DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 1148x

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

EXPLORATION PROJECT

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To: ~~Indu. Minerals Branch~~	Date	9-5-51
To: ~~GODE 330~~	Date	9-7-51
To: Adm. & Mang. Div.	Date	9-12-51
To: Reports and Records	Date	SEP 14 1951
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DO NOT DETACH

CONTROLLED DOCUMENT

FILE COPY
SURNAME:

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

Gordon
Bourret
Barr
David
Thayer

SEP 14 1951

G. E. C.

Mr. Karl G. Schulz
P. O. Box 1226
McGill, Nevada

Re: DMA-1148X - Cobalt, Zirconium, etc.
Exploration Loan - Stump Mine

Dear Mr. Schulz:

Your application of May 4, 1951, for an exploration loan in the amount of $6,000, has been carefully reviewed by the Minor and Rare Metals Branch of the Supply Division.

We regret to advise that your application must be denied at this time because of insufficient evidence to indicate the geologic probability of making a significant discovery.

Should evidence obtained in the future be of such nature as to alter this opinion, we would gladly consider a new application.

Yours very truly,

Tom Lyon
Tom Lyon, Director
Supply Division

JF 9/14

EGordon/ch 9-12-51
cc: Adm. Reading File
Lyon
Bourret
Davis
Thayer - USGS
Billings
Field Team III
DMA docket file

FILE COPY
SURNAME:

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

Gordon
Bourret
Barr
Davis
Thayer

SEP 14 1951

Memorandum

To: Administrative Management Division

Through: Director, Supply Division

From: Minor and Rare Metals Branch

Subject: DMA-1146X - Cobalt, Zirconium, etc.
Exploration Loan - Stump Mine

Under date of May 4, 1951 Mr. Earl G. Schulz, P. O. Box 1226, McGill, Nevada submitted the subject application, DMA-1146X, for an exploration loan in the amount of $6,000.

Attached hereto find letter of even date addressed to applicant denying the application because of insufficient evidence to indicate the geologic probability of making a significant discovery.

We herewith return the complete docket, comprised as follows:

(a) Two copies of application and attachment.

(b) Letter from Mr. Strobel to Mr. Earl G. Schulz dated May 11, 1951.

Weston Bourret

Weston Bourret, Chief
Minor and Rare Metals Branch

EGordon/ch 9-12-51

Approved:

cc: Adm. Reading File
Lyon
Bourret
Davis
Thayer - USGS
Billings
Field Team III
DMA docket file

Tom Lyon
Director, Supply Division

JF 9/14

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

SEP 14 1951

Memorandum

To: Administrative Management Division

Through: Director, Supply Division

From: Minor and Rare Metals Branch

Subject: DMA-1148X - Cobalt, Zirconium, etc.
Exploration Loan - Stump Mine

Under date of May 4, 1951 Mr. Earl G. Schulz, P. O. Box 1226, McGill, Nevada submitted the subject application, DMA-1148X, for an exploration loan in the amount of $6,000.

Attached hereto find letter of even date addressed to applicant denying the application because of insufficient evidence to indicate the geologic probability of making a significant discovery.

We herewith return the complete docket, comprised as follows:

(a) Two copies of application and attachment.

(b) Letter from Mr. Strobel to Mr. Earl G. Schulz dated May 11, 1951.

Weston Bourret
Weston Bourret, Chief
Minor and Rare Metals Branch

Approved:

Tom Lyon
Director, Supply Division

FILE COPY
SURNAME:

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

May 11, 1951

Mr. Earl G. Schulz
P. O. Box 1226
McGill, Nevada

Subject: DMA-1148 X
Re: Exploration Loan
Stump Mine

My dear Mr. Schulz:

Receipt is acknowledged of your application and attachments of May 4, 1951 for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 1148 X and referred to Mr. Franklin Pardee, Chief, Cobalt Branch, on May 10, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1148 X.

Sincerely yours,

G.E.C.

