MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 6/2/54

REFERRED TO:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Selfridge~~
4. ~~Mr. Ellis~~

FOR:

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

REMARKS: .....

[illegible]

How does F.T. justify payment?

Check (X) before the items needing attention.

Could F.T. contact other partners for advice as to where to [illegible] Sampson?

E. D. Talb

Initials

GPO 10—66616-1

[illegible]

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Lakeview Manganese Mines
a limited partnership between
H. C. Thomas, L. W. Brindley
and
Clair Waterbury
limited partners
and
J. H. Griggs
Crescent Mills, California
general partner

pertaining to Exploration Project Contract No. Idm-E447, Docket No. DMEA-2393, for the period February 1, 1953 to March 31, 1953, covering a project of exploration of Manganese, located in Plumas County, California and commonly known as the Lakeview Manganese Mines.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with Executive Officer in charge of the project, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible further disallowances thereunder.

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

Total cost as billed by Contractor	$991.01
Exceptions (schedule attached)	
This audit	991.01
Total Accepted Cost	-0-

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of No and No/100 Dollars,

$-0-

is considered valid and proper, provided the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract. // Field Rep.

George Mavor
George Mavor
Auditor

May 26, 1954

SCHEDULE OF EXCEPTIONS

Lakeview Manganese Mines DMEA-2393 Idm-M447

Suspension of all costs, pending documentary evidence in support of claims.

	Costs Suspended	75% Paid
Bulldozing	$672.00	
Labor	77.76	
Supervision	241.25	
Total	$991.01	$743.26

Efforts made by Executive Officer to obtain signed copies of termination agreement without results.

Letter dated 10/12/53 H. C. Miller to O. H. Griggs
Letter dated 11/23/53 H. C. Miller to O. H. Griggs
Letter dated 1/13/54 H. C. Miller to O. H. Griggs
Registered Letter dated 3/5/54 H. C. Miller to O. H. Griggs

The registered letter dated March 5, 1954 was returned unclaimed and covered termination notice by the Government.

Efforts made by Executive Officer to obtain documentary evidence in support of claims.

Letter dated 1/21/54 H. C. Miller to O. H. Griggs
Registered Letter dated 3/5/54 H. C. Miller to O. H. Griggs

The registered letter dated March 5, 1954 was returned unclaimed.

In letter dated April 26, 1954 from W. S. Martin, Acting Chairman, Operating Committee, a request was made to try and contact O. H. Griggs at his home, and under dates of May 7 and May 8, 1954, George Mavor, DMEA Auditor, called at the home of O. H. Griggs, 1903 Outpost Drive, Hollywood 28, California and was unable to make any contacts.

George Mavor
George Mavor
Auditor

4 (Rev.)
052)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.
Approval expires 6-30-53.

ACCOUNTS MAY 14 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1953 Docket No. DMEA 2393 Contract No. Idm-D447
Operator's Name Lakeview Manganese Mines Minerals Manganese
Address Crescent Mills, Calif
Contract Amount, $13,000.00 Government Participation: 75 % Amount, $ 9,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						WSM
Bulldozing	420.00	252.00	672.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	48.60	29.16	77.76			
Supervision	150.00	91.25	241.25			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	618.60	372.41	991.01			

I certify that the above bill is correct and just and that payment therefor has not been received.

Date April 1, 53 Payee Lakeview Manganese Mines

Per O. H. Griggs Title Gen. Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certi that this account is correct and proper for p ment in the amount of:

$ 463.95

Lloyd H. Sic
Authorized Cer

Signature (Authorized Certifying Offic

Date JUN 1 1953 Vou. No SF-07

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. [illegible] in accordance with the terms of the contract.

Signature R. C. Jackson Title Chief, Mining Div. Region III Date May 12, 1953.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date May 14, 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(*a*) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(*b*) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(*c*) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. (1) "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

U. S. GOVERNMENT PRINTING OFFICE 205675

SAN FRANCISCO, CALIFORNIA
REGION III
BUREAU OF MINES
DEPARTMENT OF INTERIOR

104A
(2)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

ACCOUNTS MAY 14 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1953 Docket No. DMEA 2393 Contract No. Idm-EMA7

Operator's Name Lakeview Manganese Mines Mineral Manganese

Address Crescent Mills, Calif.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching		$420.00	30 hrs	672.00	48 hrs		Hours	
Test Pits Laborer		43.60	" "	77.76	" "		80	@ $14.00
Roads and Trails							80	@ 1.62
Supervision		150.00	" "	241.25	" "		80 for	$400.00
TOTAL DISTRIBUTED COSTS		613.60		991.01				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		--						
Initial Rehabilitation and Repairs		--						
New Buildings, Improvements, etc.		--						
TOTAL COSTS		613.60		991.01				

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

Date April 1, 1953 Operator Lakeview Manganese Mines

P. H. Griggs Title Gen. Partner

REMARKS: Late winter storms continue to prevent work every day.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

U. S. GOVERNMENT PRINTING OFFICE 205676

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
1966 MAY 13 AM 9:00
SAN FRANCISCO, CALIFORNIA

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

ACCOUNTS MAY 14 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1953 Docket No. DMEA 2323 Contract No. 16m-1447
Operator's Name Lakeview Manganese Mines Minerals Manganese
Address Crescent City, Calif.
Contract Amount, $13,000.00 Government Participation 75 % Amount, $9,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						W34
Bulldozing	252.00	-------	252.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	29.16	-------	29.16			
Supervision	91.25	-------	91.25			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	372.41	-------	372.41			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Feb 1, 1953 *Payee Lakeview Manganese Mines
Per A.R. Omer Title Gen. Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$279.31
Signature Lloyd W. Sjolander
Authorized Certifying Officer
(Authorized Certifying Officer)
Date JUN 1 1953 Vou. No. SF-DMEA-43

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. _____ in accordance with the terms of the contract.

Signature R. C. Johnson Title _____ Date _____

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Date May 14, 1953

H. C. Miller Region III

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

U. S. GOVERNMENT PRINTING OFFICE 205675

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

ACCOUNTS MAY 14 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1953 Docket No. DMEA 2393 Contract No. Idm-3447
Operator's Name Lakeview Manganese Mines Minerals Manganese
Address Crescent Mills, Calif.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping							Hours	
Trenching		252.00	18 hrs	252.00	18 hrs		20	@ $14.00
Test Pits Laborer		29.16	" "	29.16	" "		20	@ 16.2
Roads and Trails								
Supervision		91.25	" "	91.25	" "		20	for 400.00
TOTAL DISTRIBUTED COSTS		372.41		372.41				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		--						
Initial Rehabilitation and Repairs		--						
New Buildings, Improvements, etc		--						
TOTAL COSTS		372.41						

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

Lakeview Manganese Mines

Date March 1, 1953 Operator

Per J. F. Grigsby Title Gen. Partner

REMARKS: Winter storms with snow prevented amount of expected work this month.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

U. S. GOVERNMENT PRINTING OFFICE 205676

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
MAY 13 AM 9:00
SAN FRANCISCO, CALIFORNIA

REPORT

Work under Contract No.NWJ--Project RMA Manganese (79).

