DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 11237

DO NOT DETACH THIS SLIP

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This document has been recorded as

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Routing Slip

To:	Supply Division	Date	10-6-51
To:	Reports and Records	Date	OCT 9 1951
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FILE COPY
SURNAME:

Holderer
Ballard/H

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

not stripped in RRR

OCT 9 1951

A.E.C.

Memorandum

To: Reports and Records Unit

Through: Director, Supply Division

From: Manganese Branch

Subject: DMA-1123X Manganese Exploration Project
M. L. Clough, 239 East Third Street
~~Winnemucca, Nevada~~

Property: Black Diablo, Humboldt County, Nevada

The subject applicant has not replied to our letter dated May 23, 1951, and we assume he is no longer interested. Therefore, we are marking the docket "withdrawn."

The following pertaining to the file are enclosed:

1 copy MF-100
1 copy MF-103

George B. Holderer
Chief, Manganese Branch

Attachments

TJBallard:ll 10/4/51
CC: DMA Docket File
Adm. Reading File
Mr. Holderer

Approved:

A. B. Parsons

Director, Supply Division

340

FILE COPY
SURNAME:

Holderer

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

OCT 9 1951

A. E. C.

Mr. M. L. Clough
239 East Third Street
Winnemucca, Nevada

In reply please refer to
DMA-1123X Manganese

Dear Mr. Clough:

We have had no reply to our letter dated May 23, 1951, and we assume you are no longer interested in an exploration loan. Therefore, we are marking your docket closed.

This action does not preclude your applying for a loan at a later date.

Very truly yours,

A. B. Parsons

D. 10-9

Tom Lyon, Director
Supply Division

TJBallard:ll 9/31/51
CC: DmA Docket File
Adm. Reading File
Mr. Holderer
Field Team, Region III

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

OCT 9 1951

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Chief, Manganese Branch

Attachments

Approved:

For Director, Supply Division

FILE COPY
SURNAME:

Cattrude
Ballard
Holderer

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

May 23, 1951

Mr. M. L. Clough
239 East Third Street
Winnemucca, Nevada

In reply please refer to
DMA-1123-T

Dear Mr. Clough:

In your application for an exploration loan dated May 7, 1951, you stated 100 percent Government participation in a $10,000 loan you are applying for. The maximum the Government will lend for exploration of manganese is 75 percent of the total cost. Therefore, it is necessary that you agree to share 25 percent of the cost before your application can be considered.

You should also submit detailed data and estimated costs of the proposed exploration work that you expect to do.

We are enclosing a copy of a recent release on the exploration loan, which may be of assistance to you. Please sign and complete the enclosed forms, except for information already submitted, showing your acceptance of the participating clause in your application to the extent of 25 percent.

Very truly yours,

George B. Holderer

George B. Holderer, Acting
Chief, Manganese Branch

Enclosure

TJBallard:ec

CC: Adm. Reading File
Mr. Strobel
Mr. Bradley
Files

FILE COPY
SURNAME:

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

May 9, 1951

Mr. M. L. Clough
239 East Third Street
Winnemucca, Nevada

Subject: DMA-1123 X
Re: Loan - Black
Diamond Mine

My dear Mr. Clough:

Receipt is acknowledged of your application and attachments of April 28, 1951 for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 1123 X and referred to Mr. P. R. Bradley, Chief, Manganese Branch, on May 8, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1123 X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

a.e.c.

LFSTROBEL:aec
copies to Strobel-2
Files
Mr. Bradley
Mr. Lyon

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. dma - 1123 X

Date received 5/7/51

Participation

Name and address of applicant

Date April 28 1951

FILL IN THIS BLOCK

Date of application

Estimated cost $10.000

Mineral ~~or metal~~ MANGANESE ORE

Percentage of Government participation 100%

Location of mine Humboldt County.
21 Miles South of Goldconda, Nevada

Date of filing MF-100

DMA Docket Number, if available dma - 1123X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation? Individual -
*2. If a partnership, state names and addresses of partners. None
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders. None
*4. Describe the mining and general business experience of (a) the applicant, and (b) the person or persons who will manage the project. 25 years mining experience 10 years president Black Diablo mine.
*5. Are you the owner or the lessee of the property? owner -
6. If owner, state what claims, liens, or encumbrances, if any, are against the property. clear title.
7. If lessee, attach a copy of the lease and state if it is in good standing. None

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract. None

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. Mine Clear None This year.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)? Spent 1 year developing $5000.00 for tunnel bins etc.