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:aec
cc: Strobel-2
Files
Mr. Pardee
Mr. Lyon

May 7, 1951

STUMP MINE

NEVADA

DMA 1148

cobalt

zirconium

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

~~LANDON E. STROBEL~~
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-1148 X

Date received 5/9/51

Participation

Stump Mine
Earl G. Schulz
P. O. Box 1226
McGill, Nevada

Name and address of applicant

Date May 4, 1951

FILL IN THIS BLOCK

Date of application May 4, 1951

Estimated cost $6,000.00

Mineral or metal Cobalt & zirconium

Percentage of Government participation 90%

Location of mine Taylor, Nevada

Date of filing MF-100 Not filed

DMA Docket Number, if available Dma-1148 X

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 (see attachment)

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

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.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
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)?

*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 (see attachment)

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 (see attachment)

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 (see attachment)

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.

Stump Mine — (Name of company)

By [signature] — (Signature of authorized official)

May 4, 1951 — (Date)

Partner — (Title)

BUREAU OF MINES WASHINGTON, D. C.

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 ag of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

McGill, Nevada
May 4, 1951

Attachment to -

Form MF-103, Application for Aid for an Exploration Project Pursuant to Mineral Order 5, under Defense Production Act of 1950.

Stump Mine
Earl G. Schulz, P. O. Box 1226, McGill, Nevada.

1. Applicant is a partnership.

2. Partners are Earl G. Schulz, Chas. C. Harrison, and Dean L. Varney, all of McGill, Nevada.

3. Applicant is not a corporation.

4. (a) Earl G. Schulz is a graduate mining engineer, registered in Nevada, having 16 years professional experience. Chas. C. Harrison and Dean L. Varney are practical miners and prospectors with over 5 years experience each.
(b) The applicant will manage the property.

5. Applicant is the owner of the property.

6. There are no claims, liens, or encumbrances against the property.

7. The property is not being leased.

8. There is no financial statement available as it is not an operating mine.

9. Applicant is prepared to invest the presribed 10% of the cost of the project or $600.00.

10. (a) The real property involved in the exploration project includes the Stump, No. 1, No. 2, No. 3, and Spark lode claims, Taylor, Nevada.
(b) No description of the property by legal subdivision is available.

11. The present name of the property is Stump Mine.

12. The property is 25 miles from the railroad town of Ely, Nevada, and is 4 miles by good gravel road from U. S. Highway 6.

13. No water has been developed at the property. There is no electric power source nearby.

14. No buildings are on the property, although some buildings are available nearby. Applicant's mining equipment including air compressor, air drills, hoist, truck, automobile, and miscellaneous equipment complete for a small mining operation is presently available for the project.

15. The nearby smelter at McGill handles only gold, silver, or copper bearing fluxes, so that cobalt or zirconium ore would probably be shipped to Salt Lake City. Ore can conveniently be trucked to Ely, Nevada, on the railroad.

16. (a) The deposit was discovered by applicant in 1948 by means of geophysical prospecting using the self potential method. The shaft was sunk and the top of a sulphide zone was reached when lack of finances forced suspension of deeper exploration. Spectrographic analysis of a sample from the top of this sulphide zone indicates cobalt and zirconium. It is the belief of the applicant that diamond drilling into the mineralized area discovered will penetrate commercial ore of cobalt and zirconium.
(b) Within a mile of the property are the Argus and Monitor shafts, which produced about $1,000,000 principally in silver from 1884 to 1892.
(c) No private reports are available.

17. The property is a new discovery and is not and has not been in production.

18. Because the property has not been operating no ore reserves are outlined.

19. There are no other conditions or circumstances to be detailed.

20. The exploration will be conducted principally for valuable ores of cobalt or zirconium.

21. It is proposed to drill vertical holes in the shaft area to a maximum depth of 600 ft. The project should be completed in 6 month's time.