During February, 18 hours of bulldozing was done on the northern end of the Iron Dyke claim. A large amount of work was accomplished due to late snows and saturated ground. The work was to complete Trench 3 above the point marked "Graphite". Some slight mineralization was encountered, but owing to the extremely steep slope of the hillside the bulldozer could obtain only a limited depth and the material found did not contain enough minerals to warrant sampling. At this point the surface material caused by land slide were deeper than had been anticipated.

During March, 30 hours of bulldozing was done on a trench some 300 feet South of Trench 3 on the Iron Dyke claim. Broken Manganese ore was found which it is believed is ore in place. Dip lines up with the strike of ore in place so if it can be determined, and the formation seems to prove that ore in place has been found. Owing to the steepness of the area, a bulldozer can work down to only a limited depth. Also, when the siliceous cherty zone which should cover with ore in place is encountered, a bulldozer is unable to uncover it. Blasting, which was done, gains only a few feet.

Work was undone on Trenches 1 and 2. Trench 1 at the crest of the mountain has been under snow and on April 1st was still under snow to a three foot of depth. Further examination of the area of Trench 1 done shortly before snow closed it off, indicated clearly that it is an unfavorable area from which to expect any substantial ore showing.

Work was not done either on Trench 2. At this point the slope is extremely steep and the surface rim of entirely rock so that the bulldozer operator could not undertake using his machine there.

Reference to the sketch attached to Contract No.NWJ7 will show that this property of three claims (4500 feet) rises about 2,000 feet, which will give an idea of steep slope of the ground. This is particularly so when it is explained that a gulleying near the northern end of the lower claim (the Trail) the degree of incline gradually eases off; so that the 2,000 foot rise occurs mainly from that point to the crest.

The undersigned and others are convinced that the main objective of the work has been successful to date. Further bulldozing is planned if the area described above where ore believed in place occurs. This area is regarded as the most important of the prop only which cause will prove by production of segments dropped by land slides from original place-- a production of some 10,000 tons which in place was more than 6 feet in width and each segment of which was broken off cleanly with no indication of fracturing or pulverizing ore.

April 8, 1953.

Interior Manganese Mines

By O.E.Briggs.

Mr. Martin

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

JAN 2 6 1956

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

Re: Docket DMEA-2393 (Manganese)
Lakeview Manganese Mines, Inc.
Fresno County, California
Contract 16s-5147

Your Ref: 94-5 1584605-UDC-12

Gentlemen:

Your letter of January 20, 1956, on Form C-25 (Rev. 7-26-55) 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 furnished to your Division on July 21, 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 exceeding over $400.00." The only claims received from this contractor were in the amounts of $372.41 and $418.60 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 21,983,002 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.)

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

O
P
Y

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

Re DW X 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 RFCA 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.

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

JUN 21 1955

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

Re: Docket DMA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-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. W. Neiland	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

W. S. MARTIN, DMEA

400

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

JAN 27 1955

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 Lakeview Manganese Mines, a limited partnership between H. C. Thomas, L. W. Brindley and Clair Waterbury, limited partners, and O. H. Griggs, general partner. The address of the partnership is Crescent Mills, California. This improper payment occurred under DMEA Exploration Project Contract No. Idm-2447, Docket No. DMEA-2393 (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. Sjolander, Authorized Certifying Officer, Region III, San Francisco, Calif., on D. O. Voucher No. 113191, paid by Check No. 21,983,001, dated June 5, 1953, issued by A. H. Moiland, Regional Disbursing Officer, Symbol No. 412. This payment was supported by the contractor's claims 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 Mayer, 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, DMEA Field Team, Region III, had written letters to Mr. O. H. Griggs, the sole general partner, and Mr. Mayer 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. H. 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 MF-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/sh
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. Hoffland, Solicitor
J. L. Chambers, DMEA
W. S. Martin, DMEA
Region III Field Team (2)
K. Bailey, Bu Mines

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

WSM

NOV 24 1954

Registered Mail
Return Receipt Requested

Lakeview Manganese Mines

Crescent Mills, California

Re: Docket DMTA-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract No. Idm-1447

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. C. 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,

1/27

K. O. Mittendorf

Administrator

DTalbert/wb 11-22-54

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

400

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

WSM

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-F447

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. Mavor
Mr. Hefflund
Mr. Chambers

C O P Y

400

LAKEVIEW MANGANESE MINES
Crescent Mills, California

October 5, 1954

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

Attention: Mr. F. E. Johnson

Gentlemen:- Regarding Docket DMEA-2393 (Manganese), Contract Idm-E447, 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 is 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, Hollywood 28 and mail reaches him there. When he is away, registed letters cannot receive his signature and so do not reach him.

Respectfully yours,

O. H. Griggs
by C.B.

MR. MARTIN

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

Registered Mail
Return Receipt Requested

SEP 20 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:

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

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. H. 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

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. Mavor
Mr. Hofflund
Mr. Chambers
Docket
Admr. Reading File

FAR
says file until they
July 22 (code 800 400)

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08
241

08
891

Martin

This seems to be going around a circle.

What is our next move?

Cam

(Docketed Slctr 7-20
JD 7-21-54)

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Docket No.
DMEA-2393

REFERENCE SLIP

DATE 7-28-54

REFERRED TO:

1. ~~Mr. Parriott~~
2. ~~Solicitor's Docket Rm.~~
3. ~~Mr. Martin, Rm. 3538~~
4. ~~Administrator, DMEA~~

FOR: Martin

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

REMARKS: Reclamation material referred to in memo from Mr. Martin dated July 16 detached in Docket Room, Office of Solicitor. See letter of July 20 prepared by Code 800.

Check (X) before the items needing attention.

JLHofflund (ep)
Initials of sender.

GPO 16—63815-1

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

400
Dmea
2393

WSM

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.: 21,963,001
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

EDTalbert/wb
August 4, 1954

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

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

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

JLHofflund:ep

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

400

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-9447

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.

400

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

JLHofflund:lm

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

400

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

JUL 2 0 1954

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

AIR MAIL

Re: Idm-E447, DMEA-2393
Lakeview Manganese Mines

Dear Mr. Mavor:

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. T. Griggs, the general partner, and a reply dated June 29, 1954 from H. 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 checks, numbers 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

C
O
P
Y

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

July 1, 1954

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 an application, 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 <u>before</u> the application was submitted.

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.

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 MF 104 (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

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

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 work 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 feet 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 partmers 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 partnets.

Respectfully yours,

Sgn. 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.

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

C O P Y

AVIATION EXPORT COMPANY LTD
INC.
3108 Valhalla Drive
BURBANK, CALIFORNIA

June 30, 1954

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,

/s/ CMW

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.

C
O
P
Y

400

HAL C. THOMAS
352 North Avenue 59
Los Angeles 42, Calif.

