the adjoining Iron Dyke Claim as described elsewhere in this Application, and the fact that the mineralized Manganese formation runs to the Trail property. This formation occurs further Easterly of the Trail where Manganese ores are being developed in substantial tonnages.

See Estimate of Costs, Exhibit 4.

(a) It is not planned to rent any equipment-- equipment such as required being scarce in this region, none is available for rent.

(b) All equipment to be required will have to be purchased, and for itemized costs see Exhibit 4.

(c) At this date Applicant has no spare equipment. If any can later be released from other jobs, use of it on any reantal basis would be submitted to your office in charge for approval.

Miners in this section receive $14.00 per 8 hours day; muckers receive $12.00. In order to keep workers it is necessary to work 6 days per week which means time -and-a-half one day each week. Miners do their own timber work. Experienced miners are available who live in this vicinity and own their own homes. Crew is taken to work by pickup truck of operator.

Supervision here is another term for work of foremen-- in case of Applicant only one foreman will be required. Foremen receive not less than $400.00 on a monthly basis.
Manager will provide any necessary engineering without extra compensation unless for any outlay of cash that may occur. In fact in this operation the managing partner is an experienced Manganese producer.

It should be noted that wages in this district are competitive with the lumbering industry whose minimum unskilled labor are paid a minimum of about $1.70 per hour.

See Exhibit 4, Costs Estimate.

This estimate, while generally in round numbers, is based on experience in purchasing similar materials and equipment within the past few months, and is believed to be close in every item.

Such minor items as assaying will be well covered by Item 21 of Exhibit 4, $373.00. Accounting also is included in Item 21.

Water for work comes from springs above by gravity.

The only power required is for aircompressing which is covered in Item 17 of Exhinit 4.

(a) Applicant is prepared to invest 25% of the total Costs as shown in Exhibit 4.

(b) Estimate of Costs shown in Exhibit 4 are based on extended experience in this kind of work in this district and are designed to cover all necessary costs as well as meeting any extra unforeseen expense which might be caused by delays or unusual happenings which are incidental to work of this character.

The foregoing 10 pages together with Exhibits 1,2,3,and 4 seem to cover the information required as Applicant understands the questions.

It might be pertinent, however, to note that the Management of the work proposed under this Application will be by the person undersigned, O.H.Griggs, and to state that O.H.Griggs was during the past War considered to have been the largets producer of Manganese in California and perhaps in the Coastal region; and is now operating two Manganese properties in the same region as the Trail Claim for which aid is being applied--the Iron Dyke, hereinbefore mentioned, which is now on production;and a Manganese property to the East of the Trail on the same mineralized formation which the undersigned began to develop during the War and from which some limited tonnage of 56% Mn ore was shipped prior to end of the War program and which mine is now stockpiling ore with shipments to begin within the next 30-60 days. O.H.Griggs has been engaged in mining for more than 30 years, having been major owner of open pit iron mine operations on both the Cuyuna Range (the Mahnomen Mine) and the Mesabi Range (the Shada Mine) as well as two underground iron mines on the Mesabi. Since disposing of iron mine interests and removing to California, has mined,in different properties, copper, gold and manganese, serving as a major owner and Manager in each case.

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

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

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

Not To Be Filled in by Applicant

Docket No. DMEA-2393
Metal or Mineral
Date Received 2-26-52
Amount $
Participation (Government %)

FEB 26 1952
Defense Minerals Administration
RECEIVED

Name and address of applicant

TRAIL MANGANESE MINE?, A PARTNERSHIP
CRESCENT MILLS, PLUMAS COUNTY, CALIFORNIA
Partners:- O.H.Griggs, 1903 Outpost Drive, Hollywood, Calif.
M.I.Lessenger, 2209 Reservoir St., Los Angeles, Calif.

Date January 10, 1952.

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TRAIL MANGANESE MINE
(Name of company)

By O.H.Griggs, Partner-Manager
(Signature of authorized official)

January 10, 1952.
(Date)

(Title)

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(b) Estimate of Costs shown in Exhibit 4 are based on extended experience in this kind of work in this district and are designed to cover all necessary costs as well as meeting any extra unforeseen expense which might be caused by delays or unusual happenings which are incidental to work of this character.

The foregoing 10 pages together with Exhibits 1,2,3,and 4 seem to cover the information required as Applicant understands the questions.

It might be pertinent, however, to note that the Management of the work proposed under this Application will be by the person undersigned, O.H.Griggs, and to state that O.H.Griggs was during the past War considered to have been the largets producer of Manganese in California and perhaps in the Coastal region; and is now operating two Manganese properties in the same region as the Trail Claim for which aid is being applied--the Iron Dyke, hereinbefore mentioned, which is now on production;and a Manganese property to the East of the Trail on the same mineralized formation which the undersigned began to develop during the War and from which some limited tonnage of 56% Mn ore was shipped prior to end of the War program and which mine is now stockpiling ore with shipments to begin within the next 30-60 days. O.H.Griggs has been engaged in mining for more than 30 years, having been major owner of open pit iron mine operations on both the Cuyuna Range (the Mahnomen Mine) and the Mesabi Range (the Shada Mine) as well as two underground iron mines on the Mesabi. Since disposing of iron mine interests and removing to California, has mined,in different properties, copper, gold and manganese, serving as a major owner and Manager in each case.

Ex. 1

MINING LEASE (Copy)

THIS AGREEMENT made and entered into by and between Miles Timmins, Charles Herring and Mrs.Frank Bear, partners, of Crescent Mills, California, lessors, and Star Mines Company, a partnership,lessee.

WITNESSETH

That in consideration of the mutual covenants herein contained it is agreed as follows:-

1. Lessors are the owners by mining claim title, the paramount title being in the United States, of the following described property which is free and clear of all encumbrance:- Lode Mining Claims named the Iron Dyke, the Lakeview and the Trail, situated in Plumas County, California, the notices of location of which are recorded in the Office of the County Recorder of said County.

2. Lessors hereby let and lease unto lessee the said property for the term of 10 years from date hereof.

3. For the use, occupancy and as rentals and for the purposes hereinafter set forth, lessee shall pay to lessor a royalty of 10% of the proceeds received from sales of products derived from the property and the same shall be paid not later than on the 15th day of each month next following the month in which said proceeds are received by lessee. Such royalty shall be in three equal amounts paid to each of the said above partners or to their nominees. Cincident with the said payments of royalty, lessee shall furnish lessors with a statement showing the weights and grades of products sold and the prices received therefor; and lessors shall have the privilege during office hours of inspection of the records andbooks of account of lessee which have to do with the said sales and the payments received therefor.

4. It is agreed that it is impractical at the date hereof for lessee to commence operations on the said property due to winter weather conditions, but lessee shall, at the end of the winter season, commence work on the property andcarry the same on continuously during the term hereof on a basis of not less than a five-day-work-week. It is understood that there is at this time no ore opened on the property and that the first work to be done is development work, but that upon ore being discovered the same shall be mined and sold at the then best obtainable prices provided however that shipments of ore may not be less than carload lots.

5. Lessee shall pay taxes assessed against the property and shall perform assessment work thereon required by law and file proper proofs that the same has been done and furnish lessors with same.

6. Operations on the property shall be in a minerlike manner in keeping with good practise in similar cases, workings shall be kept safe and where necessary adequately timbered; and lessors shall have free access to the property and its workings during usual working hours for the purposes of inspection, but the same shall be at the risk and expense of lessors.

7. Lessee shall protect the property against liens or other encumbrances caused by lessee, and lessors shall have the right to post notices of non-responsibility on the property.

