FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

McKnight
Brockus
Mote
Herres

ETMcKNIGHT:emp
G 7/2/51

Copies to: A. E. Weissenborn Region II (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
L. F. Strobel

July 3, 1951

Re: DMA-1299X.
DMA-1519X
Lead-zinc-silver
Nugent and Norgaard
Helena, Montana

Memorandum

To: Executive Secretary, D. M. A.

From: Lead-Zinc Branch, D. M. A.

Subject: Denial of exploration loan on the subject docket, which was inadvertently assigned two numbers.

1299-remove
Dkt 1519

Review of docket shows that the Meadow Mine at Clancy, Montana is on a narrow fault vein in the Boulder Batholith. The deposit is a quartz vein, 6 inches to 2 feet wide, and containing sphalerite, galena, tetrahedrite, argentite and pyrargyrite. The ore is not continuous in the vein, but segregated into lensy shoots. The ore shipped to date from two shoots is 131 tons, which contained 136 oz. of silver per ton, 2% lead, and 7.7% zinc. The zinc was not paid for by the smelter. More than 2,500 square feet in the plane of the vein was stoped out to get this production, which means that the ore was cobbed to take a pay streak less than 1 foot thick.

The proposal is to extend the present lowest level, the 70 foot level, a distance of 100 feet in each direction, to sink the shaft 130 feet deeper and develop the 200 foot-level for a distance of 300 feet, the total to cost $31,020.

It is recommended that the request be denied on the grounds that the work will be essentially developing a silver mine in a geologic setting not particularly promising for lead and zinc. The ore shipped to date consittutes an adequate sample of what can be anticipated as the average for the deposit. Sinking and drifting holds a little promise for locating thicker and richer lead and zinc bodies.

It is recommended that the attached letter be sent to the applicant.

Returned herewith are 2 copies of the application, in binding as supplied by the applicant, also 3 copies of the Landlords Subordination Agreement, and a docket transmittal letter of May 24, 1951 from Weissenborn, Region II.

Otto Herres

Otto Herres, Chief
Lead-Zinc Branch

Approved:

Tom Lyon
Director, Supply Division

Directors r. file 4214 GSA
Br. r. file 4214 GSA

July 2, 1951

Re: [illegible]
[illegible]A-15194

Mr. Alfred C. Nugent
Nugent and Morgaard
Box 1063
Helena, Montana

Dear Mr. Nugent:

Your application for a loan under the Defense Production Act of 1950 has been reviewed by the Defense Materials Administration. As your application was received in the headquarters, it was inadvertently given the two numbers cited above.

Series of your application shows that your mine is essentially a silver mine. The gold is nothing to note and the prospects for lead and zinc occurrence in significant quantities, and the development you have done to date confirms this appraisal. Here you have done shows that the ore shoots are lenny, narrow and low-grade in lead. Although the zinc content of ore shipped is economically, this represents a certain product that found that, as broken, is low grade in zinc. We, therefore, do not believe that the expenditure of public funds for exploration can be justified on the grounds that it would contribute materially to national defense.

[illegible] that you are bringing this property to our attention.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Equity Division

[illegible]:[illegible]:[illegible]:[illegible]:[illegible]
0 7/2/51
Copies to: A. S. Goldsmborn
Region II (2)
Chief, Lead-Zinc Br.
R. T. McKnight 4204 GSA
E. H. Moto
L. [illegible] Strobel
Directors r. file 4204 GSA
Br. r. file 4204 GSA
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SURNAME:

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

Rec'd - 5-
Denied
7-3-51
(Process .50
problem by same operator)

June 4, 1951

Mugent and Morgaard
Box 1069
Helena, Montana

Subject: DMA-1299X
Re: Exploration Loan
Meadow Mine

Gentlemen:

Receipt is acknowledged of your application and attachments of May 29, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1299X and was referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on May 29, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1299X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:js
cc: Strobel-2
√Files
Herres
Lyon

FILE COPY
SURNAME:

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

Herres
McKnight
Strobel 6/4

May 31, 1951

DMA-1299X
Henning Norgaard and
Alfred Nugent
Meadow Mine, Clancy, Montana

Honorable Mike Mansfield
United States Senate
Washington 25, D. C.

Dear Mike:

The application of Messrs. Henning Norgaard and Alfred Nugent of Helena, Montana, for Government assistance under the mineral exploration program of DMA which accompanied your letter of May 28 was referred to the Lead-Zinc Branch this morning.

In accordance with your request this application will be given prompt and careful consideration. The letters of Mr. Haab and Messrs. Norgaard and Nugent are returned herewith.

In case I can be of further assistance to you at any time, please feel free to call on me.

Sincerely yours,

JAMES BOYD

Administrator

OHERRES:ks

cc: Administrator
Strobel
Mote
McKnight
Herres
Files

MIKE MANSFIELD
1ST DISTRICT, MONTANA

COMMITTEE:
FOREIGN AFFAIRS

Dm A.
1299X

Congress of the United States
House of Representatives
Washington, D. C.

answered by Hess
5/31/51

May 28, 1951.

Hon. James Boyd, Administrator,
Defense Minerals Administration,
Interior Department.

Dear Jim:

I am enclosing herewith correspondence and application of Messrs. Henning Norgaard and Alfred E. Nugent for aid for an exploration project under Mineral Order 5 of DPA of 1950.

I would appreciate your giving this application every consideration and if you need any additional information, would you let me know so I can request these gentlemen to send it to you. Please keep me informed of developments on this and return Mr. Haah's letter for my files.

Thanking you and with best personal wishes, I am

Sincerely yours,

Mike Mansfield

MAY 31 1951 5