29 June 1954

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,

Signed: Hal C. Thomas

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

400

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

Administrator

Enclosure

HCRubin:lm - 6-16-54

Copies to: Docket
Administrator
Adm. Reading file
Operating Committee
Field Team Reg. III (2)
Gilbert DeBuff 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.

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

[Checked against Los Angeles telephone directory for 59]

Mr. H. C. Thomas
352 North Avenue 59
Los Angeles ~~58~~,
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,

Administrator

Enclosure

resubmitted
6-17-54

Mr. Inactive

JUN 18 1954

40V

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

Re Docket DMSA-2391 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-1417

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 (MT-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.

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. Mittenderf

Administrator

HCRubin:lm - 6-15-54

Copies to: Docket
Administrator
Adm. Reading file
Operating Committee
Field Team Reg. III (2)
Gilbert DeMuff B/M (Rm 3523)
Louis Pavlides USGS (Rm B-242-B GSA)
Mr. H. C. Thomas, 352 North Avenue 57, Los Angeles, 59, 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.

AIR MAIL

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

JUN 10 1954

Dear Mr. Mavor:

It is my understanding that, during your recent visit to Washington, you and Mr. Chambers conferred with Mr. Knouse of the Rare and Miscellaneous Metals Division relative to certain problems and questions pertaining to Idm-#529, DMA-2085, New Penn Mines, Inc., and Idm-#64, DMA-1165X, Cordero Mining Co., which you were to discuss further with Mr. Miller upon your return to San Francisco.

Also, during your visit, I discussed with you the necessity of preparing a Report of Review covering Idm-447, DMA-2393, Lakeview Manganese; however, you were requested to confer with Mr. Miller to determine what steps he wished to take in an endeavor to relieve the suspension involved. The Report of Review was subsequently received by this Division and the release of the regional copies was authorized by my letter to you under date of June 2, 1954.

To date no information has been received from either Mr. Miller or you as to the determinations or recommendations resulting from your discussions on these three contracts. Please furnish this information by return air mail, and also advise as to the approximate date that this Division may expect to receive the audit report for Idm-#529.

Sincerely yours,

(Signed) E. D. Talbert

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

EDTalbert/wb
June 10, 1954

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

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

400

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

June 7, 1954

WSM

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.

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 Idm-E447

Dear Mr. Miller:

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

You certainly have done everything that you can to contact the Operator. However, we suggest that you make one more attempt and forward the termination notice by regular mail, and then drop the matter and consider the obligations of the Government terminated under the contract.

Sincerely yours,

Chairman, Operating Committee

Approved:

Not used

Member, Bureau of Mines

Member, Geological Survey

402

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

WSM

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-2447

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 Malabu 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. W. 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

Copy to: Roscoe Smith, USGS

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, California

May 11, 1954

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

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

Dear Mr. Miller:

Under dates of May 7 and 8, 1954, an attempt was made by me to contact O. H. Griggs, 1903 Outpost Drive, Hollywood 28, California, for the purpose of obtaining additional information in order to complete my audit, and also deliver termination notice for subject contract.

I arrived at the home of O. H. Griggs about 5:30 p.m. Friday May 7, 1954, and apparently no one was home. I inquired from a neighbor next door about O. H. Griggs and I was informed that he occupied the house, but they knew very little about him. His name is not in the telephone book, and I called information to see if his name was listed at 1903 Outpost Drive and was informed they had no record of his name at that address.

At 9:00 a.m. Saturday May 8, 1954, I made another attempt to contact O. H. Griggs, and I saw a milkman delivering milk at the back door of the house, and he informed me that another man lived in the house that owned a dog and I might see him in the neighborhood. It developed that this man was a brother-in-law of O. H. Griggs and he told me to return at 1:00 p.m. which I did without avail. Before leaving I went to the back door, which had a bell and I heard it distinctly ringing. I then opened the back door and asked in a loud voice if anyone was home, without results.

The house at 1903 Outpost Drive is on a corner lot, and has a 7 foot wall around the property. The front door entrance is a large oak door built into the wall, and had the appearance of not being used, and possibly the bell was out of order. A smaller oak door for the back

entrance also built into the wall was open and you could gain entrance at this point, which I did without results. The garage at the back of the house, had space for two cars, however, the doors were off and had the appearance of not being in use. The house is in a high class neighborhood, but shows signs of neglect and no doubt an eyesore to the neighbors.

Sincerely yours,

"(SIGNED) GEORGE MAVOR"

George Mavor
Auditor

Copy to: Jay L. Chambers

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

400

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

April 7, 1954

WBM

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-3447

Reference is to your letter dated January 8, 1954, requesting me to advise Mr. O. N. 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.

RECEIVED
APR 13 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

400

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-5447

WSM

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. S. 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 Defense Minerals Exploration RECEIVED MAR 9 1954

400

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

March 5, 1954

WSM

Registered Mail
Return Receipt Requested

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

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

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.
Roscoe Smith, USGS
A. C. Johnson, Reno
Finance Officer, Region III
George Mavor

Division copy 400

Minerals Administration
RECEIVED

NOTICE OF TERMINATION

To: Lakeview Manganese Mines, a limited partnership

Crescent Mills, California

Operator under Exploration
Project Contract Idm-2447
Docket No. DMEA-2393,
dated November 17, 1952

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereby terminates the subject contract, under the terms thereof (which preserves the Government's rights with respect to a percentage royalty), on the following ground:

> In the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract, in that no work has been performed since March 1953, and the time specified in the contract for the completion of the work, July 17, 1953, has passed.

Upon the receipt of this notice you are required, as provided in said contract, 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.

Any work prosecuted or costs incurred by you after the receipt of this notice shall be for your sole account, except for the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

All rights of the Government with respect to certification of discovery or development, percentage royalty, and lien for payment, as provided in the contract, are preserved.

Dated this 1st day of March, 1954.

THE UNITED STATES OF AMERICA

By C. Mitchell Dorr
Administrator, Defense Minerals
Exploration Administration

Rubin
Hoffman
Chamberlin

400

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. Idm-E447

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

Approved:

J. H. Hedges
Member, Bureau of Mines

D. M. Larrabee
Member, Geological Survey

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

FARutledge/ls
2/23/54

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

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

January 21, 1954

WSM

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
Contract No. Idm-1447

Dear Mr. Griggs:

Reference is made to Operator's Monthly Report and Voucher, prepared on Form MF-104 for the month of March 1953, which shows total costs of $991.01, made up of the following items:

Bulldozing	- 48 hrs. at	$14.00	$672.00
Laborer	- 48 hrs. at	1.62	77.76
Supervision	- 48 hrs.		241.25
Total			$991.01

Vouchers received for the months of February and March 1953 did not have documents attached as evidence of payment, and if you will refer to instructions printed on the reverse side of Form MF-104, you will find Item (8) reads as follows:

"The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, 'Certified True Copy (or Transcript)'."