8. Lessee shall have the right to terminate this agreement upon giving written notice thereof to lessors and such termination shall be effective ten days after such notice and thereafter lessee shall

be relieved of obligations specified herein. Lessee shall have the right and the same is hereby granted to remove from the property all machinery, tools and equipment placed thereon by lessee and such right shall extend for 30 days following the effective date of the said termination, but lessee shall not remove any underground tracks, pipes nor timber supports.

9. In the event that either party hereto shall allege any default or breach in the terms and conditions hereof against the other, the same shall be in writing specifying the nature in detail of such default or breach, and the party so alleged to be in such default or breach shall have and is hereby given 30 days after receipt of such notice in which to cure or remedy the same. Provided however that suspensions of work caused by so-called Acts of God, labor troubles or inclement weather or other causes beyond the reasonable control of lessee shall not be cause for breach or default.

10. For the purposes hereof notices desirable or necessary from one party to the other shall be in writing and the same shall be mailed by U.S.prepaid registered mail to the following addresses:-

Miles Timmins.....Crescent Mills, California.
Charles Herring..... " " "
Mrs. Frank Bear..... " " "
Star Mines Co.....1903 Outpost Drive, Hollywood 28, California.

The return receipt provided by the Post Office Department shall be conclusive as to the date and delivery of such notices.

11. Lessee shall comply with law in the said operations and shall obey the rules, regulations and orders of authorities having jurisdiction thereof.

Time is the essence hereof and this agreement and its terms and conditions shall inure and belong to the heirs, assigns and successors in interest of the parties hereto.

IN WITNESS WHEREOF the parties hereto have subscribed their name and affixed their signatures this 29th day of November, 1950.

Miles Timmins)
Charles Herring) Signed.
Mrs. Frank Bear)
Star Mines Company
By O.H.Griggs (Signed)

MODIFICATION OF MINING LEASE

The undersigned being parties to that certain mining lease agreement dated Nov.29, 1950, hereby agree to and do modify the said lease in the following particulars:-

Paragraph Numbered 3 of the said lease is hereby stricken out and the following inserted instead thereof:-

For the use, occupancy and as rentals and for the purposes hereinafter set forth, lessee shall pay to lessors a royalty of 10% of the proceeds received from sales of products derived from the said property. Lessee shall give written instructions to the purchasers of the said products to remit all of such said proceeds to a bank to be agreed upon by the parties hereto and such bank shall be given written instructions jointly executed by the parties hereto to deduct from the said proceeds thereof in each instance 10% paying the same to lessors or their order and the remainder to lessee. Lessee shall in each instance furnish lessors with a statement showing the weights, grades and prices of the said products represented by each such remittance. Lessors shall have the privilege during office hours of inspection of the records and books of account of lessee which have to do with the said sales and the payments received therefor.

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Miles Timmins
Charles Herring
Mrs. Frank Bear.

Star Mines Company
By O.H.Griggs.

Ex. 2

State of California)
County of Plumas) ss

Before me, a Notary Public in and for said State and County, this 10th day of January, 1952, personally appeared before me O.H.Griggs to me known to be the person who executed that certain mining lease dated Nov.29, 1952 and modified Nov.30, 1952, between Miles Timmins, Charles Herring and Mrs.Frank Bear, lessors, and Star Mines Company by the said Griggs, lessee, and who after first having been sworn depowes and states as follows:-

That the Star Mines Company is a fictitious name under which he does business and that he is in fact the Star Mines Company and has full right in every respect as the alter ego thereof to execute any and all mining leases; that the said mining lease is in good standing in every respect and in full force; that previously he had assigned two mining claims covered by the said lease to the Lakeview Manganese Mines, namely the claims Iron Dyke and Lakeview, but in said assignment he had specifically excluded the lode mining claim named the "Trail", which Trail claim is now by assignment the property of the partnership composed of M.I.Lessenger and affiant under the said leasehold of Nov.29, 1950 as modified by addenda of Nov.30, 1950; that affiant has full right and authority in every respect to deal, execute instruments, make loans, conduct operations, mine and sell ores and collect proceeds therefrom due from same, and carry on business of the partnership named the Trail Manganese Mine as in affiant's sole discretion seems proper or advisable.

O.H.Griggs

O.H.Griggs.

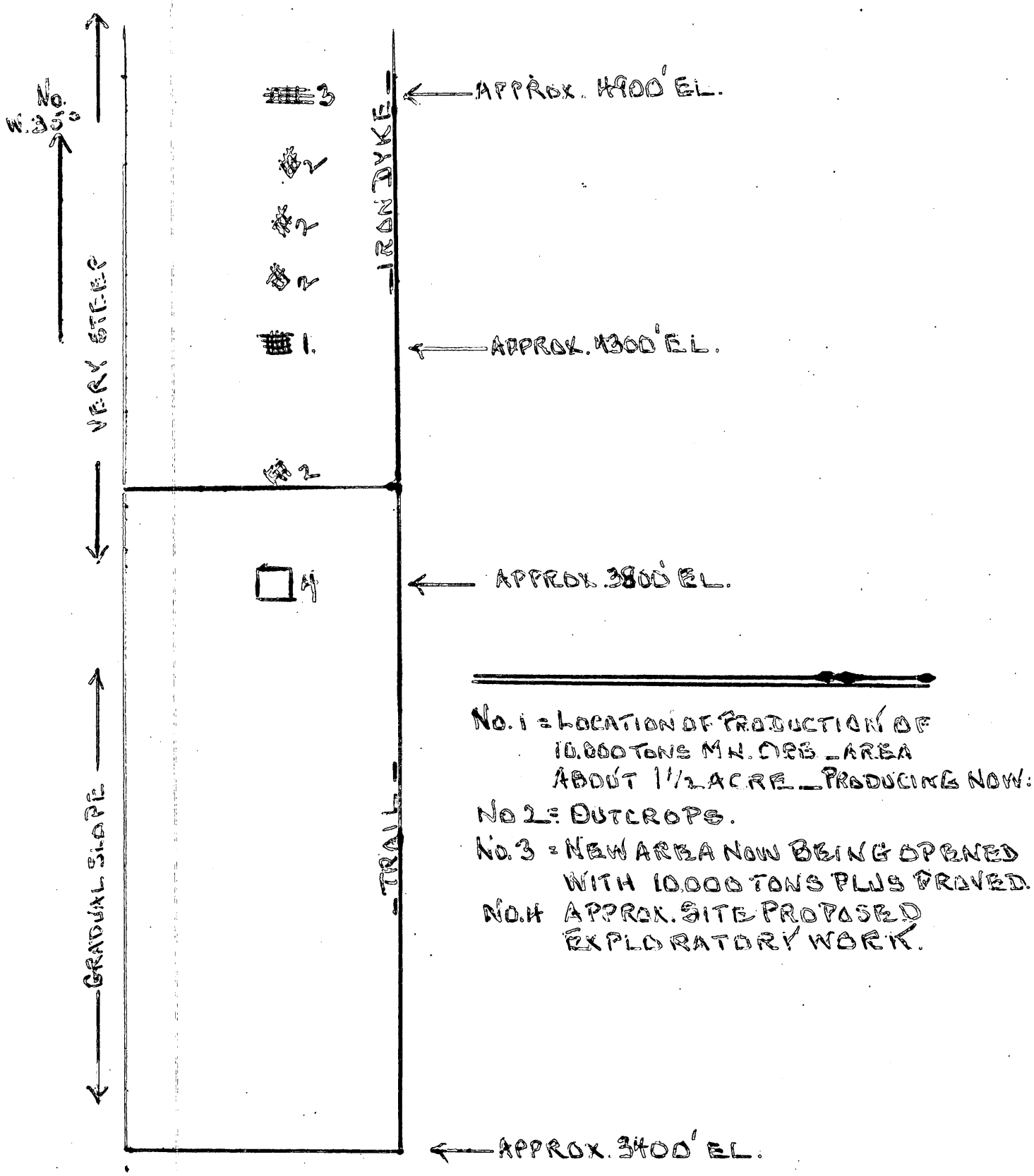
Sworn and subscribed to before this 10 day of January, 1952.