22. The present shaft has just reached the top of a sulphide mineral zone containing vertical veins of manganiferous siderite in flat lying sediments of sandstone above which is a thick bed of red clay containing seams of pure limonite. From the appearance of the mineralization and alteration present, and due to the fact that the prospect is within a once productive area, it is believed that a vertical penetration by a drill into the sulphide zone will pick up a valuable ore body. No completed maps are yet available for duplication. The sample of the sulphide bearing material was cuttings from an 18 ft. jackhammer hole drilled at the bottom of the shaft. The material was commercially analyzed by a spectrograph indicating approximately .03% each of vanadium, copper, nickel, cobalt, zirconium, and chromium. Larger but not commercial quantities of lead and manganese were indicated.

23. It is proposed to drill about 600 ft. of diamond drill hole at the site of the Stump shaft. Applicant proposes to purchase a suitable diamond drill and necessary supplies with the exploration program funds. Applicant and partners will operate the equipment to drill the required footage and properly sample the resulting cores and sludge for assay.

24. It is believed the project will take 6 months.

May 11, 1951

Mr. Earl G. Schulz
P. O. Box 1226
McGill, Nevada

Subject: DMA-1148 X
Re: Exploration Loan
Stump Mine

My dear Mr. Schulz:

Receipt is acknowledged of your application and attachments of May 4, 1951 for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 1148 X and referred to Mr. Franklin Pardee, Chief, Cobalt Branch, on May 10, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1148 X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:aec
cc: Strobel-2
Files
Mr. Pardee
Mr. Lyon

April 24, 1951

Mr. Karl O. Schulz
Box 1286
McGill, Nevada

Dear Mr. Schulz:

Complying with the request contained in your letter of April 17, 1951, addressed to Dr. James Boyd, there are enclosed five copies of Form NF-103 and the regulations pertaining thereto. Applications should be submitted in quadruplicate; one copy may be retained for filing.

Should you have further questions with respect to this program, you may contact either this office or the Field Team office located in San Francisco, California, as indicated in Section 3 of NO-5.

Sincerely yours,

JULIAN FEISS

JULIAN W. FEISS
Assistant to the Administrator

Enclosures 6

LFSTROBEL:hb

Copy to: Administrator's Reading File
Mr. H. C. Miller, Region III
L. F. Strobel
Files

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 - 1148 X

Date received 5/9/51

Participation

Stump Mine
Earl G. Schulz
P. O. Box 1226
McGill, Nevada

Name and address of applicant

Date May 4, 1951

FILL IN THIS BLOCK

Date of application May 4, 1951

Estimated cost $6,000.00

Mineral or metal Cobalt & zirconium

Percentage of Government participation 90%

Location of mine Taylor, Nevada

Date of filing MF-100 Not filed

DMA Docket Number, if available Dma - 1148 X

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 (see attachment)

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

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.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
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)?

*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 (see attachment)

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 (see attachment)

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 (see attachment)

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.

Stump Mine
(Name of company)

By [signature]
(Signature of authorized official)

May 4, 1951
(Date)

Partner
(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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

McGill, Nevada
May 4, 1951

Attachment to -

Form MF-103, Application for Aid for an Exploration Project Pursuant to Mineral Order 5, under Defense Production Act of 1950.

Stump Mine
Earl G. Schulz, P. O. Box 1226, McGill, Nevada.

1. Applicant is a partnership.

2. Partners are Earl G. Schulz, Chas. C. Harrison, and Dean L. Varney, all of McGill, Nevada.

3. Applicant is not a corporation.

4. (a) Earl G. Schulz is a graduate mining engineer, registered in Nevada, having 16 years professional experience. Chas. C. Harrison and Dean L. Varney are practical miners and prospectors with over 5 years experience each.
(b) The applicant will manage the property.

5. Applicant is the owner of the property.

6. There are no claims, liens, or encumbrances against the property.

7. The property is not being leased.

8. There is no financial statement available as it is not an operating mine.

9. Applicant is prepared to invest the presribed 10% of the cost of the project or $600.00.

10. (a) The real property involved in the exploration project includes the Stump, No. 1, No. 2, No. 3, and Spark lode claims, Taylor, Nevada.
(b) No description of the property by legal subdivision is available.