In order that this office may close the records on your contract, it will be necessary for you to submit the following documents:

1. For bulldozing costs aggregating $672.00, send original invoices or certified copies of invoices.

2. For labor costs aggregating $77.76, send certified copies of payrolls, showing name of employee, hours worked, rate of pay, and amount paid.

3. For supervision costs aggregating $241.25, include with the above certified copies of payrolls, showing name of supervisor, hours worked, and method of computing proration of salary based on $400.00 per month.

It is called to your attention that the contract provided 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 "allowable maximum" for 48 hours would be $120.00. Deducting this amount from the supervision cost of $241.25 claimed in your monthly vouchers would indicate an overcharge of $121.25.

Your prompt attention in furnishing the required documents, together with an explanation of the supervisory costs, will be appreciated.

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
George Mavor
F. Horton

400

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

WSM

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-5447

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,

J. C. MILLER
F. C. Miller
Executive Officer
Mobile Field Team, Legion III

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

400

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. M MA 2393, Manganese
Lakeview Manganese Mines
Iron Dyke, Lakeview & Trail claims
Plumas County, California
Contract No. Icm-2447

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. G. 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
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

D. M. Larrabee
Member, Geological Survey

TLChapman/ls 1/6/54

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

400

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

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

November 15, 1953

Memorandum

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

WSM

From: Executive Officer, DMEA Field Team, Region III

Subject: Pocket No. [illegible]-0393 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract No. [illegible]-447

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

W. McKEE

[illegible] C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: S. H. Bailey, [illegible]
A. W. Johnson, Reno
George Mavor
W. Morton

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 Mm-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 34 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
36.9	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 Hours	February 1953 Cost	March, 1953 Hours	March, 1953 Cost	Total 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

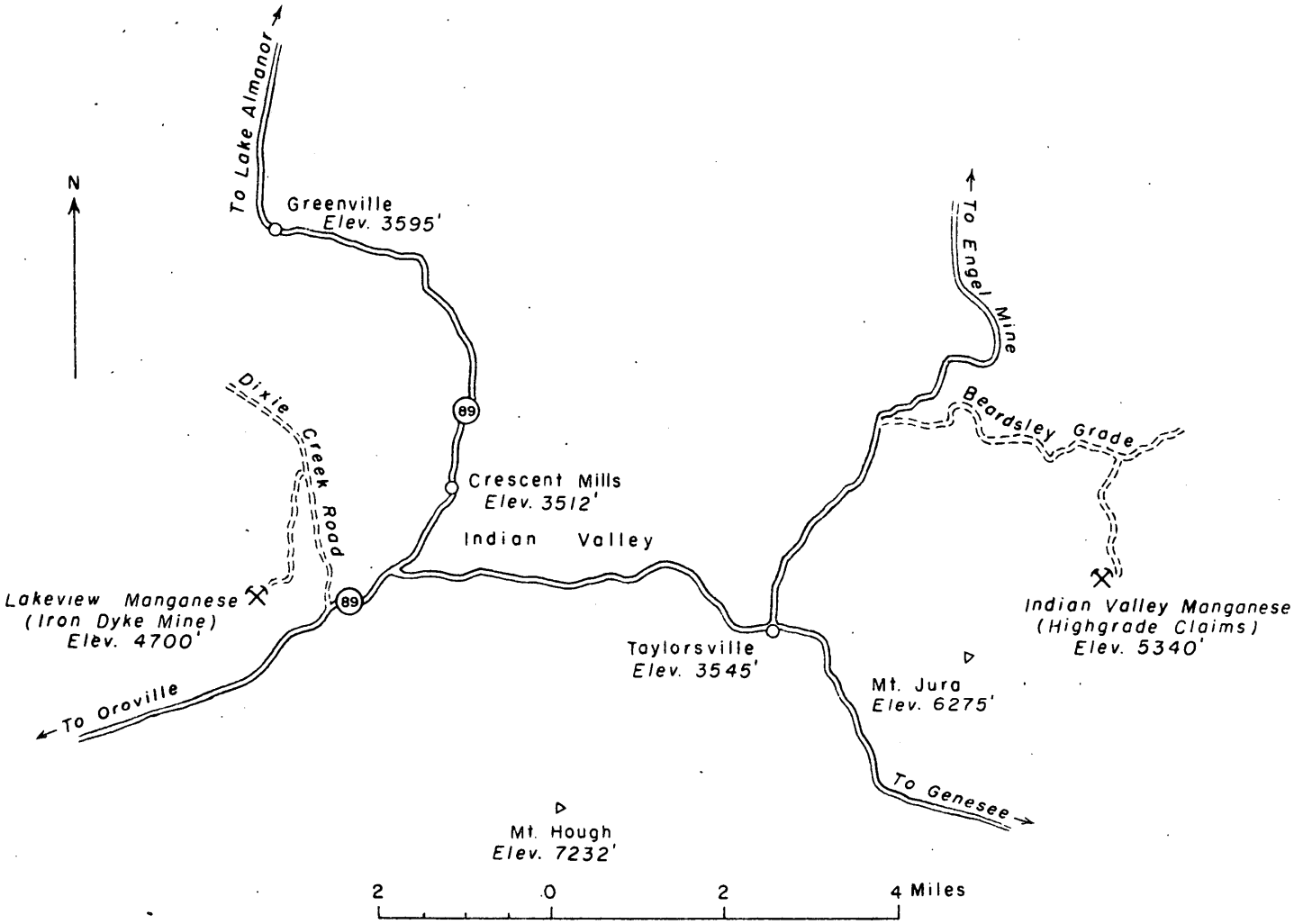
The efficiency of the operator in conducting the exploration operations is considered poor. The locations chosen for bulldozer trenching were not strictly in compliance with DMEA contract and the total work outlined under Stage I of the contract was not completed.

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.



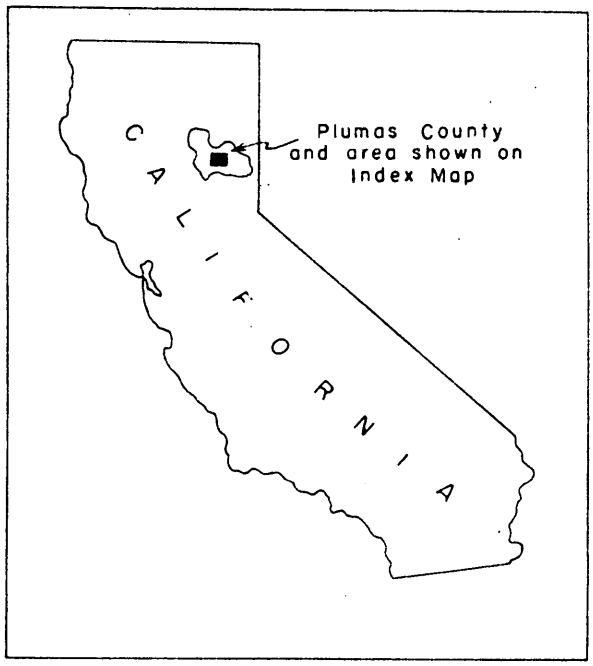


Figure 1. INDEX MAP

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

400

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 27 1953

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

November 23, 1953

WSM

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

Re: Docket DMM-2393 (Manganese)
Lakeview Manganese Mines
Plumas County, Calif.
Contract No. Idm-1447