Marguerite J. Austin

Notary Public.

Com. expires July 6, 1952

EXHIBIT 3



TRAIL - MANGANESE MINE - CRESCENT MILLS, CALIF.

Ex. 4

COST EXTIMATE**EXPLORATION PROGRAM.

TRAIL CLAIM, PLUMAS COUNTY, CALIFORNIA.

1. Road construction--highway to workings-- 3 days bull-dozer @ $96.00			$288.00
2. Gas-driven portable type 105' aircompressor			2000.00
3. 500' 2" pipe for compressed air line @ 45¢			225.00
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5. Valves, pipe fittings., etc for piping			50.00
6. 1- Swedish type rock drill with bits, steel, etc			850.00
7. 2 lengths 25' each water and air hose, oiler, etc			60.00
8. 1,000 linear ft round mine timber @ 20¢			200.00
9. Lumber for combination compresor-changehouse		$350.00	
Labor construction		150.00	
Oil heating stove		60.00	
Oil storage		25.00	
		585.00	585.00
10. Blacksmith equip.-forge, tools, etc			125.00
11. 3/4 ton 12 lb. rail @ $110.00			72.50
12. 80 ties @ 15¢			12.00
13. 2-mine cars @ $100.00			200.00
14. 1-3/4 ton utility pickup truck			1500.00
15. Est. maximum 300 ft. tunnel, raises, crosscuts @$20.00			6000.00
16. Misc'l labor, pipe laying, mntnce, etc			250.00
17. Expendable supplies:-			
Gasoline..250 gal. @ 30¢	$75.00		
1 ton 40% explosives	475.00		
Fuse and caps	100.00		
	650.00		650.00
18. Supervision 5 months @ $400.00			2000.00
19. Compensation Insurance			500.00
20. Other Insurance			75.00
			16122.50
21. Misc'l			378.00
			16500.50

Ex. 1

MINING LEASE (Copy)

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WITNESSETH

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1. Lessors are the owners by mining claim title, the paramount title being in the United States, of the following described property which is free and clear of all encumbrance:- Lode Mining Claims named the Iron Dyke, the Lakeview and the Trail, situated in Plumas County, California, the notices of location of which are recorded in the Office of the County Recorder of said County.

2. Lessors hereby let and lease unto lessee the said property for the term of 10 years from date hereof.

3. For the use, occupancy and as rentals and for the purposes hereinafter set forth, lessee shall pay to lessor a royalty of 10% of the proceeds received from sales of products derived from the property and the same shall be paid not later than on the 15th day of each month next following the month in which said proceeds are received by lessee. Such royalty shall be in three equal amounts paid to each of the said above partners or to their nominees. Cincident with the said payments of royalty, lessee shall furnish lessors with a statement showing the weights and grades of products sold and the prices received therefor; and lessors shall have the privilege during office hours of inspection of the records andbooks of account of lessee which have to do with the said sales and the payments received therefor.

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Charles Herring
Mrs. Frank Bear.

Star Mines Company
By O.H.Griggs.

Ex 2

State of California)
County of Plumas)ss

Before me, a Notary Public in and for said State and County, this 10th day of January, 1952, personally appeared before me O.H.Griggs to me known to be the person who executed that certain mining lease dated Nov.29, 1952 and modified Nov.30, 1952, between Miles Timming, Charles Herring and Mrs.Frank Bear, lessors, and Star Mines Company by the said Griggs, lessee, and who after first having been sworn depowes and states as follows:-

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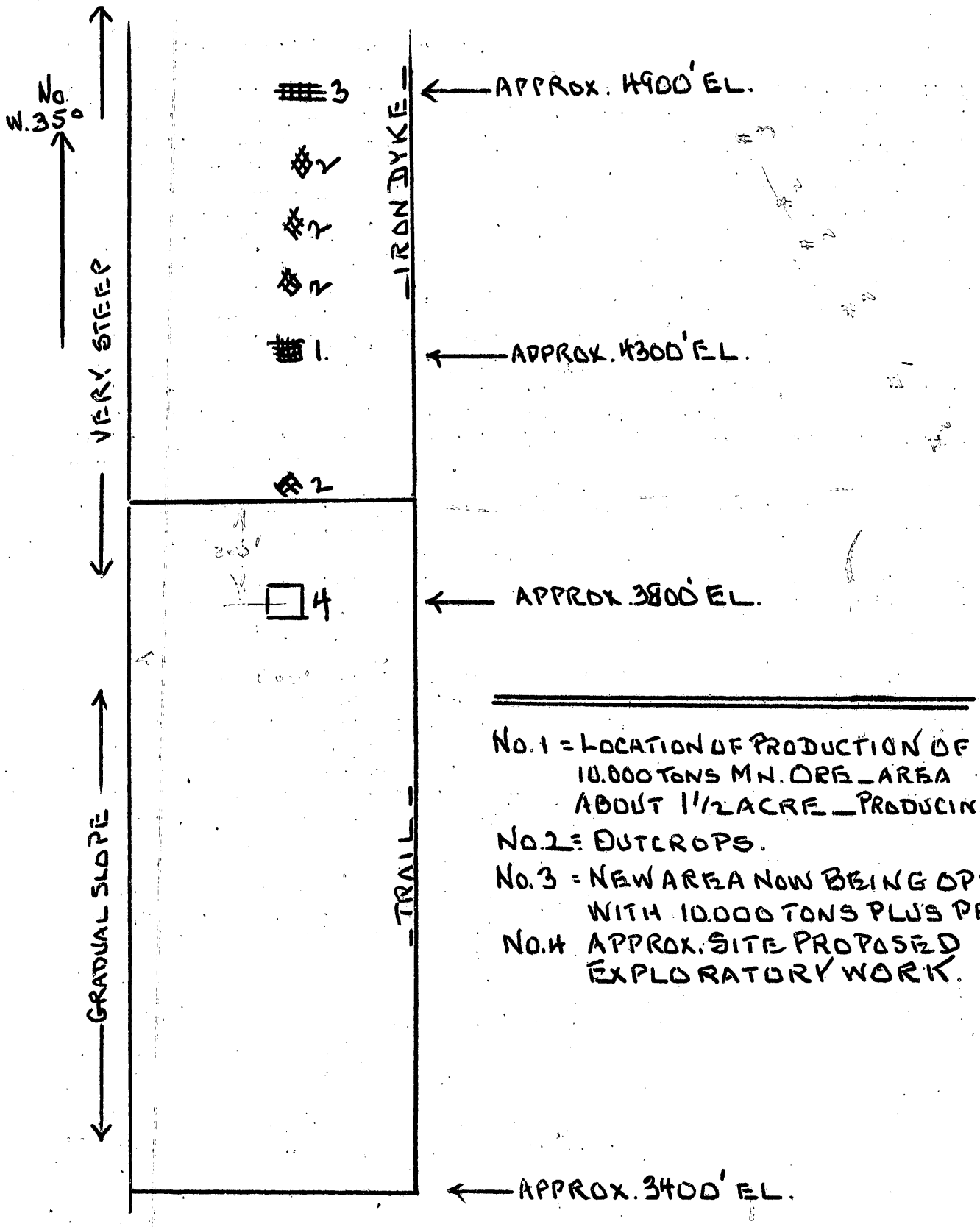
O.H.Griggs
O.H.Griggs

Sworn and subscribed to before this 10th day of January, 1952.