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

---------- By ----------
(Name of company) (Signature of authorized official)

---------- ----------
(Date) (Title)

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

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. Dma - 1123 X

Date received 5/7/51

Name and address of applicant

Date

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) ~~Necessity Certificate pursuant to the provisions of Sec. 124A (amending Defense Production Act of 1950, as amended, 1950)~~ (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and X(6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

5

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced: MANGANESE ORE
   (a) What are the chief mine, mill, or smelter products? SAME CRUDE MANGANESE ORE
   (b) What are the byproducts, if any? SILICA.
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following: QUARRY OPEN PIT NAME BLACK DIAMOND.
   (a) Linear feet of shafts. 30' deep open pit.
   (b) Linear feet of drifts and crosscuts. 60' at top of pit.
   (c) Linear feet of tunnels or adits. 80' to loading chute - 12 lb Rail 18" Gage.
   (d) Linear feet of other mine openings (explain briefly). Shipped 27 - 50 ton cars to Geneva Steel Co.

   Indicate whether mine is flooded or not. NO Describe any pumping problems. NO Give size or productive capacity. 100 - tons per day
3. For each operation listed above supply the following:
   (a) Distance and direction from nearest town and shipping point. South 21 mi. from Golconda Nevada.
   (b) Mining district. BLACK DIABLO SONOMA RANGE.
   (c) Township, Section, Range. T. 32 Sec. 36 - R. 39 - E.
   (d) County, State. Humboldt County Nevada.
4. (a) State whether ~~or not~~ property is now in operation, and if in operation, by whom operated. PROPERTY IDLE.
   (b) Are you operating this property as:
   - [x] Owner.
   - [ ] Lessee.
   - [ ] Contractor.
5. Number of years in production Part of 1948.

   If not in production or operation, estimated date when production will begin AS SOON AS diamond drilled.
6. Experience of operators:

   Describe the mining and general business experience of (a) the applicant and (b) the person or persons who manage the project. 10 YEARS AS PRESIDENT OF BLACK DIABLO MINE, WHICH SHIPPED 175000 TONS OF HI GRADE MANGANESE ORE
7. History:
   (a) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation. LOADING BINS AND CHUTES 80' at DRIFT - LOW PRICE
   (b) State briefly the known history and production of adjoining and neighboring properties. AS STATED ABOVE
   (c) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations. BUREAU OF MINES ENGINEERS PASSED ON IT SAME KIND OF ORE, ONLY IN VEIN FORMATION BLACK DIABLO 30% AVRAGE AND BETTER CRUDE ORE

16—63792-1

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
None							
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock None	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	Crude-Manganese	27-50 ton cars	None	None	None
2. Quantity of product processed (specify unit of measure and type of process)	Crude	Carlode	Shipments-		
3. Quantity and grade of product sold or shipped (specify units of measure)	23% to 35%		hand	Sorted-	

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. When diamond Drilled will Put mine in Production.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

Vein type ledge length 700' App Width 10' Road Built by [illegible] work and improvements Paid

Owner and All Development work done personally
- For by same-

(b) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
~~Measured (proved)~~ Shipping ore	200,000	20% - 40%			
Indicated (probable) What can be seen	700' long	10' Wide	Known depth 40'.		

(c) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount. Vein Exposed on Surface.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads. Fair Should Be graveled for Distance of Five Miles To County Road.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year. None Water would have to be hauled to do diamond drilling Distance to haul app 5 Miles with tank wagon-

15. Power:

State amount of power used, rate per hour, and source thereof. None Avaible. We used Portable Compressor 105 CFM-

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period. 5 Miners with Foreman.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. None (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation. Road Grader Mining car Portable Compressor Jackhammer - Stoper - Drifter Column Drills

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain. We are building mining camp at Black Diablo Will be Ready to start Developing at Black Diamond mine in 60 days, or as soon as Diamond drilled to find out expected tonnage-

CERTIFICATION

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

Black Diamond Mine
(Name of company)

By M L Clough
(Signature of authorized official)

April 28 1951
(Date)

Owner.
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

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

May 23, 1951

Mr. M. L. Clough
239 East Third Street
Winnemucca, Nevada

In reply please refer to
DMA-1123-x

Dear Mr. Clough:

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You should also submit detailed data and estimated costs of the proposed exploration work that you expect to do.

We are enclosing a copy of a recent release on the exploration loan, which may be of assistance to you. Please sign and complete the enclosed forms, except for information already submitted, showing your acceptance of the participating clause in your application to the extent of 25 percent.

Very truly yours,

George B. Holderer

George B. Holderer, Acting
Chief, Manganese Branch

Enclosure

TJBallard:ec

CC: Adm. Reading File
Mr. Strobel
Mr. Bradley
Files

May 9, 1951

Mr. M. L. Clough
~~239 East Third Street~~
Winnemucca, Nevada

Subject: DMA-1123 X
Re: Lean - Black
Diamond Mine

My dear Mr. Clough:

Receipt is acknowledged of your application and attachments of April 28, 1951 for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 1123 X and referred to Mr. P. R. Bradley, Chief, Manganese Branch, on May 8, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1123 X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:aec
copies to Strobel-2
Files
Mr. Bradley
Mr. Lyon