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

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

WSM

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

Defense Minerals Administration
RECEIVED
OCT 19 1953

402

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

October 12, 1953

WSM

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-E447

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. Bedley, USGS

400

OCT - 8 1953

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

Re: Docket No. [illegible] A 1393 - Tennessee
Leeview Manganese Mines
Plumas County, California
Contract No. Ic-3447

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

Chairman, Operating Committee

Enclosures

APPROVED:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

cc: DOCKET
ASM. DEAD. FILE
OPT. COMM.
FT. ENG. III
CODE 400
G. DeRUFF, USBM
MARTHA CARR, USGS

T. Chapman/ls
9/30/53

September 30, 1953

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Docket No. DMEA 2393 - Manganese
Lakeview Manganese Mines, C. A. Origgs, Operator
Crescent Mills, Plumas County, California
Contract No. Idm-[illegible]47

Contract dated - November 17, 1952
Contract time - [illegible] 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: 46 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

F-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 9/24/53

REFERRED TO:

1. ~~Code 400 Room 3538~~
2. ~~Code 400~~
3.
4. Code 400.

FOR:

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

REMARKS: Is original in docket file or did it go to Oper. Committee? We must answer * question — so please return this copy to 400. R.E.A.

Check (X) before the items needing attention.

Letha: Same distribution was made on this as an Interim Report and Orig. ~~will be put in docket~~ after Mittendorf, Johnson and Chambers sees it.

ROBERT E. ADAMS
Initials of sender.

GPO 16-62811-1

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

4005 copy

Original to Docket

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

Attachment

Copy to: E. H. Bailey, USGS

September 11, 1953

Memorandum

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

From: Chief, Mining Division, Region III

Subject: Docket DMEA-2392 - Manganese
Lakeview Manganese Mines, Plumas County, Calif.
O. H. Griggs, Hollywood, California
Contract Idm-3447

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 15, 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. O. Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS 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

reply to Sam 8/11 F.T.

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

WSM

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

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

Copy to: E. H. Bailey, USGS

DEFENSE MINERALS EXPLORATION 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-E447, 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 - FT. REG. 3
CODE 400
ADM. READ. FILE
OPER. COMMITTEE
AUDITS DIVISION, BUR. MINES
EDGAR GEALY, BUR. MINES
MARTHA CARR, GEOL. SURVEY

400

July 24, 1953

Memorandum

To: Mr. J. [illegible] Hoffland, Chief Counsel, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Docket No. [illegible] 2393. Contract Idm-E[illegible]47
Lakeview Manganese Mines
O. M. Griggs, Operator, Crescent Mills, California
Plumas County, California

The accompanying memorandum from Mr. J. 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.

M. S. Martin

[illegible]. Martin, Acting Chief
Iron and Ferro-Alloys Division

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

400

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS 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 28, 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

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: [redacted]

WSM

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 [redacted]

Contract Idm-E [redacted]

Commodity [redacted]

Operator - [redacted]

Property - [redacted]

By [redacted]

Dated [redacted]

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

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

DMEA 2393

Copied from Mining and Industrial News Volume 21, No. 3, P 17
May 1953

SHIPMENTS START AT LAKEVIEW MANGANESE

Shipments of manganese ore, the first to leave Plumas county, Calif. this year, have started from Lakeview Manganese Mines near Crescent Mills. According to O. H. Griggs, manager, the ore is going to the new government stockpile at Wenden, Ariz., to which the freight rate is not prohibitive. Nearest stockpile was previously located at Deming, N. M.

According to Mr. Griggs, plans are being made to build a washing plant at Crescent Mills and move our lower grade of ore.

Lakeview company plans to ship a carload a week, the ore averaging about 50 tons to the car. It runs about 48 per cent manganese, said to be as high as any produced at the present time anywhere in the United States. At present prices it will sell for $110.40 a ton, delivered at stockpile.

Another manganese property, the Indian Valley mine located east of Taylorsville in Plumas county, is also being opened up by Mr. Griggs and associates who believe it will be a stronger property than the Lakeview. During World War II the Indian Valley property produced ore running 56 per cent manganese.