Marguerite J. Austin
Notary Public.

Com. expires July 6, 1952

EXIBIT 3



No. 1 = LOCATION OF PRODUCTION OF 10.000 TONS MN. ORE _ AREA ABOUT 1 1/2 ACRE _ PRODUCING NOW.

No. 2 = OUTCROPS.

No. 3 = NEW AREA NOW BEING OPENED WITH 10.000 TONS PLUS PROVED.

No. 4 APPROX. SITE PROPOSED EXPLORATORY WORK.

STATE HIGHWAY → CRESCENT MILLS 1 1/2 M.

TRALL MANGANESE MINE _ CRESCENT MILLS, CALIF.

Ex. 4

COST EXTIMATE**EXPLORATION PROGRAM.

TRAIL CLAIM, PLUMAS COUNTY, CALIFORNIA.

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20. Other Insurance			75.00
			16122.50
21. Misc'l			378.00
			16500.50

615.50

8825

2575

		%
Road	288	1.7
Eq	6159.50	37.7
Labor	8825	54.1
Supplies	650	3.9
Misc	378	2.3
	16300	99.7

MINING LEASE (Copy)

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WITNESSETH

That in consideration of the mutual covenants herein contained it is agreed as follows:-

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Mrs. Frank Bear)
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Charles Herring
Mrs. Frank Bear.

Star Mines Company
By O.H.Griggs.

Ex. 2

State of California }ss
County of Plumas }

Before me, a Notary Public in and for said State and County, this 6th day of January, 1952, personally appeared before me O.H.Griggs to me known to be the person who executed that certain mining lease dated Nov.29, 1952 and modified Nov.30, 1952, between Miles Timmins, Charles Herring and Mrs.Frank Bear, lessors, and Star Mines Company by the said Griggs, lessee, and who after first having been sworn depowes and states as follows:-

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Com. expires July 6, 1952

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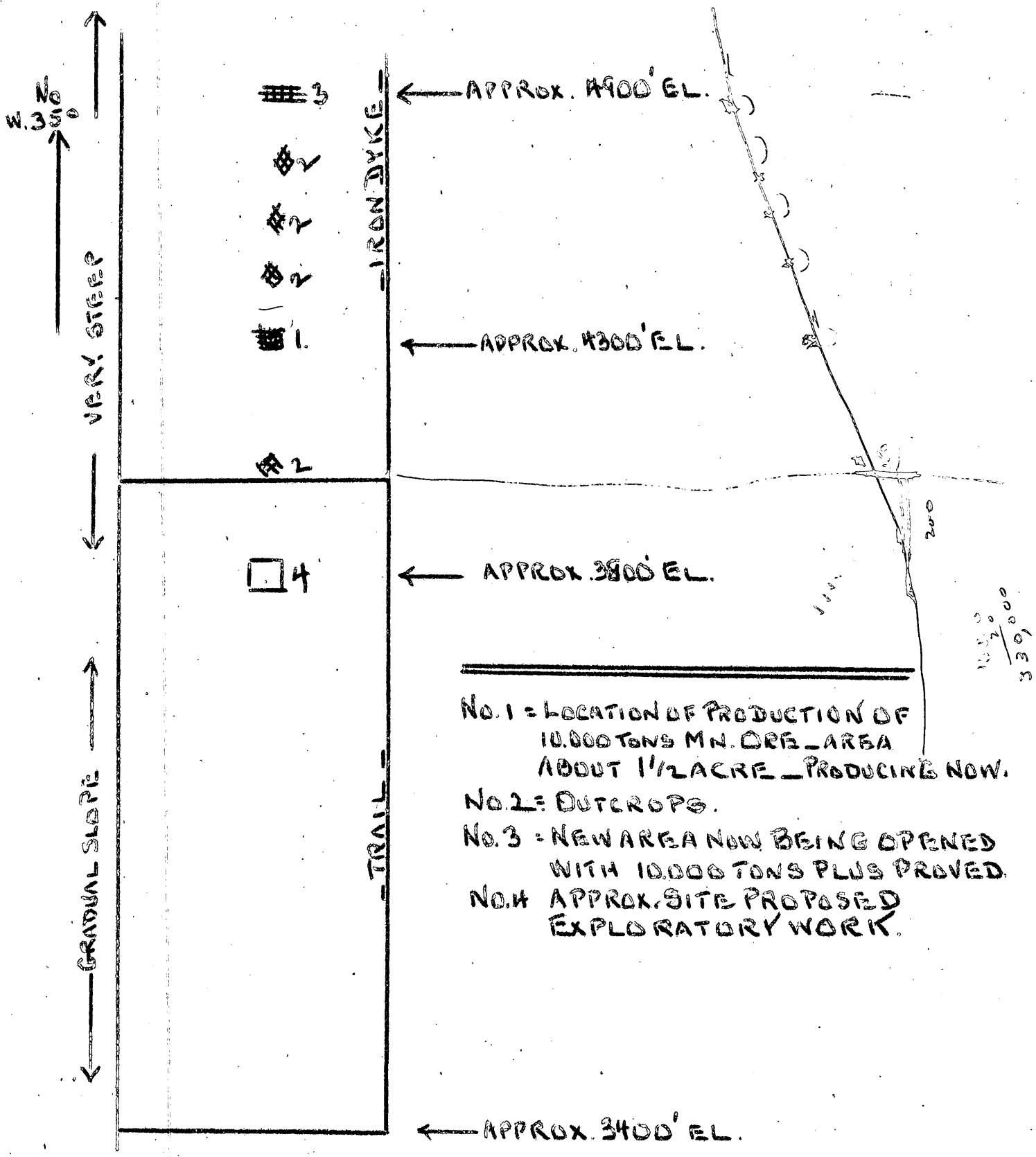

TRALL MANGANESE MINE CRESCENT MILLS, CALIF.

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13. 2-mine cars @ $100.00			200.00
14. 1-3/4 ton utility pickup truck			1500.00
15. Est. maximum 300 ft. tunnel, raises, crosscuts @ $20.00			6000.00
16. Misc'l labor, pipe laying, mntnce, etc			250.00
17. Expendable supplies:-			
Gasoline..250 gal. @ 30¢	$75.00		
1 ton 40% explosives	475.00		
Fuse and caps	100.00		
	650.00		650.00
18. Supervision 5 months @ $400.00			2000.00
19. Compensation Insurance			500.00
20. Other Insurance			75.00
			16122.50
21. Misc'l			378.00
			16500.50

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

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300
(PMGC)