11. The present name of the property is Stump Mine.

12. The property is 25 miles from the railroad town of Ely, Nevada, and is 4 miles by good gravel road from U. S. Highway 6.

13. No water has been developed at the property. There is no electric power source nearby.

14. No buildings are on the property, although some buildings are available nearby. Applicant's mining equipment including air compressor, air drills, hoist, truck, automobile, and miscellaneous equipment complete for a small mining operation is presently available for the project.

15. The nearby smelter at McGill handles only gold, silver, or copper bearing fluxes, so that cobalt or zirconium ore would probably be shipped to Salt Lake City. Ore can conveniently be trucked to Ely, Nevada, on the railroad.

16. (a) The deposit was discovered by applicant in 1948 by means of geophysical prospecting using the self potential method. The shaft was sunk and the top of a sulphide zone was reached when lack of finances forced suspension of deeper exploration. Spectrographic analysis of a sample from the top of this sulphide zone indicates cobalt and zirconium. It is the belief of the applicant that diamond drilling into the mineralized area discovered will penetrate commercial ore of cobalt and zirconium.
(b) Within a mile of the property are the Argus and Monitor shafts, which produced about $1,000,000 principally in silver from 1884 to 1892.
(c) No private reports are available.

17. The property is a new discovery and is not and has not been in production.

18. Because the property has not been operating no ore reserves are outlined.

19. There are no other conditions or circumstances to be detailed.

20. The exploration will be conducted principally for valuable ores of cobalt or zirconium.

21. It is proposed to drill vertical holes in the shaft area to a maximum depth of 600 ft. The project should be completed in 6 month's time.

22. The present shaft has just reached the top of a sulphide mineral zone containing vertical veins of manganiferous siderite in flat lying sediments of sandstone above which is a thick bed of red clay containing seams of pure limonite. From the appearance of the mineralization and alteration present, and due to the fact that the prospect is within a once productive area, it is believed that a vertical penetration by a drill into the sulphide zone will pick up a valuable ore body. No completed maps are yet available for duplication. The sample of the sulphide bearing material was cuttings from an 18 ft. jackhammer hole drilled at the bottom of the shaft. The material was commercially analyzed by a spectrograph indicating approximately .03% each of vanadium, copper, nickel, cobalt, zirconium, and chromium. Larger but not commercial quantities of lead and manganese were indicated.

23. It is proposed to drill about 600 ft. of diamond drill hole at the site of the Stump shaft. Applicant proposes to purchase a suitable diamond drill and necessary supplies with the exploration program funds. Applicant and partners will operate the equipment to drill the required footage and properly sample the resulting cores and sludge for assay.

24. It is believed the project will take 6 months.

May 11, 1951

Mr. Earl G. Schulz
P. O. Box 1226
McGill, Nevada

Subject: DMA-1148 X
Re: Exploration Loan
Stump Mine

My dear Mr. Schulz:

Receipt is acknowledged of your application and attachments of May 4, 1951 for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 1148 X and referred to Mr. Franklin Pardee, Chief, Cobalt Branch, on May 10, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1148 X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:sec
cc: Strobel-2
Files
Mr. Pardee
Mr. Lyon

Rec. by Industrial Minerals Br 9-5-51

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 - 1148X

Date received 5/9/51

Participation

Rec'd W.B. May 21, '56 from Frank Pardee

Stump Mine
Earl G. Schulz
P. O. Box 1226
McGill, Nevada

Name and address of applicant

Date May 4, 1951

FILL IN THIS BLOCK

Date of application May 4, 1951

Estimated cost $6,000.00

Mineral or metal Cobalt & zirconium

Percentage of Government participation 90%

Location of mine Taylor, Nevada

Date of filing MF-100 Not filed

DMA Docket Number, if available Dma - 1148X

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 (see attachment)

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

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.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
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)?

*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 (see attachment)

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 (see attachment)

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 (see attachment)

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.