DMEA 2393

Copied from Mining and Industrial News Volume 21, No. 3, P 17

May 1953

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400

INTERIM REPORT

May 8, 1953

Docket No.: DMEA-2393

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

WSM

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

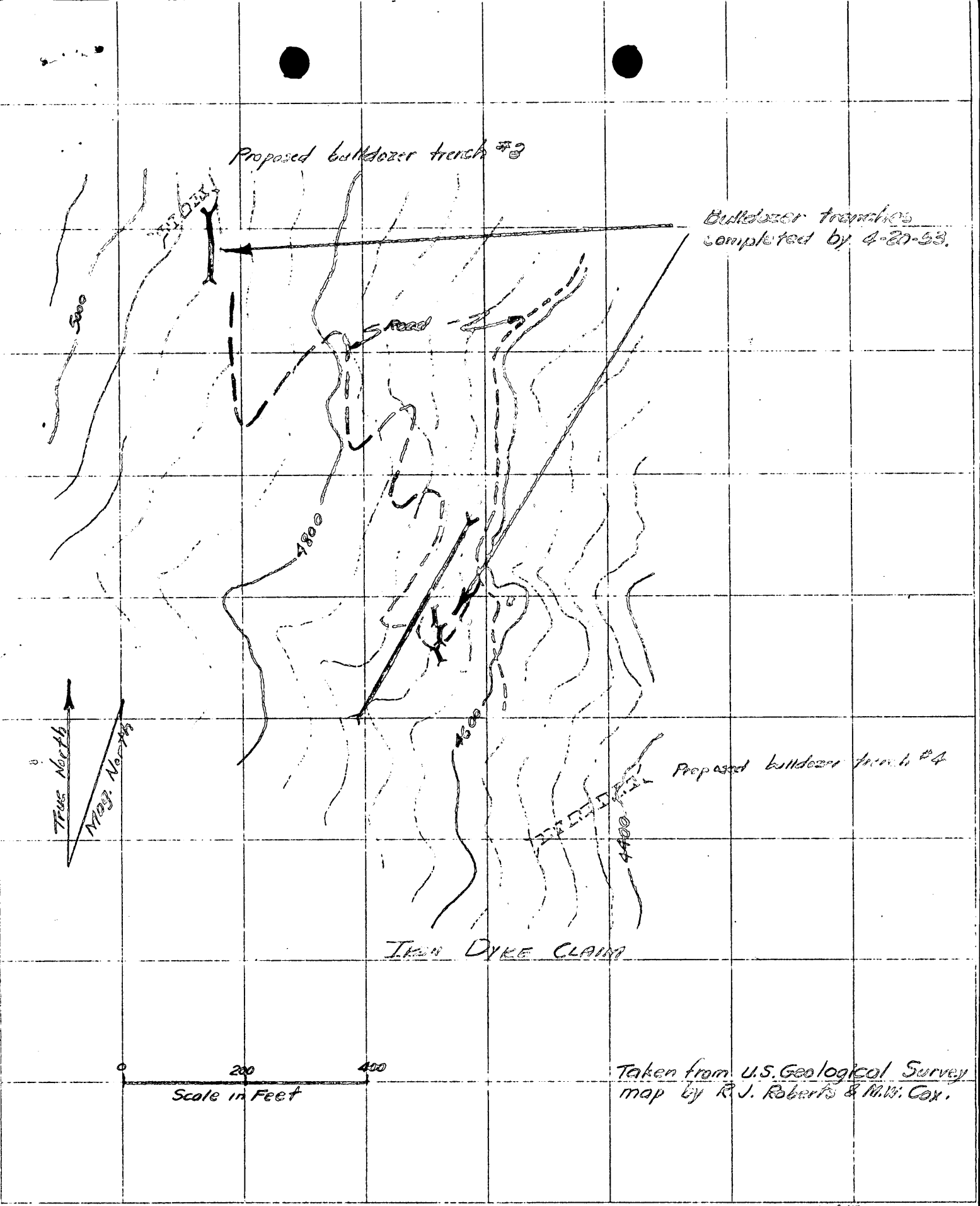


FIG. 1 LAKEVIEW MANGANESE MINES - DMEA 2393, Idm - E447

2393

Release Date

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 feed 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

APR 1 AM 8:48

SAN FRANCISCO, CALIFORNIA

400

Office of
Executive Officer
RFC Field Team
Region III

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

March 27, 1953

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

Re: Docket RFC-2503 (Manganese)
Lakeview Manganese Mines
Plumas County, California
Contract Idm-2447

Dear Mr. Griggs:

The four copies of the RF-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 RF-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 RF-104 form. Your contract is number Idm-2447 and not Idm-247.

There should be submitted along with the copies of form RF-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 RF-104A. No RF-104A forms were received from you by Mr. Johnson. Five copies of a narrative report also should accompany your RF-104 and RF-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 RF-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 excavate 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 $80.00 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,

[M. C. MILLER

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

Enclosure

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

400

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

JAN 14 1953

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

Administrator

Enclosure

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 ADMINISTRATION
WASHINGTON 25, D. C.

400

BCL 1/12/53

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 6 1953

January 5, 1953

Mr. O. N. 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:

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

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

Enclosure

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

HCMiller:mpp
Files
Chron.

Copy retained for

400

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 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.

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.

Defense ... Administration
... 1952

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

400

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1952

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.

GCS 12/16/52

December 9, 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:

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

DEC 4 1952

Mr. [illegible] Triggs
Lakeview Manganese Mines
1903 Outpost Drive
Hollywood 28, California

Re: Docket No. [illegible] - Complete
Lakeview Manganese Mines
Plumas County, California

Dear Mr. Triggs:

Your letter of November [illegible], 1952, concerning 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, [illegible] 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

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

EScott 12/3/52

Copy to: Docket
Admn. Head. File
Field Team, Reg. 3
G. C. Selfridge
F. F. Melcher, USGS
M. D. Crittenden, USGS

TLChapman'lm
11/12/52

400

cc: Admn. Reading File
Docket
W. B. Melcher, USBM
R. D. Crittenden, USGS
Field Team Region III
Operating Committee
G. C. Selfridge
T. L. Chapman

Mr. R. 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,

Stanley E. Johnson

Chairman, Operating Committee

Enclosures

Approved:

L. M. Hodson

Member, Bureau of Mines

E. L. McKnight

Member, Geological Survey

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.

Chief Counsel, DMEA November 4, 1952

Iron and Ferro-Alloy Division, DMEA

Contract for review and final preparation
DMEA 2303 - Manganese
Lakeview Manganese Mines
Crescent Mills, California

Replies to our letters of August 11, 14, and 20 have been received from Mr. O. W. 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.

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

AIR MAIL

SEP 17 1952

Mr. G. F. 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 8 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,

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

140

400

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

AEKane/ema
cc: Mails & Files
J. L. Hofflund
A. E. Kane
G. C. Selfridge
Chron.

AUG 2 0 1952

Mr. G. R. Griggs
Lakeview Manganese Mines
Crescent Mills, California

Re: Docket No. DMSA 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 (ST-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,

George C. Selfridge

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

cc: Admn. Reading File
Docket
M. S. Melaher, USBM
M. D. Crittenden, USGS
Field Team Reg. VII
G. C. Selfridge
T. L. Chapman

Enclosures

TLChapman'lm
8/19/52

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."

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

John L. Hofflund, Chief Counsel, DMEA

August 12, 1952

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

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

IN REPLY REFER TO:
G-MD-CP

400

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

400

MAY 16 1952

Mr. O. E. Griggs
Lakeview Manganese Mines
Crescent Mills, California

Re: Docket No. DMEA 23933 - 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. E. 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. D. Mitteneom

Acting Administrator
Defense Minerals Exploration
Administration

TLChapman'lm
5/13/52

cc: Admn. Reading File
Docket
W. B. Melcher, USBM
M. D. Crittenden, USGS
Field Team Reg. III
G. C. Selfridge
T. L. Chapman
Operating Committee

402

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

Acting Administrator
Defense Minerals Exploration
Administration

GCSelfridge:ls
4/18/52

cc: Admn. Reading File
Docket
N. R. Melcher, USBM
M. D. Crittenden, USGS
Field Team, Reg. 3
G. C. Selfridge

MAR 1 1 1952

file

Trail Manganese Mine
c/o Mr. O. H. Griggs
1903 Outpost Drive
Hollywood, California

Re: Docket No. DMMA 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

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

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures - 7

CLBrewer:lm
3/7/52

cc: Admn. Reading File
Docket
W. B. Melcher, USBM
M. D. Crittenden, USGS
Field Team Reg. III
C. C. Selfridge
C. L. Brewer

IN REPLY REFER TO:

G-MD-MDC

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

147A
file

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	

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.

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.

MDCrittenden:gt

Write to ask Oprtr to amend or to
including other 2 claims
+ initial bulldozing

MEA 2393, Idm-E447.

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.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
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

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

Attachment

Copy to: A. C. Johnson, Reno (With copy of contract)
Finance Officer, Region III (With copy of contract)
E. H. Bailey, USGS
George Mavor

AMeiers:mpp
Files
Chron.