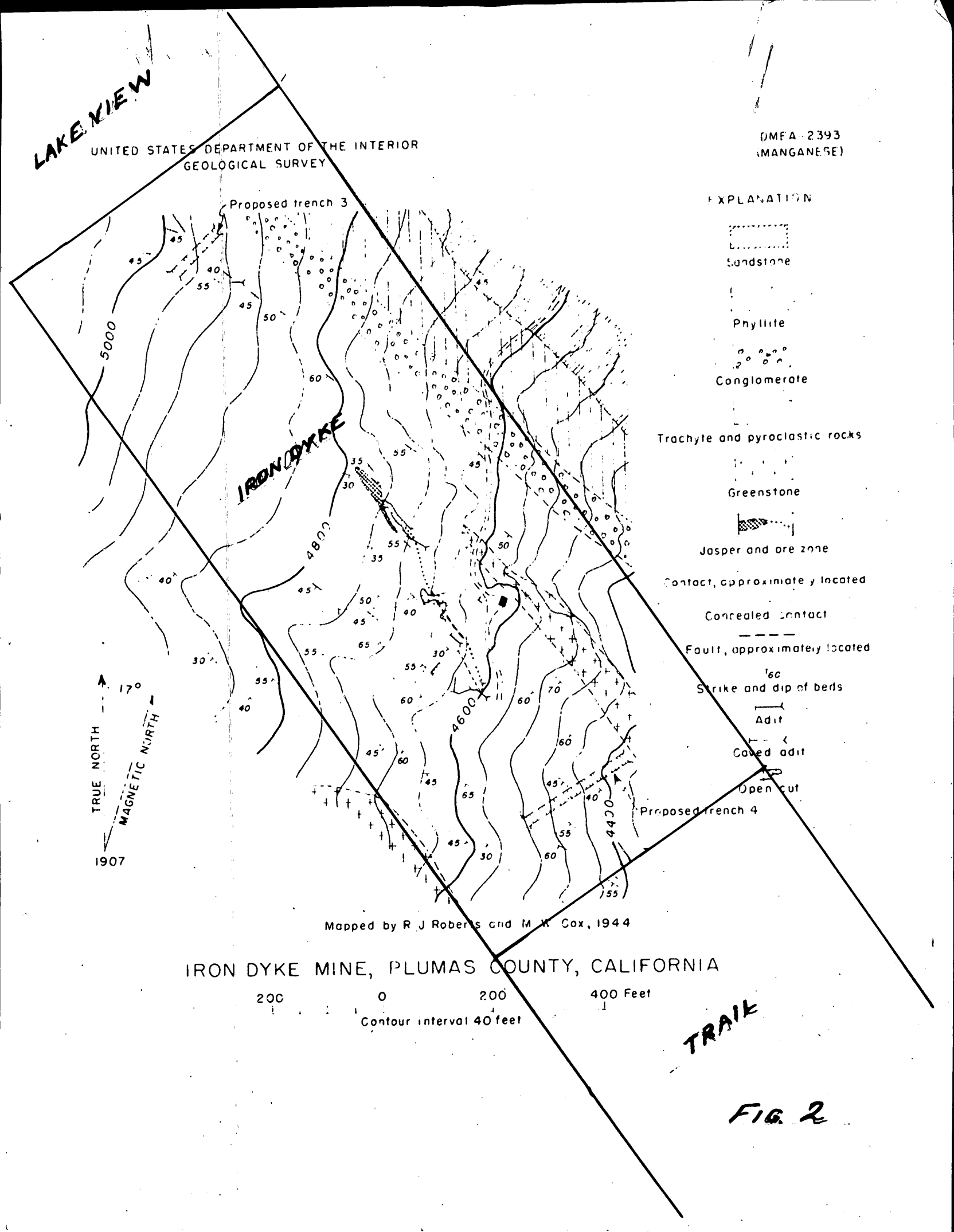
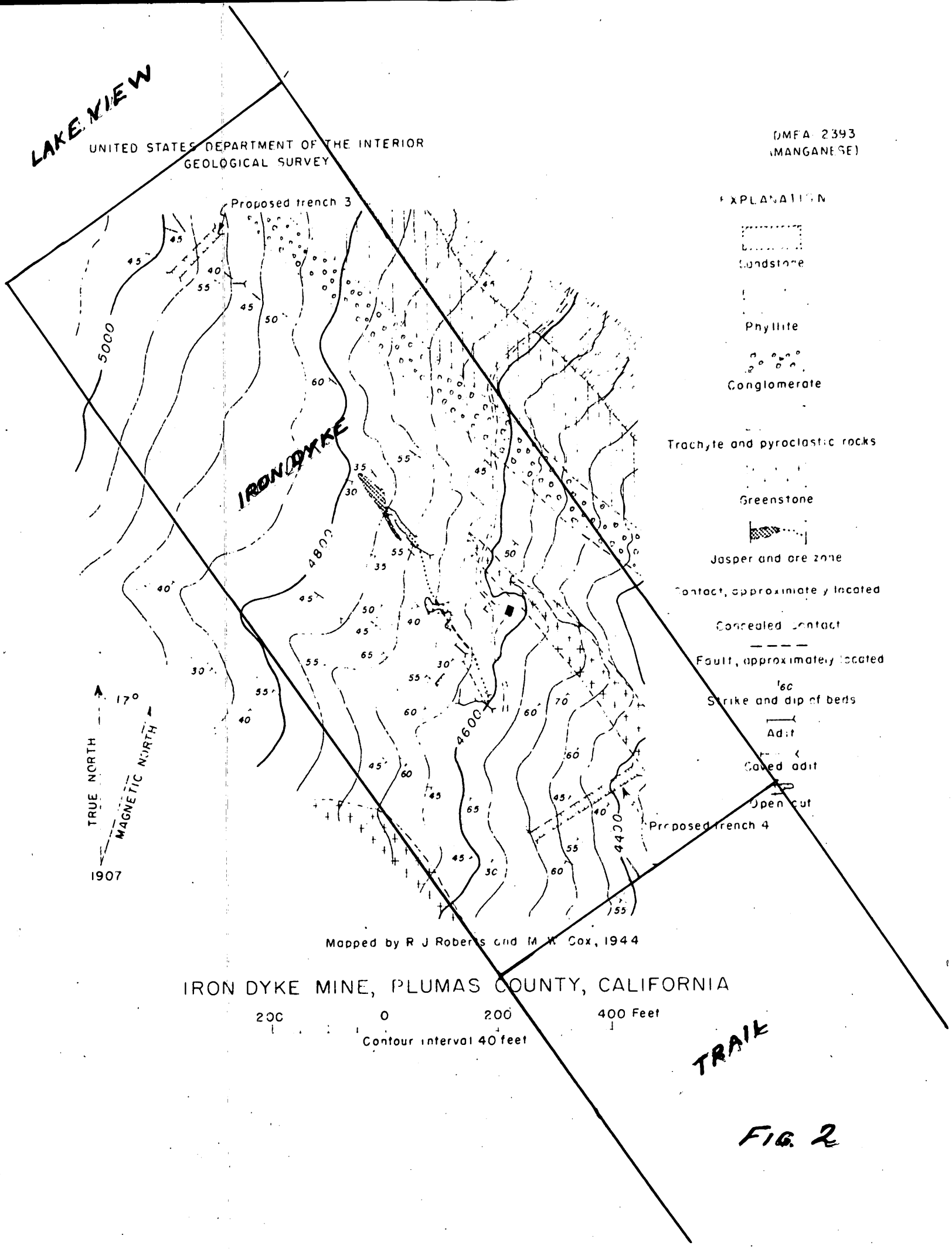

LAKE VIEW
UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
DMEA-2393
(MANGANESE)
EXPLANATION
Sandstone
Phyllite
Conglomerate
Trachyte and pyroclastic rocks
Greenstone
Jasper and ore zone
Contact, approximately located
Concealed contact
Fault, approximately located
Strike and dip of beds
Adit
Caved adit
Open cut
Proposed trench 3
Proposed trench 4
IRON DYKE
5000
4800
4600
4400
TRUE NORTH
MAGNETIC NORTH
17°
1907
Mapped by R. J. Roberts and M. W. Cox, 1944
IRON DYKE MINE, PLUMAS COUNTY, CALIFORNIA
200 0 200 400 Feet
Contour interval 40 feet
TRAIL