Stump Mine
(Name of company)

By Earl G. Schulz
(Signature of authorized official)

May 4, 1951
(Date)

Partner
(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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

McGill, Nevada
May 4, 1951

Attachment to -

Form MF-103, Application for Aid for an Exploration Project Pursuant to Mineral Order 5, under Defense Production Act of 1950.

Stump Mine
Earl G. Schulz, P. O. Box 1226, McGill, Nevada.

1. Applicant is a partnership.

2. Partners are Earl G. Schulz, Chas. C. Harrison, and Dean L. Varney, all of McGill, Nevada.

3. Applicant is not a corporation.

4. (a) Earl G. Schulz is a graduate mining engineer, registered in Nevada, having 16 years professional experience. Chas. C. Harrison and Dean L. Varney are practical miners and prospectors with over 5 years experience each.
(b) The applicant will manage the property.

5. Applicant is the owner of the property.

6. There are no claims, liens, or encumbrances against the property.

7. The property is not being leased.

8. There is no financial statement available as it is not an operating mine.

9. Applicant is prepared to invest the presribed 10% of the cost of the project or $600.00.

10. (a) The real property involved in the exploration project includes the Stump, No. 1, No. 2, No. 3, and Spark lode claims, Taylor, Nevada.
(b) No description of the property by legal subdivision is available.

11. The present name of the property is Stump Mine.

12. The property is 25 miles from the railroad town of Ely, Nevada, and is 4 miles by good gravel road from U. S. Highway 6.

13. No water has been developed at the property. There is no electric power source nearby.

14. No buildings are on the property, although some buildings are available nearby. Applicant's mining equipment including air compressor, air drills, hoist, truck, automobile, and miscellaneous equipment complete for a small mining operation is presently available for the project.

15. The nearby smelter at McGill handles only gold, silver, or copper bearing fluxes, so that cobalt or zirconium ore would probably be shipped to Salt Lake City. Ore can conveniently be trucked to Ely, Nevada, on the railroad.

16. (a) The deposit was discovered by applicant in 1948 by means of geophysical prospecting using the self potential method. The shaft was sunk and the top of a sulphide zone was reached when lack of finances forced suspension of deeper exploration. Spectrographic analysis of a sample from the top of this sulphide zone indicates cobalt and zirconium. It is the belief of the applicant that diamond drilling into the mineralized area discovered will penetrate commercial ore of cobalt and zirconium.
(b) Within a mile of the property are the Argus and Monitor shafts, which produced about $1,000,000 principally in silver from 1884 to 1892.
(c) No private reports are available.

17. The property is a new discovery and is not and has not been in production.

18. Because the property has not been operating no ore reserves are outlined.

19. There are no other conditions or circumstances to be detailed.

20. The exploration will be conducted principally for valuable ores of cobalt or zirconium.

21. It is proposed to drill vertical holes in the shaft area to a maximum depth of 600 ft. The project should be completed in 6 month's time.

22. The present shaft has just reached the top of a sulphide mineral zone containing vertical veins of manganiferous siderite in flat lying sediments of sandstone above which is a thick bed of red clay containing seams of pure limonite. From the appearance of the mineralization and alteration present, and due to the fact that the prospect is within a once productive area, it is believed that a vertical penetration by a drill into the sulphide zone will pick up a valuable ore body. No completed maps are yet available for duplication. The sample of the sulphide bearing material was cuttings from an 18 ft. jackhammer hole drilled at the bottom of the shaft. The material was commercially analyzed by a spectrograph indicating approximately .03% each of vanadium, copper, nickel, cobalt, zirconium, and chromium. Larger but not commercial quantities of lead and manganese were indicated.

23. It is proposed to drill about 600 ft. of diamond drill hole at the site of the Stump shaft. Applicant proposes to purchase a suitable diamond drill and necessary supplies with the exploration program funds. Applicant and partners will operate the equipment to drill the required footage and properly sample the resulting cores and sludge for assay.

24. It is believed the project will take 6 months.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
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Earl G. Schulz
P. O. Box 1226
McGill, Nevada

Name and address of applicant

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