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

DOCKET NO. DM[redacted]-303

COMMODITY Manganese

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Division Copy
IDM-E 447

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 17th day of November, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Crescent Manganese Mine, a limited partnership between H. L. Thomas, L. A. Brindle, and Clair Jacobs, limited partners and A. 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 Amer I and Fig. 1 (Crescent Manganese Mine, Crescent Mills, Calif. Sept/52) Map attached hereto and made 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 holder is attached:

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's consent to lease 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 ~~thirty (30)~~ Sixty (60) 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 eight (8) months 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 [illegible] percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $[illegible], which is [illegible] percent of $[illegible], 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.* The Operator's obligation to bring the project to completion continues only as long as the accumulated allowable costs of the project in which the Government will participate do not exceed the agreed total estimated cost of the project set forth in Article 8.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

[illegible]
(Operator)

By O. H. Griggs

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

I, O. H. GRIGGS, certify that I am ~~the~~ GEN. PARTNER ~~secretary~~ of ~~the corporation named as~~ Operator herein; that ______, who signed this contract on behalf of the Operator, was then GEN. PARTNER & MANAGER of said ~~corporation~~ PARTNERSHIP; that said contract was duly signed for and in behalf of said ~~corporation~~ PARTNERSHIP by authority of ~~its governing body, and is within the scope of its corporate powers~~ LAW.

O. H. Griggs

[CO

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

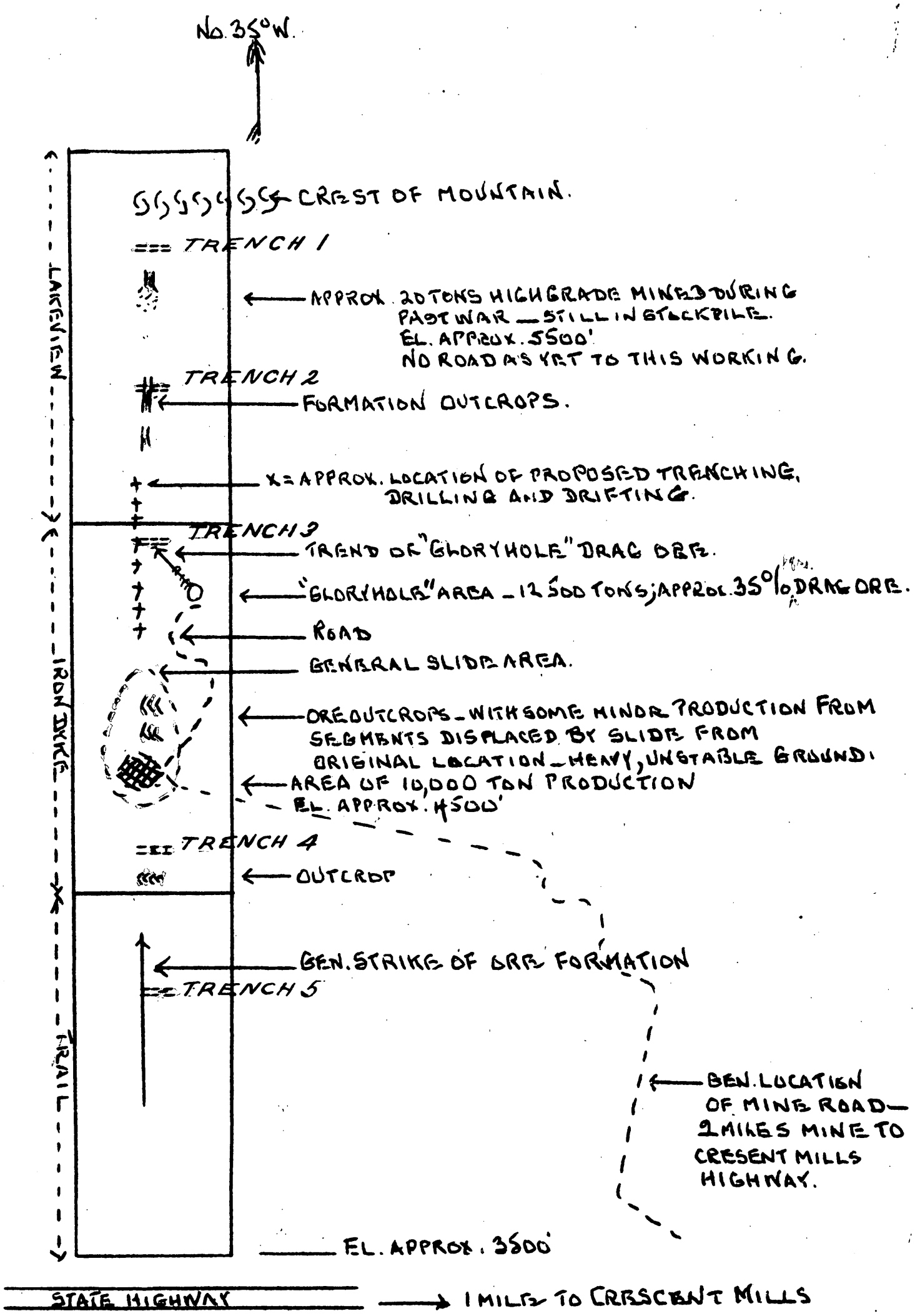
Sample sacks	20.00	
Assaying, 40 samples @ $2.00 each	80.00	
Office and engineering supplies	60.00	
Workmen's Compensation and Employers' Liability Insurance, and payroll taxes	685.00	845.00

(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

FIG. 1

SCALE:-
APPROX 1" = 500'

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner ~~in fee simple~~ by right location title of that certain parcel of ground in the county of [illegible], State of California, described in a certain Exploration Project Contract dated _____, 195__, between [illegible], Charles Herring and Fr. Fred Bear, lessors and owners, and [illegible], lessee 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. 29, 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.
Wm F. Bear