FIG. 2


LAKE VIEW
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DMEA 2393
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Sandstone
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Conglomerate
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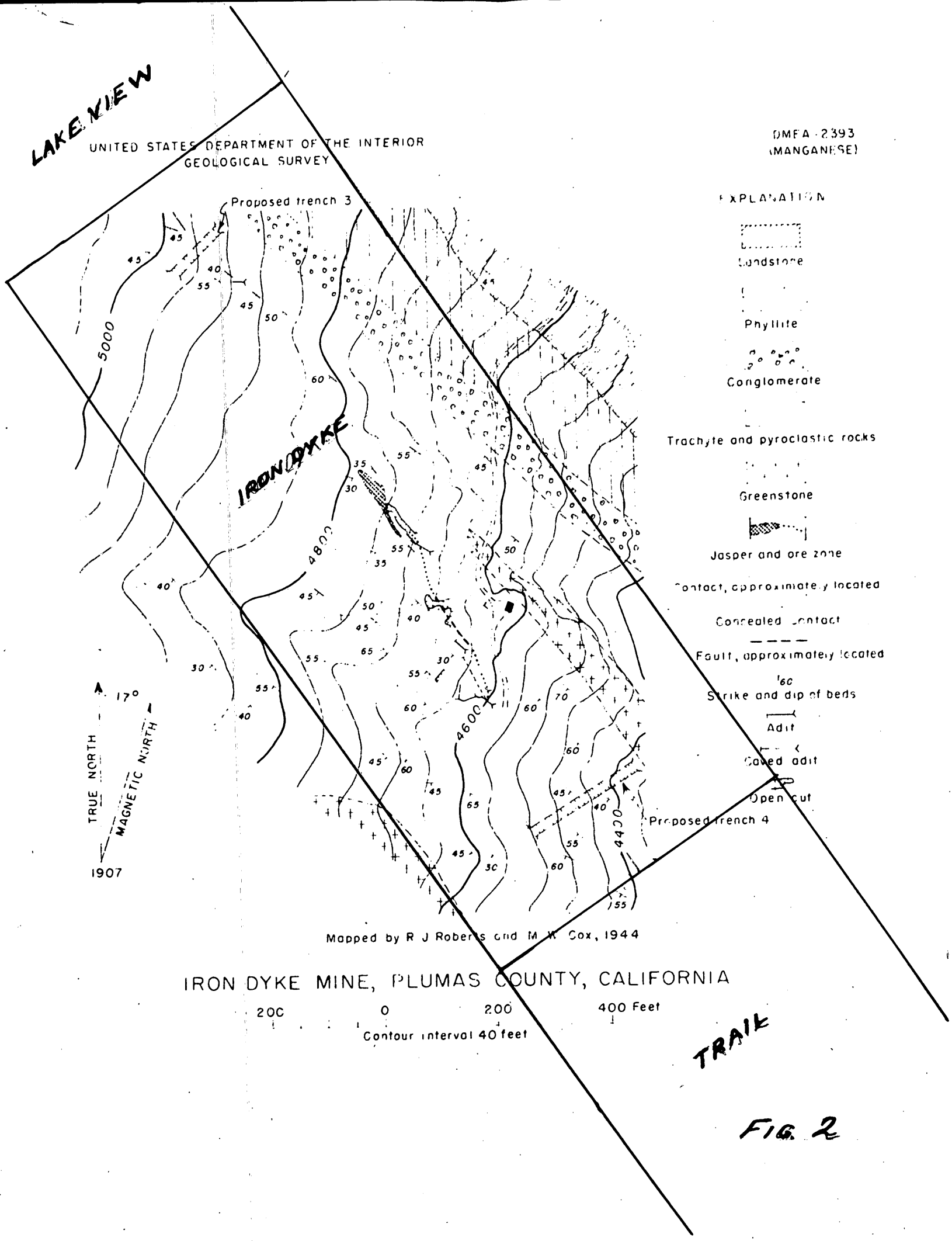
FIG. 2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DMEA - 2393
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200 0 200 400 Feet
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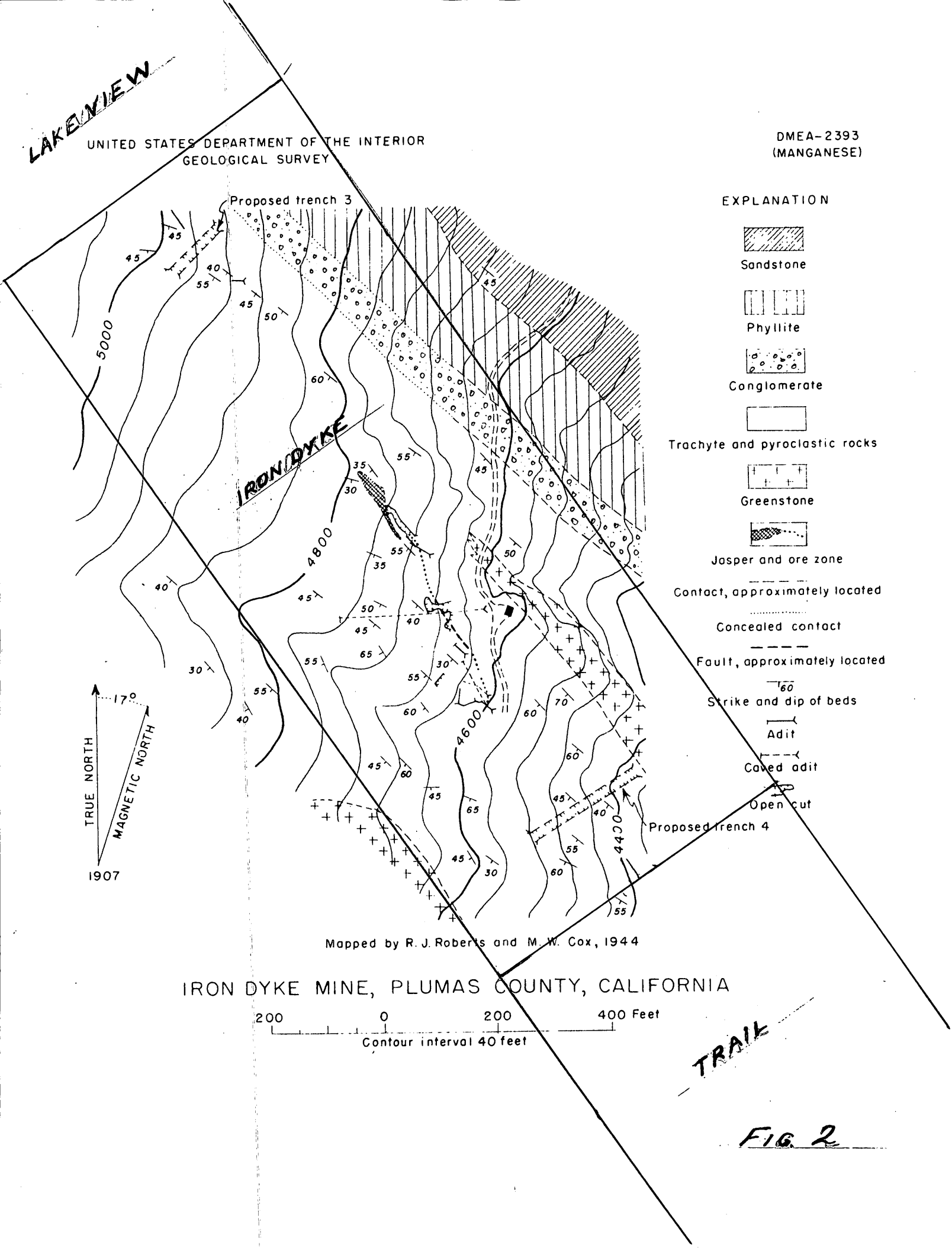
FIG. 2


LAKEVIEW
UNITED STATES DEPARTMENT OF THE INTERIOR
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DMEA-2393
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IRON DYKE MINE, PLUMAS COUNTY, CALIFORNIA
200 0 200 400 Feet
Contour interval 40 feet
TRAIL

FIG. 2

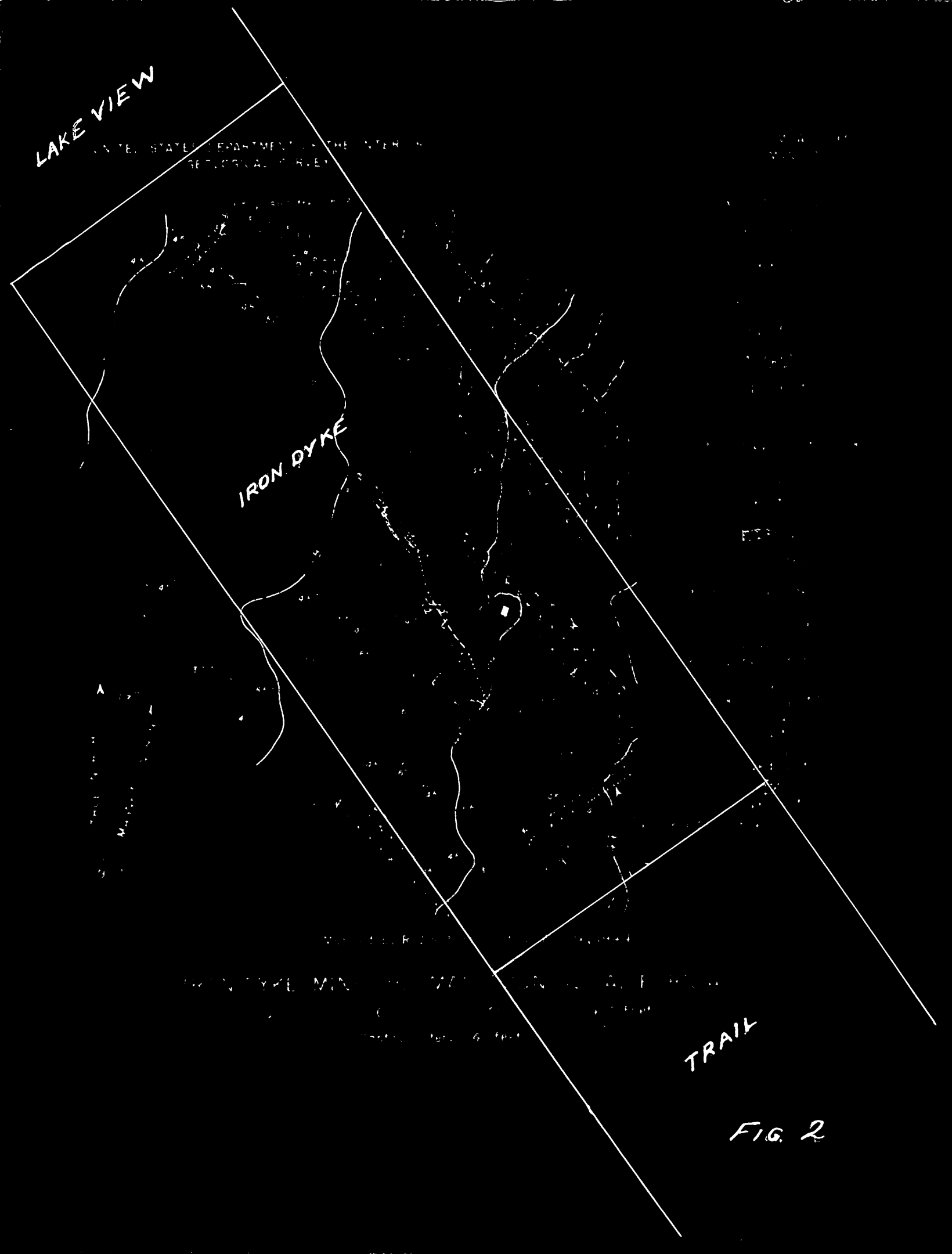
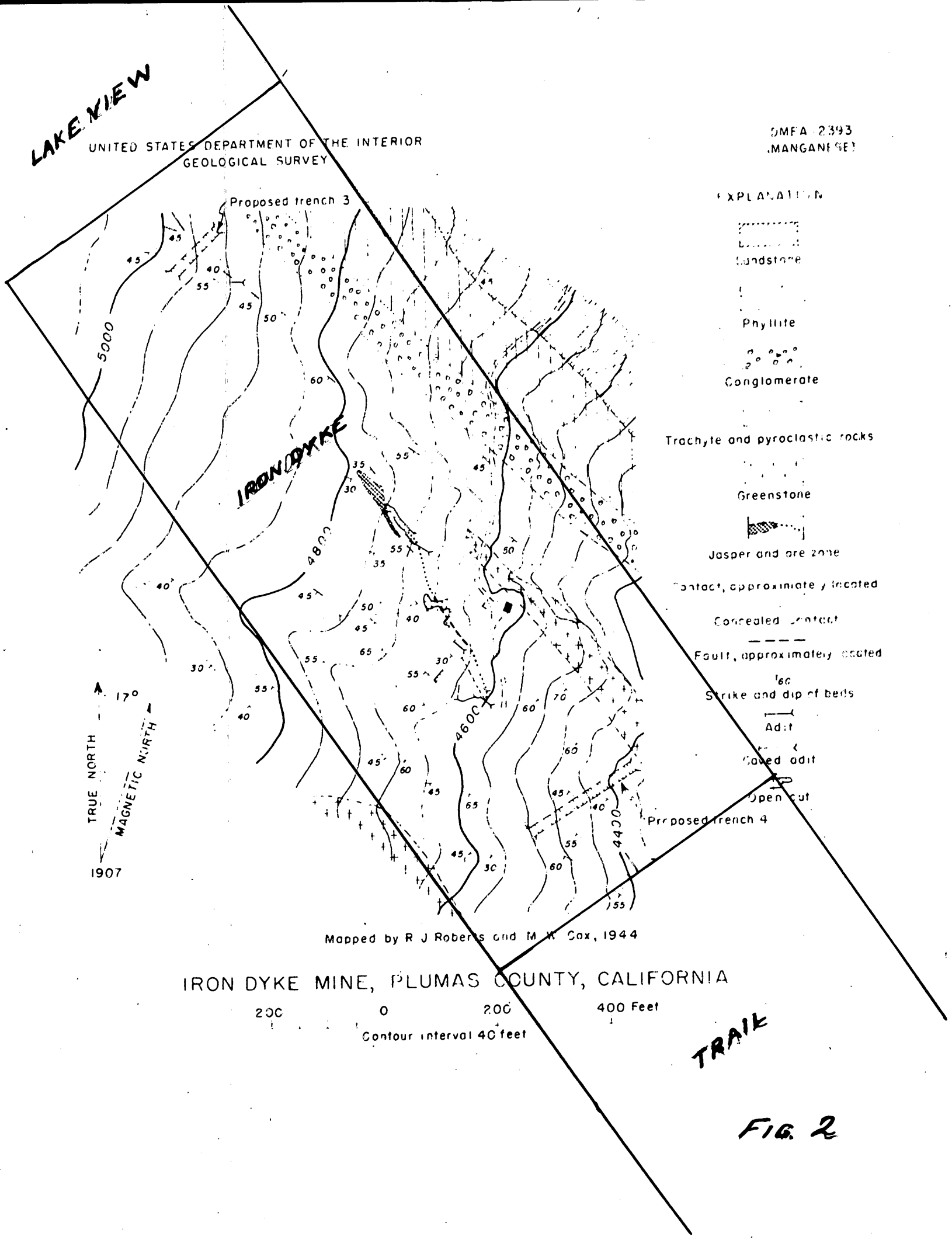