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

OUT

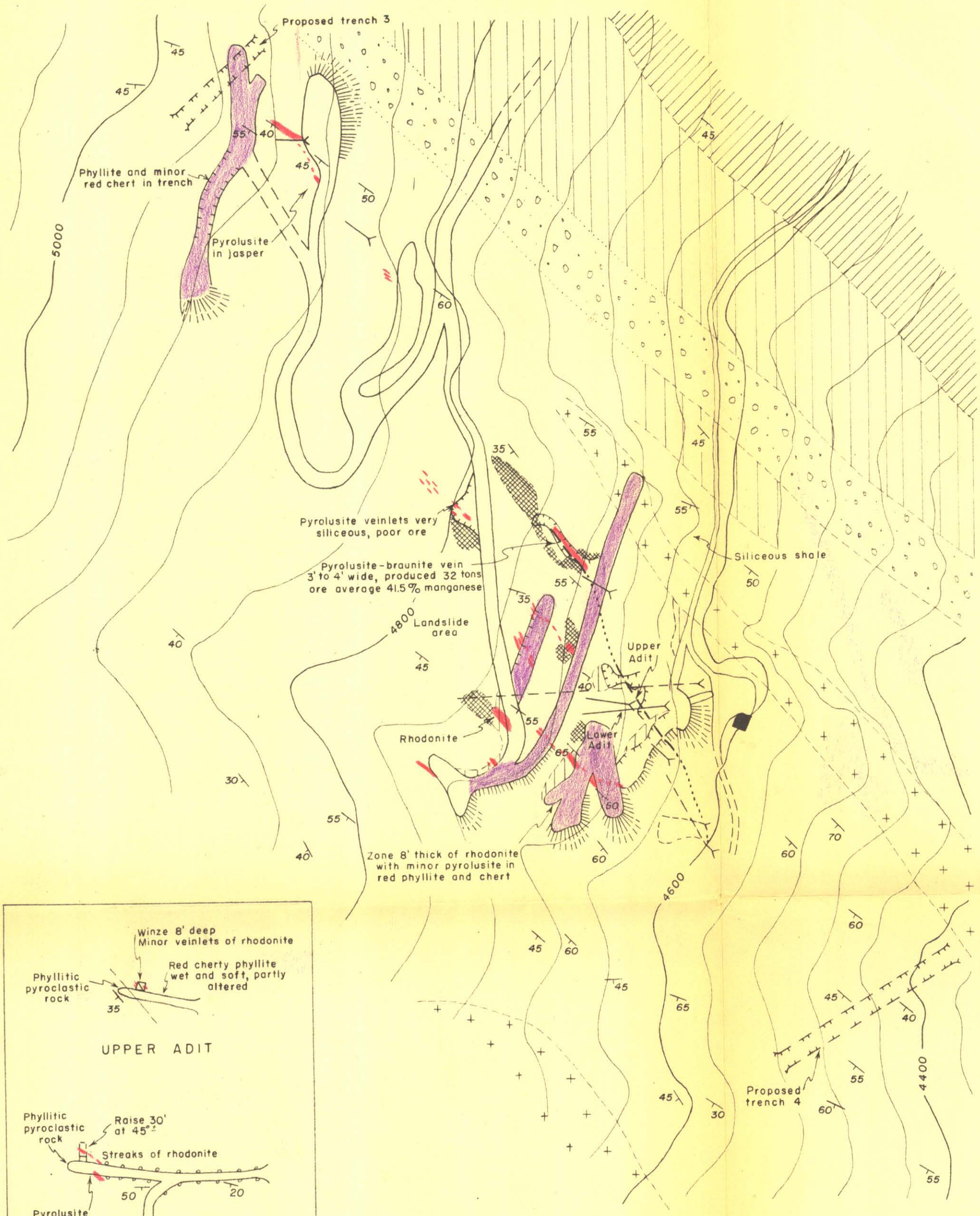
NAME OR NO.	TAKEN BY	TIME TAKEN OUT DATE	TIME TAKEN OUT HOUR
~~75.10~~	~~Gauf~~	~~6/12/75~~	
~~X-S 0.0 8/77~~	~~[illegible]~~	~~7/17/75~~	
~~MPF 37.60~~	~~Kauppila~~	~~8/18/75~~	
~~[illegible]~~	~~[illegible]~~	~~1/16/76~~	
~~MPF 21.145~~	~~Bankey~~	~~3/23~~	
~~MPF 3.26-3.26~~		~~3/24~~	
~~MPF 81.13~~		~~3/29~~	
~~MPF 37.144~~	~~[illegible]~~	~~3/31~~	
Wash. 53-001-00001 MPF 21.37	~~[illegible]~~	~~4/6/76~~	
~~06-089-00316~~	~~Weldon~~		
Nevada ~~32-014-00031~~	~~Mahany~~	~~3/18/78~~	
~~[illegible]~~			
~~52-007-0041~~	~~[illegible]~~	~~7/27~~	
~~21.16 53 019 0038~~	~~Tom Hillman~~	~~8/4/78~~	
~~21.6 053-057-0303~~	~~Baber~~	~~8/21/78~~	
~~724 53063 [illegible]~~	~~Weldon~~	~~8/21/78~~	
~~53 [illegible] 0001~~	~~[illegible]~~	~~[illegible]~~	
~~030 013 0074~~	~~Abel Newman~~	~~1/8~~	
030 007 0070	Abel	1/10	
~~053 065 0251~~			

NAME OR NO.	TAKEN BY	TIME TAKEN OUT DATE	TIME TAKEN OUT HOUR
~~U.S.G.S. Bulletin No. 1010~~	~~Gabb~~	~~4/1/85~~	
~~USBM RI 8927~~	~~Dewton~~	~~5/16/85~~	
~~56-85-[illegible]~~	~~[illegible]~~	~~4/29/86~~	
USGS Bull. 948C	McHugh	4-9-92	
~~DMEA(BC) 12769~~	~~[illegible]~~	~~8/31/03~~	
~~Alaska Pull DMEA 0842~~	~~Jwallis~~	~~9/1/03~~	~~Box 2225~~
~~DMEA 3112 55 Klaas Box 909~~			~~JW 10/10/04~~
BMSA 2396 Meyers Cove	Moyle	12/1/04	

NAME OR NO.	TAKEN BY	TIME TAKEN OUT DATE	TIME TAKEN OUT HOUR

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

17°
TRUE NORTH
MAGNETIC NORTH

Modified from map by R. J. Roberts and M. W. Cox, 1944

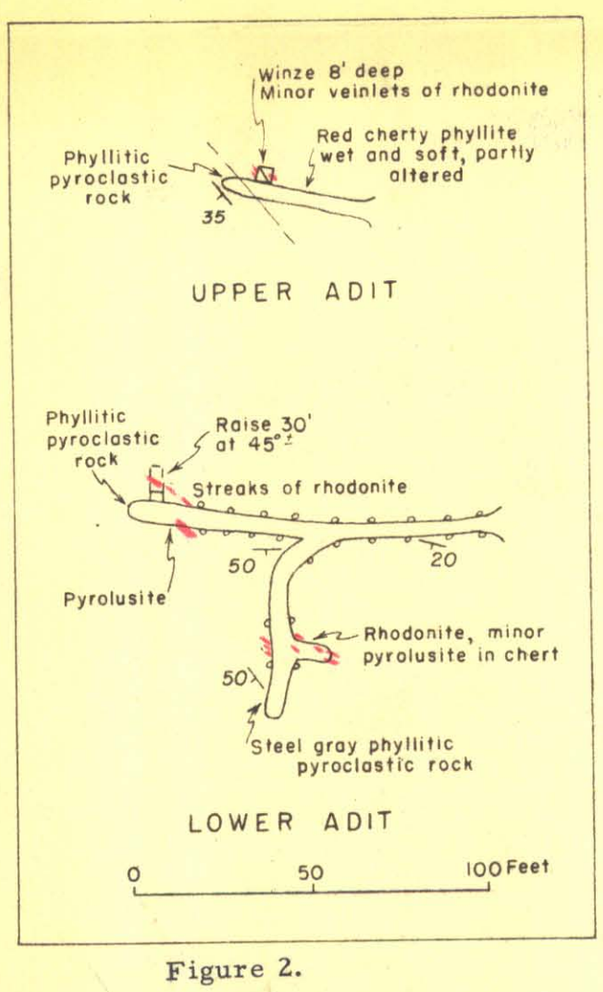


Figure 2.

IRON DYKE MINE, PLUMAS COUNTY, CALIFORNIA

100 0 100 200 Feet

Contour interval 40 feet