FIG. 2


LAKE VIEW
UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OMFA 2393
MANGANESE
Proposed trench 3
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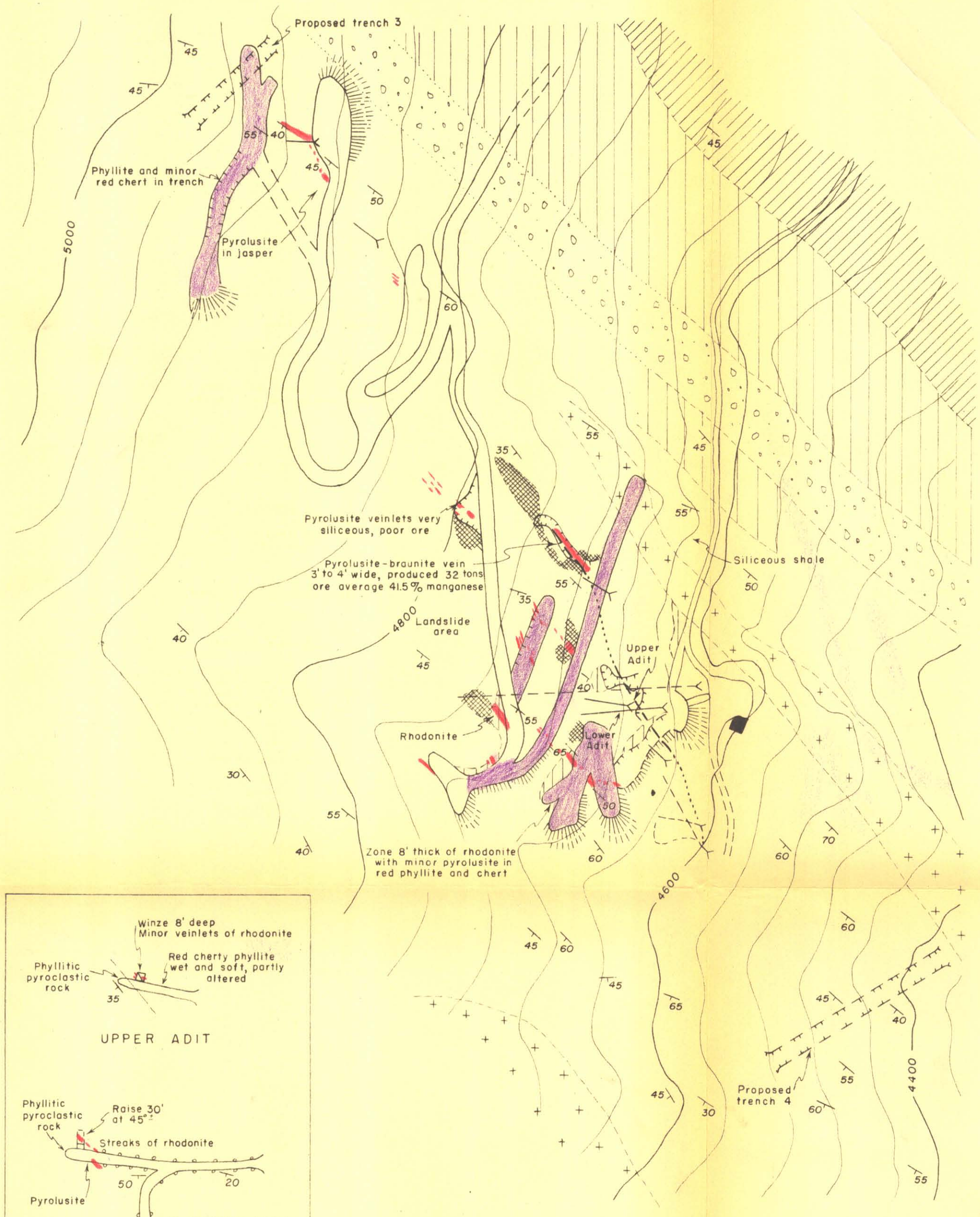
Mapped by R J Roberts and M W Cox, 1944
IRON DYKE MINE, PLUMAS COUNTY, CALIFORNIA
200 0 200 400 Feet
Contour interval 40 feet
TRAIL

FIG. 2

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 2393
Idm E 447
(MANGANESE)



EXPLANATION

Sandstone

Phyllite

Greenstone conglomerate or tuff breccia and interbedded phyllite

Trachyte and pyroclastic rocks with interbedded phyllite and red chert

Greenstone

Jasper and manganese veins (in red)

Contact, approximately located

Concealed contact

Fault, approximately located (Dotted where concealed)

Strike and dip of beds

Adit

Caved adit

Open cut

Work completed under DMEA contract

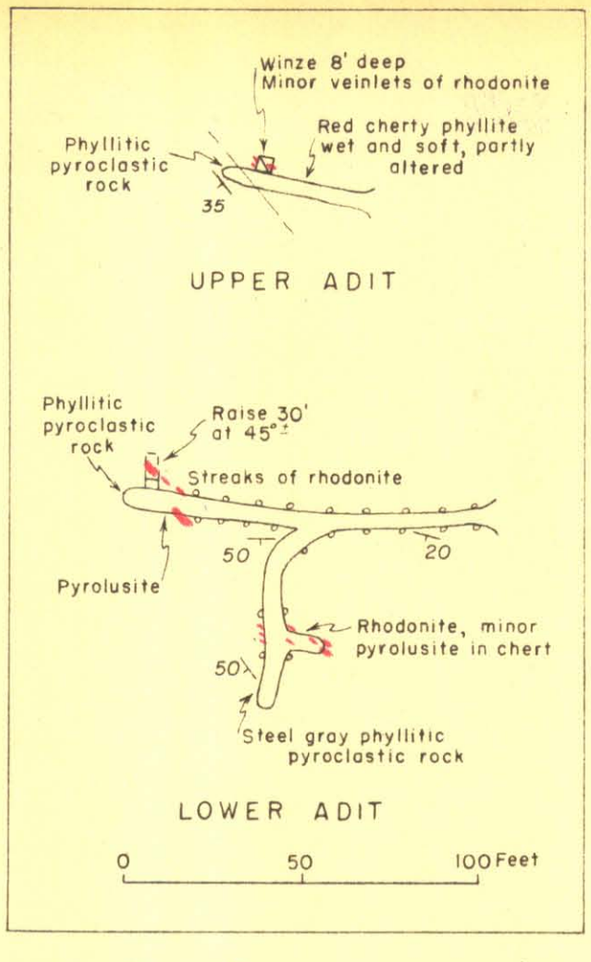
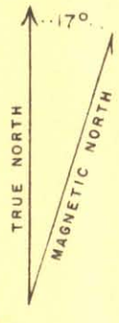


Figure 2.



Modified from map by R. J. Roberts and M. W. Cox, 1944

IRON DYKE MINE, PLUMAS COUNTY, CALIFORNIA

100 0 100 200 Feet

Contour interval 40 feet